

5-664

ST. MARY PARISH SCHOOL BOARD

Centerville, Louisiana

Financial Report

Year Ended June 30, 2004

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

Release Date 12-8-04

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(A Corporation of Certified Public Accountants)

Eugene H. Darnall, CPA, Retired 1990

Paula D. Bihm, CPA Deceased 2002

E. Larry Sikes, CPA, CVA, CFP™
Danny P. Frederick, CPA
Clayton E. Darnall, CPA, CVA
Eugene H. Darnall, III, CPA
Stephanie M. HigginBotham, CPA
John P. Armato, CPA
Jennifer S. Ziegler, CPA, CFP™
Chris A. Miller, CPA, CVA
Stephen R. Dischler, MBA, CPA
Steven G. Moosa, CPA

Erich G. Loewer, Jr. CPA

Kathleen T. Darnall, CPA
Erich G. Loewer, III, MTX CPA
Tamera T. Landry, CPA
Raegan D. Maggio, CPA
Barbara A. Clark, CPA
Monica F. Laverne, CPA
Lauren F. Verrett, CPA
Michelle B. Borrello, CPA
Jeretty C. Meaux, CPA
Kevin S. Young, CPA
Barbara Ann Watts, CPA
Adam J. Curry, CPA

Independent Auditor's Report

Donald W. Aguillard, Ph.D., Superintendent,
and Members of the St. Mary Parish School Board
Centerville, Louisiana

We have audited the accompanying financial statements of the St. Mary Parish School Board, as of and for the year ended June 30, 2004, as listed in the table of contents. These financial statements are the responsibility of the School Board's management. Our responsibility is to express an opinion 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; and Office of Management and Budget (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 the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the St. Mary Parish School Board as of June 30, 2004, and the results of its operations for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated September 29, 2004 on our consideration of the St. Mary Parish School Board's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. This report is an integral part of an audit performed in accordance with *Governmental Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Member of:
American Institute of
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Society of Louisiana
Certified Public Accountants

The management's discussion and analysis and budgetary comparison information on pages 3 through 11 and 46 through 47, are not a required part of the basic financial statements but are supplementary information required by accounting principals generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the St. Mary Parish School Board's financial statements. The combining and individual non-major fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. Also, the accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U. S. Office of Management and Budget Circular A-133, "Audits of States, Local Governments and Non-Profit Organizations", and the supplemental information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements of the St. Mary Parish School Board. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

Darnall, Sikes & Frederick
A Corporation of Certified Public Accountants

Morgan City, Louisiana
September 29, 2004

**St. Mary Parish School Board
Centerville, Louisiana**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2004**

The Management's Discussion and Analysis (MD&A) of the St. Mary Parish School Board's (School Board) financial performance provides an overall review and an objective, easily readable analysis of the School Board's financial activities for the fiscal year ended June 30, 2004. The intent of the MD&A is to look at the School Board's overall financial performance and to assist readers in assessing the financial position as a result of the year's operations. Therefore, readers should read the MD&A in conjunction with the School Board's Financial Statements and the Notes to the Financial Statements.

The MD&A is a new element of the Required Supplementary Information specified in the Governmental Accounting Standards Board's (GASB) Statement No. 34 – *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments* issued in June 1999. Certain comparative information between the current year (2003-2004) and the prior year (2002-2003) is required to be presented in the MD&A.

FINANCIAL HIGHLIGHTS

The following represents key totals from the Statement of Net Assets:

	<u>2004</u>	<u>2003</u>
ASSETS		
Current assets	\$38,191,572	\$37,840,883
Capital assets	81,812,960	80,796,571
Less accumulated depreciation	<u>(40,636,805)</u>	<u>(38,755,861)</u>
Capital assets, net of depreciation	<u>41,176,155</u>	<u>42,040,710</u>
 Total assets	 <u>\$79,367,727</u>	 <u>\$79,881,593</u>
LIABILITIES		
Current liabilities	\$12,930,043	\$10,307,854
Long-term liabilities	<u>16,701,501</u>	<u>17,089,747</u>
 Total liabilities	 <u>\$29,631,544</u>	 <u>\$27,397,601</u>
NET ASSETS		
Invested in capital assets, net of related debt	\$28,294,244	\$27,949,464
Restricted	5,767,599	7,893,488
Unrestricted	<u>15,674,340</u>	<u>16,641,040</u>
 Total net assets	 <u>\$49,736,183</u>	 <u>\$52,483,992</u>

**St. Mary Parish School Board
Centerville, Louisiana**

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2004

Net assets decreased by \$2,747,809 for the year ended June 30, 2004 as compared to an increase of \$2,845,817 for the year ended June 30, 2003. These net increases (decreases) were composed of the following elements:

	<u>2004</u>	<u>2003</u>
Invested in capital assets, net of related debt	\$ 344,780	\$ 1,299,865
Restricted for:		
Debt Service	(56,860)	148,695
Capital Projects	(11,615)	27,423
Maintenance	(558,253)	(1,463,125)
Other Purposes	(1,499,161)	300,700
Unrestricted	<u>(966,700)</u>	<u>2,532,259</u>
Net Increase (Decrease)	<u>\$ (2,747,809)</u>	<u>\$ 2,845,817</u>

The large decrease in net assets for 2004 can be attributed primarily to an excess of expenditures over revenues in the General Fund (\$1,238,144), Maintenance Fund (\$558,253), Food Services (\$109,232), Federal Programs (\$11,444), Capital Projects (\$297,664), and Bond Retirement (\$56,763).

Total assets decreased \$513,866 for the year ended June 30, 2004 as compared to an increase of \$2,237,046 for the year ended June 30, 2003 attributed to the following elements:

	<u>2004</u>	<u>2003</u>
Cash and cash equivalents	\$ (2,399,895)	\$ 8,159,018
Investments at fair value	1,652,345	(6,386,602)
Due from other governmental units	3,410,824	(1,162,572)
Other receivables	(1,468,452)	1,534,247
Prepaid items	(625,948)	39,251
Inventory at cost	(218,185)	(25,466)
Capital assets, net of accumulated		
Depreciation	<u>(864,555)</u>	<u>79,170</u>
Net Increase (Decrease)	<u>\$ (513,866)</u>	<u>\$ 2,237,046</u>

The decrease in total assets for 2004 can be attributed primarily to the following: Cash and cash equivalents decreased as a result of these resources being utilized to subsidize current year deficits as well as to increase investments. Due from other governmental units increased primarily due to the recordation of tobacco settlement funds currently being held by the State of Louisiana. The decrease in other receivables is due to the collection of a large amount that had been due from Texaco as a result of a lawsuit settlement. Prepaid items decreased due to a decrease in prepaid insurance as a result of the Board selecting a self-insured workers compensation plan instead of a fully insured plan as in the past. Finally, capital assets decreased due to a decrease in construction in progress at year end.

**St. Mary Parish School Board
Centerville, Louisiana**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2004**

Total liabilities increased \$2,233,943 for the year ended June 30, 2004 as compared to a decrease of \$608,771 for the year ended June 30, 2003 attributed to the following elements:

	<u>2004</u>	<u>2003</u>
Accounts payable and other current liabilities	\$ (173,942)	\$ 132,880
Accrued liabilities	622,487	(20,259)
Deferred revenues	2,173,644	-
Long term liabilities	<u>(388,246)</u>	<u>(721,392)</u>
Net Increase (Decrease)	<u>\$ 2,233,943</u>	<u>\$ (608,771)</u>

This current year increase in total liabilities was primarily due to the tobacco settlement funds (currently being held by the State of Louisiana until requested by the School Board and approved by the State) being recorded as a deferred revenue. Additionally, ad valorem taxes collected under protest and distributed to the School Board pending their final disposition were recorded as a deferred revenue as well.

Ad valorem taxes parish wide and districts are based on property values of businesses and homesteads in the parish. These revenues increased over last year as a result of a slight growth in the parish assessment roll as well as better collection rates. The total millage levied by the School Board was 92.52 mills, however only 21.01 mills were levied parish wide, with the remainder levied in special taxing districts.

Sales and use taxes are collected for and remitted to the St. Mary Parish School Board by the St. Mary Parish Sales and Use Tax Department. These revenues increased only slightly from the prior year as a result of continued reduced economic activities in the parish.

The largest single revenue source continues to be the Minimum Foundation Program (MFP) distribution from the state, amounting to \$35,978,956, which is a decrease of approximately \$465,108 from the prior year. This MFP formula establishes a standard of local support for each school system based on the State average local support relative to the system's capacity to raise local funds.

Expenditures have remained relatively stable with the exception of the normal salary step increases and related benefit costs. The increase in the cost to provide health care to all full time employees and retirees will continue to require close monitoring considering its budget impact. Employer required contribution rates to the two largest retirement plans which School Board employees participate increased substantially during the year.

Grant revenue remained relatively stable when compared to a year ago. The Title I Program is the largest federally funded program with \$3.16 million in revenue compared to the Child Nutrition Program (CNP) with \$2.96 million. Student lunch prices reflect a slight increase for the first time in over 10 years. Overall meal participation has continued to decrease as enrollment continues to decrease. The federal reimbursement rate for meals served increased by approximately 2%.

**St. Mary Parish School Board
Centerville, Louisiana**

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2004

USING THE ANNUAL FINANCIAL REPORT (AFR)

The School Board's AFR consists of a series of financial statements and the associated notes to those statements. These statements are organized so the reader can understand the operations of the School Board as a financial whole, i.e., an entire operation entity, its funds, and its fiduciary responsibilities. The "Basic Financial Statements" Section, consisting of the Statement of Net Assets and the Statement of Activities (pages 13-14) provide consolidated financial information, and render a government-wide perspective of the School Board's financial condition. The Fund Financial Statements (pages 15-21) provide the next level of detail and look at the School Board's most significant funds and a total of all other non-major funds.

Reporting the School District as a Whole

Statement of Net Assets and the Statement of Activities

The Statement of Net Assets and the Statement of Activities present an aggregate view of the School Board's finances and a longer-term view of those finances. These statements seek to answer the question, "How did the School Board do financially during the 2003-2004 fiscal year?" These statements include all assets and liabilities using the accrual basis of accounting used by most private-sector enterprises. The accrual basis takes into account all of the Board's current year revenues and expenses regardless of when paid or received.

These two statements report the School Board's net assets and changes in those assets. By showing the change in net assets for the year, the reader may ascertain whether the School Board's financial condition has improved or deteriorated. The causes of the change may be the result of many factors, both financial and non-financial in nature. Indirect factors which may have an impact on the School Board's financial condition include the School Board's property and sales tax base, student enrollment, facility conditions, required educational programs for which little or no funding is provided, or other external factors.

Reporting the School District's Most Significant Funds

Fund Financial Statements

The analysis of the School Board's governmental funds begins on page 15. Fund Financial Statements provide more in-depth reporting of the School Board's financial position and the results of operations. Fund basis financial information is presented in the "Fund Financial Statements" Section. The School Board uses many funds to account for the numerous funding sources provided annually. However, the Fund Financial Statements look at the School Board's most significant funds with all non-major funds presented in total in one column. These statements report governmental activities on a more current basis rather than a long-term basis, indicating sources and uses of funding and resources available for spending in future periods.

Fund Financial Statements provide more in-depth data on the School Board's most significant funds, such as its General Fund. This fund is considered a "major fund" under GASB Statement No. 34.

Governmental Funds – Most of the School District's activities are reported in governmental funds, which focus on how money flows in and out of those funds, the balances that are left at year end and the amount available for spending in future periods. These funds are reported using the modified accrual basis of accounting, which measures cash and all other financial assets that can readily be converted to cash.

**St. Mary Parish School Board
Centerville, Louisiana**

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2004

The relationship between governmental activities reported in the Basic Financial Statements and the governmental funds reported in the Fund Financial Statements are reconciled in the financial statements.

Statement of Fiduciary Net Assets – This statement presents financial information relative to assets held by the School Board on behalf of students and others in a position of trust.

Governmental Activities

As reported in the *Statement of Activities* on page 14, the cost of the School Board's governmental activities for the year ended June 30, 2004 was \$77.4 million as compared to \$75.1 million for the prior year. The Statement of Activities shows the cost of program services and the charges and grants offsetting some of those services. Grants and contributions of \$12.0 million subsidized certain programs, and charges for services, such as fees for school lunches, e-rate receipts, tuition from other LEA's, extended day tuition and summer school tuition were the major contributors of charges for services totaling \$1.2 million. The remaining amount was financed by the taxpayers in the parish through ad valorem and sales and use taxes totaling \$23.5 million.

The Minimum Foundation Program (MFP) from the State of Louisiana funded \$36.0 million and other general revenues contributed the remainder. In Table I on the following page, the cost of the School Board's largest categories of expenses are presented as well as each program's net cost (total cost less revenues generated by the activities). This "net cost" presentation allows the readers to determine the remaining cost of the various categories, and also allows them the opportunity to assess the cost of each function in comparison to the benefits provided by the function.

**St. Mary Parish School Board
Centerville, Louisiana**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2004**

**Table I
Total and Net Cost of Governmental Activities
Years Ended June 30, 2004 and 2003**

	<u>2004</u>		<u>2003</u>	
	<u>Total Cost of Services</u>	<u>Net Cost of Services</u>	<u>Total Cost of Services</u>	<u>Net Cost of Services</u>
Instruction:				
Regular programs	\$ 27,891,215	\$ 26,754,774	\$ 27,687,128	\$ 26,216,080
Special education programs	9,001,355	7,714,804	8,549,877	6,460,153
Vocational education programs	1,859,133	1,700,080	1,768,950	1,592,594
Other instructional programs	1,240,692	787,091	1,239,500	857,953
Special programs	3,159,852	343,712	2,926,157	(490,054)
Adult and continuing education	629,041	16,012	714,038	14,633
Support services:				
Pupil support services	3,178,810	2,098,923	2,951,071	2,741,014
Instructional staff services	4,463,422	3,070,429	3,978,823	3,784,390
General administration	3,257,422	3,255,342	2,846,855	2,846,855
School administration	4,522,068	4,522,068	4,442,476	4,442,476
Business services	660,213	639,055	664,977	664,977
Operation and maintenance of plant	7,894,382	7,840,307	7,907,006	7,807,775
Student transportation services	2,926,576	2,792,437	2,829,555	2,735,651
Central services	567,146	540,240	593,685	593,685
Non-instructional services:				
Food services	5,411,779	1,533,682	5,241,668	1,325,764
Community service programs	9,978	9,978	9,978	9,978
Facilities acquisitions	-	(149,230)	-	-
Interest and bank charges	688,710	688,710	776,287	776,287
Total Governmental Activities	<u>\$ 77,361,794</u>	<u>\$ 64,158,414</u>	<u>\$ 75,128,031</u>	<u>\$ 62,380,211</u>

THE SCHOOL BOARD'S FUNDS

The School Board uses funds to control and permit measurement in the short term of the revenues and expenditures of a particular activity or purpose (e.g., dedicated taxes and grant programs). The Fund Financial Statements allow the School Board to demonstrate its stewardship over and accountability for resources provided by taxpayers and other entities. These statements also allow the reader to obtain more insight into the financial management of the School Board and assess further the School Board's overall financial stability.

**St. Mary Parish School Board
Centerville, Louisiana**

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2004

As the School Board completed the fiscal year ended June 30, 2004 its combined fund balance was \$25.2 million, as compared to a combined fund balance of \$27.5 million as of June 30, 2003. Designated fund balances increased \$.8 million, reserved fund balances decreased \$2.1 million and unreserved, undesignated fund balances decreased \$1.0 million.

General Fund Budgetary Highlights

The School Board's budget is prepared according to Louisiana law. During the course of the year, the School Board revises its budget to take into consideration significant changes in revenues or expenditures. Louisiana Revised Statute 39:1311 requires a budget amendment if either expected revenues are less or anticipated expenditures are in excess of budgetary goals by five percent (5%) or more. The original budget for the School Board was adopted on August 14, 2003. This budget was not required to be amended for the year ended June 30, 2004.

A statement showing the School Board's original and final budget compared with actual operating results for the General Fund is provided in their AFR beginning on page 46. The School Board's year end actual results were slightly better than had been budgeted, as conservative budgetary practices are customary. Revenues are forecast conservatively and expenditures are budgeted in anticipation of all possible costs and projects. The General Fund ended the year with a \$1.1 million unfavorable total revenue variance and a \$1.0 million favorable total expenditure variance.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At June 30, 2004, the School Board had approximately \$41.2 million invested in a broad range of capital assets, including land, buildings, furniture, vehicles, computers, and other equipment. This amount is net of accumulated depreciation to date. Increases during the year represent additions to those categories, while decreases represent retirements of assets during the year and depreciation of depreciable assets for the year. Table II on page 10 shows the net book value of capital assets at the end of the 2004 and 2003 fiscal years.

