

PARISH OF  
ST. CHARLES

HAHNVILLE, LOUISIANA

COMPREHENSIVE  
ANNUAL  
FINANCIAL  
REPORT

For the Year Ended December 31, 2007

PREPARED BY:  
Department of Finance

COVER ART BY:  
CHELSEY NICOLE THOMAS  
DESTREHAN HIGH SCHOOL

**Parish of St. Charles  
Comprehensive Annual Financial Report  
For The Year Ended December 31, 2007**

**TABLE OF CONTENTS**

Exhibit Page

**Introductory Section**

Letter of Transmittal .....		v
Certificate of Achievement for Excellence in Financial Reporting .....		ix
Principal Officials .....		x
Organizational Chart .....		xi

**Financial Section**

Independent Auditor's Report .....		1
Management's Discussion and Analysis .....		3
Basic Financial Statements:		
Government-wide Financial Statements:		
Statement of Net Assets .....	A-1	12
Statement of Activities .....	A-2	13
Fund Financial Statements:		
Governmental Funds:		
Balance Sheet .....	A-3	15
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Assets .....	A-4	17
Statement of Revenues, Expenditures, and Changes in Fund Balances .....	A-5	19
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities .....	A-6	21
Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – General Fund .....	A-7	22
Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Road and Drainage Maintenance and Operation Fund .....	A-8	28
Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Recreation Maintenance & Operation Fund .....	A-9	29
Proprietary Funds:		
Statement of Net Assets .....	A-10	31
Statement of Revenues, Expenses and Changes in Fund Net Assets .....	A-11	32
Statement of Cash Flows .....	A-12	33
Discretely Presented Component Units:		
Combining Statement of Net Assets .....	A-13	35
Combining Statement of Activities .....	A-14	37
Notes to the Financial Statements:		
Note 1 Summary of Significant Accounting Policies .....	A-15	40
Note 2 Stewardship, Compliance, and Accountability .....	A-15	48
Note 3 Cash, Cash Equivalents, and Investments .....	A-15	50
Note 4 Receivables .....	A-15	52

**Parish of St. Charles  
Comprehensive Annual Financial Report  
For The Year Ended December 31, 2007**

**TABLE OF CONTENTS (CONTINUED)**

Exhibit Page

**Financial Section (Continued)**

Notes to the Financial Statements Continued:

Note 5	Due From Other Governments .....	A-15	52
Note 6	Restricted Assets .....	A-15	52
Note 7	Capital Assets .....	A-15	53
Note 8	Interfund Assets/Liabilities .....	A-15	55
Note 9	Interfund Transfers .....	A-15	57
Note 10	Operating Leases .....	A-15	57
Note 11	Long-Term Obligations .....	A-15	58
Note 12	Payable From Restricted Assets .....	A-15	60
Note 13	Fund Equity .....	A-15	60
Note 14	Property Taxes .....	A-15	60
Note 15	Sales and Use Tax .....	A-15	61
Note 16	Risk Management .....	A-15	62
Note 17	Commitments and Contingencies .....	A-15	62
Note 18	Conduit Debt Obligations .....	A-15	63
Note 19	Post Retirement Healthcare and Life Insurance Benefits .....	A-15	64
Note 20	Pensions .....	A-15	64
Note 21	Subsequent Events .....	A-15	65
Note 22	Restatement on Beginning Net Assets and Beginning Fund Balances .....	A-15	65
Note 23	Selected Disclosures for Discretely Presented Component Units.....	A-15	66
Note 24	State Required Disclosures .....	A-15	70

Combining and Individual Fund Statements and Schedules:

Other Governmental Funds:

Combining Balance Sheet .....	B-1	75
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances .....	B-2	81
Schedules of Revenues, Expenditures, and Changes in Fund Balances – Budget & Actual:		
Fire Protection Special Revenue Fund .....	B-3	87
Governmental Buildings Special Revenue Fund .....	B-4	88
Parish Transportation Special Revenue Fund .....	B-5	89
Road Lighting District No. 1 Special Revenue Fund .....	B-6	90
Mosquito Control Special Revenue Fund .....	B-7	91
Council on Aging Special Revenue Fund .....	B-8	92
Retired Senior Volunteer Program Special Revenue Fund .....	B-9	93
Public Health Unit Special Revenue Fund .....	B-10	94
Workforce Investment Act SDA 14 Special Revenue Fund .....	B-11	95
½% P.I. Sales Tax Sinking Debt Service Fund .....	B-12	96
Sewer General Obligation Sinking Major Debt Service Fund .....	B-13	97
P.I. 3/8% Sales Tax Sinking Debt Service Fund .....	B-14	98
½% P.I. Sales Tax Reserve Debt Service Fund .....	B-15	99
P.I. 3/8% Sales Tax Reserve Debt Service Fund .....	B-16	100
Emergency 911 Communication System G.O. Sinking Debt Service Fund .....	B-17	101
P.I. 1% Sales Tax Sinking Debt Service Fund .....	B-18	102
P.I. 1% Sales Tax Reserve Debt Service Fund .....	B-19	103
Fire Protection Sinking Debt Service Fund .....	B-20	104
Health Unit Sinking Debt Service Fund .....	B-21	105

**Parish of St. Charles  
Comprehensive Annual Financial Report  
For The Year Ended December 31, 2007**

**TABLE OF CONTENTS (CONTINUED)**

Exhibit Page

**Financial Section (Continued)**

Combining and Individual Fund Statements and Schedules continued:

Other Governmental Funds continued:

Schedules of Revenues, Expenditures, and Changes in Fund Balances – Budget & Actual:

1/8% Public Improvement Sales Tax Sinking Debt Service Fund .....	B-22	106
1/8% Public Improvement Sales Tax Reserve Debt Service Fund .....	B-23	107
Public Improvement Sales Tax Capital Project Fund .....	B-24	108
Recreational Facilities Construction Capital Project Fund .....	B-25	109
Front Foot Assessment Maintenance Capital Project Fund .....	B-26	110
1/8% Public Improvement Sales Tax Construction Capital Project Fund .....	B-27	111

Schedule of Revenues, Expenditures, and Changes in fund Balance-Nonbudgeted Funds

Criminal Court Special Revenue Fund .....	B-28	112
---	------	-----

Capital Assets Used in the Operations of Governmental Funds:

Comparative Schedules By Source .....	C-1	114
Schedule By Function and Activity .....	C-2	115
Schedule of Changes By Function and Activity .....	C-3	116

Nonmajor Component Units:

Balance Sheet .....	D-1	119
Reconciliation of Governmental Funds Balance Sheet to the Statement of Net Assets .....	D-2	120
Statement of Revenues, Expenditures, and Changes in Fund Balances .....	D-3	121
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities .....	D-4	122
Schedules of Revenues, Expenditures, and Changes in Fund Balances-Budget and Actual:		
Communications District-Discretely Presented Component Unit .....	D-5	123
Library Service District-Discretely Presented Component Unit .....	D-6	124

**Statistical Section (Unaudited)**

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

**Financial Trends:**

*These schedules trend information to help the reader understand how the government's financial performance and well-being have changed over time.*

Net Assets by Components, Last Five Years .....	E-1	126
Changes in Net Assets, Last Five Years .....	E-2	127
Fund Balance of Governmental Funds, Last Five Years .....	E-3	130
Changes in Fund Balance of Governmental Funds, Last Ten Years .....	E-4	131

**Parish of St. Charles  
Comprehensive Annual Financial Report  
For The Year Ended December 31, 2007**

**TABLE OF CONTENTS (CONTINUED)**

Exhibit Page

**Statistical Section (Unaudited-Continued)**

**Revenue Capacity:**

*These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.*

Assessed Value and Estimated Actual Value of Taxable Property, Last Ten Years .....	E-5	133
Property Tax Rates – Direct and Overlapping Governments, Last Ten Years .....	E-6	134
Principal Property Taxpayers, Current Year and Nine Years Ago .....	E-7	135
Sales Tax Collections Last Ten Years.....	E-8	136
Property Tax Levies and Collections, Last Ten Years .....	E-9	137

**Debt Capacity:**

*These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.*

Ratio of Outstanding Debt by Type, Last Ten Years .....	E-10	139
Ratio of General Bonded Debt Outstanding, Last Ten Years .....	E-11	141
Direct and Overlapping Governmental Activities Debt, December 31, 2007 .....	E-12	142
Legal Debt Margin Calculation, Last Ten Years .....	E-13	144
Pledged Revenue Coverage, Last Ten Years .....	E-14	145

**Demographic and Economic Information:**

*These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.*

Demographic and Economic Statistics, Last Ten Years .....	E-15	146
Principal Employers, Current Year and Nine Years Ago .....	E-16	147

**Operating Information:**

*These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.*

Full-time Equivalent Parish Employees by Function, Last Ten years .....	E-17	148
Operating Indicators by Function/Program.....	E-18	149

Schedules (Supplementary Financial Information)		
Capital Asset Statistic by Function Last Ten Fiscal Years .....	E-19	150
Schedule of Insurance Policies in Force .....	E-20	151

**Parish of St. Charles  
Comprehensive Annual Financial Report  
For The Year Ended December 31, 2007**

**TABLE OF CONTENTS (CONTINUED)**

Exhibit Page

**Single Audit Section**

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 <i>Government Auditing Standards</i> .....	152
Schedule of Expenditures of Federal Awards .....	154
Notes to the Schedule of Expenditures of Federal Awards .....	156
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 .....	158
Schedule of Findings and Questioned Costs .....	160

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.





# ST. CHARLES PARISH

## DEPARTMENT OF FINANCE

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E-mail Address: [finance@stcharlesgov.net](mailto:finance@stcharlesgov.net)

**V.J. ST. PIERRE**  
Parish President

**J. CHARLES OUBRE III**  
Interim Director of Finance

June 18, 2008

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, 2007.

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, 2007, 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, 2007, 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 requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The 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 52,761. 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 or encumbered lapse at year-end.

Budgets 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.** The Department of Economic Development reports continued success through 2007. The Parish continues to attract industrial type business development to the area. During 2007, there were several light-industrial companies that committed to locating in the parish, which could create up to 100 new jobs. And existing heavy-industrial businesses announced over \$4 billion of expansion projects.

In 2007, one-hundred thirty-four (134) new businesses registered with the Sales Tax Office, and forty-nine (49) businesses closed or changed owners. And the Department of Planning and Zoning issued eighty-five (85) home occupational licenses.

The Department of Planning and Zoning also reported that six major subdivisions reached final approval in 2007, adding 336 residential lots to the real estate market. And another six major subdivisions, resulting in 611 additional residential lots, were either approved conceptually as Preliminary Plats, approved for construction, or were under construction at the close of 2007.

**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.

Acts 374 and 1126 amended the investment law for local governments and political subdivisions of the State of Louisiana 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, 2007 consisted 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.

The Parish also provides post retirement healthcare and life insurance benefits for its retired employees and elected officials. There were thirty-nine (39) participants in the Parish's post retirement benefits program at December 31, 2007.

Additional information on the Parish's pension arrangements and post employment benefits can be found in Notes 19 & 20 in the notes to the financial statements.

### **Awards and Acknowledgements**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Parish of St. Charles for its comprehensive annual financial report for the fiscal year ended December 31, 2006. This was the twelfth consecutive year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report satisfied both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report 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,



J. Charles Oubre III  
Interim 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, 2006

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.



*Oliver S. Cox*

President

*Jeffrey R. Emer*

Executive Director



## **Parish of St. Charles**

December 31, 2007

### PRINCIPAL OFFICIALS

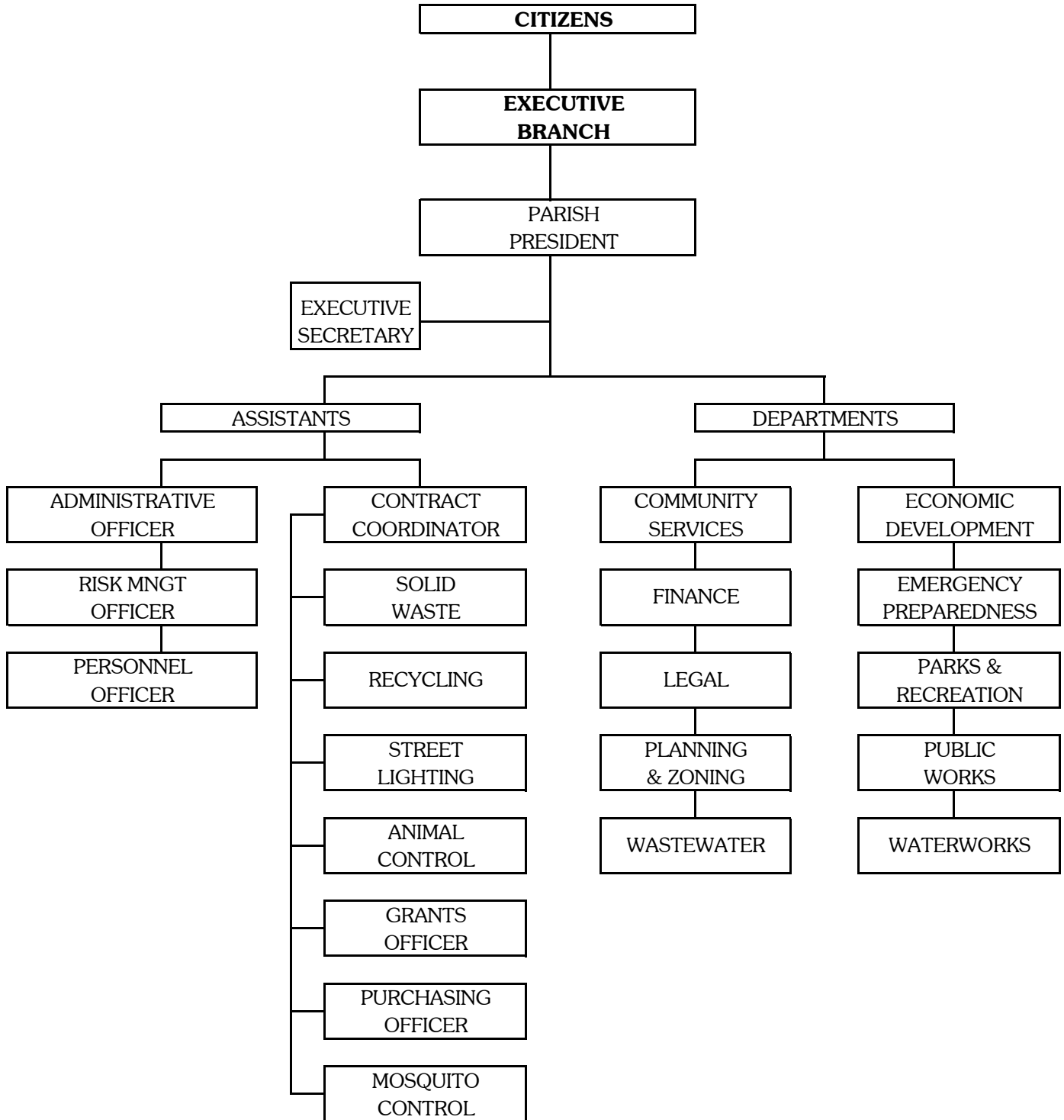
Albert D. Laque	Parish President
Desmond Hilaire	Chairman
Brian Fabre	Vice-Chairman
Lorrie R. Toups, CPA	Finance Director
Barbara Jacob-Tucker	Secretary
Timothy J. Vial	Chief Administrative Officer
Robert Raymond	Legal Services Director

### COUNCIL MEMBERS

Lance Marino	Division A (At Large)
Clayton "Snookie" Faucheux	Division B (At Large)
Desmond Hilaire	District I
Brian A. Fabre	District II
Ganesier "Ram" Ramachandram	District III
Derryl W. Walls	District IV
April Black	District V
Richard "Dickie" Duhe	District VI
Barry Minnich	District VII

# Parish of St. Charles

## Organizational Chart





# STAGNI & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

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## 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, 2007, 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 \$43,034,195 and \$30,047,936, respectively. Sunset Drainage District's financial statements (governmental fund type) reflect total assets and revenues of \$818,899 and \$592,235, 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 Parish of St. Charles, Louisiana as of December 31, 2007, and the respective changes in financial position, and, where applicable, cash flows thereof, and the respective budgetary comparison for the General Fund and the Major Special Revenue Funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.



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

In accordance with *Government Auditing Standards*, we have also issued a report dated June 18, 2008, 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. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The Management's Discussion and Analysis is not a required part of the basic financial statements but is 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, 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 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*

Thibodaux, Louisiana  
June 18, 2008



**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-1.

**FINANCIAL HIGHLIGHTS**

- The assets of the Parish exceeded its liabilities at the close of 2007 by \$285.2 million. Of this amount \$197 million is invested in capital assets including infrastructure. Infrastructure assets are only of value to the Parish and cannot be sold. Another \$73.2 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 \$8.6 million and may be used to meet the ongoing obligations of the Parish's water, sewer, and solid waste business-type activities.
- At December 31, 2007, unreserved fund balance for the General fund was \$34.3 million, 217% of total 2007 General Fund expenditures.
- As of the close of the current year, the Parish's governmental funds reported a combined ending fund balance of \$74.7 million.
- The total net assets of the parish increased by \$23.9 million. This increase is attributable to the issuance of \$23,975,000 in revenue bonds for the Parish's Waterworks Utility System to be used for capital improvements. These revenue bonds also increased the Parish's long term debt by 26%.
- For the fiscal year ended December 31, 2007, the Parish's Waterworks Utility System reported net income of \$5.2 million. Of this amount, \$2.5 million was reimbursement of expenses for the East Bank Water Storage Tanks received from the Facility Planning and Control Grant.
- For the fiscal year ended December 31, 2007, the Parish implemented GASB Statement No. 44 - Economic Condition Reporting: The Statistical Section, Operating Information, "Capital Asset Statistics by Function" schedule. This schedule contains statistics about the capital assets to help the reader understand how the information in the financial section relates to the services provided and the activities performed by the parish.

**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.

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

The *Statement of Net Assets* (Exhibit A-1) presents information on all of 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 13-15 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.

**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 presentation (see Exhibits A-3 and A-5) is presented on a modified accrual basis of accounting. 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 other governmental funds are presented in one column, titled Nonmajor 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 columns on the proprietary fund financial statements for enterprise funds (see Exhibits A-10 and A-11) is the same as the business-type activities columns on the government-wide financial

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

statements, 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 to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. Exhibit A-15 contains the notes to the financial statements. They are a required part of the basic financial statements.

**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-20 of this report. These schedules in the Statistical Section are included for additional information and analysis and do not constitute a part of the audited financial statements.

Also included in the report are the auditors' reports, findings, and schedules that comply with the U. S. Office of Management and Budget Circular A-133. This information can be found under the Single Audit section.

The following table reflects the condensed Statement of Net Assets for 2007 with comparative figures from 2006:

<b>Parish of St. Charles Condensed Statement of Net Assets December 31, 2007 and 2006 (in thousands of dollars)</b>						
	Governmental Activities		Business-Type Activities		Total	
	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>
<b>Assets:</b>						
Current and other assets	\$ 100,077	\$ 87,852	\$ 39,058	\$ 7,716	\$ 139,135	\$ 95,568
Restricted assets	-	-		6,853	-	6,853
Capital assets	<u>139,103</u>	<u>133,392</u>	<u>113,911</u>	<u>108,016</u>	<u>253,014</u>	<u>241,408</u>
Total assets	<u>239,180</u>	<u>221,244</u>	<u>152,969</u>	<u>122,585</u>	<u>392,149</u>	<u>343,829</u>
<b>Liabilities:</b>						
Current liabilities	25,841	24,920	4,698	2,392	30,539	27,312
Long-term liabilities	<u>42,979</u>	<u>44,873</u>	<u>33,414</u>	<u>10,419</u>	<u>76,393</u>	<u>55,292</u>
Total liabilities	<u>68,820</u>	<u>69,793</u>	<u>38,112</u>	<u>12,811</u>	<u>106,931</u>	<u>82,604</u>
<b>Net assets:</b>						
Invested in capital assets, net of related debt	97,957	88,518	99,052	97,597	197,009	186,115
Restricted	7,840	8,164	7,130	7,417	14,970	15,581
Unrestricted	<u>64,563</u>	<u>54,769</u>	<u>8,675</u>	<u>4,760</u>	<u>73,238</u>	<u>59,529</u>
Total net assets	<u>\$ 170,360</u>	<u>\$ 151,451</u>	<u>\$ 114,857</u>	<u>\$ 109,774</u>	<u>\$ 285,217</u>	<u>\$ 261,225</u>

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

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

The Parish continues to maintain a stable current ratio. The current ratio compares current assets to current liabilities and is an indication of the Parish's ability to pay current obligations. The current ratio for governmental activities is 3.91.

Approximately 69% (\$197 million) of the Parish's net assets as of December 31, 2007, 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 5% (\$15 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 26% of net assets, referred to as unrestricted (\$73.2 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 governmental as a whole, as well as for its separate governmental and business-type activities.

The following table provides a summary of the changes in net assets for the year ended December 31, 2007 with comparative figures from 2006:

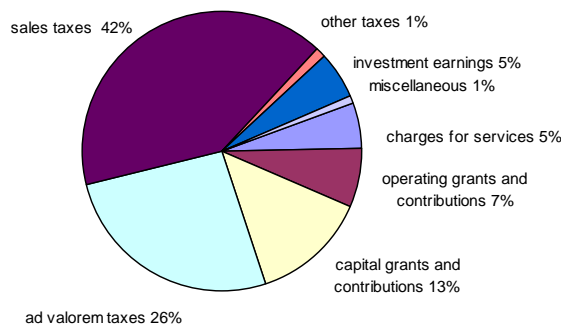
<b>Parish of St. Charles Changes in Net Assets (in thousands of dollars)</b>						
	Governmental		Business-Type		Total	
	Activities		Activities			
	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>
Revenues:						
Program Revenues:						
Charges for services	\$ 3,779	\$ 3,446	\$ 22,051	\$ 21,261	\$ 25,830	\$ 24,707
Operating grants & contributions	4,971	8,460	2,544	-	7,515	8,460
Capital grants & contributions	9,727	14,577	3,121	4,400	12,848	18,977
General Revenues:						
Ad valorem taxes	19,003	17,789	-	-	19,003	17,789
Sales taxes	29,571	28,936	-	-	29,571	28,936
Other taxes	834	789	-	-	834	789
Other	4,541	2,711	1,533	448	6,074	3,159
Total Revenues	<u>72,426</u>	<u>76,708</u>	<u>29,249</u>	<u>26,109</u>	<u>101,675</u>	<u>102,817</u>
Expenses:						
General government	14,131	10,234	-	-	14,131	10,234
Public safety	6,675	7,107	-	-	6,675	7,107
Public works	20,663	19,485	-	-	20,663	19,485
Health & welfare	4,208	3,648	-	-	4,208	3,648
Culture & recreation	2,725	2,483	-	-	2,725	2,483
Economic development & assistance	2,754	4,189	-	-	2,754	4,189
Interest & other charges on long-term debt	2,357	2,028	-	-	2,357	2,028
Waterworks	-	-	9,140	7,583	9,140	7,583
Wastewater	-	-	11,677	10,388	11,677	10,388
Solid Waste	-	-	3,529	3,139	3,529	3,139
Total Expenses	<u>53,513</u>	<u>49,174</u>	<u>24,346</u>	<u>21,110</u>	<u>77,859</u>	<u>70,284</u>
Increase/(decrease) in net assets before transfers	18,913	27,534	4,903	4,999	23,816	32,533
Transfers	(4)	(950)	4	950	-	-
Increase/(decrease) in net assets	<u>18,909</u>	<u>26,584</u>	<u>4,907</u>	<u>5,949</u>	<u>23,816</u>	<u>32,533</u>
Net assets, restated - January 1	151,451	124,867	109,950	103,825	261,401	228,692
Net assets - December 31	<u>\$ 170,360</u>	<u>\$ 151,451</u>	<u>\$ 114,857</u>	<u>\$ 109,774</u>	<u>\$ 285,217</u>	<u>\$ 261,225</u>

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

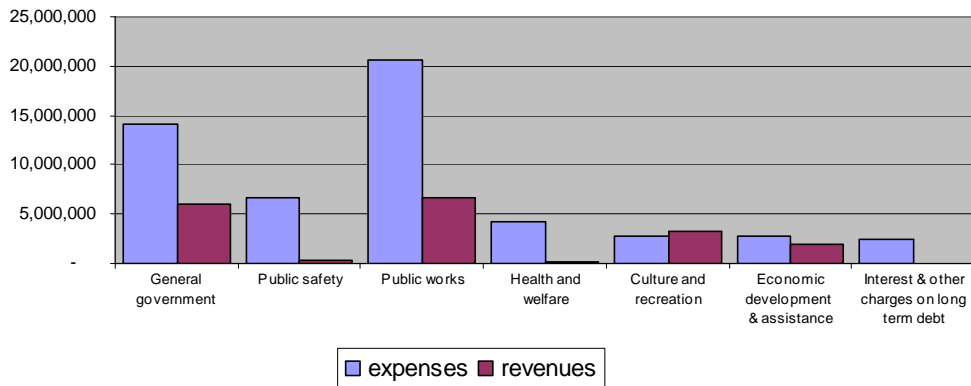
**Financial Analysis of the Government’s Funds**

The Parish relies on property and sales taxes to cover the cost of general governmental activities. Program revenues covered approximately 35% of these cost. However approximately 80% of program revenues was received in the form of capital asset contributions which is not spendable resources; therefore, the government’s taxpayers funded approximately 84% of general governmental activities excluding capital grants and contributions.

**Revenues by Source - Governmental Activities**



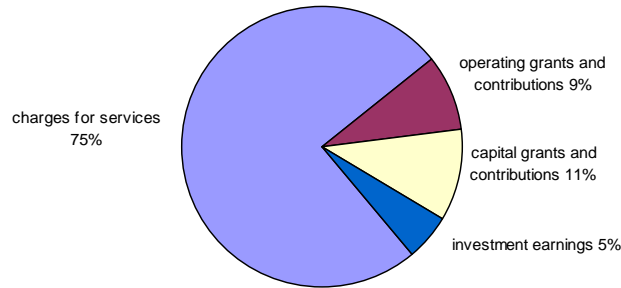
**Expenses and Program Revenues - Governmental Activities**



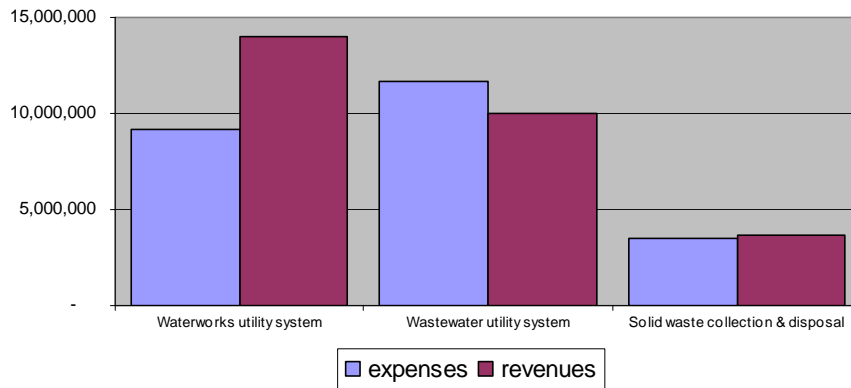
Program revenues for business-type activities covered 100% of the operating cost. While, the Waterworks utility system reported operating income of \$2.9 million, the Wastewater utility system reported an operating loss of \$3.25 million. This means that of the business-type funds, the Wastewater utility system was not self-sufficient and is operating at a loss each year. Unfortunately, because of restrictions placed on the business-type activities by their creditors, the income from the Waterworks system cannot be used to offset the losses in the Wastewater utility system. The Solid Waste Collection and Disposal fund, a small business-type activity, reported operating income of \$167 thousand.

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

**Revenues by Source - Business Activities**



**Expenses and Program Revenues - Business Activities**



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 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 \$74.7 million, an increase of \$11.2 million in comparison with the prior year. Approximately 90% of this total amount (\$67 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 (\$6 million), (2) prepaid fees (\$312 thousand), (3) capital additions and improvements (\$132 thousand), or (4) designated for insurance (\$1.3 million).

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

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 \$34.3 million, with \$234 thousand being reserved for prepaid fees and \$1.3 million designated for insurance. Compared with total fund balance of \$28.3 million at the end of 2006, fund balance increased approximately \$6 million during 2007. The increase in fund balance was due to an increase in the collection of adjudicated property fees and sales tax collections.

The Road & Drainage Maintenance & Operation Fund is the second largest governmental fund. At the end of the current fiscal year, unreserved and undesignated fund balance of the Road & Drainage M&O Fund was \$27.9 million, with only \$132 thousand being reserved for capital additions and improvements. Compared with total fund balance of \$24 million at the end of 2006, fund balance increased approximately \$4 million during 2007. The increase in fund balance was primarily due to the increase in ad valorem and sales taxes.

The Recreation Maintenance & Operation Fund is the third largest governmental fund. At the end of the current fiscal year, unreserved and undesignated fund balance of the Recreation M&O Fund was \$1.19 million. All of the fund balance is available for new spending. Compared with total fund balance of \$1.19 million at the end of 2006, fund balance increased approximately \$4 thousand during 2007.

*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, 2007, were \$506 thousand, an increase of approximately \$173 thousand from the previous year.

Unrestricted net assets of the Wastewater Utility System were \$3.4 million at December 31, 2007. This fund encompasses all assets associated with sewerage operations, maintenance, and capital improvements held by the Parish. Restricted net assets totaled over \$85.4 million, reflecting the heavy investment in capital assets.

Unrestricted net assets of the Waterworks Utility System were \$4.6 million at December 31, 2007. This fund encompasses all assets associated with waterworks operations, maintenance, billing & collection, distribution, and capital improvements held by the Parish. Restricted net assets total \$20.7 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 as submitted and became effective January 1, 2007 and the Parish Council adopted the final revisions to the budget on December 17, 2007.

A summary showing the Parish's original and final budget is provided in the CAFR on page 49. The Parish's year-end actual results were better than had been budgeted, as conservative 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 final budget projections by approximately \$4 million and expenditures were under final projections by \$2.8 million. Of the \$4 million in actual revenue over final budget, the increase in sales tax revenues were responsible for 61% of that increase. The undesignated General Fund Balance of \$35 million represents approximately 184% of budgeted expenditures.



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

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**

**Capital Assets**

The Parish's investment in capital assets for its governmental and business type activities as of December 31, 2007, amounts to \$253 million (net of accumulated debt and 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 approximately \$11.6 million (a \$5.8 million increase for governmental activities and a \$5.8 million increase for business-type activities).

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

- A bar screen cleaner was installed at the Destrehan I drainage pump station at a cost of \$972,567.
- Installation of bar screen cleaners and construction of decks began at a number of the drainage pump stations; construction in progress as of the close of the fiscal year had reached \$1,135,789.
- The Highway 3127 Booster sewer lift station was completed at a cost of \$2,012,892.
- Construction of the East Bank water storage tanks neared completion at the close of the fiscal year with construction in progress reaching \$2,966,929.
- Construction continued on the Mississippi River pipeline crossing, construction in progress at the close of the fiscal year had reached \$3,302,564.

**Parish of St. Charles  
Capital Assets  
(net of depreciation)**

	Governmental Activities		Business-Type Activities		Total	
	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>
Land	\$ 9,137,290	\$ 7,953,024	\$ 764,703	\$ 504,752	\$ 9,901,993	\$ 8,457,776
Buildings & improvements	33,350,088	31,621,923	98,944,197	98,865,676	132,294,285	130,487,599
Machinery & equipment	9,640,831	10,072,898	3,891,066	4,181,452	13,531,897	14,254,350
Infrastructure	73,868,266	72,023,338	-	-	73,868,266	72,023,338
Construction in progress	13,107,130	11,720,620	10,311,615	4,464,535	23,418,745	16,185,155
Total	<u>\$ 139,103,605</u>	<u>\$ 133,391,803</u>	<u>\$ 113,911,581</u>	<u>\$ 108,016,415</u>	<u>\$ 253,015,186</u>	<u>\$ 241,408,218</u>

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

**Long-term Debt**

At the end of the current fiscal year, St. Charles Parish had a total bonded debt of outstanding of \$74.9 million. Compared to last year, the Parish's total debt increased by approximately \$18.7 million (33 percent). The key factor in this increase was the issuance of a \$23,975,000 utility revenue bond for the Parish's waterworks utility system and the issuance of a \$920,000 public improvement sales tax bond for the Des Allemands fire department. The bond proceeds received by the waterworks utility system are dedicated to the construction of the East Bank water treatment plant. And bond proceeds received on behalf of the Des Allemands fire department are dedicated to the construction of a new building at the fire station.

The Parish's general obligation, public improvement, and revenue bonds all carry "AAA" ratings with Standard & Poor's, which is the highest possible rating.

State statutes limit the amount of general obligation debt a governmental entity may issue to 10 percent of its total assessed valuation. The current debt limitation for St. Charles Parish is \$94,263,931, which is significantly in excess of the Parish's outstanding general obligation debt.

