

COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED JUNE 30, 2019



Caddo Parish Public Schools - Caddo Parish School Board • Shreveport, Louisiana

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**CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
AS OF AND FOR THE YEAR ENDED JUNE 30, 2019**

**Mary Trammel
President**

**Dr. T. Lamar Goree
Superintendent**

**Jeff Howard
Chief Financial Officer**

Prepared by the Department of Finance

**Caddo Parish School Board
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Introductory Section

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CADDO PARISH SCHOOL BOARD

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Theodis Lamar Goree, Ph.D.
Superintendent

Transmittal Letter

December 19, 2019

Mary Trammel, President
Caddo Parish School Board Members
and Citizens of Caddo Parish

Louisiana law requires that an annual sworn financial statement be furnished to the Legislative Auditor within six months of the close of each fiscal year in accordance with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards (GAAS) by a certified public accountant. Pursuant to that requirement, we hereby issue the Comprehensive Annual Financial Report of the Caddo Parish School Board for the year ended June 30, 2019.

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

Carr, Riggs & Ingram, LLC, a firm of licensed certified public accountants, has audited the Caddo Parish School Board's financial statements. The goal of the independent audit was to provide reasonable assurance that the financial statements of the Caddo Parish School Board for the fiscal year ended June 30, 2019, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the Caddo Parish School Board's financial statements for the fiscal year ended June 30, 2019, are fairly presented in conformity with accounting principles generally accepted in the United States of America (GAAP). The independent auditors' report is presented as the first component of the financial section of this report.

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

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

PROFILE OF THE CADDO PARISH SCHOOL BOARD

Purpose and operations. The Caddo Parish School Board was created by Louisiana Revised Statute (LSA-R.S.) 17:51 to provide public education for the children within Caddo 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 12 members who are elected from 12 districts for concurrent terms of 4 years.

The School Board operates 63 schools within the parish with a total enrollment of approximately 37,900 pupils. The School Board provides a full range of educational services appropriate to grade levels Pre-K through 12. These include regular and enriched academic education, special education, occupational education, and many individualized programs such as specialized instruction for disadvantaged students and those with limited English proficiency. These basic programs are supplemented by a wide variety of offerings in the fine arts and athletics. In conjunction with the regular educational programs, some of these schools offer pre-kindergarten, and/or special education programs. In addition, the School Board provides transportation and school food services for the students.

Reporting entity. The report includes all entities or organizations that are required to be included in the School Board's reporting entity. The basic criteria for determining whether a governmental department, agency, institution, commission, public authority, or other governmental organization should be included in a governmental unit's reporting entity is financial accountability. Financial accountability includes the appointment of a voting majority of the organization's governing body and either the ability of the primary government to impose its will on the organization or if there is a financial benefit/burden relationship. In addition, an organization which is fiscally dependent on the primary government should be included in its reporting entity.

The financial statements present the Caddo Parish School Board (the primary government) and three component units, the Shreveport Charter Foundation, Inc. ("Magnolia" or "Magnolia School of Excellence"), Pathways in Education – Louisiana, Inc. ("Pathways"), and AMIkids Caddo, Inc. ("AMIkids"). Magnolia, Pathways, and AMIkids are presented as a discretely presented component units. Each of these charter schools is included in the reporting entity because it is fiscally dependent on the School Board for the majority of its revenue, and because exclusion would render the School System's financial statements incomplete or misleading.

The Superintendent submits an annual operating budget to the School Board at its regular meeting in May or June of each year. The operating budget serves as the foundation for the School Board's financial planning and control. The proposed budget is made available for public inspection at least 15 days prior to the date of a public hearing and at least one public hearing is held, as required by Louisiana law, prior to its adoption by the School Board. Budget-to-actual comparisons are provided in this report.

FACTORS AFFECTING FINANCIAL CONDITION

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the School Board operates.

Economic Outlook. Northwest Louisiana is a region of nearly 800,000 residents and is the hub of a tristate region known as the Ark-La-Tex. The economy in this region continues to remain flat.

