



**POPULAR REPORT
FOR THE YEAR ENDED
DECEMBER 31, 2017**



**Jefferson Parish
State of Louisiana**



**Prepared by
the Department of Finance**

PROFILE OF THE PARISH OF JEFFERSON

Jefferson Parish, Louisiana was established in 1825 and was named in honor of President Thomas Jefferson, commemorating his role in purchasing the Louisiana territory from France in 1803. The Parish originally extended from present day Felicite Street in New Orleans, Louisiana, to the St. Charles Parish line. As Orleans Parish grew, it annexed from Jefferson Parish such established areas as the Garden District, Lafayette, Jefferson, and Carrollton. The present boundary was set in 1874, and in 1884 the seat of Parish government was transferred to Gretna, where it remains to this day.

The Parish straddles the Mississippi River and encompasses some 359 square miles of land from Lake Pontchartrain on the north to the Gulf of Mexico on the south.

Future job growth in Jefferson Parish is expected to be concentrated heavily in the construction and service industries, especially in professional services such as law, medicine, accounting, engineering, information technology, and financial services.

Jefferson Parish offers some of the finest medical care in the nation with world-renowned institutions staffed by pioneering physicians. The Parish provides oversight to its hospital, in East Jefferson, and privately owned institutions that provide a full range of services including acute care as well as specialized services. In addition, Jefferson Parish Hospital Service District No. 1 ("District") d/b/a West Jefferson Medical Center executed a Master Hospital Lease, effective October 1, 2015, for the lease of the Hospital and all other real property owned by the District that is used in connection with the business , control and operations of the facilities.

There are no local, personal, or corporate income taxes in Jefferson Parish. Furthermore, there are no state ad valorem (property) taxes, and local property taxes and water rates in our Parish are among the lowest in the nation.

REPORTING ENTITY AND ITS SERVICES

The Parish of Jefferson's system of government was established by its Home Rule Charter which became effective in .1958 with charter amendments in 1996, 2002, 2011 , and 2014. The Parish operates under a president-council form of government with seven Councilmembers and a Parish President who are each elected for four-year , concurrent terms.

The Parish President is the Chief Administrative Officer of the Parish. The Parish President is responsible to the Parish Council for carrying out policies adopted by the Council, and is the supervisor of all Parish departments and offices. He has the power to appoint and remove, subject to the provisions of the Charter, all administrative officers and employees responsible to him. The Parish President submits the Parish budget to the Council for approval at least sixty days before the end of the calendar year.

The Parish Council is the legislative body of the Parish and may adopt such ordinances and resolutions as may be needed to function. The Council consists of two Councilmembers-at-large who are elected parish-wide and five Councilmembers elected in geographic districts of the Parish. The Council elects one at-large member to be designated Council Chair and another councilmember to serve as Vice-Chair. The present Council was inaugurated in January 2016 and will serve for four years.

The government provides many services including garbage services, fire protection services, construction and maintenance of highways, streets, and infrastructure, recreational activities, library services, animal control, and mass transit.

The following is an overview of the Parish's financial position for the year ended December 31, 2017, as reported in the Parish's Comprehensive Annual Financial Report (CAFR) copies of which can be obtained through the Jefferson Parish Finance Director's Office, 504-364-2767 or on the web at www.jeffparish.net. All amounts, unless otherwise indicated, are expressed in thousands of dollars.

The Parish's financial information is presented in conformity with Generally Accepted Accounting Principles (GAAP) except for the elimination of the component units of the Parish which are not included in this Popular Report. These include the Jefferson Parish Economic Development Commission (JEDCO), Jefferson Parish Finance Authority, Hospital Service District No. 2 (East Jefferson General Hospital) Jefferson Facilities, Inc. (JFI), and Jefferson Redevelopment, Inc. (JRI).

This financial information also does not include the Jefferson Parish Sheriff's Office, Clerk of Court, Assessor, Coroner, District Attorney or Public School System which are governed by their own entities. Nor does this information include incorporated municipalities — Kenner, Grand Isle, Gretna, Harahan, Lafitte and Westwego.

This Popular Report only includes information pertaining to the primary government which is divided between governmental activities and business-type activities.