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

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

<b>Parish of St. Charles Outstanding Debt</b>						
	Governmental Activities		Business-Type Activities		Total	
	2007	2006	2007	2006	2007	2006
General obligation bonds	\$ 28,100,000	\$ 30,245,000	\$ -	\$ -	\$ 28,100,000	\$ 30,245,000
Public improvement bonds	13,375,000	15,075,000	-	-	13,375,000	15,075,000
Revenue bonds	-	-	33,415,000	10,855,000	33,415,000	10,855,000
Total	<u>\$ 41,475,000</u>	<u>\$ 45,320,000</u>	<u>\$ 33,415,000</u>	<u>\$ 10,855,000</u>	<u>\$ 74,890,000</u>	<u>\$ 56,175,000</u>

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

The 2007 average annual unemployment rate for St. Charles Parish was 4.4%, which is a decrease from a rate of 4.7% a year ago. While this is slightly higher than the state's average unemployment rate of 3.8%, it is slightly lower than the national average rate of 4.6%. The Parish's 2007 annual average is the lowest annual average recorded since 1998.

The Parish's sales tax collections for 2007 were \$29.7 million, which was an increase of 2% over last year's sales tax collections of \$28.9 million.

Ad valorem tax collections were also up from last year by almost \$1.2 million, representing a 6.8% increase.

According to the US Census Bureau, the population of the parish grew by approximately 8.3% since the 2000 census.

The Parish's elected and appointed officials considered these and many other factors when preparing and adopting the 2008 budget. The priorities are as follows:

All Parish employees will work in a safe 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**

For all those with an interest in the government's finances, this financial report is designed to provide a general overview of the finances of the Parish of St. Charles. 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.



*Shreveport*

**LOUISIANA**

*Alexandria*

***St. Charles Parish***

*Baton Rouge*

*Lake Charles*

*New Orleans*

**Parish of St. Charles**  
Statement of Net Assets  
December 31, 2007

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
<b>ASSETS</b>				
Cash and cash equivalents	\$ 1,443,680	\$ 826,690	\$ 2,270,370	\$ 129,545
Investments	72,050,213	1,048,646	73,098,859	13,142,906
Receivables, net	24,839,868	4,028,948	28,868,816	10,537,319
Due from other governments	1,404,495	328,985	1,733,480	893
Due from primary government	-	-	-	64,028
Inventory	-	591,387	591,387	1,179,778
Prepaid fees	333,260	7,625	340,885	563,299
Other assets	5,240	182	5,422	125,485
Restricted assets:				
Cash and cash equivalents	-	101,243	101,243	11,345,515
Investments	-	32,124,507	32,124,507	-
Capital assets:				
Non-depreciable	37,099,867	11,076,318	48,176,185	1,425,037
Depreciable, net	102,003,738	102,835,263	204,839,001	24,904,684
Total assets	<u>239,180,361</u>	<u>152,969,794</u>	<u>392,150,155</u>	<u>63,418,489</u>
<b>LIABILITIES</b>				
Cash overdrafts	-	-	-	294,072
Accounts payable and other current liabilities	2,972,999	2,481,488	5,454,487	11,415,208
Internal balances	35,501	(35,501)	-	-
Due to component units	64,028	-	64,028	-
Due to other governments	1,100,529	-	1,100,529	-
Interest payable	516,664	-	516,664	-
Other liabilities and accruals	1,040,796	356,868	1,397,664	2,335,244
Unearned revenue	20,110,482	-	20,110,482	4,456,153
Liabilities payable from restricted assets	-	1,895,382	1,895,382	-
Non-current liabilities:				
Due within one year	5,883,762	755,000	6,638,762	-
Due in more than one year	37,095,231	32,659,087	69,754,318	26,092,207
Other non-current liabilities	-	-	-	750,000
Total liabilities	<u>68,819,992</u>	<u>38,112,324</u>	<u>106,932,316</u>	<u>45,342,884</u>
<b>NET ASSETS</b>				
Invested in capital assets, net of related debt	97,956,951	99,051,543	197,008,494	8,670,388
Restricted for:				
Debt service	6,096,320	1,834,770	7,931,090	-
Capital projects	1,744,101	5,295,488	7,039,589	-
Other Purposes	-	-	-	24,740
Unrestricted	64,562,997	8,675,669	73,238,666	9,380,477
Total net assets	<u>\$ 170,360,369</u>	<u>\$ 114,857,470</u>	<u>\$ 285,217,839</u>	<u>\$ 18,075,605</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, 2007

<b>Functions/Programs</b>	<b>Program Revenues</b>			
	<b>Expenses</b>	<b>Charges for Services</b>	<b>Operating Grants and Contributions</b>	<b>Capital Grants and Contributions</b>
<b>Primary government:</b>				
Governmental activities:				
General government	\$ 14,131,681	\$ 3,699,399	\$ 2,326,837	\$ -
Public safety	6,675,265	-	164,389	219,836.00
Public works	20,662,921	12,946	380,688	6,291,687
Health and welfare	4,208,703	-	108,332	-
Culture and recreation	2,724,819	66,270	-	3,215,758
Economic development and assistance	2,754,328	-	1,990,804	-
Interest & other charges on long-term debt	2,357,075	-	-	-
Total governmental activities	<u>53,514,792</u>	<u>3,778,615</u>	<u>4,971,050</u>	<u>9,727,281</u>
Business-type activities:				
Waterworks utility system	9,140,058	10,636,932	2,543,557	853,195
Wastewater utility system	11,677,372	7,717,179	-	2,267,406
Solid waste collection and disposal	3,528,908	3,696,745	-	-
Total business-type activities	<u>24,346,338</u>	<u>22,050,856</u>	<u>2,543,557</u>	<u>3,120,601</u>
Total primary government	<u>\$ 77,861,130</u>	<u>\$ 25,829,471</u>	<u>\$ 7,514,607</u>	<u>\$ 12,847,882</u>
<b>Component units:</b>				
Communications district	\$ 1,168,018	\$ 622,394	\$ 829,662	\$ -
Library service district no. 1	3,669,209	25,535	102,438	-
Sunset drainage district	442,548	-	348,372	-
Hospital service district	32,768,291	17,783,161	7,994,504	-
Total component units	<u>\$ 38,048,066</u>	<u>\$ 18,431,090</u>	<u>\$ 9,274,976</u>	<u>\$ -</u>

General revenues:  
Taxes:  
  Ad valorem taxes  
  Sales taxes  
  Maintenance tax  
  Alcoholic beverage tax  
  Airport expansion agreement  
  Cable TV franchise tax  
Investment earnings  
Miscellaneous  
Gain on disposal of capital assets  
Transfers (to) from other funds  
  Total general revenues and transfers  
  Changes in net assets  
Net assets, beginning - restated  
Net assets, ending

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

<b>Net (Expense) Revenue and Changes in Net Assets</b>			
<b>Primary Government</b>			
<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>	<b>Component Units</b>
(8,105,445)	\$ -	\$ (8,105,445)	
(6,291,040)	-	(6,291,040)	
(13,977,600)	-	(13,977,600)	
(4,100,371)	-	(4,100,371)	
557,209	-	557,209	
(763,524)	-	(763,524)	
(2,357,075)	-	(2,357,075)	
(35,037,846)	-	(35,037,846)	-
-	4,893,626	4,893,626	
-	(1,692,787)	(1,692,787)	
-	167,837	167,837	
-	3,368,676	3,368,676	-
(35,037,846)	\$ 3,368,676	\$ (31,669,170)	\$ -
			\$ 284,038
			(3,541,236)
			(94,176)
			(6,990,626)
-	\$ -	\$ -	\$ (10,342,000)
19,003,307	445	19,003,752	8,271,346
29,571,279	-	29,571,279	-
-	-	-	204,381
54,518	-	54,518	-
165,256	-	165,256	-
615,232	-	615,232	-
3,865,138	1,533,868	5,399,006	892,903
676,300	-	676,300	45,205
-	-	-	4,960
(4,100)	4,100	-	-
53,946,930	1,538,413	55,485,343	9,418,795
18,909,084	4,907,089	23,816,173	(923,205)
151,451,285	109,950,381	261,401,666	18,998,810
170,360,369	\$ 114,857,470	\$ 285,217,839	\$ 18,075,605

**Parish of St. Charles**

Balance Sheet  
Governmental Funds  
December 31, 2007

	<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	\$ 1,344,546	\$ 16,730	\$ 2,458
Investments	34,253,858	26,282,962	1,259,410
Receivables, net:			
Ad valorem taxes	3,007,517	5,337,271	2,660,000
Sales taxes	1,791,570	2,076,080	-
Accounts	4,964	-	37
Other	181,573	482,931	3,968
Due from other funds	64,541	294,230	3,904
Due from component units	-	-	-
Due from other governments	481,904	486,587	9,235
Prepaid fees	234,239	-	1,125
Other assets	2,170	1,125	350
Total assets	<u>\$ 41,366,882</u>	<u>\$ 34,977,916</u>	<u>\$ 3,940,487</u>
<b>LIABILITIES AND FUND BALANCES</b>			
Liabilities:			
Accounts payable	\$ 1,507,147	\$ 300,440	\$ 28,179
Contracts payable	-	913,181	8,885
Due to other funds	31,544	-	-
Due to component units	6,431	-	-
Due to other governments	211,446	75,815	-
Claims and judgments payable	-	-	-
Other liabilities	586,604	214,390	50,129
Unearned revenue	3,042,776	5,382,783	2,660,000
Total liabilities	<u>5,385,948</u>	<u>6,886,609</u>	<u>2,747,193</u>
Fund balances:			
Reserved for:			
Debt service	-	-	-
Prepaid fees	234,239	-	1,125
Capital additions and improvements	-	132,555	-
Unreserved, reported in:			
Designated			
Designated for insurance	1,373,577	-	-
General fund	34,373,118	-	-
Special revenue funds	-	27,958,752	1,192,169
Capital projects funds	-	-	-
Total fund balances	<u>35,980,934</u>	<u>28,091,307</u>	<u>1,193,294</u>
Total liabilities and fund balances	<u>\$ 41,366,882</u>	<u>\$ 34,977,916</u>	<u>\$ 3,940,487</u>

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

Sewer General Obligation Sinking	Nonmajor Governmental Funds	Total Governmental Funds
\$ 864	\$ 79,082	\$ 1,443,680
2,961,924	7,292,059	72,050,213
2,829,800	6,186,560	20,021,148
-	254,506	4,122,156
-	-	5,001
-	23,091	691,563
4,149	24,579	391,403
-	-	-
-	426,769	1,404,495
-	97,896	333,260
-	1,595	5,240
<u>\$ 5,796,737</u>	<u>\$ 14,386,137</u>	<u>\$ 100,468,159</u>
\$ 1,812	\$ 213,354	\$ 2,050,932
-	-	922,066
-	395,361	426,905
-	57,597	64,028
-	813,268	1,100,529
-	-	-
-	189,673	1,040,796
2,829,800	6,195,123	20,110,482
<u>2,831,612</u>	<u>7,864,376</u>	<u>25,715,738</u>
2,965,125	3,054,166	6,019,291
-	77,029	312,393
-	-	132,555
-	-	-
-	-	1,373,577
-	-	34,373,118
-	1,646,465	30,797,386
-	1,744,101	1,744,101
<u>2,965,125</u>	<u>6,521,761</u>	<u>74,752,421</u>
<u>\$ 5,796,737</u>	<u>\$ 14,386,137</u>	<u>\$ 100,468,159</u>



**Parish of St. Charles**  
 Reconciliation of the Governmental Funds  
 Balance Sheet to the Statement of Net Assets  
 December 31, 2007

Fund Balances- total governmental funds		\$ 74,752,421
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	225,736,582	
Less accumulated depreciation	<u>(86,632,977)</u>	139,103,605
Assets used in governmental activities that are not financial resources and, therefore, are not reported in the governmental funds.		
Deferred bond issuance cost		(78,817)
Arbitrage Payable		(22,682)
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	(28,100,000)	
Public improvement bonds	(13,375,000)	
Deferred amount on refunding	407,163	(42,877,494)
Judgements & Claims Payable	(1,809,657)	
Interest Payable		<u>(516,664)</u>
Net assets of governmental activities		<u><u>\$ 170,360,369</u></u>

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



**Parish of St. Charles**  
Statement of Revenues, Expenditures, and Changes in Fund Balances  
Governmental Funds  
For The Year Ended December 31, 2007

	<u>General</u>	<u>Road &amp; Drainage Maintenance &amp; Operation</u>	<u>Recreation Maintenance &amp; Operation</u>
<b>REVENUES</b>			
Taxes:			
Ad valorem taxes	\$ 2,781,920	\$ 5,062,414	\$ 2,522,326
Sales taxes	11,471,528	13,244,610	-
Other taxes	835,006	-	-
Licenses and permits	888,645	-	-
Intergovernmental revenues	2,326,837	451,267	-
Fees, charges, and commissions	1,739,402	12,946	66,270
Fines and forfeitures	103,088	-	-
Investment earnings	1,745,033	1,290,026	117,678
Miscellaneous	663,148	6,525	6,060
Total revenues	<u>22,554,607</u>	<u>20,067,788</u>	<u>2,712,334</u>
<b>EXPENDITURES</b>			
Current:			
General government	10,132,964	-	-
Public safety	2,260,356	12,055	-
Public works	348,372	11,422,844	-
Health and welfare	1,571,555	-	-
Culture and recreation	-	-	2,442,864
Economic development and assistance	721,906	-	-
Debt service:			
Principal	-	-	-
Interest and other charges	2,235	-	-
Capital outlay	806,734	4,605,861	273,588
Total expenditures	<u>15,844,122</u>	<u>16,040,760</u>	<u>2,716,452</u>
Excess (deficiency) of revenues over expenditures	<u>6,710,485</u>	<u>4,027,028</u>	<u>(4,118)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	77,909	27,170	-
Transfers out	(485,000)	-	-
Issuance of debt	-	-	-
Total other financing sources and uses	<u>(407,091)</u>	<u>27,170</u>	<u>-</u>
Net change in fund balance	6,303,394	4,054,198	(4,118)
Fund balances—beginning	28,353,176	24,037,109	1,197,412
Prior Period Adjustment	1,324,364	-	-
Fund balance-begining of year restated	<u>29,677,540</u>	<u>24,037,109</u>	<u>1,197,412</u>
Fund balances—ending	<u>\$ 35,980,934</u>	<u>\$ - \$ 28,091,307</u>	<u>\$ - \$ 1,193,294</u>

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

<u>Sewer GO Sinking</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 2,896,220	\$ 5,740,427	\$ 19,003,307
-	4,855,141	29,571,279
-	-	835,006
-	-	888,645
-	2,852,288	5,630,392
-	128,699	1,947,317
-	886,969	990,057
189,512	522,889	3,865,138
-	567	676,300
<u>3,085,732</u>	<u>14,986,980</u>	<u>63,407,441</u>
99,274	851,517	11,083,755
-	4,186,541	6,458,952
-	1,240,324	13,011,540
-	2,531,148	4,102,703
-	-	2,442,864
-	1,990,804	2,712,710
1,805,000	2,960,000	4,765,000
1,112,685	638,570	1,753,490
-	2,350,274	8,036,457
<u>3,016,959</u>	<u>16,749,178</u>	<u>54,367,471</u>
<u>68,773</u>	<u>(1,762,198)</u>	<u>9,039,970</u>
-	630,650	735,729
-	(254,829)	(739,829)
-	920,000	920,000
<u>-</u>	<u>1,295,821</u>	<u>915,900</u>
68,773	(466,377)	9,955,870
2,896,352	6,988,138	63,472,187
-	-	1,324,364
-	6,988,138	64,796,551
<u>\$ -</u>	<u>\$ 2,965,125</u>	<u>\$ -</u>
<u>\$ -</u>	<u>\$ 6,521,761</u>	<u>\$ -</u>
<u>\$ -</u>	<u>\$ 74,752,421</u>	<u>\$ -</u>

**Parish of St. Charles**  
 Reconciliation of The Statement of Revenues,  
 Expenditures, and Changes in Fund Balances  
 of Governmental Funds to The Statement of Activities  
 For The Year Ended December 31, 2007

Net change in fund balances - total governmental funds	\$	9,955,870
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		8,036,457
Depreciation expense		(8,631,373)
		(594,916)
The net effect of various miscellaneous transactions involving capital assets, such as sales and donations, is to increase (decrease) net assets.		(2,713,820)
The contribution of infrastructure from developers is not reported in governmental funds. Infrastructure contributions totaled:		9,020,535
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.		
Amortization of loss on refunding		(116,052)
Issuance of Debt		(920,000)
Claims and judgments		(485,293)
Principal payments		4,765,000
		3,243,655
Amortization in deferred bond issuance cost		(2,144)
Difference in arbitrage payable		(22,682)
Difference in interest expense on the modified accrual basis as reported in the fund statements versus interest expense on the full accrual basis.		22,586
Change in net assets of governmental activities	\$	18,909,084

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

**Parish of St. Charles**  
 General Fund  
 Statement of Revenues, Expenditures, and Changes  
 in Fund Balance-Budget and Actual  
 For The Year Ended December 31, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
<b>Taxes:</b>				
Ad valorem taxes	\$ 2,500,000	\$ 2,781,900	\$ 2,781,920	\$ 20
General sales tax (1/2%)	4,300,000	4,800,000	6,235,352	1,435,352
General sales tax (3/8%)	3,750,000	4,200,000	5,236,176	1,036,176
Alcoholic beverage tax	40,000	48,000	54,518	6,518
Airport expansion agreement	175,000	165,256	165,256	-
Cable TV franchise tax	475,000	582,600	615,232	32,632
<b>Total taxes</b>	<b>11,240,000</b>	<b>12,577,756</b>	<b>15,088,454</b>	<b>2,510,698</b>
<b>Licenses and permits:</b>				
Alcoholic beverage - low content	5,000	4,800	4,835	35
Alcoholic beverage - high content	7,000	8,200	8,264	64
License - occupational general	475,000	514,500	519,029	4,529
License - insurance	200,000	352,600	352,913	313
License - bingo	2,000	3,300	3,254	(46)
License - taxi cabs	300	300	350	50
<b>Total licenses and permits</b>	<b>689,300</b>	<b>883,700</b>	<b>888,645</b>	<b>4,945</b>
<b>Intergovernmental:</b>				
Federal grants:				
Civil Defense	20,000	16,400	34,840	18,440
JAIBG	10,000	10,000	25,000	15,000
Emergency food & shelter program	11,000	17,617	17,617	-
LIHEAP-weatherization	5,000	9,125	9,125	-
CSBG-administration	53,371	55,050	55,050	-
CSBG-program activities	67,927	75,500	75,613	113
Summer food service program	15,000	18,146	18,146	-
Energy assistance	13,000	134,600	183,980	49,380
Family Day Care Program	10,000	-	-	-
Home program	150,000	284,700	335,637	50,937
Land lease	10,000	11,106	11,106	-
<b>Total federal grants</b>	<b>365,298</b>	<b>632,244</b>	<b>766,114</b>	<b>133,870</b>
State grants:				
Highway fund #2	50,000	50,000	50,000	-
Dept. of Public Safety	-	192,800	165,112	(27,688)
Dept. of Natural Resources	18,000	18,000	18,000	-
Economic development enterprise fd.	30,000	50,000	50,000	-
Medicaid interview	500	500	518	18
<b>Total state grants</b>	<b>98,500</b>	<b>311,300</b>	<b>283,630</b>	<b>(27,670)</b>
State shared:				
Severance tax	600,000	600,000	645,682	45,682
Parish royalty fund	50,000	95,800	111,190	15,390
Tobacco tax	-	14,527	14,527	-
Video poker	250,000	294,720	397,682	102,962
<b>Total state shared</b>	<b>900,000</b>	<b>1,005,047</b>	<b>1,169,081</b>	<b>164,034</b>

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, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<b>REVENUES (continued)</b>				
<b>Intergovernmental (continued):</b>				
State payment in lieu of taxes	\$ 105,000	\$ 98,600	\$ 98,600	\$ -
Local grants:				
LACAP -Share the warmth	-	6,660	7,328	668
LACAP -Client education	-	2,084	2,084	
Total local grants	-	8,744	9,412	668
<b>Total intergovernmental</b>	<b>1,468,798</b>	<b>2,055,935</b>	<b>2,326,837</b>	<b>270,902</b>
<b>Fees, charges, &amp; commissions:</b>				
General government:				
Court costs, fees, and charges	13,000	15,600	15,256	(344)
Zoning & subdivision fees	150,000	140,000	156,856	16,856
Sale of maps & publications	300	1,735	1,932	197
Miscellaneous revenues	200	16,600	16,663	63
Motor vehicle transaction fees	20,000	36,000	39,284	3,284
Drivers license reinstatement fees	650	657	657	-
Indirect cost allocation	200,000	200,000	1,228,970	1,028,970
Total general government	384,150	410,592	1,459,618	1,049,026
Public works:				
Inspection Fees	-	135,000	204,597	69,597
Weed & grass cutting charges	2,000	7,760	11,237	3,477
Weed & grass cutting - tax roll	1,000	23,960	23,966	6
Derelict structure charges	1,000	1,100	1,359	259
Total public works	4,000	167,820	241,159	73,339
Health and welfare:				
Animal control	3,000	5,318	7,260	1,942
Coroner	4,000	7,710	8,545	835
Institutional charges	15,000	15,720	22,820	7,100
Total health and welfare	22,000	28,748	38,625	9,877
<b>Total fees, charges, &amp; comm.</b>	<b>410,150</b>	<b>607,160</b>	<b>1,739,402</b>	<b>1,132,242</b>
<b>Fines and forfeitures:</b>				
Court fines:				
Boykins	4,000	3,624	4,887	1,263
Witness fees - deputies	500	800	1,105	305
Criminal jury fees	40,000	66,700	81,031	14,331
Juvenile fees	10,000	13,150	16,065	2,915
<b>Total fines and forfeitures</b>	<b>54,500</b>	<b>84,274</b>	<b>103,088</b>	<b>18,814</b>

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, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<b>REVENUES (continued)</b>				
<b>Uses of money and property:</b>				
Interest earnings	\$ 504,000	\$ 1,410,100	\$ 1,686,697	\$ 276,597
Royalties	50,000	50,000	58,336	8,336
<b>Total uses of money and property</b>	<b>554,000</b>	<b>1,460,100</b>	<b>1,745,033</b>	<b>284,933</b>
<b>Miscellaneous revenues:</b>				
Refunds-insurance	-	148,661	148,661	-
Rents - Leases	-	2,608	2,608	-
Adjudicated property	-	494,714	352,104	(142,610)
Gifts & donations	110,000	158,575	159,775	1,200
Compensation for loss of assets	-	-	-	-
<b>Total miscellaneous revenues</b>	<b>110,000</b>	<b>804,558</b>	<b>663,148</b>	<b>(141,410)</b>
<b>Total revenues</b>	<b>14,526,748</b>	<b>18,473,483</b>	<b>22,554,607</b>	<b>4,081,124</b>
<b>EXPENDITURES</b>				
<b>General government:</b>				
<i>Legislative:</i>				
Parish Council	1,245,385	1,195,951	881,741	314,210
Ordinance and Proceedings	48,000	40,000	36,838	3,162
Public Information	221,797	200,526	132,123	68,403
Police Jury Association	48,700	48,700	41,228	7,472
<i>Judicial:</i>				
District Court	1,086,027	1,015,156	825,442	189,714
Grand Jury	15,000	15,000	6,124	8,876
District Attorney	1,581,137	1,484,529	1,407,972	76,557
Ward Courts	108,435	107,804	107,728	76
<i>Executive:</i>				
Parish President	414,955	437,844	510,723	(72,879)
<i>Elections:</i>				
Registrar of Voters	86,465	85,531	80,866	4,665
Elections	40,695	15,695	18,359	(2,664)
<i>Financial and Administration:</i>				
Finance	1,058,946	904,815	825,006	79,809
Purchasing	475,307	456,301	422,553	33,748
Personnel	349,802	298,831	272,499	26,332
Legal	394,603	607,276	579,633	27,643
Taxation-Assessor	3,000	3,000	-	3,000
Taxation-Collector	203,000	203,000	160,620	42,380
Indirect Cost Plan	(90,000)	(117,000)	(116,500)	(500)

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, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<b>EXPENDITURES (continued):</b>				
<b>General government (continued):</b>				
<i>Other General Administration:</i>				
Planning and Zoning	\$ 1,571,679	\$ 1,425,694	\$ 1,026,338	\$ 399,356
Coastal Zone Management	264,134	236,758	182,868	53,890
ICC Buidling Codes	-	339,575	293,504	46,071
Data Processing	1,228,096	1,174,086	777,136	396,950
Research and Investigations	118,500	130,000	87,850	42,150
Cable TV	50,000	50,000	520	49,480
General Government Buildings	3,086,041	1,715,636	1,488,583	227,053
Retirement System Contribution	93,100	93,000	92,988	12
Retired Employees Insurance	50,000	32,000	32,562	(562)
Risk Management	123,961	112,583	49,139	63,444
Grants Administration	105,503	101,446	83,539	17,907
<b>Total general government</b>	<b>13,982,268</b>	<b>12,413,737</b>	<b>10,307,982</b>	<b>2,105,755</b>
<b>Public safety:</b>				
Sheriff	1,399,825	1,541,120	1,373,989	167,131
Juvenile	121,420	101,249	84,874	16,375
Juvenile Account. Incentive Block Grant	15,600	39,650	35,300	4,350
Emergency Preparedness	325,266	325,000	309,042	15,958
Emergency Preparedness Subsidiary	211,102	538,738	474,079	64,659
EOC 24 Hour Coverage	311,769	308,964	305,696	3,268
Motor Vehicle	20,730	20,098	18,199	1,899
<b>Total public safety</b>	<b>2,405,712</b>	<b>2,874,819</b>	<b>2,601,179</b>	<b>273,640</b>
<b>Public works:</b>				
Drainage	420,150	420,150	348,372	71,778
<b>Total public works</b>	<b>420,150</b>	<b>420,150</b>	<b>348,372</b>	<b>71,778</b>
<b>Health and welfare:</b>				
Coroner	253,174	253,174	194,738	58,436
Animal Control	430,491	421,916	384,220	37,696
Community Action	350,818	390,753	377,562	13,191
Energy Assistance	11,800	176,600	183,135	(6,535)
Summer Feeding Program	62,930	52,226	52,226	-
FEMA	11,067	19,800	17,596	2,204
Doe-Weatherization	13,574	13,574	-	13,574
CSBG- Administration	59,975	59,975	55,050	4,925
CSBG- Program Support	80,849	80,849	75,613	5,236
LIHEAP - Weatherization / DOE	6,955	14,470	15,011	(541)
Home Program	233,842	311,797	235,029	76,768
<b>Total health and welfare</b>	<b>1,515,475</b>	<b>1,795,134</b>	<b>1,590,180</b>	<b>204,954</b>

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, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<b>EXPENDITURES (continued):</b>				
<b>Economic development &amp; assistance:</b>				
Parish Farm Agent	\$ 80,648	\$ 77,092	\$ 69,888	\$ 7,204
Economic Development	818,638	921,050	835,701	85,349
Tourist Information Center	165,630	158,225	80,425	77,800
Veterans Service Officer	6,000	6,000	6,000	-
Public Housing	2,400	2,400	2,160	240
<b>Total economic development &amp; assistance</b>	<u>1,073,316</u>	<u>1,164,767</u>	<u>994,174</u>	<u>170,593</u>
<b>Debt Service:</b>				
Fiscal charges	10,000	10,000	2,235	7,765
<b>Total expenditures</b>	<u>19,406,921</u>	<u>18,678,607</u>	<u>15,844,122</u>	<u>2,834,485</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(4,880,173)</u>	<u>(205,124)</u>	<u>6,710,485</u>	<u>6,915,609</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
<b>Transfers in:</b>				
1/2% P.I. Sales Tax Reserve	47,817	47,972	64,227	16,255
Criminal Court	-	-	13,682	13,682
<b>Total transfers in</b>	<u>47,817</u>	<u>47,972</u>	<u>77,909</u>	<u>29,937</u>
<b>Transfers out:</b>				
Road & Drainage M&O	(50,000)	(50,000)	-	50,000
Road & Drainage capital	(11,000,000)	(11,000,000)	-	11,000,000
Solid Waste Collection & Disposal	(80,000)	(80,000)	-	80,000
RSVP	(145,000)	(145,000)	(145,000)	-
Recreation	(180,000)	(180,000)	-	180,000
Mosquito Control	-	(340,000)	(340,000)	-
<b>Total transfers out</b>	<u>(11,455,000)</u>	<u>(11,795,000)</u>	<u>(485,000)</u>	<u>11,310,000</u>
Total other financing sources (uses)	<u>(11,407,183)</u>	<u>(11,747,028)</u>	<u>(407,091)</u>	<u>11,339,937</u>
Net change in fund balance	(16,287,356)	(11,952,152)	6,303,394	18,255,546
Fund balance-beginning	23,889,164	28,353,176	28,353,176	-
Prior Period Adjustment	-	-	1,324,364	1,324,364
Fund balance-beginning of year restated	<u>23,889,164</u>	<u>28,353,176</u>	<u>29,677,540</u>	<u>1,324,364</u>
Fund balance-ending	<u>\$ 7,601,808</u>	<u>\$ 16,401,024</u>	<u>\$ 35,980,934</u>	<u>\$ 19,579,910</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, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Taxes:				
Ad valorem taxes	\$ 4,800,000	\$ 5,054,590	\$ 5,062,414	\$ 7,824
Sales taxes	9,300,000	12,403,250	13,244,610	841,360
Total taxes	<u>14,100,000</u>	<u>17,457,840</u>	<u>18,307,024</u>	<u>849,184</u>
Intergovernmental revenues:				
Federal grants:				
Disaster Relief	-	137,625	137,625	-
Hazard Mitigation	-	-	6,269	6,269
Federal Highway Administration	553,000	-	-	-
State grants:				
Department of Natural Resources	106,036	82,775	111,081	28,306
Rural Development	-	-	-	-
State payment in lieu of taxes:				
Division of Admin. - facility planning	110,000	-	-	-
State payment in lieu of taxes	45,500	41,200	41,202	2
Local grants:				
Conservation of Natural Resources	500,000	500,000	155,090	(344,910)
Total intergovernmental revenues	<u>1,314,536</u>	<u>761,600</u>	<u>451,267</u>	<u>(310,333)</u>
Fees, charges, and commissions:				
Derelict structure charges	-	-	-	-
Culvert fees	5,000	1,875	1,986	111
Miscellaneous fees	2,500	10,750	10,960	210
Total fees, charges, and commissions	<u>7,500</u>	<u>12,625</u>	<u>12,946</u>	<u>321</u>
Investment earnings	<u>775,000</u>	<u>825,000</u>	<u>1,290,026</u>	<u>465,026</u>
Miscellaneous:				
Donations	-	6,525	6,525	-
Compensation for loss of assets	-	-	-	-
Total Miscellaneous	<u>-</u>	<u>6,525</u>	<u>6,525</u>	<u>-</u>
Total revenues	<u>16,197,036</u>	<u>19,063,590</u>	<u>20,067,788</u>	<u>1,004,198</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, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<b>EXPENDITURES</b>				
Current:				
Public safety	\$ 669,305	\$ 587,040	\$ 12,055	\$ 574,985
Public works	12,728,717	13,996,530	11,422,844	2,573,686
Capital outlay	14,871,228	12,318,642	4,605,861	7,712,781
Total expenditures	<u>28,269,250</u>	<u>26,902,212</u>	<u>16,040,760</u>	<u>10,861,452</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(12,072,214)</u>	<u>(7,838,622)</u>	<u>4,027,028</u>	<u>11,865,650</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in:				
General fund	50,000	-	-	-
1% PIST Reserve fund	42,579	22,200	27,170	4,970
Total transfers in	<u>92,579</u>	<u>22,200</u>	<u>27,170</u>	<u>4,970</u>
Total other financing sources (uses)	<u>92,579</u>	<u>22,200</u>	<u>27,170</u>	<u>4,970</u>
Net change in fund balance	(11,979,635)	(7,816,422)	4,054,198	11,870,620
Fund balance - beginning	<u>19,048,389</u>	<u>24,037,109</u>	<u>24,037,109</u>	<u>-</u>
Fund balance - ending	<u>\$ 7,068,754</u>	<u>\$ 16,220,687</u>	<u>\$ 28,091,307</u>	<u>\$ 11,870,620</u>

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

**Parish of St. Charles**  
Recreation Maintenance and Operation Fund  
Statement of Revenues, Expenditures, and Changes  
in Fund Balance-Budget and Actual  
For The Year Ended December 31, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive(Negative)
	Original	Final		
<b>REVENUES</b>				
Taxes:				
Ad valorem taxes	\$ 2,407,539	\$ 2,518,422	\$ 2,522,326	\$ 3,904
Fees, charges, and commissions:				
Rentals of parks and buildings	1,800	10,000	11,071	1,071
Admission fees	4,000	11,551	11,551	-
Registration fees-adult leagues	4,000	16,110	16,150	40
Registration fees-ID pictures	500	2,347	2,347	-
Registration fees-summer camp	12,000	17,212	17,212	-
Registration fees-youth tournaments	1,800	500	500	-
Special athlete fees	-	5,217	5,439	222
Sign advertising fees	6,000	2,000	2,000	-
Total fees, charges, & commissions	30,100	64,937	66,270	1,333
Investment earnings	62,800	92,000	117,678	25,678
Miscellaneous:				
Miscellaneous	-	3,080	3,110	30
Gifts and donations	-	2,950	2,950	-
Total miscellaneous	-	6,030	6,060	30
Total revenues	2,500,439	2,681,389	2,712,334	30,945
<b>EXPENDITURES</b>				
Current:				
Culture and recreation	2,539,196	2,799,166	2,442,864	356,302
Capital outlay	625,820	675,820	273,588	402,232
Total expenditures	3,165,016	3,474,986	2,716,452	758,534
Excess (deficiency) of revenues over (under) expenditures	(664,577)	(793,597)	(4,118)	789,479
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in:				
General fund	180,000	-	-	-
Total other financing sources (uses)	180,000	-	-	-
Net change in fund balance	(484,577)	(793,597)	(4,118)	789,479
Fund balance - beginning	1,049,490	1,197,412	1,197,412	-
Fund balance - ending	\$ 564,913	\$ 403,815	\$ 1,193,294	\$ 789,479