**St. Mary Parish School Board
Centerville, Louisiana**

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2004

**Table II
Capital Assets at
June 30, 2004 and 2003**

	<u>2004</u>	<u>2003</u>
Land	\$ 2,455,555	\$ 2,455,555
Buildings and Improvements	31,920,700	32,055,128
Furniture and Equipment	6,508,314	6,647,639
Construction In Progress	291,586	882,388
Totals	\$ 41,176,155	\$ 42,040,710

During the year ended June 30, 2004, additions of \$3,823,149 of fixed assets were capitalized while assets totaling \$55,580 were deleted. Depreciation for the year ended June 30, 2004 was \$1,587,338 for buildings and improvements and \$321,396 for furniture and equipment. For the year ended June 30, 2003, additions of \$3,391,299 of fixed assets were capitalized while assets totaling \$1,232,686 were deleted. Depreciation for the year ended June 30, 2003 was \$1,636,287 for buildings and improvements and \$443,156 for furniture and equipment.

Debt Administration

	<u>2004</u>	<u>2003</u>
Bonded Debt	\$ 12,840,000	\$ 14,040,000
Capital Leases	41,911	51,245
Compensated Absences	3,604,448	2,763,360
Totals	\$ 16,486,359	\$ 16,854,605

The bonded debt is scheduled for repayment by 2012 and was issued for the construction of a new school as well as the renovation of an existing school. The capital lease is for an equipment purchase.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The financial well being of the School Board is tied in large measure to the State funding formula and the local ad valorem and sales tax base. As student population has consistently declined over the years, Minimum Foundation Program funding, which is based on student enrollment, could be adversely affected. We however anticipate a slight increase in ad valorem tax collections and a decrease in sales tax collections for the new fiscal year.

**St. Mary Parish School Board
Centerville, Louisiana**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2004**

The initial fund balance projected for the General Fund for the fiscal year ending June 30, 2005 is anticipated to be approximately \$13.9 million after a \$2.4 million budgeted reduction. This \$2.4 million projected deficit is a result of several factors. These factors include an anticipated 2.5% decrease in sales tax collections, a decrease in operating transfers from other funds (maintenance funds), an increase in required employer contribution rates to both the Teachers Retirement System and the Louisiana School Employees Retirement System, and an increase in the group insurance costs.

Upon adoption of the 2004/2005 budget, the Superintendent committed to presenting a balanced operating budget for the 2005/2006 year. Accordingly, all operations will be reviewed in great detail to achieve this objective.

CONTACTING THE SCHOOL BOARD'S FINANCIAL MANAGEMENT

While this AFR is designed to provide full and complete disclosure of the financial condition and operations of the School Board, citizens groups, taxpayers, parents, students, other parish officials, investors or creditors may need further details. To obtain such details, please contact Walter B. Fleming, CPA, Chief Financial Officer, St. Mary Parish School Board, P.O. Box 170, Centerville, LA 70522, or by calling (337) 836-9661 during regular office hours, Monday through Friday, 8:00 am to 4:00 pm, Central Time or e-mail wflaming@stmary.k12.la.us.

FINANCIAL STATEMENTS

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana
Statement of Net Assets
June 30, 2004

ASSETS

Cash and cash equivalents	\$ 19,525,074
Investments, at fair value	10,313,391
Due from other governmental units	5,452,052
Other receivables	1,585,483
Prepaid items	610,155
Inventory, at cost	305,417
Deposits	<u>400,000</u>
	38,191,572
Capital assets:	
Land	2,455,555
Buildings and improvements	68,893,903
Furniture and equipment	10,171,916
Construction in progress	291,586
Less accumulated depreciation	<u>(40,636,805)</u>
Total capital assets, net of depreciation	<u>41,176,155</u>
Total assets	<u>\$ 79,367,727</u>

LIABILITIES

Accounts payable and other current liabilities	\$ 823,638
Accrued liabilities	9,932,761
Deferred revenues	2,173,644
Long-term liabilities:	
Portion due or payable within one year:	
Bonds and capital leases	1,284,860
Accrued interest	215,142
Compensated absences	2,637,330
Portion due or payable after one year:	
Bonds and capital leases	11,597,051
Compensated absences	<u>967,118</u>
Total liabilities	<u>29,631,544</u>

NET ASSETS

Invested in capital assets, net of related debt	28,294,244
Restricted for:	
Debt service	1,550,227
Capital projects	21,584
Maintenance	2,155,363
Other purposes	2,040,425
Unrestricted	<u>15,674,340</u>
Total net assets	<u>\$ 49,736,183</u>

The accompanying notes are an integral part of this statement.

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

Statement of Activities
For the Year Ended June 30, 2004

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental Activities:					
Instruction:					
Regular programs	\$ 27,891,215	\$ 172,982	\$ 963,459	\$ -	\$ (26,754,774)
Special education programs	9,001,355	279,740	1,006,811	-	(7,714,804)
Vocational education programs	1,859,133	-	159,053	-	(1,700,080)
Other instructional programs	1,240,692	83,272	370,329	-	(787,091)
Special programs	3,159,852	-	2,816,140	-	(343,712)
Adult and continuing education	629,041	9,474	603,555	-	(16,012)
Support services:					
Pupil support services	3,178,810	-	1,079,887	-	(2,098,923)
Instructional staff services	4,463,422	-	1,392,993	-	(3,070,429)
General administration	3,257,422	-	2,080	-	(3,255,342)
School administration	4,522,068	-	-	-	(4,522,068)
Business services	660,213	-	21,158	-	(639,055)
Operation and maintenance of plant	7,894,382	-	54,075	-	(7,840,307)
Student transportation services	2,926,576	-	134,139	-	(2,792,437)
Central services	567,146	-	26,906	-	(540,240)
Non-instructional services:					
Food services	5,411,779	644,939	3,233,158	-	(1,533,682)
Community service programs	9,978	-	-	-	(9,978)
Facilities acquisitions	-	-	-	149,230	149,230
Interest and bank charges	688,710	-	-	-	(688,710)
Total Governmental Activities	77,361,794	1,190,407	11,863,743	149,230	(64,158,414)
General Revenues:					
Local Sources:					
Taxes -					
Property taxes, levied for general purposes					11,437,646
Sales taxes					12,031,367
Rentals, leases, and royalties					360,337
Interest and investment earnings					319,236
Other local					655,000
State Sources:					
Grants and contributions not restricted to specific programs -					237,465
Minimum Foundation Program					35,978,956
State revenue sharing					390,598
Total general revenues					61,410,605
Change in net assets					(2,747,809)
Net Assets-- beginning					52,483,992
Net Assets--ending					\$ 49,736,183

The accompanying notes are an integral part of this statement.

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

Balance Sheet - Governmental Funds
June 30, 2004

ASSETS	General Fund	Other Governmental	Total
Cash and interest-bearing deposits	\$13,014,660	\$ 6,510,414	\$ 19,525,074
Investments, at fair value	9,510,645	802,746	10,313,391
Receivables:			
Accounts	1,458,019	7,483	1,465,502
Accrued interest	99,842	15,689	115,531
Due from other governmental agencies	2,526,737	2,925,315	5,452,052
Due from other funds	2,732,504	2,941,024	5,673,528
Due from schools	4,450	-	4,450
Prepaid items	610,155	-	610,155
Inventory, at cost	226,046	79,371	305,417
Deposits	<u>400,000</u>	<u>-</u>	<u>400,000</u>
 Total assets	 <u>\$30,583,058</u>	 <u>\$ 13,282,042</u>	 <u>\$ 43,865,100</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 374,172	\$ 254,107	\$ 628,279
Accrued liabilities	9,599,918	346,343	9,946,261
Due to other funds	1,447,080	4,226,448	5,673,528
Deferred revenues	2,122,162	51,482	2,173,644
Other liabilities	<u>181,859</u>	<u>-</u>	<u>181,859</u>
Total liabilities	<u>13,725,191</u>	<u>4,878,380</u>	<u>18,603,571</u>
Fund balances:			
Reserved for debt service	-	1,550,227	1,550,227
Reserved for other	1,497,407	2,719,965	4,217,372
Unreserved -			
Designated	10,066,825	4,133,470	14,200,295
Undesignated	<u>5,293,635</u>	<u>-</u>	<u>5,293,635</u>
Total fund balances	<u>16,857,867</u>	<u>8,403,662</u>	<u>25,261,529</u>
 Total liabilities and fund balances	 <u>\$30,583,058</u>	 <u>\$ 13,282,042</u>	 <u>\$ 43,865,100</u>

The accompanying notes are an integral part of this statement.

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

Reconciliation of the Governmental Funds Balance Sheet
To the Statement of Net Assets
June 30, 2004

Total fund balances - Governmental Funds		\$ 25,261,529
Cost of capital assets at June 30, 2004	81,812,960	
Less: Accumulated Depreciation as of June 30, 2004:		
Buildings and improvements	(36,973,203)	
Furniture and equipment	<u>(3,663,602)</u>	
		41,176,155
Elimination of interfund assets and liabilities		
Due from other funds	(5,673,528)	
Due to other funds	<u>5,673,528</u>	
		-
Long-term liabilities at June 30, 2004:		
Bonded debt payable	(12,840,000)	
Capital leases payable	(41,911)	
Compensated absences payable	<u>(3,604,448)</u>	
		(16,486,359)
Accrued interest payable		<u>(215,142)</u>
Total net assets - Governmental Activities		<u>\$ 49,736,183</u>

The accompanying notes are an integral part of this statement.

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

Statement of Revenues, Expenditures, and Changes in Fund Balances -
Governmental Funds
Year Ended June 30, 2004

	General Fund	Other Governmental	Total
Revenues:			
Local sources	\$ 19,870,354	\$ 6,179,490	\$ 26,049,844
State sources	36,501,151	1,325,255	37,826,406
Federal sources	<u>115,943</u>	<u>10,621,792</u>	<u>10,737,735</u>
Total revenues	<u>56,487,448</u>	<u>18,126,537</u>	<u>74,613,985</u>
Expenditures:			
Current -			
Instruction:			
Regular programs	26,725,966	744,937	27,470,903
Special education programs	8,232,138	645,385	8,877,523
Vocational education programs	1,671,990	160,484	1,832,474
Other instructional programs	1,176,579	45,271	1,221,850
Special programs	406,535	2,749,677	3,156,212
Adult and continuing education programs	147,185	479,890	627,075
Support services:			
Pupil support services	2,105,808	1,032,238	3,138,046
Instructional staff services	3,179,748	1,231,031	4,410,779
General administration	1,009,248	199,295	1,208,543
School administration	4,442,321	12,125	4,454,446
Business services	525,900	123,426	649,326
Operation and maintenance of plant services	5,367,421	2,412,000	7,779,421
Student transportation services	2,740,255	65,101	2,805,356
Central services	531,785	25,943	557,728
Non-instructional services:			
Food services	308,886	5,018,605	5,327,491
Community service programs	9,978	-	9,978
Facilities acquisition and construction	-	1,440,290	1,440,290
Debt service -			
Principal retirement	9,334	1,200,000	1,209,334
Interest and fiscal charges	<u>2,585</u>	<u>706,125</u>	<u>708,710</u>
Total expenditures	<u>58,593,662</u>	<u>18,291,823</u>	<u>76,885,485</u>
 Deficiency of revenues under expenditures	 <u>(2,106,214)</u>	 <u>(165,286)</u>	 <u>(2,271,500)</u>

The accompanying notes are an integral part of this statement.

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

Statement of Revenues, Expenditures, and Changes in Fund Balances -
Governmental Funds (Continued)
Year Ended June 30, 2004

	General Fund	Other Governmental	Total
Other financing sources (uses):			
Operating transfers in	868,070	850,000	1,718,070
Operating transfers out	-	(1,718,070)	(1,718,070)
Total other financing sources (uses)	868,070	(868,070)	-
 Deficiency of revenues and other sources under expenditures and other uses	 (1,238,144)	 (1,033,356)	 (2,271,500)
 Fund balances, beginning	 18,096,011	 9,437,018	 27,533,029
 Fund balances, ending	 \$ 16,857,867	 \$ 8,403,662	 \$ 25,261,529

The accompanying notes are an integral part of this statement.

ST. MARY PARISH SCHOOL BOARD
Centerville, 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 June 30, 2004

Total Net Changes in Fund Balance - Governmental Funds		\$ (2,271,500)
Capital Assets:		
Capital outlay	1,044,179	
Depreciation expense for the year ended June 30, 2004	<u>(1,908,734)</u>	(864,555)
Long-Term Debt:		
Principal portion of debt service payments	1,209,334	
Excess of interest paid over interest accrued	20,000	
Excess of compensated absences earned over amounts used	<u>(841,088)</u>	<u>388,246</u>
Change in Net Assets - Governmental Activities		<u>\$ (2,747,809)</u>

The accompanying notes are an integral part of this statement.

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

Statement of Fiduciary Net Assets
Fiduciary Funds

June 30, 2004

	Private Purpose Trust Funds	Agency Funds School Activity Funds
ASSETS		
Cash and interest bearing deposits	\$ 4,128	\$ 1,051,320
Investments, at fair value	10,000	-
Accrued interest	231	-
Total assets	\$ 14,359	\$ 1,051,320
LIABILITIES		
Accounts payable	\$ 2,823	\$ -
Deposits due to others	-	1,051,320
Total liabilities	2,823	1,051,320
NET ASSETS		
Unrestricted	\$ 11,536	\$ -

The accompanying notes are an integral part of this statement.

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

Statement of Changes in Fiduciary Net Assets
Private Purpose Trust Funds
Year Ended June 30, 2004

	<u>Private Purpose Trust Funds</u>
<u>Additions</u>	
Local sources - Interest earnings	\$ 634
<u>Deductions</u>	
Tuition Grants	<u>790</u>
Change in net assets	(156)
Net assets, beginning	<u>11,692</u>
Net assets, ending	<u>\$ 11,536</u>

The accompanying notes are an integral part of this statement.

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

Notes to Financial Statements

INTRODUCTION

The St. Mary Parish School Board (School Board) was created by Louisiana Revised Statute (LSA-R.S.) 17:51 to provide public education for the children within St. Mary Parish. The School Board is authorized by LSA-R.S. 17:81 to establish policies and regulations for its own government consistent with the laws of the State of Louisiana and the regulations of the Louisiana Board of Elementary and Secondary Education. The School Board is comprised of eleven members who are elected for terms of four years.

The School Board operates twenty-six schools within the parish with a total enrollment of 10,283 pupils for the 2003-2004 year. In conjunction with the regular education programs, some of these schools offer special education and/or adult education programs. In addition, the School Board provides transportation and school food services for the students.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying financial statements of the St. Mary Parish School Board have been prepared in conformity with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretation).

This financial report has been prepared in conformity with GASB Statement No. 34, Basic Financial Statements—and Management's Discussion and Analysis for State and Local Governments, issued in June 1999.

Reporting Entity

For financial reporting purposes, the School Board includes all funds, activities, et cetera, that are within the oversight responsibility of the School Board. Because the School Board members are independently elected and are solely accountable for fiscal matters, which include (1) budget authority, (2) responsibility for funding deficits and operating deficiencies, and (3) fiscal management for controlling the collection and disbursement of funds, and because of the scope of public service provided by the School Board, the School Board is a separate governmental reporting entity (primary government).

Certain units of local government over which the School Board exercises no oversight responsibility, such as the parish police jury, other independently elected parish officials, and municipalities within the parish, are excluded from the accompanying financial statements. These units of government are considered separate reporting entities and issue financial statements separate from those of the School Board. The School Board is not a component unit of any other entity and does not have any component units which require inclusion in the financial statements of the School Board.

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Accounting

The School Board uses funds to maintain its financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts.

Funds of the School Board are classified into two categories: governmental and fiduciary. Each category, in turn, is divided into separate "fund types". The fund classifications and a description of each existing fund type follows:

Governmental Fund Types

Governmental funds are those through which most governmental functions of the School Board are financed. The acquisition, use and balances of the School Board's expendable financial resources and the related liabilities are accounted for through governmental funds. The measurement focus is based upon determination of changes in financial position, rather than upon net income determination. The following are the School Board's governmental fund types:

General Fund

The General Fund is the general operating fund of the School Board. It accounts for all financial resources except those required to be accounted for in other funds.

Special Revenue Funds

Special Revenue Funds account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. These funds account for the revenues and expenditures related to federal, state and local grant and entitlement programs.

Debt Service Funds

Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

Capital Projects Funds

Capital Projects Funds are used to account for financial resources received and used to acquire, construct, or improve capital facilities not reported in other governmental funds.

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fiduciary Fund Types

Fiduciary funds account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the School Board. The following are the School Board's fiduciary fund types:

Private Purpose Trust Funds

Private purpose trust funds are trust which exist to benefit individuals, private organizations, or other governments. The resources, including both principal and revenues earned on that principal may be expended for purposes designated by the trust agreement (e.g., donations received for specific expendable purposes).

Agency Fund

Agency fund accounts for assets held by the School Board in a custodial capacity (i.e., assets equal liabilities) and does not involve measurement of operations.

Basis of Accounting/Measurement Focus

Government-Wide Financial Statements

The statement of net assets and the statement of activities display information about the reporting government as a whole. These statements include all financial activities of the School Board, except for the fiduciary funds. The fiduciary funds are only reported in the statement of fiduciary net assets and the statement of changes in fiduciary net assets at the fund financial statement level.

The government-wide financial statements were prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed).

Program Revenues

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

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Allocation of Indirect Expense

The School Board reports all direct expenses by function in the statement of activities. Direct expenses are those that are clearly identifiable with a function. Indirect expenses of other functions are not allocated to those functions but are reported separately in the statement of activities. Depreciation expense which can be specifically identified by function is included in the direct expenses of each function. Depreciation on buildings is assigned to the "General Administration" function due to the fact that school buildings serve many purposes. Interest on general long-term debt is considered an indirect expense and is reported separately on the statement of activities.