Governmental activities are supported by tax dollars for services such as libraries, drainage, fire protection, parks and transit.

Business-type activities are primarily funded through the sale of services or goods and services and include the water and sewerage departments and Hospital Service District No. 1.

Jefferson Parish, Louisiana
Condensed Statement of Net Position
(in thousands of dollars)

	<u>Governmental activities</u>		<u>Business-type activities</u>		<u>Total</u>	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Total assets	\$ 2,464,370	\$ 2,297,140	\$ 922,163	\$ 921,409	\$ 3,386,533	\$ 3,218,549
Total deferred outflows of resources	73,974	100,317	11,614	17,500	85,588	117,817
Total liabilities	853,088	768,258	330,813	347,848	1,183,901	1,116,106
Total deferred inflows of resources	11,677	9,277	2,845	1,333	14,522	10,610
Net Position:						
Net investment in capital assets	1,015,204	1,086,233	635,845	644,096	1,651,049	1,730,329
Restricted	532,351	457,028	92,789	83,005	625,140	540,033
Unrestricted	126,024	76,661	(128,515)	(137,373)	(2,491)	(60,712)
Total net position	\$ 1,673,579	\$ 1,619,922	\$ 600,119	\$ 589,728	\$ 2,273,698	\$ 2,209,650

GOVERNMENTAL ACTIVITIES

Governmental total net position increased to \$1,673,579 from 1,619,922 representing an increase of \$53,657 or 3.3% which is mostly due to capitalization of the Parish's capital assets and payment of long term debt.

Sales taxes increased to \$150,028 from \$148,210 in 2016 representing an increase of \$1,818 or 1.2%. The slight increase reflects the gradual economic recovery being experienced nationwide. Ad valorem (property) taxes increased to \$199,865 from \$198,951 representing a slight decrease of \$914 or .5%.

Charges for Services increased to \$73,152 from \$71,994 representing an increase of \$1,158 or 1.6%.

Miscellaneous revenues increased to \$21,684 from \$21,364 representing a slight increase of \$320 or 1.5%.

GENERAL FUND AND OTHER MAJOR FUNDS

The General Fund, which is the chief operating fund of the Parish, had a fund balance of \$25,770 from \$26,229 in 2016 representing a decrease of \$459 or 1.7%.

The Federal and State Grants Special Revenue Fund reported a fund balance of \$9,258 compared to of \$7,899 in 2016 representing an increase of \$1,359 or 17.2% in fund balance for the year ended December 31, 2017.

The East Bank Consolidated Fire District reported a fund balance of \$16,802 compared to \$14,475 in 2016 representing a \$2,327 increase or 16.1% primarily due to a conservation of funds for subsequent year expenditures.

The Drainage and Pump Station Capital Projects Fund reported a fund balance of \$149,098 compared to \$142,032 in 2016 representing an increase of \$7,066 or 5.0% due to conservation of funds for subsequent year expenditures, efforts to reduce spending and/or budgeting for anticipated expenditures not realized in 2017.