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, 2007

<b>ASSETS</b>	Waterworks Utility System	Wastewater Utility System	Solid Waste Collection & Disposal Fund	Totals
<b>Current assets:</b>				
Cash and cash equivalents	\$ 822,795	3,781	\$ 114	\$ 826,690
Investments	257,747	592,857	198,042	1,048,646
Accounts receivable, net	2,748,808	808,026	400,116	3,956,950
Other receivables, net	62,867	9,131	-	71,998
Due from other funds	91,085	581,486	306,925	979,496
Due from other governments	328,985	-	-	328,985
Inventory	591,387	-	-	591,387
Prepaid fees	7,310	315	-	7,625
Utility deposits	-	182	-	182
<b>Restricted assets:</b>				
Cash and cash equivalents	24,886	32,549	-	57,435
Cash with fiscal agent	-	43,808	-	43,808
Investments	27,738,805	4,385,702	-	32,124,507
Other receivables	-	-	-	-
Total current assets	<u>32,674,675</u>	<u>6,457,837</u>	<u>905,197</u>	<u>40,037,709</u>
<b>Noncurrent assets:</b>				
<b>Capital assets:</b>				
Land	131,436	633,268	-	764,704
Buildings & improvements	39,315,802	116,235,167	-	155,550,969
Machinery & equipment	2,901,146	11,647,666	-	14,548,812
Construction in progress	7,668,344	2,643,271	-	10,311,615
Total capital assets	<u>50,016,728</u>	<u>131,159,372</u>	<u>-</u>	<u>181,176,100</u>
Accumulated depreciation	<u>(21,919,269)</u>	<u>(45,345,250)</u>	<u>-</u>	<u>(67,264,519)</u>
Net capital assets	<u>28,097,459</u>	<u>85,814,122</u>	<u>-</u>	<u>113,911,581</u>
Total assets	<u>60,772,134</u>	<u>92,271,959</u>	<u>905,197</u>	<u>153,949,290</u>
<b>LIABILITIES</b>				
<b>Current liabilities:</b>				
Cash overdrafts	\$ -	-	\$ -	\$ -
Accounts payable	337,452	158,564	373,093	869,109
Contracts payable	1,612,379	-	-	1,612,379
Due to other funds	852,909	67,547	23,539	943,995
Other payables and accruals	237,137	117,624	2,107	356,868
<b>Current liabilities payable from restricted assets:</b>				
Current maturities of long term debt	420,000	335,000	-	755,000
Accrued interest payable	705,769	43,808	-	749,577
Deposits	1,145,805	-	-	1,145,805
Due to other funds	-	-	-	-
Accounts payable	-	-	-	-
Total current liabilities	<u>5,311,451</u>	<u>722,543</u>	<u>398,739</u>	<u>6,432,733</u>
<b>Noncurrent liabilities:</b>				
Revenue bonds payable	30,024,087	2,635,000	-	32,659,087
Obligation under capital leases	-	-	-	-
Total noncurrent liabilities	<u>30,024,087</u>	<u>2,635,000</u>	<u>-</u>	<u>32,659,087</u>
Total liabilities	<u>35,335,538</u>	<u>3,357,543</u>	<u>398,739</u>	<u>39,091,820</u>
<b>NET ASSETS</b>				
Invested in capital assets, net of related debt	16,207,421	82,844,122	-	99,051,543
Restricted for debt service	1,210,869	623,901	-	1,834,770
Restricted for capital projects	3,338,863	1,956,625	-	5,295,488
Unrestricted	4,679,443	3,489,768	506,458	8,675,669
Total net assets	<u>\$ 25,436,596</u>	<u>88,914,416</u>	<u>\$ 506,458</u>	<u>\$ 114,857,470</u>

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

**Parish of St. Charles**  
 Proprietary Funds  
 Statement of Revenues, Expenses  
 and Changes in Fund Net Assets  
 For the year ended December 31, 2007

	Waterworks Utility System	Wastewater Utility System	Solid Waste Collection & Disposal Fund	Totals
<b>OPERATING REVENUES</b>				
Charges for services	\$ 9,911,475	\$ 7,372,069	\$ 3,696,745	\$ 20,980,289
Connection and service fees	220,950	76,425	-	297,375
Sewer development revenues	-	261,342	-	261,342
Delinquent charges	425,961	-	-	425,961
Miscellaneous	78,546	7,343	-	85,889
Total operating revenues	<u>10,636,932</u>	<u>7,717,179</u>	<u>3,696,745</u>	<u>22,050,856</u>
<b>OPERATING EXPENSES</b>				
Personal services	3,604,524	3,362,117	55,621	7,022,262
Operating services	1,803,227	2,031,501	3,421,884	7,256,612
Materials and supplies	991,552	878,781	-	1,870,333
Other services and charges	52,725	71,415	21,821	145,961
Depreciation	1,182,766	3,975,495	-	5,158,261
Intergovernmental	-	211,853	20,540	232,393
Indirect cost allocation	101,938	441,793	9,042	552,773
Total operating expenses	<u>7,736,732</u>	<u>10,972,955</u>	<u>3,528,908</u>	<u>22,238,595</u>
Operating income (loss)	<u>2,900,200</u>	<u>(3,255,776)</u>	<u>167,837</u>	<u>(187,739)</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>				
Investment earnings	1,227,376	301,338	5,154	1,533,868
Ad valorem taxes for operations	440	5	-	445
Intergovernmental	2,543,557	-	-	2,543,557
Loss on disposition of capital assets	-	(612,008)	-	(612,008)
Amortization - issuance costs	(95,883)	-	-	(95,883)
Bond interest and paying agent fees	(1,307,443)	(92,409)	-	(1,399,852)
Total non-operating revenues (expenses)	<u>2,368,047</u>	<u>(403,074)</u>	<u>5,154</u>	<u>1,970,127</u>
Income (loss) before contributions and transfers	5,268,247	(3,658,850)	172,991	1,782,388
Capital contributions	853,195	2,267,406	-	3,120,601
Transfers in	4,100	-	-	4,100
Changes in net assets	6,125,542	(1,391,444)	172,991	4,907,089
Total net assets - beginning, restated	<u>19,311,054</u>	<u>90,305,860</u>	<u>333,467</u>	<u>109,950,381</u>
Total net assets - ending	<u>\$ 25,436,596</u>	<u>\$ 88,914,416</u>	<u>\$ 506,458</u>	<u>\$ 114,857,470</u>

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



**Parish of St. Charles**  
Proprietary Funds  
Statement of Cash Flows  
For The Year Ended December 31, 2007

	Waterworks Utility System	Wastewater Utility System	Solid Waste Collection & Disposal Fund	Totals
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Receipts from customers	\$ 9,868,149	\$ 7,629,913	\$ 3,594,953	\$ 21,093,015
Payments to suppliers	(2,815,151)	(2,922,671)	(3,367,259)	(9,105,081)
Payments to employees	(3,474,966)	(3,348,042)	(55,329)	(6,878,337)
Internal activity - payments to other funds	(209,775)	(819,772)	-	(1,029,547)
Other receipts (payments)	227,724	37,129	-	264,853
Net cash provided (used) by operating activities	<u>3,595,981</u>	<u>576,557</u>	<u>172,365</u>	<u>4,344,903</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>				
Ad Valorem taxes	440	5	-	445
Intergovernmental	-	67,547	-	67,547
Net cash provided (used) by noncapital financing activities	<u>440</u>	<u>67,552</u>	<u>-</u>	<u>67,992</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Revenue bonds principal payments	23,319,666	(325,000)	-	22,994,666
Interest paid on bonds	(847,978)	(97,202)	-	(945,180)
Paying agent fees	(2,650)	-	-	(2,650)
Acquisition and construction of assets	(5,113,071)	(1,328,799)	-	(6,441,870)
Sale of capital assets	-	(1,027,144)	-	(1,027,144)
Federal grants-capital	2,543,557	-	-	2,543,557
Transfers from Front Foot	4,100	-	-	4,100
Net cash provided (used) by capital and related financing activities	<u>19,903,624</u>	<u>(2,778,145)</u>	<u>-</u>	<u>17,125,479</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Interest received on investments	1,227,376	301,337	5,154	1,533,867
Purchase of investments	(24,771,126)	1,842,788	(178,085)	(23,106,423)
Net cash provided (used) by investing activities	<u>(23,543,750)</u>	<u>2,144,125</u>	<u>(172,931)</u>	<u>(21,572,556)</u>
Net change in cash and cash equivalents	(43,705)	10,089	(566)	(34,182)
Balances - beginning of the year	<u>891,386</u>	<u>70,049</u>	<u>680</u>	<u>962,115</u>
Balances - end of the year	<u>\$ 847,681</u>	<u>\$ 80,138</u>	<u>\$ 114</u>	<u>\$ 927,933</u>

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

(Continued)

**Parish of St. Charles**  
Proprietary Funds  
Statement of Cash Flows  
For The Year Ended December 31, 2007

	Waterworks Utility System	Wastewater Utility System	Solid Waste Collection & Disposal Fund	Totals
<b>RECONCILIATION OF YEAR END BALANCES TO STATEMENT OF NET ASSETS EXHIBIT A-11</b>				
Cash and cash equivalents	\$ 822,795	\$ 3,781	\$ 114	\$ 826,690
Restricted cash and cash equivalents	24,886	32,549	-	57,435
Cash with fiscal agent	-	43,808	-	43,808
Total ending cash	<u>\$ 847,681</u>	<u>\$ 80,138</u>	<u>\$ 114</u>	<u>\$ 927,933</u>

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

Operating income (loss)	<u>\$ 2,900,200</u>	<u>\$ (3,255,776)</u>	<u>\$ 167,837</u>	<u>\$ (187,739)</u>
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation expense	1,182,766	3,975,495	-	5,158,261
Change in assets and other liabilities:				
Receivables, net	(654,590)	47,134	(92,751)	(700,207)
Inventories	(64,758)	-	-	(64,758)
Accounts and other payables	236,528	(190,681)	97,279	143,126
Accrued expenses	(4,165)	385	-	(3,780)
Total adjustments	<u>695,781</u>	<u>3,832,333</u>	<u>4,528</u>	<u>4,532,642</u>
Net cash provided by operating activities	<u>\$ 3,595,981</u>	<u>\$ 576,557</u>	<u>\$ 172,365</u>	<u>\$ 4,344,903</u>

**SCHEDULE OF NONCASH NONCAPITAL  
FINANCING, CAPITAL & RELATED FINANCING,  
AND NONCASH INVESTING ACTIVITIES**

Contributed Capital Assets	\$ 853,195	\$ 2,267,406	\$ -	\$ 3,120,601
Change in fair value of investments	\$ 39,606	\$ 14,072	\$ -	\$ 53,678

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, 2007

	Governmental Fund Types		
	Communications District	Library Service District No. 1	Sunset Drainage District <sup>(1)</sup>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 17,368	\$ 15,940	\$ 83,062
Investments	1,794,924	11,346,758	1,224
Receivables, net:			
Ad valorem taxes	-	4,388,000	-
Maintenance taxes	-	-	175,508
Accounts	4	(7)	-
Other	93,061	46,617	5,409
Due from other governments		893	
Due from primary government	57,597	6,431	-
Inventory	24,740	-	-
Prepaid fees	-	-	-
Deposits and other assets	-	-	-
Restricted assets:			
Cash	-	-	-
Capital assets, net			
Land	-	-	-
Plant & equipment	421,187	1,351,882	553,696
Total assets	<u>2,408,881</u>	<u>17,156,514</u>	<u>818,899</u>
<b>LIABILITIES</b>			
Cash overdrafts	-	-	-
Accounts payable	115,166	50,254	3,890
Bonds and notes payable - current	-	-	-
Other liabilities	-	63,948	10,864
Deferred revenues - Ad valorem taxes	-	4,456,153	-
Non-current liabilities:			
Bonds and notes payable	-	-	-
Other	-	-	-
Total liabilities	<u>115,166</u>	<u>4,570,355</u>	<u>14,754</u>
<b>NET ASSETS</b>			
Invested in capital assets, net of related debt	421,187	1,351,882	553,696
Restricted for:			
Inventory	24,740	-	-
Unrestricted	1,847,788	11,234,277	250,449
Total net assets	<u>\$ 2,293,715</u>	<u>\$ 12,586,159</u>	<u>\$ 804,145</u>

(1) Audited by other auditors

(2) Audited by other auditors as of July 31, 2007.

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

<u>Proprietary Fund Type</u>	<u>Total all Component Units</u>
Hospital Service District <sup>(2)</sup>	
\$ 13,175	\$ 129,545
-	13,142,906
-	4,388,000
-	175,508
5,000,385	5,000,382
828,342	973,429
-	893
-	64,028
1,155,038	1,179,778
563,299	563,299
125,485	125,485
11,345,515	11,345,515
1,425,037	1,425,037
22,577,919	24,904,684
<u>43,034,195</u>	<u>63,418,489</u>
294,072	294,072
3,106,868	3,276,178
8,139,030	8,139,030
2,260,432	2,335,244
-	4,456,153
26,092,207	26,092,207
750,000	750,000
<u>40,642,609</u>	<u>45,342,884</u>
6,343,623	8,670,388
-	24,740
(3,952,037)	9,380,477
<u>\$ 2,391,586</u>	<u>\$ 18,075,605</u>

**Parish of St. Charles**  
 Combing Statement of Activities  
 All Discretely Presented Component Units  
 For The Year Ended December 31, 2007

	Communications District	Library Service District No. 1	Sunset Drainage District <sup>(1)</sup>
<b>EXPENSES</b>	\$ 1,168,018	\$ 3,669,209	\$ 442,548
<b>PROGRAM REVENUES:</b>			
Charges for services	622,394	25,535	-
Operating grants and contributions	<u>829,662</u>	<u>102,438</u>	<u>348,372</u>
Net program (expenses) revenue	<u>284,038</u>	<u>(3,541,236)</u>	<u>(94,176)</u>
<b>GENERAL REVENUES:</b>			
Taxes:			
Ad Valorem	-	4,161,409	-
Maintenance	-	-	204,381
Investment earnings	97,836	633,210	1,523
Proceeds from sale of assets	-	1,135	3,825
Miscellaneous	<u>-</u>	<u>11,071</u>	<u>34,134</u>
Total general revenues	<u>97,836</u>	<u>4,806,825</u>	<u>243,863</u>
Change in net assets	381,874	1,265,589	149,687
Net assets, beginning	<u>1,911,841</u>	<u>11,320,570</u>	<u>654,458</u>
Net assets, ending	<u><u>\$ 2,293,715</u></u>	<u><u>\$ 12,586,159</u></u>	<u><u>\$ 804,145</u></u>

(1) Audited by other auditors

(2) Audited by other auditors as of July 31, 2007.

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

Hospital Service District <sup>(2)</sup>	Total all Component Units
<u>\$ 32,768,291</u>	<u>\$ 38,048,066</u>
17,783,161	18,431,090
<u>7,994,504</u>	<u>9,274,976</u>
<u>(6,990,626)</u>	<u>(10,342,000)</u>
4,109,937	8,271,346
-	204,381
160,334	892,903
-	4,960
<u>-</u>	<u>45,205</u>
<u>4,270,271</u>	<u>9,418,795</u>
(2,720,355)	(923,205)
<u>5,111,941</u>	<u>18,998,810</u>
<u>\$ 2,391,586</u>	<u>\$ 18,075,605</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.

**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:

**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 proprietary funds. The District does not issue separate financial statements. The District has a fiscal year ending December 31.

**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.



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

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

**Discretely Presented Component Units (continued)**

**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, 2007.

**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, 2007.

**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 2006.

**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, 2007 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.

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

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

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. Program revenues of the government-wide financial statements include licenses and permits; intergovernmental revenues; fees, charges and commissions; and fines and forfeitures.

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 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.

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.

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

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

FUND FINANCIAL STATEMENTS (CONTINUED):

Proprietary 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. Proprietary 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 proprietary funds of the Parish are reported as major funds.

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 proprietary 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:

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 financing uses) in net current assets. Governmental funds are maintained on the modified accrual basis of accounting.

Governmental fund revenues resulting from exchange transactions are recognized in the fiscal year in which the exchange takes place and meets the government's availability criteria (susceptible to accrual). Available means 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 forfeitures, 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.

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

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

FUND FINANCIAL STATEMENTS (CONTINUED):

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).

**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 Proprietary Funds consider the same items to be cash and cash equivalents.

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****f. Cash, Cash Equivalents and Investments (continued)**

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.

**j. Restricted Assets – Proprietary 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.

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

**j. Restricted Assets – Proprietary Funds (continued)**

Certain proceeds of proprietary 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 the 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, 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

All infrastructure assets purchased by the primary government are recorded as capital assets and have been depreciated accordingly. 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 been reported in the financial statements prior to the implementation of GASB 34 in 2003.

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 on 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 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.

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.



**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, 2007 follows:

	Original	Final	Positive (Negative)
<b>General Fund</b>			
Revenues and other financing sources	\$ 14,574,565	\$ 18,521,455	\$ 3,946,890
Expenditures and other financing uses	30,861,921	30,473,607	388,314
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	<u>\$ (16,287,356)</u>	<u>\$ (11,952,152)</u>	<u>\$ 4,335,204</u>
<b>Special Revenue Funds</b>			
Revenues and other financing sources	\$ 28,678,515	\$ 32,824,950	\$ 4,146,435
Expenditures and other financing uses	42,008,834	42,226,873	(218,039)
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	<u>\$ (13,330,319)</u>	<u>\$ (9,401,923)</u>	<u>\$ 3,928,396</u>
<b>Debt Service Funds</b>			
Revenues and other financing sources	\$ 7,245,016	\$ 6,726,208	\$ (518,808)
Expenditures and other financing uses	7,392,178	6,753,220	638,958
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	<u>\$ (147,162)</u>	<u>\$ (27,012)</u>	<u>\$ 120,150</u>
<b>Capital Projects Funds</b>			
Revenues and other financing sources	\$ 22,403,887	\$ 14,789,375	\$ (7,614,512)
Expenditures and other financing uses	10,971,527	6,857,647	4,113,880
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	<u>\$ 11,432,360</u>	<u>\$ 7,931,728</u>	<u>\$ (3,500,632)</u>
<b>Enterprise Funds</b>			
Operating and non-operating revenues	\$ 21,747,037	\$ 24,193,622	\$ 2,446,585
Operating and non-operating expenses	25,339,335	26,191,374	(852,039)
Revenues over (under) expenses	<u>\$ (3,592,298)</u>	<u>\$ (1,997,752)</u>	<u>\$ 1,594,546</u>

**c. Individual Fund Disclosures**

The following individual funds had actual expenditures over budgeted expenditures for the year ended December 31, 2007:

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
<b>Capital Project Funds:</b>			
Public Improvement Sales Tax	\$ 434,944	\$ 435,396	\$ (452)
Fire Protection Debt Service	658	666	(8)

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

The Parish maintains a consolidated cash management pool that is available for use by all funds except those specifically prohibited by law. Each fund type's portion of the consolidated cash pool is displayed on the Statement of Net Assets as "Cash and cash equivalents" or "Investments". The Parish's primary government and all discretely presented component units adopted Governmental Accounting Standards Board Statement No. 40, *Deposit and Investment Risk Disclosures*, previously.

**a. Cash and Cash Equivalents**

Deposits (including demand deposit accounts and certificates of deposits) at December 31, 2007, for the Parish's primary government are summarized as follows:

<u>Carrying Amount</u>	<u>Bank Balance</u>
\$ 2,371,613	\$ 3,308,939

All deposits are either insured by FDIC or collateralized with securities held by the Parish or its agent in the Parish's name. The Parish does not have a written policy for custodial credit risk for deposits.

**b. Investments**

*Credit Risk:* Local governments in Louisiana are restricted to investment types authorized by Louisiana Revised Statutes 39:1211-1245 and 33:2955. The Parish's investment policy further limits its investment choices by not allowing investment grade commercial paper. Accordingly the Parish may invest in the following:

1. United States Treasury Bonds
2. United States Treasury Notes
3. United States Treasury Bills
4. United States Treasury Strips
5. Obligations of the U.S. Government Agencies, including such instruments as Federal Home Loan Bank bonds, Government National Mortgage Association bonds, or a variety of "Federal Farm Credit" bonds.
6. Fully collateralized certificates of deposit issued by qualified commercial banks and savings and loan associations located within the State of Louisiana.
7. Fully collateralized repurchase agreements.
8. Fully collateralized interest-bearing checking accounts.
9. Mutual or Trust Fund institutions which are registered with the Securities and Exchange Commission under the Security Act of 1933 and the Investment Act of 1940, and which have underlying investments consisting solely of and limited to securities of the United States Government or its agencies.
10. Louisiana Asset Management Pool (LAMP).

Credit risk is defined as the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Parish's investment policy limits investments to those discussed above, obtained under the "Prudent Person" rule, exercising judgment and care, under circumstances then prevailing, which people of prudence, discretion and intelligence exercise in the management of their own affairs – not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived. The Parish's investments in U.S. Agency Securities were rated AAA by Standard & Poor's and Aaa by Moody's Investors Service. LAMP has a Standard & Poor's Rating of AAAM.

*Custodial Credit Risk:* For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Parish will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Investments in external investment pools, mutual funds and other pooled investments are not exposed to custodial credit risk because of their natural diversification and the diversification required by the Securities and Exchange Commission. All other Parish investments are insured or registered, with securities held by the Parish or its agent in the Parish's name. The Parish's Investment policy requires that securities purchased from any bank or broker/dealer including appropriate collateral should be placed with an independent third party fiduciary for custodial safekeeping as evidenced by safekeeping receipts.

**PARISH OF ST. CHARLES**

Hahnville, Louisiana  
 Notes to the Financial Statements (Continued)  
 December 31, 2007

Exhibit A-15  
 (Continued)

**NOTE 3 – CASH, CASH EQUIVALENTS, AND INVESTMENTS (CONTINUED)****b. Investments (continued)**

Parish investments for the primary government at December 31, 2007, are itemized as follows:

<u>Investment Type</u>	<u>Carrying Amount</u>	<u>Amortized Cost/ Fair Value</u>
U.S. Agency Securities	\$ 51,745,514	\$51,611,718
Louisiana Asset Management Pool (LAMP)	53,477,852	53,477,852
Total	<u>\$ 105,223,366</u>	<u>\$105,089,570</u>

<u>Investment Type</u>	<u>Investment Maturities (in Years)</u>	
	<u>Less than 1</u>	<u>1 - 5</u>
U.S. Agency Securities	\$44,194,100	\$7,551,414

*Interest Rate Risk:* The Parish's investment policy limits investments to three years as a means of managing its exposure to fair value losses arising from increasing interest rates.

LAMP, a local government investment pool, 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; however, its investment policies are similar to those established by Rule 2a7, which governs registered money market funds. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest. LAMP is designed to be highly liquid to give its participants immediate access to their account balances. LAMP is governed by a board of fifteen members elected by the 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 value 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.

The following is a reconciliation of the carrying amount of deposits and investments to restricted and unrestricted "Cash and cash equivalents" and "Investments" on the Statement of Net Assets:

Cash and cash equivalents:	
Deposits	<u>\$ 2,371,613</u>
Investments:	
LAMP	53,477,852
Investments	51,745,514
Total investments	<u>105,223,366</u>
Cash, cash equivalents, and investments, December 31, 2007	<u>\$ 107,594,979</u>
Current Assets - Cash and cash equivalents	\$ 2,270,370
Restricted Assets - Cash and cash equivalents	101,243
Total cash and cash equivalents	<u>2,371,613</u>
Current Assets - Investments	73,098,859
Restricted Assets - Investments	32,124,507
Total investments	<u>105,223,366</u>
Cash, cash equivalents, and investments, December 31, 2007	<u>\$ 107,594,979</u>

**NOTE 4 – RECEIVABLES**

All receivables, except for ad valorem taxes are considered collectible as of December 31, 2007; accordingly, an allowance for uncollectible is not considered necessary. Ad 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 \$19,950,631 ad valorem taxes receivable, \$15,383,506 was collected by the Sheriff in December 2007 and remitted to the Parish in January 2008.

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 \$1,788,261 for the Waterworks Utility System, \$808,026 for the Wastewater Utility System, and \$400,115 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, 2007, 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	\$ 153,124	\$ 258,535	\$ 15,404	\$ 54,841	\$ 481,904
Road & Drainage Maintenance & Operation	450,397	5,258	30,932	-	486,587
Recreation Maintenance & Operation	9,235	-	-	-	9,235
Nonmajor governmental funds	375,771	40,296	9,477	1,225	426,769
<u>Business-type Activities:</u>					
Waterworks Utility System	-	328,985	-	-	328,985
Totals	<u>\$ 988,527</u>	<u>\$ 633,074</u>	<u>\$ 55,813</u>	<u>\$ 56,066</u>	<u>\$ 1,733,480</u>

**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	\$ 1,165,491	\$ -	\$ 1,165,491
Connection Fees	-	2,822,275	2,822,275
Revenue Bond Sinking	917,269	181,521	1,098,790
Revenue Bond Reserve	2,154,742	442,384	2,597,126
Construction	22,622,427	-	22,622,427
Capital Additions & Contingencies	903,762	972,071	1,875,833
Cash with Fiscal Agent	-	43,808	43,808
Totals	<u>\$ 27,763,691</u>	<u>\$ 4,462,059</u>	<u>\$ 32,225,750</u>

**NOTE 7 – CAPITAL ASSETS**

**a. Primary government capital asset activity for the year ended December 31, 2007, was as follows:**

	Balance at December 31, 2006	Additions	Adjustments & Deletions	Balance at December 31, 2007
<b>Governmental Activities:</b>				
Capital assets not being depreciated:				
Land	\$ 7,953,024	1,175,266	9,000	\$ 9,137,290
Infrastructure	14,855,447	-	-	14,855,447
Construction in Progress	11,720,620	5,186,752	(3,800,242)	13,107,130
Total capital assets not being depreciated	<u>34,529,091</u>	<u>6,362,018</u>	<u>(3,791,242)</u>	<u>37,099,867</u>
Capital assets being depreciated:				
Buildings	16,604,846	748,400	-	17,353,246
Improvements other than buildings	37,735,016	3,312,245	-	41,047,261
Machinery & Equipment	27,246,600	1,603,158	(9,667)	28,840,091
Infrastructure	95,693,639	6,265,104	(562,626)	101,396,117
Total capital assets being depreciated	<u>177,280,101</u>	<u>11,928,907</u>	<u>(572,293)</u>	<u>188,636,715</u>
Less accumulated depreciation for:				
Buildings	(7,867,046)	(488,202)	(3,058)	(8,358,306)
Improvements other than buildings	(14,850,893)	(1,841,220)	-	(16,692,113)
Machinery & Equipment	(17,173,702)	(1,981,791)	(43,767)	(19,199,260)
Infrastructure	(38,525,748)	(4,320,160)	462,610	(42,383,298)
Total accumulated depreciation	<u>(78,417,389)</u>	<u>(8,631,373)</u>	<u>415,785</u>	<u>(86,632,977)</u>
Total capital assets being depreciated, net	<u>98,862,712</u>	<u>3,297,534</u>	<u>(156,508)</u>	<u>102,003,738</u>
Total governmental activities capital assets, net	<u>\$ 133,391,803</u>	<u>\$ 9,659,552</u>	<u>\$ (3,947,750)</u>	<u>\$ 139,103,605</u>
<b>Business-type Activities:</b>				
Capital assets not being depreciated:				
Land	\$ 504,752	\$ 259,951	\$ -	\$ 764,703
Construction in Progress	4,464,535	7,928,955	(2,081,875)	10,311,615
Total capital assets not being depreciated	<u>4,969,287</u>	<u>8,188,906</u>	<u>(2,081,875)</u>	<u>11,076,318</u>
Capital assets being depreciated:				
Buildings & improvements	151,773,316	4,805,047	(1,027,393)	155,550,970
Machinery & Equipment	13,795,206	753,606	-	14,548,812
Total capital assets being depreciated	<u>165,568,522</u>	<u>5,558,653</u>	<u>(1,027,393)</u>	<u>170,099,782</u>
Less accumulated depreciation for:				
Buildings & improvements	(52,907,640)	(4,114,269)	415,136	(56,606,773)
Machinery & Equipment	(9,613,754)	(1,043,992)	-	(10,657,746)
Total accumulated depreciation	<u>(62,521,394)</u>	<u>(5,158,261)</u>	<u>415,136</u>	<u>(67,264,519)</u>
Total capital assets being depreciated, net	<u>103,047,128</u>	<u>400,392</u>	<u>(612,257)</u>	<u>102,835,263</u>
Total business-type activities capital assets, net	<u>\$ 108,016,415</u>	<u>\$ 8,589,298</u>	<u>\$ (2,694,132)</u>	<u>\$ 113,911,581</u>

**PARISH OF ST. CHARLES**

Hahnville, Louisiana  
Notes to the Financial Statements (Continued)  
December 31, 2007

Exhibit A-15  
(Continued)

**NOTE 7 – CAPITAL ASSETS (CONTINUED)****b. Depreciation expense was charged to functions of the primary government as follows:**

Governmental Activities:	
General government	\$ 334,105
Public safety	216,313
Public works	7,651,382
Health & welfare	106,000
Culture & recreation	281,955
Economic development & assistance	41,618
	<u>\$ 8,631,373</u>
Business-type Activities:	
Waterworks Utility System	\$ 1,182,766
Wastewater Utility System	3,975,495
	<u>\$ 5,158,261</u>

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

	Project Authorization	Expended to 12/31/2007	Committed Financing
Parish Transportation Fund	\$ 491,915	\$ 483,797	\$ 8,118
Roads & Drainage Maintenance & Operation Fund:			
Roads	739,475	618,618	120,857
Sidewalks	12,500	12,500	-
Drainage	11,453,903	10,947,784	506,119
Recreation Fund	31,348	31,348	-
Health Unit	85,543	85,543	-
Public Improvement Sales Tax Bond Construction Fund	218,190	185,589	32,601
Library (Land & Bldgs)	745,881	741,951	3,930
Total Construction Commitments	<u>\$ 13,778,755</u>	<u>\$ 13,107,130</u>	<u>\$ 671,625</u>

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

Project Description	Project Authorization	Expended to 12/31/2007	Committed Financing
LA18 Luling to Taft Water Main Improvement	\$ 141,985	\$ 78,380	\$ 63,605
EB Plant Upgrade	1,715,140	1,270,245	444,895
Lakewood to Beaupre 10" Water Main Loop	-	(46,146)	46,146
EB Water Storage Tanks	3,276,680	2,966,929	309,751
Mississippi River Pipeline Crossing	5,368,033	3,302,563	2,065,470
Turbidity Analyzers	91,798	91,798	-
Generator Elevation	-	4,536	(4,536)
Cast Iron Replacements, Hwy 631	-	39	(39)
Acorn St Sewer Improvements	5,800	5,800	-
Beaupre Lift Station Rehabilitation	24,321	24,321	(0)
Destrehan Treatment Plant Belt Screen	268,600	-	268,600
Holder Estates Sewer Lift Station	4,136	4,136	-
Luling Oxidation Pond	3,179,100	2,583,917	595,183
New Sarpy Flow Modeling	10,000	10,000	-
Sharon St Sewer Improvements	18,247	15,097	3,150
Total Construction Commitments	<u>\$ 14,103,840</u>	<u>\$ 10,311,615</u>	<u>\$ 3,792,225</u>

**NOTE 8 – INTERFUND ASSETS/LIABILITIES**

**a. Balances due to/from other funds at December 31, 2007, consist of the following:**

\$	15,650	Due to the General Fund from the 1/2% P. I. Sales Tax Reserve Fund representing the amount of fund balance in excess of the reserve requirement.
	13,682	Due to the General Fund from the Criminal Court Fund representing half the ending fund balance and the amount due for cost allocation.
	35,208	Due to the General Fund from the 1% P. I. Sales Tax Sinking Fund representing the surplus payment required to be transferred.
	7,826	Due to the Road and Drainage M&O Fund from the General Fund representing the amount of excess revenue received from selling adjudicated properties.
	6,587	Due to the Road and Drainage M&O Fund from the General Fund representing derelict structure fees from sale of adjudicated properties.
	4,639	Due to the Road and Drainage M&O Fund from the 1% P.I. Sales Tax Reserve Fund representing the amount of fund balance in excess of the reserve requirement.
	275,180	Due to the Road and Drainage M&O Fund from the Parish Transportation Fund representing improvement other than building and engineering charges for Annual Road Maintenance Contract.
	3,904	Due to the Recreation M&O Fund from the General Fund representing the amount of excess revenue received from selling adjudicated properties.
	4,149	Due to the Sewer G.O. Sinking Fund from the General Fund representing the amount of excess revenue received from selling adjudicated properties.
	91,086	Due to the Waterworks Utility System from the Solid Waste Collection & Disposal Fund and the Wastewater Utility System representing December 2007 billing fees and 2007 bad debts.
	545,984	Due to the Wastewater Utility System from the Waterworks Utility System representing December 2007 sewer and sewer tie-in billings.
	35,501	Due to the Wastewater Utility System from the P.I. Sales Tax Construction Fund representing Fasion Plantation/Hwy 3127 Booster Lift Station charges.