The district continues to see declines in enrollment, which has a negative effect on state funding. Enrollment for the 2019-20 school year is approximately 37,900 which is a decrease of approximately 700 students from the previous year. The district operates 63 schools within the parish. One school was closed for the 2019-20 school year. Every area of the budget is being reviewed for possible reductions and increased efficiencies that can be gained without impacting the educational programs of the schools.

Sales tax revenue showed a slight increase last year and that trend is continuing into the current fiscal year. This is primarily due to an increase in receipts from the mining industry. Also, property tax assessments for 2019 are slightly up over 2018. Increased receipts from these two taxes are helping to offset the reduction in MFP revenue received because of the reduction in students.

Financial Policies. Financial stresses at the state level continue to put more of a burden on all of the local school districts. State educational funding remained flat again this year with the exception of pay raises for all employees that will be funded through MFP allotments. The district is still financing state mandated programs with no additional funding.

Long-term financial planning. The mission of the School Board is to improve the academic achievement of students and overall district effectiveness. We have high expectations for everyone – students, teachers, administrators, parents, community volunteers and support groups. While acknowledging that Caddo has many successful schools, the state's accountability plan is driving fundamental changes in instruction by demanding that schools show annual academic growth. These measures will require that elected officials and administrators provide effective leadership for the wisest use of all available resources. The School Board has adopted goals and objectives to improve its fund balance, increase grant revenues and reduce costs of support functions while addressing critical instructional needs. The successful approval of an \$88 million bond issue over 10 years will help provide the resources needed to address needs by funding upgrades for HVAC systems and security systems. The bond proceeds will also help address transportation needs by providing new school buses for the district to transport students.

Facilities. The school system operates buildings at 63 school and auxiliary sites. Buildings on these sites range in age from 30 years to 102 years old.

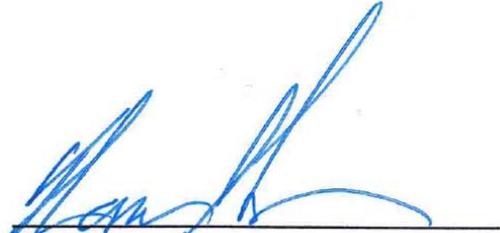
Pension and other postemployment benefits. The School Board provides a defined benefit pension plan for its employees through three cost-sharing multiple-employer statewide plans.

The School Board also provides post-retirement healthcare and life insurance benefits for its retired employees. As of the end of the current fiscal year, there were approximately 4,200 retired employees receiving these benefits.

Additional information on the School Board's pension arrangements and postemployment benefits can be found in notes 6 and 7 in the notes to the basic financial statements.

ACKNOWLEDGEMENTS

The preparation of this report could not have been accomplished without the efficient and dedicated services of the entire staff of the Finance Department. We want to express our appreciation to all members of the department who assisted and contributed to the preparation of this report. We also thank the members of the School Board for their interest and support in planning and conducting the financial operations of the school system in a responsible and progressive manner.



Dr. T. Lamar Goree, Jr.
Superintendent



Jeff Howard
Chief Financial Officer

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Caddo Parish School Board

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CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

