

**CITY OF GRETNA, LOUISIANA
FINANCIAL REPORT
FOR THE YEAR ENDED MARCH 31, 2015**

**PREPARED BY:
THE FINANCE DEPARTMENT**

CITY OF GRETNA, LOUISIANA
Basic Financial Statements
Year Ended March 31, 2015
With Supplemental Information Schedules
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INDEPENDENT AUDITOR'S REPORT

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INDEPENDENT AUDITOR'S REPORT

**Honorable Mayor and Members of the City Council
City of Gretna, Louisiana**

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Gretna, Louisiana, as of and for the year ended March 31, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Gretna, Louisiana, as of March 31, 2015, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis and budgetary comparison information on pages 4-16 and 54-64 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Gretna, Louisiana's basic financial statements. The combining and individual nonmajor fund financial statements and the *Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer* are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by 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 nonmajor fund financial statements, the *Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer*, and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, the *Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer*, and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 29, 2015, on our consideration of the City of Gretna, Louisiana's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Gretna, Louisiana's internal control over financial reporting and compliance.

Camnetar & Co.

Camnetar & Co., CPAs

a professional accounting corporation

Gretna, Louisiana
September 29, 2015

MANAGEMENT'S DISCUSSION AND ANALYSIS

City of Gretna, Louisiana
Management's Discussion and Analysis
(Unaudited)
March 31, 2015

As management of the City of Gretna, Louisiana (the "City"), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended March 31, 2015. The purpose of this management discussion and analysis ("MD&A") is to provide an objective and easy to read analysis of the City's financial activities based on currently known facts, decisions, or conditions. Therefore, readers should consider the information presented here in conjunction with the City's Financial Statements and Notes to the Financial Statements.

Financial Highlights

- The City's total net position increased by \$5,178,374 which represents a 7.30 percent increase from fiscal year 2014. This increase can be attributed specifically to an increase in the governmental activities' net capital assets of \$5,959,084 or 13.77 percent. Liabilities decreased primarily due to the refunding of the 2004 Bonds and long-term debt payments of \$979,333 or 6.06 percent. The net position of the governmental activities increased by \$4,778,570 and the net position of the business-type activities increased by \$399,804.
- Assets of the City's governmental activities exceeded its liabilities at the close of fiscal year ending 2015 by \$52,419,003 (*net position*). Of this amount \$35,809,790 or 68.31 percent is invested in capital assets, such as facilities, vehicles and equipment, net of accumulated depreciation and related debt. An additional \$14,926,857 or 28.48 percent is restricted for building renovations, contingencies, emergency preparedness, and separation and settlement. The remaining balance of \$1,682,356 (*unrestricted net position*) or 3.21 percent is considered unrestricted and may be used to meet the City's ongoing obligations.
- At the end of fiscal year 2015, the City's total general fund balance was \$10,863,178 compared to \$11,445,893 in fiscal year 2014. This decrease of \$582,715 or 5.09 percent is attributed primarily to the expenditures associated with the on-going building renovation of the Gretna Police Department Complex and the construction of the Police Storage Facility. These funds were previously committed in prior fiscal years.
- In fiscal year 2015, the City issued \$6,085,000 of Sales Tax Refunding Bonds Series 2014 to advance refund the 2004 Bond Issue. This will reduce total debt service payments over the next 10 years by \$640,679 or an annual average estimated reduction of \$56,699.
- At December 2013, The FEMA Special Community Disaster Loan Program (CDL) was deemed cancelled. The principal and interest on this loan was \$1,022,961 and was recognized as an extraordinary item for the prior fiscal year 2014.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City's financial statements. The City's basic financial statements consist of the following components: 1) government-wide financial statements, 2) fund financial statements, 3) notes to the financial statements. This report also contains other supplementary information, which is in addition to the basic financial statements themselves.

City of Gretna, Louisiana
Management's Discussion and Analysis
(Unaudited)
March 31, 2015

Government-wide Financial Statements

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

The **Statement of Net Position** presents information on all of the City's assets and liabilities using the accrual basis of accounting. The difference between the assets and liabilities is reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or weakening. The causes of the change in net position may be the result of many factors, both financial and non-financial in nature. Non-financial factors, which may have an impact on the City's financial condition include the property and sales tax base.

The **Statement of Activities** presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements are designed to distinguish functions of the City that are principally supported by taxes and intergovernmental revenues ("*governmental activities*") from other functions that are intended to recover a significant portion of their cost through user fees and charges ("*business-type activities*"). The business-type activities of the City consist of the Municipal Water and Sewer System.

The following is the City's government-wide financial information for the current and prior years in condensed form. Further details regarding these statements may be found on pages 19 and 20 of this financial 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. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into two categories: governmental funds and proprietary funds.

Governmental funds. "Governmental funds" are used to account for essentially the same functions reported as "governmental activities" in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows* and *outflows of spendable resources*, as well as *on balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

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

City of Gretna, Louisiana
Management's Discussion and Analysis
(Unaudited)
March 31, 2015

and changes in fund balance provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*. These reconciliations are located on pages 20 and 22.

The City adopts an annual appropriated budget for its General Fund and Other Funds. A budgetary comparison statement for the general fund and all major funds to demonstrate compliance with the budget is presented on pages 54 through 64.

The basic governmental fund financial statements can be found on pages 19 through 22 of this report.

Proprietary funds. The proprietary funds consists of the Municipal Water & Sewer Funds which is also presented as the business-type activities in the government-wide financial statements. Proprietary fund financial statements provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements can be found on pages 23 through 25 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found beginning on page 26 of this report.

Other information. The *combining statements* referred to earlier in connection with non-major governmental funds are presented immediately following the Required Supplemental Information. Combining statements for non-major governmental funds can be found on pages 66 and 67 of this report. The City maintains fourteen individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Fire Protection Fund, Riverboat Casino Fund, Capital Projects Fund, and the Debt Service Fund, all of which are considered to be major funds. Data from the other governmental funds (Garbage Fund, Parks and Recreation Fund, Social Services For The Aged Fund, Street Lights Fund, Tourism Fund, Ambulance Fund, Home Incarceration Fund, Court Security Fund, and Court Security Fund 2nd) are combined into a single, aggregated presentation.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The City's assets exceeded its liabilities at the close of the most recent fiscal year by \$76,083,335 (*net position*). The City's net position is comprised of \$52,419,003 from governmental activities and \$23,664,332 from business-type activities as shown on page 17.

City of Gretna, Louisiana
Management's Discussion and Analysis
(Unaudited)
March 31, 2015

CITY OF GRETNA, LOUISIANA
Net Position
March 31, 2015 and 2014

	Governmental Activities		Business-type Activities		Total	
	2015	2014	2015	2014	2015	2014
Current and other assets	\$ 21,787,225	\$ 22,844,104	\$ 604,850	\$ 905,869	\$ 22,392,075	\$ 23,749,973
Capital assets (net)	49,238,790	43,279,706	26,875,291	27,131,474	76,114,081	70,411,180
Total assets	<u>71,026,015</u>	<u>66,123,810</u>	<u>27,480,141</u>	<u>28,037,343</u>	<u>98,506,156</u>	<u>94,161,153</u>
Current and other liabilities	2,860,751	2,063,466	2,962,134	3,624,463	5,822,885	5,687,929
Long-term liabilities	15,532,003	16,163,407	853,675	1,148,352	16,385,678	17,311,759
Total liabilities	<u>18,392,754</u>	<u>18,226,873</u>	<u>3,815,809</u>	<u>4,772,815</u>	<u>22,208,563</u>	<u>22,999,688</u>
Deferred inflows of resources	<u>214,258</u>	<u>256,503</u>	<u>-</u>	<u>-</u>	<u>214,258</u>	<u>256,503</u>
NET POSITION						
Net investment in capital assets	35,809,790	29,203,707	16,544,576	16,544,576	52,354,366	45,748,283
Restricted	14,926,857	17,082,957	38,234	23,984	14,965,091	17,106,941
Unrestricted	1,682,356	1,353,769	7,081,522	6,695,968	8,763,878	8,049,737
Total net position	<u>\$ 52,419,003</u>	<u>\$ 47,640,433</u>	<u>\$ 23,664,332</u>	<u>\$ 23,264,528</u>	<u>\$ 76,083,335</u>	<u>\$ 70,904,961</u>

A large portion of the City's governmental activities' net position (\$35,809,790 or 68.31 percent) reflects its investment in capital assets (e.g., land, buildings, furniture and fixtures, machinery, vehicles and equipment, and infrastructure, acquired since April 1, 2003) less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. While bonds payable are associated with the capital expenditures for purposes of categorizing net position, the capital assets themselves are not a source of repayment of the bonds. The bonds are serviced primarily by dedicated sales taxes.

Governmental restricted net position decreased to \$14,926,857 from \$17,082,957 resulting in a decrease of \$2,156,100 or 12.62 percent. This decrease is due to several construction projects including the Gretna Police Department Complex, the conversion of the historic Gretna Post Office into a Cultural Center for the Arts, and the McDonoghville Fire Station. Funds were accumulated and earmarked over the past several years to finance these capital expenditures. The City's governmental unrestricted net position was \$1,682,356 or 3.21 percent of total net position that may be used to meet the government's ongoing obligations to its citizens and creditors.

Governmental total net position increased to \$52,419,003 from \$47,640,433 representing an increase of \$4,778,570 or 10.03 percent during the current fiscal year. This is primarily attributed to the capitalization of the City's capital asset expenditures associated with the above mentioned projects and a decrease in the City's long term debt liability.

City of Gretna, Louisiana
Management's Discussion and Analysis
(Unaudited)
March 31, 2015

Changes in Net Position

The following table presents a summary of the changes in net position for 2015, with comparative figures from 2014. Governmental activities increased the City's net position by \$4,778,570.

CITY OF GREINA, LOUISIANA
CONDENSED STATEMENT OF ACTIVITIES AND CHANGES IN NET POSITION
March 31, 2015 and 2014

	Governmental Activities		Business-type Activities		Total	
	2015	2014	2015	2014	2015	2014
REVENUES						
Program revenues:						
Charges for services	\$ 3,095,081	\$ 3,068,852	\$ 5,911,987	\$ 5,528,872	\$ 9,007,068	\$ 8,597,724
Operating grants and contributions	610,272	1,120,057	-	28,976	610,272	1,149,033
Capital grants and contributions	5,041,121	1,382,092	-	50,000	5,041,121	1,432,092
General revenues:						
Ad valorem	7,022,225	6,735,794	512,019	490,093	7,534,244	7,225,887
Sales	7,241,356	7,022,652	-	-	7,241,356	7,022,652
Franchise	754,657	730,981	-	-	754,657	730,981
Intergovernmental	5,321,766	5,487,177	-	-	5,321,766	5,487,177
Fines and forfeitures	5,722,108	5,776,364	-	-	5,722,108	5,776,364
Licenses and permits	416,090	385,704	-	-	416,090	385,704
Miscellaneous	374,724	1,409,426	19,409	13,262	394,133	1,422,688
Gain/Loss on disposal of assets	-	-	35,304	(105,968)	35,304	(105,968)
Total revenues	<u>35,599,400</u>	<u>33,119,099</u>	<u>6,478,719</u>	<u>6,005,235</u>	<u>42,078,119</u>	<u>39,124,334</u>
EXPENSES						
Governmental activities:						
General government	3,429,621	3,139,827	-	-	3,429,621	3,139,827
Public safety	17,718,839	16,909,669	-	-	17,718,839	16,909,669
Public works	6,820,303	6,237,424	-	-	6,820,303	6,237,424
Culture and recreation	2,000,082	1,695,193	-	-	2,000,082	1,695,193
Cemetery	70,678	97,490	-	-	70,678	97,490
Interest & issue cost on long-term debt	697,456	562,594	-	-	697,456	562,594
Business-Type activities:						
Sewer Utility	-	-	3,242,600	3,012,882	3,242,600	3,012,882
Water Utility	-	-	2,920,161	2,888,865	2,920,161	2,888,865
Total expenses	<u>30,736,979</u>	<u>28,642,197</u>	<u>6,162,761</u>	<u>5,901,747</u>	<u>36,899,740</u>	<u>34,543,944</u>
Change in net position before special items and transfers	4,862,421	4,476,902	315,958	103,488	5,178,379	4,580,390
Transfers	(83,851)	(1,039,330)	83,851	1,039,330	-	-
Change in net position	4,778,570	3,437,572	399,809	1,142,818	5,178,379	4,580,390
Net position - beginning	47,640,434	44,202,862	23,264,525	22,121,709	70,904,959	66,324,571
Net position - ending	<u>\$52,419,004</u>	<u>\$47,640,434</u>	<u>\$23,664,334</u>	<u>\$23,264,527</u>	<u>\$76,083,338</u>	<u>\$70,904,961</u>

The City's total revenues for the fiscal year 2015 were \$42,078,119 compared to \$39,124,334 for the fiscal year 2014.

City of Gretna, Louisiana
Management's Discussion and Analysis
(Unaudited)
March 31, 2015

Total program revenue for charges for services represents funds received from the public for garbage fees, licenses and permits, ambulance services, and water and sewer utility fees. Charges for services increased to \$9,007,068 from \$8,597,724 or 4.76 percent. The service charges for the Water and Sewer Utility Funds are up \$383,115 or 6.93 percent as a result of new construction throughout the City and the upgrade of a portion of the City's antiquated water meters to more efficient digital meters.

Capital grants and contributions experienced an increase of \$3,609,029 or 252 percent. The State of Louisiana's Capital Outlay Program represents funding for the construction and renovation of state and/or local public facilities or infrastructure. This State funding requires that the City provide matching funds for each project. The City of Gretna received State Capital Outlay funds for four projects during fiscal year 2015. The City also received a Hazard Mitigation grant for the Gretna Police Department Complex project. The construction of the new McDonoghville Fire Station, the Cultural Center for the Arts, and the Mel Ott Park Amenities were funded through State Capital Outlay funds. The required matching funds from the City came from the Restricted Fund Balance.

Property taxes increased to \$7,534,244 from \$7,225,887 resulting in an increase of \$308,357 or 4.27 percent. The increase is attributed to a slight increase in the assessed values of the taxable property in the City. The City's millage rates remained at 50.55 Citywide and 29.95 for the Timberlane Subdivision.

Sales taxes increased to \$7,241,356 from \$7,022,652 resulting in an increase of \$218,704 or 3.11 percent. The increase in sales tax is a result of several new businesses that opened in the City during the fiscal year.

The remaining revenues remained relatively flat with the exception of miscellaneous income. Miscellaneous income decreased to \$394,133 from \$1,422,688 resulting in a decrease of \$1,028,555 or 72.30 percent. This decline is attributed to the cancellation of the Community Disaster Loan Program by FEMA in December of 2013. The removal of the loan including principal and interest was \$1,022,961 and was recognized as an extraordinary item for the prior fiscal year 2014.

The City's total expenses increased to \$36,899,740 from \$34,543,944 resulting in an increase of \$2,355,796 or 6.82 percent. This is primarily due to the increase in wages of 3% and associated benefits City wide. Public safety expenses also increased due to temporary facilities utilized during the construction of the Gretna Police Department Complex.

Governmental Activities

The Governmental Activities of the City include General Government, Public Safety, Public Works, Cemetery, Culture and Recreation, and Miscellaneous Programs. Sales taxes, ad valorem taxes, franchise taxes, and intergovernmental revenues as well as occupational licenses and fines fund most of these governmental activities.

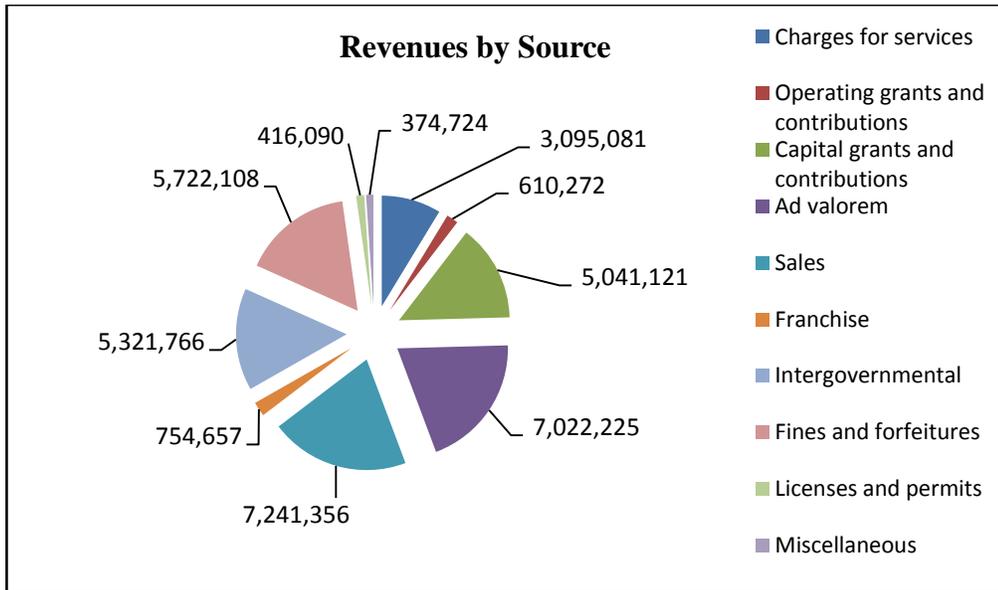
**City of Gretna, Louisiana
Management's Discussion and Analysis
(Unaudited)
March 31, 2015**

General Revenues and Program Revenues

General revenues and program revenues are those available for the City to use to pay for the governmental activities described above. The following chart shows the City's general revenues:

**CITY OF GRETNA, LOUISIANA
Revenues by Source
Governmental Activities
For the Year Ended March 31, 2015**

Revenues Source	Revenue 2015	% of Total	Increase (Decrease) from 2014	Percentage Change
Charges for services	\$ 3,095,081	8.69%	\$ 26,230	0.85%
Operating grants and contributions	610,272	1.71%	(509,785)	-45.51%
Capital grants and contributions	5,041,121	14.16%	3,659,029	264.74%
Ad valorem	7,022,225	19.73%	286,431	4.25%
Sales	7,241,356	20.34%	218,704	3.11%
Franchise	754,657	2.12%	23,676	3.24%
Intergovernmental	5,321,766	14.95%	(165,411)	-3.01%
Fines and forfeitures	5,722,108	16.07%	(54,256)	-0.94%
Licenses and permits	416,090	1.17%	30,386	7.88%
Miscellaneous	374,724	1.05%	(1,034,702)	-73.41%
Total	\$ 35,599,400	100.00%	\$ 2,480,302	161.20%



**City of Gretna, Louisiana
Management's Discussion and Analysis
(Unaudited)
March 31, 2015**

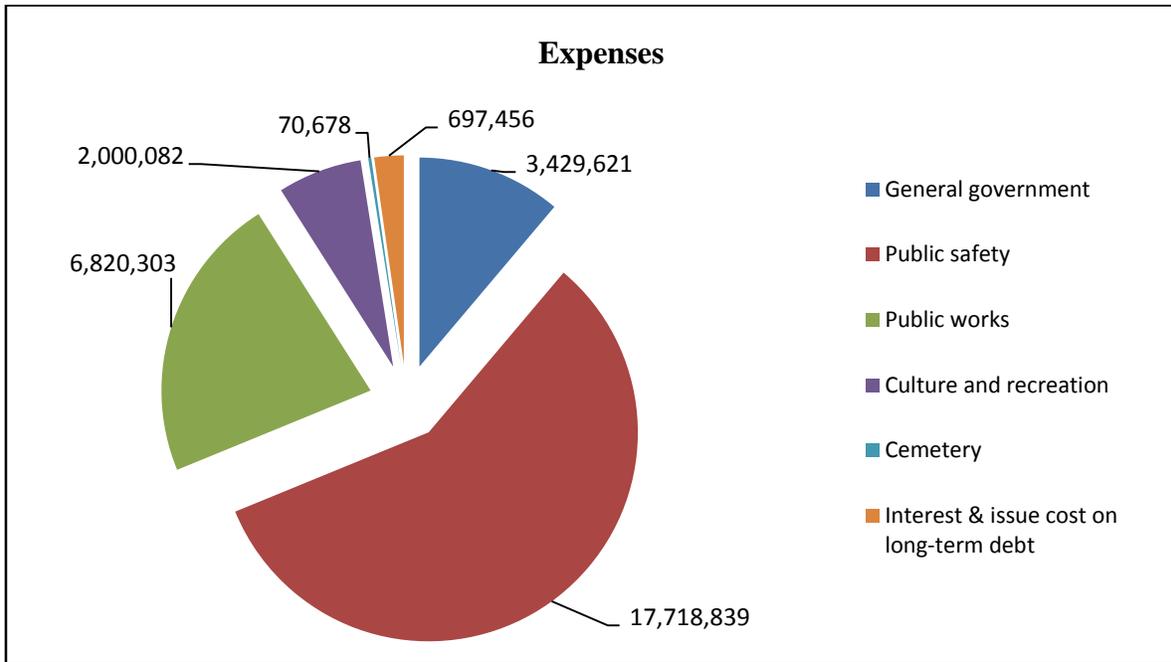
Sales Taxes

Sales taxes are the largest recurring revenue source for the City comprising 20.34 percent of total governmental revenue.