**PARISH OF ST. CHARLES**

Hahnville, Louisiana

Notes to the Financial Statements (Continued)

December 31, 2007

Exhibit A-15

(Continued)

306,925	Due to the Solid Waste Collection & Disposal Fund from the Waterworks Utility System representing December 2007 garbage billings.
2,082	Due to the Fire Protection Fund from the General Fund representing the amount of excess revenue received from selling adjudicated properties.
1,317	Due to the Governmental Buildings Fund from the General Fund representing the amount of excess revenue received from selling adjudicated properties.
1,945	Due to the Road Lighting Fund from the General Fund representing the amount of excess revenue received from selling adjudicated properties.
1,439	Due to the Mosquito Control Fund from the General Fund representing the amount of excess revenue received from selling adjudicated properties.
1,286	Due to the Council on Aging Fund from the General Fund representing the amount of excess revenue received from selling adjudicated properties.
857	Due to the Health Unit Fund from the General Fund representing the amount of excess revenue received from selling adjudicated properties.
9,852	Due to the P.I. 3/8% Sales Tax Sinking Fund from the P.I. 3/8% Sales Tax Reserve Fund representing the amount of fund balance in excess of the reserve requirement.
153	Due to the Communication District Bond Sinking Fund from the General Fund representing the amount of excess revenue received from selling adjudicated properties.
5,648	Due to the 1/8% P. I. Sales Tax Reserve Fund from the Fire Protection Fund representing the amount of fund balance in excess of the reverse requirement.
<hr/>	
1,370,900	
<hr/>	

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

	Due From Other Funds	Due To Other Funds	Net Internal Balances
Balance Sheet - Governmental Funds	\$ 391,404	\$ (426,905)	\$ (35,501)
Statement of Net Assets - Proprietary Funds	979,496	(943,995)	35,501
	<u>\$ 1,370,900</u>	<u>\$ (1,370,900)</u>	<u>\$ -</u>



**NOTE 8 – INTERFUND ASSETS/LIABILITIES (CONTINUED)**

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

	<u>Due (To)/From Primary Government</u>	<u>Due (To)/From Component Units</u>
<u>Primary Government:</u>		
General Fund	\$ -	\$ (6,431)
<u>Special Revenue Funds:</u>		
Governmental Buildings Maintenance & Operation	-	(57,597)
<u>Component Units:</u>		
Communications District	57,597	-
Library Service District	6,431	-
	<u>\$ 64,028</u>	<u>\$ (64,028)</u>

**NOTE 9 – INTERFUND TRANSFERS**

Interfund transfers for the year ended December 31, 2007, consisted of the following:

		<u>Transfers From</u>		
		Nonmajor Governmental		
		<u>General Fund</u>	<u>Funds</u>	<u>TOTAL</u>
<u>Transfers To</u>	General Fund	\$ -	\$ 77,909	\$ 77,909
	Road & Drainage M & O Fund	-	27,170	27,170
	Nonmajor Governmental Funds	485,000	145,650	630,650
	Wastewater Utility System Fund	-	4,100	4,100
	TOTAL	<u>\$ 485,000</u>	<u>\$ 254,829</u>	<u>\$ 739,829</u>

Transfers are used to 1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, 2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and 3) use unrestricted revenues collected in 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 on the Statement of Activities follows:

	<u>Transfers In</u>	<u>Transfers Out</u>	<u>Net Transfers</u>
Statement of Revenues, Expenditures & Changes in Fund Balances - Governmental Funds	\$ 735,729	\$ (739,829)	\$ (4,100)
Statement of Revenues, Expenditures & Changes in Fund Balances - Proprietary Funds	4,100	-	4,100
TOTAL	<u>\$ 739,829</u>	<u>\$ (739,829)</u>	<u>\$ -</u>

**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 2007 was \$156,619. The minimum annual commitments under non-cancelable operating leases are as follows:

	<u>Buildings</u>	<u>Other</u>	<u>Total</u>
2008	\$ 155,109	\$ 1	\$ 155,110
2009	126,500	1	126,501
2010	51,288	1	51,289
2011	24,265	1	24,266
2012	6,980	1	6,981
TOTALS	<u>\$ 364,142</u>	<u>\$ 5</u>	<u>\$ 364,147</u>

**PARISH OF ST. CHARLES**

Hahnville, Louisiana

Notes to the Financial Statements (Continued)

December 31, 2007

**NOTE 11 – LONG-TERM OBLIGATIONS**

Exhibit A-15

(Continued)

The following is a summary of the Parish’s long-term debt transactions for the year ended December 31, 2007:

	Balance at 12/31/06	Additions	Retirements	Balance at 12/31/07	Due Within One Year
<b><u>Governmental Activities:</u></b>					
General obligation bonds	\$ 30,245,000	\$ -	\$ (2,145,000)	\$ 28,100,000	\$ 2,240,000
Public improvement bonds	15,075,000	920,000	(2,620,000)	13,375,000	2,750,000
Arbitrage payable	-	22,682	-	22,682	22,682
Claims and judgments (see note 16)	1,324,364	852,294	(367,001)	1,809,657	871,080
Capital leases				-	-
Less deferred amount on refunding	(523,215)	-	116,052	(407,163)	-
Less bond amortization costs	76,673	(27,397)	29,541	78,817	-
Total governmental activities	<u>\$ 46,197,822</u>	<u>\$ 1,767,579</u>	<u>\$ (4,986,408)</u>	<u>\$ 42,978,993</u>	<u>\$ 5,883,762</u>

	Balance at 12/31/06	Additions	Retirements	Balance at 12/31/07	Due Within One Year
<b><u>Business-Type Activities:</u></b>					
Revenue bonds	\$ 10,855,000	\$ 30,860,000	\$ (8,300,000)	\$ 33,415,000	\$ 755,000
Less deferred amount on refunding	(87,475)	(112,735)	35,039	(165,171)	-
Less bond amortization costs	(348,105)	451,519	60,844	164,258	-
Total business-type activities	<u>\$ 10,419,420</u>	<u>\$ 31,198,784</u>	<u>\$ (8,204,117)</u>	<u>\$ 33,414,087</u>	<u>\$ 755,000</u>

Long-term bonded debt outstanding as of December 31, 2007, consists of the following:

	Date of Issuance	Authorized and Issued	Interest Rate	Maturity Date	Principal Outstanding	Interest to Maturity
<b><u>GENERAL OBLIGATION BONDS:</u></b>						
Communications District No. 1 - 1993	5/1/1993	\$ 1,350,000	5.00	3/1/2008	\$ 140,000	\$ 3,500
Sewer Series - 1997	10/7/1997	17,000,000	3.95	3/1/2018	4,525,000	1,617,426
Sewer Series - 1998	6/16/1998	24,000,000	3.95	3/1/2019	7,875,000	2,979,386
Public Health Unit 2000	12/28/2000	1,800,000	5.45-5.55	3/1/2010	705,000	60,070
Sewer Ref - 2003	12/1/2003	21,875,000	3.65-4.0	3/1/2014	14,855,000	2,128,218
Total general obligation bonds					<u>28,100,000</u>	<u>6,788,600</u>
<b><u>PUBLIC IMPROVEMENT BONDS:</u></b>						
PIST Refunding, Series 2002	3/6/2002	9,545,000	3.25-4.25	11/1/2010	3,295,000	281,488
PIST Series 2003	7/1/2003	4,735,000	3.15-3.5	6/20/2023	4,105,000	1,483,500
Sales Tax Revenue (2004)	8/1/2004	790,000	3.85-5.0	8/1/2014	590,000	104,905
1% PIST Refunding, Series 2005	9/14/2005	7,170,000	3.25-3.50	12/1/2010	4,465,000	309,125
Sales Tax Revenue (2007)	6/1/2007	920,000	4.45-6.45	8/1/2031	920,000	679,768
Total public improvement bonds					<u>13,375,000</u>	<u>2,858,786</u>
<b><u>REVENUE BONDS:</u></b>						
Sewer Revenue Bonds - 1994	6/24/1994	6,300,000	2.95	7/1/2015	2,970,000	407,543
Consol. WW & Wstwr - Ref (2007A)	1/30/2007	23,975,000	4.0-5.0	7/1/2036	23,975,000	24,355,175
Consol. WW & Wstwr - Ref (2007B)	1/30/2007	1,105,000	4.00	7/1/2016	5,720,000	1,411,400
Consol. WW & Wstwr - Ref (2007C)	1/30/2007	5,780,000	4.00	7/1/2009	750,000	45,400
Total revenue bonds					<u>33,415,000</u>	<u>26,219,518</u>
<b>TOTALS</b>					<u>\$ 74,890,000</u>	<u>\$ 35,866,904</u>

**PARISH OF ST. CHARLES**

Hahnville, Louisiana  
 Notes to the Financial Statements (Continued)  
 December 31, 2007

Exhibit A-15  
 (Continued)

**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. Revenues from operations service the revenue bonds accounted for in the proprietary funds.

Long-term bonded debt totaling \$74,890,000 includes \$755,000 of bonds payable within one year, which is included in the payables from restricted assets for the proprietary funds on Exhibit A-10.

The outstanding bonds secured by ad valorem taxes consist of general obligation bonds. These bonds, presented in the previous table, totaled \$28,100,000. 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, 2007 was \$942,639,306

On January 30, 2007, the Parish issued Utility refunding Bonds (Series B and C) in the amounts of \$5,780,000 and \$1,105,000, respectively, with an average interest rate of 4.0% to advance refund \$5,775,000 of Series 1999 Revenue Refunding bonds with an average interest rate of 4.46% and \$1,785,000 of Series 2003 Utility Revenue refunding Bonds with an average interest rate of 2.69% respectively. The bonds were issued at a premium of \$72,437 and \$5,608 for 2007 Series B and C respectively. The proceeds of the bonds along with \$1,315,012 of existing debt service funds were deposited into an irrevocable trust with an escrow agent to provide for future debt service payments on the 1999 and 2003 series bonds. As a result, the 1999 and 2003 series bonds are considered defeased and the liability for those bonds have been removed from the government-wide statement of net assets.

The advance refunding resulted in a difference between the reacquisition price and the net carrying amount of the old debt of \$145,062 (Series B) and \$32,327 (Series C). This difference, reported in the accompanying financial statement as a deduction from bonds payable, is being charged to operations through the year 2016 using straight-line method on the government-wide statements. The Parish completed the advance refunding to reduce its total debt service payments over the next five years by \$79,285 and obtain an economic loss (difference between the present values of the old and new debt service payments) of \$8,481.

The annual requirements to amortize all long-term obligations (including interest of \$35,866,904) outstanding at December 31, 2007 are as follows:

Maturity	General Obligation Bonds	Public Improvement Bonds	Total General Long-Term Obligations	Revenue Bonds	Total Bonds
2008	\$ 2,240,000	\$ 2,750,000	\$ 4,990,000	\$ 755,000	\$ 5,745,000
2009	2,190,000	2,870,000	5,060,000	785,000	5,845,000
2010	2,290,000	2,990,000	5,280,000	920,000	6,200,000
2011	2,115,000	315,000	2,430,000	1,120,000	3,550,000
2012	2,200,000	330,000	2,530,000	1,160,000	3,690,000
2013-2017	12,530,000	1,555,000	14,085,000	5,445,000	19,530,000
2018-2022	4,535,000	1,735,000	6,270,000	4,300,000	10,570,000
2023-2027	-	590,000	590,000	5,390,000	5,980,000
2028-2032	-	240,000	240,000	6,810,000	7,050,000
2033-2036	-	-	-	6,730,000	6,730,000
	28,100,000	13,375,000	41,475,000	33,415,000	74,890,000
Plus amounts representing interest:					
2008	\$ 1,074,680	\$ 516,250	\$ 1,590,930	\$ 1,499,153	\$ 3,090,083
2009	982,023	412,160	1,394,183	1,472,470	2,866,653
2010	888,723	305,295	1,194,018	1,444,693	2,638,711
2011	798,685	190,065	988,750	1,411,620	2,400,370
2012	712,385	176,940	889,325	1,370,653	2,259,978
2013-2017	2,175,389	706,280	2,881,669	6,193,128	9,074,797
2018-2022	156,715	408,720	565,435	5,184,488	5,749,923
2023-2027	-	111,710	111,710	4,100,063	4,211,773
2028-2032	-	31,366	31,366	2,681,250	2,712,616
2033-2036	-	-	-	862,000	862,000
	6,788,600	2,858,786	9,647,386	26,219,518	35,866,904
Totals	\$ 34,888,600	\$ 16,233,786	\$ 51,122,386	\$ 59,634,518	\$ 110,756,904

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

**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, 2007, for the Parish shows that there were 22,682 of arbitrage rebate liabilities due the U. S. Department of Treasury.

**NOTE 12 – PAYABLE FROM RESTRICTED ASSETS**

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

	Waterworks Utility System	Wastewater Utility System	Total
Current Maturities of Long-Term Debt	\$ 420,000	\$ 335,000	\$ 755,000
Accrued Interest Payable	705,769	43,808	749,577
Customer Deposits	1,145,805	-	1,145,805
Totals	<u>\$ 2,271,574</u>	<u>\$ 378,808</u>	<u>\$ 2,650,382</u>

**NOTE 13 – FUND EQUITY**

The nature and purpose of the reserves or designations of fund balances are as follows:

**Restricted for debt service**

This represents the amount restricted for paying principal and interest of the Waterworks and Wastewater proprietary funds.

**Restricted for capital projects**

This represents the amount restricted 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- Designated for claims and judgments**

This represents amounts set aside in general fund to fund insurance claims liabilities.

**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, 2006 property tax that was levied to finance the budget for 2007 is recorded as revenue for the 2007 fiscal year. The property taxes that are measurable, but not available, are recorded net of estimated uncollectible amounts. The 2007 tax levy, which was levied to finance the budget for 2008, is recorded net of adjustments, as unearned revenue.

**PARISH OF ST. CHARLES**

Hahnville, Louisiana  
 Notes to the Financial Statements (Continued)  
 December 31, 2007

Exhibit A-15  
 (Continued)

**NOTE 14 – PROPERTY TAXES (CONTINUED)**

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 2007 levies are based, was \$850,550,817 and the Homestead Exemption was \$92,088,489. The total 2006 assessed value was \$942,639,306.

	<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	1.48
Mosquito Control	1.13	1.10
Council on Aging	0.98	0.98
Recreation	2.97	2.97
Health Unit	0.65	0.65
Debt Service:		
Public Sewer	N/A	3.16
Emergency 911	N/A	0.12
Fire Protection	N/A	0

**NOTE 15 – SALES AND USE TAXES**

The Parish levies one percent, one-half percent, three-eighth percent, and one-eighth percent sales and use taxes. 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, 2007 was \$4,240,518.

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-eighth percent sales and use taxes 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-eighth 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.

**PARISH OF ST. CHARLES**

Hahnville, Louisiana  
Notes to the Financial Statements (Continued)  
December 31, 2007

Exhibit A-15  
(Continued)

**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 Claims” designated fund balance 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 \$1,373,577 at December 31, 2007. 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 \$1,373,577 (which includes an estimated liability for claims incurred but not reported of \$657,227) is reported in the General Fund at December 31, 2007. The estimated claim liability is determined by the third-party administrator based on historical information and anticipated payments. These liabilities are based on the requirements of the Governmental Accounting Standards Board Statement No. 10, “Accounting and Financial Reporting for Risk Financing and Related Insurance Issues”, 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.

Changes in the balances of claims liabilities during years 2005 through 2007 were as follows:

	<u>2005</u>	<u>2006</u>	<u>2007</u>
Liability at beginning of year	\$ 1,502,161	\$ 1,421,816	\$ 1,324,364
Current year claims and changes in estimates	211,002	189,152	416,213
Less claims payments	(291,347)	(286,604)	(367,000)
Balance at year end	<u>\$ 1,421,816</u>	<u>\$ 1,324,364</u>	<u>\$ 1,373,577</u>

During 2007, the attorney for the parish reported on the status of pending litigation in an expropriation of property for drainage improvements. The Louisiana Fifth Circuit Court of Appeal reversed the Trial Court’s awarding of \$58,000 and instead awarded the plaintiff \$436,080. The Parish filed a writ application to the Louisiana Supreme Court and is waiting to hear whether the Supreme Court will accept the writ application. This \$436,080 is included in claims and judgments in the long term debt schedule note 11.

**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 on the Statement of Net Assets 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 by the Parish.

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.

**NOTE 17 – COMMITMENTS AND CONTINGENCIES (CONTINUED)**

**b. EPA Administrative Order**

On August 11, 2006, the United States Environmental Protection Agency (EPA) issued a revised administrative order, docket number CWA-06-2006-1822 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 has not been lifted, but the Environmental Protection Agency and the Department of Environmental Quality have issued a Wetland Discharge Permit. Under the requirements of this permit, we have achieved all permit limits and have been in compliance. We will request that the EPA release St. Charles Parish from this administrative order.

**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 to 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 and ordinance number 04-12-3 amending the fee paid per day. The agreement provides for payment to the District for housing local pretrial prisoners sentenced to Parish time in the amount of \$22.39 per day.

The Council adopted ordinance number 01-11-9 to authorize a Cooperative Agreement between the Parish and the Louisiana State University for the installation of a continuously operating reference station (CORS) site on the Eastbank of the Parish. The CORS site helps to insure accurate information related to elevation measurements and is used in modeling date for flood protection.

The Council adopted ordinance number 05-12-9 approving and authorizing the execution of an agreement with the Louisiana Department of Natural Resources for the operation, maintenance, repair, replacement, and rehabilitation of the Davis Pond Freshwater Diversion Project.

**e. Economic Development Agreements**

The Parish has entered into an agreement with Randa Corp. to promote economic development in the Parish. The agreement required 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 \$190,000 the fifth and sixth years of the project, and \$185,000 the seventh through eleventh. The project entered the sixth year in 2007.

**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, 2007, there were eight series of environmental improvement revenue bonds outstanding, with an aggregate amount payable of \$307,475,000.

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

The Parish's post retirement healthcare and life insurance benefits policy established by the Parish President, 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, retirees' coverage continues as 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 \$188,286 were recognized for post retirement healthcare in 2007. Retired employees paid premiums of \$71,769 for post retirement healthcare in 2007. 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 thirty-three participants in the Parish's post retirement benefits program at December 31, 2007.

In June 2004, the GASB issued Statement No. 45 ("GASB 45"), which is entitled "Accounting and Financial Reporting by Employers for Post-Retirement Benefits Other Than Pensions". The Statement establishes standards for the measurement recognition and presentation of post-employment benefits other than pension benefits ("OPEB") expense/expenditures and related liabilities (assets), note disclosures and, if applicable, required supplemental information in the financial reports of the state and local governmental employers. GASB 45 is intended to improve the relevance and usefulness of financial reporting by (a) requiring systematic, accrual-basis measurement and recognition of OPEB costs (expense) over a period that approximates employees' years of service and (b) providing information about actuarial accrued liabilities associated with OPEB and whether and to what extent progress is being made in funding the plan.

As a Phase II implementer, the Parish is required to comply with GASB 45 beginning with fiscal year ending December 31, 2009. As a result, the Parish expects to switch to an actuarial method of accounting and to report the unfunded liabilities as well as the annual cost for OPEB, including specifically retiree health care expense, in its financial statements for fiscal year ending on December 31, 2008.

The Parish completed the actuarial valuation of the current GASB 45 liability and Unfunded Accrued Liability (AAL) for fiscal year ending December 31, 2008 was estimated to be \$20,237,085. the Gross Annual Required Contribution (ARC) using 10 year amortization was estimated to be \$2,103,010 with Net ARC of \$1,914,724 after deducting estimated retiree premiums.

**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 are eligible to participate in the system. 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 hired prior to January 1, 2007 and who retire at or after age 65 with at least 7 years of credible service, 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. Employees hired January 1, 2007 and later who retire at or after age 67 with at least 7 years of credible service, at or after age 62 with at least 10 years of credible service, at or after age 55 with 30 years of credible service are entitled to retirement benefits 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. For employees hired prior to January 1, 2007, final average salary is the employee's average salary over 36 consecutive or joined months that produce the highest average. For employees hired January 1, 2007 and later the final average salary is the employee's average salary over 60 consecutive months, etc. 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.



**NOTE 20 – PENSIONS (CONTINUED)**

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.

:

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

	<u>2005</u>	<u>2006</u>	<u>2007</u>
Employer required contribution rate	12.75%	12.75%	13.25%
Covered payroll	\$ 15,780,361	\$ 14,943,763	\$ 15,279,841
Required employer contributions	\$ 2,011,996	\$ 1,905,330	\$ 2,025,682
Parish contributions	\$ 2,011,996	\$ 1,905,330	\$ 2,025,682

**NOTE 21 – SUBSEQUENT EVENTS**

On May 19, 2008, the Parish Council approved an intergovernmental agreement with Sunset Drainage district to provide an operating subsidy of \$178,893.

**NOTE 22 – RESTATEMENT ON BEGINNING NET ASSETS AND BEGINNING FUND BALANCES**

As of December 31, 2007, the beginning net assets for the following fund and related activities were restated as follows:

	Balance 12/31/2006 Previously Reported	Correction of Reported Assets	Balance 12/31/2007 as Restated
Total net assets - beginning, Waterworks Utility System	\$ 19,134,665	\$ 176,389	\$ 19,311,054
Total net assets - beginning, Total Proprietary Funds	\$ 109,773,992	\$ 176,389	\$ 109,950,381
Net assets, beginning, Business-type Activities	\$ 109,773,992	\$ 176,389	\$ 109,950,381

The waterworks utility system incorrectly billed one of its major users in the prior year, which resulted in understatement of water sales. The billing error was corrected and the major user was billed for its correct usage. Therefore, beginning net assets were restated to include the receivable for the water sales, causing net assets to be increased by \$176,389.

As of December 31, 2007 the beginning fund balances for general fund and the related liabilities were restated as follows:

	Balance 12/31/2006 Previously Reported	Correction of Reported Designations	Balance 12/31/2007 as Restated
Fund Balances, beginning General Fund	\$ 28,353,176	\$ 1,324,364	\$ 29,677,540
Claims and Judgements payable, General Fund	\$ 1,324,364	\$ (1,324,364)	\$ -

The reserves for insurance claims were erroneously classified as current liabilities in the prior year financial statements. This entry was made to correctly classify the insurance reserves as a designation of fund balance.

**PARISH OF ST. CHARLES**

Hahnville, Louisiana

Notes to the Financial Statements (Continued)

December 31, 2007

Exhibit A-15

(Continued)

**NOTE 23 – SELECTED DISCLOSURES FOR DISCRETELY PRESENTED COMPONENT UNITS**

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

**a. Cash, Cash Equivalents, and Investments****1. Cash and Cash Equivalents**

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

	Total Carrying Amount	Bank Balance
St. Charles Parish Communications District	\$ 17,368	\$ 17,368
St. Charles Parish Library Service District No. 1	15,940	15,940
Sunset Drainage District of St. Charles Parish	83,062	83,062
St. Charles Parish Hospital Service District	11,358,690	12,595,606
	<u>\$ 11,475,060</u>	<u>\$ 12,711,976</u>

Under state law, these deposits must be secured by either Federal deposit insurance or by the pledge of securities owned by a fiscal agent 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 fiscal agent bank.

All component unit deposits were either FDIC insured or collateralized by securities pledged by the bank and held for the benefit of the component unit thereby eliminating their custodial credit risk.

**a. Cash, Cash Equivalents, and Investments (Continued)****2. Investments**

	Carrying Amount	Amortized Cost/ Fair Value
St. Charles Parish Communications District:		
U. S. Agency Securities	\$ 492,295	\$ 492,450
LAMP	1,302,629	1,302,629
Total	<u>\$ 1,794,924</u>	<u>\$ 1,795,079</u>
St. Charles Parish Library Service District No. 1		
U. S. Agency Securities	\$ 8,678,500	\$ 8,628,125
LAMP	2,668,258	2,668,258
Total	<u>\$ 11,346,758</u>	<u>\$ 11,296,383</u>
Sunset Drainage District		
LAMP	1,224	1,224
Total	<u>\$ 1,224</u>	<u>\$ 1,224</u>

The St. Charles Parish Communications District and the St. Charles Parish Library Service District No. 1 follow the same investment policy as the primary government. All investments in U. S. Agency Securities are insured or registered with securities in the name of the government and are rated AAA by Standard & Poor's and Aaa by Moody's. These investments are limited to a maximum of three years as a means of managing its exposure to fair value losses arising from increasing rates. LAMP has a Standard & Poor's rating of AAAM.

**PARISH OF ST. CHARLES**

Hahnville, Louisiana  
Notes to the Financial Statements (Continued)  
December 31, 2007

Exhibit A-15  
(Continued)

**NOTE 23 – SELECTED DISCLOSURES FOR DISCRETELY PRESENTED 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
St. Charles Parish Comm. District				
Equipment	\$ 877,596	\$ 257,297	\$ -	\$ 1,134,893
CIP	205,819	152,998	(257,297)	101,520
Total	1,083,415	410,295	(257,297)	1,236,413
Less: Accumulated depreciation	(719,226)	(96,000)	-	(815,226)
Total St. Charles Parish Communications District	<u>\$ 364,189</u>	<u>\$ 314,297</u>	<u>\$ (257,297)</u>	<u>\$ 421,187</u>
St. Charles Parish Library Service Dist. No. 1				
Equipment	\$ 2,934,910	\$ 327,220	\$ -	\$ 3,262,130
Total	2,934,910	327,220	-	3,262,130
Less: Accumulated depreciation	(1,577,058)	(333,189)	-	(1,910,247)
Total St. Charles Parish Library Service District No. 1	<u>\$ 1,357,852</u>	<u>\$ (5,970)</u>	<u>\$ -</u>	<u>\$ 1,351,883</u>

**b. Capital Assets (Continued)**

	Beginning Balance	Additions	Adjustments and Deletions	Ending Balance
Sunset Drainage Dist. of SCP				
Land	\$ 251,728	\$ -	\$ -	\$ 251,728
Equipment	679,413	191,912	(20,995)	850,330
Buildings	42,570	-	-	42,570
Real estate improvements	893,579	-	-	893,579
Total	1,867,290	191,912	(20,995)	2,038,207
Less: Accumulated depreciation	(1,450,043)	(39,016)	4,549	(1,484,510)
Total Sunset Drainage District of St. Charles Parish	<u>\$ 417,247</u>	<u>\$ 152,896</u>	<u>\$ (16,446)</u>	<u>\$ 553,697</u>
St. Charles Parish Hospital Service Dist.				
Land	\$ 379,597	\$ 1,045,440	\$ -	\$ 1,425,037
Building & improvements	16,433,161	984,347	-	17,417,508
Equipment	17,100,962	1,942,737	(11,018)	19,032,681
Leasehold improvements	67,406	74,975	-	142,381
Vehicles	421,141	26,163	-	447,304
CIP	1,316,960	7,520,566	(1,055,182)	7,782,344
Total	35,719,227	11,594,228	(1,066,200)	46,247,255
Less: Accumulated depreciation	(19,532,206)	(2,720,042)	7,949	(22,244,299)
Total St. Charles Parish Hospital Service District	<u>\$ 16,187,021</u>	<u>\$ 8,874,186</u>	<u>\$ (1,058,251)</u>	<u>\$ 24,002,956</u>

**NOTE 23 – SELECTED DISCLOSURES FOR DISCRETELY PRESENTED COMPONENT UNITS (CONTINUED)**

**c. Leases**

The Library Service District has an operating lease for one of its branches. The total 2007 cost for the operating lease was \$6,900. The minimum annual commitments under non-cancelable operating leases for buildings are as follows:

	<u>Building</u>
2008	1,438
Totals	<u>\$ 1,438</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, 2007 and 2006, the hospital wrote off a combined \$3,178,401 and \$1,848,126, respectively, of charity care against gross revenue.

**e. Long-Term Obligations**

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

	<u>Balance at July 31, 2006</u>	<u>Additions</u>	<u>Payments and Adjustments</u>	<u>Balance at July 31, 2007</u>	<u>Less Current Obligation</u>	<u>Long-Term Obligation</u>
Proprietary Funds:						
Hospital Service District:						
Bonds payable	\$ 21,710,000	\$ 5,500,000	\$ (1,815,000)	\$ 25,395,000	\$ (1,485,000)	\$ 23,910,000
Notes payable	58,172	-	(42,936)	15,236	(14,555)	681
Certificates of Indebtedness	6,045,000	6,000,000	(5,190,000)	6,855,000	(6,200,000)	655,000
Capital Leases	506,579	1,919,462	(414,516)	2,011,523	(441,476)	
Total Hospital Service District	<u>\$ 28,319,751</u>	<u>\$ 13,419,462</u>	<u>\$ (7,462,452)</u>	<u>\$ 34,276,760</u>	<u>\$ (8,141,031)</u>	<u>\$ 26,135,729</u>

**BONDS PAYABLE**

The following individual issues of the Hospital Service District, at fiscal year ending July 31, 2007, represent component Unit bonds payable and certificates of indebtedness:

	<u>Date of Issuance</u>	<u>Authorized and Issued</u>	<u>Interest Rate%</u>	<u>Maturity Date</u>	<u>Principal Outstanding</u>
General Obligation Bonds:					
Hospital 1998	1/28/1998	4,565,000	4.125-5.125	3/1/2007	\$ -
Hospital 2003A	12/1/2003	2,745,000	3-4.5	3/1/2018	2,745,000
Hospital 2003B	12/1/2003	810,000	4.15-6	3/1/2018	810,000
Hospital 2004	3/1/2004	5,300,000	7	3/1/2024	4,640,000
Hospital 2005	4/1/2005	7,500,000	4.65	3/1/2025	6,500,000
Hospital 2006	4/1/2006	5,700,000	4.125-6.75	3/1/2026	5,200,000
Hospital 2007	4/1/2007	5,500,000	4-6.5	3/1/2027	5,500,000
Total General Obligation Bonds					<u>25,395,000</u>
Certificates of Indebtedness:					
Hospital 2004B	9/2/2004	1,320,000	4.75	3/1/2011	855,000
Hospital 2007A	7/31/2006	4,000,000	5.25-6	2/2/2008	3,000,000
Hospital 2007B	7/31/2006	1,000,000	5.25-6	2/2/2008	1,500,000
Hospital 2007C	7/31/2006	1,500,000	5.25-6	2/2/2008	500,000
Hospital 2007D	7/31/2006	2,800,000	5.25-6	2/2/2008	1,000,000
Total Certificates of Indebtedness					<u>6,855,000</u>
<b>TOTAL</b>					<u><u>\$ 32,250,000</u></u>

**NOTE 23 – SELECTED DISCLOSURES FOR DISCRETELY PRESENTED COMPONENT UNITS (CONTINUED)**

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

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>
2008	9,323,283
2009	2,329,617
2010	2,265,455
2011	2,296,833
2012-2016	11,430,182
2017-2021	9,869,894
2022-2026	9,035,029
TOTALS	<u>\$ 46,550,293</u>

**f. Pensions**

**1. 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>2005</u>	<u>2006</u>	<u>2007</u>
Employer required contribution rate	12.75%	12.75%	13.25%
Covered payroll	\$ 997,440	\$ 1,019,794	\$ 1,133,140
Required employer contributions	\$ 127,174	\$ 130,024	\$ 149,036
Parish contributions	\$ 127,175	\$ 130,024	\$ 149,036

**2. 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, 2007, Sunset Drainage District contributed \$8,101 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.

**3. 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 \$1,494,347 and \$1,363,732 for the years ended July 31, 2007 and 2006 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 \$8,958 were recognized for post retirement healthcare in 2007. Retired employees paid premiums of \$4,435 for post retirement healthcare in 2007. There were four participants in the District's post retirement benefits program at December 31, 2007.

**PARISH OF ST. CHARLES**

Hahnville, Louisiana  
Notes to the Financial Statements (Continued)  
December 31, 2007

Exhibit A-15  
(Continued)

**h. Subsequent Events – Component Unit**

On February 27, 2008, the Board of Commissioners of Hospital Service District No. 1 of the Parish of St. Charles, State of Louisiana, authorized the issuance and sale of not exceeding \$8,300,000 of Limited Refunding Bonds (the “Refunding Bonds”) and \$6,300,000 of Limited Tax Bonds (the “Bonds”). The refunding Bonds will be issued for the purpose of refunding all or a portion of the outstanding Taxable Certificates of Indebtness, Series 2008A and Certificates of Indebtness, Series 2008B. The Bonds will be issued for the purpose of constructing, operating and maintaining hospital facilities.

**NOTE 24 – STATE REQUIRED DISCLOSURES**

**a. Council Members Compensation**

Compensation for the Council Members and the Parish President for the year ended December 31, 2007 is as follows:

April W. Black	\$	8,712
Richard Duhe		8,712
Brian A. Fabre		8,712
Clayton M. Fauchaux, Jr.		11,616
Desmond J. Hilaire		8,712
Albert D. Laque, Parish President		85,279
Lance J. Marino		11,616
Barry Minnich		8,712
Ganesier Ramachandram		8,712
Derryl W. Walls		8,712
	\$	<u>169,495</u>

**b. Communications District Wireless E911 Service**

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 \$372,157 were recorded during 2007. 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 \$3,722 during 2007



## 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 Fund**

The Governmental Buildings 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 Act.

#### **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 investment 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 investment 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 investment 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 transfers from the General Fund, 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 investment earnings.

#### **Workforce Investment Act SDA 14 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 from the United States 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 requires 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 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-Eighth Percent Sales Tax Sinking Fund**

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

**One Half Percent Public Improvement Sales Tax 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-Eighth Percent Sales Tax Reserve Fund**

Pursuant to ordinances authorizing the issuance of Three-Eighth Percent Public Improvement Sales Tax Bonds, the Public Improvement Three-Eighth 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-Eighth 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 investment earnings.