Fund Financial Statements

Governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements for governmental funds.

The modified accrual basis of accounting is used by all governmental fund types, private purpose trust funds, and agency funds. 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 that 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 school board considers all revenues available if they are collected within 60 days after the fiscal year end. The following practices in recording revenues and expenditures have been used for the governmental funds.

Revenues

Federal and state entitlements (unrestricted grants-in-aid, which include state equalization and state revenue sharing) are recorded when available and measurable. Federal and state grants which are restricted as to the purpose of the expenditures are recorded when the reimbursable expenditures have been made.

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Ad valorem taxes are recorded in the year the taxes are due and payable. Ad valorem taxes are assessed in November by the Parish Assessor based on the assessed value, become due on December 31 of each year, and become delinquent on January 1. An enforceable lien attaches to the property as of January 1. The taxes are generally collected in December, January, and February of the fiscal year. Property tax revenues are accrued at fiscal year end to the extent that they have been collected and are unremitted by the St. Mary Parish Tax Collector's Office. Such amounts are measurable and available to finance current operations.

Interest income on time deposits and revenues from rentals, leases, and royalties are recorded when earned.

Sales and use tax revenues are recorded in the month collected by the St. Mary Parish Tax Collector.

Substantially all other revenues are recorded when received.

Expenditures

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

Salaries are recorded as expenditures when incurred. Nine-month employee salaries are incurred over a nine-month period but paid over a twelve month period.

Compensated absences are recognized as expenditures when leave is actually taken or when employees (or heirs) are paid for accrued leave upon retirement or death, while the cost of earned leave privileges not requiring current resources is recognized only when due.

Commitments under construction contracts are recognized as expenditures when earned by the contractor.

Principal and interest on general long-term obligations are not recognized until due.

Other Financing Sources (Uses)

Transfers between funds that are not expected to be repaid (or any other types, such as capital lease transactions, debt extinguishment, long-term debt proceeds, et cetera) are accounted for as other financing sources (uses). These other financing sources (uses) are recognized at the time the underlying events occur.

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Budgets

Proposed budgets are prepared on a basis consistent with generally accepted accounting principles (GAAP) and are presented to the School Board by the Superintendent prior to the commencement of each fiscal year. After public hearings, the proposed budgets, after any amendments deemed necessary, are adopted by the Board. Budgetary amendments are processed in the same manner. Budgets are prepared only for the General Fund and all Special Revenue Funds.

All appropriations lapse at the end of each fiscal year.

Interest-Bearing Deposits

Interest-bearing deposits include demand deposits, money market accounts, and time deposits which are stated at cost.

Investments

Under state law, the School Board may invest in direct obligations of the United States government, in time certificates of deposit and in bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by federal agencies and/or the United States government. Investments are stated at fair market value.

Short-term Interfund Receivables/Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds" on the balance sheet.

Inventories

Inventory of the School Lunch Fund consists of food purchased by the School Board and commodities granted by the United States Department of Agriculture through the Louisiana Department of Agriculture and Forestry. The commodities are recorded as revenues when received; however, all inventory items are recorded as expenditures when consumed. All purchased inventory items are valued at the lower of cost (first-in, first-out) or market, and commodities are assigned values based on information provided by the United States Department of Agriculture.

Inventory of the General Fund consists of office supplies, custodial supplies, and textbooks maintained in the central warehouse for use in all departments and schools.

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets

All capital assets are capitalized at historical cost, or estimated historical cost for assets where actual historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The School Board maintains a threshold level of \$5,000 or more for capitalizing capital assets for financial statement presentation. The School Board however maintains an inventory record on all items costing \$1,000 or more, as well as all computer central processing units (CPU's) and all band instruments. For reporting to the State of Louisiana, all items with a unit cost of \$1,000 or more and with a useful life of more than one year are classified as capital items.

Capital assets are recorded in the government-wide financial statements but not reported in the fund financial statements. All capital assets are depreciated using the straight-line method over their estimated useful lives. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public school purposes by the School Board, no salvage value is taken into consideration for depreciation purposes. Useful lives are as follows:

Buildings	25-40 years
Furniture & Equipment	5-12 years

Compensated Absences

All 12-month employees earn from 10 to 19 days of vacation leave each year, depending on their length of service with the School Board. Unused vacation leave at the end of each fiscal year can be carried forward to the succeeding fiscal year to a maximum of ten days. In accordance with the provisions of Statement No. 16, of the Governmental Accounting Standards board, Accounting for Compensated Absences, no liability is recorded for nonvesting accumulating rights to receive vacation pay; however, a liability has been recorded for vesting accumulating rights to receive vacation pay.

Sabbatical leave may be granted for rest and recuperation with doctor's certification and for professional and cultural improvement. Any employee with a teaching certificate is entitled, subject to approval by the School Board, to one semester of sabbatical leave after six semesters of continuous service or two semesters of sabbatical leave after twelve or more semesters of continuous service.

Due to its restrictive nature, sabbatical leave benefits are recorded as expenditures in the period taken and no liability is recorded in advance of the sabbatical.

Vested or accumulated sick leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it. No expenditure is reported for these amounts. A liability has been recorded for up to 25 days of accumulated sick leave for all eligible employees.

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Equity

Reserves represent those portions of fund equity not appropriable for expenditure or legally segregated for a specific future use. Designated fund balances represent tentative plans for future use of financial resources.

Interfund Transactions

Transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed. Nonrecurring or nonroutine permanent transfers of equity are reported as residual equity transfers. All other interfund transactions are reported as transfers.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the School Board's management to make estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenditures or expenses, as appropriate. Accordingly, actual results may differ from those estimates.

NOTE 2 CASH AND INTEREST-BEARING DEPOSITS

Under state law, the School Board may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The School Board may invest in United States bonds, notes or bills as well as certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. In addition, local governments in Louisiana are authorized to invest in the Louisiana Asset Management Pool, Inc. (LAMP), a nonprofit corporation formed by an initiative of the State Treasurer and organized under the laws of the State of Louisiana, which operates a local government investment pool. At June 30, 2004, the School Board has cash and interest-bearing deposits (book balances) totaling \$20,580,522 as follows:

Demand deposits	\$ 2,881,377
Interest-bearing deposits	<u>17,699,145</u>
Total	<u>\$ 20,580,522</u>

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

Notes to Financial Statements

NOTE 2 CASH AND INTEREST-BEARING DEPOSITS (CONTINUED)

These deposits are stated at cost, plus accrued interest, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal or exceed the amount on deposit with the fiscal agent bank. Deposit balances (bank balances) at June 30, 2004, are secured as follows:

Bank balances	<u>\$ 19,386,678</u>
Federal deposit insurance	\$ 1,035,676
Pledged securities (category 1)	<u>37,393,810</u>
Total	<u>38,429,486</u>
Excess of federal insurance and pledged securities over bank balances	<u>\$ 19,042,808</u>

Pledged securities in Category 1 includes insured or registered investments for which the securities are held by the School Board or by its trust department or agent, in the School Board's name. Even though the pledged securities are considered uncollateralized (Category 1) Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the School Board that the fiscal agent has failed to pay deposited funds upon demand.

NOTE 3 INVESTMENTS

The School Board's investments are categorized below to give an indication of the level of risk assumed by it at year-end. Category 1 includes investments that are insured or registered or for which the securities are held by the School Board or its agent in the School Board's name. Category 2 includes uninsured and unregistered investments with securities held by the counterparty's trust department or agent in the School Board's name. Category 3 includes uninsured and unregistered investments with securities held by the counterparty, or by its trust department or agent, but not in the School Board's name. As of June 30, 2004, the School Board had no Category 2 and Category 3 investments.

	<u>Market Value/ Carrying Amount</u>
U. S. Government Securities - Category 1	<u>\$ 10,323,391</u>

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

Notes to Financial Statements

NOTE 4 AD VALOREM TAXES

Ad valorem taxes attach as an enforceable lien on property as of January 1 of each year. Taxes are levied by the School Board in September or October and are actually billed to taxpayers in December. Billed taxes become delinquent on January 1 of the following year.

The St. Mary Parish Sheriff bills and collects the property taxes for the School Board. Property tax revenues are recognized when levied to the extent that they result in current receivables.

For the year ended June 30, 2004, ad valorem taxes totaling 92.52 mills were levied on property and dedicated as follows:

	2004	
	Net Assessed Valuations	Mills
Parish wide taxes:		
Constitutional	282,555,348	9.01
Consolidated school district No. 5	282,555,348	12.00
District taxes:		
Maintenance taxes -		
Consolidated school district No. 3 (School maintenance district No. 1)	103,103,210	10.87
Consolidated school district No. 2 (School maintenance district No. 2)	75,458,202	13.43
Sixth Ward special school district No. 3 (School maintenance district No. 3)	103,482,106	14.21
Bond and interest taxes -		
Consolidated school district No. 1	68,685,342	24.00
Fourth Ward special school district	34,417,868	9.00

The taxes levied were \$11,499,319 for the year ended June 30, 2004.

For the year ended June 30, 2004 there were \$942,679 of ad valorem taxes held under protest in escrow at the St. Mary Parish Sheriff and Tax Collector's office on behalf of the St. Mary Parish School Board. These funds are not included in St. Mary Parish School Board's June 30, 2004 financial statements.

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

Notes to Financial Statements

NOTE 5 INTERFUND TRANSFERS

Transfers funded from current revenues during the year ended June 30, 2004 consisted of:

	Transfers	
	In	Out
General Fund:		
Special Revenue Funds	\$ 868,070	\$ -
Nonmajor governmental:		
Special Revenue Funds:		
General Fund	-	868,070
Capital Projects Funds	-	850,000
	-	1,718,070
Capital Project Funds:		
Special Revenue Funds	850,000	-
Total nonmajor governmental	850,000	1,718,070
Total interfund transfers	\$ 1,718,070	\$ 1,718,070

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

NOTE 6 INTERFUND RECEIVABLES, PAYABLES

	Interfund Receivables	Interfund Payables
General Fund:		
Special Revenue Funds	\$ 2,732,504	\$ 26,430
Capital Projects Funds	-	1,420,650
Nonmajor governmental:		
Special Revenue Funds:		
General Fund	26,430	2,732,504
Capital Projects Funds	-	1,493,944
Capital Project Funds:		
Special Revenue Funds	1,493,944	-
General Fund	1,420,650	-
Total nonmajor governmental	2,941,024	4,226,448
Total interfund receivables/payables	\$ 5,673,528	\$ 5,673,528

Due to/from general fund represents costs paid from the general fund bank account on behalf of individual funds that do not have checking accounts. These receivables and payables reverse in the normal course of operations. All remaining balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between the funds are made.

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

Notes to Financial Statements

NOTE 7 CAPITAL ASSETS

Capital assets and depreciation activity as of and for the year ended June 30, 2004 are as follows:

	Balance July 1, 2003	Additions	Deletions	Balance June 30, 2004
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 2,455,555	\$ -	\$ -	\$ 2,455,555
Construction in progress	<u>882,388</u>	<u>279,434</u>	<u>870,236</u>	<u>291,586</u>
	<u>3,337,943</u>	<u>279,434</u>	<u>870,236</u>	<u>2,747,141</u>
Capital assets being depreciated:				
Buildings and improvements	67,440,993	1,452,910	-	68,893,903
Furniture and Equipment	<u>10,017,635</u>	<u>182,071</u>	<u>27,790</u>	<u>10,171,916</u>
Total capital assets being depreciated	<u>77,458,628</u>	<u>1,634,981</u>	<u>27,790</u>	<u>79,065,819</u>
Less accumulated depreciation for:				
Buildings and improvements	(35,385,865)	(1,587,338)	-	(36,973,203)
Furniture and Equipment	<u>(3,369,996)</u>	<u>(321,396)</u>	<u>27,790</u>	<u>(3,663,602)</u>
Total accumulated depreciation	<u>(38,755,861)</u>	<u>(1,908,734)</u>	<u>27,790</u>	<u>(40,636,805)</u>
Total capital assets, being depreciated, net	<u>38,702,767</u>	<u>3,543,715</u>	<u>55,580</u>	<u>38,429,014</u>
Capital assets, net	<u>\$ 42,040,710</u>	<u>\$ 3,823,149</u>	<u>\$ 55,580</u>	<u>\$ 41,176,155</u>

Depreciation expense of \$1,908,734 for the year ended June 30, 2004 was charged to the following:

Instruction:	
Regular programs	\$ 36,342
Vocational education programs	2,813
Other instructional programs	2,458
Support:	
Pupil support services	14,027
Instructional staff services	8,752
General administration	1,646,949
School administration	1,500
Business services	2,978
Operation and maintenance of plant	65,447
Student transportation services	81,497
Central services	3,550
Food services	42,421
	<u>\$ 1,908,734</u>

At June 30, 2004, the Construction Fund had construction commitments of \$454,196.

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

Notes to Financial Statements

NOTE 8 ACCOUNTS, SALARIES AND OTHER PAYABLES

The payables of \$10,574,540 at June 30, 2004, are as follows:

	General Fund	Special Revenue Funds	Capital Projects Funds	Debt Service Funds	Total
Accounts	\$ 374,172	\$ 145,788	\$ 108,307	\$ 12	\$ 628,279
Salaries, withholdings, and other payables	<u>9,599,918</u>	<u>346,343</u>	-	-	<u>9,946,261</u>
Total	<u>\$ 9,974,090</u>	<u>\$ 492,131</u>	<u>\$ 108,307</u>	<u>\$ 12</u>	<u>\$10,574,540</u>

NOTE 9 CHANGES IN GENERAL LONG-TERM DEBT

The following is a summary of the long-term obligation transactions of the St. Mary Parish School Board for the year ended June 30, 2004:

	Bonded Debt	Capital Leases	Compensated Absences	Total
Long-term obligations payable at July 1, 2003	\$14,040,000	\$ 51,245	\$ 2,763,360	\$ 16,854,605
Additions:	-	-	2,932,131	2,932,131
Deductions:	<u>1,200,000</u>	<u>9,334</u>	<u>2,091,043</u>	<u>3,300,377</u>
Long-term obligations payable at June 30, 2004	<u>\$12,840,000</u>	<u>\$ 41,911</u>	<u>\$ 3,604,448</u>	<u>\$ 16,486,359</u>

Summary of current (due in one year or less) and the long-term (due in more than one year) portions of long-term obligations as of June 30, 2004:

	Bonded Debt	Capital Leases	Compensated Absences	Total
Current	\$ 1,275,000	\$ 9,860	\$ 2,637,330	\$ 3,922,190
Long-term	<u>11,565,000</u>	<u>32,051</u>	<u>967,118</u>	<u>12,564,169</u>
Totals	<u>\$12,840,000</u>	<u>\$ 41,911</u>	<u>\$ 3,604,448</u>	<u>\$ 16,486,359</u>

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

Notes to Financial Statements

NOTE 9 CHANGES IN LONG-TERM DEBT (CONTINUED)

Bonds payable at June 30, 2004 is comprised of the following individual issues:

\$16,500,000 1997 General Obligations Bonds of Consolidated School District No. 1 with final payment date occurring in 2012; interest at 5.00 to 10.00 percent; payable by levy of ad valorem tax	\$ 10,830,000
\$3,000,000 1997 General Obligation Bonds of Special School District No. 4 with final payment date occurring in 2012; interest at 5.25 to 10.00 percent; payable by levy of ad valorem tax	<u>2,010,000</u>
Total bonded debt	<u>\$ 12,840,000</u>

The annual requirements to amortize all bonds outstanding at June 30, 2004, are as follows:

Year Ended June 30,	Consolidated School District No. 1		Special School District No. 4	
	Principal	Interest	Principal	Interest
2005	\$ 1,075,000	\$ 541,500	\$ 200,000	\$ 103,925
2006	1,145,000	487,750	215,000	93,925
2007	1,220,000	430,500	225,000	83,175
2008	1,300,000	369,500	240,000	71,925
2009	1,385,000	304,500	255,000	59,325
2010 - 2012	4,705,000	480,500	875,000	93,713
	<u>\$10,830,000</u>	<u>\$ 2,614,250</u>	<u>\$ 2,010,000</u>	<u>\$ 505,988</u>

Compensated absences reported at June 30, 2004 of \$3,604,448 reflect amounts due to eligible employees, for unused sick leave, up to a maximum of 25 days and unused vacation leave.

In April 2004, the School Board entered into an agreement for the lease of a copier. The lease is paid in monthly installments; final payments are due April 2008. The book value of the copier under capital lease at June 30, 2004 as capitalized in the capital assets is \$52,000.

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

Notes to Financial Statements

NOTE 9 CHANGES IN LONG-TERM DEBT (CONTINUED)

The following is a schedule of future minimum lease payments under capital leases, together with the present value of the net minimum lease payments, as of June 30, 2004:

Year Ended June 30,	Amount
2005	\$ 11,919
2006	11,919
2007	11,919
2008	<u>10,926</u>
Total minimum lease payments	46,683
Less: Amount representing interest	<u>(4,772)</u>
Present value of net minimum lease payments	<u>\$ 41,911</u>

NOTE 10 SALES TAX

On December 7, 1965, the voters of the parish approved a one percent sales and use tax to be levied by the St. Mary Parish Council, of which 30 percent of the net proceeds is to be remitted to the St. Mary Parish School Board. The proceeds received by the School Board are dedicated to supplement the salaries of teachers and school employees and for general operations of the public schools of St. Mary Parish.