Property Taxes

Property taxes are the second largest recurring revenue source for the City comprising 19.73 percent of governmental revenue. For the year ended March 31, 2015, taxes of 50.55 mills were levied on property inside of the City limits.

General Program Expenses



Major Funds

The City has presented the following as major funds.

- General Fund
- Fire Protection Fund
- Riverboat Casino Fund
- Capital Projects Fund
- Debt Service Fund

City of Gretna, Louisiana
Management's Discussion and Analysis
(Unaudited)
March 31, 2015

All other governmental funds are presented in one column, titled Total Nonmajor Funds.

- The General Fund is the chief operating fund of the City. The General Fund ended fiscal year March 31, 2015, with an unassigned fund balance of \$4,746,950. This represents an increase of the unassigned fund balance of \$579,757 or 13.91 percent. The fund balance of the City's General Fund decreased by \$582,715 during the current fiscal year. The following factors highlight the changes.

Ad valorem and sales tax revenues increased due to new businesses opening during the current fiscal year generating sales tax and increasing the assessed values in the City. Ad valorem taxes increased by \$101,671 or 4.27 percent and sales tax revenues increased by \$252,430 or 4.38 percent.

Intergovernmental revenues decreased due to State funding of \$500,000 and Jefferson Parish funding of \$180,000 in the prior fiscal year for the Westbank Major Crime Task Force program administered by the City.

Charges for services increased by \$63,084 due to the reinstatement of a paid parking program in the downtown area of the City in the current fiscal year.

Licenses and permits increased by \$102,865 or 9.09 percent. Both building permits and occupational licenses revenues increased due to several new construction projects throughout the City including a newly constructed supermarket and the construction of a multi-phase \$50M hotel complex in the City.

- The Fire Protection Fund reported a fund balance of \$2,347,668 compared to \$2,311,315 in 2014 representing a \$36,353 increase or 1.57percent. This slight increase is due to an increase in ad valorem taxes of \$99,041 and an increase in intergovernmental revenues of \$296,956. Capital outlay expenditures associated with the construction of the new McDonoghville Fire Station increased by \$644,515. Transfers in also decreased by \$300,000 due to the one time transfer in the prior fiscal year which represented a portion of the Louisiana Capital Outlay matching funds required for this project.
- The Riverboat Casino Fund reported a fund balance of \$1,365,643 compared to \$981,068 in 2014 representing a \$384,575 increase or 39.20 percent. This increase is due to the assignment of additional funds for the purpose of setting aside additional funds for construction projects requested by the City through the Louisiana Capital Outlay grant program. This assigned fund balance will provide the matching funds for any new Louisiana Capital Outlay projects requested and approved in future fiscal years.
- The Capital Projects Fund reported a fund balance of \$1,138,048 compared to \$2,595,493 in 2014 representing a \$1,457,445 decrease or 56.15 percent. This decrease is due to the construction of several projects primarily The Gretna Police Complex and The Cultural Center for the Arts.
- The Debt Service Fund reported a fund balance of \$1,584,216 compared to \$1,600,426 in 2014 representing a \$16,210 decrease or 1.01 percent.

City of Gretna, Louisiana
Management's Discussion and Analysis
(Unaudited)
March 31, 2015

Business-Type Activities

The Business-Type Activities of the City are those that the City charges a fee to customers to help cover all or most of the cost of certain services it provides. The City's water and sewer departments are reported here.

General Fund Budgetary Highlights

In accordance with the provisions of the Lawrason Act, the City Administration submits the annual budget for the City by the end of the prior year. The budget is adopted by Councilmanic action.

Over the course of the year, the City Council revises the City's budget numerous times. These amendments are based on changing needs and additional information to prevent budget overruns and better meet the needs of the City.

The following table presents the favorable variance for the General Fund as compared to the revised budget.

CITY OF GRETNA, LOUISIANA
Budgetary Comparison Schedule
General Fund
For the Year Ended March 31, 2015

	Original Budget	Revised Budget	Actual on Budgetary Basis	Variance Favorable (Unfavorable)
Revenue	\$ 16,046,721	\$ 16,652,784	\$ 18,000,995	\$ 1,348,211
Expenditures	17,930,131	18,505,285	18,657,866	(152,581)
Other Financing Sources (Uses)	<u>726,888</u>	<u>(522,164)</u>	<u>64,943</u>	<u>587,107</u>
Net change in fund balance	(1,156,522)	(2,374,665)	(591,928)	1,782,737
Fund balance - beginning	<u>11,445,893</u>	<u>11,445,893</u>	<u>11,289,849</u>	<u>(156,044)</u>
Fund balance - ending	<u>\$ 10,289,371</u>	<u>\$ 9,071,228</u>	<u>\$ 10,697,921</u>	<u>\$ 1,626,693</u>

Capital Asset and Debt Administration

Capital Assets

The City's investment in capital assets for its governmental and business type activities as of March 31, 2015, amounts to \$76,114,082 (net of accumulated depreciation) compared to \$70,411,180 at March 31, 2014, representing an increase of \$5,702,902 or 8.10 percent. This investment in capital assets includes land, buildings and system improvements, machinery, vehicles and equipment, park facilities, etc. and infrastructure assets.

City of Gretna, Louisiana
Management's Discussion and Analysis
(Unaudited)
March 31, 2015

The following is the City's capital assets (net of accumulated depreciation) for the years ended March 31, 2015 and 2014.

CITY OF GRETNA, LOUISIANA
Comparative Statement of Capital Assets
March 31, 2015 and 2014

	Governmental Activities		Business-type Activities		Total	
	2015	2014	2015	2014	2015	2014
Land	\$ 3,436,342	\$ 3,436,342	\$ 299,988	\$ 299,988	\$ 3,736,330	\$ 3,736,330
Construction in process	9,537,658	2,240,348	352,782	-	9,890,440	2,240,348
Building and Improvement	32,266,552	31,706,255	16,762,716	16,762,716	49,029,268	48,468,971
Equipment and furniture, fixtures	9,871,275	9,714,770	25,951	25,951	9,897,226	9,740,721
Vehicles and road machinery	4,837,642	4,753,412	30,878,391	30,355,239	35,716,033	35,108,651
Historical Infrastructure	17,273,617	17,273,617	-	-	17,273,617	17,273,617
	<u>77,223,086</u>	<u>69,124,744</u>	<u>48,319,828</u>	<u>47,443,894</u>	<u>125,542,914</u>	<u>116,568,638</u>
Less: accumulated depreciation	<u>(27,984,295)</u>	<u>(25,845,038)</u>	<u>(21,444,537)</u>	<u>(20,312,421)</u>	<u>(49,428,832)</u>	<u>(46,157,459)</u>
Capital assets, net	<u>\$ 49,238,791</u>	<u>\$ 43,279,706</u>	<u>\$ 26,875,291</u>	<u>\$ 27,131,473</u>	<u>\$ 76,114,082</u>	<u>\$ 70,411,179</u>

The following are the more significant capital asset construction projects occurring during the current fiscal year:

- Gretna Police Department Complex
- Gretna Cultural Center for the Arts
- McDonoghville Fire Station
- Mel Ott Lighting & Amenities

Additional information on the City's capital assets can be found in Note C-3 on pages 39 through 40 of this financial report.

Long-Term Debt

Total long-term debt for the year ended March 31, 2015, is \$17,883,866 compared to \$18,685,302 for the year ended March 31, 2014. Long-term debt decreased by \$801,436 or 4.29 percent during this fiscal year. This decrease can be attributed to the advance refunding of the 2004 Bond Issue. The Tax Refunding Bonds Series 2014 advance refunding of the 2004 Bond Issue will result in the reduction of total debt service payments over the next 10 years by \$640,679 or an annual average estimated reduction of \$56,699. The remaining decrease can be attributed to the annual scheduled debt payment requirements.

City of Gretna, Louisiana
Management's Discussion and Analysis
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The following table presents a summary comparison of the outstanding long-term obligations for the fiscal years ended March 31, 2015 and 2014.

CITY OF GRETNA, LOUISIANA
Comparative Statement of Long-Term Debt
March 31, 2015 and 2014

Governmental Activity	<u>2015</u>	<u>2014</u>
Tax Bonds	\$ 13,429,000	\$ 14,076,000
EPA Brownsfield Loan	488,500	488,500
Compensated Absences	1,846,694	1,643,392
Other Post Employment Benefits OPEB	615,024	625,424
Promissory Note	324,167	389,000
	<u>16,703,385</u>	<u>17,222,316</u>
 Business Type Activity 		
Water Fund Participation Notes	375,196	480,656
Sewer Fund Participation Notes	576,491	738,531
Compensated Absences	228,794	243,799
	<u>1,180,481</u>	<u>1,462,986</u>
 Total Long-term Debt	 <u><u>\$ 17,883,866</u></u>	 <u><u>\$ 18,685,302</u></u>

Additional information on long-term debt can be found in Note C-4 on pages 40 through 43 of this financial report.

Economic Factors and Next Year's Budget

Economic Factors

The City of Gretna is now beginning to realize the positive financial impact of several innovative economic development projects involving the closing of Franklin Street and the annexation of 11-acres of property bordered by the West Bank Expressway, Whitney Avenue and the Donner Canal. The Franklin Street closure has led to the development of several new retail pads including: Planet Fitness, Smoothie King, Twin Peaks, and Moe's Southwest Grill which have boosted sales and property taxes derived from the Westside North Shopping Center. The most notable new developments in the Westside North Shopping Center was the newly constructed Rouses Supermarket and the recent relocation of Carr Drug Store. Sales tax experienced a dramatic dip for several months, as budgeted, with the closure of the Casey Jones Supermarket in anticipation for the opening of the new Rouses Supermarket. As a result of the major overall expansion of the Westside North Shopping Center, sales tax has rebounded during the final months of the fiscal year ended March 31, 2015. These moderate increases have been earmarked in the fiscal year 2015-2016 General Fund budget to bolster the City's Public Works budget. With the annexation of an 11-acre

City of Gretna, Louisiana
Management's Discussion and Analysis
(Unaudited)
March 31, 2015

tract of vacant land, the City of Gretna will realize significant future benefits from the development of a \$50M hotel complex. The first of three planned hotels is well underway with a completion date expected in November, 2015. The hotel complex is expected to attract several nationally recognized restaurants as well as other retail opportunities. Several other viable and exciting economic stimulating projects are currently well underway throughout the City. These and future developments have shown immediate value to the City; however, future profits are expected to be fully realized over the next 2 to 5 years. This surge of new construction throughout the City has also created a temporary increase in permitting and fee revenues.

The major focus of the City's prior year's budget consisted of projects related to quality of life and beautification efforts throughout the entire City. While revenues and expenditures remain relatively flat, the fiscal year 2015-2016 General Fund budget is centered on "bricks and mortar" projects necessary for street and drainage repair and improvements.

In April 2010, the BP Deepwater Horizon oil rig exploded and sank off the southeastern coast of Louisiana. The Parish of Jefferson and most of the local agencies participated in an effort to sue BP for future economic losses. The City was involved in this initiative. The City has accepted a full and final settlement of all claims against BP and others resulting from the Deepwater Horizon oil spill.

Budgets

The City's budget for the fiscal year April 1, 2015 to March 31, 2016, was introduced in open session on March 11, 2015, and adopted by Ordinance 4659 on March 25, 2015. The total City Budget anticipates revenues of \$36,033,923 and expenditures of \$35,651,416.

Requests for Information

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or request for additional financial information should be addressed to Raylyn Stevens, CPA, Finance Director, P.O. Box 404, Gretna, Louisiana 70054-0404.

BASIC FINANCIAL STATEMENTS

CITY OF GRETNA, LOUISIANA
STATEMENT OF NET POSITION
March 31, 2015

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 9,672,211	\$ -	\$ 9,672,211
Investments	1,324,991	-	1,324,991
Receivables, net	1,313,319	604,850	1,918,169
Due from other funds	2,001,002	-	2,001,002
Due from other governments	5,174,346	-	5,174,346
Prepaid expenditures	192,330	-	192,330
Restricted cash	1,899,234	-	1,899,234
Unamortized bond cost	209,792	-	209,792
Capital assets (net)	49,238,790	26,875,295	76,114,085
Total assets	<u>71,026,015</u>	<u>27,480,145</u>	<u>98,506,160</u>
LIABILITIES			
Accounts payable	1,324,400	146,276	1,470,676
Due to other funds	-	2,001,002	2,001,002
Accrued liabilities:			
Customer deposits	-	469,548	469,548
General liabilities	364,969	18,502	383,471
Other post employment benefits:			
Due in more than one year	615,024	-	615,024
Compensated absences:			
Due within one year	298,549	48,306	346,855
Due in more than one year	1,548,145	180,489	1,728,634
Bonds payable/other borrowing:			
Due within one year	872,833	278,500	1,151,333
Due in more than one year	13,368,834	673,187	14,042,021
Total liabilities	<u>18,392,754</u>	<u>3,815,810</u>	<u>22,208,564</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows of resources	214,258	-	214,258
NET POSITION			
Net investment in capital assets	35,809,790	16,544,576	52,354,366
Restricted for:			
Capital projects	1,450,480	38,234	1,488,714
Debt service	1,584,216	-	1,584,216
Other purposes	11,892,161	-	11,892,161
Unrestricted	1,682,356	7,081,525	8,763,881
Total net position	<u>\$ 52,419,003</u>	<u>\$ 23,664,335</u>	<u>\$ 76,083,338</u>

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

CITY OF GRETNA, LOUISIANA
STATEMENT OF ACTIVITIES
For the Year Ended March 31, 2015

Functions/Programs					Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Program Revenues		Primary Government		
			Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Primary government:							
Governmental activities:							
General government	\$ 3,429,621	\$ 1,051,029	\$ -	\$ -	\$ (2,378,592)	\$ -	\$ (2,378,592)
Public safety	17,718,839	464,590	254,272	297,207	(16,702,770)	-	(16,702,770)
Public works	6,820,303	1,507,094	-	4,743,913	(569,296)	-	(569,296)
Culture and recreation	2,000,082	72,370	356,000	-	(1,571,712)	-	(1,571,712)
Cemetery	70,678	-	-	-	(70,678)	-	(70,678)
Interest & issue cost on long-term debt	697,456	-	-	-	(697,456)	-	(697,456)
Total governmental activities	<u>30,736,979</u>	<u>3,095,083</u>	<u>610,272</u>	<u>5,041,120</u>	<u>(21,990,504)</u>	<u>-</u>	<u>(21,990,504)</u>
Business-type activities:							
Water	2,920,161	3,052,024	-	-	-	131,863	131,863
Sewer	3,242,600	2,859,960	-	-	-	(382,640)	(382,640)
Total business-type activities	<u>6,162,761</u>	<u>5,911,984</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(250,777)</u>	<u>(250,777)</u>
Total primary government	<u>\$ 36,899,740</u>	<u>\$ 9,007,067</u>	<u>\$ 610,272</u>	<u>\$ 5,041,120</u>	<u>(21,990,504)</u>	<u>(250,777)</u>	<u>(22,241,281)</u>
General revenues:							
Taxes:							
Ad valorem taxes					7,022,225	512,019	7,534,244
Franchise taxes					754,657	-	754,657
Sales taxes					7,241,356	-	7,241,356
Occupational licenses					416,090	-	416,090
Intergovernmental revenues					5,321,766	-	5,321,766
Fines and forfeitures					5,722,108	-	5,722,108
Investment earnings					8,667	23	8,690
Gain (loss) on sale of capital assets					100,679	35,304	135,983
Miscellaneous					265,378	19,386	284,764
Transfers					(83,851)	83,851	-
Total general revenues, special items, and transfers					<u>26,769,075</u>	<u>650,583</u>	<u>27,419,658</u>
Change in net position					4,778,571	399,806	5,178,377
Net position - beginning					47,640,432	23,264,528	70,904,960
Net position - ending					<u>\$ 52,419,003</u>	<u>\$ 23,664,334</u>	<u>\$ 76,083,337</u>