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

The Public Improvement One Percent Sales Tax Bond Sinking Fund accounts for the retirement of Public Improvement Refunding Bonds one percent sales tax series 2005 refunding bonds, dated January 1, 2005. Financing is provided by a one percent parish sales tax.

**Public Improvement One Percent Sales Tax 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 investment earnings.

**Debt Service Funds - Continued**

**Health Unit Sinking Fund**

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

**One-Eighth Percent Public Improvement Sales Tax Sinking Fund**

The One-Eighth Percent Public Improvement Sales Tax Sinking Fund accounts for the retirement of the public improvement sales tax revenue bonds dated June 1, 2007. Funding is provided by a One-Eighth percent parish sales tax.

**One-Eighth Percent Public Improvement Sales Tax Reserve Fund**

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

**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 investment 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.

**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.

**One-Eighth Percent Public Improvement Sales Tax Construction Fund**

The One-Eighth Percent Public Improvement Sales Tax Construction Fund accounts for the construction cost of improving and developing fire stations in Luling and Des Allemands fire district. Financing is provided by one-eighth percent sales tax bonds.

**Parish of St. Charles**  
Combining Balance Sheet  
Nonmajor Governmental Funds  
December 31, 2007

Special Revenue

	Fire Protection	Governmental Buildings	Parish Transportation	Road Lighting District No. 1
<b>ASSETS</b>				
Cash and cash equivalents	\$ 827	\$ 611	\$ 38,214	\$ 1,279
Investments	165,542	55,669	575,375	961,318
Receivables, net:				
Ad valorem taxes	1,415,000	895,500	-	1,324,000
Sales taxes	254,506	-	-	-
Other	-	-	-	4,621
Due from other funds	2,082	1,317	-	1,945
Due from other governments	9,477	-	40,296	-
Prepaid fees	-	-	-	-
Other assets	-	-	-	-
Total assets	<u>\$ 1,847,434</u>	<u>\$ 953,097</u>	<u>\$ 653,885</u>	<u>\$ 2,293,163</u>
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities:				
Accounts payable	\$ 562	\$ -	\$ 6,999	\$ 71,008
Due to other funds	5,648	-	275,180	-
Due to component units	-	57,597	-	-
Due to other governments	426,224	-	-	-
Other liabilities	-	-	-	123,412
Unearned revenue	1,415,000	895,500	-	1,330,931
Total liabilities	<u>1,847,434</u>	<u>953,097</u>	<u>282,179</u>	<u>1,525,351</u>
Fund balances:				
Reserved for:				
Debt service	-	-	-	-
Prepaid fees	-	-	-	-
Unreserved, reported in:				
Special revenue funds	-	-	371,706	767,812
Capital projects funds	-	-	-	-
Total fund balances	<u>-</u>	<u>-</u>	<u>371,706</u>	<u>767,812</u>
Total liabilities and fund balances	<u>\$ 1,847,434</u>	<u>\$ 953,097</u>	<u>\$ 653,885</u>	<u>\$ 2,293,163</u>

Special Revenue

Mosquito Control	Council on Aging	Retired Senior Volunteer Program	Public Health Unit	Workforce Investment Act SDA 14
\$ 6,435	\$ 1,187	\$ 1,811	\$ 1,526	\$ 5,374
338,589	46,822	53,062	215,371	-
985,000	877,600	-	582,000	-
-	-	-	-	-
-	-	-	-	2,004
1,439	1,286	-	857	-
-	-	-	-	375,771
-	-	-	-	20,867
-	-	-	-	1,595
<u>\$ 1,331,463</u>	<u>\$ 926,895</u>	<u>\$ 54,873</u>	<u>\$ 799,754</u>	<u>\$ 405,611</u>
\$ 71,403	\$ 348	\$ 3,247	\$ 32,341	\$ 24,872
-	-	-	-	-
-	-	-	-	-
-	48,947	-	-	338,097
2,084	-	16,751	-	42,642
985,000	877,600	-	582,000	-
<u>1,058,487</u>	<u>926,895</u>	<u>19,998</u>	<u>614,341</u>	<u>405,611</u>
-	-	-	-	-
-	-	-	-	-
272,976	-	34,875	185,413	-
-	-	-	-	-
<u>272,976</u>	<u>-</u>	<u>34,875</u>	<u>185,413</u>	<u>-</u>
<u>\$ 1,331,463</u>	<u>\$ 926,895</u>	<u>\$ 54,873</u>	<u>\$ 799,754</u>	<u>\$ 405,611</u>

(Continued)

**Parish of St. Charles**  
Combining Balance Sheet  
Nonmajor Governmental Funds  
December 31, 2007

	Special Revenue		Debt Service	
	Continued			
	Criminal Court	1/2% P.I. Sales Tax Sinking	P. I. 3/8% Sales Tax Sinking	1/2% P. I. Sales Tax Reserve
<b>ASSETS</b>				
Cash and cash equivalents	\$ 14,558	\$ 417	\$ 366	\$ 1,032
Investments	4,051	198,097	89,766	1,223,599
Receivables, net:				
Ad valorem taxes	-	-	-	-
Sales taxes	-	-	-	-
Other	14,834	-	-	-
Due from other funds	-	-	9,852	-
Due from other governments	1,225	-	-	-
Prepaid fees	-	-	77,029	-
Other assets	-	-	-	-
<b>Total assets</b>	<b>\$ 34,668</b>	<b>\$ 198,514</b>	<b>\$ 177,013</b>	<b>\$ 1,224,631</b>
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities:				
Accounts payable	\$ 2,519	\$ -	\$ -	\$ -
Due to other funds	13,682	-	-	15,650
Due to component units	-	-	-	-
Due to other governments	-	-	-	-
Other liabilities	4,784	-	-	-
Unearned revenue	-	-	-	-
<b>Total liabilities</b>	<b>20,985</b>	<b>-</b>	<b>-</b>	<b>15,650</b>
Fund balances:				
Reserved for:				
Debt service	-	198,514	99,984	1,208,981
Prepaid fees	-	-	77,029	-
Unreserved, reported in:				
Special revenue funds	13,683	-	-	-
Capital projects funds	-	-	-	-
<b>Total fund balances</b>	<b>13,683</b>	<b>198,514</b>	<b>177,013</b>	<b>1,208,981</b>
<b>Total liabilities and fund balances</b>	<b>\$ 34,668</b>	<b>\$ 198,514</b>	<b>\$ 177,013</b>	<b>\$ 1,224,631</b>

Debt Service				
P. I. 3/8% Sales Tax Reserve	Emergency 911 Communication System G.O. Sinking	P. I. 1% Sales Tax Sinking	P. I. 1% Sales Tax Reserve	Fire Protection Sinking
\$ 734	\$ 252	\$ 344	\$ 1,089	\$ 57
384,946	45,992	167,043	746,468	724
-	107,460	-	-	-
-	-	-	-	-
-	153	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>\$ 385,680</u>	<u>\$ 153,857</u>	<u>\$ 167,387</u>	<u>\$ 747,557</u>	<u>\$ 781</u>
\$ -	\$ 55	\$ -	\$ -	\$ -
9,852	-	35,208	4,639	-
-	-	-	-	-
-	-	-	-	-
-	107,460	-	-	-
<u>9,852</u>	<u>107,515</u>	<u>35,208</u>	<u>4,639</u>	<u>-</u>
375,828	46,342	132,179	742,918	781
-	-	-	-	-
-	-	-	-	-
<u>375,828</u>	<u>46,342</u>	<u>132,179</u>	<u>742,918</u>	<u>781</u>
<u>\$ 385,680</u>	<u>\$ 153,857</u>	<u>\$ 167,387</u>	<u>\$ 747,557</u>	<u>\$ 781</u>

**Parish of St. Charles**  
Combining Balance Sheet  
Nonmajor Governmental Funds  
December 31, 2007

	Debt Service (Continued)			Capital Projects
	Health Unit Sinking	1/8% Public Improvement Sales Tax Sinking	1/8% Public Improvement Sales Tax Reserve	Public Improvement Sales Tax Construction
<b>ASSETS</b>				
Cash and cash equivalents	\$ 875	\$ 879	\$ 10	\$ 453
Investments	4,522	70,656	166,049	35,049
Receivables, net:				
Ad valorem taxes	-	-	-	-
Sales taxes	-	-	-	-
Other	-	-	-	-
Due from other funds	-	-	5,648	-
Due from other governments	-	-	-	-
Prepaid fees	-	-	-	-
Other assets	-	-	-	-
<b>Total assets</b>	<b>\$ 5,397</b>	<b>\$ 71,535</b>	<b>\$ 171,707</b>	<b>\$ 35,502</b>
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	35,502
Due to component units	-	-	-	-
Due to other governments	-	-	-	-
Other liabilities	-	-	-	-
Unearned revenue	-	-	-	-
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>35,502</b>
Fund balances:				
Reserved for:				
Debt service	5,397	71,535	171,707	-
Prepaid fees	-	-	-	-
Unreserved, reported in:				
Special revenue funds	-	-	-	-
Capital projects funds	-	-	-	-
<b>Total fund balances</b>	<b>5,397</b>	<b>71,535</b>	<b>171,707</b>	<b>-</b>
<b>Total liabilities and fund balances</b>	<b>\$ 5,397</b>	<b>\$ 71,535</b>	<b>\$ 171,707</b>	<b>\$ 35,502</b>

Capital Projects			
Recreational Facilities Construction	Front Foot Assessment Maintenance	1/8% Public Improvement Sales Tax Construction	Total Nonmajor Governmental Funds
\$ 433	\$ 319	\$ -	\$ 79,082
827,069	915,749	531	7,292,059
-	-	-	6,186,560
-	-	-	254,506
-	1,632	-	23,091
-	-	-	24,579
-	-	-	426,769
-	-	-	97,896
-	-	-	1,595
<u>\$ 827,502</u>	<u>\$ 917,700</u>	<u>\$ 531</u>	<u>\$ 14,386,137</u>
\$ -	\$ -	\$ -	\$ 213,354
-	-	-	395,361
-	-	-	57,597
-	-	-	813,268
-	-	-	189,673
-	1,632	-	6,195,123
<u>-</u>	<u>1,632</u>	<u>-</u>	<u>7,864,376</u>
-	-	-	3,054,166
-	-	-	77,029
-	-	-	1,646,465
827,502	916,068	531	1,744,101
<u>827,502</u>	<u>916,068</u>	<u>531</u>	<u>6,521,761</u>
<u>\$ 827,502</u>	<u>\$ 917,700</u>	<u>\$ 531</u>	<u>\$ 14,386,137</u>



**Parish of St. Charles**  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
Nonmajor Governmental Funds  
For The Year Ended December 31, 2007

	Special Revenue			
	Fire Protection	Governmental Buildings	Parish Transportation	Road Lighting District No. 1
<b>REVENUES</b>				
Taxes:				
Ad valorem taxes	\$ 1,342,164	\$ 849,158	\$ -	\$ 1,255,707
Sales taxes	1,848,186	-	-	-
Intergovernmental revenues	164,389	-	497,983	6,275
Fees, charges, and commissions	-	-	-	-
Fines and forfeitures	-	-	-	-
Investment earnings	8,476	9,164	30,352	77,173
Miscellaneous	-	-	-	257
Total revenues	<u>3,363,215</u>	<u>858,322</u>	<u>528,335</u>	<u>1,339,412</u>
<b>EXPENDITURES</b>				
Current:				
General government	-	-	-	-
Public safety	3,233,461	858,322	-	-
Public works	-	-	-	1,240,120
Health and welfare	-	-	-	-
Economic development and assistance	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest and other charges	-	-	-	-
Capital outlay	-	-	723,927	9,885
Total expenditures	<u>3,233,461</u>	<u>858,322</u>	<u>723,927</u>	<u>1,250,005</u>
Excess (deficiency) of revenues over expenditures	<u>129,754</u>	<u>-</u>	<u>(195,592)</u>	<u>89,407</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	-	-
Transfers out	(129,754)	-	-	-
Issuance of debt	-	-	-	-
Total other financing sources and uses	<u>(129,754)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	-	-	(195,592)	89,407
Fund balances—beginning	-	-	567,298	678,405
Fund balances—ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 371,706</u>	<u>\$ 767,812</u>

Special Revenue				
Mosquito Control	Council on Aging	Retired Senior Volunteer Program	Public Health Unit	Workforce Investment Act SDA 14
\$ 773,259	\$ 832,346	\$ -	\$ 297,465	\$ -
-	-	-	-	-
84,505	-	108,332	-	1,990,804
-	-	-	-	-
26,962	3,064	3,787	23,533	-
-	-	310	-	-
<u>884,726</u>	<u>835,410</u>	<u>112,429</u>	<u>320,998</u>	<u>1,990,804</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
1,118,685	835,410	241,610	335,443	-
-	-	-	-	1,990,804
-	-	-	-	-
-	-	-	-	-
-	-	-	85,543	-
<u>1,118,685</u>	<u>835,410</u>	<u>241,610</u>	<u>420,986</u>	<u>1,990,804</u>
<u>(233,959)</u>	<u>-</u>	<u>(129,181)</u>	<u>(99,988)</u>	<u>-</u>
340,000	-	145,000	-	-
-	-	-	-	-
-	-	-	-	-
<u>340,000</u>	<u>-</u>	<u>145,000</u>	<u>-</u>	<u>-</u>
106,041	-	15,819	(99,988)	-
166,935	-	19,056	285,401	-
<u>\$ 272,976</u>	<u>\$ -</u>	<u>\$ 34,875</u>	<u>\$ 185,413</u>	<u>\$ -</u>

(Continued)

**Parish of St. Charles**  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
Nonmajor Governmental Funds  
For The Year Ended December 31, 2007

	Special Revenue (Continued)		Debt Service	
	Criminal Court	1/2% P.I. Sales Tax Sinking	P. I. 3/8% Sales Tax Sinking	1/2% P. I. Sales Tax Reserve
<b>REVENUES</b>				
Taxes:				
Ad valorem taxes	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	1,157,472	308,443	-
Intergovernmental revenues	-	-	-	-
Fees, charges, and commissions	81,295	-	-	-
Fines and forfeitures	886,969	-	-	-
Investment earnings	2,244	25,942	5,835	77,796
Miscellaneous	-	-	-	-
Total revenues	<u>970,508</u>	<u>1,183,414</u>	<u>314,278</u>	<u>77,796</u>
<b>EXPENDITURES</b>				
Current:				
General government	851,517	-	-	-
Public safety	94,758	-	-	-
Public works	-	-	-	-
Health and welfare	-	-	-	-
Economic development and assistance	-	-	-	-
Debt service:				
Principal	-	1,005,000	170,000	-
Interest and other charges	-	177,720	160,960	-
Capital outlay	-	-	-	-
Total expenditures	<u>946,275</u>	<u>1,182,720</u>	<u>330,960</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>24,233</u>	<u>694</u>	<u>(16,682)</u>	<u>77,796</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	13,604	-
Transfers out	(13,682)	-	-	(64,227)
Issuance of debt	-	-	-	-
Total other financing sources and uses	<u>(13,682)</u>	<u>-</u>	<u>13,604</u>	<u>(64,227)</u>
Net change in fund balance	10,551	694	(3,078)	13,569
Fund balances—beginning	<u>3,132</u>	<u>197,820</u>	<u>180,091</u>	<u>1,195,412</u>
Fund balances—ending	<u>\$ 13,683</u>	<u>\$ 198,514</u>	<u>\$ 177,013</u>	<u>\$ 1,208,981</u>

Debt Service				
P. I. 3/8% Sales Tax Reserve	Emergency 911 Communication System G.O. Sinking	P. I. 1% Sales Tax Sinking	P. I. 1% Sales Tax Reserve	Fire Protection Sinking
\$ -	\$ 135,868	\$ -	\$ -	\$ -
-	-	1,541,040	-	-
-	-	-	-	-
-	-	-	-	-
19,878	3,191	35,327	39,588	1,447
-	-	-	-	-
<u>19,878</u>	<u>139,059</u>	<u>1,576,367</u>	<u>39,588</u>	<u>1,447</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	130,000	1,375,000	-	-
-	16,279	200,787	-	666
-	-	-	-	-
-	<u>146,279</u>	<u>1,575,787</u>	<u>-</u>	<u>666</u>
<u>19,878</u>	<u>(7,220)</u>	<u>580</u>	<u>39,588</u>	<u>781</u>
-	-	-	-	-
(13,605)	-	-	(27,170)	-
-	-	-	-	-
<u>(13,605)</u>	<u>-</u>	<u>-</u>	<u>(27,170)</u>	<u>-</u>
6,273	(7,220)	580	12,418	781
<u>369,555</u>	<u>53,562</u>	<u>131,599</u>	<u>730,500</u>	<u>-</u>
<u>\$ 375,828</u>	<u>\$ 46,342</u>	<u>\$ 132,179</u>	<u>\$ 742,918</u>	<u>\$ 781</u>

(Continued)

**Parish of St. Charles**

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
Nonmajor Governmental Funds  
For The Year Ended December 31, 2007

	Debt Service (Continued)			Capital Projects
	Health Unit Sinking	1/8% Public Improvement Sales Tax Sinking	1/8% Public Improvement Sales Tax Reserve	Public Improvement Sales Tax Construction
<b>REVENUES</b>				
Taxes:				
Ad valorem taxes	\$ 254,460	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-
Intergovernmental revenues	-	-	-	-
Fees, charges, and commissions	-	-	-	-
Fines and forfeitures	-	-	-	-
Investment earnings	2,436	4,557	6,219	10,997
Miscellaneous	-	-	-	-
Total revenues	<u>256,896</u>	<u>4,557</u>	<u>6,219</u>	<u>10,997</u>
<b>EXPENDITURES</b>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Health and welfare	-	-	-	-
Economic development and assistance	-	-	-	-
Debt service:				
Principal	210,000	70,000	-	-
Interest and other charges	44,608	37,550	-	-
Capital outlay	-	-	-	435,396
Total expenditures	<u>254,608</u>	<u>107,550</u>	<u>-</u>	<u>435,396</u>
Excess (deficiency) of revenues over expenditures	<u>2,288</u>	<u>(102,993)</u>	<u>6,219</u>	<u>(424,399)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	126,398	5,648	-
Transfers out	-	-	(2,291)	-
Issuance of debt	-	-	83,131	-
Total other financing sources and uses	<u>-</u>	<u>126,398</u>	<u>86,488</u>	<u>-</u>
Net change in fund balance	2,288	23,405	92,707	(424,399)
Fund balances—beginning	<u>3,109</u>	<u>48,130</u>	<u>79,000</u>	<u>424,399</u>
Fund balances—ending	<u>\$ 5,397</u>	<u>\$ 71,535</u>	<u>\$ 171,707</u>	<u>\$ -</u>

<u>Capital Projects</u>			
<u>Recreational Facilities Construction</u>	<u>Front Foot Assessment Maintenance</u>	<u>1/8% Public Improvement Sales Tax Construction</u>	<u>Total Nonmajor Governmental Funds</u>
\$ -	\$ -	\$ -	\$ 5,740,427
-	-	-	4,855,141
-	-	-	2,852,288
47,404	-	-	128,699
-	-	-	886,969
43,848	46,478	14,595	522,889
-	-	-	567
<u>91,252</u>	<u>46,478</u>	<u>14,595</u>	<u>14,986,980</u>
-	-	-	851,517
-	-	-	4,186,541
-	204	-	1,240,324
-	-	-	2,531,148
-	-	-	1,990,804
-	-	-	2,960,000
-	-	-	638,570
95,492	-	1,000,031	2,350,274
<u>95,492</u>	<u>204</u>	<u>1,000,031</u>	<u>16,749,178</u>
<u>(4,240)</u>	<u>46,274</u>	<u>(985,436)</u>	<u>(1,762,198)</u>
-	-	-	630,650
-	(4,100)	-	(254,829)
-	-	836,869	920,000
<u>-</u>	<u>(4,100)</u>	<u>836,869</u>	<u>1,295,821</u>
(4,240)	42,174	(148,567)	(466,377)
831,742	873,894	149,098	6,988,138
<u>\$ 827,502</u>	<u>\$ 916,068</u>	<u>\$ 531</u>	<u>\$ 6,521,761</u>

**Parish of St. Charles**  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balances - Budget and Actual  
Fire Protection Special Revenue Fund  
For The Year Ended December 31, 2007

	Original	Final	Actual Amounts	Variance with Final Budget- Positive (Negative)
<b>REVENUES</b>				
Taxes:				
Ad valorem taxes	\$ 1,280,778	\$ 1,360,000	\$ 1,342,164	\$ (17,836)
Sales taxes	1,277,332	1,850,000	1,848,186	(1,814)
Total taxes	<u>2,558,110</u>	<u>3,210,000</u>	<u>3,190,350</u>	<u>(19,650)</u>
State grants:				
2% Fire insurance rebate	120,000	164,389	164,389	-
Investment earnings	-	7,000	8,476	1,476
Total revenues	<u>2,678,110</u>	<u>3,381,389</u>	<u>3,363,215</u>	<u>(18,174)</u>
<b>EXPENDITURES</b>				
Current:				
Public safety	<u>2,578,785</u>	<u>3,241,549</u>	<u>3,233,461</u>	<u>8,088</u>
Excess (deficiency) of revenues over expenditures	<u>99,325</u>	<u>139,840</u>	<u>129,754</u>	<u>(10,086)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in:				
Fire Protection Sinking	-	742	-	(742)
Transfers out:				
1/8% Reserve fund			(5,648)	(5,648)
1/8% PIST Sinking fund	(99,325)	(140,582)	(124,106)	16,476
Total other financing sources and uses	<u>(99,325)</u>	<u>(139,840)</u>	<u>(129,754)</u>	<u>10,086</u>
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 Balances - Budget and Actual  
 Governmental Buildings Special Revenue Fund  
 For The Year Ended December 31, 2007

	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget- Positive (Negative)</u>
<b>REVENUES</b>				
Taxes:				
Ad valorem taxes	\$ 810,619	\$ 857,000	\$ 849,158	\$ (7,842)
Investment earnings	-	8,500	9,164	664
Total revenues	<u>810,619</u>	<u>865,500</u>	<u>858,322</u>	<u>(7,178)</u>
<b>EXPENDITURES</b>				
Current:				
Public safety	<u>810,619</u>	<u>865,500</u>	<u>858,322</u>	<u>7,178</u>
Fund balances—beginning	<u>-</u>	<u>-</u>	<u>-</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 Balances - Budget and Actual  
 Parish Transportation Special Revenue Fund  
 For The Year Ended December 31, 2007

	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget- Positive (Negative)</u>
<b>REVENUES</b>				
Intergovernmental:				
State grants:				
Parish road fund	\$ 400,000	\$ 341,381	\$ 497,983	\$ 156,602
Investment earnings	<u>20,500</u>	<u>22,252</u>	<u>30,352</u>	<u>8,100</u>
Total revenues	<u>420,500</u>	<u>363,633</u>	<u>528,335</u>	<u>164,702</u>
<b>EXPENDITURES</b>				
Current:				
Public works	-	-	-	-
Capital outlay - Public works	<u>745,000</u>	<u>745,000</u>	<u>723,927</u>	<u>21,073</u>
Total expenditures	<u>745,000</u>	<u>745,000</u>	<u>723,927</u>	<u>21,073</u>
Excess (deficiency) of revenues over expenditures	(324,500)	(381,367)	(195,592)	185,775
Fund balances—beginning	<u>505,966</u>	<u>567,298</u>	<u>567,298</u>	<u>-</u>
Fund balances—ending	<u><u>\$ 181,466</u></u>	<u><u>\$ 185,931</u></u>	<u><u>\$ 371,706</u></u>	<u><u>\$ 185,775</u></u>

**Parish of St. Charles**  
 Schedule of Revenues, Expenditures, and Changes  
 in Fund Balances - Budget and Actual  
 Road Lighting District No. 1 Special Revenue Fund  
 For The Year Ended December 31, 2007

	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget- Positive (Negative)</u>
<b>REVENUES</b>				
Taxes:				
Ad valorem taxes	\$ 1,199,716	\$ 1,253,762	\$ 1,255,707	\$ 1,945
Intergovernmental:				
State payment in lieu of taxes	6,423	6,275	6,275	-
Investment earnings	35,000	64,000	77,173	13,173
Miscellaneous	-	256	257	1
Total revenues	<u>1,241,139</u>	<u>1,324,293</u>	<u>1,339,412</u>	<u>15,119</u>
<b>EXPENDITURES</b>				
Current:				
Public works	1,322,332	1,370,718	1,240,120	130,598
Capital outlay	220,100	170,100	9,885	160,215
Total expenditures	<u>1,542,432</u>	<u>1,540,818</u>	<u>1,250,005</u>	<u>290,813</u>
Excess (deficiency) of revenues over expenditures	(301,293)	(216,525)	89,407	305,932
Fund balances—beginning	<u>369,235</u>	<u>678,405</u>	<u>678,405</u>	<u>-</u>
Fund balances—ending	<u>\$ 67,942</u>	<u>\$ 461,880</u>	<u>\$ 767,812</u>	<u>\$ 305,932</u>

**Parish of St. Charles**  
 Schedule of Revenues, Expenditures, and Changes  
 in Fund Balances - Budget and Actual  
 Mosquito Control Special Revenue Fund  
 For The Year Ended December 31, 2007

	Original	Final	Actual Amounts	Variance with Final Budget- Positive (Negative)
<b>REVENUES</b>				
Taxes:				
Ad valorem taxes	\$ 737,663	\$ 771,820	\$ 773,259	\$ 1,439
Intergovernmental		84,505	84,505	-
Investment earnings	20,600	20,600	26,962	6,362
Total revenues	<u>758,263</u>	<u>876,925</u>	<u>884,726</u>	<u>7,801</u>
<b>EXPENDITURES</b>				
Current:				
Health and welfare	683,054	1,217,685	1,118,685	99,000
Capital outlay	200,000	-	-	-
Total expenditures	<u>883,054</u>	<u>1,217,685</u>	<u>1,118,685</u>	<u>99,000</u>
Excess (deficiency) of revenues over expenditures	(124,791)	(340,760)	(233,959)	106,801
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in:				
Transfer from General Fund	-	340,000	340,000	-
Net change in fund balance	(124,791)	(760)	106,041	106,801
Fund balances—beginning	309,511	166,935	166,935	-
Fund balances—ending	<u>\$ 184,720</u>	<u>\$ 166,175</u>	<u>\$ 272,976</u>	<u>\$ 106,801</u>

**Parish of St. Charles**  
 Schedule of Revenues, Expenditures, and Changes  
 in Fund Balances - Budget and Actual  
 Council on Aging Special Revenue Fund  
 For The Year Ended December 31, 2007

	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget- Positive (Negative)</u>
<b>REVENUES</b>				
Taxes:				
Ad valorem taxes	\$ 794,407	\$ 845,000	\$ 832,346	\$ (12,654)
Investment earnings	-	2,512	3,064	552
Total revenues	<u>794,407</u>	<u>847,512</u>	<u>835,410</u>	<u>(12,102)</u>
<b>EXPENDITURES</b>				
Current:				
Health and welfare	<u>794,407</u>	<u>847,512</u>	<u>835,410</u>	<u>12,102</u>
Excess (deficiency) of revenues over expenditures	-	-	-	-
Fund balances—beginning	<u>-</u>	<u>-</u>	<u>-</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 Balances - Budget and Actual  
 Retired Senior Volunteer Program Special Revenue Fund  
 For The Year Ended December 31, 2007

	Original	Final	Actual Amounts	Variance with Final Budget- Positive (Negative)
<b>REVENUES</b>				
Intergovernmental:				
Federal grant	\$ 67,811	\$ 67,811	\$ 67,811	\$ -
State grant	13,521	13,521	13,521	-
Local grants:				
Local grant	12,000	12,000	12,000	-
St. John	15,000	15,000	15,000	-
Total intergovernmental	<u>108,332</u>	<u>108,332</u>	<u>108,332</u>	<u>-</u>
Investment earnings	<u>500</u>	<u>3,500</u>	<u>3,787</u>	<u>287</u>
Miscellaneous:				
Donations	<u>-</u>	<u>310</u>	<u>310</u>	<u>-</u>
Total revenues	<u>108,832</u>	<u>112,142</u>	<u>112,429</u>	<u>287</u>
<b>EXPENDITURES</b>				
Current:				
Health and welfare	<u>254,269</u>	<u>266,432</u>	<u>241,610</u>	<u>24,822</u>
Excess (deficiency) of revenues over expenditures	<u>(145,437)</u>	<u>(154,290)</u>	<u>(129,181)</u>	<u>25,109</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in:				
General fund	<u>145,000</u>	<u>145,000</u>	<u>145,000</u>	<u>-</u>
Net change in fund balance	(437)	(9,290)	15,819	25,109
Fund balances—beginning	<u>8,312</u>	<u>19,056</u>	<u>19,056</u>	<u>-</u>
Fund balances—ending	<u>\$ 7,875</u>	<u>\$ 9,766</u>	<u>\$ 34,875</u>	<u>\$ 25,109</u>

**Parish of St. Charles**  
 Schedule of Revenues, Expenditures, and Changes  
 in Fund Balances - Budget and Actual  
 Public Health Unit Special Revenue Fund  
 For The Year Ended December 31, 2007

	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget- Positive (Negative)</u>
<b>REVENUES</b>				
Taxes:				
Ad valorem taxes	\$ 259,264	\$ 296,608	\$ 297,465	\$ 857
Investment earnings	<u>8,300</u>	<u>20,000</u>	<u>23,533</u>	<u>3,533</u>
Total revenues	<u>267,564</u>	<u>316,608</u>	<u>320,998</u>	<u>4,390</u>
<b>EXPENDITURES</b>				
Current:				
Health and welfare	382,650	400,570	335,443	65,127
Capital outlay	<u>-</u>	<u>100,000</u>	<u>85,543</u>	<u>14,457</u>
Total expenditures	<u>382,650</u>	<u>500,570</u>	<u>420,986</u>	<u>79,584</u>
Excess (deficiency) of revenues over expenditures	<u>(115,086)</u>	<u>(183,962)</u>	<u>(99,988)</u>	<u>83,974</u>
Net change in fund balance	(115,086)	(183,962)	(99,988)	83,974
Fund balances—beginning	<u>149,938</u>	<u>285,401</u>	<u>285,401</u>	<u>-</u>
Fund balances—ending	<u>\$ 34,852</u>	<u>\$ 101,439</u>	<u>\$ 185,413</u>	<u>\$ 83,974</u>

**Parish of St. Charles**  
 Schedule of Revenues, Expenditures, and Changes  
 in Fund Balances - Budget and Actual  
 Workforce Investment Act SDA 14 Special Revenue Fund  
 For The Year Ended December 31, 2007

	Original	Final	Actual Amounts	Variance with Final Budget- Positive (Negative)
<b>REVENUES</b>				
Intergovernmental:				
Federal grants:				
Department of Labor - Adult	\$ 534,948	\$ 534,948	\$ 596,685	\$ 61,737
Department of Labor - Dislocated Worker	903,059	623,848	482,605	(141,243)
Department of Labor - Youth	669,914	557,414	423,062	(134,352)
Department of Labor - TANF/STEP	79,500	79,500	50,266	(29,234)
Department of Labor - 10%	-	12,500	12,500	-
Department of Labor - Katrina NEG	-	379,211	335,735	(43,476)
WIA Administration	200,183	200,183	89,951	(110,232)
Total intergovernmental	<u>2,387,604</u>	<u>2,387,604</u>	<u>1,990,804</u>	<u>(396,800)</u>
Miscellaneous	96,423	96,423	-	(96,423)
Total revenues	<u>2,484,027</u>	<u>2,484,027</u>	<u>1,990,804</u>	<u>(493,223)</u>
<b>EXPENDITURES</b>				
Current:				
Economic development and assistance	<u>2,484,027</u>	<u>2,484,027</u>	<u>1,990,804</u>	<u>493,223</u>
Capital outlay	-	-	-	-
Total expenditures	<u>2,484,027</u>	<u>2,484,027</u>	<u>1,990,804</u>	<u>493,223</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 Balances - Budget and Actual  
 1/2% P.I. Sales Tax Sinking Debt Service Fund  
 For The Year Ended December 31, 2007

	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget- Positive (Negative)</u>
<b>REVENUES</b>				
Taxes:				
Sales taxes	\$ 1,160,569	\$ 1,160,569	\$ 1,157,472	\$ (3,097)
Investment earnings	<u>22,843</u>	<u>22,843</u>	<u>25,942</u>	<u>3,099</u>
Total revenues	<u>1,183,412</u>	<u>1,183,412</u>	<u>1,183,414</u>	<u>2</u>
<b>EXPENDITURES</b>				
Debt service:				
Principal	1,005,000	1,005,000	1,005,000	-
Interest and other charges	<u>178,013</u>	<u>178,013</u>	<u>177,720</u>	<u>293</u>
Total expenditures	<u>1,183,013</u>	<u>1,183,013</u>	<u>1,182,720</u>	<u>293</u>
Excess (deficiency) of revenues over expenditures	399	399	694	295
Fund balances—beginning	<u>197,294</u>	<u>197,820</u>	<u>197,820</u>	<u>-</u>
Fund balances—ending	<u>\$ 197,693</u>	<u>\$ 198,219</u>	<u>\$ 198,514</u>	<u>\$ 295</u>



**Parish of St. Charles**  
 Schedule of Revenues, Expenditures, and Changes  
 in Fund Balances - Budget and Actual  
 Sewer General Obligation Sinking Major Debt Service Fund  
 For The Year Ended December 31, 2007