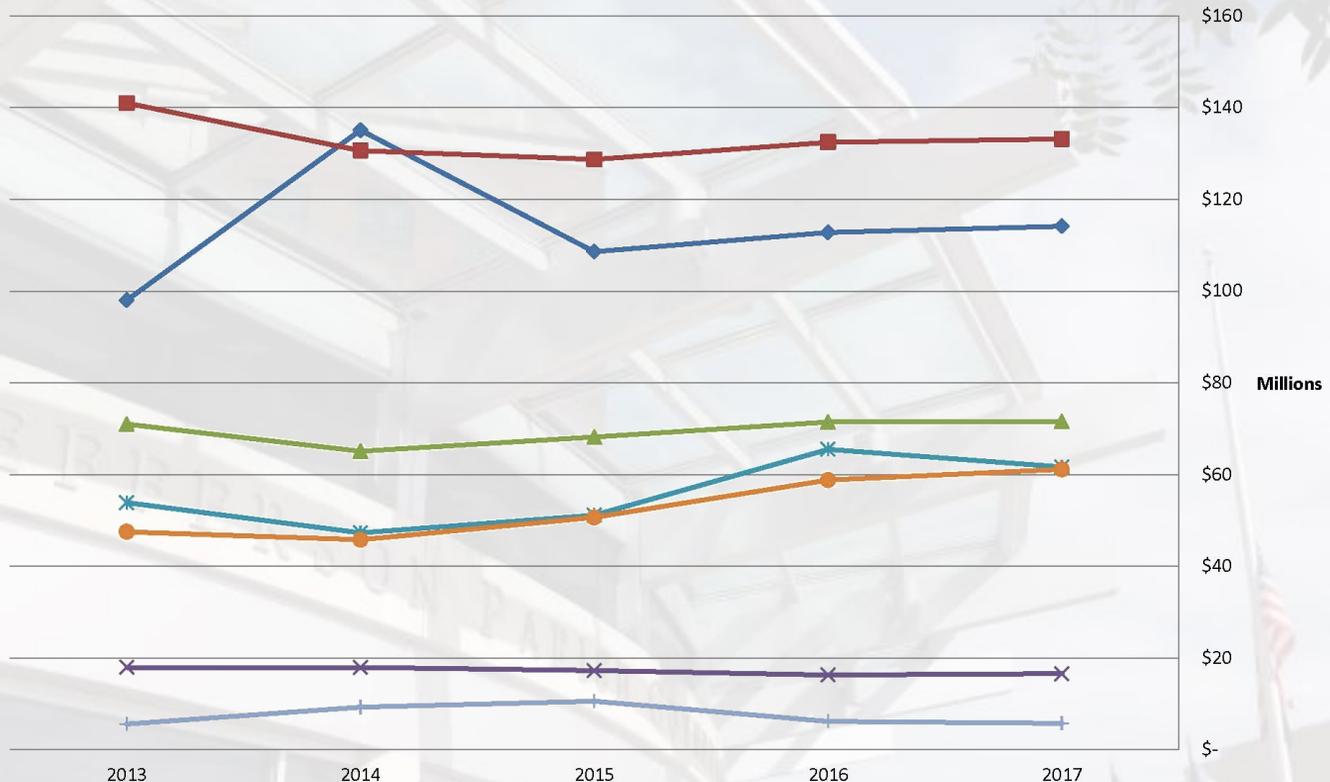
The Road and Sewer Sales Tax Capital Improvements Fund reported a fund balance of \$170,541 compared to \$58,261 in 2016 representing an increase of \$112,280 or 192.7% primarily due to the issuance of \$107,815 of Special Sales Tax Revenue Bonds for the purpose of constructing, improving of maintaining sewerage, road and drainage projects within the Parish.

TOTAL AND NET COST OF GOVERNMENTAL ACTIVITIES

(in thousands of dollars)

	<u>Total Cost of Services</u>	<u>Charges for Services</u>	<u>Grant Funding</u>	<u>Net Cost of Services</u>
General Government	\$ 71,508	\$ 15,259	\$ 354	\$ 55,895
Public Safety	114,140	16,574	5,287	92,279
Public Works	133,153	23,906	36,336	72,911
Transit	16,557	3,291	5,106	8,160
Health and Welfare	61,635	4,724	43,019	13,892
Culture and Recreation	61,117	9,378	3,351	48,388
Urban Redevelopment	5,722	20	2,615	3,087
Other	<u>18,386</u>	<u>-</u>	<u>-</u>	<u>18,386</u>
Total	<u>\$ 482,218</u>	<u>\$ 73,152</u>	<u>\$ 96,068</u>	<u>\$ 312,998</u>