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

CITY OF GRETNA, LOUISIANA
BALANCE SHEET
GOVERNMENTAL FUNDS
March 31, 2015

	GENERAL FUND	FIRE PROTECTION FUND	RIVERBOAT CASINO FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	Total Nonmajor Funds	Total Governmental Funds
ASSETS							
Cash and cash equivalents	\$ 4,397,392	\$ 2,157,422	\$ 1,261,972	\$ -	\$ -	\$ 1,855,424	\$ 9,672,210
Investments	729,509	-	-	595,482	-	-	1,324,991
Receivables, net	697,162	185,930	-	-	97,547	332,680	1,313,319
Due from other funds	3,745,758	-	-	-	-	-	3,745,758
Due from other governments	1,402,667	297,207	103,671	2,853,374	-	517,429	5,174,348
Prepaid Insurance	192,330	-	-	-	-	-	192,330
Restricted assets: Cash and cash equivalents	307,237	-	-	105,327	1,486,669	-	1,899,233
Total assets	<u>\$ 11,472,055</u>	<u>\$ 2,640,559</u>	<u>\$ 1,365,643</u>	<u>\$ 3,554,183</u>	<u>\$ 1,584,216</u>	<u>\$ 2,705,533</u>	<u>\$ 23,322,189</u>
LIABILITIES							
Accounts payable	\$ 187,899	\$ 292,891	\$ -	\$ 611,419	\$ -	\$ 232,191	\$ 1,324,400
Accrued liabilities	206,720	-	-	158,248	-	-	364,968
Due to other funds	-	-	-	1,646,468	-	98,288	1,744,756
Total liabilities	<u>394,619</u>	<u>292,891</u>	<u>-</u>	<u>2,416,135</u>	<u>-</u>	<u>330,479</u>	<u>3,434,124</u>
DEFERRED INFLOWS OF RESOURCES							
Deferred inflows of resources	214,258	-	-	-	-	-	214,258
Total deferred inflow of resources	<u>214,258</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>214,258</u>
Total liabilities and deferred inflows of resources	<u>608,877</u>	<u>292,891</u>	<u>-</u>	<u>2,416,135</u>	<u>-</u>	<u>330,479</u>	<u>3,648,382</u>
FUND BALANCES (DEFICITS)							
Nonspendable							
Prepaid expenditures	192,330	-	-	-	-	-	192,330
Restricted							
Debt service	-	-	-	-	1,584,216	-	1,584,216
Committed							
Capital projects fund	-	-	-	1,016,381	-	-	1,016,381
Encumbrances	165,257	-	-	121,667	-	147,175	434,099
Emergency preparation	377,721	-	-	-	-	-	377,721
Contingencies	3,813,834	-	-	-	-	-	3,813,834
Separation and settlement	585,131	-	-	-	-	-	585,131
Assigned							
Capital outlay match	-	-	834,574	-	-	-	834,574
Court management	193,615	-	-	-	-	-	193,615
Culture & Recreation	-	-	-	-	-	612,365	612,365
Public safety	-	2,347,668	-	-	-	1,023,685	3,371,353
Public works	-	-	-	-	-	356,837	356,837
Subsequent year expenditures	788,340	-	531,069	-	-	234,992	1,554,401
Unassigned	4,746,950	-	-	-	-	-	4,746,950
Total fund balances (deficits)	<u>10,863,178</u>	<u>2,347,668</u>	<u>1,365,643</u>	<u>1,138,048</u>	<u>1,584,216</u>	<u>2,375,054</u>	<u>19,673,806</u>
Total liabilities and fund balances (deficits)	<u>\$ 11,472,055</u>	<u>\$ 2,640,559</u>	<u>\$ 1,365,643</u>	<u>\$ 3,554,183</u>	<u>\$ 1,584,216</u>	<u>\$ 2,705,533</u>	<u>\$ 23,322,189</u>

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

CITY OF GRETNA, LOUISIANA
RECONCILIATION OF BALANCE SHEET TO THE STATEMENT OF NET POSITION
GOVERNMENTAL FUNDS
March 31, 2015

Fund balances of governmental funds		<u>\$ 19,673,806</u>
<p>Amounts reported for governmental activities in the statement of net position are different because:</p>		
<p>Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.</p>		
Governmental capital assets	77,223,085	
Less: accumulated depreciation	<u>(27,984,295)</u>	49,238,790
<p>Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.</p>		
<p>Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the governmental funds.</p>		
Bonds payable	(13,917,500)	
Unamortized bond cost	209,792	
Post employment benefit obligation	(615,024)	
Accrued compensated absences	(1,846,694)	
Promissory Note	<u>(324,167)</u>	
		<u>(16,493,593)</u>
Net position of governmental activities		<u><u>\$52,419,003</u></u>

CITY OF GRETNA, LOUISIANA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For The Year Ended March 31, 2015

	<u>GENERAL FUND</u>	<u>FIRE PROTECTION</u>	<u>RIVERBOAT CASINO</u>	<u>CAPITAL PROJECTS</u>	<u>DEBT SERVICE</u>	<u>Total Nonmajor Funds</u>	<u>Total Governmental Funds</u>
REVENUES							
Ad valorem	\$ 2,480,489	\$ 2,315,791	\$ -	\$ -	\$ -	\$ 2,225,945	\$ 7,022,225
Sales	6,012,331	-	-	-	1,204,973	24,051	7,241,355
Franchise	754,657	-	-	-	-	-	754,657
Intergovernmental	1,028,989	395,977	1,911,075	4,743,913	-	2,887,205	10,967,159
Charges for services	232,900	-	-	-	-	2,044,053	2,276,953
Fines and forfeitures	5,722,109	-	-	-	-	-	5,722,109
Licenses and permits	1,234,219	-	-	-	-	-	1,234,219
Miscellaneous	535,302	-	-	61	174	39,562	575,099
Total revenues	<u>18,000,996</u>	<u>2,711,768</u>	<u>1,911,075</u>	<u>4,743,974</u>	<u>1,205,147</u>	<u>7,220,816</u>	<u>35,793,776</u>
EXPENDITURES							
Current:							
General government	3,034,070	-	-	-	-	-	3,034,070
Public safety	11,372,550	1,845,538	-	-	-	3,650,041	16,868,129
Public works	3,411,004	-	-	315,859	-	1,820,164	5,547,027
Culture and recreation	-	-	-	-	-	1,678,855	1,678,855
Cemetery	70,678	-	-	-	-	-	70,678
Capital outlay:	760,352	829,877	-	7,063,267	-	212,658	8,866,154
Debt service:							
Principal retirement	-	-	-	-	357,000	-	357,000
Interest	-	-	-	-	485,337	-	485,337
Cost of issuance	-	-	-	-	89,020	-	89,020
Total expenditures	<u>18,648,654</u>	<u>2,675,415</u>	<u>-</u>	<u>7,379,126</u>	<u>931,357</u>	<u>7,361,718</u>	<u>36,996,270</u>
Excess (deficiency) of revenues over expenditures	<u>(647,658)</u>	<u>36,353</u>	<u>1,911,075</u>	<u>(2,635,152)</u>	<u>273,790</u>	<u>(140,902)</u>	<u>(1,202,494)</u>
OTHER FINANCING SOURCES (USES)							
Transfers in	1,116,265	-	-	1,436,326	-	200,000	2,752,591
Transfers out	(1,051,322)	-	(1,526,500)	(258,620)	-	-	(2,836,442)
Refunding 2014 Bonds	-	-	-	-	6,085,000	-	6,085,000
Payment to Refund 2014 Bonds	-	-	-	-	(6,375,000)	-	(6,375,000)
Total other financing source (uses)	<u>64,943</u>	<u>-</u>	<u>(1,526,500)</u>	<u>1,177,706</u>	<u>(290,000)</u>	<u>200,000</u>	<u>(373,851)</u>
Net change in fund balances	(582,715)	36,353	384,575	(1,457,446)	(16,210)	59,098	(1,576,345)
Fund balances - beginning	11,445,893	2,311,315	981,068	2,595,494	1,600,426	2,315,956	21,250,152
Fund balances - ending	<u>\$ 10,863,178</u>	<u>\$ 2,347,668</u>	<u>\$ 1,365,643</u>	<u>\$ 1,138,048</u>	<u>\$ 1,584,216</u>	<u>\$ 2,375,054</u>	<u>\$ 19,673,807</u>

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

CITY OF GRETNA, LOUISIANA
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
For The Year Ended March 31, 2015

Net change in fund balances - total governmental funds (\$1,576,345)

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

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their useful lives as depreciation expense. This is the amount by which capital outlay exceeded depreciation charged in the current period.

6,023,917

The net effect of various miscellaneous transactions involving capital assets (i.e. sales trade-ins, and donations) is to increase (decrease) net position.

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds because:

Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.

523,901

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

Increase in compensated absences

(203,302)

Decrease in post employment benefits obligation

10,400

(192,902)

Change in net position of governmental activities

\$4,778,571

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

CITY OF GRETNA, LOUISIANA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
March 31, 2015

	Business-type Activities		
	Enterprise Funds		
	WATER UTILITY	SEWER UTILITY	Total Enterprise Funds
ASSETS			
Current assets:			
Receivables, net	\$ 286,052	\$ 318,798	\$ 604,850
Total current assets	<u>286,052</u>	<u>318,798</u>	<u>604,850</u>
Noncurrent assets:			
Capital assets, net	9,274,552	17,600,739	26,875,291
Total noncurrent assets	<u>9,274,552</u>	<u>17,600,739</u>	<u>26,875,291</u>
Total assets	<u>9,560,604</u>	<u>17,919,537</u>	<u>27,480,141</u>
LIABILITIES			
Current liabilities:			
Current portion of long-term debt	108,615	169,885	278,500
Accounts payable	41,988	104,288	146,276
Accrued liabilities	18,502	-	18,502
Accrued compensated absences	25,990	22,316	48,306
Total current liabilities	<u>195,095</u>	<u>296,489</u>	<u>491,584</u>
Noncurrent liabilities:			
Customer deposits	469,548	-	469,548
Notes payable	266,581	406,606	673,187
Accrued compensated absences	97,213	83,275	180,488
Due to other funds	269,784	1,731,218	2,001,002
Total noncurrent liabilities	<u>1,103,126</u>	<u>2,221,099</u>	<u>3,324,225</u>
Total liabilities	<u>1,298,221</u>	<u>2,517,588</u>	<u>3,815,809</u>
NET POSITION			
Net investment in capital assets	6,693,960	9,850,616	16,544,576
Restricted for:			
Capital projects	-	23,984	23,984
Water tower maintenance	14,250	-	14,250
Unrestricted	1,554,173	5,527,349	7,081,522
Total net position	<u>\$ 8,262,383</u>	<u>\$ 15,401,949</u>	<u>\$ 23,664,332</u>

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

CITY OF GRETNA, LOUISIANA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
For the Year Ended March 31, 2015

	Business-type Activities		
	Enterprise Funds		
	WATER UTILITY	SEWER UTILITY	Total Enterprise Funds
OPERATING REVENUES			
Charges for services	\$ 3,052,024	\$ 2,859,960	\$ 5,911,984
Miscellaneous	5,136	-	5,136
Total operating revenues	<u>3,057,160</u>	<u>2,859,960</u>	<u>5,917,120</u>
OPERATING EXPENSES			
Personnel expense	1,372,711	1,011,030	2,383,741
Operating supplies and purchases	266,256	181,523	447,779
Building and maintenance expenses	194,349	213,728	408,077
Outside service	129,614	824,980	954,594
Transportation	50,602	21,413	72,015
General expenses	346,038	250,034	596,072
Depreciation	556,024	732,874	1,288,898
Total operating expenses	<u>2,915,594</u>	<u>3,235,582</u>	<u>6,151,176</u>
Operating income (loss)	<u>141,566</u>	<u>(375,622)</u>	<u>(234,056)</u>
NONOPERATING REVENUES (EXPENSES)			
Investment income	23	-	23
Loss on disposal of assets	21,976	13,327	35,303
Ad valorem	-	512,019	512,019
Miscellaneous	14,250	-	14,250
Interest expense	(4,568)	(7,018)	(11,586)
Total nonoperating revenues (expenses)	<u>31,681</u>	<u>518,328</u>	<u>550,009</u>
Income (loss) before contributions and transfers	173,247	142,706	315,953
Transfers in	103,728	-	103,728
Transfers out	(6,550)	(13,327)	(19,877)
Change in net position	270,425	129,379	399,804
Total net position - beginning	7,991,958	15,272,570	23,264,528
Total net position - ending	<u>\$ 8,262,383</u>	<u>\$ 15,401,949</u>	<u>\$ 23,664,332</u>

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

CITY OF GRETNA, LOUISIANA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Year Ended March 31, 2015

	Business-type Activities - Enterprise Funds		
	WATER UTILITY	SEWER UTILITY	Total Enterprise Funds
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash receipts from customers	\$ 3,020,996	\$ 2,831,303	\$ 5,852,299
Payments to employees	(1,371,410)	(1,133,538)	(2,504,948)
Payments to suppliers	(1,008,280)	(1,304,959)	(2,313,239)
Refunds of customer meter deposits	23,606	-	23,606
Net cash provided (used) by operating activities	<u>664,912</u>	<u>392,806</u>	<u>1,057,718</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Ad valorem taxes	-	512,019	512,019
Net cash provided (used) by noncapital financing activities	<u>-</u>	<u>512,019</u>	<u>512,019</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Proceeds from sale of capital assets	21,976	13,327	35,303
Increase (decrease) in compensated absences	(354)	(23,816)	(24,170)
Operating transfers in	103,728	-	103,728
Purchases of capital assets	(753,326)	(279,393)	(1,032,719)
Loans to and repayments of loans to other funds	(300,471)	(432,558)	(733,029)
Interest paid on capital debt	(4,568)	(7,018)	(11,586)
Principal paid on capital debt	(105,460)	(162,040)	(267,500)
Rental Income	14,250	-	14,250
Operating transfers out	(6,550)	(13,327)	(19,877)
Net cash provided (used) by capital and related financing activities	<u>(1,030,775)</u>	<u>(904,825)</u>	<u>(1,935,600)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of Investments	365,840	-	365,840
Interest and dividends	23	-	23
Net cash provided (used) by investing activities	<u>365,863</u>	<u>-</u>	<u>365,863</u>
Net increase (decrease) in cash and cash equivalents	-	-	-
Balances - beginning of the year	-	-	-
Balances - end of the year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating Income	\$ 141,566	\$ (375,622)	\$ (234,056)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:			
Depreciation expense	556,026	732,875	1,288,901
Changes in assets and liabilities:			
Accounts payable - Supplier	(21,423)	54,750	33,327
Customer receivables	(36,166)	(28,657)	(64,823)
Other operating receivables	2	-	2
Customer meter deposits payable	23,606	-	23,606
Accrued expenses	1,301	9,460	10,761
Net cash provided (used) by operating activities	<u>\$ 664,912</u>	<u>\$ 392,806</u>	<u>\$ 1,057,718</u>

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

NOTES TO FINANCIAL STATEMENTS

CITY OF GRETNA, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2015

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. General Statement

The City of Gretna, Louisiana (the City) was incorporated in June 1913, under the provisions of the Lawrason Act. The City operates under a Mayor and City Council form of government and provides the following services as authorized by its charter: public safety (police and fire), streets, drainage, sanitation, health, social services, recreation, public improvements, planning and zoning, and general administrative services.

The accounting and reporting policies of the City conform to generally accepted accounting principles as applicable to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Such accounting and reporting procedures also conform to the requirements of Louisiana Revised Statutes 24:517 and to the guidelines set forth in the *Louisiana Municipal Audit and Accounting Guide*, and the industry audit guide, *Audits of State and Local Governmental Units* and by the Financial Accounting Standards Board (when applicable). As allowed in Section P80 of GASB's Codification of Governmental Accounting and Financial Reporting Standards, the City has elected not to apply Financial Accounting Standards Board Statements and Interpretations, Accounting Principles Board Opinions, and Accounting Research Bulletins of the Committee of Accounting Procedure issued after November 30, 1989. The accompanying basic financial statements have been prepared in conformity with GASB 34, Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments. The more significant accounting policies of the City are described below.

2. Financial Reporting Entity

The City's basic financial statements include the accounts of all City operations. The criteria for including organizations as component units within the City's reporting entity, as set forth in Section 2100 of GASB's Codification of Governmental Accounting and Financial Reporting Standards, include whether:

- the organization is legally separate (can sue and be sued in their own name)
- the City holds the corporate powers of the organization
- the City appoints a voting majority of the organization's board
- the City is able to impose its will on the organization
- the organization has the potential to impose a financial benefit/burden on the City
- there is fiscal dependency by the organization on the City

Based on the aforementioned criteria, the City has no component units.

3. Basis of Presentation

The government-wide financial statements (the statement of net position) report information on all of the activities of the City. The effect of interfund activity, within the governmental and business-type activities columns, has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

CITY OF GRETNA, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2015

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3. Basis of Presentation (Continued)

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

Fund Financial Statements

The City segregates transactions related to certain functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Separate statements are presented for governmental and proprietary activities. These statements present each major fund as a separate column on the fund financial statements; all non-major funds are aggregated and presented in a single column.

Governmental funds are those through which most governmental functions typically are financed. The measurement focus of governmental funds is on the sources, uses and balance of current financial resources. The City has presented the following major governmental funds:

General Fund

The General Fund is the main operating fund of the City. This fund is used to account for all financial resources not accounted for in other funds. All general tax revenues and other receipts that are not restricted by law or contractual agreement to some other fund are accounted for in this fund. General operating expenditures, fixed charges and capital improvement costs that are not paid through other funds are paid from the General Fund.

Fire Protection Fund

The Fire Protection Fund is used to account for 16.87 mills in ad valorem tax specifically dedicated for the purchase and maintenance of fire fighting equipment and to provide for payment of contractual obligations to the City's two volunteer fire companies to provide fire protection to the City and its citizens.

Riverboat Casino Fund

The Riverboat Casino Fund is used to account for the collection of revenues dedicated to the City by Jefferson Parish from the operations of the Boomtown Belle Casino. These revenues are dedicated annually to various City funds by action of the City Council.

CITY OF GRETNA, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2015

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3. Basis of Presentation (Continued)

Capital Projects Fund

The Capital Projects Fund is used to account for all resources and expenditures in connection with the acquisition of capital facilities and major capital improvements.

Debt Service Fund

The Debt Service Fund is used to account for the collection of Sales Tax revenues and the payment of principal and interest on the Series 2004, 2009A, 2009B Sales Tax Bonds, and 2014 Refunding Bonds.

Proprietary Funds

Proprietary Funds are accounted for using the economic resources measurement focus and the accrual basis of accounting. The accounting objectives are determinations of net income, financial position and cash flow. All assets and liabilities are included on the Statement of Net Position. The City has presented the following major proprietary funds:

Municipal Waterworks System Fund

The Municipal Waterworks System Fund is used to account for the provision of water services to the residents of the City. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing, and related debt service and billing.

Municipal Sewer System Fund

The Municipal Sewer System Fund is used to account for the provision of sewer services to the residents of the City. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing, and related debt service billing.