On August 14, 1975, the voters of the parish approved a one-fourth of one percent (1/4 percent) sales and use tax to be levied by the School Board. The net proceeds of the tax are used to provide additional funds for the payment of salaries of teachers and other school board personnel and/or for other employee benefits.

On April 12, 1979, the voters of the parish approved a seven-tenths of one percent (7/10 percent) sales and use tax to be levied by the School Board. The proceeds of the tax were used first for payment of debt service requirements on bonds issued for the purpose of financing the purchase, construction and acquisition of air conditioning facilities and equipment for parish schools. The net proceeds after satisfying the bond service requirements, which have been retired since February 1, 1995, are used each month in the following priority:

- Payment of the cost of utilities.
- An amount equal to 65 percent of the total net proceeds of this tax is set aside and used to supplement other funds for the payment of salaries and/or other employee benefits of teachers and other school board personnel.
- The remainder of the proceeds of this tax is used to construct, maintain, and acquire capital improvements and for other school purposes provided that such proceeds are not used to construct new classroom facilities.

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

Notes to Financial Statements

NOTE 10 SALES TAX (CONTINUED)

On March 8, 1988, the voters of the parish approved a one-half of one percent (1/2 percent) sales and use tax to be levied by the School Board. The net proceeds of the tax are used to provide additional support to public elementary and secondary schools by providing funds for salary obligations and educational management, advancement, and enrichment. On January 15, 1994, the tax was renewed for an additional period of seven (7) years from termination of its current use. On January 20, 2001, the tax was again renewed for an additional period of ten (10) years from termination of its current use.

Sales and use taxes are collected for and remitted to the School Board by the St. Mary Parish Council.

For the year ended June 30, 2004, there were approximately \$94,000 of sales and use taxes held under protest in escrow at the St. Mary Parish Sales and Use Tax Department on behalf of the St. Mary Parish School Board. These funds are not included in the St. Mary Parish School Board's June 30, 2004 financial statements.

NOTE 11 PENSION PLAN

Eligible employees of the School Board participate in one of four multiple-employer public employee retirement systems (PERS), which are controlled and administered by a separate board of trustees. These retirement systems provide retirement, disability and death benefits to plan members and their beneficiaries. Pertinent information relative to each plan follows:

Louisiana Teachers' Retirement System of Louisiana - Regular

For the year ended June 30, 2004, plan members are required to contribute 8.0 percent of their annual covered salary to the system while the School Board is required to contribute the statutory rate of 13.8 percent of the total annual covered salary. The School Board was also required to contribute the statutory rates of 13.1 and 13.1 percent of the total annual salaries for the years ended June 2003 and 2002. The School Board's contributions to the system for the years ended June 30, 2004, 2003, and 2002 were \$5,342,672, \$5,019,848 and \$4,890,447 respectively, equal to the required contribution for each year.

A publicly available financial report that includes financial statements and required supplemental financial information may be obtained by writing to the Louisiana Teachers' Retirement System, P. O. Box 94123, Baton Rouge, Louisiana 70804-9123.

Louisiana Teachers' Retirement System of Louisiana - Plan B

For the year ended June 30, 2004, plan members are required to contribute 5.0 percent of their annual covered salary to the system while the School Board is required to contribute the statutory rate of 13.8 percent of the total annual covered salary. The School Board was also required to contribute the statutory rates of 13.1 and 13.1 percent of the total annual salaries for the years ended June 2003 and 2002. The School Board's contributions to the

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

Notes to Financial Statements

NOTE 11 PENSION PLAN (CONTINUED)

system for the years ended June 30, 2004, 2003 and 2002 were \$254,965, \$243,519 and \$239,237, respectively, equal to the required contribution for each year.

A publicly available financial report that includes financial statements and required supplemental financial information may be obtained by writing to the Louisiana Teachers' Retirement System, P. O. Box 94123, Baton Rouge, Louisiana 70804-9123.

Louisiana Teacher's Retirement System of Louisiana – Optional Retirement Plan

Plan members are required to contribute 8.0 percent of their annual covered salary to the system while the School Board is required to contribute the statutory rate of 13.8 percent of the total annual covered salary for the year ended June 30, 2004, which was the first year of participation in this plan. The School Board's contributions to the system for the year ended June 30, 2004 were \$4,058 equal to the required contribution for the year.

A publicly available financial report that includes financial statements and required supplemental financial information may be obtained by writing to the Louisiana Teachers' Retirement System, P. O. Box 94123, Baton Rouge, Louisiana 70804-9123.

Parochial Employees' Retirement System

Plan members are required to contribute 9.5 percent of their annual covered salary to the system while the School Board is required to contribute the statutory rate of 7.75 percent of the covered salary until January 2004 and 11.75 percent of the covered salary until January 2005. The School Board was required to contribute the statutory rate of 7.75 percent of the total annual covered salary for the years ended June 30, 2003 and 2002. The School Board's contributions to the system for the years ended June 30, 2004, 2003 and 2002 were \$2,106, \$1,721 and \$1,767, respectively, equal to the required contribution for each year.

A publicly available financial report that includes financial statements and required supplemental financial information may be obtained by writing to the Parochial Employees' Retirement System, P. O. Box 14619, Baton Rouge, Louisiana 70898-4619.

Louisiana School Employee's Retirement System

Plan members are required to contribute 7.5 percent of their annual covered salary to the system while the School Board is required to contribute the statutory rate of 8.5 percent of total annual covered salary for the year ended June 30, 2004. The School Board was not required to contribute to the plan for the years ended June 30, 2003 and 2002. The School Board's contributions to the system for the year ended June 30, 2004 were \$326,109, equal to the required contribution for the year.

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

Notes to Financial Statements

NOTE 11 PENSION PLAN (CONTINUED)

A publicly available financial report that includes financial statements and required supplemental financial information may be obtained by writing to the Louisiana School Employee Retirement System, P. O. Box 44516, Baton Rouge, Louisiana 70804-4516.

NOTE 12 POST-RETIREMENT BENEFITS - HEALTH CARE AND LIFE INSURANCE

The St. Mary Parish School Board provides certain continuing health care benefits for its retired employees. Substantially all of the School Board's employees become eligible for these benefits if they reach normal retirement age while working for the School Board. The monthly premiums of these benefits for retirees and similar benefits for active employees are paid jointly by the employee and the School Board. The School Board recognizes the cost of providing these benefits (the Board's portion of premiums) as an expenditure when the monthly premiums are due. The School Board's total cost of providing both health care and life insurance benefits was \$1,250,877 and \$35,224 for the year ended June 30, 2004.

NOTE 13 RISK MANAGEMENT

Workers' Compensation

The School Board replaced the limited risk management program for workers' compensation with a fully insured plan on May 1, 1999. Management Service, USA was hired by the School Board as administrator of this limited risk program. While under this limited risk plan, the School Board purchased commercial insurance for individual claims in excess of \$175,000. The School Board, unable to obtain reasonable worker's compensation insurance coverage, once again elected to participate in another limited risk management program, effective May 1, 2004. Creative Risk Controls, Inc. will serve as the administrator of this plan. The School Board incurred \$87,764 in benefits and administrative costs under the limited risk plans during fiscal year 2004. Premiums paid under the fully insured plan totaled \$463,202 for fiscal year 2004. Incurred but not paid claims have been accrued as a liability in the general fund.

Reconciliation of Claims Liabilities

Changes in the claims liability amounts for the risk management programs are as follows:

	<u>Beginning of Fiscal year Liability</u>	<u>Claims and Changes in Estimates</u>	<u>Benefit Payments and Claims</u>	<u>Balance at Fiscal Year - End</u>
Workers' Compensation	\$ 125,356	\$ 607,469	\$ 550,966	\$ 181,859

Claims payable of \$181,859 for workers' compensation at June 30, 2004 was obtained from information provided by the third party administrator.

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

Notes to Financial Statements

NOTE 13 RISK MANAGEMENT (CONTINUED)

General Liability

The School Board, unable to obtain reasonable commercial insurance coverage, elected to participate in a self-insurance pool called LARMA (Louisiana Risk Management Agency), effective April 1, 2004. This pool consists of other school boards and is structured where a loss fund is established from actuarial numbers. Aggregate excess coverage of \$1 million is also provided to protect the fund. This fund covers general liability as well as automobile, board errors and omissions liability, and fidelity and forgery insurance. Building and contents coverage is still being provided by a commercial insurance carrier.

NOTE 14 PENDING LITIGATION

Contingencies

At June 30, 2004, the School Board was a defendant in lawsuits principally arising from the normal course of operations. The School Board's legal counsel has reviewed the School Board's claims and lawsuits in order to evaluate the likelihood of an unfavorable outcome to the School Board. It is the opinion of the School Board, after conferring with legal counsel, that the liabilities, if any, which might arise from these lawsuits would not have a material adverse effect on the School Board's financial position.

Grant Audit

The School Board receives grants for specific purposes that are subject to review and audit by governmental agencies. Such audits could result in a request for reimbursement by the grantor for expenditures disallowed under the terms and conditions of the appropriate agency. In the opinion of the School Board, such disallowances, if any, will not be significant.

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

Notes to Financial Statements

NOTE 15 DESIGNATED FUND BALANCES

At June 30, 2004, the School Board has designated portions of fund balances as follows:

General Fund -	
Future Occurrences	\$ 6,000,000
Floor Tile	100,000
Asbestos Abatement	500,000
Wildlife Exhibits	57,821
Insurance Deductibles	500,000
Insurance Stabilization	387,570
School Food Service	100,000
Technological Advances	84,998
Computer Software Programs	605,000
Electrical Upgrade	56,706
Plumbing Upgrade	206,392
General Liability Pool Loss	250,000
Worker's Compensation Self Insurance Loss	1,200,000
Bus Sinking	<u>18,338</u>
	<u>10,066,825</u>
Capital Projects Funds -	
Designated for Construction	<u>4,133,470</u>
Total designated fund balances	<u>\$ 14,200,295</u>

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ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

Notes to Financial Statements

NOTE 16 RESERVED FUND BALANCES

At June 30, 2004, the School Board has reserved portions of fund balances as follows:

General Fund -	
Red Ribbon	\$ 9,248
Federal Programs	118,436
Employee Concession Revenue	10,742
Truancy	18,815
Inventory	226,046
Prepaid Items	1,010,155
Education Excellence	<u>103,965</u>
	<u>1,497,407</u>
Special Revenue Funds -	
Maintenance	2,155,363
Food Service	496,132
Federal Programs	<u>36,800</u>
	<u>2,688,295</u>
Debt Service Funds -	
Debt Retirement	1,550,227
Other	<u>10,086</u>
	<u>1,560,313</u>
Capital Projects Funds -	
Construction	<u>21,584</u>
Total reserved fund balances	<u>\$ 5,767,599</u>

NOTE 17 COMPENSATION OF BOARD MEMBERS

A detail of the compensation paid to individual board members for the year ending June 30, 2004 follows:

Board Member	
Wayne Deslatte	\$ 7,200
Joseph Foulcard	7,200
Ginger Griffin	7,200
Beatrice Guarisco	7,200
Marilyn LaSalle, President	8,400
Mary Lockley	7,200
Frances Miller	7,200
Edward Payton, Jr.	7,200
Willie Peters	7,200
Michael Taylor	7,200
Roland Verret	<u>7,200</u>
Total	<u>\$ 80,400</u>

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

Notes to Financial Statements

NOTE 18 CHANGES IN AGENCY FUND DEPOSITS

A summary of changes in agency fund deposits due to others follows:

<u>Fund</u>	<u>Balance at July 1, 2003</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance at June 30, 2004</u>
School Activity	<u>\$ 909,925</u>	<u>\$ 2,950,543</u>	<u>\$ 2,809,148</u>	<u>\$ 1,051,320</u>

NOTE 19 DEFERRED REVENUES

Deferred revenues at June 30, 2004 consisted of the follow:

Millennium Trust Funds	\$ 2,061,379
Ad valorem taxes received under protest	<u>112,265</u>
Total deferred revenues	<u>\$ 2,173,644</u>

The Louisiana State Legislature created the Millennium Trust in 1999 to provide for the disposition of proceeds from the tobacco settlement. The same legislation that created the Millennium Trust, Louisiana Revised Statute (LRS): 39:98.1-98.5, also established the Education Excellence Fund as a component of the Millennium Trust. By legislative mandate, the Louisiana Department of Education has the responsibility of providing the appropriations and oversight of monies from the Education Excellence Fund with the specific purpose of ensuring that all expenditures are used to support "excellence in educational practice." Funds are obtained by the submission of an approved Education Excellence Expenditure Plan to the Louisiana Department of Education. For further information the St. Mary Parish School Board maintains a copy of the Educational Excellence Expenditure Plan and can be viewed at the St. Mary Parish School Board's central office at 474 Highway 317, Centerville, Louisiana 70538.

Ad valorem taxes received under protest are property taxes that are paid in protest and are recorded as deferred revenue in the year the taxes are received and are held until settled.

REQUIRED SUPPLEMENTARY INFORMATION – PART II

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

MAJOR FUND DESCRIPTION

GENERAL FUND

To account for resources traditionally associated with governments which are not required to be accounted for in other funds.

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2004

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Local sources:				
Ad valorem tax	\$ 5,806,400	\$ 5,806,400	\$ 6,051,354	\$ 244,954
Sales taxes	12,146,608	12,146,608	12,031,367	(115,241)
Tuition	190,000	190,000	265,729	75,729
Interest earnings	763,450	763,450	240,171	(523,279)
Other	1,407,726	1,407,726	1,281,733	(125,993)
State sources:				
Unrestricted grants-in-aid	35,849,957	35,849,957	35,065,615	(784,342)
Restricted grants-in-aid	1,310,046	1,310,046	1,435,536	125,490
Federal sources:				
Restricted	135,000	135,000	115,943	(19,057)
Total revenues	<u>57,609,187</u>	<u>57,609,187</u>	<u>56,487,448</u>	<u>(1,121,739)</u>
Expenditures:				
Current -				
Instruction:				
Regular programs	27,119,218	27,119,218	26,725,966	393,252
Special education programs	7,098,011	7,098,011	8,232,138	(1,134,127)
Vocational education programs	1,626,514	1,626,514	1,671,990	(45,476)
Other instructional programs	1,186,276	1,186,276	1,176,579	9,697
Special programs	391,544	391,544	406,535	(14,991)
Adult and continuing education programs	133,635	133,635	147,185	(13,550)
Support services:				
Pupil support services	3,147,337	3,147,337	2,105,808	1,041,529
Instructional staff services	3,225,215	3,225,215	3,179,748	45,467
General administration	1,042,397	1,042,397	1,009,248	33,149
School administration	4,503,105	4,503,105	4,442,321	60,784
Business services	814,775	814,775	525,900	288,875
Operation and maintenance of plant services	5,612,323	5,612,323	5,367,421	244,902
Student transportation services	2,785,629	2,785,629	2,740,255	45,374
Central services	535,951	535,951	531,785	4,166
Non-instructional services:				
Food service operations	332,658	332,658	308,886	23,772
Community service programs	10,000	10,000	9,978	22
Facilities acquisition and construction	10,000	10,000	-	10,000

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

Budgetary Comparison Schedule
General Fund (Continued)
For the Year Ended June 30, 2004

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Debt service -				
Principal retirement	\$ 3,000	\$ 3,000	\$ 9,334	\$ (6,334)
Interest	<u>10,000</u>	<u>10,000</u>	<u>2,585</u>	<u>7,415</u>
Total expenditures	<u>59,587,588</u>	<u>59,587,588</u>	<u>58,593,662</u>	<u>993,926</u>
Deficiency of revenues under expenditures	(1,978,401)	(1,978,401)	(2,106,214)	(127,813)
Other financing sources:				
Operating transfers in	<u>857,878</u>	<u>857,878</u>	<u>868,070</u>	<u>10,192</u>
Deficiencies of revenues and other sources under expenditures and other uses	(1,120,523)	(1,120,523)	(1,238,144)	(117,621)
<u>FUND BALANCES</u>				
Beginning of year	<u>18,096,011</u>	<u>18,096,011</u>	<u>18,096,011</u>	<u>-</u>
End of year	<u>\$ 16,975,488</u>	<u>\$ 16,975,488</u>	<u>\$ 16,857,867</u>	<u>\$ (117,621)</u>

SUPPLEMENTAL INFORMATION

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

NON-MAJOR FUND DESCRIPTIONS

Elementary and Secondary Education Act - As Amended by the No Child Left Behind Act of 2001

Title I of the No Child Left Behind Act of 2001 is a program for economically and educationally deprived school children that is federally financed, state-administered, and locally operated by the School Board. Title I services are provided through various projects that are designed to meet the special needs of educationally deprived children. The activities supplement, rather than replace, state and locally mandated activities. Title I Migrant is a program for children of migrant parents that is federally financed, state-administered, and locally operated by the School Board. This service is supplementary and is designed to meet the special needs of migratory children.