Governmental Activities Expenditures by Function 2013 - 2017



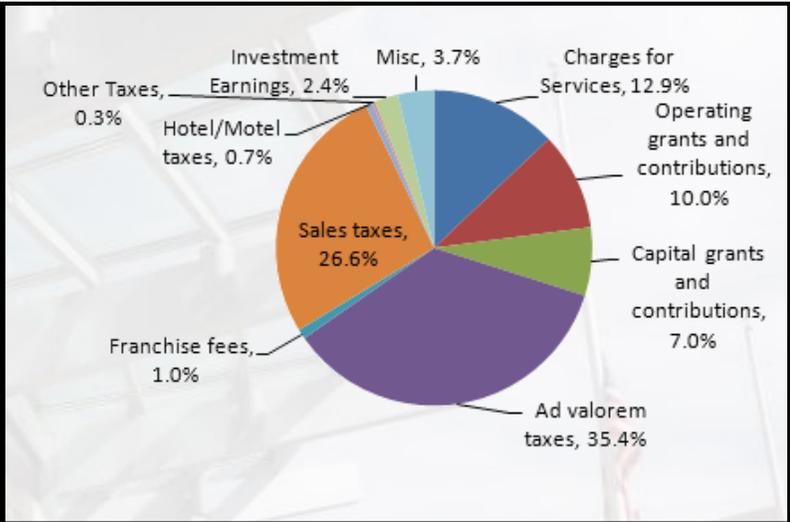
- General Government
- Public Safety
- Public Works
- Transit
- Health and Welfare
- Culture and Recreation
- Urban Redevelopment and Housing

GOVERNMENTAL ACTIVITIES

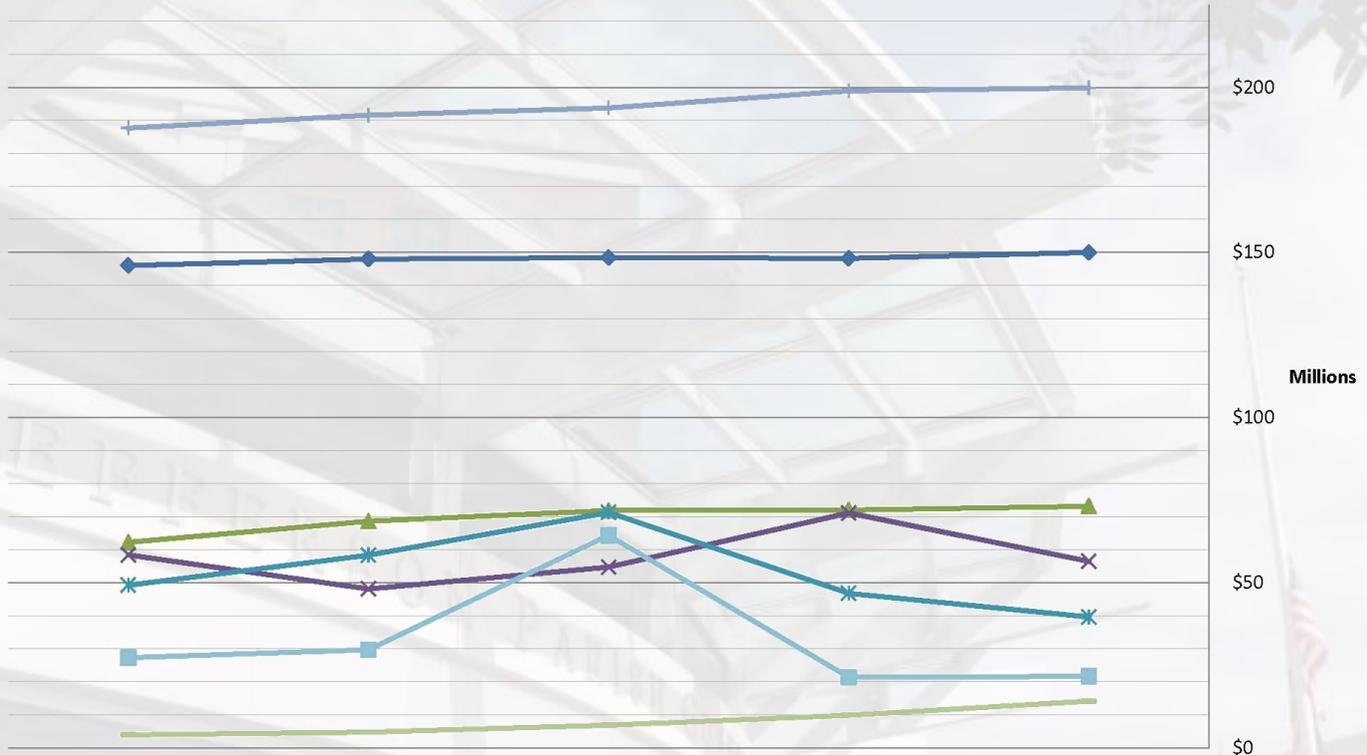
REVENUES

(in thousands of dollars)