Proprietary funds distinguish operating revenues and expenses from non-operating 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 the proprietary funds include the cost of personal and contractual services, supplies and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

CITY OF GRETNA, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2015

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

4. Measurement Focus/Basis of Accounting

Measurement focus refers to what is being measured; basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

The government-wide statements and fund financial statements for proprietary funds are reported using the economic resources measurement focus and the accrual basis of accounting. The economic resources measurement focus means all assets and liabilities (whether current or non-current) are included on the statement of net position and the operating statements present increases (revenues) and decreases (expenses) in net total assets. Under the accrual basis of accounting, revenues are recognized when earned, including unbilled water and sewer services which are accrued. Expenses are recognized at the time the liability is incurred.

Governmental fund financial statements are reported using the current financial resources measurement focus and are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual; i.e., when they become both measurable and available. “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The City considers property taxes as available if they are collected within 60 days after year end. A one-year availability period is used for recognition of all other Governmental Fund revenues. Expenditures are recorded when the related fund liability is incurred. However, debt service expenditures, as well as expenditures related to compensated absences are recorded only when payment is due.

The revenues susceptible to accrual are property taxes, franchise fees, charges for service, interest income and intergovernmental revenues. Sales taxes collected and held by the Parish at year end on behalf of the government are also recognized as revenue. All other governmental fund revenues are recognized when received.

5. Budgets and Budgetary Accounting

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

- a. Not less than 30 days before the end of the fiscal year, the Mayor recommends to the City Council a proposed operating budget for the ensuing fiscal year. The operating budget includes proposed expenditures and the means of financing them.
- b. The proposed budget is summarized and advertised and the public notified that the proposed budget is available for inspection and that within 10 days thereafter public hearings are conducted to obtain taxpayer comments.
- c. The budget is then legally enacted through Councilmanic ordinance.

CITY OF GRETNA, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2015

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

5. Budgets and Budgetary Accounting (Continued)

- d. Any revisions that alter the total expenditures of a department or line item changes within the department greater than \$10,000 must be approved by the City Council. Any revisions less than \$10,000 can be changed by the finance director for city departments with approval of the Mayor or for police department with approval of the Chief of Police.
- e. The level of budget control is at the division, department, or project level; and expenditures/encumbrances may not exceed appropriations until additional appropriations have been provided. Formal budgetary integration is employed as a management control device during the year for the General Fund, Special Revenue Funds, Capital Projects Fund, and Enterprise Funds. Effective control of cost is, therefore, maintained by Councilmanic action that approves a budget for each project and is controlled on a project life basis.
- f. Budgets for the General Fund, Special Revenue Funds, Capital Projects Fund and Enterprise Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP), except that encumbrances are treated as budgeted expenditures in the year of incurrence of the commitment to purchase. Budgetary comparisons presented for the General Fund, Major Special Revenue Funds, and Capital Projects Fund in the accompanying financial statements are on this non-GAAP budgetary basis. Budgeted amounts are as originally adopted or as finally amended by the City Council.
- g. All unencumbered appropriations lapse at the end of each fiscal year.

6. Cash and Investments

Cash includes amounts in demand deposits, interest bearing demand deposits, and money market accounts. Under state law, the City 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 their principal offices in Louisiana. Under state law, the City may invest in United States bonds, treasury notes, or certificates. These are classified as investments if their original maturities exceed 90 days; however, if the original maturities are 90 days or less, they are classified as cash. Investments are stated at cost.

The City maintains a cash investment pool (Central Depository Account) that is used by all of the City's funds. Each fund's portion of this cash pool is displayed on the combined balance sheet as cash. Investments are separately held by several of the City's funds.

Cash and cash equivalents, for cash flow statement purposes, include investments in highly liquid debt instruments with maturities of three months or less, including amounts whose use is limited by board designation.

CITY OF GRETNA, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2015

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

7. Allowance for Uncollectible Accounts

The City calculates its allowance for uncollectible accounts using historical collection data and, in certain cases, specific account analysis.

8. Interfund Receivables and Payables

Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “due from or to other funds”.

9. Transactions Between Funds

Legally authorized transfers are treated as interfund transfers and are included in the results of operations of both Governmental and Proprietary Funds. For purposes of the statement of activities, all interfund transfers between individual governmental funds have been eliminated.

10. Restricted Assets

Restricted Assets include cash and investments in the General, Capital Projects, Sales Tax and Proprietary Funds which are restricted as to their use. These restrictions are principally related to requirements of bond issues, utility meter deposits, and funds dedicated for future needs or obligations. It is the City’s policy to use restricted assets before unrestricted assets for their intended purpose.

11. Capital Assets

Capital assets, which include property, plant and equipment, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and in the fund financial statements for proprietary funds. All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated assets are valued at their fair market value on the date donated. Repairs and maintenance are recorded as expenses. Renewals and betterments are capitalized. Interest has not been capitalized during the construction period on property, plant and equipment.

Assets capitalized have an original cost of \$5,000 or more and over one year of useful life. Depreciation has been calculated on each class of depreciable property using the straight-line method. Estimated useful lives are as follows:

<u>Description</u>	<u>Life In Years</u>
Buildings	25-40
Water and Sewer Systems	40
Infrastructure	20-40
Machinery and Equipment	5-20
Improvements	20-30

CITY OF GRETNA, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2015

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

12. Compensated Absences

Employees are allowed to accrue annual leave. In addition, employees are allowed to accrue up to 45 days of sick leave. The balance accumulated is paid to employees upon termination. The current and non-current portion of this obligation in the governmental funds are recorded in the government-wide financial statements. The current and non-current balance of this obligation in the proprietary funds are recorded in the fund financial statements.

13. Long Term Debt

In the government-wide financial statements, long-term debt and other long-term obligations are recognized as liabilities in the applicable governmental activities Statement of Net Position. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Payments of principal and interest are recorded as expenditures only when due.

14. Fund Equity

Equity Classifications

Government-Wide Financial Statements

In the Government-Wide Financial Statements equity is classified as net position and displayed in three components:

- a. Invested in capital assets, net of related debt** – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position** – Consists of assets with constraints placed on the use either by:
 - 1. external groups such as creditors, grantors, contributors, or laws or regulations of other governments, or
 - 2. law through constitutional provisions or enabling legislation.
- c. Unrestricted net position** – All other net position that do not meet the definition of “restricted” or “invested in capital assets, net of related debt”.

Proprietary fund equity is classified the same as in the government-wide statements.

CITY OF GRETNA, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2015

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

14. Fund Equity (Continued)

Fund Financial Statements

During the fiscal year ended March 31, 2013, the City implemented GASB 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. This statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balances more transparent. The following classifications describe the relative strength of the spending constraints:

- a. Nonspendable** – This component includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.
- b. Restricted** – This component consists of amounts that have constraints placed on them either externally by third parties (creditors, grantors, contributors, or laws or regulations of other governments) or by law through constitutional provisions or enabling legislation. Enabling legislation authorizes the City to assess, levy, charge or otherwise mandate payment of resources (from external resource providers) and includes a legal requirement (compelled by external parties) that those resources be used only for the specific purposes stipulated in the legislation.
- c. Committed** – This component consists of amounts that can only be used for specific purposes determined by a formal decision of the City Council, which is the highest level of decision making authority for the City. Those committed amounts cannot be used for any other purpose unless the City Council removes or changes the specified use by taking the same type of action (ordinance or resolution) it employed to commit those amounts.
- d. Assigned** – This component consists of amounts that are constrained by the City Council Members' intent to be used for specific purposes, but are neither restricted nor committed. The authority for assigning fund balance is expressed by the City Council.
- e. Unassigned** – This classification represents amounts that have not been restricted, committed or assigned to specific purposes within the general fund. When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources (committed, assigned and unassigned) as they are needed. When unrestricted resources (committed, assigned and unassigned) are available for use it is the City's policy to use committed resources first, then unassigned as they are needed. The City does not have a formal minimum fund balance policy.

15. Revenues and Expenditure Recognition

- a. Ad Valorem Taxes.** Ad Valorem taxes are recognized in the fiscal year in which the taxes are levied. Taxes are due and become an enforceable lien on property on the first day of the month following the filing of the tax rolls by the assessor with the Louisiana Tax Commission (usually December 1). City taxes are billed and collected by the City.

**CITY OF GRETNA, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2015**

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

15. Revenues and Expenditure Recognition (Continued)

a. Ad Valorem Taxes. (Continued)

Taxes become delinquent on January 1st in the year after levy. Taxes are levied on property values determined by the Jefferson Parish Assessor's Office. All land and residential improvements are assessed at 10 percent of its fair market value and other property at 15 percent of its fair market value. Ad valorem taxes are levied (per \$1,000 assessed value) in varying amounts for maintenance and operation, debt service and capital improvements for the City and are distributed to its funds as follows:

<u>FUND</u>	2014	
	MILLAGE	
	City of Gretna	Timberlane Subdivision
General Fund	15.44	15.44
Fire Protection Fund	16.87	
Recreation Fund	4.50	4.50
Street Light Improvements Fund	2.82	2.82
Ambulance Fund	6.69	6.69
Social Services For The Aged Fund	0.50	0.50
Municipal Sewer System Fund	3.73	
	50.55	29.95

b. Sales and Use Tax. For the year ended March 31, 2015, a 4.75% local sales and use tax was levied and collected within the City of Gretna by the Jefferson Parish Sheriff's Office of which 3.25% was received by the City of Gretna and dedicated for the following purposes:

1/4 percent is levied by law enforcement

1954 ½ percent sales tax collected solely for the purpose of constructing and maintaining public roads, highways and bridges within the city

1966 ½ percent sales tax collected for general purposes determined by the Council

1981 ½ percent sales tax is collected and distributed as follows:

1/3 of ½ percent collected parishwide is dedicated for operation and maintenance of city drainage facilities

2/3 of ½ percent collected for operation, maintenance, and capital improvements of drainage and sewerage facilities

CITY OF GRETNA, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2015

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

15. Revenues and Expenditure Recognition (Continued)

b. Sales and Use Tax. (Continued)

1984 1 percent sales tax is collected and distributed as follows:

7/8 percent was dedicated to the purchase, construction, acquisition and improvement of the Sewer Capital Program. In 1998, a rededication and extension of this tax was approved to dedicate revenues to the cost of maintenance and replacement of sewerage facilities, and the construction, improvement or maintenance of public roads, streets, or highways located in the city, including the cost of reconstruction, rehabilitation, base stabilization, drainage, adjustments and related sidewalks and curbs. The proceeds of the tax collected within the boundaries, as presently constituted, of each municipality within the Parish shall be returned to each municipality to be used for any lawful purpose. The remaining 1/8 percent of tax collected is to provide funds for law enforcement purposes.

c. Revenues Susceptible to Accrual. Under the modified accrual basis of accounting, some revenues are susceptible to accrual while others are not. Major revenues treated as susceptible to accrual are property taxes, sales taxes, franchise fees, charges for services, and certain state shared revenues such as beer tax.

16. Deferred Inflows of Resources

The city reports deferred inflows of resources when potential revenue does not meet both the “measurable” and “available” criteria for recognition in the current period. Deferred inflows of resources also arise when resources are received by the City before it has a legal claim to them as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the City has a legal claim to the resources, deferred inflows of resources are removed and revenues are recognize.

NOTE B - STEWARDSHIP AND ACCOUNTABILITY

1. Budgets and Budget Monitoring

The City adopts annual budgets for its governmental and enterprise funds on a basis consistent with generally accepted accounting principles. Details of the budget adoption process are presented at Note A-5.

The City was in compliance with Louisiana Revised Statute 39:1301 in regards to the adoption of its budget.

2. Deposits and Investment Laws and Regulations

In accordance with state law, all uninsured deposits of municipal funds in financial institutions must be secured with acceptable collateral valued at the lower of market or par. As reflected in Note C-1 regarding cash, cash equivalents, and investments, the City was in compliance with the deposits and investments laws and regulations.

**CITY OF GRETNA, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2015**

NOTE B – STEWARDSHIP AND ACCOUNTABILITY (Continued)

3. Deficit Fund Equity

As of March 31, 2015, no City funds had deficit fund equities.

4. Compliance With Bond and Other Debt Covenants

As of March 31, 2015, the City was in compliance in all material respects with its various bond and debt covenants.

NOTE C – NOTES ON TRANSACTION CLASSES/ACCOUNTS

1. Cash, Cash Equivalents and Investments

a. Cash and Cash Equivalents.

At March 31, 2015, the City's cash and cash equivalents (book balances) total \$11,571,445 of which \$11,432,106 is in interest-bearing demand deposits, \$105,327 is non-interest bearing demand deposit and cash on hand of \$34,012. These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance and/or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. The securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually agreeable to both parties.

Custodial Credit Risk – Deposits. At March 31, 2015, the City had \$12,350,573 in deposits (collected bank balances). These deposits were fully secured from risk by \$605,327 of federal deposit insurance and \$11,745,245 pledged securities held by the custodial bank in the name of the fiscal agent bank (GASB Category 3) and therefore not exposed to custodial credit risk.

Even though the deposits are considered uncollateralized (Category 3) under the provisions of GASB Statement 3 since the pledged securities are held, LSA-R.S. 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within ten (10) days of being notified by the city that the fiscal agent bank has failed to pay deposited funds upon demand.

b. Investments

The City's investments in the Louisiana Asset Management Pool (LAMP) total \$1,324,991. LAMP is a local government investment pool established as a cooperative effort to enable public entities of the State of Louisiana to aggregate funds for investments.

In accordance with GASB Codification Section 150.165, the investment in LAMP is not categorized in the three risk categories provided by GASB Codification Section 150.165 because the investment is in the pool of funds and thereby not evidenced by securities that exist in physical or book entry form. LAMP is administered by LAMP, Inc., a nonprofit corporation organized under the laws of the State of Louisiana, and is governed by a board of directors comprised of representatives from various local governments and state wide

CITY OF GRETNA, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2015

NOTE C – NOTES ON TRANSACTION CLASSES/ACCOUNT (Continued)

b. Investments (Continued)

professional organizations. Only local governments having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest. Accordingly, LAMP investments are restricted to securities issued, guaranteed, or backed by the U.S. Treasury, the U.S. Government, or one of its agencies, enterprises, or instrumentalities, as well as repurchase agreements collateralized by those securities. The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 60 days, and consists of no security with a maturity in excess of 397 days. The fair value of a share in LAMP is the same as the book value (i.e., a share in the pool is always worth \$1.00 per share). LAMP is designed to be highly liquid to give its participants immediate access to their account balances.

Interest Rate Risk - Interest Rate Risk is defined as the risk that changes in interest rates will adversely affect the fair value of an investment. The City does not have a formal investment policy that limits maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Custodial Credit Risk - Custodial credit risk is the risk that, in the event of the failure of the counterparty to a transaction, the City will not be able to fully recover the value of the investment. Investments in external investment pools are not exposed to custodial credit risk because of their natural diversification and the diversification required by the Securities and Exchange Commission.

A copy of the LAMP's audited financial report can be obtained on the LAMP website, www.lamppool.com.

2. Receivables

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable. Major receivable balances for the governmental activities include ad valorem, sales taxes, franchise taxes, and grants. Business-type activities report utilities earnings as their major receivable.

In the fund financial statements, material receivables in governmental funds include revenue accruals such as ad valorem, sales tax, franchise tax, and grants and other similar intergovernmental revenues since they are usually both measurable and available. Non-exchange transactions collectible but not available are deferred in the fund financial statements in accordance with modified accrual, but not deferred in the government-wide financial statements in accordance with accrual basis. Interest and investment earnings are recorded when earned only if paid within 60 days since they would be considered both measurable and available. Proprietary fund material receivables consist of all revenues earned at year-end and not yet received. Utility accounts receivable comprise the majority of proprietary fund receivables. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable.

CITY OF GRETNA, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2015

NOTE C – NOTES ON TRANSACTION CLASSES/ACCOUNT (Continued)

2. Receivables (Continued)

The following is a summary of receivables for March 31, 2015, net of allowances for uncollectible amounts where applicable:

Class of Receivable	General Fund	Special Revenue Funds	Proprietary Funds
Taxes:			
Ad valorem	\$ 189,392	\$ 364,480	\$ 43,950
Sales and use	507,770	100,170	-
Other	-	-	-
Intergovernmental			
Federal-grant	48,642	1,988,602	-
State-grant	-	1,473,446	-
Other	723,059	309,632	-
Other:			
Accounts	-	151,507	560,900
Other	<u>630,966</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 2,099,829</u>	<u>\$ 4,387,837</u>	<u>\$ 604,850</u>

Uncollectible amounts due for ad valorem taxes and customers' utility receivables are recognized as bad debts through the establishment of an allowance account at the time information becomes available which would indicate the uncollectibility of the particular receivable. The following details the description and amount of the allowance for uncollectible accounts at March 31, 2015.