	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget- Positive (Negative)</u>
<b>REVENUES</b>				
Taxes:				
Ad valorem taxes	\$ 2,764,211	\$ 2,764,211	2,896,220	\$ 132,009
Investment earnings	<u>130,397</u>	<u>130,397</u>	<u>189,512</u>	<u>59,115</u>
Total revenues	<u>2,894,608</u>	<u>2,894,608</u>	<u>3,085,732</u>	<u>191,124</u>
<b>EXPENDITURES</b>				
Current:				
General government	<u>102,429</u>	<u>102,679</u>	<u>99,274</u>	<u>3,405</u>
Debt service:				
Principal	1,805,000	1,805,000	1,805,000	-
Interest and other charges	<u>1,112,686</u>	<u>1,112,686</u>	<u>1,112,685</u>	<u>1</u>
Total debt service	<u>2,917,686</u>	<u>2,917,686</u>	<u>2,917,685</u>	<u>1</u>
Total expenditures	<u>3,020,115</u>	<u>3,020,365</u>	<u>3,016,959</u>	<u>3,406</u>
Excess (deficiency) of revenues over (under) expenditures	(125,507)	(125,757)	68,773	194,530
Fund balance - beginning	<u>2,863,376</u>	<u>2,896,352</u>	<u>2,896,352</u>	<u>-</u>
Fund balance - ending	<u>\$ 2,737,869</u>	<u>\$ 2,770,595</u>	<u>\$ 2,965,125</u>	<u>\$ 194,530</u>

**Parish of St. Charles**  
 Schedule of Revenues, Expenditures, and Changes  
 in Fund Balances - Budget and Actual  
 P.I. 3/8% Sales Tax Sinking Debt Service Fund  
 For The Year Ended December 31, 2007

	Original	Final	Actual Amounts	Variance with Final Budget- Positive (Negative)
<b>REVENUES</b>				
Taxes:				
Sales taxes	\$ 309,808	\$ 309,808	\$ 308,443	\$ (1,365)
Investment earnings	5,256	5,256	5,835	579
Total revenues	315,064	315,064	314,278	(786)
<b>EXPENDITURES</b>				
Debt service:				
Principal	170,000	170,000	170,000	-
Interest and other charges	161,258	161,258	160,960	298
Total expenditures	331,258	331,258	330,960	298
Excess (deficiency) of revenues over expenditures	(16,194)	(16,194)	(16,682)	(488)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in:				
3/8% PIST bond reserve	14,893	14,893	13,604	(1,289)
Net change in fund balance	(1,301)	(1,301)	(3,078)	(1,777)
Fund balances—beginning	153,620	180,091	180,091	-
Fund balances—ending	\$ 152,319	\$ 178,790	\$ 177,013	\$ (1,777)

**Parish of St. Charles**  
 Schedule of Revenues, Expenditures, and Changes  
 in Fund Balances - Budget and Actual  
 1/2% P.I. Sales Tax Reserve Debt Service Fund  
 For The Year Ended December 31, 2007

	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget- Positive (Negative)</u>
<b>REVENUES</b>				
Investment earnings	\$ 47,817	\$ 54,450	\$ 77,796	\$ 23,346
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out:				
General fund	(47,817)	(54,450)	(64,227)	(9,777)
Total transfers out	(47,817)	(54,450)	(64,227)	(9,777)
Net change in fund balance	-	-	13,569	13,569
Fund balances—beginning	1,195,413	1,195,412	1,195,412	-
Fund balances—ending	<u>\$ 1,195,413</u>	<u>\$ 1,195,412</u>	<u>\$ 1,208,981</u>	<u>\$ 13,569</u>

**Parish of St. Charles**  
 Schedule of Revenues, Expenditures, and Changes  
 in Fund Balances - Budget and Actual  
 P.I. 3/8% Sales Tax Reserve Debt Service Fund  
 For The Year Ended December 31, 2007

	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget- Positive (Negative)</u>
<b>REVENUES</b>				
Investment earnings	\$ 14,893	\$ 17,900	\$ 19,878	\$ 1,978
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out:				
1/2% Bond reserve			(2,342)	(2,342)
3/8% PIST bond sinking	(14,893)	(17,900)	(11,263)	6,637
Total transfers out	<u>(14,893)</u>	<u>(17,900)</u>	<u>(13,605)</u>	<u>4,295</u>
Net change in fund balance	-	-	6,273	6,273
Fund balances—beginning	<u>369,555</u>	<u>369,555</u>	<u>369,555</u>	-
Fund balances—ending	<u>\$ 369,555</u>	<u>\$ 369,555</u>	<u>\$ 375,828</u>	<u>\$ 6,273</u>

**Parish of St. Charles**  
 Schedule of Revenues, Expenditures, and Changes  
 in Fund Balances - Budget and Actual  
 Emergency 911 Communication System G.O. Sinking Debt Service Fund  
 For The Year Ended December 31, 2007

	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget- Positive (Negative)</u>
<b>REVENUES</b>				
Taxes:				
Ad valorem taxes	\$ 135,103	\$ 135,103	\$ 135,868	\$ 765
Investment earnings	<u>2,098</u>	<u>2,098</u>	<u>3,191</u>	<u>1,093</u>
Total revenues	<u>137,201</u>	<u>137,201</u>	<u>139,059</u>	<u>1,858</u>
<b>EXPENDITURES</b>				
Debt service:				
Principal	130,000	130,000	130,000	-
Interest and other charges	<u>21,579</u>	<u>21,579</u>	<u>16,279</u>	<u>5,300</u>
Total expenditures	<u>151,579</u>	<u>151,579</u>	<u>146,279</u>	<u>5,300</u>
Excess (deficiency) of revenues over expenditures	(14,378)	(14,378)	(7,220)	7,158
Fund balances—beginning	<u>47,594</u>	<u>53,562</u>	<u>53,562</u>	<u>-</u>
Fund balances—ending	<u><u>\$ 33,216</u></u>	<u><u>\$ 39,184</u></u>	<u><u>\$ 46,342</u></u>	<u><u>\$ 7,158</u></u>

**Parish of St. Charles**  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balances - Budget and Actual  
P.I. 1% Sales Tax Sinking Debt Service Fund  
For The Year Ended December 31, 2007

	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget- Positive (Negative)</u>
<b>REVENUES</b>				
Taxes:				
Sales taxes	\$ 1,548,576	\$ 1,548,576	\$ 1,541,040	\$ (7,536)
Investment earnings	<u>27,099</u>	<u>27,099</u>	<u>35,327</u>	<u>8,228</u>
Total revenues	<u>1,575,675</u>	<u>1,575,675</u>	<u>1,576,367</u>	<u>692</u>
<b>EXPENDITURES</b>				
Debt service:				
Principal	1,375,000	1,375,000	1,375,000	-
Interest and other charges	<u>201,075</u>	<u>201,075</u>	<u>200,787</u>	<u>288</u>
Total expenditures	<u>1,576,075</u>	<u>1,576,075</u>	<u>1,575,787</u>	<u>288</u>
Excess (deficiency) of revenues over expenditures	(400)	(400)	580	980
Fund balances—beginning	<u>130,946</u>	<u>131,599</u>	<u>131,599</u>	<u>-</u>
Fund balances—ending	<u>\$ 130,546</u>	<u>\$ 131,199</u>	<u>\$ 132,179</u>	<u>\$ 980</u>

**Parish of St. Charles**  
 Schedule of Revenues, Expenditures, and Changes  
 in Fund Balances - Budget and Actual  
 P.I. 1% Sales Tax Reserve Debt Service Fund  
 For The Year Ended December 31, 2007

	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget- Positive (Negative)</u>
<b>REVENUES</b>				
Investment earnings	\$ 29,220	\$ 32,782	\$ 39,588	\$ 6,806
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out:				
Road & Drainage M & O fund	(29,220)	(32,782)	(27,170)	5,612
Net change in fund balance	-	-	12,418	12,418
Fund balances—beginning	730,500	730,500	730,500	-
Fund balances—ending	<u>\$ 730,500</u>	<u>\$ 730,500</u>	<u>\$ 742,918</u>	<u>\$ 12,418</u>

**Parish of St. Charles**  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balances - Budget and Actual  
Fire Protection Sinking Debt Service Fund  
For The Year Ended December 31, 2007

	Original	Final	Actual Amounts	Variance with Final Budget- Positive (Negative)
<b>REVENUES</b>				
Investment earnings	\$ -	\$ 1,400	\$ 1,447	\$ 47
Total revenues	-	1,400	1,447	47
<b>EXPENDITURES</b>				
Debt service:				
Principal	-	-	-	-
Interest and other charges	-	658	666	(8)
Total expenditures	-	658	666	(8)
Excess (deficiency) of revenues over expenditures	-	742	781	39
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out:				
Fire protection special revenue fund	-	(742)	-	742
Total transfers out	-	(742)	-	742
Net change in fund balance	-	-	781	781
Fund balances—beginning	-	-	-	-
Fund balances—ending	\$ -	\$ -	\$ 781	\$ 781



**Parish of St. Charles**  
 Schedule of Revenues, Expenditures, and Changes  
 in Fund Balances - Budget and Actual  
 Health Unit Sinking Debt Service Fund  
 For The Year Ended December 31, 2007

	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget- Positive (Negative)</u>
<b>REVENUES</b>				
Taxes:				
Ad valorem taxes	\$ 259,330	\$ 259,330	\$ 254,460	\$ (4,870)
Investment earnings	<u>1,730</u>	<u>1,730</u>	<u>2,436</u>	<u>706</u>
Total revenues	<u>261,060</u>	<u>261,060</u>	<u>256,896</u>	<u>(4,164)</u>
<b>EXPENDITURES</b>				
Debt service:				
Principal	210,000	210,000	210,000	-
Interest and other charges	<u>51,060</u>	<u>51,060</u>	<u>44,608</u>	<u>6,452</u>
Total expenditures	<u>261,060</u>	<u>261,060</u>	<u>254,608</u>	<u>6,452</u>
Excess (deficiency) of revenues over expenditures	-	-	2,288	2,288
Fund balances—beginning	<u>-</u>	<u>3,109</u>	<u>3,109</u>	<u>-</u>
Fund balances—ending	<u>\$ -</u>	<u>\$ 3,109</u>	<u>\$ 5,397</u>	<u>\$ 2,288</u>

**Parish of St. Charles**  
 Schedule of Revenues, Expenditures, and Changes  
 in Fund Balances - Budget and Actual  
 1/8% Public Improvement Sales Tax Sinking Debt Service Fund  
 For The Year Ended December 31, 2007

	Original	Final	Actual Amounts	Variance with Final Budget- Positive (Negative)
<b>REVENUES</b>				
Taxes:				
Sales taxes	\$ 94,543	\$ -	\$ -	\$ -
Investment earnings	1,622	2,000	4,557	2,557
Total revenues	96,165	2,000	4,557	2,557
<b>EXPENDITURES</b>				
Debt service:				
Principal	70,000	70,000	70,000	-
Interest and other charges	35,300	47,538	37,550	9,988
Total expenditures	105,300	117,538	107,550	9,988
Excess (deficiency) of revenues over expenditures	(9,135)	(115,538)	(102,993)	12,545
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in:				
Fire Protection fund	-	140,582	124,107	(16,475)
1/8% P. I. Sales Tax Reserve fund	3,160	6,250	2,291	(3,959)
Total other financing sources and uses	3,160	146,832	126,398	(20,434)
Net change in fund balance	(5,975)	31,294	23,405	(7,889)
Fund balances—beginning	43,157	48,130	48,130	-
Fund balances—ending	\$ 37,182	\$ 79,424	\$ 71,535	\$ (7,889)

**Parish of St. Charles**  
 Schedule of Revenues, Expenditures, and Changes  
 in Fund Balances - Budget and Actual  
 1/8% Public Improvement Sales Tax Reserve Debt Service Fund  
 For The Year Ended December 31, 2007

	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget- Positive (Negative)</u>
<b>REVENUES</b>				
Investment earnings	\$ 3,160	\$ 5,800	\$ 6,219	\$ 419
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in:				
Fire Protection	-	-	5,648	5,648
Transfers out:				
1/8% Public Impr. Sales Tax Sinking	(3,160)	(5,800)	(2,291)	3,509
Issuance of debt	-	83,131	83,131	-
Total other financing sources and uses	<u>(3,160)</u>	<u>77,331</u>	<u>86,488</u>	<u>9,157</u>
Net change in fund balance	-	83,131	92,707	9,576
Fund balances—beginning	<u>79,000</u>	<u>79,000</u>	<u>79,000</u>	<u>-</u>
Fund balances—ending	<u>\$ 79,000</u>	<u>\$ 162,131</u>	<u>\$ 171,707</u>	<u>\$ 9,576</u>

**Parish of St. Charles**  
 Schedule of Revenues, Expenditures, and Changes  
 in Fund Balances - Budget and Actual  
 Public Improvement Sales Tax Capital Project Fund  
 For The Year Ended December 31, 2007

	Original	Final	Actual Amounts	Variance with Final Budget- Positive (Negative)
<b>REVENUES</b>				
Investment earnings	\$ -	\$ 10,545	\$ 10,997	\$ 452
<b>EXPENDITURES</b>				
Capital outlay	-	434,944	435,396	(452)
Excess (deficiency) of revenues over expenditures	-	(424,399)	(424,399)	-
Fund balances—beginning	-	424,399	424,399	-
Fund balances—ending	\$ -	\$ -	\$ -	\$ -

**Parish of St. Charles**  
 Schedule of Revenues, Expenditures, and Changes  
 in Fund Balances - Budget and Actual  
 Recreational Facilities Construction Capital Project Fund  
 For The Year Ended December 31, 2007

	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget- Positive (Negative)</u>
<b>REVENUES</b>				
Fees, charges, and commissions:				
Zoning and subdivision	\$ -	\$ 47,400	\$ 47,404	\$ 4
Investment earnings	<u>26,200</u>	<u>36,000</u>	<u>43,848</u>	<u>7,848</u>
Total revenues	<u>26,200</u>	<u>83,400</u>	<u>91,252</u>	<u>7,852</u>
<b>EXPENDITURES</b>				
Capital outlay	<u>379,708</u>	<u>379,708</u>	<u>95,492</u>	<u>284,216</u>
Excess (deficiency) of revenues over expenditures	(353,508)	(296,308)	(4,240)	292,068
Fund balances—beginning	<u>811,906</u>	<u>831,742</u>	<u>831,742</u>	<u>-</u>
Fund balances—ending	<u>\$ 458,398</u>	<u>\$ 535,434</u>	<u>\$ 827,502</u>	<u>\$ 292,068</u>

**Parish of St. Charles**  
 Schedule of Revenues, Expenditures, and Changes  
 in Fund Balances - Budget and Actual  
 Front Foot Assessment Maintenance Capital Project Fund  
 For The Year Ended December 31, 2007

	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget- Positive (Negative)</u>
<b>REVENUES</b>				
Investment earnings	\$ 61,391	\$ 32,000	\$ 46,478	\$ 14,478
<b>EXPENDITURES</b>				
Capital outlay				
Public works	5,500	5,500	204	5,296
Excess (deficiency) of revenues over expenditures	55,891	26,500	46,274	19,774
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out:				
Waterworks Utility System	-	(4,100)	(4,100)	
Total other financing sources and uses	-	(4,100)	(4,100)	-
Net change in fund balance	55,891	22,400	42,174	19,774
Fund balances—beginning	864,179	873,894	873,894	-
Fund balances—ending	<u>\$ 920,070</u>	<u>\$ 896,294</u>	<u>\$ 916,068</u>	<u>\$ 19,774</u>

**Parish of St. Charles**  
 Schedule of Revenues, Expenditures, and Changes  
 in Fund Balances - Budget and Actual  
 1/8% Public Improvement Sales Tax Construction Capital Project Fund  
 For The Year Ended December 31, 2007

	Original	Final	Actual Amounts	Variance with Final Budget- Positive (Negative)
<b>REVENUES</b>				
Investment earnings	\$ -	\$ 15,000	\$ 14,595	\$ (405)
<b>EXPENDITURES</b>				
Capital outlay	-	1,000,967	1,000,031	936
Excess (deficiency) of revenues over expenditures	-	(985,967)	(985,436)	531
<b>OTHER FINANCING SOURCES (USES)</b>				
Issuance of debt	-	836,869	836,869	-
Net change in fund balance	-	(149,098)	(148,567)	531
Fund balances—beginning	-	149,098	149,098	-
Fund balances—ending	\$ -	\$ -	\$ 531	\$ 531

**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, 2007

	<u>Actual Amounts</u>
<b>REVENUES</b>	
Fees, charges, and commissions:	
Court costs, fees, and charges	\$ 81,295
Fines and forfeitures:	
Court fines	804,472
Interest on bonds and fines	54,729
AFF reinstatement court fines	15,213
Drug asset forfeitures	12,555
Total fines and forfeitures	<u>886,969</u>
Investment earnings	<u>2,244</u>
Total revenues	<u>970,508</u>
<b>EXPENDITURES</b>	
Current:	
General government	851,517
Public safety	94,758
Total expenditures	<u>946,275</u>
Excess (deficiency) of revenues over expenditures	<u>24,233</u>
<b>OTHER FINANCING SOURCES (USES)</b>	
Transfers out:	
General Fund	<u>(13,682)</u>
Net change in fund balance	10,551
Fund balances—beginning	<u>3,132</u>
Fund balances—ending	<u><u>\$ 13,683</u></u>





**Parish of St. Charles**  
 Capital Assets Used in the Operation of Governmental Funds  
 Comparative Schedules by Source  
 December 31, 2007

Governmental funds capital assets:	
Land	\$ 9,137,291
Buildings	17,353,246
Improvements other than buildings	41,047,260
Machinery & equipment	28,840,091
Infrastructure	116,251,564
Construction work in progress	13,107,130
Total governmental funds capital assets	<u><u>\$225,736,582</u></u>

Investments in governmental funds capital assets by source:	
General fund	\$ 14,754,853
Special revenue funds	73,891,878
Capital project funds	34,274,091
Donations	102,815,760
	<u><u>\$225,736,582</u></u>

**Parish of St. Charles**  
 Capital Assets Used in the Operation of Governmental Funds  
 Schedule by Function and Activity  
 December 31, 2007

Function and Activity	Land	Buildings	Improvements Other Than Buildings	Machinery and Equipment	Infrastructure	Construction in Progress	Total
General government:							
Legislative	\$ -	\$ -	\$ -	\$ 354,388	\$ -	\$ -	\$ 354,388
Judicial	-	-	-	235,984	-	-	235,984
Executive	-	-	-	67,757	-	-	67,757
Financial & administration	-	-	-	328,482	-	-	328,482
General administration	2,494,801	7,918,262	367,721	627,093	-	-	11,407,877
Total general government	2,494,801	7,918,262	367,721	1,613,704	-	-	12,394,488
Public safety	367,688	2,319,062	182,150	1,288,687	-	-	4,157,587
Public works	819,968	486,011	36,789,280	24,020,111	116,251,564	12,248,288	190,615,222
Health and welfare	188,000	2,110,964	-	494,511	-	85,543	2,879,018
Culture and recreation	4,138,406	4,324,144	3,708,109	936,355	-	773,299	13,880,313
Economic development	1,128,428	194,803	-	486,723	-	-	1,809,954
Total governmental funds capital assets	\$ 9,137,291	\$ 17,353,246	\$ 41,047,260	\$ 28,840,091	\$ 116,251,564	\$ 13,107,130	\$ 225,736,582

**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, 2007

Function & Activity	Governmental Funds Capital Assets December 31, 2006	Additions	Adjustments & Deletions	Governmental Funds Capital Assets December 31, 2007
General government:				
Legislative	\$ 264,404	\$ 96,786	\$ (6,802)	\$ 354,388
Judicial	235,984	-	-	235,984
Executive	67,757	-	-	67,757
Financial & administration	330,930	28,487	(30,935)	328,482
General administration	11,327,197	86,076	(5,396)	11,407,877
Total general government	<u>12,226,272</u>	<u>211,349</u>	<u>(43,133)</u>	<u>12,394,488</u>
Public safety	3,596,858	527,818	32,911	4,157,587
Public works	170,695,432	8,220,698	(549,196)	178,366,934
Health and welfare	2,774,851	18,624	-	2,793,475
Culture and recreation	9,244,597	3,853,417	9,000	13,107,014
Economic development	1,550,562	272,267	(12,875)	1,809,954
Construction work in progress	11,720,620	5,186,752	(3,800,242)	13,107,130
Total governmental funds	<u>\$ 211,809,192</u>	<u>\$ 18,290,925</u>	<u>\$ (4,363,535)</u>	<u>\$ 225,736,582</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, 2007

	Communications District	Library Service District No. 1
<b>ASSETS</b>		
Cash and cash equivalents	\$ 17,368	\$ 15,940
Investments	1,794,924	11,346,758
Receivables, net:		
Ad valorem taxes	-	4,388,000
Accounts	4	(7)
Other	93,061	46,617
Due from primary government	57,597	6,431
Due from other governments	-	893
Inventory	24,740	-
Total assets	\$ 1,987,694	\$ 15,804,632
<b>LIABILITIES AND FUND BALANCES</b>		
Liabilities:		
Accounts payable	\$ 115,166	\$ 50,254
Other liabilities	-	63,948
Unearned revenues - Ad valorem taxes	-	4,456,153
Total liabilities	115,166	4,570,355
Fund balances:		
Reserved for:		
Inventory	24,740	-
Unreserved:		
Undesignated	1,847,788	11,234,277
Total fund balances	1,872,528	11,234,277
Total liabilities and fund balances	\$ 1,987,694	\$ 15,804,632

**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, 2007

	<u>Communications District</u>	<u>Library Service District No. 1</u>
Fund balances - total governmental funds	\$ 1,872,528	\$ 11,234,277
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	1,236,413	3,262,130
Less accumulated depreciation	(815,226)	(1,910,248)
Net assets of governmental activities	<u>\$ 2,293,715</u>	<u>\$ 12,586,159</u>

<sup>(1)</sup> See Exhibit A-13 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, 2007

	Communications District	Library Service District No. 1
<b>REVENUES</b>		
Taxes:		
Ad valorem taxes	\$ -	\$ 4,161,409
Intergovernmental revenues:		
State funds:		
State aid to public libraries	-	20,000
State library grants	-	20,740
State payment in lieu of taxes	-	61,698
Local grants	829,662	-
Fees, charges, and commissions	622,394	18,594
Fines and forfeitures	-	6,941
Investment earnings	97,836	633,210
Miscellaneous	-	11,071
Total revenues	1,549,892	4,933,663
<b>EXPENDITURES</b>		
Current:		
Public safety	1,072,020	-
Culture and recreation	-	3,336,019
Capital Outlay	152,998	327,220
Total expenditures	1,225,018	3,663,239
Excess (deficiency) of revenues over (under) expenditures	324,874	1,270,424
<b>OTHER FINANCING SOURCES (USES)</b>		
Proceeds from sale of assets	-	1,135
Net change in fund balance	324,874	1,271,559
Fund balances- beginning	1,547,654	9,962,718
Fund balances-ending	\$ 1,872,528	\$ 11,234,277

**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, 2007

	Communications District	Library Service District No. 1
Net change in fund balances - total governmental funds	\$ 324,874	\$ 1,271,559
<p>Amounts reported for governmental activities in the statement of activities differs because:</p> <p>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.</p>		
Capital outlay	152,998	327,220
Depreciation expense	(95,998)	(333,190)
Change in net assets of governmental activities	\$ 381,874	\$ 1,265,589

<sup>(1)</sup> See Exhibit A-14 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, 2007

	<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	\$ 772,065	\$ 772,065	\$ 829,662	\$ 57,597
Fees, charges, and commissions:				
Emergency telephone service charges	225,000	225,000	250,237	25,237
Emergency wireless service charges	280,000	280,000	372,157	92,157
Total fees, charges, and commissions:	<u>505,000</u>	<u>505,000</u>	<u>622,394</u>	<u>117,394</u>
Investment earnings	5,000	5,000	97,836	92,836
Total revenues	<u>1,282,065</u>	<u>1,282,065</u>	<u>1,549,892</u>	<u>267,827</u>
<b>EXPENDITURES</b>				
Current:				
Public safety	1,042,221	1,105,221	1,072,020	33,201
Capital Outlay	500	170,500	152,998	17,502
Total expenditures	<u>1,042,721</u>	<u>1,275,721</u>	<u>1,225,018</u>	<u>50,703</u>
Excess (deficiency) of revenues over (under) expenditures	<u>239,344</u>	<u>6,344</u>	<u>324,874</u>	<u>318,530</u>
Net change in fund balance	239,344	6,344	324,874	318,530
Fund balances- beginning	1,547,654	1,547,654	1,547,654	-
Fund balances-ending	<u>\$ 1,786,998</u>	<u>\$ 1,553,998</u>	<u>\$ 1,872,528</u>	<u>\$ 318,530</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, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Taxes:				
Ad valorem taxes	\$ 3,972,034	\$ 3,972,034	\$ 4,161,409	\$ 189,375
Intergovernmental revenues:				
State funds:				
State aid to public libraries	9,000	9,000	20,000	11,000
State library grants	10,040	10,040	20,740	10,700
State payment in lieu of taxes	68,000	67,672	61,698	(5,974)
Total intergovernmental revenues	<u>87,040</u>	<u>86,712</u>	<u>102,438</u>	<u>15,726</u>
Fees, charges, and commissions:				
Charges for photocopier	12,000	12,000	8,438	(3,562)
Miscellaneous fees	1,000	1,000	10,156	9,156
Total fees, charges, and commissions	<u>13,000</u>	<u>13,000</u>	<u>18,594</u>	<u>5,594</u>
Fines and forfeitures:				
Delinquent books	3,000	3,000	6,941	3,941
Investment earnings	383,416	383,416	633,210	249,794
Miscellaneous:				
Gifts & donations	-	-	10,221	10,221
Compensation for loss to assets	-	-	850	850
Total revenues	<u>4,458,490</u>	<u>4,458,162</u>	<u>4,933,663</u>	<u>475,501</u>
<b>EXPENDITURES</b>				
Current:				
Culture and recreation	3,152,130	3,152,130	3,336,019	(183,889)
Capital Outlay	10,529,000	10,529,000	327,220	10,201,780
Total expenditures	<u>13,681,130</u>	<u>13,681,130</u>	<u>3,663,239</u>	<u>10,017,891</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(9,222,640)</u>	<u>(9,222,968)</u>	<u>1,270,424</u>	<u>10,493,392</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from sale of assets	-	-	1,135	1,135
Net change in fund balance	(9,222,640)	(9,222,968)	1,271,559	10,494,527
Fund balances- beginning	9,962,718	9,962,718	9,962,718	-
Fund balances-ending	<u>\$ 740,078</u>	<u>\$ 739,750</u>	<u>\$ 11,234,277</u>	<u>\$ 10,494,527</u>

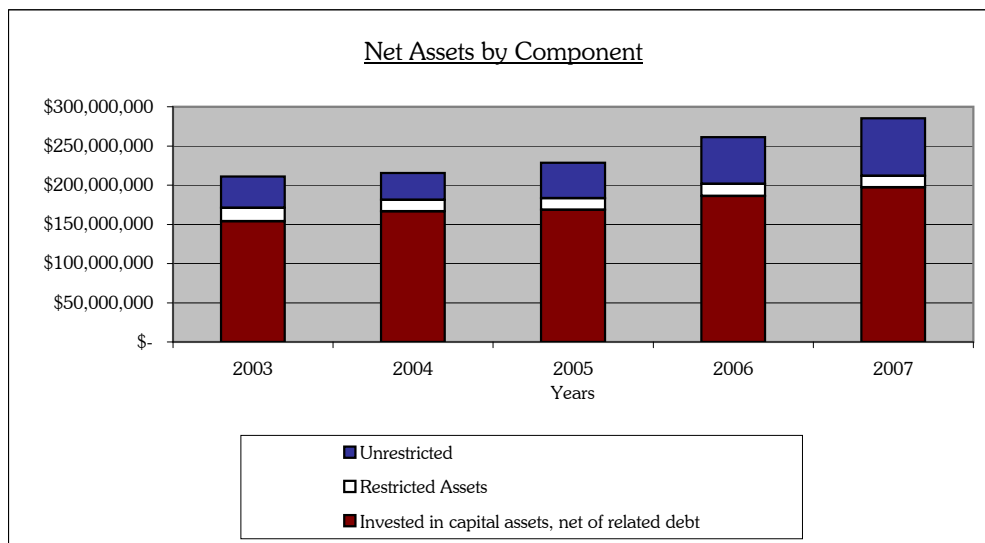


**Parish of St. Charles  
Net Assets by Component  
Last Five Years  
(Unaudited)**

	2003	2004	2005	2006	2007
Governmental activities					
Invested in capital assets, net of related debt	\$ 54,608,406	\$ 69,591,175	\$ 73,264,359	\$ 88,518,346	\$ 97,956,951
Restricted	11,858,098	9,918,330	8,994,356	8,164,263	7,840,421
Unrestricted	37,633,367	31,521,752	42,608,063	54,768,676	64,562,997
Total governmental activities net assets	<u>\$ 104,099,871</u>	<u>\$ 111,031,257</u>	<u>\$ 124,866,778</u>	<u>\$ 151,451,285</u>	<u>\$ 170,360,369</u>
Business-type activities					
Invested in capital assets, net of related debt	\$ 99,324,370	\$ 96,899,668	\$ 95,294,688	\$ 97,596,993	\$ 99,051,543
Restricted	5,206,894	4,958,811	5,597,147	7,417,357	7,130,258
Unrestricted	2,445,334	2,659,978	2,933,159	4,759,642	8,675,669
Total business-type activities net assets	<u>\$ 106,976,598</u>	<u>\$ 104,518,457</u>	<u>\$ 103,824,994</u>	<u>\$ 109,773,992</u>	<u>\$ 114,857,470</u>
Primary government					
Invested in capital assets, net of related debt	\$ 153,932,776	\$ 166,490,843	\$ 168,559,047	\$ 186,115,339	\$ 197,008,494
Restricted	17,064,992	14,877,141	14,591,503	15,581,620	14,970,679
Unrestricted	40,078,701	34,181,730	45,541,222	59,528,318	73,238,666
Total primary government net assets	<u>\$ 211,076,469</u>	<u>\$ 215,549,714</u>	<u>\$ 228,691,772</u>	<u>\$ 261,225,277</u>	<u>\$ 285,217,839</u>

**Source:** Audited Comprehensive Annual Financial Report.

**Note:** The parish began to report accrual information when it implemented GASB Statement 34 in 2003.



**Parish of St. Charles**  
**Changes in Net Assets**  
**Last Five Years**  
**(Unaudited)**

	2003	2004	2005	2006	2007
<b>Expenses</b>					
Governmental activities:					
General government	\$ 9,047,181	\$ 9,190,975	\$ 9,482,176	\$ 10,234,268	\$ 14,131,681
Public safety	4,754,617	6,188,003	13,831,891	7,107,232	6,675,265
Public works	10,476,106	17,615,424	17,810,336	19,485,320	20,662,921
Health and welfare	2,730,086	2,916,691	3,817,755	3,648,387	4,208,703
Culture and recreation	1,895,257	2,497,697	2,492,969	2,482,841	2,724,819
Economic development and assistance	2,802,533	3,295,347	3,867,097	4,189,764	2,754,328
Interest & other charges on long-term debt	2,410,284	2,693,612	2,470,056	2,027,512	2,357,075
Total governmental activities expenses	<u>34,116,064</u>	<u>44,397,749</u>	<u>53,772,280</u>	<u>49,175,324</u>	<u>53,514,792</u>
Business-type activities:					
Waterworks utility system	6,803,241	7,201,101	6,732,560	7,582,875	9,140,058
Wastewater utility system	10,060,717	9,712,537	10,393,030	10,388,352	11,677,372
Solid waste collection and disposal	2,818,109	2,820,247	2,814,602	3,139,169	3,528,908
Total business-type activities expenses	<u>19,682,067</u>	<u>19,733,885</u>	<u>19,940,192</u>	<u>21,110,396</u>	<u>24,346,338</u>
Total primary government expenses	<u><u>53,798,131</u></u>	<u><u>64,131,634</u></u>	<u><u>73,712,472</u></u>	<u><u>\$ 70,285,720</u></u>	<u><u>\$ 77,861,130</u></u>
<b>Program Revenues</b>					
Governmental activities:					
Charges for services:					
General government	\$ 2,503,272	\$ 1,988,564	\$ 2,763,968	\$ 3,379,117	\$ 3,699,399
Public works	52,201	12,148	16,795	5,088	12,946
Culture and recreation	49,422	45,358	50,622	62,060	66,270
Operating grants and contributions	4,828,524	5,214,681	14,727,200	8,459,923	4,971,050
Capital grants and contributions	2,154,492	1,986,394	2,336,922	14,576,941	9,727,281
Total governmental activities program revenues	<u>9,587,911</u>	<u>9,247,145</u>	<u>19,895,507</u>	<u>26,483,129</u>	<u>18,476,946</u>
Business-type activities:					
Charges for services:					
Waterworks utility system	5,459,475	5,409,933	7,010,523	9,290,495	10,636,932
Wastewater utility system	6,812,540	6,661,740	7,036,979	8,584,119	7,717,179
Solid waste collection and disposal	2,600,665	2,651,656	2,381,887	3,386,105	3,696,745
Operating grants and contributions	168,958	125,965	296,671	-	2,543,557
Capital grants and contributions	-	1,247,247	1,437,791	4,400,226	3,120,601
Total business-type activities program revenues	<u>15,041,638</u>	<u>16,096,541</u>	<u>18,163,851</u>	<u>25,660,945</u>	<u>27,715,014</u>
Total primary government program revenues	<u><u>\$ 24,629,549</u></u>	<u><u>\$ 25,343,686</u></u>	<u><u>\$ 38,059,358</u></u>	<u><u>\$ 52,144,074</u></u>	<u><u>\$ 46,191,960</u></u>
Net (expenses)/revenue					
Governmental activities	\$ (24,528,153)	\$ (35,150,604)	\$ (33,876,773)	\$ (22,692,195)	\$ (35,037,846)
Business-type activities	(4,640,429)	(3,637,344)	(1,776,341)	4,550,549	3,368,676
Total primary government net expenses	<u><u>\$ (29,168,582)</u></u>	<u><u>\$ (38,787,948)</u></u>	<u><u>\$ (35,653,114)</u></u>	<u><u>\$ (18,141,646)</u></u>	<u><u>\$ (31,669,170)</u></u>