	<u>2017</u>	<u>2016</u>
Charges for Services	73,152	71,994
Operating grants and contributions	56,454	71,092
Capital grants and contributions	39,614	46,807
Ad valorem taxes	199,865	198,951
Franchise fees	5,462	5,778
Sales taxes	150,028	148,210
Hotel/Motel taxes	3,731	3,652
Other Taxes	1,783	1,708
Investment Earnings	14,131	9,879
Misc	21,684	21,364
Total Revenues	<u>565,904</u>	<u>579,435</u>



Governmental Activities Revenues by Source 2013 - 2017



Millions

- Charges for Services
- Ad valorem taxes
- Misc
- Operating grants and contributions
- Sales taxes
- Investment Earnings
- Capital grants and contributions

BUSINESS-TYPE ACTIVITIES

Expenditures for the Sewer Department for 2017 in the amount of \$49,546 increased slightly from \$47,752 in 2016. The Water Department expenditures decreased slightly from \$44,512 in 2016 to \$42,519 in 2017. Hospital District No. 1 saw a reduction in expenses. Expenditures for Hospital District No. 1 decreased to \$18,166 in 2017 from \$31,777 in 2016.

Consolidated Sewerage District No. 1 total net position was \$389,698 compared to \$376,316 in 2016 representing an increase of \$13,382 or 3.6%. Most of this fund's net position are capital assets net of related debt in the amount of \$370,038. Unrestricted net position amounts to \$14,406 with the remaining \$5,155 restricted for future capital improvements and \$99 restricted for debt service.

Consolidated Waterworks District No. 1 total net position was \$251,657 compared to \$244,358 in 2016 representing an increase of \$7,299 or 3.0% primarily due to conservative fiscal policy to budget for forecasted capital expenditure requirements. Most of this fund's net position are capital assets net of related debt in the amount of \$158,794. Unrestricted net position amounts to \$26,598 with \$66,265 restricted for future capital improvements.

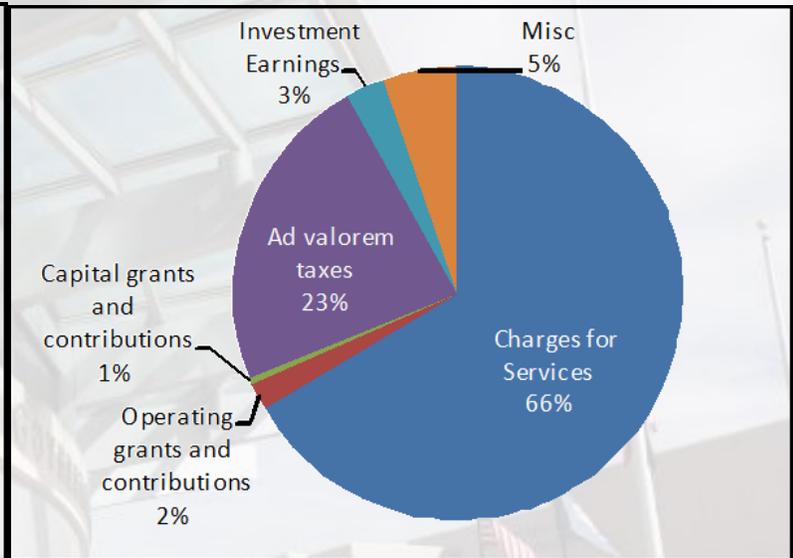
Hospital Service District No. 1 total net deficit was \$41,236. Most of this fund's assets are net investments in capital assets in the amount of \$107,013 and \$21,120 of restricted net position primarily set aside pursuant to the CEA executed on February 26, 2015. Unrestricted Net deficit amounts to \$169,519.

	Business-type Activities (in thousands of dollars)	
	<u>2017</u>	<u>2016</u>
Expenses		
Water	\$ 42,519	\$ 44,512
Sewer	49,546	47,752
Hospital District No. 1	18,166	31,777
Total Expenses	<u>\$ 110,231</u>	<u>\$ 124,041</u>

BUSINESS-TYPE ACTIVITIES

In 2017, charges for services for both the Sewer and Water Departments increased to \$58,664 from \$58,186 in 2016 representing a slight increase of \$478 or .8%.