Class of Receivable	General Fund	Special Revenue Funds	Proprietary Funds
Taxes:			
Ad valorem	\$ 117,219	\$ 222,243	\$ 26,816
Other:			
Accounts	<u>-</u>	<u>29,128</u>	<u>69,895</u>
Total	<u>\$ 117,219</u>	<u>\$ 251,371</u>	<u>\$ 96,711</u>

CITY OF GRETNA, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2015

NOTE C – NOTES ON TRANSACTION CLASSES/ACCOUNT (Continued)

3. Capital Assets

The following is a summary of the changes in capital assets for the fiscal year ended March 31, 2015:

Governmental Activities:	Balance			Balance
	March 31, 2014	Increases	Decreases	March 31, 2015
Capital Assets Not Depreciated				
Land	\$ 3,436,342	\$ -	\$ -	\$ 3,436,342
Other Capital Assets:				
Buildings & improvements	\$ 31,706,255	\$ 560,297	\$ -	\$ 32,266,552
Furniture, fixtures and equipment	9,714,769	305,801	149,295	9,871,275
Vehicles and road machinery	4,753,412	637,915	553,685	4,837,642
Construction in progress	2,240,350	7,919,403	622,095	9,537,658
Historical Infrastructure	17,273,617	-	-	17,273,617
Total Other Capital Assets	<u>\$ 65,688,403</u>	<u>\$ 9,423,416</u>	<u>\$ 1,325,075</u>	<u>\$ 73,786,744</u>
Less Accumulated Depreciation:				
Buildings & improvements	\$ 6,042,883	\$ 1,325,278	\$ -	\$ 7,368,161
Furniture, fixtures and equipment	6,756,710	688,354	148,522	7,296,542
Vehicles and road machinery	3,862,029	355,895	552,985	3,664,939
Construction in progress	-	-	-	-
Historical Infrastructure	9,183,416	471,237	-	9,654,653
Total Accumulated Depreciation	<u>\$ 25,845,038</u>	<u>\$ 2,840,764</u>	<u>\$ 701,507</u>	<u>\$ 27,984,295</u>
Other Capital Assets Net	\$ 39,843,365	\$ 6,582,652	\$ 623,568	\$ 45,802,449
Totals	<u>\$ 43,279,707</u>	<u>\$ 6,582,652</u>	<u>\$ 623,568</u>	<u>\$ 49,238,791</u>

Governmental activities capital assets net of accumulated depreciation at March 31, 2015 are comprised of the following:

General Capital Assets, Net	\$ <u>49,238,791</u>
Total	\$ <u>49,238,791</u>

Depreciation expense was charged to governmental functions as follows:

General Government	\$ 395,551
Public Safety	850,710
Public Works	1,273,276
Culture and Recreation	<u>321,227</u>
Total	<u>\$ 2,840,764</u>

CITY OF GRETNA, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2015

NOTE C – NOTES ON TRANSACTION CLASSES/ACCOUNT (Continued)

3. Capital Assets (Continued)

The following is a summary of changes in capital assets for business-type activities for the fiscal year ended March 31, 2015:

	Balance March 31, 2014	Increases	Decreases	Balance March 31, 2015
Business-Type Activities:				
Land	\$ 299,988	\$ -	\$ -	\$ 299,988
Buildings	16,762,716	-	-	16,762,716
Furniture and fixtures	25,951	-	-	25,951
Equipment and vehicles	30,355,239	679,937	156,785	30,878,391
Construction in progress	-	352,782	-	352,782
	<u>\$ 47,443,894</u>	<u>\$ 1,032,719</u>	<u>\$ 156,785</u>	<u>\$ 48,319,828</u>
Less: Accumulated Depreciation for:				
Buildings and equipment	<u>20,312,421</u>	<u>1,288,901</u>	<u>156,785</u>	<u>21,444,537</u>
Total	<u>\$ 27,131,473</u>	<u>\$ (256,182)</u>	<u>\$ -</u>	<u>\$ 26,875,291</u>

Property, plant, and equipment are stated at cost, less an allowance for accumulated depreciation. Depreciation expense is computed using the straight-line method over the estimated useful lives of the assets as follows:

Buildings	25-40 years
Equipment	5-20 years
Infrastructure	20-40 years

Capital outlays are reported as expenditures in the governmental funds; however, in the Statement of Activities, the cost of capital assets is allocated over their estimated useful lives as depreciation expense. The adjustment from governmental funds to the government-wide statements is summarized as follows:

Primary Government

Capital outlay	\$ 8,866,154
Gain on sale of assets	(1,473)
Depreciation expense	<u>(2,840,764)</u>
Total Adjustment	<u>\$ 6,023,917</u>

4. Long-Term Debt

The reporting entity's long-term debt is segregated between the amounts to be repaid from governmental activities and amounts to be repaid from business-type activities.

CITY OF GRETNA, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2015

NOTE C – NOTES ON TRANSACTION CLASSES/ACCOUNT (Continued)

4. Long-Term Debt (continued)

The following is a summary of changes in long-term debt for the year ended March 31, 2015:

Type of Debt	March 31, 2014	Additions	Reductions	March 31, 2015	Due Within One Year
Governmental Activities, net:					
Tax Bonds	\$ 14,076,000	\$ 6,085,000	\$ 6,732,000	\$ 13,429,000	\$ 808,000
Promissory Note	389,000	-	64,833	324,167	64,833
EPA Brownsfield Loan	488,500	-	-	488,500	-
Other Post Employment Benefits OPEB	625,424	-	10,400	615,024	-
Compensated Absences	<u>1,643,392</u>	<u>203,302</u>	<u>-</u>	<u>1,846,694</u>	<u>298,549</u>
Total General Long-Term Debt	<u>\$ 17,222,316</u>	<u>\$ 6,288,302</u>	<u>\$ 6,807,233</u>	<u>\$ 16,703,385</u>	<u>\$ 1,171,382</u>
Business-Type Activities:					
Water Fund Participation Notes	\$ 480,656	\$ -	\$ 105,460	\$ 375,196	\$ 108,615
Sewer Fund Participation Notes	738,531	-	162,040	576,491	169,885
Compensated Absences	<u>243,799</u>	<u>-</u>	<u>15,005</u>	<u>228,794</u>	<u>48,306</u>
Total Business Type Activities Debt	<u>\$ 1,462,986</u>	<u>\$ -</u>	<u>\$ 282,505</u>	<u>\$ 1,180,481</u>	<u>\$ 326,806</u>

Bonded debt as of March 31, 2015 is comprised of the following governmental activities serial bond issues:

Description	Interest Rates	Final Maturity Date	Range of Annual Principal Payment		Amount Outstanding
			From	To	
Sales tax bonds:					
2/25/2010 issue of \$5,270,000	2.50-4.75	2/1/2029	\$ 40,000	\$ 1,010,000	\$ 5,065,000
6/8/2010 issue of \$3,228,000	0.45	2/1/2029	163,000	185,000	2,434,000
11/13/2014 refunding of \$6,085,000	2.05	2/1/2024	605,000	715,000	5,930,000
Subtotal					<u>13,429,000</u>
EPA Brownsfield Loan	0.00	n/a	-	-	488,500
Promissory Note	0.00	9/1/2019	64,833	64,833	324,167
Total					<u>\$ 14,241,667</u>

Governmental Activities:

Sales Tax Bonds:

In 2010, the City issued \$5,270,000 of Sales Tax Bonds Series 2009B for the purpose of Public Buildings project. The bonds are secured by an irrevocable pledge and dedication of the proceeds of the City's 1955 1% and 1966 ½% Sales and Use Tax.

In 2010, the City issued \$3,228,000 of Sales Tax Bonds Series 2009A-State Revolving Fund purchased by "DEQ" for the purpose of wastewater treatment plant upgrades and rehabilitation. The bonds are secured by an irrevocable pledge and dedication of the proceeds of the City's 1955 1% and 1966 ½% Sales and Use Tax.

CITY OF GRETNA, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2015

NOTE C – NOTES ON TRANSACTION CLASSES/ACCOUNT (Continued)

4. Long-Term Debt (continued)

In 2014, the City issued \$6,085,000 of Sales Tax Refunding Bonds Series 2014 with a 2.05% interest rate. The City issued the bonds for the purpose of refunding \$6,375,000 aggregate principal amount of the Series 2004 Sales Tax Bonds. The advance refunding reduced total debt service payments over the next 10 years by \$640,679 or an annual average reduction of \$56,699. This results in an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$579,689. The refunded bonds are secured by an irrevocable pledge and dedication of the proceeds of the City's 1955 1% and 1966 ½% Sales and Use Tax.

At March 31, 2015, \$1,584,216 was available in the debt service fund for servicing of these bonds.

Promissory Note:

In 2013, the City executed a non-interest bearing promissory note for \$389,000 with the Parish of Jefferson, payable in 6 annual installment payments of \$64,833. The purpose of the promissory note was for the purchase of 327 Huey P. Long Avenue, Gretna, Louisiana.

Compensated Absences:

Effective December 12, 2012, the City's annual (vacation) and sick leave policy was revised. Each employee shall earn and accumulate sick leave with pay at the rate of 6.5 days per year. After the completion of 3 years of continuous employment each employee shall earn 13 days per year. Employees may never accrue more than 45 days of sick leave.

Full Time employees of the City with less than 5 years of continuous service shall accumulate vacation time at the rate of 10.4 days per year. An employee with more than 5 but less than 10 years of continuous service shall accumulate vacation time at the rate of 13 days per year. Employees with 10 or more years of continuous service shall accumulate vacation time at the rate of 15.6 days per year. Employees having 20 years of continuous service shall accumulate vacation time at the rate of 19.5 days per year. Employees may never accrue more than 60 days of vacation. Therefore, once an employee has accrued 60 days of vacation, vacation hours must be used in order to accrue more hours. Employees may elect an option to sell days at a rate of 50% of their current rate of pay.

Full Time employees of the Police Department with less than 10 years of continuous service shall accumulate vacation time at the rate of 15 days per year. Police Department employees with at least 11 years but less than 15 years shall accumulate vacation time at a rate of 18 days per year. Police Department employees with at least 16 years accumulate vacation time at a rate of 21 days per year. Employees may elect an option to sell days at a rate of 50% of their current rate of pay.

At March 31, 2015, the amount of accumulated annual and sick leave and salary-related cost was \$1,846,694 for all governmental funds with a current liability of \$298,549 and \$228,794 for the proprietary funds with a current liability of \$48,306.

CITY OF GRETNA, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2015

NOTE C – NOTES ON TRANSACTION CLASSES/ACCOUNT (Continued)

4. Long-Term Debt (continued)

Business-Type Activities:

Participation Notes:

In 1999, the City borrowed a \$4,000,000 line of credit made available by the Louisiana Local Government Environmental Facilities and Community Development Authority. These Notes carry an adjustable rate of interest at 1% over the “Bond Market Association Index”. Final payment is due May 31, 2018. This debt is reflected as a liability in the City’s Municipal Water and Sewer System Fund. As of March 31, 2015, \$951,687 remains outstanding with \$278,500 reported as current liabilities.

Annual debt service to maturity on bonds and notes, including interest of \$3,344,574 are as follows:

Year Ending Date	Sales Tax Bonds Series 2009A	Sales Tax Bonds Series 2009B	Sales Tax Refunding Bonds Series 2014	Promissory Note	Sewer & Water Participation Notes	Total
3/31/2016	\$ 186,123	\$ 257,881	\$ 726,565	\$ 64,833	\$ 278,500	\$ 1,513,902
3/31/2017	186,575	261,480	729,163	64,833	290,500	1,532,551
3/31/2018	187,007	259,906	726,453	64,833	314,000	1,552,199
3/31/2019	186,421	258,219	728,537	64,833	68,687	1,306,697
3/31/2020	186,825	256,531	730,315	64,833	-	1,238,504
3/31/21-2/1/25	932,622	2,088,456	2,913,500	-	-	5,934,578
3/31/25-2/1/29	745,385	4,225,610	-	-	-	4,970,995
Total debt service to maturity	<u>\$ 2,610,958</u>	<u>\$ 7,608,085</u>	<u>\$ 6,554,533</u>	<u>\$ 324,165</u>	<u>\$ 951,687</u>	<u>\$ 18,049,428</u>
Less amounts representing interest:						
3/31/2016	\$ 23,123	\$ 217,881	\$ 121,564	\$ -	\$ -	\$ 362,568
3/31/2017	21,575	216,481	109,163	-	-	347,219
3/31/2018	20,007	214,906	96,453	-	-	331,366
3/31/2019	18,421	213,219	83,538	-	-	315,178
3/31/2020	16,825	211,531	70,315	-	-	298,671
3/31/21-2/1/25	59,621	1,028,456	143,500	-	-	1,231,577
3/31/25-2/1/29	17,385	440,610	-	-	-	457,995
Total interest	<u>176,957</u>	<u>2,543,084</u>	<u>624,533</u>	<u>-</u>	<u>-</u>	<u>3,344,574</u>
Total principal	<u>\$ 2,434,001</u>	<u>\$ 5,065,000</u>	<u>\$ 5,930,000</u>	<u>\$ 324,165</u>	<u>\$ 951,687</u>	<u>\$ 14,704,853</u>

There are a number of limitations and restrictions contained in the bond indenture. The City is in compliance with all significant limitations and restrictions, including federal arbitrage regulations.

5. Segments of Enterprise Activities

Some services provided by the City of Gretna, Louisiana are financed by user charges, specifically the City’s Municipal Waterworks and Sewer Systems. The significant financial data for these enterprises are as follows:

CITY OF GRETNA, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2015

NOTE C – NOTES ON TRANSACTION CLASSES/ACCOUNT (Continued)

5. Segments of Enterprise Activities (continued)

	<u>Water System</u>	<u>Sewerage</u>	<u>Total</u>
Operating Revenues	\$ 3,057,160	\$ 2,859,960	\$ 5,917,120
Operating Expenses			
Depreciation	556,024	732,874	1,288,898
Other Expenses	<u>2,359,570</u>	<u>2,502,708</u>	<u>4,862,278</u>
Total Operating Expenses	2,915,594	3,235,582	6,151,176
Operating Income (Loss)	141,566	(375,622)	(234,056)
Nonoperating Revenues (Expense)	31,681	518,328	550,009
Net Income (Loss)	173,247	142,706	315,953
Transfers	97,178	(13,327)	83,851
Change in Net Position	270,425	129,379	399,804
Beginning Net Position	<u>7,991,958</u>	<u>15,272,570</u>	<u>23,264,528</u>
Ending Net Position	<u>\$ 8,262,383</u>	<u>\$ 15,401,949</u>	<u>\$ 23,664,332</u>

A single revenue stream is not dedicated for the repayment of debt; therefore, the condensed financial information for the statement of net position and cash flows is not presented.

6. Interfund Transfers

The following is a summary of the operating transfers between funds during the fiscal year ended March 31, 2015:

	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund:		
Capital Projects Fund	\$ 154,892	\$ 906,322
Riverboat Casino Fund	941,496	-
Tourism Fund	-	145,000
Water Utility Fund	6,550	-
Sewer Utility Fund	<u>13,327</u>	<u>-</u>
Total General Fund	1,116,265	1,051,322
Special Revenue Funds:		
Riverboat Casino Fund	-	1,526,500
Capital Projects Fund	1,436,326	258,620
Tourism Fund	<u>200,000</u>	<u>-</u>
Total Special Revenue Funds	1,636,326	1,785,120
Enterprise Fund:		
Water	103,728	6,550
Sewer	<u>-</u>	<u>13,327</u>
Total Enterprise Funds	103,728	19,877
Total All Funds	<u>\$ 2,856,319</u>	<u>\$ 2,856,319</u>

**CITY OF GRETNA, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2015**

NOTE C – NOTES ON TRANSACTION CLASSES/ACCOUNT (Continued)

6. Interfund Transfers (Continued)

The general fund transfers funds earmarked in prior years and budgeted for specific construction and tourism related activities. The riverboat casino fund allocates funds for Louisiana Capital Outlay matching construction projects. The riverboat casino fund and the capital projects funds also allocated district specific funds for public works projects to the general fund. The capital projects fund also transferred the remaining portion of the construction for the water tower to the water utility enterprise fund.

7. Interfund Receivables/Payable

The following is a summary of the Governmental Funds Balance Sheet interfund receivables/payables at March 31, 2015:

	Due From	Due To
General Fund:		
Capital Projects Fund	\$ 1,646,468	\$ -
Tourism Fund	92,651	-
Ambulance Fund	5,637	-
Water Enterprise Fund	269,784	-
Sewer Enterprise Fund	1,731,218	-
Total General Fund	3,745,758	-
Special Revenue Funds:		
Capital Projects Fund	-	1,646,468
Tourism Fund	-	92,651
Ambulance Fund	-	5,637
Total Special Revenue Funds	-	1,744,756
Enterprise Funds:		
Water	-	269,784
Sewer	-	1,731,218
Total Enterprise Funds	-	2,001,002
Total All Funds	\$ 3,745,758	\$ 3,745,758

The special revenue fund balances represent short-term receivables and payables incurred in the normal course of the City operations. The enterprise fund balances represent loans made by the general fund to the utility funds over several years when utility rates were insufficient to cover recurring utility cost in order to fund operations. In 2011, water and sewer rates were increased to cover the cost of operations and repay the general fund over a ten year period. Additionally, an automatic adjustment is made annually based on the percentage change in the CPI in an effort to raise and maintain revenues necessary for operations and to fund necessary infrastructure improvements. Both the water and sewer funds are scheduled to complete the pay back within the next five years.

CITY OF GRETNA, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2015

NOTE C – NOTES ON TRANSACTION CLASSES/ACCOUNT (Continued)

8. Fund Balances

The following illustrates the specific purposes of each classification of fund balance in the financial statements:

	General Fund	Major Governmental Funds	Other Governmental Funds	Total
Nonspendable:				
Prepaid items	\$ 192,330	\$ -	\$ -	\$ 192,330
Restricted:				
Debt service	-	1,584,216	-	1,584,216
Committed:				
Capital projects fund	-	1,016,381	-	1,016,381
Encumbrances	165,257	121,667	147,175	434,099
Emergency preparation	377,721	-	-	377,721
Contingencies	3,813,834	-	-	3,813,834
Separation and settlement	585,131	-	-	585,131
Total Committed:	<u>4,941,943</u>	<u>1,138,048</u>	<u>147,175</u>	<u>6,227,166</u>
Assigned:				
Capital outlay match	-	834,574	-	834,574
Court management	193,615	-	-	193,615
Culture & recreation	-	-	612,365	612,365
Public safety	-	2,347,667	1,023,686	3,371,353
Public works	-	-	356,837	356,837
Subsequent year expenditures	788,340	531,069	234,992	1,554,401
Total Assigned:	<u>981,955</u>	<u>3,713,310</u>	<u>2,227,880</u>	<u>6,923,145</u>
Unassigned:	<u>4,746,950</u>	<u>-</u>	<u>-</u>	<u>4,746,950</u>
Total Fund Balance	<u>\$ 10,863,178</u>	<u>\$ 6,435,574</u>	<u>\$ 2,375,055</u>	<u>\$ 19,673,807</u>

NOTE D – OTHER NOTES

1. Pension Plans

Plan Membership. Substantially all of the City's full time employees, except certain police employees, are mandatory members of Plan A of the Municipal Employees' Retirement System of Louisiana. Full time police employees hired after June 30, 1973, and those employed prior to that date that elected to join, are mandatory members of the State Municipal Police Employees' Retirement System. Both plans are cost sharing multiple-employer defined benefit plans established by Louisiana State Statutes.

At March 31, 2015, the City had 301 employees of which approximately 42% were participants in the Plan A System and 34% were participants in the State Municipal Police Employees' Retirement System.

CITY OF GRETNA, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2015

NOTE D – OTHER NOTES (Continued)

1. Pension Plans (Continued)

Pension Benefits - Plan A of the Municipal Employees' Retirement System of Louisiana. Under this System, a member is eligible for normal retirement if he has at least 30 years of creditable service regardless of age, or 25 years of creditable service and is at least 55 years old, or 10 years of creditable service and is at least 60 years old. The monthly retirement benefit under this System is equal to three percent of the member's average monthly compensation for any 36 months of consecutive service in which compensation was highest, multiplied by years of creditable service, not to exceed 100% of member's final compensation. Retirement benefits are payable monthly for the life of the retiree, and upon the retiree's death, under certain conditions, are payable to the retiree's surviving spouse and minor children.