(Continued)

Exhibit E-2  
(Continued)

**Parish of St. Charles**  
**Changes in Net Assets (Continued)**  
**Last Five Years**  
**(Unaudited)**

	2003	2004	2005	2006	2007
<b>General Revenues &amp; Other Changes in Net Assets</b>					
Governmental activities:					
Taxes					
Ad valorem taxes	\$ 17,225,420	\$ 17,011,703	\$ 17,619,869	\$ 17,789,328	\$ 19,003,307
Sales taxes	18,043,803	20,304,470	24,489,895	28,935,942	29,571,279
Alcoholic beverage tax	57,616	60,995	61,352	62,072	54,518
Airport expansion agreement	279,991	217,059	190,432	178,166	165,256
Cable TV franchise tax	482,355	500,816	393,388	549,090	615,232
Investment earnings	885,459	955,368	1,591,960	3,061,811	3,865,138
Miscellaneous	871,533	1,591,747	2,658,353	217,386	676,300
Gain (loss) on disposal of capital assets	-	99,118	1,587,045	(567,093)	-
Transfer (to) from other funds	(913,000)	(1,556,208)	(880,000)	(950,000)	(4,100)
Total governmental activities	<u>36,933,177</u>	<u>39,185,068</u>	<u>47,712,294</u>	<u>49,276,702</u>	<u>53,946,930</u>
Business-type activities:					
Taxes					
Ad valorem taxes	-	-	-	11	445
Investment earnings	137,953	84,261	202,878	448,438	1,533,868
Gain (loss) on disposal of capital assets	-	(461,266)	-	-	-
Transfer (to) from other funds	913,000	1,556,208	880,000	950,000	4,100
Total business-type activities	<u>1,050,953</u>	<u>1,179,203</u>	<u>1,082,878</u>	<u>1,398,449</u>	<u>1,538,413</u>
Total primary government	<u><u>37,984,130</u></u>	<u><u>40,364,271</u></u>	<u><u>48,795,172</u></u>	<u><u>50,675,151</u></u>	<u><u>55,485,343</u></u>
<b>Change in Net Assets</b>					
Governmental activities	\$ 12,405,024	\$ 4,034,464	\$ 13,835,521	\$ 26,584,507	\$ 18,909,084
Business-type activities	(3,589,476)	(2,458,141)	(693,463)	5,948,998	4,907,089
Total primary government	<u><u>\$ 8,815,548</u></u>	<u><u>\$ 1,576,323</u></u>	<u><u>\$ 13,142,058</u></u>	<u><u>\$ 32,533,505</u></u>	<u><u>\$ 23,816,173</u></u>

**Source:** Audited Comprehensive Annual Financial Report.

**Note:** The parish began to report accrual information when it implemented GASB Statement 34 in 2003.



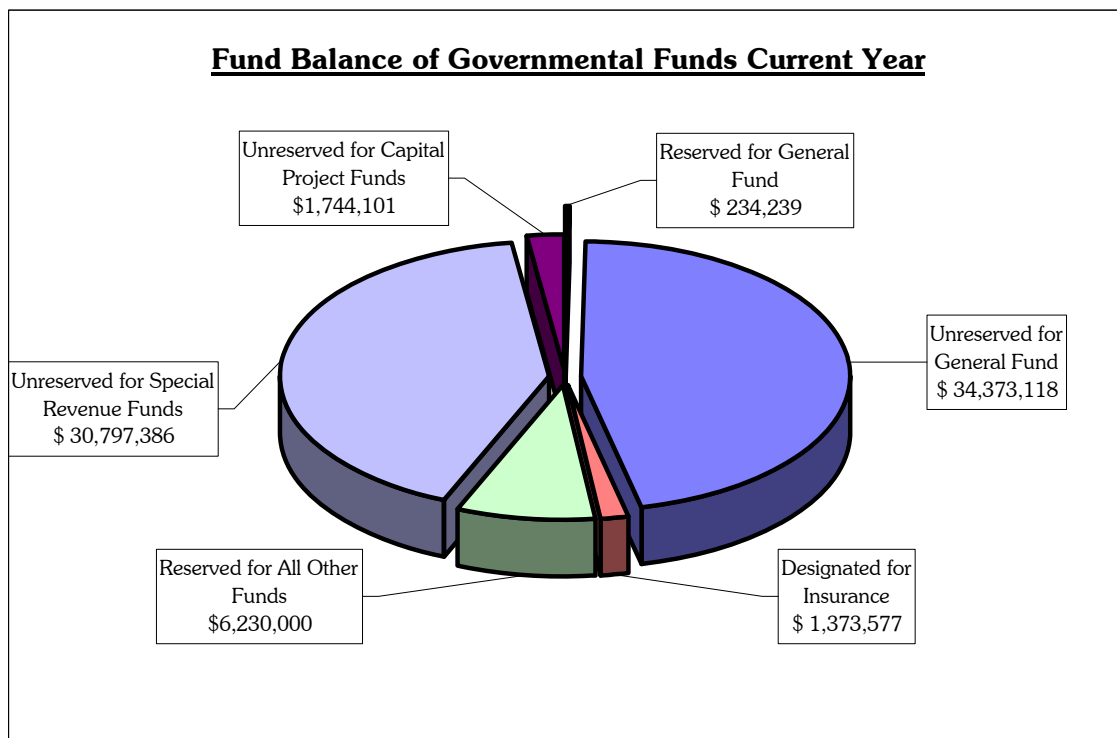


**Parish of St. Charles  
Fund Balance of Governmental Funds  
Last Five Years  
(Unaudited)**

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
General fund					
Reserved	\$ 143,342	\$ 130,549	\$ 43,824	\$ 175,141	\$ 234,239
Unreserved, reported in:					
General Fund	18,454,081	16,125,137	22,074,709	28,178,035	34,373,118
Designated for Insurance	-	-	-	-	1,373,577
Total general fund	<u>\$ 143,342</u>	<u>\$ 130,549</u>	<u>\$ 43,824</u>	<u>\$ 175,141</u>	<u>\$ 35,980,934</u>
All other governmental funds					
Reserved	\$ 12,446,104	\$ 8,890,313	\$ 8,994,726	\$ 7,078,607	\$ 6,230,000
Unreserved, reported in:					
Special revenue funds	18,194,815	14,495,814	18,537,294	25,761,273	30,797,386
Capital projects funds	3,719,956	2,438,013	2,546,540	2,279,133	1,744,101
Total all other governmental funds	<u>\$ 34,360,875</u>	<u>\$ 25,824,140</u>	<u>\$ 30,078,560</u>	<u>\$ 35,119,013</u>	<u>\$ 38,771,487</u>

**Source:** Audited Comprehensive Annual Financial Report.

**Note:** The parish began to report accrual information when it implemented GASB Statement 34 in 2003.



**Parish of St. Charles**  
**Changes in Fund Balance of Governmental Funds**  
**Last Ten Years**  
**(Unaudited)**

	1998	1999	2000	2001
<b>Revenues</b>				
Taxes:				
Ad valorem taxes	\$ 12,647,740	\$ 14,019,580	\$ 15,861,644	\$ 16,347,257
Sales taxes	21,392,383	19,185,066	16,328,444	20,064,831
Other taxes	805,551	417,173	823,772	893,825
Licenses and permits	712,552	731,385	725,089	735,868
Intergovernmental revenues	7,777,760	5,383,545	5,872,524	5,060,810
Fees, charges, and commissions	3,065,237	3,175,930	4,177,862	3,519,527
Fines and forfeitures	664,370	693,636	627,661	687,509
Investment earnings	3,320,201	3,245,304	3,886,808	3,183,156
Miscellaneous	191,967	232,527	276,602	122,788
Total revenues	<u>50,577,761</u>	<u>47,084,146</u>	<u>48,580,406</u>	<u>50,615,571</u>
<b>Expenditures</b>				
Current:				
General government	6,370,925	6,747,483	6,981,742	6,871,734
Public safety	4,894,180	8,419,501	4,115,430	4,756,868
Public works	25,754,905	45,813,839	27,726,469	15,757,972
Health and welfare	2,736,602	2,347,839	2,729,067	2,633,922
Culture and recreation	2,812,083	1,865,252	2,235,459	2,293,627
Economic development & assistance	2,239,276	1,944,860	1,714,472	1,830,884
Debt service:				
Principal	4,010,000	4,430,000	5,510,000	5,790,000
Interest and other charges	2,788,287	2,932,749	3,400,319	3,591,438
Capital outlay	-	-	-	-
Total expenditures	<u>51,606,258</u>	<u>74,501,523</u>	<u>54,412,958</u>	<u>43,526,445</u>
Excess (deficiency) of revenues over expenditures	\$ (1,028,497)	\$ (27,417,377)	\$ (5,832,552)	\$ 7,089,126
<b>Other financing sources (uses)</b>				
Transfer in	1,733,325	334,417	2,728,350	300,795
Transfer out	(2,038,507)	(334,417)	(3,061,318)	(300,795)
Insurance Recoveries	-	-	-	-
Issuance of Debt	-	-	-	-
Bond proceeds	8,708,648	24,229,138	8,748,207	501,584
Premium (discount) on debt issued	-	-	-	-
Payment to refunded bond escrow agent	-	(1,914,970)	-	-
Proceeds from sale of assets	2,200	106,690	-	146,816
Sale of assets-program earned	-	781	-	3,565
Total other financing sources (uses)	<u>8,405,666</u>	<u>22,421,639</u>	<u>8,415,239</u>	<u>651,965</u>
Net change in fund balance	<u>\$ 7,377,169</u>	<u>\$ (4,995,738)</u>	<u>\$ 2,582,687</u>	<u>\$ 7,741,091</u>
Debt service as a percentage of noncapital expenditures	13.2%	9.9%	16.4%	21.6%

**Source:** Audited Comprehensive Annual Financial Report.

Exhibit E-4

	2002	2003	2004	2005	2006	2007
\$	17,169,308	\$ 17,225,420	\$ 17,011,703	\$ 17,619,869	\$ 17,789,328	\$ 19,003,307
	18,046,778	18,043,803	20,304,470	24,489,895	28,935,942	29,571,279
	881,434	819,962	778,870	645,172	789,328	835,006
	755,444	769,681	827,931	839,675	1,242,174	888,645
	8,069,234	6,935,577	7,163,825	16,953,679	8,650,916	5,630,392
	3,130,262	1,329,576	703,083	1,373,984	1,461,908	1,947,317
	615,905	553,077	552,306	728,169	835,566	990,057
	1,400,773	885,459	955,368	1,591,960	3,061,811	3,865,138
	171,361	865,645	1,591,747	2,658,353	217,386	676,300
	<u>50,240,499</u>	<u>47,428,200</u>	<u>49,889,303</u>	<u>66,900,756</u>	<u>62,984,359</u>	<u>63,407,441</u>
	8,366,701	8,653,378	8,752,033	9,124,143	9,878,954	11,083,755
	5,638,655	4,677,689	6,102,878	13,732,493	7,006,258	6,458,952
	23,130,887	4,776,529	11,197,567	10,882,350	12,101,696	13,011,540
	3,809,428	2,699,458	2,834,907	3,714,756	3,536,016	4,102,703
	2,369,045	1,714,087	2,281,202	2,256,210	2,237,601	2,442,864
	3,482,327	2,751,965	3,251,584	3,813,076	4,142,637	2,712,710
	5,495,000	6,220,000	6,860,000	3,975,000	4,905,000	4,765,000
	3,536,775	3,106,265	2,608,305	2,311,855	1,935,264	1,753,490
	-	21,547,523	16,259,490	3,569,569	6,455,670	8,036,457
	<u>55,828,818</u>	<u>56,146,894</u>	<u>60,147,966</u>	<u>53,379,452</u>	<u>52,199,096</u>	<u>54,367,471</u>
\$	(5,588,319)	\$ (8,718,694)	\$ (10,258,663)	\$ 13,521,304	\$ 10,785,263	\$ 9,039,970
	1,274,491	315,733	3,480,424	1,819,393	992,998	735,729
	(1,794,491)	(1,228,733)	(5,036,632)	(2,699,393)	(1,942,998)	(739,829)
	-	-	-	-	1,439,833	-
	-	-	-	-	-	920,000
	9,696,487	27,428,797	790,978	7,170,000	-	-
	-	-	-	53,018	-	-
	(9,958,593)	(22,351,339)	-	(9,747,055)	-	-
	-	-	145,421	-	-	-
	15,209	5,888	-	-	-	-
	<u>(766,897)</u>	<u>4,170,346</u>	<u>(619,809)</u>	<u>(3,404,037)</u>	<u>489,833</u>	<u>915,900</u>
\$	<u>(6,355,216)</u>	<u>(4,548,348)</u>	<u>(10,878,472)</u>	<u>10,117,267</u>	<u>11,275,096</u>	<u>9,955,870</u>
	16.2%	27.0%	21.6%	12.6%	15.0%	14.1%

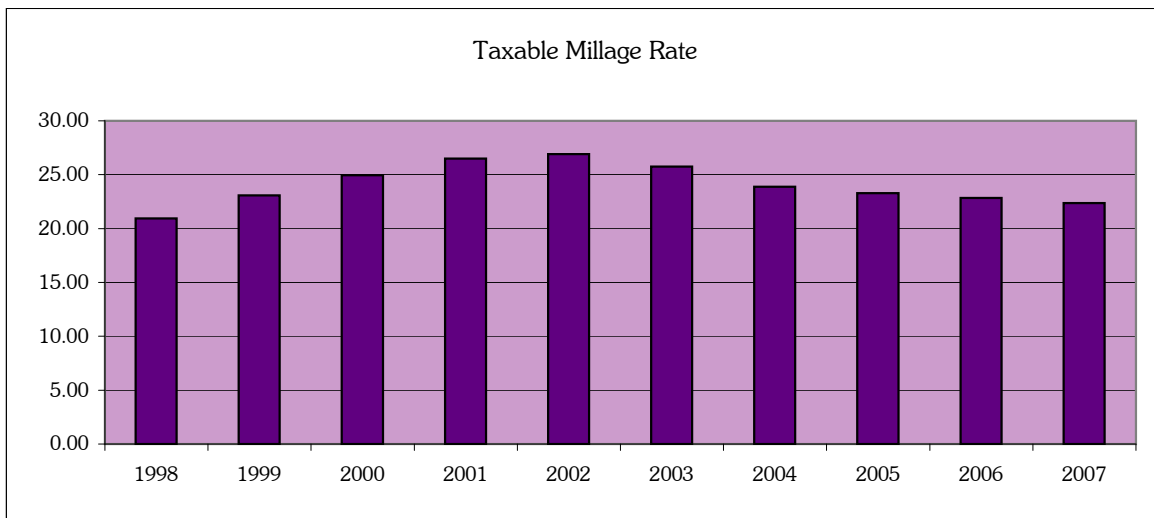
**Parish of St. Charles**  
**Assessed Value and Estimated Actual Value of Taxable Property**  
**Last Ten Years**  
**(Unaudited)**

Year Ended	Real Property		Other	Less:	Total Taxable	Total	Estimated	Assessed
	Residential Property	Commercial Property	Public Utilities	Homestead Exemption	Assessed Value	Direct Tax Rate	Actual Taxable Value	Value <sup>1</sup> as a Percentage of Actual Value
1998	106,467,308	328,930,679	250,488,150	70,885,696	\$ 615,000,441	20.93	\$ 6,150,004,410	0.11%
1999	110,653,207	332,777,991	251,185,380	71,806,582	\$ 622,809,996	23.08	\$ 6,228,099,960	0.11%
2000	115,205,516	339,729,089	252,995,090	73,853,292	\$ 634,076,403	24.95	\$ 6,340,764,030	0.11%
2001	121,613,759	342,859,734	246,429,460	74,530,508	\$ 636,372,445	26.49	\$ 6,363,724,450	0.11%
2002	126,758,217	361,423,458	242,708,860	77,712,722	\$ 653,177,813	26.90	\$ 6,531,778,130	0.11%
2003	132,558,312	383,943,464	231,796,340	78,904,793	\$ 669,393,323	25.74	\$ 6,693,933,230	0.11%
2004	137,764,899	435,865,585	225,066,890	81,202,746	\$ 717,494,628	23.88	\$ 7,174,946,280	0.11%
2005	166,911,478	456,320,073	224,844,170	87,570,698	\$ 760,505,023	23.30	\$ 7,605,050,230	0.11%
2006	178,109,193	472,543,810	221,985,090	90,270,665	\$ 782,367,428	22.85	\$ 7,823,674,280	0.11%
2007	189,266,443	529,530,663	223,842,200	92,088,489	\$ 850,550,817	22.38	\$ 8,505,508,170	0.11%

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

**Note:** Property of St. Charles Parish is reassessed once every four years on average. The parish assesses property at approximately 10 percent of the actual value of all types of real and personal property. Estimated actual taxable value is calculated by dividing taxable assessed value by this percentage. Tax rates are per \$1,000 of assessed value.

<sup>1</sup> Includes tax-exempt property.

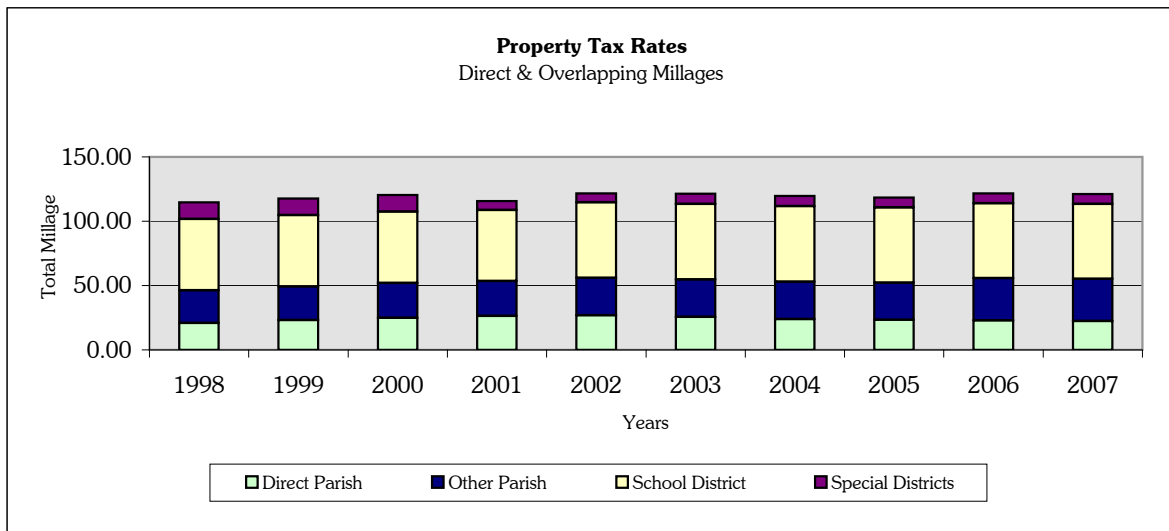


**Parish of St. Charles  
Property Tax Rates  
Direct and Overlapping Governments  
Last Ten Years  
(Unaudited)**

Year	St. Charles Parish			Overlapping Rates <sup>1</sup>								Total Direct & Overlapping Rates
	Operating Millage	Debt Service Millage	Total City Millage	Parish			School District			Special Districts		
				Operating Millage	Debt Service Millage	Total Parish Millage	Operating Millage	Debt Service Millage	Total School Millage			
1998	16.13	4.80	20.93	23.88	1.55	25.43	48.69	6.81	55.50	12.89	114.75	
1999	16.97	6.11	23.08	24.61	1.55	26.16	48.64	6.86	55.50	12.89	117.63	
2000	16.26	8.69	24.95	24.71	2.37	27.08	48.64	6.86	55.50	12.89	120.42	
2001	18.00	8.49	26.49	24.68	2.4	27.08	48.23	6.86	55.09	6.97	115.63	
2002	18.51	8.39	26.90	26.5	2.46	28.96	51.97	6.86	58.83	6.94	121.63	
2003	18.41	7.33	25.74	26.5	2.46	28.96	51.97	6.86	58.83	7.91	121.44	
2004	18.41	5.47	23.88	26.63	2.46	29.09	51.97	6.86	58.83	7.76	119.56	
2005	18.51	4.79	23.30	26.59	2.46	29.05	51.97	6.36	58.33	7.76	118.44	
2006	18.51	4.34	22.85	30.34	2.46	32.8	51.97	6.36	58.33	7.76	121.74	
2007	18.81	3.57	22.38	30.31	2.46	32.77	51.97	6.36	58.33	7.72	121.20	

Source: St. Charles Parish Tax Collector, 2006 Tax Roll

<sup>1</sup> Overlapping rates are those of local and parish governments that apply to property owners within St. Charles Parish. Not all overlapping rates apply to all St. Charles Parish property owners (e.g. the rates for special districts apply only to the proportion of the government's property owners whose property is located within the geographic boundaries of the special district.)



**Parish of St. Charles**  
**Principal Property Taxpayers**  
**Current Year and Nine Years Ago**  
**(Unaudited)**

<u>Taxpayer</u>	<u>Industry Type</u>	<u>2007</u>		<u>1998</u>	
		<u>Taxable Assessed Value</u>	<u>Percentage of Total Taxable Assessed Value</u>	<u>Taxable Assessed Value</u>	<u>Percentage of Total Taxable Assessed Value</u>
Entergy Louisiana, Inc.	Public Utility	\$ 191,674,280	20.3%	\$ 220,604,810	23.4%
Motiva Enterprises	Oil Refinery	89,400,138	9.5%	47,941,304 *	5.1%
Union Carbide Corporation	Chemical Plant	86,957,473	9.2%	53,749,288	5.7%
Shell Oil Company	Oil Refinery	41,358,760	4.4%	41,354,491	4.4%
Valero Marketing & Supply	Oil Refinery	28,541,375	3.0%	26,205,817 **	2.8%
Monsanto	Chemical Plant	23,496,929	2.5%	18,476,283	2.0%
Occidental Chemical Corp.	Chemical Plant	19,881,766	2.1%	9,771,773	1.0%
Motiva Enterprises, LLC.	Chemical Plant	12,419,235	1.3%	13,668,544	1.5%
Shell Chemical Corporation	Chemical Plant	11,585,705	1.2%	13,668,544	1.5%
Valero Refining Corporation	Oil Refinery	11,502,000	1.2%	-	-
		<u>\$ 516,817,661</u>	<u>54.8%</u>	<u>\$ 445,440,854</u>	<u>47.4%</u>

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

\* Shell changed its name to Motiva

\*\* Valero bought Transamerica

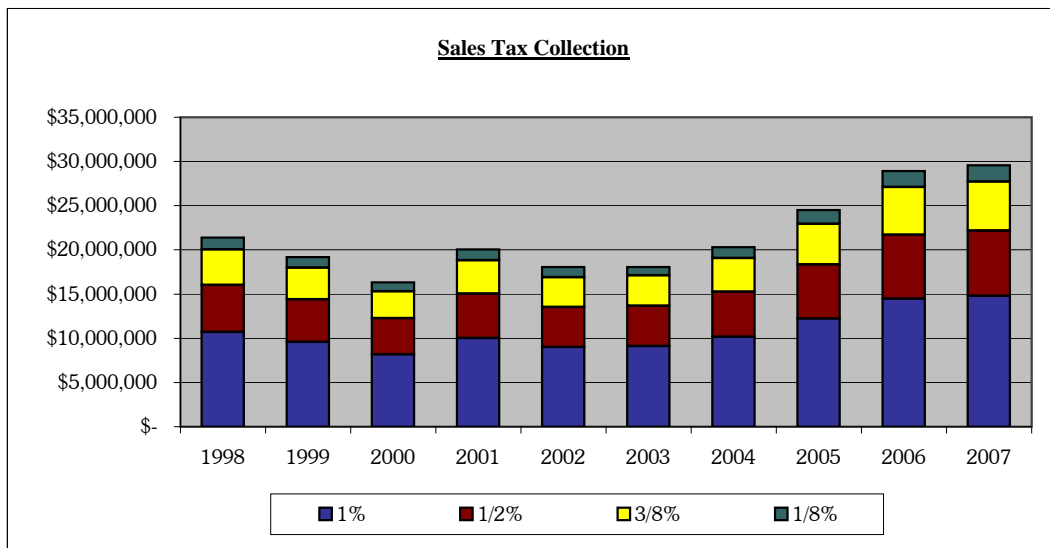
**Parish of St. Charles  
Sales Tax Collections  
Last Ten Years  
(Unaudited)**

<b>Year</b>	<b>1% Road and Drainage Maintenance</b>	<b>1/2% General Parish</b>	<b>3/8% General Parish</b>	<b>1/8% Fire Protection</b>	<b>Total Sales Tax</b>
1998	\$ 10,696,188	\$ 5,348,100	\$ 4,011,068	\$ 1,337,027	\$ 21,392,383
1999	9,592,531	4,796,271	3,597,196	1,199,068	19,185,066
2000	8,169,579	4,084,796	3,063,589	1,010,480	16,328,444
2001	10,032,412	5,016,213	3,762,152	1,254,054	20,064,831
2002	9,023,375	4,511,696	3,383,775	1,127,932	18,046,778
2003	9,121,885	4,560,953	3,420,717	940,248	18,043,803
2004	10,180,674	5,090,347	3,817,762	1,215,687	20,304,470
2005	12,245,421	6,122,240	4,591,681	1,530,553	24,489,895
2006	14,467,034	7,234,464	5,425,848	1,808,596	28,935,942
2007	14,785,650	7,392,825	5,544,618	1,848,186	29,571,279

The following is a summary by area of sales and use taxes being levied within the Parish of St. Charles as of December 31, 2007.

	<u>Parish</u>	<u>School Board</u>	<u>State</u>	<u>Total</u>
St. Charles	2.00%	3.00%	4.00%	9.00%

Source: St. Charles Parish School Board - Remittance Sheet



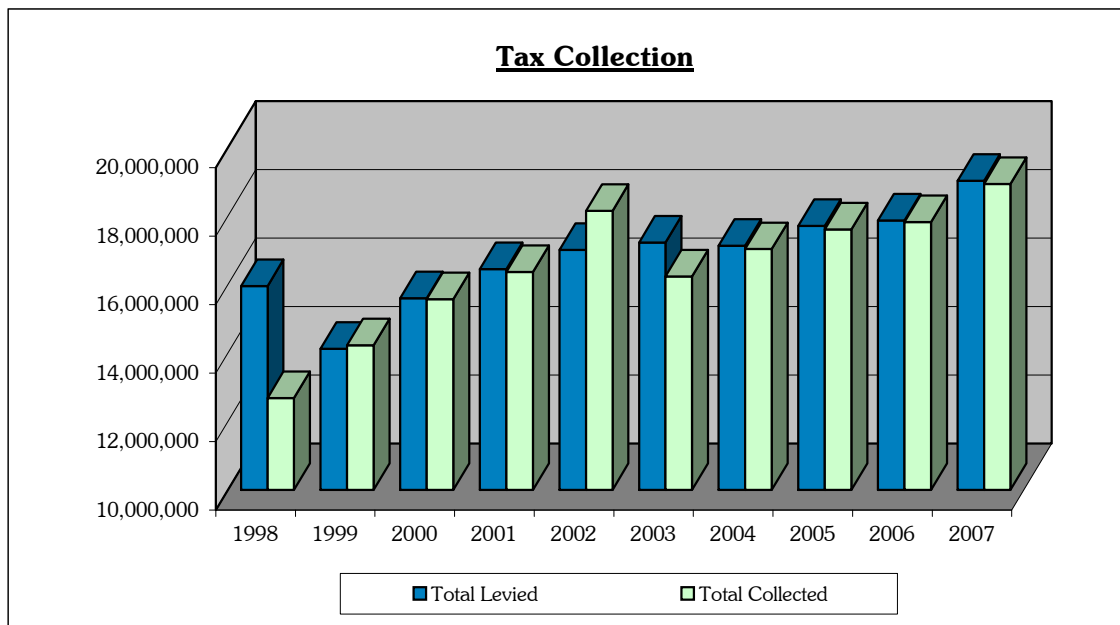


**Parish of St. Charles  
Property Tax Levies and Collections  
Last Ten Years  
(Unaudited)**

Year	Total Tax Levy	Collected within Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
1998	15,961,400	12,608,526	79.0	74,185	12,682,712	79.5
1999	14,124,111	13,945,428	98.7	281,564 *	14,226,993	100.7
2000	15,599,572	15,580,092	99.9	(3,360)	15,576,732	99.9
2001	16,457,492	16,350,616	99.4	16,627	16,367,244	99.5
2002	17,013,756	17,152,680 *	100.8	1,000,817 *	18,153,497	106.7
2003	17,228,710	16,226,706	94.2	7,894	16,234,599	94.2
2004	17,132,216	17,003,843	99.3	34,549	17,038,392	99.5
2005	17,718,224	17,585,630	99.3	24,903	17,610,533	99.4
2006	17,875,653	17,764,436	99.4	59,713	17,824,149	99.7
2007	19,034,037	18,944,040	99.5	-	18,944,040	99.5

Source: St. Charles Parish Tax Collector.

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





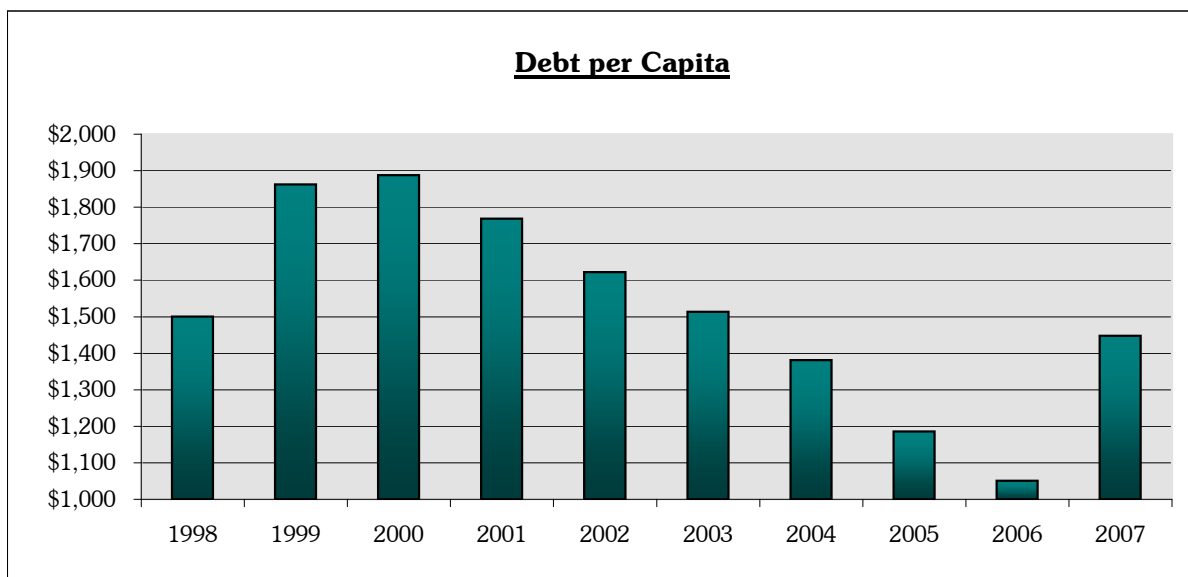
**Parish of St. Charles**  
**Ratio of Outstanding Debt by Type**  
**Last Ten Years**  
**(Unaudited)**

<b>Governmental Activities</b>						
<b>Year</b>	<b>General Obligation Bonds</b>	<b>Public Improvement Bonds</b>	<b>DEQ Revolving Loan</b>	<b>Claims &amp; Judgments</b>	<b>Capital Leases</b>	<b>Arbitrage Payable</b>
1998	\$ 8,985,000	\$ 34,020,000	\$ 10,958,229	\$ 61,000	\$ 36,153	\$ 52,885
1999	7,935,000	31,260,000	32,692,336	72,000	28,604	10,792
2000	46,079,213	28,350,000	-	72,000	20,122	10,792
2001	44,830,000	25,290,000	-	72,000	10,590	10,792
2002	41,795,000	22,485,000	-	-	-	-
2003	38,410,000	24,180,000	-	-	-	-
2004	34,890,000	21,630,000	-	-	-	-
2005	32,620,000	17,605,000	-	-	-	-
2006	30,245,000	15,075,000	-	-	-	-
2007	28,100,000	13,375,000	-	1,809,657	-	22,682

**Source:** Long-term debt note disclosure, Audited Comprehensive Annual Financial Report. See Note 11.  
See the schedule of Demographic and Economic Statistics for personal income and population data.