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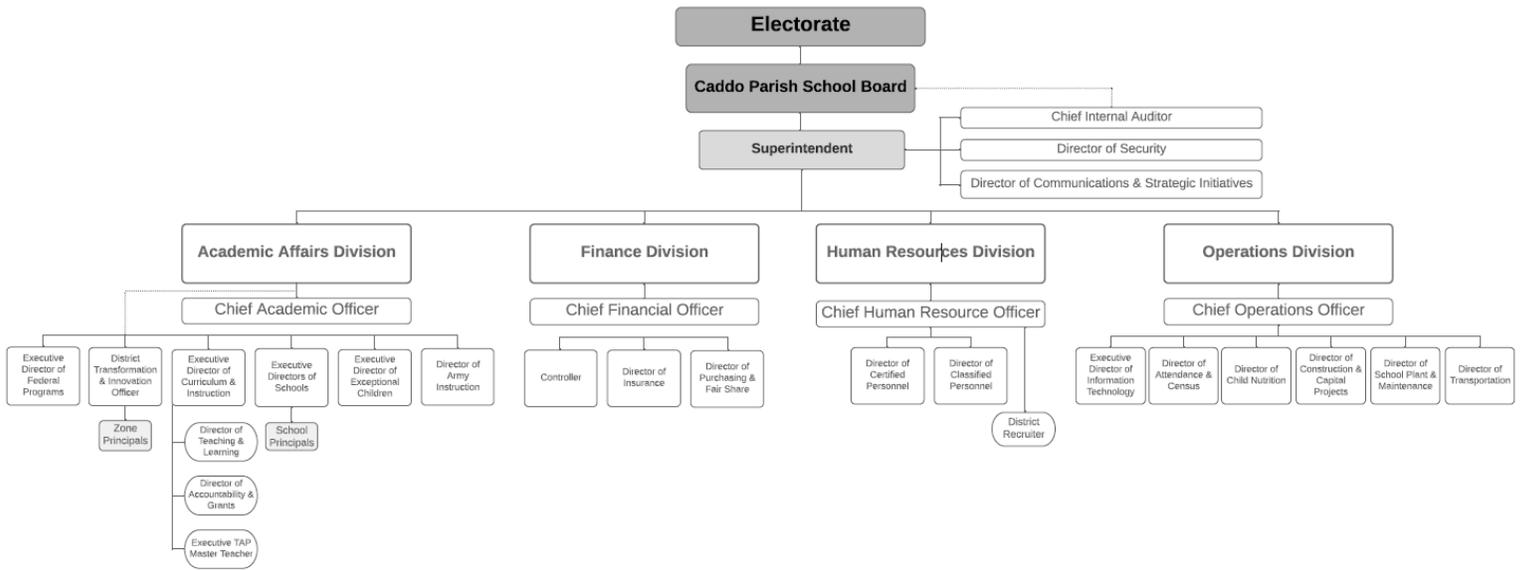
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Shreveport, Louisiana

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CADDO PARISH SCHOOL BOARD

Shreveport, Louisiana

Organization Chart June 30, 2019



CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana



**The
Caddo Parish
School Board**
Elected Officials



Steve Riall
President - District 1



Jasmine Green***
District 2



Ueyrd Thompson
District 3



Don Little
District 4



Dr. Bonita Douzart
District 5



Mary Trammel*
District 6



Raymond Green
District 7



Denee' Locke
District 8



Barry E. Rachel**
District 9



Tony Nations
District 10



John Albritton
District 11



Cettie Bell
District 12

(Executive Committee: * President. ** 1st Vice President. * 2nd Vice President)**

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

ELECTED OFFICIALS' TERMS

	Present Term Began	Present Term Expires	Began as a Board Member
Mary Trammel, President	January 8, 2019	December 31, 2022	January 2011
Barry F. Rachal, 1 st Vice President	January 8, 2019	December 31, 2022	March 2004
Jasmine Green, 2 nd Vice President	January 8, 2019	December 31, 2022	January 2011
Steve Riall	January 8, 2019	December 31, 2022	December 2008
Lloyd Thompson	January 8, 2019	December 31, 2022	January 2019
Don Little	January 8, 2019	December 31, 2022	January 2019
Dr. Bonita Douzart	January 8, 2019	December 31, 2022	January 2015
Raymond Green	January 8, 2019	December 31, 2022	January 2015
Denee' Locke	January 8, 2019	December 31, 2022	January 2015
Tony Nations	January 8, 2019	December 31, 2022	January 2019
John Albritton	January 8, 2019	December 31, 2022	October 2015
Dottie Bell	January 8, 2019	December 31, 2022	January 2007

SELECTED ADMINISTRATIVE OFFICIALS

Dr. T. Lamar Goree	Superintendent
Jeff Howard	Chief Financial Officer
Keith Burton	Chief Academic Officer
Diane W. Atkins	Chief Human Resources Officer
James W. Woolfolk, II	Chief Operations Officer
Kelli Duffield	Chief Internal Auditor

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Financial Section

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Independent Auditors' Report