Pension Benefits - State Municipal Police Employees' Retirement System. Under this System, a member is eligible for normal retirement if he has at least 20 years of service and is at least 55 years old, or 12 years of service and is at least 60 years old. The monthly retirement benefit under this System is equal to 3 1/3% of the member's average monthly compensation for any 36 months of consecutive service in which compensation was highest, multiplied by years of creditable service, not to exceed 100% of member's final compensation. Retirement benefits are payable monthly for the life of the retiree, and upon the retiree's death, under certain conditions, are payable to the retiree's surviving spouse and minor children.

Funding Policy. Employees covered under Plan A of the Municipal Employees' Retirement System of Louisiana are required by State Statute to contribute 9.50% of their salary. Employees covered under the State Municipal Police Employees' Retirement System are required by State Statute to contribute 10% of their earnable compensation (includes state supplemental pay but excludes overtime pay). The City contributes both the employee and employer amounts for both plans and takes no deduction from the employees' pay for employees hired prior to April 1, 2013. Employer contributions are determined by actuarial computation and are subject to change each year as provided for by State Statute.

The City's contributions to each plan required by State Statute are as follows:

Fiscal Year Ended	MUNICIPAL POLICE EMPLOYEES' RETIREMENT SYSTEM		MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM OF LOUISIANA - PLAN A	
	Required Contribution	Percentage Contribution	Required Contribution	Percentage Contribution
March 31, 2015	\$ 1,961,412	100%	\$ 1,318,861	100%
March 31, 2014	\$ 1,885,965	100%	\$ 1,223,183	100%
March 31, 2013	\$ 1,868,778	100%	\$ 1,140,406	100%

CITY OF GRETNA, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2015

NOTE D – OTHER NOTES (Continued)

1. Pensions Plans (Continued)

The Systems issue annual publicly available financial reports that include financial statements and required supplementary information for the Systems. These reports may be obtained by writing to:

Board of Trustees	<u>OR</u>	Board of Trustees
Municipal Police Employees' Retirement System		Municipal Employees' Retirement
8401 United Plaza Boulevard		System of Louisiana
Room 207		7937 Office Park Boulevard
Baton Rouge, Louisiana 70809		Baton Rouge, Louisiana 70809

2. On Behalf Payments for Salaries

Supplemental pay which is paid directly to employees of the City of Gretna by the State of Louisiana, Department of Public Safety, is recognized as intergovernmental revenue and salaries expenditure in the year in which paid. For the year ended March 31, 2015, the amount recognized as revenue and expenditure was \$596,935.

3. Post Employment Health Care Benefits

Cobra Benefits. Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the City provides health care benefits to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured on or before the first day of the month for the actual month covered. This program is offered for a duration of 18 months after the termination date. There is no associated cost to the City under the program, and there are no participants in the program as of March 31, 2015.

Plan Description – The City of Gretna's medical benefits are provided through a comprehensive medical plan and are made available to employees upon actual retirement.

The employees are covered by two retirement systems whose retirement eligibility (D.R.O.P. entry) provisions are similar. We have used the following as representative of that eligibility: 25 years of service at any age, or age 60 and 10 years of service; for Police, 25 years of service at any age; age 50 and 20 years of service; age 55 and 12 years of service.

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

Fund Policy – Until 2008, the City of Gretna recognized the cost of providing post-employment medical benefits (the City of Gretna's portion of the retiree medical benefit premiums) as an expense when the benefit premiums were due and thus financed the cost of the post-employment

CITY OF GRETNA, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2015

NOTE D – OTHER NOTES (Continued)

3. Post Employment Health Care Benefits (Continued)

benefits on a pay-as-you-go basis. In 2015 and 2014, the City of Gretna's portion of health care funding cost for retired employees totaled \$72,794 and \$80,189, respectively.

Effective April 1, 2008, the City of Gretna implemented Government Accounting Standards Board Statement Number 45, *Accounting and Financial Reporting by Employers for Post-employment Benefits Other than Pensions* (GASB Codification Section P50). This amount was applied toward the Net OPEB Benefit Obligation as shown in the following table.

Annual Required Contribution – The City of Gretna's Annual Required Contribution (ARC) is an amount actuarially determined in accordance with GASB Codification Section P50. The ARC is the sum of the Normal Cost plus the contribution to amortize the Unfunded Actuarial Accrued Liability (UAAL). A level dollar, open amortization period of 30 years (the maximum amortization period allowed by GASB 43/45) has been used for the post-employment benefits. The actuarially computed ARC is as follows:

	<u>2015</u>	<u>2014</u>
Normal cost	\$ 22,083	\$ 8,060
30-year UAL amortization amount	51,462	47,334
Annual required contribution (ARC)	<u>\$ 73,545</u>	<u>\$ 55,394</u>

Net Post-employment Benefit Obligation (Asset) – The table below shows the City of Gretna's Net Other Post-employment Benefit (OPEB) Obligation for fiscal years ending March 31:

	<u>2015</u>	<u>2014</u>
Beginning Net OPEB Obligation	\$ 625,424	\$ 662,023
Annual required contribution	73,545	55,394
Interest on Net OPEB Obligation	25,017	26,481
ARC Adjustment	<u>(36,168)</u>	<u>(38,285)</u>
OPEB Cost	62,394	43,590
Contribution to Irrevocable Trust	-	-
Current year retiree premium	<u>(72,794)</u>	<u>(80,189)</u>
Change in Net OPEB Obligation	<u>(10,400)</u>	<u>(36,599)</u>
Ending Net OPEB Obligation	<u>\$ 615,024</u>	<u>\$ 625,424</u>

The following table shows the City of Gretna's annual post-employment benefits (PEB) cost, percentage of the cost contributed, and the net unfunded post-employment benefits (PEB) liability for last year and this year:

CITY OF GRETNA, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2015

NOTE D – OTHER NOTES (Continued)

3. Post-Employment Health Care Benefits (Continued)

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual Cost Contributed	Net OPEB Liability (Asset)
March 31, 2015	\$ 62,394	116.67%	\$ 615,024
March 31, 2014	\$ 43,590	183.96%	\$ 625,424

Funded Status and Funding Progress – In 2015 and 2014, the City of Gretna made no contributions to its post-employment benefits plan. The plan is not funded, has no assets, and hence has a funded ratio of zero. Based on the April 1, 2014 actuarial valuation, the most recent valuation, the Actuarial Accrued Liability (AAL) at the end of the year March 31, 2015 was \$925,512 which is defined as that portion, as determined by a particular actuarial cost method (the City of Gretna uses the Projected Unit Credit Cost Method), of the actuarial present value of post-employment plan benefits and expenses which is not provided by normal cost.

	<u>2015</u>	<u>2014</u>
Actuarial Accrued Liability (AAL)	\$ 925,512	\$ 851,089
Actuarial Value of Plan Assets (AVP)	-	-
Unfunded Act. Accrued Liability (UAAL)	<u>\$ 925,512</u>	<u>\$ 851,089</u>
Funded Ratio (AVP/AAL)	0.00%	0.00%
Covered Payroll (active plan members)	\$ 11,141,080	\$ 9,231,221
UAAL as a percentage of covered payroll	8.31%	9.22%

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

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

CITY OF GRETNA, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2015

NOTE D – OTHER NOTES (Continued)

3. Post-Employment Health Care Benefits (Continued)

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

Actuarial Value of Plan Assets – There are not any plan assets. It is anticipated that in future valuations, should funding take place, a smoothed market value consistent with Actuarial Standards Board ASOP 6, as provided in paragraph number 125 of GASB Statement 45.

Turnover Rate – An age-related turnover scale based on actual experience has been used. The rates, when applied to the active employee census, produce a composite average annual turnover of approximately 11%. Based on past experience, we have also assumed that 80% of future retirees decline coverage at retirement because of the substantial premiums required of the retiree.

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

Investment Return Assumption (Discount Rate) – GASB Statement 45 states that the investment return assumption should be the estimated long-term investment yield on the investments that are expected to be used to finance the payment of benefits (that is, for a plan which is funded). Based on the assumption that the ARC will not be funded, a 4% annual investment return has been used in this valuation.

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

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

Method of Determining Value of Benefits – The "value of benefits" has been assumed to be the portion of the premium after retirement date expected to be paid by the employer for each retiree

CITY OF GRETNA, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2015

NOTE D – OTHER NOTES (Continued)

3. Post-Employment Health Care Benefits (Continued)

and has been used as the basis for calculating the actuarial present value of OPEB benefits to be paid. Retirees are not covered for health insurance after age 65. Under the former "cost sharing" retiree medical coverage program, the employer paid for a percentage of the retiree premiums before age 65 based on length of service at retirement: 3 1/3 % (later reduced to 2.5%) for each year of service for twenty or more years of service, to a maximum of 100%. The former program was temporarily extended to certain eligible retired and active employees and has since been terminated with eleven retirees still eligible under the program and for whom the employer pays the appropriate "cost sharing" percentage. For current active employees retiring in the future, the retiree pays the entire premium. However, these premiums are based on a variation of the blended active/retired rate before Medicare eligibility (age 65). Since GASB 45 mandates that "unblended" rates applicable to the coverage provided to retirees be used, we have estimated the total "unblended" rates for retirees before Medicare eligibility to be 130% of the total blended active/retired rate, with the employer assumed to pay also the additional implied subsidy representing the difference between the unblended rate and the amount paid by the retiree, if any, based on the blended rate.

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

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

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

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

	OPEB Costs and Contributions		
	FY 2013	FY 2014	FY 2015
OPEB Cost	\$ 40,864	\$ 43,590	\$ 62,394
Contribution	0	0	0
Retiree premium	74,249	80,189	72,794
Total contribution and premium	<u>74,249</u>	<u>80,189</u>	<u>72,794</u>
Change in net OPEB obligation	<u>\$ (33,385)</u>	<u>\$ (36,599)</u>	<u>\$ (10,400)</u>
% of contribution to cost	0.00%	0.00%	0.00%
% of contribution plus premium to cost	181.70%	183.96%	116.67%

CITY OF GRETNA, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2015

NOTE D – OTHER NOTES (Continued)

4. Deferred Inflows of Resources

Activity for deferred inflows of resources during the year ended March 31, 2015, was as follows:

<u>Description</u>	<u>Balance</u> <u>March 31, 2014</u>	<u>Generated</u>	<u>Utilized</u>	<u>Balance</u> <u>March 31, 2015</u>
Governmental Activities:				
General Fund:				
Police property seizures	\$ <u>256,503</u>	\$ <u>18,332</u>	\$ <u>60,577</u>	\$ <u>214,258</u>

5. Contingencies and Commitments

The City is a defendant in several lawsuits including claims for damages from wrongful deaths, civil rights violations, injuries, property damage and other actions. The City’s attorneys have evaluated the open claims for the likelihood of an unfavorable outcome to the City and an amount of potential loss.

In most instances neither the outcome nor the amount of a potential loss could be estimated. In those cases where a potential outcome and an amount of potential loss could be determined total liability to the City is estimated to be not more than \$585,000.

The City carries insurance for general liability coverage in the amount of \$5,000,000, wrongful act liability coverage in the amount of \$5,000,000 and auto liability coverage in the amount of \$5,000,000.

Deductibles under these coverage’s are \$100,000 per occurrence and a retained limit combined aggregate of \$1,025,000. The City’s third party administrator has actuarially computed the City’s liability in all cases as of March 31, 2015 to be \$583,968. The city has not accrued a liability on its financial statements to provide for the estimated amount but it has provided a reserve of fund balance in its General Fund under the caption “Reserve for separation and settlement” in the amount of \$585,131.

6. Subsequent Events

Management of the City of Gretna has evaluated subsequent events through September 29, 2015, the date which the financial statements were available to be issued. The city is not aware of any subsequent events which would require recognition or disclosure in the financial statements.

REQUIRED SUPPLEMENTAL INFORMATION

CITY OF GRETNA, LOUISIANA
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
For the Year Ended March 31, 2015

	Budgeted Amounts		Actual GAAP Basis	Adjustments To Budget Basis	Actual Budget Basis	Variance with Final Budget Favorable (Unfavorable)
	Original	Final				
REVENUES						
Taxes	\$ 8,509,242	\$ 8,784,853	\$ 9,247,475	\$ -	\$ 9,247,475	\$ 462,623
Intergovernmental	1,041,394	906,894	1,028,989	-	1,028,989	122,095
Charges for services	250,750	255,000	232,900	-	232,900	(22,100)
Fines and forfeitures	4,992,650	5,190,022	5,722,108	-	5,722,108	532,086
Licenses and permits	1,064,800	1,151,000	1,234,219	-	1,234,219	83,219
Miscellaneous	187,885	365,015	535,303	-	535,303	170,288
Total revenues	<u>16,046,721</u>	<u>16,652,784</u>	<u>18,000,995</u>	<u>-</u>	<u>18,000,995</u>	<u>1,348,211</u>
EXPENDITURES						
Current:						
General government	2,701,709	2,779,860	3,034,070	7,579	3,041,649	(261,789)
Public safety	11,144,703	11,400,056	11,372,550	(52,752)	11,319,798	80,258
Public works	3,496,347	3,550,539	3,411,005	21,475	3,432,480	118,059
Cemetery	68,972	68,972	70,678	-	70,678	(1,706)
Capital outlay	518,400	705,858	760,352	32,910	793,262	(87,404)
Total expenditures	<u>17,930,131</u>	<u>18,505,285</u>	<u>18,648,654</u>	<u>9,212</u>	<u>18,657,866</u>	<u>(152,581)</u>
Excess (deficiency) of revenues over expenditures	<u>(1,883,410)</u>	<u>(1,852,501)</u>	<u>(647,659)</u>	<u>(9,212)</u>	<u>(656,871)</u>	<u>1,195,630</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	1,251,888	1,271,765	1,116,265	-	1,116,265	(155,500)
Transfers out	<u>(525,000)</u>	<u>(1,793,929)</u>	<u>(1,051,322)</u>	<u>-</u>	<u>(1,051,322)</u>	<u>742,607</u>
Total other financing source (uses)	<u>726,888</u>	<u>(522,164)</u>	<u>64,943</u>	<u>-</u>	<u>64,943</u>	<u>587,108</u>
Net change in fund balances	(1,156,522)	(2,374,665)	(582,716)	(9,212)	(591,928)	1,782,738
Fund balances - beginning	<u>11,445,893</u>	<u>11,445,893</u>	<u>11,445,893</u>	<u>(156,044)</u>	<u>11,289,849</u>	<u>(156,044)</u>
Fund balances - ending	<u>\$ 10,289,371</u>	<u>\$ 9,071,228</u>	<u>\$ 10,863,177</u>	<u>\$ (165,256)</u>	<u>\$ 10,697,921</u>	<u>\$ 1,626,694</u>

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

CITY OF GRETN, LOUISIANA
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
For the Year Ended March 31, 2015

	Budgeted Amounts		Actual	Adjustment	Actual	Variance with
	Original	Final	GAAP Basis	To Budget Basis	Budget Basis	Final Budget Favorable/ (Unfavorable)
Taxes:						
Ad valorem	\$ 2,411,098	\$ 2,464,644	\$ 2,480,489	\$ -	\$ 2,480,489	\$ 15,845
Sales	5,413,143	5,600,210	6,012,332	-	6,012,332	412,122
Franchises						
Entergy	300,000	315,000	328,395	-	328,395	13,395
Atmos Energy Company	60,000	65,000	70,784	-	70,784	5,784
Cable Television	210,000	225,000	236,984	-	236,984	11,984
Off Track Betting	115,000	115,000	118,494	-	118,494	3,494
Total taxes	8,509,241	8,784,854	9,247,477	-	9,247,477	462,624
Licenses and permits:						
Occupational licenses	415,000	400,000	416,090	-	416,090	16,090
Alcoholic beverage	53,800	55,000	54,650	-	54,650	(350)
Chain store	13,000	13,000	13,910	-	13,910	910
Plumbing	3,500	3,500	4,200	-	4,200	700
Electrical	7,000	7,000	7,675	-	7,675	675
Taxi cab	15,000	15,500	15,835	-	15,835	335
Recreational	14,000	13,500	14,500	-	14,500	1,000
Insurance	380,000	400,000	452,943	-	452,943	52,943
Fireworks	43,500	43,500	43,500	-	43,500	-
Issuance fee	5,000	5,000	5,450	-	5,450	450
Building	115,000	195,000	205,467	-	205,467	10,467
Total licenses and permits	1,064,800	1,151,000	1,234,219	-	1,234,219	83,219
Intergovernmental:						
Grants-Matching Funds	-	-	8,423	-	8,423	8,423
911 fees	47,580	47,580	47,580	-	47,580	0
Federal grant	234,314	234,314	245,849	-	245,849	11,535
Beer tax	49,500	45,000	44,278	-	44,278	(722)
State video poker	450,000	415,000	422,226	-	422,226	7,226
Jefferson parish council	90,000	-	96,000	-	96,000	96,000
Parish road tax	170,000	165,000	164,633	-	164,633	(367)
Total intergovernmental	1,041,394	906,894	1,028,989	-	1,028,989	122,095
Charges for services:						
Inspection fees						
Electrical	17,600	25,000	33,041	-	33,041	8,041
Plumbing	19,000	28,000	32,485	-	32,485	4,485
Resubdivision fees	11,150	13,000	14,450	-	14,450	1,450
Parking meter	110,000	100,000	78,031	-	78,031	(21,969)
Grass cutting fees	25,000	40,000	18,279	-	18,279	(21,721)
Other	68,000	49,000	56,614	-	56,614	7,614
Total charges for services	250,750	255,000	232,900	-	232,900	(22,100)

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

CITY OF GRETN, LOUISIANA
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
For the Year Ended March 31, 2015

	Budgeted Amounts		Actual GAAP Basis	Adjustment To Budget Basis	Actual Budget Basis	Variance with Final Budget Favorable/ (Unfavorable)
	Original	Final				
Fines and forfeitures:						
Fines	1,792,650	1,940,022	2,178,306	-	2,178,306	238,284
Speed enforcement program	3,000,000	3,000,000	3,179,224	-	3,179,224	179,224
Court cost	200,000	250,000	364,578	-	364,578	114,578
Total fines and forfeitures	<u>4,992,650</u>	<u>5,190,022</u>	<u>5,722,108</u>	<u>-</u>	<u>5,722,108</u>	<u>532,086</u>
Miscellaneous:						
Interest on invested funds	5,000	5,000	8,180	-	8,180	3,180
Rents	34,600	-	16,008	-	16,008	16,008
Insurance claims	-	17,625	38,484	-	38,484	20,859
Sale of assets	10,000	81,390	96,565	-	96,565	15,175
Other	138,285	261,000	376,066	-	376,066	115,066
Total miscellaneous	<u>187,885</u>	<u>365,015</u>	<u>535,303</u>	<u>-</u>	<u>535,303</u>	<u>170,288</u>
Total revenues	<u>\$ 16,046,720</u>	<u>\$ 16,652,785</u>	<u>\$ 18,000,997</u>	<u>\$ -</u>	<u>\$ 18,000,997</u>	<u>\$ 1,348,212</u>