Title II of the No Child Left Behind Act of 2001 is a program by which the federal government provides funds to the School Board for projects that are designed to improve the skills of teachers in the areas of mathematics, science, computer learning, and foreign languages and to increase the accessibility of such instruction to all students.

Title III of the No Child Left Behind Act of 2001 is a federal grant that focuses on assisting school districts in teaching English to LEP students in an effort to meet the challenges of state standards required of all students.

Title IV Drug-Free Schools and Communities Fund of the No Child Left Behind Act of 2001 is a program by which the federal government provides funds to the School Board for drug abuse education and prevention that is coordinated with related community efforts and resources.

Title V of the No Child Left Behind Act of 2001 is a federal grant used to encourage comprehensive school reform, upgrade instructional and professional development to align with high standards, strengthen accountability and promote coordination of resources to improve education for all children.

Rural Education Achievement Program

The Rural Education Achievement Program is a program to provide financial assistance to rural districts to carry out activities to help improve the quality of teaching and learning in their schools.

Individuals with Disabilities Education Act

Preschool incentive fund is a program for expanding educational services to noncategorical preschool handicapped children ages three to five years.

Special education funds are federally financed programs of education, emphasizing language and motor development in the least restrictive environment to handicapped children.

Workforce Investment Act

The Workforce Investment Act provides funds from the federal government to design, with States and local communities, a revitalized, workforce investment system that will help low income youth between the ages of 14 and 21 acquire the educational and occupational skills, training and support needed to achieve academic and employment success and successfully transition to careers and productive adulthood.

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

NON-MAJOR FUND DESCRIPTIONS (Continued)

School Districts Maintenance Funds

The School Districts Maintenance Fund accounts for the purchases of new equipment, for repairs and renovation of existing buildings and equipment, and for the maintenance of the grounds for School Districts 1, 2, and 3. Financing is provided primarily by a special property tax levy on property within each district and by the related state revenue sharing. Individual account balances of the School Districts Maintenance Funds at June 30, 2004, are as follows:

District 1	\$ 587,550
District 2	542,510
District 3	<u>1,025,303</u>
Total fund equity	<u>\$ 2,155,363</u>

School Lunch Fund

The School Lunch Fund is a program that provides nourishing morning and noon meals for students in all grades. This fund is supplemented by both federal and state funds that are based on reimbursement and participation.

Vocational/Adult Education

This is made up of the Carl D. Perkins Vocational Fund, Adult Education Workplace Literacy Funds, and Adult Education Funds. These provide funding for the instructional needs of vocational and adult education in St. Mary Parish.

Temporary Assistance For Needy Families

The Temporary Assistance for Needy Families program provides grant monies to states, territories, or tribes to assist needy families with children so that children can be cared for in their own homes; to reduce dependency by promoting job preparation, work, and marriage; to reduce and prevent out of wedlock pregnancies; and to encourage the formation and maintenance of two-parent families.

Literacy Through School Libraries Grant

The Literacy Through School Libraries Grant provides students with increased access to up to date school library materials, a well equipped technologically advanced school library media center, and well trained, professionally certified school library media specialists to improve literacy skills and achievement of students.

Comprehensive School Grants

To enhance the achievement in reading for bilingual children.

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

NON-MAJOR FUND DESCRIPTIONS (Continued)

Enhancing Education Through Technology Program

The Enhancing Education Through Technology Programs provide funds to improve student academic achievement through the use of technology in schools; assist all students in becoming technologically literate by the end of the eighth grade; and encourage the effective integration of technology with teacher training and curriculum development to establish successful research-based instructional methods.

DEBT SERVICE FUNDS

Consolidated School District No. 1, Special School District No. 4, Fifth Ward Special School District No 1, and Sixth Ward Special School District No. 3.

The school district debt service funds accumulate monies to retire the outstanding bond issues of the respective school districts. The bond issues are financed by a special tax levy on property within the territorial limits of the various school districts.

The bond issues for Fifth Ward Special School District No. 1, and Sixth Ward Special District No. 3 have been retired. Remaining assets represent collections of prior year ad valorem taxes and are reserved for school district expenditures.

CAPITAL PROJECTS FUNDS

Hurricane Construction Fund

The Hurricane Construction Fund is used to account for expenditures attributable to the destruction caused by Hurricane Lili in October 2002.

District Capital Project Funds

The board appropriates funds to provide for construction and major repair projects at each District.

Consolidated School District No. 1 Fund

The Consolidated School District No. 1 Fund is used to acquire land, buildings, and other school-related facilities within the district. In addition, it is used to purchase the necessary equipment and furnishings for the schools. Funding has been provided by the proceeds of the \$16,500,000 bond issue dated May 1, 1997.

Special School District No. 4 Fund

Special School District No. 4 Fund is used to acquire or improve land, building sites and other school – related facilities within the district. In addition, it is used to purchase the necessary equipment and furnishings for the schools. Funding has been provided by the proceeds of the \$3,000,000 bond issue dated May 1, 1997.

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

Combined Balance Sheet
Non-Major Governmental Funds
By Fund Type
June 30, 2004

ASSETS	Special Revenue	Debt Service	Capital Projects	Total
Cash and interest-bearing deposits	\$4,208,657	\$ 1,575,419	\$ 726,338	\$ 6,510,414
Investments, at fair value	193,250	-	609,496	802,746
Receivables:				
Accounts	6,893	590	-	7,483
Accrued interest	2,756	-	12,933	15,689
Due from other governmental units	2,925,315	-	-	2,925,315
Due from other funds	26,430	-	2,914,594	2,941,024
Inventory, at cost	<u>79,371</u>	<u>-</u>	<u>-</u>	<u>79,371</u>
 Total assets	 <u>\$7,442,672</u>	 <u>\$ 1,576,009</u>	 <u>\$ 4,263,361</u>	 <u>\$ 13,282,042</u>
 LIABILITIES AND FUND EQUITY				
Liabilities:				
Accounts payable	\$ 145,788	\$ 12	\$ 108,307	\$ 254,107
Accrued liabilities	346,343	-	-	346,343
Due to other funds	4,226,448	-	-	4,226,448
Deferred revenues	35,798	15,684	-	51,482
Total liabilities	<u>4,754,377</u>	<u>15,696</u>	<u>108,307</u>	<u>4,878,380</u>
Fund balances:				
Reserved for debt service	-	1,550,227	-	1,550,227
Reserved for maintenance	2,155,363	-	-	2,155,363
Reserved for federal programs	36,800	-	-	36,800
Reserved for food service	496,132	-	-	496,132
Reserved for construction	-	-	21,584	21,584
Reserved for other	-	10,086	-	10,086
Unreserved -				
Designated for construction	<u>-</u>	<u>-</u>	<u>4,133,470</u>	<u>4,133,470</u>
Total fund balances	<u>2,688,295</u>	<u>1,560,313</u>	<u>4,155,054</u>	<u>8,403,662</u>
 Total liabilities and fund balances	 <u>\$7,442,672</u>	 <u>\$ 1,576,009</u>	 <u>\$ 4,263,361</u>	 <u>\$ 13,282,042</u>

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana
Special Revenue Funds

Combining Balance Sheet
June 30, 2004

	No Child Left Behind Act			
	Title I	Title II	Title III	Title IV
ASSETS				
Cash and interest-bearing deposits	\$ -	\$ -	\$ -	\$ -
Investments, at fair value	-	-	-	-
Receivables:				
Accounts	27	-	-	-
Accrued interest	-	-	-	-
Due from other governmental units	1,104,349	455,308	7,548	54,609
Due from other funds	117	-	20	-
Inventory, at cost	-	-	-	-
Total assets	<u>\$ 1,104,493</u>	<u>\$ 455,308</u>	<u>\$ 7,568</u>	<u>\$ 54,609</u>
LIABILITIES AND FUND EQUITY				
Liabilities:				
Accounts payable	\$ 45,064	\$ 345	\$ 2,338	\$ -
Accrued liabilities	112,656	26,892	8	1,105
Due to other funds	944,488	428,071	5,222	53,504
Deferred revenues	-	-	-	-
Total liabilities	<u>1,102,208</u>	<u>455,308</u>	<u>7,568</u>	<u>54,609</u>
Fund balances:				
Reserved for maintenance	-	-	-	-
Reserved for federal programs	2,285	-	-	-
Reserved for food service	-	-	-	-
Total fund balances	<u>2,285</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities and fund balances	<u>\$ 1,104,493</u>	<u>\$ 455,308</u>	<u>\$ 7,568</u>	<u>\$ 54,609</u>

<u>No Child Left Behind Act</u>	<u>Rural Education Achievement Program</u>	<u>Individuals with Disabilities Education Act</u>		<u>Workforce Investment Act</u>
		<u>Preschool Incentive</u>	<u>Special Education</u>	
<u>Title V</u>				
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	-	-	-
23,054	73,206	21,250	465,849	60,769
-	-	-	-	153
-	-	-	-	-
<u>\$ 23,054</u>	<u>\$ 73,206</u>	<u>\$ 21,250</u>	<u>\$ 465,849</u>	<u>\$ 60,922</u>
\$ -	\$ -	\$ -	\$ 10,307	\$ 188
1,677	3,058	2,391	34,003	4,594
21,377	70,148	18,859	421,539	56,140
-	-	-	-	-
<u>23,054</u>	<u>73,206</u>	<u>21,250</u>	<u>465,849</u>	<u>60,922</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>\$ 23,054</u>	<u>\$ 73,206</u>	<u>\$ 21,250</u>	<u>\$ 465,849</u>	<u>\$ 60,922</u>

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana
Special Revenue Funds

Combining Balance Sheet (Continued)
June 30, 2004

	School Districts Maintenance	School Lunch	Vocational/Adult Education	Temporary Assistance For Needy Families
ASSETS				
Cash and interest-bearing deposits	\$ 3,571,577	\$ 637,080	\$ -	\$ -
Investments, at fair value	193,250	-	-	-
Receivables:				
Accounts	3,911	2,955	-	-
Accrued interest	2,756	-	-	-
Due from other governmental units	238	197,658	214,229	12,815
Due from other funds	-	-	10,283	15,857
Inventory, at cost	-	79,371	-	-
Total assets	\$ 3,771,732	\$ 917,064	\$ 224,512	\$ 28,672
LIABILITIES AND FUND EQUITY				
Liabilities:				
Accounts payable	\$ 58,811	\$ 3,561	\$ 161	\$ 880
Accrued liabilities	27,816	108,432	15,534	3,339
Due to other funds	1,493,944	308,939	200,148	(1,393)
Deferred revenues	35,798	-	-	-
Total liabilities	1,616,369	420,932	215,843	2,826
Fund balances:				
Reserved for maintenance	2,155,363	-	-	-
Reserved for federal programs	-	-	8,669	25,846
Reserved for food service	-	496,132	-	-
Total fund balances	2,155,363	496,132	8,669	25,846
Total liabilities and fund balances	\$ 3,771,732	\$ 917,064	\$ 224,512	\$ 28,672

<u>Literacy And School Libraries Grant</u>	<u>Comprehensive School Grants</u>	<u>Enhancing Education Through Technology Grants</u>	<u>Total</u>
\$ -	\$ -	\$ -	\$ 4,208,657
-	-	-	193,250
-	-	-	6,893
-	-	-	2,756
115,006	57,907	61,520	2,925,315
-	-	-	26,430
-	-	-	79,371
<u>\$ 115,006</u>	<u>\$ 57,907</u>	<u>\$ 61,520</u>	<u>\$ 7,442,672</u>
\$ 20,489	\$ 3,644	\$ -	\$ 145,788
-	4,648	190	346,343
94,517	49,615	61,330	4,226,448
-	-	-	35,798
<u>115,006</u>	<u>57,907</u>	<u>61,520</u>	<u>4,754,377</u>
-	-	-	2,155,363
-	-	-	36,800
-	-	-	496,132
-	-	-	2,688,295
<u>\$ 115,006</u>	<u>\$ 57,907</u>	<u>\$ 61,520</u>	<u>\$ 7,442,672</u>

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana
Debt Service Funds

Combining Balance Sheet
June 30, 2004

	<u>Consolidated District No. 1</u>	<u>Special School District No. 4</u>	<u>Fifth Ward Special School District No. 1</u>
ASSETS			
Cash and interest-bearing deposits	\$ 1,339,032	\$ 226,301	\$ 566
Accounts receivable	<u>512</u>	<u>78</u>	<u>-</u>
 Total assets	 <u>\$ 1,339,544</u>	 <u>\$ 226,379</u>	 <u>\$ 566</u>
LIABILITIES AND FUND EQUITY			
Liabilities:			
Accounts payable	\$ -	\$ 12	\$ -
Deferred revenues	<u>7,902</u>	<u>7,782</u>	<u>-</u>
Total liabilities	<u>7,902</u>	<u>7,794</u>	<u>-</u>
 Fund balances:			
Reserved for debt service	1,331,642	218,585	-
Reserved	<u>-</u>	<u>-</u>	<u>566</u>
Total fund balances	<u>1,331,642</u>	<u>218,585</u>	<u>566</u>
 Total liabilities and fund balances	 <u>\$ 1,339,544</u>	 <u>\$ 226,379</u>	 <u>\$ 566</u>

<u>Sixth Ward Special School District No. 3</u>	<u>Total</u>
\$ 9,520	\$ 1,575,419
<u>-</u>	<u>590</u>
<u>\$ 9,520</u>	<u>\$ 1,576,009</u>
\$ -	\$ 12
<u>-</u>	<u>15,684</u>
<u>-</u>	<u>15,696</u>
-	1,550,227
<u>9,520</u>	<u>10,086</u>
<u>9,520</u>	<u>1,560,313</u>
<u>\$ 9,520</u>	<u>\$ 1,576,009</u>

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana
Capital Projects Funds

Combining Balance Sheet
June 30, 2004

	Hurricane Construction	District Capital Project	Consolidated School District No. 1
ASSETS			
Cash and interest-bearing deposits	\$ 9,341	\$ 695,413	\$ -
Investments, at fair value	-	609,496	-
Accrued interest	-	12,933	-
Due from other funds	-	2,914,594	-
Total assets	\$ 9,341	\$ 4,232,436	\$ -
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ -	\$ 108,307	\$ -
Fund balances:			
Reserved for construction	-	-	-
Designated for construction	9,341	4,124,129	-
Total fund balances	9,341	4,124,129	-
Total liabilities and fund balances	\$ 9,341	\$ 4,232,436	\$ -

<u>Special School District No. 4</u>	<u>Totals</u>
\$ 21,584	\$ 726,338
-	609,496
-	12,933
<u>-</u>	<u>2,914,594</u>
<u>\$ 21,584</u>	<u>\$ 4,263,361</u>

\$ -	\$ 108,307
------	------------

21,584	21,584
-	4,133,470
<u>21,584</u>	<u>4,155,054</u>
<u>\$ 21,584</u>	<u>\$ 4,263,361</u>

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

Combined Statement of Revenues, Expenditures,
And Changes in Fund Balances
Non-Major Governmental Funds
By Fund Type
Year Ended June 30, 2004

	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total</u>
Revenues:				
Local sources -				
Ad valorem taxes	\$ 3,494,719	\$ 1,891,663	\$ -	\$ 5,386,382
Interest earnings	34,363	20,482	35,672	90,517
Food service	644,938	-	-	644,938
Other	56,415	1,238	-	57,653
State sources -				
Unrestricted grants-in-aid	1,325,255	-	-	1,325,255
Federal sources -				
Restricted grants-in-aid	10,350,031	-	-	10,350,031
Other - commodities	<u>271,761</u>	<u>-</u>	<u>-</u>	<u>271,761</u>
Total revenues	<u>16,177,482</u>	<u>1,913,383</u>	<u>35,672</u>	<u>18,126,537</u>
Expenditures:				
Current -				
Instruction:				
Regular programs	739,320	-	5,617	744,937
Special education programs	645,385	-	-	645,385
Vocational education programs	160,484	-	-	160,484
Other instructional programs	45,271	-	-	45,271
Special programs	2,749,677	-	-	2,749,677
Adult and continuing education programs	479,890	-	-	479,890
Support services:				
Pupil support services	1,032,238	-	-	1,032,238
Instructional staff services	1,231,031	-	-	1,231,031
General administration	128,558	63,937	6,800	199,295
School administration	11,090	-	1,035	12,125
Business services	122,740	84	602	123,426
Operation and maintenance of plant services	2,406,474	-	5,526	2,412,000
Student transportation services	65,101	-	-	65,101
Central services	25,943	-	-	25,943
Non-instructional services -				
Food service operations	5,006,896	-	11,709	5,018,605
Facilities acquisition and construction	288,243	-	1,152,047	1,440,290
Debt service -				
Principal retirement	-	1,200,000	-	1,200,000
Interest and fiscal charges	-	<u>706,125</u>	-	<u>706,125</u>
Total expenditures	<u>15,138,341</u>	<u>1,970,146</u>	<u>1,183,336</u>	<u>18,291,823</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,039,141</u>	<u>(56,763)</u>	<u>(1,147,664)</u>	<u>(165,286)</u>

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

Combined Statement of Revenues, Expenditures,
And Changes in Fund Balances
Non-Major Governmental Funds
By Fund Type (Continued)
Year Ended June 30, 2004