**Parish of St. Charles  
Ratio of Outstanding Debt by Type  
Last Ten Years  
(Unaudited)**

<u>Governmental Activities</u>		<u>Business-Type Activities</u>			<u>Total Primary Government</u>	<u>Percentage of Personal Income</u>	<u>Per Capita</u>
<u>Less: Deferred Amount on Refunding</u>	<u>Less: Bond Amortization Costs</u>	<u>Revenue Bonds</u>	<u>Less: Deferred Amount on Refunding</u>	<u>Less: Bond Amortization Costs</u>			
\$ -	\$ -	\$ 16,010,000	\$ -	\$ -	\$ 70,123,267	6.33%	\$ 1,501
-	-	16,005,000	-	-	88,003,732	7.82%	1,863
-	-	15,430,000	-	-	89,962,127	7.71%	1,888
-	-	14,790,000	-	-	85,003,382	6.99%	1,768
(319,792)	-	14,110,000	-	-	78,070,208	6.30%	1,622
(526,489)	-	13,455,000	(127,847)	-	75,390,664	5.92%	1,513
(461,848)	131,599	12,620,000	(114,389)	(537,596)	68,157,766	5.05%	1,381
(639,267)	45,053	11,750,000	(100,932)	(442,850)	60,837,004	*	1,185
(523,215)	76,673	10,855,000	(87,475)	(348,105)	55,292,879	*	1,051
(407,163)	78,817	33,415,000	(165,171)	164,258	76,393,080	*	1,448



**Parish of St. Charles**  
**Ratio of General Bonded Debt Outstanding**  
**Last Ten Years**  
**(Unaudited)**

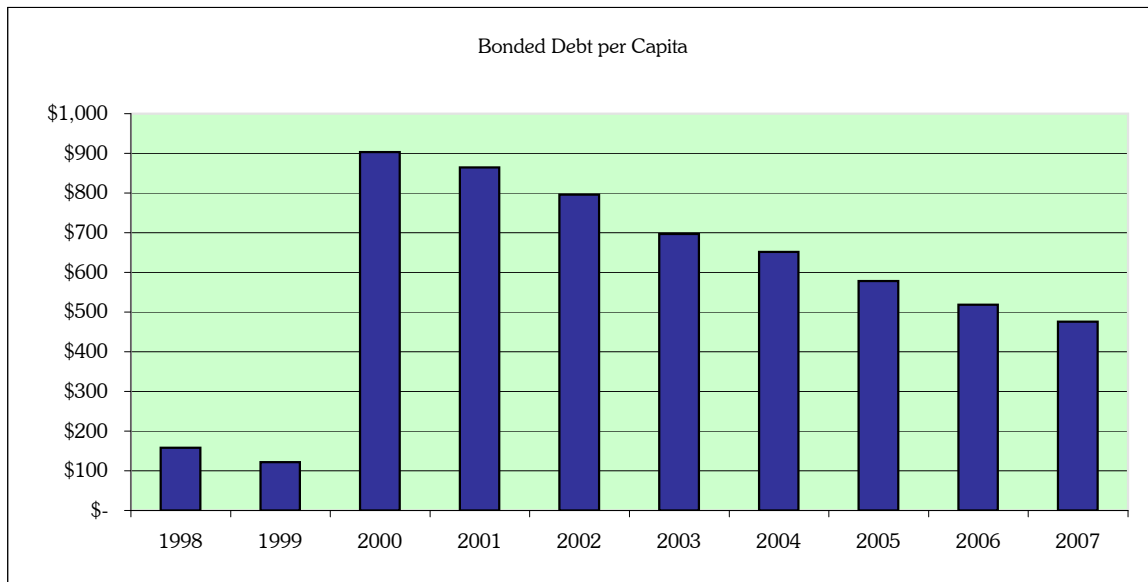
<u>Year</u>	<u>General Obligation Bonds</u>	<u>Less: Amount Available In Debt Service Fund</u>	<u>Total</u>	<u>Percentage of Estimated Actual Value of Property <sup>1</sup></u>	<u>Debt per Capita <sup>2</sup></u>
1998	\$ 8,985,000	\$ 1,609,553	\$ 7,375,447	0.12%	\$ 158
1999	7,935,000	2,165,959	5,769,041	0.09%	122
2000	46,079,213	3,042,172	43,037,041	0.68%	903
2001	44,830,000	3,262,401	41,567,599	0.65%	865
2002	41,795,000	3,495,221	38,299,779	0.59%	796
2003	38,410,000	3,699,208	34,710,792	0.52%	697
2004	34,890,000	2,711,353	32,178,647	0.45%	652
2005	32,620,000	2,935,282	29,684,718	0.39%	578
2006	30,245,000	2,953,023	27,291,977	0.35%	519
2007	28,100,000	3,016,864	25,083,136	0.29%	475

**Source:** Long-term debt note disclosure, Audited Comprehensive Annual Financial Reports. See Note 11.

**Note:** There is no general reserve fund requirement for excess revenue bonds in the State of Louisiana.

<sup>1</sup> See schedule of Assessed and Estimated Actual Value of Taxable Property. (Table E-5)

<sup>2</sup> Population data can be found in the Schedule of Demographic and Economic Statistics.



**Parish of St. Charles**  
**Direct and Overlapping Governmental Activities Debt**  
**December 31, 2007**  
**(Unaudited)**

<u>Jurisdiction</u>	<u>Net General Obligation Bonded Debt Outstanding</u>	<u>Percentage Applicable To Government</u>	<u>Amount Applicable To Government</u>
Direct:			
St. Charles Parish Government <sup>1</sup>	\$ 28,100,000	100%	\$ 28,100,000
Discretely Presented Component Unit:			
St. Charles Parish Hospital Service District <sup>2</sup>	<u>25,395,000</u>	100%	<u>25,395,000</u>
Total Direct debt	<u>\$ 53,495,000</u>		<u>\$ 53,495,000</u>
Overlapping:			
St. Charles Parish School Board <sup>3</sup>	<u>\$ 37,625,000</u>	100%	<u>\$ 37,625,000</u>
Total Overlapping debt	<u>\$ 37,625,000</u>		<u>\$ 37,625,000</u>
Total Direct and Overlapping debt	<u>\$ 91,120,000</u>		<u>\$ 91,120,000</u>
		2006 Population	52,761
		Per Capita	\$ 1,727

<sup>1</sup> All General Obligation Bonds are secured by Ad Valorem Taxes.

<sup>2</sup> **Source:** St. Charles Parish Hospital Service District Comprehensive Annual Financial Report - Note 8.  
 \*Hospital Service District has a year-end of July 31, 2007.

<sup>3</sup> **Source:** St. Charles Parish School Board Comprehensive Annual Financial Report - Statistical Section

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

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

	1998	1999	2000	2001
Debt Limit *	\$ 68,588,614	\$ 69,461,658	\$ 70,792,970	\$ 71,090,295
Total net debt applicable to limit **	10,105,000	8,790,000	46,649,213	45,105,000
Legal Debt Margin	<u>\$ 58,483,614</u>	<u>\$ 60,671,658</u>	<u>\$ 24,143,757</u>	<u>\$ 25,985,295</u>
Total net debt applicable to the limit as a percentage of debt limit	14.73%	12.65%	65.90%	63.45%

**Source:** Long-term debt note disclosure, Audited Comprehensive Annual Financial Reports. See Note 11.  
St. Charles Parish Tax Collector, 2006 Tax Roll

- \* Legal debt limit is 10% of the assessed value of taxable property for any one purpose.
- \*\* Total net debt applicable to limit for all purposes combined is based on ad valorem taxes.



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

<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
\$ 73,089,054	\$ 74,829,812	\$ 79,869,737	\$ 84,807,572	\$ 87,263,809	\$ 94,263,931
<u>41,795,000</u>	<u>38,410,000</u>	<u>34,890,000</u>	<u>32,620,000</u>	<u>30,245,000</u>	<u>28,100,000</u>
<u>\$ 31,294,054</u>	<u>\$ 36,419,812</u>	<u>\$ 44,979,737</u>	<u>\$ 52,187,572</u>	<u>\$ 57,018,809</u>	<u>\$ 66,163,931</u>
57.18%	51.33%	43.68%	38.46%	34.66%	29.81%

**Legal Debt Margin Calculation for Year 2007**

Assessed value	\$ 850,550,817
Add back: homestead exemption	<u>92,088,489</u>
Total assessed value	\$ 942,639,306
Debt limit (10% of total assessed value)	94,263,931
Debt applicable to limit:	
General obligation bonds	28,100,000
Less: Amount set aside for repayment of general obligation bonds	<u>-</u>
Total net debt applicable to limit	<u>28,100,000</u>
Legal Debt Margin	<u>\$ 66,163,931</u>



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

Years	Gross Revenue <sup>1</sup>	Direct Operating Expenses <sup>2</sup>	Net Revenue Available for Debt Service	Debt Service Requirements			
				Principal	Interest	Total	Coverage
<b>Waterworks Utility System Fund</b>							
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
2004	7,289,141	5,679,345	1,609,796	540,000	341,350	881,350	1.83
2005	8,040,232	5,239,924	2,800,308	565,000	326,900	891,900	3.14
2006	10,932,314	6,106,271	4,826,043	580,000	312,809	892,809	5.41
2007	15,265,600	6,649,849	8,615,751	415,000	599,024	1,014,024	8.50
<b>Wastewater Utility System Fund</b>							
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
2004	7,707,831	5,553,402	2,154,429	295,000	119,844	414,844	5.19
2005	8,149,673	6,159,149	1,990,524	305,000	110,994	415,994	4.78
2006	12,344,287	6,358,656	5,985,631	315,000	101,849	416,849	14.36
2007	10,024,586	6,997,460	3,027,126	325,000	92,409	417,409	7.25

<sup>1</sup> **Source:** Proprietary Funds - Combining Statement of Revenues, Expenses and Changes in Net Assets  
(Operating revenues less sewer development revenues; non-operating revenues; capital contributions; and transfers in

<sup>2</sup> **Source:** Proprietary Funds - Combining Statement of Revenues, Expenses and Changes in Net Assets  
(Operating expenses less depreciation; non-operating expenses less loss on disposition of fixed asset and bond interest

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

<b>Year</b>	<b>Population <sup>1</sup></b>	<b>Personal Income <sup>2</sup> (thousands of dollars)</b>	<b>Per Capita Personal Income <sup>1</sup></b>	<b>Median Age</b>	<b>School Enrollment <sup>1</sup></b>	<b>Unemployment Rate</b>
1998	46,730	\$ 1,108,562	\$ 23,933	*	10,126	4.4%
1999	47,250	1,126,015	24,407	*	10,218	4.6%
2000	47,650	1,166,913	25,116	34.2	10,026	5.6%
2001	48,072	1,215,545	25,845	34.5	9,984	5.3%
2002	48,130	1,239,144	27,377	34.8	9,947	5.2%
2003	49,820	1,258,926	27,651	35.3	9,807	5.6%
2004	49,353	1,362,077	27,928	35.6	9,746	5.4%
2005	51,320	1,351,844	28,454	36.0	9,797	5.0%
2006	52,603	1,540,384	28,621	*	9,761	4.7%
2007	52,761	*	29,022	*	9,719	4.4%

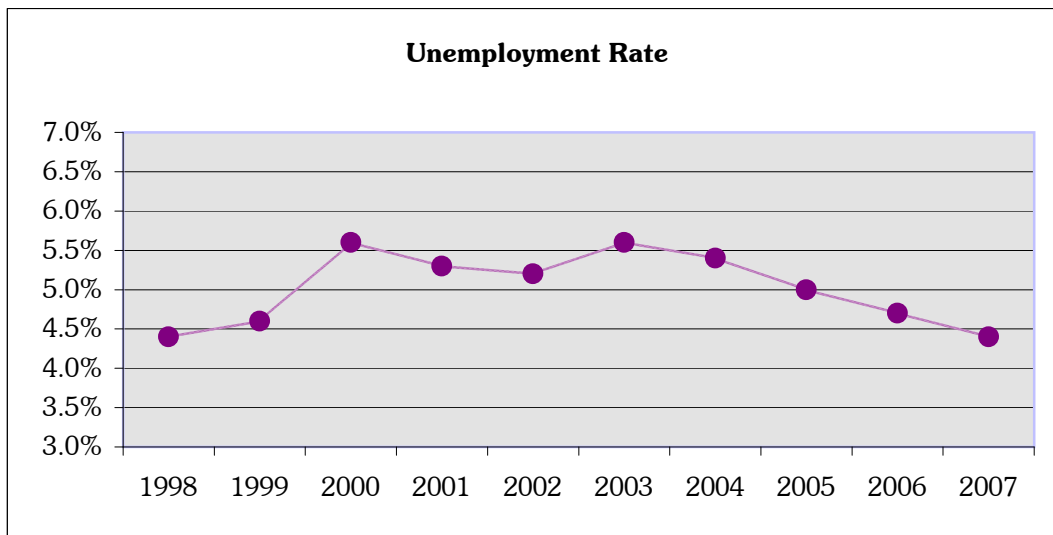
**Sources:**

<sup>1</sup> St. Charles Parish School Board Comprehensive Annual Financial Report - Statistical Section.

Louisiana Department of Labor - Research & Statistics

<sup>2</sup> U.S. Department of Commerce - Bureau of Economic Analysis

\* Data not available.



**Parish of St. Charles  
Principal Employers  
Current Year and Nine Years Ago  
(Unaudited)**

<u>Employer</u>	<u>2007</u>			<u>1998</u>		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total Parish Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total Parish Employment</u>
Dow St. Charles Operations	1,325	1	7.12%	1,378	2	7.87%
Monsanto	827	2	4.45%	620	4	3.54%
Shell Chemical	763	3	4.10%	455	5	2.60%
Shell Norco Refining	718	4	3.86%	1,439	1	8.22%
Orion Refining Corporation	625	5	3.36%	-	-	-
Pala-Interstate LLC	391	6	2.10%	-	-	-
St. Charles Hospital	365	7	1.96%	250	11	1.43%
Industrial Consultants	280	8	1.51%	429	6	2.45%
Otto Candies	255	9	1.37%	228	10	1.30%
Zachary Construction	248	10	1.33%	275	8	1.57%
Entergy	-	-	-	980	3	0.27%
Occidental Chemical	-	-	-	280	7	0.17%
Transamerica Refining	-	-	-	245	9	0.13%
	<u>5,797</u>		<u>31.16%</u>	<u>6,579</u>		<u>29.55%</u>

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

**Parish of St. Charles**  
**Full-time Equivalent Parish Employees by Function/Program**  
**Last Ten Years**  
**(Unaudited)**

	<b>Full-time Equivalent Employees Allotted in Annual Budget</b>									
	<b>1998</b>	<b>1999</b>	<b>2000</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>
<b>GENERAL FUND</b>										
Animal Control	3.00	3.00	4.00	4.00	4.00	4.00	4.00	5.00	5.00	5.00
Coastal Zone Management	1.00	1.00	1.00	1.00	2.00	1.00	0.89	1.00	1.00	2.00
Community Action	6.41	6.58	7.81	7.57	7.44	6.04	6.67	4.21	4.60	4.53
Community Service Block Grant	3.93	3.97	3.74	3.83	3.06	3.46	3.85	3.43	3.04	3.11
Constables & Justice of the Peace	14.00	14.00	14.00	14.00	14.00	14.00	14.00	14.00	14.00	14.00
Coroner	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	5.00
Council and Administration	20.50	20.50	21.00	24.00	19.00	19.00	19.00	19.00	20.00	20.00
District Attorney	8.00	10.00	10.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00
District Court	8.00	8.00	8.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00
Economic Development	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Emergency Preparedness	8.00	8.00	8.00	8.00	8.00	8.00	8.00	9.00	9.00	9.00
Energy Assistance	0.16	0.45	0.45	0.60	0.50	0.50	0.48	0.36	0.36	0.36
Finance	12.50	12.50	12.50	12.50	12.50	12.50	12.50	13.00	13.00	13.50
General Government Buildings	13.00	13.00	12.00	16.00	18.00	16.00	17.00	16.00	17.00	15.00
Grants Administration	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Home Program	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Information Technology	1.00	2.00	2.00	2.00	2.00	3.00	3.00	4.00	4.00	4.00
Legal Services	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Parish President	4.50	3.50	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Personnel	4.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	4.00	5.00
Planning and Zoning	9.00	12.00	12.00	15.00	14.00	15.00	15.11	15.00	14.00	17.00
Public Information Office	1.00	1.00	1.00	1.00	2.00	2.00	2.00	2.00	2.00	2.00
Purchasing	7.00	8.00	8.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00
Registrar of Voters	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Risk Management	1.50	1.50	1.50	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Weed Control	2.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	-
<b>TOTAL GENERAL FUND</b>	<b>143.50</b>	<b>150.00</b>	<b>152.00</b>	<b>158.50</b>	<b>155.50</b>	<b>153.50</b>	<b>155.50</b>	<b>155.00</b>	<b>155.00</b>	<b>158.50</b>
<b>SPECIAL REVENUE FUNDS</b>										
Gravity Drainage	3.00	3.00	4.00	-	-	-	-	-	-	-
Mosquito Control	0.66	0.66	0.66	0.66	0.66	0.66	0.66	0.66	1.00	1.00
Parks and Recreation	26.00	29.00	32.00	29.00	30.00	30.00	32.00	29.00	31.00	30.00
RSVP - Federal	1.30	1.30	2.00	1.65	1.65	1.15	1.13	1.13	1.08	0.90
RSVP - Local	2.30	2.35	1.65	2.00	1.50	1.50	1.49	1.49	1.54	1.50
RSVP - Nonfederal	0.40	0.35	0.35	0.35	0.85	0.35	0.38	0.38	0.38	0.60
Road and Drainage	128.50	143.00	154.00	141.00	150.00	156.50	151.50	152.50	130.00	136.00
Road Lighting	0.67	0.67	0.67	0.67	0.67	0.67	0.67	0.67	1.00	1.00
Solid Waste	0.67	0.67	0.67	0.67	0.67	0.67	0.67	0.67	1.00	1.00
Workforce Investment Act	22.50	25.50	25.50	24.50	24.50	28.50	25.50	27.50	27.50	27.50
<b>TOTAL SPECIAL FUNDS</b>	<b>186.00</b>	<b>203.50</b>	<b>217.50</b>	<b>200.50</b>	<b>210.50</b>	<b>220.00</b>	<b>214.00</b>	<b>214.00</b>	<b>194.50</b>	<b>199.50</b>
<b>ENTERPRISE FUNDS</b>										
Wastewater Utility System	30.50	33.50	33.50	47.00	64.00	60.50	59.50	52.00	51.50	52.00
Waterworks Utility System	53.00	51.00	52.00	51.00	52.00	51.00	51.00	51.00	50.00	53.00
<b>TOTAL ENTERPRISE FUNDS</b>	<b>83.50</b>	<b>84.50</b>	<b>85.50</b>	<b>98.00</b>	<b>116.00</b>	<b>111.50</b>	<b>110.50</b>	<b>103.00</b>	<b>101.50</b>	<b>105.00</b>
<b>TOTAL ALL FUNDS</b>	<b>413.00</b>	<b>438.00</b>	<b>455.00</b>	<b>457.00</b>	<b>482.00</b>	<b>485.00</b>	<b>480.00</b>	<b>472.00</b>	<b>451.00</b>	<b>463.00</b>

**Source:** Various Parish Departments

**Note:** Elected employees are included in this table; since they are eligible for health, retirement and other benefits

**Parish of St. Charles**  
**Operating Indicators by Function/Program**  
**Last Two Years**  
**(Unaudited)**

<b>Function / Program</b>	<b>2006</b>	<b>2007</b>
<b>Primary Government:</b>		
Governmental Activities:		
General Governmental		
Number of checks written yearly	22,360	18,539
Number of building permits issued	1,231	532
Number of purchase orders issued	8,797	8,832
Public Works		
Number of work orders issued	2,559	2,642
Number of street lights	72,273	*
Linear feet of roads maintained	10,555	7,213
Health and Welfare		
Number of meals served - Summer Food Program	7,464	6,225
Number of participants in Workforce Investment Act	2,856	2,925
Number of graduates in Workforce Investment Act	33	63
Number of Retired Senior Volunteers	885	834
Culture and Recreation		
Number of participants in group sports		
Baseball -youth	1,701	1,665
Basketball -youth & adults	1,712	1,495
Cheerleading -youth	285	285
Football -youth & adults	786	872
Senior Olympics	815	1,009
Softball -youth & adults	1,021	1,058
Soccer -youth	1,100	1,050
Track -youth	120	125
Number of summer camp participants	119	150
Number of park rentals during year	26	47
Business-type Activities:		
Waterworks		
Number of metered customers	19,804	20,354
Water Consumption (million gallons per year)	2,541	2,541
Wastewater		
Number of metered customers	17,369	17,707
Sewerage treatment (million gallons per year)	2,373	1,382
Number of work orders issued	3,741	3,008
Solid Waste Collection		
Waste collected (tons per year)	35,796	36,495
Residencies receiving services	17,395	17,326
<b>Component Unit:</b>		
Library Service District, No. 1		
Number of books owned	209,398	209,269
Number of registered borrowers	29,592	31,971
Number of items circulated	283,327	245,343

**Source:** Various Parish Departments

**Note:** Operating Indicators are not available for the public safety or economic development functions

\* Data Not Available.

**Parish of St. Charles**  
**Capital Asset Statistics by Function**  
**Last Ten Fiscal Years**  
**(Unaudited)**

<b>Function / Program</b>	<b>1998</b>	<b>1999</b>	<b>2000</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>
<b>Primary Government:</b>										
Governmental Activities:										
Public Safety										
Fire Stations	*	*	*	*	*	*	*	*	22	22
Fire Hydrants	210	245	265	287	308	330	353	389	467	508
Public Works										
Drainage Lines (miles)	13.03	15.40	17.22	22.64	24.47	26.25	27.30	30.32	36.68	39.44
Number of Pump Stations	38	40	41	41	42	43	44	44	44	44
Sidewalks (miles)	6.77	6.77	7.89	7.89	7.89	10.28	18.21	18.21	20.29	20.67
Streets (miles) <sup>1</sup>	152.69	153.32	156.39	163.80	166.65	167.28	175.47	189.68	197.36	209.87
Number of Streetlights	167	242	304	359	411	455	488	594	758	836
Culture and Recreation										
Parks owned & maintained	13	14	14	14	14	14	14	15	15	15
Parks maintained	34	35	35	35	35	35	36	37	37	37
Business-type Activities:										
Waterworks										
Plant Production Capacity (millions of gallons per day)	16	16	16	16	16	16	16	16	16	16
Water Mains (miles)	20.00	23.08	25.81	28.08	30.24	32.63	34.63	38.25	44.91	48.27
Water Storage Capacity (millions of gallons)	8.7	8.7	8.5	8.5	8.5	8.5	8.5	8.5	8.5	8.5
Wastewater										
Number of Lift Stations	*	*	*	*	*	*	*	*	176	179
Sewer Lines (miles)	30.73	35.18	38.05	40.94	43.58	45.31	47.29	51.05	60.35	65.87
Maximum Daily Treatment Capacity (millions of gallons per day)	*	*	*	*	*	*	*	*	*	9.30
<b>Component Unit:</b>										
Library Service District, No. 1										
Number of Libraries	4	4	4	4	4	5	5	5	5	5

**Source:** Annual Road Maintenance Manual  
Various Parish departments

**Note:** Capital asset indicators are not available for the general government, health and welfare, economic development, or solid waste functions

\* Data not available

<sup>1</sup> Miles of streets include Parish owned and maintained streets only; major state highways are not included.

**Parish of St. Charles**  
**Schedule of Insurance Policies in Force**  
**December 31, 2007**  
**(Unaudited)**

<u>Kind of Insurance Coverage</u>	<u>Insurance Company</u>	<u>Policy Amount</u>	<u>Policy Expiration</u>
Excess Property	Continental Casualty Company	53,209,384	04/01/07
Automobile Liability and Collision	St. Paul Fire & Marine	1,000,000	03/01/07
General Liability	St. Paul Fire & Marine	2,000,000	03/01/07
Public Officials and Employees Liability	St. Paul Fire & Marine	1,000,000	03/01/07
Workers Compensation	Parish Government Risk Management Agency		12/31/07
Bodily Injury by:			
Accident each		100,000	
Disease each		100,000	
Disease limit		500,000	
Excess Umbrella	St. Paul Fire & Marine	4,000,000	03/01/07
Boiler & Machinery	Hartford Steam Boiler	50,000,000	03/01/07

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.

**Source:** Various Parish Departments







# STAGNI & COMPANY, LLC

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

To the 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, 2007, which collectively comprise the basic financial statements and have issued our report thereon dated June 18, 2008. Our report was modified to include a reference to 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. Other auditors audited the financial statements of two of the discretely component units – St. Charles Parish Hospital Service District and Sunset Drainage District, as described in our report on the Parish of St. Charles, Louisiana's financial statements. This report does not include the results of the other auditors testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

***Internal Control Over Financial Reporting***

In planning and performing our audit, we considered the Parish's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Parish's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Parish's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Parish's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the Parish's financial statements that is more than inconsequential will not be prevented or detected by the Parish's internal control.

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

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Parish's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies, and accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

### ***Compliance and Other Matters***

As part of obtaining reasonable assurance about whether the Parish's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and 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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we reported to management of the Parish, in a separate letter dated June 18, 2008.

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 a 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***

Thibodaux, Louisiana  
June 18, 2008



**Parish of St. Charles**  
Schedule of Expenditures of Federal Awards  
For the Year Ended December 31, 2007

Federal Grantor/Pass-Through Grantors/Program Title	Federal CFDA Number	Grant Number	Grant End Date	Federal Expenditures	Local Expenditures	Total
<b>U.S. ARMY CORP OF ENGINEERS</b>						
Passed through LA Dept. of Natural Resources (Davis Pond Freshwater Diversion Project)	--	2512-06-04	01/31/11	111,081	-	111,081
TOTAL U.S. ARMY CORP OF ENGINEERS				<u>\$ 111,081</u>	<u>\$ -</u>	<u>\$ 111,081</u>
<b>U.S. DEPARTMENT OF AGRICULTURE</b>						
Passed through LA Dept. of Education: Summer Food Service Program	10.559	SFSP101	7/19/07	\$ 18,146	\$ 34,079	\$ 52,225
<b>U.S. DEPARTMENT OF THE ARMY</b>						
Direct Program - Pymt in Lieu of Taxes	12.112	--	--	\$ 11,106	-	\$ 11,106
<b>U.S. DEPT. OF HOUSING AND URBAN DEVELOPMENT</b>						
Passed through Jefferson Parish Community Development Dept.: Home Program	14.239	--	12/31/08	\$ 184,276	\$ 50,753	\$ 235,029
<b>U.S. DEPARTMENT OF JUSTICE</b>						
Passed through LA Comm. on Law Enforcement & Adm. of Criminal Justice						
JAIBG	16.523	A05-8-002	9/30/07	25,000	5,300	30,300
JAIBG	16.523	A06-8-002	9/30/08	-	5,000	5,000
TOTAL U.S. DEPT. OF JUSTICE				<u>\$ 25,000</u>	<u>\$ 10,300</u>	<u>\$ 35,300</u>
<b>U.S. DEPARTMENT OF LABOR</b>						
Passed through LA Dept. of Labor:						
WIA Adult Program	17.258	CFMS-636470 & 649431	6/30/09		-	-
WIA Adult Program	17.258	CFMS-636470 & 649431	6/30/09	690,132	-	690,132
WIA Youth Program	17.259	CFMS-636470 & 649431	6/30/09		-	-
WIA Youth Program	17.259	CFMS-636470 & 649432	6/30/09	448,893	-	448,893
WIA Dislocated Workers	17.260	CFMS-636470 & 649431	6/30/09		-	-
WIA Dislocated Workers	17.260	CFMS-636470 & 649431	6/30/09	465,777	-	465,777
WIA KATRINA	17.260	474-601841-633704	6/30/08	336,019	-	336,019
TOTAL U.S. DEPT. OF LABOR				<u>\$ 1,940,821</u>	<u>\$ -</u>	<u>\$ 1,940,821</u>
<b>U.S. DEPARTMENT OF ENERGY</b>						
Passed through LA Dept. of Social Services:						
Weatherization Assistance Prog.	81.042	WAP2006	3/31/07	9,125	5,885	15,011
TOTAL U.S. DEPT. OF ENERGY				<u>\$ 9,125</u>	<u>\$ 5,885</u>	<u>\$ 15,011</u>

**Parish of St. Charles**  
Schedule of Expenditures of Federal Awards  
For the Year Ended December 31, 2007

Federal Grantor/Pass-Through Grantors/Program Title	Federal CFDA Number	Grant Number	Grant End Date	Federal Expenditures	Local Expenditures	Total
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>						
Passed through LA Dept. of Labor:						
Temporary Assist. for Needy Families	93.558	CFMS-653881	6/30/08	49,983	-	49,983
Community Services Block Grant	93.569	2007P0076	9/30/08	130,663	-	130,663
Passed through LA Housing Finance Agency:						
Low Income Home Energy Assistance Program (Energy)	93.568	LIHEAP-FY2007	9/30/08	183,980	-	183,980
TOTAL U.S. DEPT. OF HEALTH AND HUMAN RESOURCES				<u>\$ 364,626</u>	<u>\$ -</u>	<u>\$ 364,626</u>
<b>CORPORATION FOR NATIONAL AND COMMUNITY SERVICE</b>						
Retired and Senior Volunteer Program	94.002	05SRWLA001	12/31/07	<u>\$ 67,811</u>	<u>\$ 1,117</u>	<u>\$ 68,928</u>
<b>U.S. DEPT. OF HOMELAND SECURITY</b>						
Passed through LA Office of Emergency Preparedness:						
Civil Defense-State & Local Emerg. Mngt. Assistance	97.042	EMPG-FY07	12/31/07	34,840	34,840	69,680
Emergency Food & Shelter National Board Program	97.024	LRO ID: 368000-002	11/30/07	17,617	-	17,617
FEMA-1603	97.036	-	--	73,947	-	73,947
FEMA-1603 - Hazard Mitigation	97.036	HMGP#1603-089-0002	11/16/07	6,269	2,090	8,359
TOTAL U.S. DEPT. OF HOMELAND SECURITY				<u>\$ 132,673</u>	<u>\$ 36,930</u>	<u>\$ 169,603</u>
TOTAL FEDERAL AWARDS				<u>\$ 2,864,665</u>	<u>\$ 139,064</u>	<u>\$ 3,003,729</u>

See accompanying Notes to Schedule of Expenditures of Federal Awards.

NOTES TO THE SCHEDULE OF FEDERAL AWARDS

PRIMARY GOVERNMENT OF  
**Parish of St. Charles**  
December 31, 2007

**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 Federal oversight agency for the Parish is the Corporation for National and Community Service. The following were major programs for the primary government for the year ended December 31, 2007:

WIA CLUSTER

17.258	WIA Adult Program
17.259	WIA Youth Program
17.260	WIA Dislocated Worker/Katrina

**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. Federal expenditures consist of federal financial assistance and local expenditures consist of all federal expenditures incurred in the operation of the program, which would include state and parish portions.

**Note 3. Pass-Through Awards**

JAIBG is a pass-through grant to The Center For Family and Youth Services, Inc

**Note 4 Amounts Received for Expenditures in Prior Years**

The following grant programs had amounts received for expenditures in prior years

	Amount Received	2007 Federal Expenditures	PY Federal Expenditures
Home Program	335,637.00	184,276.00	151,361.00
FEMA - 1063	137,625.00	73,947.07	63,677.93





# STAGNI & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

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## 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, 2007. 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. Other auditors audited the financial statements of two of the discretely component units – St. Charles Parish Hospital Service District and Sunset Drainage District, as described in our report on the Parish of St. Charles, Louisiana's financial statements. This report does not include the results of the other auditors testing of compliance requirements as listed above that are reported on separately by those auditors.

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 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, 2007.

***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, but not for the purposes of expressing an opinion on the effectiveness of the Parish's internal control over compliance.

A control deficiency in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees in the normal course of performing their assigned functions, to prevent or detect non compliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies, and accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

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***

Thibodaux, Louisiana  
June 18, 2008





**PARISH OF ST. CHARLES, LOUISIANA**  
*Schedule of Findings and Questioned Costs*  
 For the Year Ended December 31, 2007

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 as of and for the year ended December 31, 2007, and have issued our report thereon dated June 18, 2008. Other auditors audited the financial statements of two of the discretely component units – St. Charles Parish Hospital Service District and Sunset Drainage District, as described in our report on the Parish of St. Charles, Louisiana’s financial statements. This report does not include the results of the other auditors that are reported on separately by those auditors.

***Section I - Summary of Auditor’s Reports – on the primary government financial statements:***

- a. *The independent auditor’s report issued on the financial statements was unqualified.*
- b. **Internal Control -**  
 Material Weaknesses **None**                      Reportable Conditions    **None**
- c. **Compliance**  
 Non-Compliance Material to Financial Statements **None**

***Federal Award Programs:***

- a. **Internal Control -**  
 Material Weaknesses **None**      Reportable Conditions    **None**
- b. **Type of Opinion On Compliance For Major Programs    Unqualified**
- c. Are their findings required to be reported in accordance with Circular A-133, Section .510(a)? **No**

***d.. Identification of Major Programs:***

CFDA Number (s)	Name of Federal Program (or Cluster)
17.258	WIA Adult Program
17.259	WIA Youth Program
17.260	WIA Dislocated Worker Program



**PARISH OF ST. CHARLES, LOUISIANA**

*Schedule of Findings and Questioned Costs*

For the Year Ended December 31, 2007

Page 2

e. 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? **No**

***Section II – Primary Government Financial Statement Findings:***

No current year findings.

***Section III - Primary Government Federal Award Findings and Questioned Costs***

No current year findings.