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

CITY OF GRETN, LOUISIANA
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
For the Year Ended March 31, 2015

	Budgeted Amounts		Actual GAAP Basis	Adjustments To Budget Basis	Actual Budget Basis	Variance with Final Budget Favorable/ (Unfavorable)
	Original	Final				
General government:						
City administration:						
Personnel expenses	\$ 478,678	\$ 470,712	\$ 462,905	\$ -	\$ 462,905	\$ 7,807
Supplies	12,700	12,000	12,690	502	13,192	(1,192)
Service charges	510,172	542,182	549,287	7,292	556,578	(14,396)
Capital outlay	-	-	-	-	-	-
Total city administration	<u>1,001,550</u>	<u>1,024,894</u>	<u>1,024,882</u>	<u>7,794</u>	<u>1,032,676</u>	<u>(7,782)</u>
Elected officials:						
Personnel expenses	124,832	123,356	122,730	-	122,730	626
Supplies	4,800	10,800	9,746	-	9,746	1,054
Service charges	45,581	41,000	36,894	-	36,894	4,106
Capital outlay	-	-	-	-	-	-
Total elected officials	<u>175,213</u>	<u>175,156</u>	<u>169,370</u>	<u>-</u>	<u>169,370</u>	<u>5,787</u>
City attorney:						
Personnel expenses	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Service charges	417,711	459,288	694,947	-	694,947	(235,659)
Capital outlay	-	-	-	-	-	-
Total city attorney	<u>417,711</u>	<u>459,288</u>	<u>694,947</u>	<u>-</u>	<u>694,947</u>	<u>(235,659)</u>
Department of finance:						
Personnel expenses	638,059	646,115	645,658	-	645,658	457
Supplies	8,321	9,584	10,318	(215)	10,103	(520)
Service charges	190,950	186,150	201,754	-	201,754	(15,604)
Capital outlay	41,500	21,500	-	-	-	21,500
Total department of finance	<u>878,829</u>	<u>863,348</u>	<u>857,730</u>	<u>(215)</u>	<u>857,515</u>	<u>5,834</u>
Tax collection:						
Personnel expenses	182,069	141,794	140,914	-	140,914	881
Supplies	15,300	12,825	10,965	-	10,965	1,860
Service charges	72,536	124,054	135,264	-	135,264	(11,210)
Capital outlay	-	-	-	-	-	-
Total tax collection	<u>269,905</u>	<u>278,673</u>	<u>287,142</u>	<u>-</u>	<u>287,142</u>	<u>(8,469)</u>
Total general government	<u>2,743,209</u>	<u>2,801,360</u>	<u>3,034,070</u>	<u>7,579</u>	<u>3,041,649</u>	<u>(240,289)</u>
Less capital outlay	<u>41,500</u>	<u>21,500</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>21,500</u>
Total general government, net capital outlay	<u>\$ 2,701,709</u>	<u>\$ 2,779,860</u>	<u>\$ 3,034,070</u>	<u>\$ 7,579</u>	<u>\$ 3,041,649</u>	<u>\$ (261,789)</u>

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

CITY OF GRETN, LOUISIANA
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
For the Year Ended March 31, 2015

	Budgeted Amounts		Actual GAAP Basis	Adjustments To Budget Basis	Actual Budget Basis	Variance with Final Budget Favorable/ (Unfavorable)
	Original	Final				
Public safety:						
City court:						
Personnel expenses	\$ 715,595	\$ 705,524	\$ 721,262	\$ -	\$ 721,262	\$ (15,739)
Supplies	33,000	31,500	25,008	-	25,008	6,492
Service charges	78,013	93,100	93,373	-	93,373	(273)
Capital outlay	146,200	150,723	146,672	-	146,672	4,051
Total city court	<u>972,808</u>	<u>980,847</u>	<u>986,315</u>	<u>-</u>	<u>986,315</u>	<u>(5,469)</u>
City police:						
Personnel expenses	6,054,449	6,180,849	6,049,407	(10,750)	6,038,657	142,193
Supplies	592,500	500,500	532,280	(12,370)	519,910	(19,410)
Service charges	2,848,886	3,100,483	3,174,755	(30,285)	3,144,470	(43,987)
Capital outlay	197,200	366,700	424,321	15,154	439,475	(72,775)
Total city police	<u>9,693,036</u>	<u>10,148,533</u>	<u>10,180,762</u>	<u>(38,252)</u>	<u>10,142,512</u>	<u>6,020</u>
Zoning & code enforcement:						
Personnel expenses	311,516	316,603	312,252	-	312,252	4,351
Supplies	18,900	18,300	17,326	350	17,676	624
Service charges	118,950	81,850	66,788	-	66,788	15,062
Capital outlay	-	19,877	-	17,756	17,756	2,121
Total zoning & code enforcement	<u>449,366</u>	<u>436,630</u>	<u>396,366</u>	<u>18,106</u>	<u>414,472</u>	<u>22,158</u>
Building official:						
Personnel expenses	158,594	179,981	186,868	-	186,868	(6,887)
Supplies	9,000	10,400	10,126	304	10,430	(30)
Service charges	100,300	90,866	93,057	-	93,057	(2,191)
Capital outlay	-	-	-	-	-	-
Total building official	<u>267,894</u>	<u>281,247</u>	<u>290,051</u>	<u>304</u>	<u>290,355</u>	<u>(9,108)</u>
Emergency preparedness:						
Personnel expenses	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Service charges	105,000	90,100	90,049	-	90,049	51
Capital outlay	-	-	-	-	-	-
Total emergency preparedness	<u>105,000</u>	<u>90,100</u>	<u>90,049</u>	<u>-</u>	<u>90,049</u>	<u>51</u>
Total public safety	<u>11,488,103</u>	<u>11,937,356</u>	<u>11,943,543</u>	<u>(19,842)</u>	<u>11,923,703</u>	<u>13,653</u>
Less capital outlay	<u>343,400</u>	<u>537,300</u>	<u>570,993</u>	<u>32,910</u>	<u>603,904</u>	<u>(66,604)</u>
Total public safety, net capital outlay	<u>\$ 11,144,703</u>	<u>\$ 11,400,056</u>	<u>\$ 11,372,550</u>	<u>\$ (52,752)</u>	<u>\$ 11,319,800</u>	<u>\$ 80,256</u>

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

CITY OF GRETNA, LOUISIANA
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
For the Year Ended March 31, 2015

	Budgeted Amounts		Actual GAAP Basis	Adjustments To Budget Basis	Actual Budget Basis	Variance with Final Budget Favorable/ (Unfavorable)
	Original	Final				
Public works:						
Engineering:						
Personnel expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplies	-	-	-	-	-	-
Service charges	125,000	150,000	189,281	-	189,281	(39,281)
Capital outlay	-	-	-	-	-	-
Total engineering	<u>125,000</u>	<u>150,000</u>	<u>189,281</u>	<u>-</u>	<u>189,281</u>	<u>(39,281)</u>
Streets:						
Personnel expenses	1,246,563	1,268,780	1,240,932	-	1,240,932	27,848
Supplies	165,700	236,825	214,721	(679)	214,042	22,783
Service charges	1,563,664	1,539,524	1,422,615	26,305	1,448,920	90,604
Capital outlay	<u>133,500</u>	<u>147,058</u>	<u>189,358</u>	<u>-</u>	<u>189,358</u>	<u>(42,300)</u>
Total streets	<u>3,109,427</u>	<u>3,192,187</u>	<u>3,067,626</u>	<u>25,627</u>	<u>3,093,253</u>	<u>98,934</u>
Drainage:						
Personnel expenses	169,420	158,110	155,940	-	155,940	2,170
Supplies	40,000	38,300	31,167	(4,152)	27,016	11,284
Service charges	186,000	159,000	156,348	-	156,348	2,652
Capital outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total drainage	<u>395,420</u>	<u>355,410</u>	<u>343,457</u>	<u>(4,152)</u>	<u>339,304</u>	<u>16,107</u>
Total public works	<u>3,629,847</u>	<u>3,697,597</u>	<u>3,600,364</u>	<u>21,475</u>	<u>3,621,837</u>	<u>75,760</u>
Less capital outlay	<u>133,500</u>	<u>147,058</u>	<u>189,358</u>	<u>-</u>	<u>189,358</u>	<u>(42,300)</u>
Total public works, net capital outlay	<u>\$ 3,496,347</u>	<u>\$ 3,550,539</u>	<u>\$ 3,411,005</u>	<u>\$ 21,475</u>	<u>\$ 3,432,479</u>	<u>\$ 118,060</u>

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

CITY OF GRETN, LOUISIANA
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
For the Year Ended March 31, 2015

	Budgeted Amounts		Actual GAAP Basis	Adjustments To Budget Basis	Actual Budget Basis	Variance with Final Budget Favorable/ (Unfavorable)
	Original	Final				
Cemetery:						
Personnel expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplies	-	-	-	-	-	-
Service charges	68,972	68,972	70,678	-	70,678	(1,706)
Capital outlay	-	-	-	-	-	-
Total cemetery	<u>68,972</u>	<u>68,972</u>	<u>70,678</u>	<u>-</u>	<u>70,678</u>	<u>(1,706)</u>
Less capital outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total cemetery, net capital outlay	<u>68,972</u>	<u>68,972</u>	<u>70,678</u>	<u>-</u>	<u>70,678</u>	<u>(1,706)</u>
Total expenditures	<u>\$ 17,930,131</u>	<u>\$ 18,505,285</u>	<u>\$ 18,648,654</u>	<u>\$ 9,212</u>	<u>\$ 18,657,867</u>	<u>\$ (152,582)</u>

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

CITY OF GRETN, LOUISIANA
BUDGETARY COMPARISON SCHEDULE
FIRE PROTECTION
For the Year Ended March 31, 2015

	Budgeted Amounts		Actual GAAP Basis	Adjustments To Budget Basis	Actual Budget Basis	Variance with Final Budget Favorable (Unfavorable)
	Original	Final				
REVENUES						
Taxes						
Ad valorem	\$ 2,205,000	\$ 2,219,714	\$ 2,315,791	\$ -	\$ 2,315,791	\$ 96,077
Intergovernmental						
Fire insurance tax	1,255,000	98,769	395,977	-	395,977	297,208
Total revenues	<u>3,460,000</u>	<u>2,318,483</u>	<u>2,711,768</u>	<u>-</u>	<u>2,711,768</u>	<u>393,285</u>
EXPENDITURES						
Public safety						
Personnel expenses	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Service charges	1,844,531	1,836,901	1,845,538	-	1,845,538	(8,637)
Capital Outlay	3,400,000	1,500,000	829,877	-	829,877	670,123
Total expenditures	<u>5,244,531</u>	<u>3,336,901</u>	<u>2,675,415</u>	<u>-</u>	<u>2,675,415</u>	<u>661,486</u>
Excess (deficiency) of revenues over expenditures	<u>(1,784,531)</u>	<u>(1,018,418)</u>	<u>36,353</u>	<u>-</u>	<u>36,353</u>	<u>1,054,771</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	-
Total other financing source (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(1,784,531)	(1,018,418)	36,353	-	36,353	1,054,771
Fund balances - beginning	2,311,315	2,311,315	2,311,315	-	2,311,315	-
Fund balances - ending	<u>\$ 526,784</u>	<u>\$ 1,292,897</u>	<u>\$ 2,347,668</u>	<u>\$ -</u>	<u>\$ 2,347,668</u>	<u>\$ 1,054,771</u>

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

CITY OF GRETN, LOUISIANA
BUDGETARY COMPARISON SCHEDULE
RIVERBOAT CASINO FUND
For the Year Ended March 31, 2015

	Budgeted Amounts		Actual GAAP Basis	Adjustments To Budget Basis	Actual Budget Basis	Variance with Final Budget Favorable (Unfavorable)
	Original	Final				
REVENUES						
Intergovernmental						
Riverboat casino revenues	\$ 2,000,000	\$ 1,875,000	\$ 1,911,075	\$ -	\$ 1,911,075	\$ 36,075
Total revenues	<u>2,000,000</u>	<u>1,875,000</u>	<u>1,911,075</u>	<u>-</u>	<u>1,911,075</u>	<u>36,075</u>
OTHER FINANCING SOURCES						
(USES)						
Transfers out	(1,600,000)	(1,682,000)	(1,526,500)	-	(1,526,500)	155,500
Total other financing source (uses)	<u>(1,600,000)</u>	<u>(1,682,000)</u>	<u>(1,526,500)</u>	<u>-</u>	<u>(1,526,500)</u>	<u>155,500</u>
Net change in fund balances	400,000	193,000	384,575	-	384,575	191,575
Fund balances - beginning	<u>981,068</u>	<u>981,068</u>	<u>981,068</u>	<u>-</u>	<u>981,068</u>	<u>-</u>
Fund balances - ending	<u>\$ 1,381,068</u>	<u>\$ 1,174,068</u>	<u>\$ 1,365,643</u>	<u>\$ -</u>	<u>\$ 1,365,643</u>	<u>\$ 191,575</u>

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

CITY OF GRETN, LOUISIANA
BUDGETARY COMPARISON SCHEDULE
CAPITAL PROJECTS FUND
For the Year Ended March 31, 2015

	Budgeted Amounts		Actual GAAP Basis	Adjustments To Budget Basis	Actual Budget Basis	Variance with Final Budget Favorable (Unfavorable)
	Original	Final				
REVENUES						
Intergovernmental						
Jefferson parish council	\$ 250,000	\$ 250,000	\$ -	\$ -	\$ -	\$ (250,000)
Federal grant	3,895,559	2,017,280	2,607,061	-	2,607,061	589,781
State grant	3,643,250	2,005,555	2,136,853	-	2,136,853	131,298
Community development	-	-	-	-	-	-
Miscellaneous						
Interest	-	25	61	-	61	36
Other	-	-	-	-	-	-
Total revenues	<u>7,788,809</u>	<u>4,272,860</u>	<u>4,743,975</u>	<u>-</u>	<u>4,743,975</u>	<u>471,115</u>
EXPENDITURES						
Public works	595,195	440,445	315,859	21,600	337,459	102,986
Capital outlay	<u>10,360,381</u>	<u>7,972,394</u>	<u>7,063,267</u>	<u>100,067</u>	<u>7,163,334</u>	<u>809,060</u>
Total expenditures	<u>10,955,576</u>	<u>8,412,839</u>	<u>7,379,126</u>	<u>121,667</u>	<u>7,500,793</u>	<u>912,046</u>
Excess (deficiency) of revenues over expenditures	<u>(3,166,767)</u>	<u>(4,139,979)</u>	<u>(2,635,151)</u>	<u>(121,667)</u>	<u>(2,756,819)</u>	<u>1,383,160</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	848,004	2,033,930	1,436,326	-	1,436,326	(597,604)
Transfers out	<u>(154,892)</u>	<u>(154,892)</u>	<u>(258,620)</u>	<u>-</u>	<u>(258,620)</u>	<u>(103,728)</u>
Total other financing source (uses)	<u>693,112</u>	<u>1,879,038</u>	<u>1,177,706</u>	<u>-</u>	<u>1,177,706</u>	<u>(701,332)</u>
Net change in fund balances	(2,473,655)	(2,260,941)	(1,457,445)	(121,667)	(1,579,113)	681,828
Fund balances - beginning	<u>2,595,494</u>	<u>2,595,494</u>	<u>2,595,494</u>	<u>-</u>	<u>2,595,494</u>	<u>-</u>
Fund balances - ending	<u>\$ 121,839</u>	<u>\$ 334,553</u>	<u>\$ 1,138,049</u>	<u>\$ (121,667)</u>	<u>\$ 1,016,381</u>	<u>\$ 681,828</u>

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

CITY OF GRETN, LOUISIANA
BUDGETARY COMPARISON SCHEDULE
DEBT SERVICE FUND
For the Year Ended March 31, 2015

	Budgeted Amounts		Actual GAAP Basis	Adjustments To Budget Basis	Actual Budget Basis	Variance with Final Budget Favorable (Unfavorable)
	Original	Final				
REVENUES						
Taxes						
Sales	\$ 1,228,136	\$ 1,204,974	\$ 1,204,973	\$ -	\$ 1,204,973	\$ (1)
Miscellaneous						
Interest on invested funds	200	165	174	-	174	9
Total revenues	<u>1,228,336</u>	<u>1,205,139</u>	<u>1,205,147</u>	<u>-</u>	<u>1,205,147</u>	<u>8</u>
EXPENDITURES						
Debt service:						
Principal retirement	732,000	357,000	357,000	-	357,000	-
Interest	521,390	481,042	485,337	-	485,337	(4,295)
Cost of issuance	-	98,649	89,020	-	89,020	9,629
Total expenditures	<u>1,253,390</u>	<u>936,691</u>	<u>931,357</u>	<u>-</u>	<u>931,357</u>	<u>5,334</u>
Excess (deficiency) of revenues over expenditures	<u>(25,054)</u>	<u>268,448</u>	<u>273,790</u>	<u>-</u>	<u>273,790</u>	<u>5,342</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	-
Refunding 2014 Bonds	-	6,085,000	6,085,000	-	6,085,000	-
Payment to refund 2014 bonds	-	(6,375,000)	(6,375,000)	-	(6,375,000)	-
Total other financing source (uses)	<u>-</u>	<u>(290,000)</u>	<u>(290,000)</u>	<u>-</u>	<u>(290,000)</u>	<u>-</u>
Net change in fund balances	(25,054)	(21,552)	(16,210)	-	(16,210)	5,342
Fund balances - beginning	1,600,426	1,600,426	1,600,426	-	1,600,426	-
Fund balances - ending	<u>\$ 1,575,372</u>	<u>\$ 1,578,874</u>	<u>\$ 1,584,216</u>	<u>\$ -</u>	<u>\$ 1,584,216</u>	<u>\$ 5,342</u>

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

**SCHEDULE OF FUNDING PROGRESS
FOR OTHER POSTEMPLOYEMENT BENEFITS PLAN**

CITY OF GRETN, LOUISIANA
SCHEDULE OF FUNDING PROGRESS
FOR OTHER POSTEMPLOYMENT BENEFITS PLAN
For The Year Ended March 31, 2015

	Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL) Entry Age	Unfunded AAL (UAAL)	Funded Ration	Covered Payroll	UAAL As A Percentage of Covered Payroll
Medical	March 31, 2015	\$ -	\$ 925,512	\$ 925,512	0.00%	\$ 11,141,080	8.31%
Medical	March 31, 2014	\$ -	\$ 851,089	\$ 851,089	0.00%	\$ 9,231,221	9.22%
Medical	March 31, 2013	\$ -	\$ 818,355	\$ 818,355	0.00%	\$ 9,037,808	9.05%