	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total</u>
Other financing sources (uses)				
Operating transfers in	-	-	850,000	850,000
Operating transfers out	<u>(1,718,070)</u>	-	-	<u>(1,718,070)</u>
Total other financing sources (uses)	<u>(1,718,070)</u>	-	<u>850,000</u>	<u>(868,070)</u>
 Deficiency of revenues and other sources under expenditures and other uses	(678,929)	(56,763)	(297,664)	(1,033,356)
 Fund balances, beginning	<u>3,367,224</u>	<u>1,617,076</u>	<u>4,452,718</u>	<u>9,437,018</u>
 Fund balances, ending	<u>\$ 2,688,295</u>	<u>\$ 1,560,313</u>	<u>\$ 4,155,054</u>	<u>\$ 8,403,662</u>

ST. MARY PARISH SCHOOL BOARD

Centerville, Louisiana

Special Revenue Funds

Combining Statement of Revenues, Expenditures,
And Changes in Fund Balances
Year Ended June 30, 2004

	No Child Left Behind Act			
	Title I	Title II	Title III	Title IV
Revenues:				
Local sources -				
Ad valorem taxes	\$ -	\$ -	\$ -	\$ -
Interest earnings	-	-	-	-
Food service	-	-	-	-
Other	-	-	-	-
State sources -				
Unrestricted grants-in-aid	-	-	-	-
Federal sources -				
Restricted grants-in-aid	3,160,481	807,292	31,140	102,992
Other - commodities	-	-	-	-
Total revenues	<u>3,160,481</u>	<u>807,292</u>	<u>31,140</u>	<u>102,992</u>
Expenditures:				
Current -				
Instruction:				
Regular programs	-	527,174	-	-
Special education programs	-	-	-	-
Vocational education programs	-	-	-	-
Other instructional programs	-	-	-	-
Special programs	2,371,680	-	19,467	-
Adult and continuing education programs	-	-	-	-
Support services:				
Pupil support services	246,045	59,807	-	101,316
Instructional staff services	375,160	186,717	10,623	-
General administration	1,122	291	-	-
School administration	-	-	-	-
Business services	5,388	-	-	-
Operation and maintenance of plant services	33,274	-	-	-
Student transportation services	2,467	-	256	331
Central services	-	-	-	-
Non-instructional services -	-	-	-	-
Food service operations	-	-	-	-
Facilities acquisition and construction	-	-	-	-
Total expenditures	<u>3,035,136</u>	<u>773,989</u>	<u>30,346</u>	<u>101,647</u>
Excess of revenues over expenditures	<u>125,345</u>	<u>33,303</u>	<u>794</u>	<u>1,345</u>

No Child Left Behind Act	Rural Education Achievement Program	Individuals with Disabilities Education Act		Workforce Investment Act
Title V		Preschool Incentive	Special Education	
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
68,146	171,991	64,137	1,676,544	131,993
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>68,146</u>	<u>171,991</u>	<u>64,137</u>	<u>1,676,544</u>	<u>131,993</u>
-	-	-	-	-
-	-	2,650	642,711	-
-	-	-	-	-
-	40,901	8,327	8,184	-
-	-	-	-	131,937
53,155	19,591	49,005	491,813	-
12,015	104,166	579	236,002	-
-	-	-	584	-
-	-	-	-	-
-	-	-	14,855	-
-	-	-	18,476	-
-	-	849	25,416	56
-	-	-	25,815	-
-	-	-	-	-
-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>149,230</u>	<u>-</u>
<u>65,170</u>	<u>164,658</u>	<u>61,410</u>	<u>1,613,086</u>	<u>131,993</u>
<u>2,976</u>	<u>7,333</u>	<u>2,727</u>	<u>63,458</u>	<u>-</u>

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana
Special Revenue Funds

Combining Statement of Revenues, Expenditures,
And Changes in Fund Balances (Continued)
Year Ended June 30, 2004

	<u>School Districts Maintenance</u>	<u>School Lunch</u>	<u>Vocational/Adult Education</u>	<u>Temporary Assistance For Needy Families</u>
Revenues:				
Local sources -				
Ad valorem taxes	\$ 3,494,719	\$ -	\$ -	\$ -
Interest earnings	34,363	-	-	-
Food service	-	644,938	-	-
Other	6,072	6,032	44,311	-
State sources -				
Unrestricted grants-in-aid	311,721	1,013,534	-	-
Federal sources -				
Restricted grants-in-aid	-	2,961,399	489,299	229,044
Other - commodities	-	271,761	-	-
Total revenues	<u>3,846,875</u>	<u>4,897,664</u>	<u>533,610</u>	<u>229,044</u>
Expenditures:				
Current -				
Instruction:				
Regular programs	157,649	-	216	-
Special education programs	-	-	-	24
Vocational education programs	1,431	-	159,053	-
Other instructional programs	39,016	-	-	6,255
Special programs	-	-	146,896	61,876
Adult and continuing education programs	-	-	188,998	158,612
Support services:				
Pupil support services	891	-	10,615	-
Instructional staff services	4,382	-	5,000	-
General administration	126,561	-	-	-
School administration	11,090	-	-	-
Business services	102,497	-	-	-
Operation and maintenance of plant services	2,354,724	-	-	-
Student transportation services	17,746	-	5,388	10,539
Central services	128	-	-	-
Non-instructional services -				
Food service operations	-	5,006,896	-	-
Facilities acquisition and construction	139,013	-	-	-
Total expenditures	<u>2,955,128</u>	<u>5,006,896</u>	<u>516,166</u>	<u>237,306</u>
Excess (deficiency) of revenues over expenditures	<u>891,747</u>	<u>(109,232)</u>	<u>17,444</u>	<u>(8,262)</u>

<u>Comprehensive School Grants</u>	<u>Enhancing Education Through Technology Grants</u>	<u>Total</u>
\$ -	\$ -	\$ 3,494,719
-	-	34,363
-	-	644,938
-	-	56,415
-	-	1,325,255
173,418	72,621	10,350,031
-	-	271,761
<u>173,418</u>	<u>72,621</u>	<u>16,177,482</u>
-	54,281	739,320
-	-	645,385
-	-	160,484
-	-	45,271
92,346	-	2,749,677
343	-	479,890
-	-	1,032,238
71,550	15,303	1,231,031
-	-	128,558
-	-	11,090
-	-	122,740
-	-	2,406,474
2,053	-	65,101
-	-	25,943
-	-	5,006,896
-	-	288,243
<u>166,292</u>	<u>69,584</u>	<u>15,138,341</u>
<u>7,126</u>	<u>3,037</u>	<u>1,039,141</u>

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana
Special Revenue Funds

Combining Statement of Revenues, Expenditures,
And Changes in Fund Balances (Continued)
Year Ended June 30, 2004

	No Child Left Behind Act			
	Title I	Title II	Title III	Title IV
Other financing uses				
Operating transfers out	(128,290)	(33,303)	(794)	(1,345)
Excess (deficiency) of revenues and other uses over (under) expenditures and other uses	(2,945)	-	-	-
Fund balances, beginning	5,230	-	-	-
Fund balances, ending	<u>\$ 2,285</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

No Child Left Behind Act	Improving America's Schools Act	Individuals with Disabilities Education Act		Workforce Investment Act
Title V	Title VI	Preschool Incentive	Special Education	
(2,976)	(7,333)	(2,727)	(63,458)	-
-	-	-	-	-
-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana
Special Revenue Funds

Combining Statement of Revenues, Expenditures,
And Changes in Fund Balances (Continued)
Year Ended June 30, 2004

	<u>School Districts Maintenance</u>	<u>School Lunch</u>	<u>Vocational/Adult Education</u>	<u>Temporary Assistance For Needy Families</u>
Other financing uses				
Operating transfers out	<u>(1,450,000)</u>	<u>-</u>	<u>(8,775)</u>	<u>(8,906)</u>
Excess (deficiency) of revenues and other uses over (under) expenditures and other uses	(558,253)	(109,232)	8,669	(17,168)
Fund balances, beginning	<u>2,713,616</u>	<u>605,364</u>	<u>-</u>	<u>43,014</u>
Fund balances, ending	<u>\$ 2,155,363</u>	<u>\$ 496,132</u>	<u>\$ 8,669</u>	<u>\$ 25,846</u>

<u>Comprehensive School Grants</u>	<u>Enhancing Education Through Technology Grants</u>	<u>Total</u>
<u>(7,126)</u>	<u>(3,037)</u>	<u>(1,718,070)</u>
-	-	(678,929)
<u>-</u>	<u>-</u>	<u>3,367,224</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,688,295</u>

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana
Debt Service Funds

Combining Statement of Revenues, Expenditures,
And Changes in Fund Balances
June 30, 2004

	<u>Consolidated School District No. 1</u>	<u>Special School District No. 4</u>	<u>Fifth Ward Special School District No. 1</u>
Revenues:			
Local sources -			
Ad valorem taxes	\$ 1,604,488	\$ 287,084	\$ -
Interest earnings	17,870	2,606	6
Other	<u>1,018</u>	<u>220</u>	<u>-</u>
Total revenues	<u>1,623,376</u>	<u>289,910</u>	<u>6</u>
Expenditures:			
Current -			
Support services:			
General administration	53,964	9,973	-
Business services	42	42	-
Debt service -			
Principal retirement	1,010,000	190,000	-
Interest and fiscal charges	<u>592,350</u>	<u>113,775</u>	<u>-</u>
Total expenditures	<u>1,656,356</u>	<u>313,790</u>	<u>-</u>
Excess of revenues over expenditures	<u>(32,980)</u>	<u>(23,880)</u>	<u>6</u>
Fund balances, beginning	<u>1,364,622</u>	<u>242,465</u>	<u>560</u>
Fund balances, ending	<u>\$ 1,331,642</u>	<u>\$ 218,585</u>	<u>\$ 566</u>

<u>Sixth Ward Special School District No. 3</u>	<u>Total</u>
\$ 91	\$ 1,891,663
-	20,482
<u>-</u>	<u>1,238</u>
<u>91</u>	<u>1,913,383</u>
-	63,937
-	84
-	1,200,000
<u>-</u>	<u>706,125</u>
<u>-</u>	<u>1,970,146</u>
<u>91</u>	<u>(56,763)</u>
<u>9,429</u>	<u>1,617,076</u>
<u>\$ 9,520</u>	<u>\$ 1,560,313</u>

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana
Capital Projects Funds

Combining Statement of Revenues, Expenditures,
And Changes in Fund Balances

Year Ended June 30, 2004

	<u>Hurricane Construction</u>	<u>District Capital Project</u>	<u>Consolidated School District No. 1</u>
Revenues:			
Local sources -			
Interest earnings	\$ _____ -	\$ _____ 35,502	\$ _____ 33
Expenditures:			
Current -			
Instruction:			
Regular programs	-	5,617	-
Support services:			
General administration	-	2,045	4,755
School administration	-	1,035	-
Business services	-	602	-
Operation and maintenance of plant	619	4,907	-
Food service operation	-	11,709	-
Facilities acquisition and construction	-	1,145,017	7,030
Total expenditures	<u>619</u>	<u>1,170,932</u>	<u>11,785</u>
Excess (deficiency) of revenues over expenditures	(619)	(1,135,430)	(11,752)
Other financing sources			
Operating transfers in	-	850,000	-
Excess (deficiency) of revenues and other sources over (under) expenditures	(619)	(285,430)	(11,752)
Fund balances, beginning	<u>9,960</u>	<u>4,409,559</u>	<u>11,752</u>
Fund balances, ending	<u>\$ 9,341</u>	<u>\$ 4,124,129</u>	<u>\$ _____ -</u>

<u>Special School</u> <u>District No. 4</u>	<u>Total</u>
\$ 137	\$ 35,672
-	5,617
-	6,800
-	1,035
-	602
-	5,526
-	11,709
-	<u>1,152,047</u>
-	<u>1,183,336</u>
137	(1,147,664)
-	850,000
137	(297,664)
<u>21,447</u>	<u>4,452,718</u>
<u>\$ 21,584</u>	<u>\$ 4,155,054</u>

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

FIDUCIARY FUNDS

PRIVATE PURPOSE TRUST FUNDS:

Ann Dangerfield Scholarship, J. J. Hebert Memorial, C. J. Peltier Scholarship

The private purpose trust funds invest donated monies in a trustee capacity and expend the funds in accordance with the wishes of the donors.

AGENCY FUND:

School Activity

The school activity agency fund is custodial in nature and accounts for activities within all twenty-six schools comprising the system. Monies accumulated within the student activity agency fund are under the supervision of the School Board; however, the monies are the properties of the respective schools and student bodies and are not available for use by the School Board.

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana
Fiduciary Funds

Combining Balance Sheet
June 30, 2004

	Private Purpose Trust Funds		
	Ann Dangerfield Scholarship	J. J. Hebert Memorial	C. J. Peltier, Jr. Scholarship
ASSETS			
Cash	\$ 3,513	\$ 380	\$ 234
Investments, at fair value	10,000	-	-
Accrued interest	<u>231</u>	<u>-</u>	<u>-</u>
 Total assets	 <u>\$ 13,744</u>	 <u>\$ 380</u>	 <u>\$ 234</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 2,823	\$ -	\$ -
Deposits due to others	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>2,823</u>	<u>-</u>	<u>-</u>
 Fund balances:			
Unreserved - undesignated	<u>10,921</u>	<u>380</u>	<u>234</u>
 Total liabilities and fund balances	 <u>\$ 13,744</u>	 <u>\$ 380</u>	 <u>\$ 234</u>

<u>Agency Fund School Activity</u>	<u>Total</u>
\$ 1,051,320	\$ 1,055,447
-	10,000
-	<u>231</u>
<u>\$ 1,051,320</u>	<u>\$ 1,065,678</u>

\$ -	\$ 2,823
<u>1,051,320</u>	<u>1,051,320</u>
<u>1,051,320</u>	<u>1,054,143</u>
-	<u>11,535</u>
<u>\$ 1,051,320</u>	<u>\$ 1,065,678</u>

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana
Private Purpose Trust Funds

Combining Statement of Revenues, Expenditures,
And Changes in Fund Balances
Year Ended June 30, 2004

	<u>Ann Dangerfield Scholarship</u>	<u>J. J. Hebert Memorial</u>	<u>C. J. Peltier, Jr. Scholarship</u>	<u>Total</u>
Revenues:				
Local sources -				
Interest earnings	\$ 634	\$ -	\$ -	\$ 634
Expenditures:				
Tuition Grants	790	-	-	790
Deficiency of revenues over expenditures	(156)	-	-	(156)
Fund balances, beginning	11,078	380	234	11,692
Fund balances, ending	<u>\$ 10,922</u>	<u>\$ 380</u>	<u>\$ 234</u>	<u>\$ 11,536</u>

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana
Agency Fund
School Activity Funds

Schedule of Changes in Deposits Due to Others
Year Ended June 30, 2004

	Balance <u>July 1, 2003</u>	Additions	Reductions	Balance <u>June 30, 2004</u>
St. Mary Parish Alternative	\$ 368	\$ 3,960	\$ 3,541	\$ 787
<i>J. S. Aucoin Elementary</i>	27,781	38,702	38,598	27,885
Baldwin Elementary	4,344	25,708	23,640	6,412
Bayou Vista Elementary	16,826	100,693	105,173	12,346
<i>Berwick Elementary</i>	23,682	79,084	81,449	21,317
Berwick Junior High	30,948	100,884	102,921	28,911
Berwick Senior High	118,285	363,661	307,244	174,702
B. Edward Boudreaux Junior High	6,068	59,608	53,735	11,941
Centerville High	41,564	154,113	115,355	80,322
W. P. Foster Elementary	24,206	39,787	38,993	25,000
Franklin Adult Education	3,894	6,708	7,765	2,837
<i>Franklin Junior High</i>	59,387	86,563	74,401	71,549
Franklin Senior High	13,746	234,593	215,094	33,245
Thomas Gibbs Elementary	4,299	20,497	19,427	5,369
G. W. Hamilton Elementary	7,078	28,224	29,611	5,691
Mary Hines Elementary	7,453	44,943	38,206	14,190
LaGrange Elementary	12,357	43,597	45,650	10,304
J. B. Maitland Elementary	14,812	39,533	44,885	9,460
Morgan City Adult Education	4,572	11,793	5,647	10,718
Morgan City Junior High	57,732	123,685	121,322	60,095
Morgan City Senior High	186,113	457,152	449,513	193,752
<i>M. E. Norman Elementary</i>	23,895	33,005	34,102	22,798
Patterson Junior High	23,419	94,678	90,911	27,186
Patterson Senior High	80,868	252,516	263,557	69,827
M. D. Shannon Elementary	11,973	28,656	31,578	9,051
H. A. Watts Elementary	45,779	63,240	59,677	49,342
Hernandez Elementary	20,462	40,125	50,389	10,198
West St. Mary High	17,339	306,258	286,912	36,685
Wyandotte Elementary	20,675	68,577	69,852	19,400
	<u>\$ 909,925</u>	<u>\$ 2,950,543</u>	<u>\$ 2,809,148</u>	<u>\$ 1,051,320</u>

**INTERNAL CONTROL, COMPLIANCE
AND
OTHER GRANT INFORMATION**



(A Corporation of Certified Public Accountants)

Eugene H. Darnall, CPA, Retired 1990

Paula D. Bihm, CPA Deceased 2002

E. Larry Sikes, CPA, CVA, CFP™

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Adam J. Curry, CPA

Independent Auditor's Report on Compliance and on Internal
Control over Financial Reporting Based on an Audit of
Financial Statements Performed in Accordance with
Government Auditing Standards

Donald W. Aguillard, Ph.D., Superintendent
and Members of the St. Mary Parish School Board
Centerville, Louisiana

We have audited the financial statements of the St. Mary Parish School Board as of and for the year ended June 30, 2004, and have issued our report thereon dated September 29, 2004. We have conducted our audit in accordance with generally accepted auditing standards, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Office of Management and Budget (OMB) Circular A-133 "Audits of States, Local Governments, and Non-Profit Organizations".