	Business-type Activities (in thousands of dollars)	
	2017	2016
Charges for Services	\$ 58,664	\$ 58,186
Operating grants and contributions	1,776	1,526
Capital grants and contributions	427	682
Ad valorem taxes	20,164	20,074
Investment Earnings	2,460	2,390
Misc	4,577	4,542
Gain on Extinguishment of Debt	188	488
Total Revenues	\$ 88,256	\$ 87,888



LONG TERM DEBT

(in thousands of dollars)

	<u>BEGINNING OF YEAR</u>	<u>BALANCE AT YEAR END</u>
<u>Governmental Activities:</u>		
Bonds	\$ 208,135	\$ 299,213
Certificates of Indebtedness	4,050	3,270
Loan Programs	83,169	72,522
Bond Premium	12,955	24,743
Capital Leases	2,048	1,551
Compensated Absences	21,757	21,860
Landfill Postclosure Costs	17,306	17,969
Net Pension Liability*	103,738	85,483
Net Post-Employment Obligation	43,983	46,944
Pension Payable - Judges Annuities	1,849	2,152
	<u>498,990</u>	<u>575,707</u>
Total governmental activities	<u>\$ 498,990</u>	<u>\$ 575,707</u>
<u>Business-type Activities:</u>		
Bonds	\$ 27,126	\$ 32,268
Special Assessments	465	398
Net Pension Liability*	79,102	67,189
	<u>106,693</u>	<u>99,855</u>
Total business type activities	<u>\$ 106,693</u>	<u>\$ 99,855</u>

The total debt increased to \$69,879 or 11.5% from the prior year due primarily due to issuance of long term debt. Seen below is the most significant long term debt transaction for the year:

The Parish issued \$41,675,000 of Special Sales Tax Revenue Refunding Bonds Series 2017A and \$107,815,000 of Special Sales Tax Revenue Bonds Series 2017B. The Series 2017B Bonds were issued for the purpose of constructing, improving or maintaining sewerage, road and drainage projects located in the Parish.

CAPITAL ASSETS

(in thousands of dollars)

Parish's capital assets (net of accumulated depreciation)			
	Governmental activities	Business-type activities	Total
	<u>2017</u>	<u>2017</u>	<u>2017</u>
Land	\$ 67,251	\$ 29,534	\$ 96,785
Construction in progress	100,649	9,777	110,426
Buildings	258,520	81,421	339,941
Plants	-	149,115	149,115
Improvements other than buildings	110,097	12,497	122,594
Vehicles	10,785	2,930	13,715
Machinery & equipment	75,209	19,889	95,098
Infrastructure	767,428	361,428	1,128,856
Total	\$ 1,389,939	\$ 666,591	\$ 2,056,530

2017 Significant Capital Asset Events		
<u>Project</u>	<u>Department</u>	<u>Expended in 2017</u>
St. Peters Ditch Phase 4	Drainage	\$ 5,124
Hoey's Bypass Canal	Drainage	\$ 4,139
Edenborn Drainage	Drainage	\$ 3,309
South Kenner Road Improvements	Streets	\$ 3,654
Lapalco Boulevard Road Improvements	Streets	\$ 3,347

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Jefferson Parish for its comprehensive annual financial report for the fiscal year ended December 31, 2016. This was the 31st consecutive year the Parish has achieved this prestigious award.

In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles, applicable legal requirements as well as the reporting requirements of GFOA.

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

The preparation of this report on a timely basis could not have been accomplished without the dedicated services of the highly qualified Accounting staff. Credit must also be given to our Parish Council and Parish President, both of which are highlighted below.

Michael S. Yenni—Parish President

Chris L. Roberts—Council Chairman/Councilman At-Large Division A

Cynthia Lee-Sheng—/Councilman At-Large Division B

Ricky J. Templet—Councilman, District 1

Paul D. Johnston—Councilman, District 2

Mark D. Spears, Jr.—Councilman, District 3

Dominick Impastato—Councilman, District 4

Jennifer Van Vrancken—Councilwoman, District 5