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

OTHER SUPPLEMENTAL INFORMATION

CITY OF GRETNA, LOUISIANA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
March 31, 2015

Speical Revenue

	GARBAGE FUND	RECREATION FUND	SOCIAL SERV FOR THE AGED FUND	STREET LIGHTS FUND	TOURISM FUND	AMBULANCE FUND	HOME INCARCERATION FUND	COURT SECURITY 24TH JDC FUND	COURT SECURITY 2ND PARISH FUND	Total Nonmajor General Fund
ASSETS										
Cash and cash equivalents	\$ 52,076	\$ 394,458	\$ 189,710	\$ 381,532	\$ -	\$ 396,384	\$ 66,622	\$ 309,605	\$ 65,037	\$ 1,855,424
Receivables, net	151,507	52,368	6,099	37,411	2,622	82,673	-	-	-	332,680
Due from other governments	-	992	-	-	343,912	29,799	78,811	21,830	42,084	517,428
Total assets	<u>\$ 203,583</u>	<u>\$ 447,818</u>	<u>\$ 195,809</u>	<u>\$ 418,943</u>	<u>\$ 346,534</u>	<u>\$ 508,856</u>	<u>\$ 145,433</u>	<u>\$ 331,435</u>	<u>\$ 107,121</u>	<u>\$ 2,705,532</u>
LIABILITIES										
Accounts payable	\$ 127,440	\$ 21,831	\$ -	\$ 1,794	\$ 18,264	\$ 24,990	\$ 16,752	\$ 18,448	\$ 2,671	\$ 232,190
Due to other funds	-	-	-	-	92,650	5,637	-	-	-	98,287
Total liabilities	<u>127,440</u>	<u>21,831</u>	<u>-</u>	<u>1,794</u>	<u>110,914</u>	<u>30,627</u>	<u>16,752</u>	<u>18,448</u>	<u>2,671</u>	<u>330,477</u>
DEFERRED INFLOWS OF RESOURCES										
Total deferred inflow of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities and deferred inflows of resources	<u>127,440</u>	<u>21,831</u>	<u>-</u>	<u>1,794</u>	<u>110,914</u>	<u>30,627</u>	<u>16,752</u>	<u>18,448</u>	<u>2,671</u>	<u>330,477</u>
FUND BALANCES (DEFICITS)										
Committed										
Encumbrances	-	10,059	-	136,455	-	661	-	-	-	147,175
Assigned										
Culture & Recreation	-	415,928	195,809	-	628	-	-	-	-	612,365
Public safety	-	-	-	-	-	477,568	128,681	312,987	104,450	1,023,686
Public works	76,143	-	-	280,694	-	-	-	-	-	356,837
Subsequent year expenditures	-	-	-	-	234,992	-	-	-	-	234,992
Total fund balances (deficits)	<u>76,143</u>	<u>425,987</u>	<u>195,809</u>	<u>417,149</u>	<u>235,620</u>	<u>478,229</u>	<u>128,681</u>	<u>312,987</u>	<u>104,450</u>	<u>2,375,055</u>
Total liabilities and fund balances (deficits)	<u>\$ 203,583</u>	<u>\$ 447,818</u>	<u>\$ 195,809</u>	<u>\$ 418,943</u>	<u>\$ 346,534</u>	<u>\$ 508,856</u>	<u>\$ 145,433</u>	<u>\$ 331,435</u>	<u>\$ 107,121</u>	<u>\$ 2,705,532</u>

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

CITY OF GRETNA, LOUISIANA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended March 31, 2015

	Special Revenue									Total Nonmajor General Fund
	GARBAGE FUND	RECREATION FUND	SOCIAL SERV FOR THE AGED FUND	STREET LIGHTS FUND	TOURISM FUND	AMBULANCE FUND	HOME INCARCERATION FUND	COURT 24TH JDC FUND	COURT 2ND PARISH FUND	
REVENUES										
Ad valorem	\$ -	\$ 690,365	\$ 76,672	\$ 432,577	\$ -	\$ 1,026,332	\$ -	\$ -	\$ -	\$ 2,225,946
Sales	-	-	-	-	24,051	-	-	-	-	24,051
Intergovernmental	-	-	-	-	682,162	-	833,902	1,099,338	271,803	2,887,205
Charges for services	1,507,094	63,385	285	-	8,700	464,590	-	-	-	2,044,054
Miscellaneous	300	7,260	-	-	1,847	30,155	-	-	-	39,562
Total revenues	<u>1,507,394</u>	<u>761,010</u>	<u>76,957</u>	<u>432,577</u>	<u>716,760</u>	<u>1,521,077</u>	<u>833,902</u>	<u>1,099,338</u>	<u>271,803</u>	<u>7,220,818</u>
EXPENDITURES										
Current:										
Public safety	-	-	-	-	-	1,496,109	781,433	1,115,553	256,946	3,650,041
Public works	1,478,538	-	-	341,626	-	-	-	-	-	1,820,164
Culture and recreation	-	708,526	38,562	-	931,768	-	-	-	-	1,678,856
Capital outlay:										
Capital Outlay	-	31,172	-	-	-	175,698	-	5,787	-	212,657
Total expenditures	<u>1,478,538</u>	<u>739,698</u>	<u>38,562</u>	<u>341,626</u>	<u>931,768</u>	<u>1,671,807</u>	<u>781,433</u>	<u>1,121,340</u>	<u>256,946</u>	<u>7,361,718</u>
Excess (deficiency) of revenues over	<u>28,856</u>	<u>21,312</u>	<u>38,395</u>	<u>90,951</u>	<u>(215,008)</u>	<u>(150,730)</u>	<u>52,469</u>	<u>(22,002)</u>	<u>14,857</u>	<u>(140,900)</u>
OTHER FINANCING SOURCES (USES)										
Transfers in	-	-	-	-	200,000	-	-	-	-	200,000
Total other financing source (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>200,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>200,000</u>
Net change in fund balances	28,856	21,312	38,395	90,951	(15,008)	(150,730)	52,469	(22,002)	14,857	59,100
Fund balances - beginning	47,287	404,675	157,414	326,198	250,628	628,959	76,212	334,989	89,593	2,315,955
Fund balances - ending	<u>\$ 76,143</u>	<u>\$ 425,987</u>	<u>\$ 195,809</u>	<u>\$ 417,149</u>	<u>\$ 235,620</u>	<u>\$ 478,229</u>	<u>\$ 128,681</u>	<u>\$ 312,987</u>	<u>\$ 104,450</u>	<u>\$ 2,375,055</u>

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

SCHEDULE OF COMPENSATION OF ELECTED OFFICIALS

CITY OF GRETNA, LOUISIANA
SCHEDULE OF COMPENSATION PAID TO
CITY COUNCIL
For The Year Ended March 31, 2015

<u>COUNCILMAN</u>	<u>SALARY</u>
Wayne A. Rau	\$ 17,000
Joseph Marino	\$ 17,000
Mark Miller	\$ 17,000
Milton Crosby, Sr.	\$ 17,000
Jackie J Berthelot	\$ 17,000

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

CITY OF GRETNA, LOUISIANA
SCHEDULE OF COMPENSATION, REIMBURSEMENTS, BENEFITS
AND OTHER PAYMENTS TO AGENCY HEAD
For The Year Ended March 31, 2015

<u>Agency Head: Mayor Belinda Constant</u>	<u>AMOUNT</u>
Salary	\$ 70,000
Benefits - insurance	6,626
Benefits - retirement	13,777
Benefits - other	-
Reimbursements	905
Travel	2,979
Registration fees	190
Conference travel	979
Continuing professional education fees	350
Total	<u>\$ 95,806</u>

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

**CITY OF GRETNA
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE
YEAR ENDED MARCH 31, 2015**

DESCRIPTION	CFDA NUMBER	GRANT NUMBER	TOTAL GRANT AWARD	TOTAL EXPENDITURES
DEPARTMENT OF TRANSPORTATION				
Passed Through Louisiana Department of Transportation and Development				
Recreational Trails Program	20.219	H.007697	\$ 60,900	\$ 18,267
Safe Routes to Schools, Mc Donoughville	20.200	H.007216	285,100	-
Safe Routes to Schools, Jonesville	20.200	H.006525	<u>162,000</u>	<u>1,800</u>
TOTAL DEPARTMENT OF TRANSPORTATION			508,000	20,067
DEPARTMENT OF JUSTICE				
Direct Awards				
Criminal Investigation Major Crime Initiative	16.738	2010-DJ-BX-0338	7,520	7,520
Bullet Proof Vest Partnership	16.607	-	11,424	1,142
Bullet Proof Vest Partnership	16.607	-	7,975	6,833
Passed Through Louisiana Commission on Law Enforcement				
Child Advocacy Program	16.575	2013-VA-03-1525	43,548	35,953
Victim Assistance	16.575	2013-VA-01/02/04-1695	35,740	18,093
Victim Assistance	16.575	2014-VA-01/03/02-2193	71,120	15,600
Multi Jurisdiction Task Force	16.738	2013-DJ-01-1423	52,325	41,330
Multi Jurisdiction Task Force	16.738	2014-DJ-01-2245	49,580	6,065
Passed Through Jefferson Parish Sheriff's Office				
Multi Jurisdiction Task Force	16.738	2013-DJ-01-1404	<u>20,559</u>	<u>20,559</u>
TOTAL DEPARTMENT OF JUSTICE			299,791	153,095
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				
Passed Through Louisiana Office of Community Development				
Disaster Recovery Program	14.228	26 MIPL 2501	<u>1,800,000</u>	<u>1,260,555</u>
TOTAL DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			1,800,000	1,260,555
DEPARTMENT OF HOMELAND SECURITY				
Additional Water Tower	97.036	PA-LA-1603	943,334	103,728
Disaster Grant Direct Administrative Hurricane Cost Hurricane Katrina	97.036	PA-LA-1603	520,730	152,000
Elevation Flood Proofing Wind Retrofit	97.039	1603-DR-LA 0280	2,051,929	1,322,683
Port Security Grant Program-GPD/Specops Maritime Awareness	97.056	200-PU-T9-K 040	126,054	26,281
Passed Through Jefferson Parish OHSEP				
Strategic Highway Safety Plan	97.067	EMW-2011-SS-0124-SO1	<u>24,150</u>	<u>24,150</u>
TOTAL DEPARTMENT OF HOMELAND SECURITY			3,666,197	1,628,842
DEPARTMENT OF HEALTH AND HUMAN SERVICES				
National Hospital Preparedness Program	93.889	-	<u>6,447</u>	<u>6,447</u>
TOTAL DEPARTMENT OF HEALTH AND HUMAN SERVICES			6,447	6,447
TOTAL			<u>\$ 6,280,435</u>	<u>\$ 3,069,006</u>

**CITY OF GRETNA, LOUISIANA
NOTES TO SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE
MARCH 31, 2015**

NOTE A - FISCAL PERIOD AUDITED

Single audit testing procedures were performed for program transactions occurring during the year ended March 31, 2015. Federal financial assistance received during the year did meet the criteria set forth in the Single Audit Act and OMB Circular A-133. Grant terms are indicated in the Schedule of Federal Financial Assistance.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Basis of Presentation

The accompanying Schedule of Federal Financial Assistance has been prepared on the accrual basis of accounting. Grant revenues are recorded for financial reporting purposes when the City has met the qualifications for the respective grants. Costs incurred in programs partially funded by federal grants are applied against federal grant funds to the extent of revenue available when they properly apply to the grant.

NOTE C – CORRECTIONS TO PRIOR YEAR SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE

The following Federal Programs were not included on the original Schedule of Federal Financial Assistance for the Fiscal Years as follows:

	<u>CFDA Number</u>	<u>Grant Number</u>	<u>Total Grant Award</u>	<u>Total Expenditures</u>
Department of Housing And Urban Development				
Fiscal Year Ended March 31, 2012				
Westbank Major Crimes Task Force Passed through Louisiana Disaster Recovery Unit Louisiana Office of Community Development	14.228	B-06-DG-22-0001	\$ 150,000	\$ 75,284
Fiscal Year Ended March 31, 2013				
Comprehensive Resiliency Program Passed Through Louisiana Office of Community Development	14.228	B-08-DI-22-001	\$ 90,199	\$ 43,810
Department of Homeland Security				
Fiscal Year Ended March 31, 2014				
Port Security Grant Passed Through Lower Mississippi River Port Wide Strategic Security Council	97.056	2009-PU-T9-K-040	\$ 126,054	\$ 10,225
Strategic Highway Safety Plan Passed through Jefferson Parish OHSEP	97.067	EMW-2011-SS-0124-SOI	\$ 5,000	\$ 5,000

**CITY OF GRETNA, LOUISIANA
NOTES TO SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE (CONTINUED)
MARCH 31, 2015**

**NOTE C – CORRECTIONS TO PRIOR YEAR SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE
(Continued)**

The following Federal Programs were reported incorrectly on the original Schedule of Federal Financial Assistance for the Fiscal Years as follows:

	<u>CFDA Number</u>		<u>Grant Number</u>		<u>Total Grant Award</u>		<u>Total Expenditures</u>
Department of Housing And Urban Development							
Fiscal Year Ended March 31, 2011							
Westbank Major Crimes Task Force Passed through Louisiana Disaster Recovery Unit Louisiana Office of Community Development	14.228	*	B-06-DG-22-0001		\$ 150,000		\$ 74,716

* Originally reported under CFDA 14.225

Department of Justice

Fiscal Year Ended March 31, 2014

Victim Assistance Grant Passed through Louisiana Commission on Law Enforcement	16.575		2013-VA-01/02/04-1695		\$ 35,740	**	\$ 17,647
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** Expenditure originally reported as \$20,922 which included local share

Had these programs been reported on the original Schedules of Federal Financial Assistance it would not have affected the selection of Major Programs as required under OMB A-133

**OTHER INDEPENDENT AUDITOR'S REPORTS
AND FINDINGS AND RECOMMENDATIONS**

**INDEPENDENT AUDITOR'S 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***

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Society of Louisiana Certified Public Accountants

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

**Honorable Mayor and Members of the City Council
City of Gretna, Louisiana**

We have audited, 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, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Gretna, Louisiana, (the City) as of and for the year ended March 31, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated September 29, 2015.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we have reported to management of the City in a separate letter dated September 29, 2015.

The City's Response to Findings

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Under the Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Camnetar & Co.

Camnetar & Co., CPAs
a professional accounting corporation

Gretna, Louisiana
September 29, 2015

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
FOR EACH MAJOR PROGRAM AND ON INTERNAL
CONTROL OVER COMPLIANCE REQUIRED
BY OMB CIRCULAR A-133**

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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE
REQUIRED BY OMB CIRCULAR A-133**

**Honorable Mayor and Members of the City Council
City of Gretna, Louisiana**

Report on Compliance for Each Major Federal Program

We have audited City of Gretna, Louisiana's (the City) compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended March 31, 2015. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the City's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and 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 City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended March 31, 2015.

Report on Internal Control Over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Under the Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Camnetar & Co.

Camnetar & Co., CPAs
a professional accounting corporation

Gretna, Louisiana
September 29, 2015

FINDINGS AND RECOMMENDATIONS

**CITY OF GRETNA, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED MARCH 31, 2015**

We have audited the general purpose financial statements of the City of Gretna, Louisiana as of and for the year ended March 31, 2015, and have issued our report thereon dated September 29, 2015. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, and the provisions of OMB Circular A133. Our audit of the financial statements as of March 31, 2015 resulted in an unqualified opinion.

Section I Summary of Auditor's Reports

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

Internal Control
 Material Weaknesses Yes No Significant Deficiencies Yes No

Compliance
 Compliance Material to Financial Statements Yes No

b. Federal Awards

Internal Control
 Material Weaknesses Yes No Significant Deficiencies Yes No

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

Are their findings required to be reported in accordance with Circular A-133, Section .510(a)?

Yes No

Was a management letter issued?

Yes No

c. Identification of Major Programs:

- Department of Housing and Urban Development – Community Development Grants Disaster Recovery Program CFDA 14.228
- Department of Homeland Security-Elevation Flood Proofing Wind Retrofit CFDA 97.039

Dollar threshold used to distinguish between Type A and Type B Programs: \$300,000

Is the auditee a “low-risk” auditee, as defined by OMB Circular A-133? Yes No

**CITY OF GRETNA, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued)
FOR THE YEAR ENDED MARCH 31, 2015**

Section II Financial Statement Findings

A – Issues of Noncompliance

NONE

B – Significant Deficiencies

NONE

Section III Federal Award Findings and Questioned Costs

NONE

SCHEDULE OF PRIOR YEAR FINDINGS

**CITY OF GRETNA, LOUISIANA
SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED MARCH 31, 2015**

SECTION I - INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS

2014-1 Budgetary Authority and Control – The City failed to maintain control over budgeted expenditures and revenues within limits established under State law. (Resolved)

SECTION II - INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FEDERAL FUNDS

NONE

SECTION III - MANAGEMENT LETTER

2014-2 – Financial Assistance Monitoring – Recommendation to set up a system that identifies grants when applied for and subsequently awarded. Also, identify the individual who is responsible for the grant administration and compliance. These files should be maintained in finance department. (Partially Resolved)

**CORRECTIVE ACTION PLAN
FOR
CURRENT YEAR AUDIT FINDINGS**

**CITY OF GRETNA, LOUISIANA
MANAGEMENT'S CORRECTIVE ACTION PLAN
FOR THE YEAR ENDED MARCH 31, 2015**

Section I - Internal Control And Compliance Material To The Financial Statement

NONE

Section II - Internal Control And Compliance Material To Federal Awards

NONE

Section III - Management Letter

2015-1 Financial Assistance Monitoring – The City receives grants from various sources. Many of the grants are federal grants passed through various state and parish agencies. Administration of these grants is not centralized. We suggest a procedure that identifies grants when applied for and the creation of a grant filing system to be maintained by the City's Finance Department. At a minimum the grant application, the subsequent award letter or its equivalent, as well as other appropriate grant documents should be included in the file. The grants should be identified by a unique identifier number and a log of all grants should be maintained. All grant requests should be signed by the mayor.

Management's Response:

Management agrees that a system should be developed and implemented to identify grants when applied for and subsequently awarded. This system should identify the responsible person for the grant administration and compliance. A central file will be maintained within the finance department and a quarterly report will be generated and circulated to all key city directors including the Mayor and Police Chief. Any additions, deletions, and corrections will be noted and reported to the finance department. These files will be updated quarterly and will culminate with an annual end of year meeting to review, discuss, and prepare all documentation needed for the annual audit. The Mayor is in the process of scheduling meetings with the Chief of Police, affected department heads, and other parties affected by this implementation. The result of these meetings will yield a system that identifies grants when applied for and provides for centralized monitoring throughout the process.