Compliance

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

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the St. Mary Parish School Board's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the basic financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended for the information and use of management, federal awarding agencies, and pass-through entities. However, under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document, therefore its distribution is not limited.

Dannall, Sikes & Frederick
A Corporation of Certified Public Accountants

Morgan City, Louisiana
September 29, 2004



(A Corporation of Certified Public Accountants)

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Independent Auditor's Report on Compliance with Requirements
Applicable to Each Major Program and Internal Control over
Compliance in Accordance with OMB Circular A-133

Donald W. Aguillard, Ph.D., Superintendent,
and Members of the St. Mary Parish School Board
Centerville, Louisiana

Compliance

We have audited the compliance of the St. Mary Parish School Board with the types of compliance requirements described in the *U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2004. The St. Mary Parish School Board's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. *Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the St. Mary Parish School Board's management. Our responsibility is to express an opinion on the St. Mary Parish School Board's compliance based on our audit.*

We conducted our audit of compliance in accordance with generally accepted auditing standards; 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 St. Mary Parish School Board's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the St. Mary Parish School Board's compliance with those requirements.

In our opinion, the St. Mary Parish School Board complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2004.

Member of:
American Institute of
Certified Public Accountants

Society of Louisiana
Certified Public Accountants

Internal Control Over Compliance

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

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

This report is intended for the information and use of management, federal awarding agencies, and pass-through entities. However, under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document, therefore its distribution is not limited.

Dannall, Sikes & Frederick

A Corporation of Certified Public Accountants

Morgan City, Louisiana
September 29, 2004

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

Schedule of Expenditures of Federal Awards
Year Ended June 30, 2004

Program Title	Federal CFDA Number	Grantor Number	Federal Disbursements/ Expenditures
U. S. Department of Agriculture:			
Passed through Louisiana Department of			
Education & Agriculture - School Food Service -			
Food Distribution Program	10.550		\$ 271,761
School Breakfast Program	10.553		757,155
National School Lunch Program	10.555		<u>2,204,245</u>
Total U. S. Department of Agriculture			<u>3,233,161</u>
U. S. Department of Health and Human Services:			
Passed through Louisiana Department of			
Education -			
Starting Points Preschool Program	93.560	280438-51	60,497
Pre/GED Skills Options	93.560	280436-51	45,845
Pre/GED Skills Options c/o	93.560	0336-51	25,798
TANF Strategies to Empower People	93.560	2804EP-51	6,083
TANF Adult & Family Literacy	93.560	28-04LG-51	47,532
TANF Adult & Family Literacy c/o	93.560	03LG-51	41,724
TANF Child Literacy	93.560	03MS-51	<u>1,565</u>
Total U. S. Department of Health and Human Services			<u>229,044</u>
U. S. Department of Labor:			
Passed through St. Landry Parish Police Jury -			
Workforce Investment Act - Summer Youth Services FY 04	17.250	5941	42,684
Workforce Investment Act - Summer Youth Services FY 05	17.250	5953	20,380
Workforce Investment Act - In School JAG	17.250	1509	<u>68,929</u>
Total U. S. Department of Labor			<u>131,993</u>
U. S. Department of Education:			
Direct Programs -			
Migrant Education - Based State Formula Grant Program	84.011A	2899M151M	45,124
Comprehensive School Grants - Aucoin	84.289P	T290U990187-02	21,644
Bilingual Education - Comprehensive			
School Grants - Aucoin	84.290U	T290U990187	151,773
Literacy and School Libraries Grant	84-364A	S364A030241	209,534
Passed through Louisiana Department of Education -			
Educationally Deprived Children - Local			
Education Agencies - Title I - FY 04	84.010A	04-T1-51	2,701,091
Title I - FY 03 c/o	84.010A	03-T1-51	409,356
Reading Excellence Act	84.338A	00-R2-51-C	4,910
Handicapped - IDEA-B FY 04	84.027A	03-B1-51	1,174,202
IDEA-B FY 03 c/o	84.027A	02-B1-51	353,112
IDEA-School Renovation and Technology	84.352A	03-SG-51	149,230
Special Education - Preschool FY 04	84.173A	28-04-P1-51	54,722
Preschool FY 03 c/o	84.173A	02-P1-51-S	9,415

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

Schedule of Expenditures of Federal Awards (Continued)
Year Ended June 30, 2004

<u>Program Title</u>	<u>Federal CFDA Number</u>	<u>Grantor Number</u>	<u>Federal Disbursements/ Expenditures</u>
Rural Education Achievement Program FY 04	84.358B	04-RE-51	5,897
Rural Education Achievement Program FY 03	84.358B	03-RE-51	166,094
Vocational Education			
Basic Grants - Carl Perkins FY 04	84.048A	280402-51	165,805
Carl Perkins FY 03 c/o	84.048A	280302-51-C	3,863
Grants for Strengthening the Skills of Teachers and Instruction in Math, Science, Foreign Languages, and			
Teacher & Principal Training Title II FY 04	84.367A	04-50-51	655,954
Teacher & Principal Training Title II FY 03 c/o	84.367A	03-50-51	151,338
Title IV Drug-Free Schools & Communities FY 04	84.186A	04-70-51	38,205
Title IV Drug-Free Schools & Communities FY 03 c/o	84.186A	03-70-51	30,420
Academic Achievement - Title III FY 04	84.365A	2804-60-51	16,882
Academic Achievement - Title III FY 03 c/o	84.365A	03-60-51	9,206
Academic Achievement - Student Influx Title III FY 03 c/o	84.365A	03-S3-51	5,052
Innovative Education Program Strategies Title V	84.298A	04-80-51	54,243
Innovative Education Program Strategies Title V FY 03 c/o	84.298A	03-80-51	13,903
Technology Grant EETT - Enhancing Education Through Technology	84-318X	0449-51	60,169
Technology Grant EETT FY 03 c/o	84-318X	0349-51	12,452
Adult Ed - Workplace Literacy FY 04	84.002A	0442-51	60,166
Adult Ed - Workplace Literacy FY 03 c/o	84.002A	0342-51	6,639
Adult Ed - Basic - Federal FY 04	84.002A	0444-51	118,632
Adult Ed - Basic - Federal FY 03 c/o	84.002A	0344-51	2,101
Adult Ed - Basic - Federal FY 02 c/o	84.002A	0244-51	5,181
Even Start FY 04	84.213C	04-F1-51	94,996
Even Start FY 03 c/o	84.213C	03-F1-51	24,260
Even Start FY 03 Reallocation	84.213C	03-F1-51	4,395
Even Start FY 02 Supplement	84.213C	02-F1-51-C	3,261
Total U. S. Department of Education			<u>6,993,227</u>
 Total Federal Assistance			 <u>\$ 10,587,425</u>

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

Schedule of Expenditures of Federal Awards (Continued)
Year Ended June 30, 2004

NOTE 1 BASIS OF PRESENTATION

The above schedule of expenditures of federal awards includes the federal grant activity of the St. Mary Parish School Board and is presented on the same basis of accounting as described in Note 1 to the financial statements. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations".

OTHER SUPPLEMENTARY INFORMATION

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

Summary Schedule of Prior Year Findings
Year Ended June 30, 2004

There were no findings for the year ended June 30, 2003.

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

Schedule of Findings and Questioned Costs
Year Ended June 30, 2004

Part I Summary of Audit Results

FINANCIAL STATEMENTS

Auditor's Report

An unqualified opinion has been issued on the St. Mary Parish School Board's financial statements as of and for the year ended June 30, 2004.

Reportable Conditions - Financial Reporting

There were no reportable conditions in internal control over financial reporting noted during the audit of the financial statements.

Material Noncompliance - Financial Reporting

The results of our tests disclosed no instances of noncompliance which are required to be reported under *Government Auditing Standards*.

FEDERAL AWARDS

Major Program - Identification

The St. Mary Parish School Board, at June 30, 2004, had four major programs:

Title I Part A Basic, CFDA # 84.010A, which received funds from the Department of Education "passed through" the State Department of Education.

Literacy Through School Libraries, CFDA # 84.364A, which received funds directly from the Department of Education.

Rural Education Achievement Program, CFDA # 84.358B, which received funds from the Department of Education "passed through" the State Department of Education.

National School Lunch Program and School Breakfast Program, CFDA #'s 10.555 and 10.553 which received funds from the Department of Agriculture "passed through" the State Department of Agriculture and the State Department of Education.

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

Schedule of Findings and Questioned Costs (Continued)
Year Ended June 30, 2004

Low-Risk Auditee

An entity is considered a low-risk auditee if it meets all of the following criteria, specified in the OMB Circular A-133, section 530, for each of the previous two years:

- Single audits were performed on an annual basis.
- The auditor's opinions on the financial statements and the schedule of expenditures of federal awards were unqualified.
- No material weaknesses in internal control, as defined by the Yellow Book, were identified.
- None of the federal programs had audit findings from any of the following in any of the preceding two years in which they were classified as Type A programs:
 - Material weaknesses in internal controls.
 - Noncompliance with the provisions of laws, regulations, contracts, or grant agreements that had a material effect on the Type A programs.
 - Known or likely questioned costs which exceed five percent of the total federal awards expended for a Type A program during the year.

For the fiscal year ended June 30, 2004, the St. Mary Parish School Board was considered a low-risk auditee.

Major Program - Threshold

The dollar threshold to distinguish Type A and Type B programs is \$500,000 for the fiscal year ended June 30, 2004.

Auditor's Report - Major Program

An unqualified opinion has been issued on the St. Mary Parish School Board's compliance for its major programs as of and for the year ended June 30, 2004.

Reportable Conditions - Major Program

No reportable conditions were disclosed during the audit of major programs.

Compliance Findings Related to Federal Programs

The results of our test disclosed no instances of noncompliance during the audit of major programs.

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

Schedule of Findings and Questioned Costs (Continued)
Year Ended June 30, 2004

Part 2 Findings Relating to an Audit in Accordance with *Government Auditing Standards*

The results of our tests disclosed no findings relating to an audit in accordance with *Government Auditing Standards*.

Part 3 Findings and Questioned Costs Relating to the Federal Programs

The results of our tests disclosed no findings or questioned costs related to federal programs.

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

Management's Corrective Action Plan for Current Year Findings
Year Ended June 30, 2004

Response to Agreed-Upon Procedures Findings for Schedule 5:

Management has taken steps to correct future information such as the implementation of review procedures to insure the accuracy of all schedules.

ST. MARY PARISH SCHOOL BOARD
Special District No. 4 and Consolidated School District No. 1
Centerville, Louisiana

Annual Report For Tax Year 2003

Audited Financial Statements

Special School District No. 4 and Consolidated School District No. 1 (the "Issuers") operate on a fiscal year ending June 30. The *Financial Statements* of the St. Mary Parish School Board (the "Governing Authority") and notes thereto for the fiscal year ended June 30, 2004, audited by Darnall, Sikes & Frederick, a Corporation of Certified Public Accountants, Morgan City, Louisiana, and their report dated as of September 29, 2004, is a supplement to this Annual Report. Included in the notes is a description of the basis of accounting used by the Issuers in reporting their financial statements.

Debt of the Issuers

The Issuers have no short-term indebtedness, *other than normal accounts payable or as otherwise stated in this Annual Report or its supplement*. The Issuers have never defaulted in the payment of their outstanding bonds or obligations. The total amount of debt the Issuers issued follows:

Special School District No. 4

Besides the general obligation bonds for which the Official Statement was prepared, no debt has been authorized or issued by the Issuer since the date of the Official Statement. Of the \$3,000,000 of bonds issued, \$2,010,000 was outstanding as of June 30, 2004.

Consolidated School District No. 1

Besides the general obligation bonds for which the Official Statement was prepared, no debt has been authorized or issued by the Issuer since the date of the Official Statement. Of the \$16,500,000 of bonds issued, \$10,830,000 was outstanding as of June 30, 2004.

Assessment Procedures

The assessment procedures and homestead exemption as authorized by law are the same as those in effect for the tax years reported in the *Official Statement*.

Assessed Valuation of Property in the Issuers

The 2003 assessed valuations of property in the Issuers follows:

Special School District No. 4

Taxable Assessed Valuation	\$ 34,417,868
Homestead Exemptions	<u>2,885,801</u>
Total Assessed Valuation	<u>\$ 37,303,669</u>

ST. MARY PARISH SCHOOL BOARD
Special District No. 4 and Consolidated School District No. 1
Centerville, Louisiana

Annual Report For Tax Year 2003

▪ **Assessed Valuation of Property in the Issuers (continued)**

Consolidated School District No. 1

Taxable Assessed Valuation	\$ 68,685,342
Homestead Exemptions	<u>18,475,462</u>
Total Assessed Valuation	<u>\$ 87,160,804</u>

Source: St. Mary Parish Assessor's Office

▪ **Assessed Valuation of Property in the Issuers – By Classification**

A breakdown of the 2003 assessed valuations of property in the Issuers by classification follows:

Special School District No. 4

<u>Classification</u>	<u>Assessed Valuation</u>
Real Estate	\$ 5,918,179
Personal Property	21,426,381
Public Service Property	<u>9,959,109</u>
Total	<u>\$ 37,303,669</u>

Consolidated School District No. 1

<u>Classification</u>	<u>Assessed Valuation</u>
Real Estate	\$ 38,015,755
Personal Property	35,813,780
Public Service Property	<u>13,331,269</u>
Total	<u>\$ 87,160,804</u>

Source: St. Mary Parish Assessor's Office

ST. MARY PARISH SCHOOL BOARD
Special District No. 4 and Consolidated School District No. 1
Centerville, Louisiana

Annual Report For Tax Year 2003

▪ **Tax Collection Records of the Issuers**

The 2003 ad valorem tax levies and collections for each of the issuers follows:

Special School District No. 4

Amount of Taxes Levied (a)	\$	309,761		
Deduction for Pensions (b)		<u>9,849</u>		
Net Taxes Levied		299,912		
Net Taxes Collected (c)		287,084	*	96%
Millage Rate		9.00		

Consolidated School District No. 1

Amount of Taxes Levied (a)	\$	1,648,448		
Deduction for Pensions (b)		<u>53,286</u>		
Net Taxes Levied		1,595,162		
Net Taxes Collected (c)		1,604,487	*	101%
Millage Rate		24.00		

*Includes prior year collections

Sources: (a) St. Mary Parish Assessor's Office, (b) Legislative Auditor's Office, (c) St. Mary Parish School Board

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ST. MARY PARISH SCHOOL BOARD
 Special District No. 4 and Consolidated School District No. 1
 Centerville, Louisiana

Annual Report For Tax Year 2003

▪ **Leading Taxpayers**

The ten largest property taxpayers for 2003 of the Issuers and their assessed valuations follow:

Special School District No. 4

Taxpayer	Type of Business	Assessed Valuation
1. Cabot Corporation	Carbon Black Mfg.	\$ 6,102,156
2. Columbian Chemicals	Carbon Black Mfg.	3,773,711
3. Nautilus Pipeline Co.	Oil & Gas	2,953,095
4. BP American Productions	Oil & Gas	2,676,857
5. Southern Natural Gas	Oil & Gas	1,590,940
6. Burlington Resources	Oil & Gas	1,526,845
7. CLECO Corporation	Power Generation	1,467,320
8. Legacy Resources Co.	Oil & Gas	1,277,520
9. Gulf South Pipeline	Oil & Gas	835,830
10. Manta Ray Offshore	Oil & Gas	<u>778,346</u>
		<u>\$ 22,982,620</u> *

*Approximately 61.6% of the 2003 taxable assessed valuation of Special School District No. 4

Consolidated School District No. 1

Taxpayer	Type of Business	Assessed Valuation
1. Morgan City Bank and Trust	Banking	\$ 2,083,749
2. Bell South Telecommunications	Communications	1,940,310
3. Whitney National Bank	Banking	1,261,083
4. Morgan City Courtesy Motors	Auto Sales	1,216,306
5. Hellenic Inc.	Real Estate Rentals	1,061,494
6. Conrad Industries	Shipbuilding	949,734
7. Teche Federal Savings	Banking	827,177
8. Baker Hughes	Oil & Gas	796,363
9. Hudson Drydocks Inc.	Marine Repair	632,538
10. Swiftships Shipbuilding	Shipbuilding	<u>614,239</u>
		<u>\$ 11,382,993</u> *

*Approximately 16.0% of the 2003 taxable assessed valuation of Consolidated School District No. 1

Source: St. Mary Parish Assessor's Office



(A Corporation of Certified Public Accountants)

Eugene H. Darnall, CPA, Retired 1990

Paula D. Bihm, CPA Deceased 2002

E. Larry Sikes, CPA, CVA, CFP™
Danny P. Frederick, CPA
Clayton E. Darnall, CPA, CVA
Eugene H. Darnall, III, CPA
Stephanie M. HigginBotham, CPA
John P. Armato, CPA
Jennifer S. Ziegler, CPA, CFP™
Chris A. Miller, CPA, CVA
Stephen R. Dischler, MBA, CPA
Steven G. Moosa, CPA

Erich G. Loewer, Jr. CPA

INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES

Kathleen T. Darnall, CPA
Erich G. Loewer, III, MTX CPA
Tamera T. Landry, CPA
Raegan D. Maggio, CPA
Barbara A. Clark, CPA
Monica F. Laverne, CPA
Lauren F. Verrett, CPA
Michelle B. Borrello, CPA
Jeremy C. Meaux, CPA
Kevin S. Young, CPA
Barbara Ann Watts, CPA
Adam J. Curry, CPA

St. Mary Parish School Board
Centerville, LA

We have performed the procedures included in the *Louisiana Governmental Audit Guide* enumerated below, which were agreed to by the management of St. Mary Parish School Board and the Legislative Auditor, State of Louisiana, solely to assist users in evaluating management's assertions about the performance and statistical data accompanying the annual financial statements of St. Mary Parish School Board and to determine whether the specified schedules are free of obvious errors and omissions as provided by the Board of Elementary and Secondary Education (BESE) Bulletin. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose. Our procedures and findings relate to the accompanying schedules of supplemental information and are as follows:

General Fund Instructional and Support Expenditures and Certain Local Revenue Sources (Schedule 1)

1. We selected a random sample of 25 transactions and reviewed supporting documentation to determine if the sampled expenditures/revenues are classified correctly and are reported in the proper amounts for each of the following amounts reported on the schedule:

- Total General Fund Instructional Expenditures,
- Total General Fund Equipment Expenditures,
- Total Local Taxation Revenue,
- Total Local Earnings on Investment in Real Property,
- Total State Revenue in Lieu of Taxes,
- Nonpublic Textbook Revenue, and
- Nonpublic Transportation Revenue.

No classification errors were noted in the transactions that were sampled.

Member of:
American Institute of
Certified Public Accountants

Society of Louisiana
Certified Public
Accountants

Education Levels of Public School Staff (Schedule 2)

2. We reconciled the total number of full-time classroom teachers per the schedule “Experience of Public Principals and Full-time Classroom Teachers” (Schedule 4) to the combined total number of full-time classroom teachers per this schedule and to school board supporting payroll records as of October 1st.

No differences were noted for this procedure.

3. We reconciled the combined total of principals and assistant principals per the schedule “Experience of Public Principals and Full-time Classroom Teachers” (Schedule 4) to the combined total of principals and assistant principals per this schedule.

No differences were noted for this procedure.

4. We obtained a list of full-time teachers, principals, and assistant principals by classification as of October 1st and as reported on the schedule. We traced a random sample of 25 teachers to the individual’s personnel file and determined if the individual’s education level was properly classified on the schedule.

No differences were noted for the teachers sampled in this procedure.

Number of Type of Public Schools (Schedule 3)

5. We obtained a list of schools by type as reported on the schedule. We compared the list to the schools and grade levels as reported on the Title I Grants to Local Educational Agencies (CFDA 84.010) application and/or the National School Lunch Program (CFDA 10.555).

No differences were noted for this procedure.

Experience of Public Principals and Full-time Classroom Teachers (Schedule 4)

6. We obtained a list of full-time teachers, principals, and assistant principals by classification as of October 1 and as reported on the schedule and traced the same sample used in procedure 4 to the individual’s personnel file and determined if the individual’s experience was properly classified on the schedule.

No differences were noted for this procedure.

Public Staff Data (Schedule 5)

7. We obtained a list of all classroom teachers including their base salary, extra compensation, and ROTC or rehired retiree status as well as full-time equivalent as reported on the schedule and traced a random sample of 25 teachers to the individual’s personnel file and determined if the individual’s salary, extra compensation, and full-time equivalents were properly included on the schedule.

The following differences were noted for this procedure:

- Out of the 25 teachers sampled, we noted that there were 4 instances where the “Incentive Pay” was incorrectly omitted from the “Base Pay” amount in the schedule.

- Out of the 25 teachers sampled, we noted that there was 1 instance where the PIPS component of salary appears to be omitted from total salary.

8. We recalculated the average salaries and full-time equivalents reported in the schedule.

No differences were noted for this procedure.

Class Size Characteristics (Schedule 6)

9. We obtained a list of classes by school, school type, and class size as reported on the schedule and reconciled school type classifications to Schedule 3 data, as obtained in procedure 5. We then traced a random sample of 10 classes to the October 1st roll books for those classes and determined if the class was properly classified on the schedule.

No differences were noted for this procedure.

Louisiana Educational Assessment Program (LEAP) for the 21st Century (Schedule 7)

10. We obtained test scores as provided by the testing authority and reconciled scores as reported by the testing authority to scores reported in the schedule by St. Mary Parish School Board.

No differences were noted for this procedure.

The Graduation Exit Exam for the 21st Century (Schedule 8)

11. We obtained test scores as provided by the testing authority and reconciled scores as reported by the testing authority to scores reported in the schedule by St. Mary Parish School Board.

No differences were noted for this procedure.

The Iowa Tests (Schedule 9)

12. We obtained test scores as provided by the testing authority and reconciled scores as reported by the testing authority to scores reported in the schedule by St. Mary Parish School Board.

No differences were noted for this procedure.

We were not engaged to, and did not perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management of St. Mary Parish School Board, the Louisiana Department of Education, the Louisiana Legislature, and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

Dannall, Sikes & Frederick

A Corporation of Certified Public Accountants
Morgan City, Louisiana
September 29, 2004

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

Schedule 1 - General Fund Instructional and Equipment Expenditures
As of June 30, 2004

General Fund Instructional and Equipment Expenditures:

General Fund Instructional Expenditures:

Teacher and Student Interaction Activities:

Classroom Teacher Salaries	\$ 25,796,225	
Other Instructional Staff Salaries	3,539,092	
Employee Benefits	7,187,247	
Purchased Professional and Technical Services	212,207	
Instructional Materials and Supplies	1,457,272	
Instructional Equipment	<u>112,929</u>	
Total Teacher and Student Interaction Activities		\$ 38,304,972

Other Instructional Activities 253,517

Pupil Support Activities	2,141,066	
Less: Equipment for Pupil Support Activities	<u>(8,613)</u>	
Net Pupil Support Activities		2,132,453

Instructional Staff Services	3,184,130	
Less: Equipment for Instructional Staff Services	<u>(4,382)</u>	
Net Instructional Staff Services		<u>3,179,748</u>

Total General Fund Instructional Expenditures \$ 43,870,690

Total General Fund Equipment Expenditures \$ 289,483

Certain Local Revenue Sources:

Local Taxation Revenue:

Constitutional Ad Valorem Taxes	\$ 2,465,579
Renewable Ad Valorem Taxes	6,778,502
Debt Service Ad Valorem Taxes	1,892,809
Up to 1% of Collections by the Sheriff on Taxes Other Than School Taxes	301,993
Sales and Use Taxes	<u>12,031,367</u>
Total Local Taxation Revenue	<u>\$ 23,470,250</u>

Local Earnings on Investment in Real Property:

Earnings from 16th Section Property	340,180
Earnings from Other Real Property	<u>1,285</u>
Total Local Earnings on Investment in Real Property	<u>\$ 341,465</u>

State Revenue in Lieu of Taxes:

Revenue Sharing - Constitutional Tax	170,143
Revenue Sharing - Other Taxes	220,455
Revenue Sharing - Excess Portion	-
Other Revenue in Lieu of Taxes	-
Total State Revenue in Lieu of Taxes	<u>\$ 390,598</u>

Nonpublic Textbook Revenue \$ 30,457

Nonpublic Transportation Revenue \$ 89,123

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

Schedule 2 – Education Levels of Public School Staff
As of October 1, 2003

Category	Full-Time Classroom Teachers				Principals & Assistant Principals			
	Certificated		Uncertificated		Certificated		Uncertificated	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Less than a Bachelor's Degree	-	0%	6	26%	-	0%	-	0%
Bachelor's Degree	561	79%	16	70%	-	0%	-	0%
Master's Degree	93	13%	1	4%	15	33%	-	0%
Master's Degree + 30	56	8%	-	0%	28	62%	-	0%
Specialist in Education	5	.70%	-	0%	2	5%	-	0%
Ph. D. or Ed. D.	-	0%	-	0%	-	0%	-	0%
Total	715	100%	23	100%	45	100%	-	0%

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

Schedule 3 – Number and Type of Public Schools
For the Year Ended June 30, 2004

Type	Number
Elementary	15
Middle/Jr. High	5
Secondary	5
Combination	2
Total	27

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

Schedule 4 – Experience of Public Principals and Full-time Classroom Teachers
As of October 1, 2003

	0-1 Yr.	2-3 Yrs.	4-10 Yrs.	11-14 Yrs.
Principals	-	-	1	4
Assistant Principals	-	-	2	5
Classroom Teachers	110	79	191	91
Total	110	79	194	100

	15-19 yrs.	20-24 Yrs.	25+ Yrs.	Total
Principals	6	6	10	27
Assistant Principals	3	4	4	18
Classroom Teachers	77	72	118	738
Total	86	82	132	783

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

Schedule 5 – Public School Staff Data
For the Year Ended June 30, 2004

	All Classroom Teachers	Classroom Teachers Excluding ROTC and Rehired Retirees
Average Classroom Teachers' Salary Including Extra Compensation	\$ 36,795	\$ 36,643
Average Classroom Teachers' Salary Excluding Extra Compensation	\$ 36,362	\$ 36,203
Number of Teacher Full-Time Equivalents (FTEs) used in Computation of Average Salaries	762.775	738.922

Note: Figures reported include all sources of funding (i.e., federal, state, and local) but exclude employee benefits. Generally, retired teachers rehired to teach receive less compensation than non-retired teachers and ROTC teachers receive more compensation because of a federal supplement. Therefore these teachers are excluded from the computation in the last column. This schedule excludes day-to-day substitutes and temporary employees.

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

Schedule 6 – Class Size Characteristics
As of October 1, 2003

School Type	Class Size Range							
	1 - 20		21 - 26		27 - 33		34 +	
	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Elementary	70.0%	233	27.9%	93	2.1%	7	0.0%	-
Elementary Activity Classes	54.4%	74	32.4%	44	4.4%	6	8.8%	12
Middle / Jr. High	36.1%	204	46.0%	260	17.9%	101	0.0%	-
Middle / Jr. High Activity Classes	21.4%	25	29.9%	35	34.2%	40	14.5%	17
High	43.5%	380	37.6%	328	18.9%	165	0.0%	-
High Activity Classes	52.2%	48	23.9%	22	13.0%	12	10.9%	10
Combination	68.6%	105	28.1%	43	3.3%	5	0.0%	-
Combination Activity Classes	41.7%	10	29.2%	7	16.6%	4	12.5%	3

Note: The Board of Elementary and Secondary Education has set specific limits on the maximum size of classes at various grade levels. The maximum enrollment in grades K-3 is 26 students and the maximum enrollment in grades 4-12 is 33 students. These limits do not apply to activity classes such as Physical Education, Chorus/Band, and other classes without maximum enrollment standards, therefore; these classes are included only as separate line items.

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

Schedule 7 – Louisiana Educational Assessment Program

District Achievement Level Results	English Language Arts					
	2004		2003		2002	
Students	Number	Percent	Number	Percent	Number	Percent
Grade 4						
Advanced	10	1%	8	1%	19	2%
Mastery	92	11%	81	9%	105	12%
Basic	304	37%	351	40%	349	38%
Approaching Basic	210	26%	266	31%	322	35%
Unsatisfactory	200	25%	168	19%	124	13%
Total	816	100%	874	100%	919	100%

District Achievement Level Results	Mathematics					
	2004		2003		2002	
Students	Number	Percent	Number	Percent	Number	Percent
Grade 4						
Advanced	13	2%	20	2%	7	1%
Mastery	93	11%	95	11%	75	8%
Basic	297	37%	342	39%	306	33%
Approaching Basic	214	26%	244	28%	267	29%
Unsatisfactory	199	24%	172	20%	263	29%
Total	816	100%	873	100%	918	100%

District Achievement Level Results	Science					
	2004		2003		2002	
Students	Number	Percent	Number	Percent	Number	Percent
Grade 4						
Advanced	3	0%	9	1%	16	2%
Mastery	90	11%	72	8%	65	7%
Basic	339	42%	292	34%	365	40%
Approaching Basic	255	31%	364	42%	322	35%
Unsatisfactory	128	16%	135	15%	149	16%
Total	815	100%	872	100%	917	100%

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

Schedule 7 – Louisiana Educational Assessment Program (Continued)

District Achievement Level Results	Social Studies					
	2004		2003		2002	
Students	Number	Percent	Number	Percent	Number	Percent
Grade 4						
Advanced	11	1%	12	1%	4	0%
Mastery	78	10%	67	8%	48	5%
Basic	344	42%	387	44%	379	42%
Approaching Basic	197	24%	223	26%	262	29%
Unsatisfactory	185	23%	183	21%	221	24%
Total	815	100%	872	100%	914	100%

District Achievement Level Results	English Language Arts					
	2004		2003		2002	
Students	Number	Percent	Number	Percent	Number	Percent
Grade 8						
Advanced	6	1%	10	1%	9	1%
Mastery	66	7%	119	14%	106	13%
Basic	299	34%	296	36%	242	30%
Approaching Basic	333	37%	281	34%	355	43%
Unsatisfactory	188	21%	127	15%	104	13%
Total	892	100%	833	100%	816	100%

District Achievement Level Results	Mathematics					
	2004		2003		2002	
Students	Number	Percent	Number	Percent	Number	Percent
Grade 8						
Advanced	21	2%	23	3%	14	1%
Mastery	49	5%	62	7%	30	4%
Basic	425	47%	348	40%	346	41%
Approaching Basic	197	22%	178	21%	239	29%
Unsatisfactory	223	24%	254	29%	209	25%
Total	915	100%	865	100%	838	100%

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

Schedule 7 – Louisiana Educational Assessment Program (Continued)

District Achievement Level Results	Science					
	2004		2003		2002	
Students	Number	Percent	Number	Percent	Number	Percent
Grade 8						
Advanced	4	0%	8	1%	4	0%
Mastery	107	13%	102	12%	100	12%
Basic	269	31%	263	32%	294	37%
Approaching Basic	236	27%	256	31%	238	29%
Unsatisfactory	254	29%	197	24%	177	22%
Total	870	100%	826	100%	813	100%
District Achievement Level Results	Social Studies					
	2004		2003		2002	
Students	Number	Percent	Number	Percent	Number	Percent
Grade 8						
Advanced	4	0%	1	0%	1	0%
Mastery	48	6%	61	7%	47	6%
Basic	354	41%	302	37%	363	45%
Approaching Basic	236	27%	230	28%	219	27%
Unsatisfactory	227	26%	232	28%	179	22%
Total	869	100%	826	100%	809	100%

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

Schedule 8 – The Graduate Exit Exam

District Achievement Level Results	English Language Arts					
	2004		2003		2002	
Students	Number	Percent	Number	Percent	Number	Percent
Grade 10						
Advanced	12	2%	3	0%	5	1%
Mastery	100	14%	63	8%	94	14%
Basic	294	42%	306	41%	291	42%
Approaching Basic	164	23%	183	24%	165	24%
Unsatisfactory	135	19%	200	27%	134	19%
Total	705	100%	755	100%	689	100%

District Achievement Level Results	Mathematics					
	2004		2003		2002	
Students	Number	Percent	Number	Percent	Number	Percent
Grade 10						
Advanced	46	6%	50	6%	36	5%
Mastery	113	15%	106	14%	84	12%
Basic	304	42%	282	36%	256	35%
Approaching Basic	108	15%	141	18%	140	19%
Unsatisfactory	158	22%	206	26%	213	29%
Total	729	100%	785	100%	729	100%

District Achievement Level Results	Science					
	2004		2003		2002	
Students	Number	Percent	Number	Percent	Number	Percent
Grade 10						
Advanced	11	2%	3	0%	12	2%
Mastery	96	15%	57	9%	90	15%
Basic	249	39%	245	40%	224	37%
Approaching Basic	152	24%	163	27%	137	23%
Unsatisfactory	131	20%	145	24%	142	23%
Total	639	100%	613	100%	605	100%

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Schedule 8 – The Graduate Exit Exam

Grade 10						
Advanced	1	0%	1	0%	3	1%
Mastery	46	7%	46	8%	55	9%
Basic	320	50%	276	45%	250	41%
Approaching Basic	162	26%	164	27%	146	24%
Unsatisfactory	109	17%	126	20%	153	25%
Total	638	100%	613	100%	607	100%

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Schedule 9 – The Iowa Test

	Composite		
	2004	2003	2002
Test of Basic Skills (ITBS)			
Grade 3	52	50	45
Grade 5	52	48	46
Grade 6	38	38	46
Grade 7	46	44	47
Tests of Educational Development (ITED)			
Grade 9	48	44	46