Board Members
Caddo Parish School Board
Shreveport, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the Caddo Parish School Board (the School Board) as of and for the year ended June 30, 2019, and related notes to the financial statements, which collectively comprise the School Board's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the discretely presented component unit, Pathways in Education, Inc. which represent 8.8%, 38.5% and 17.6% of the assets, net deficit, and revenues of the aggregate discretely presented component units. Those statements were audited by other auditors whose reports have been furnished to us, and in our opinion, insofar as it relates to the amounts included for these entities, is based solely on the reports of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the Caddo Parish School Board, as of June 30, 2019, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Other Required Post-employment Benefits and Pensions Schedules, and the Budgetary Comparison Schedules, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School Board's financial statements as a whole. The accompanying supplementary information, the introductory section, and the statistical section, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The accompanying supplementary information, as listed in the table of contents, is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information, as listed in the table of contents, is fairly stated, in all material respects in relation to the financial statements as a whole.

The accompanying other information, as listed in the table of contents, including the introductory and statistical sections, has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 19, 2019, on our consideration of the School Board's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School Board's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School Board's internal control over financial reporting and compliance.

Carr, Riggs & Ingram, L.L.C.

CARR, RIGGS & INGRAM, LLC

Shreveport, Louisiana
December 19, 2019

REQUIRED SUPPLEMENTAL INFORMATION:

**MANAGEMENT'S DISCUSSION
AND ANALYSIS (MD&A)**

Caddo Parish School Board
Management's Discussion and Analysis (MD&A)
June 30, 2019

The discussion and analysis of Caddo Parish School Board's (School Board) financial performance provides an overall review of the School Board's financial activities for the fiscal year ended June 30, 2019. The intent of this discussion and analysis is to look at the School Board's financial performance as a whole. Readers should also review the transmittal letter, financial statements, and notes to the basic financial statements to enhance their understanding of the School Board's financial performance.

Financial Highlights

Key financial highlights for the fiscal year ended June 30, 2019, are as follows:

▪ **Statement of Net Position:**

The liabilities and deferred inflows of resources of the Caddo Parish School Board exceeded its assets and deferred outflows of resources at the close of the most recent fiscal year by \$1.1 billion (net deficit). Of this amount, approximately \$1.2 billion is the deficit in unrestricted net position.

▪ **Statement of Activities:**

The School Board's total net deficit decreased by \$73.1 million for the year ended June 30, 2019.

▪ **Governmental Funds Balance Sheet:**

As of the close of the fiscal year 2018-2019, the Caddo Parish School Board's governmental funds reported combined ending fund balance of \$65.7 million, a total decrease of \$2.1 million in comparison with the prior fiscal year. The majority of the fund balance is comprised of approximately (1) \$4.4 million which is unassigned and available for spending within the General Fund, (2) \$20.1 million which is either nonspendable or committed in the General Fund, (3) \$3.9 million which is nonspendable or restricted within the Capital Projects Fund, (4) \$22.9 million which is nonspendable within the Caddo Educational Excellence (CEEF) Permanent Fund, (5) \$9.6 million which is restricted for debt service, and (6) \$4.2 million restricted for the Child Nutrition Program.

▪ **Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances:**

Total revenues for the year ended June 30, 2019, for the governmental funds of the Caddo Parish School Board amounted to \$479.6 million. Approximately 84.2% of this amount was received from three major revenue sources: (1) \$189 million from Louisiana's Minimum Foundation Program, (2) \$133.6 million from local ad valorem taxes, and (3) \$79.6 million from local sales and use taxes.

▪ **General Fund's Ending Fund Balance:**

At the end of the current fiscal year, fund balance for the General Fund, a major fund, was \$24.5 million or 6.3% of total General Fund expenditures. \$1 million was non-spendable, \$19.1 million (committed) is set aside for future claims and contingencies and equipment replacement, while \$4.4 million (unassigned) is available for spending at the School Board's discretion. This unassigned balance represents 1.1% of General Fund expenditures.

▪ **Capital Assets:**

Total capital assets (net of depreciation) were \$208.6 million or 53.6% of the total assets. The School Board uses these assets to provide educational services to children and adults; consequently, these assets are not available for future spending.

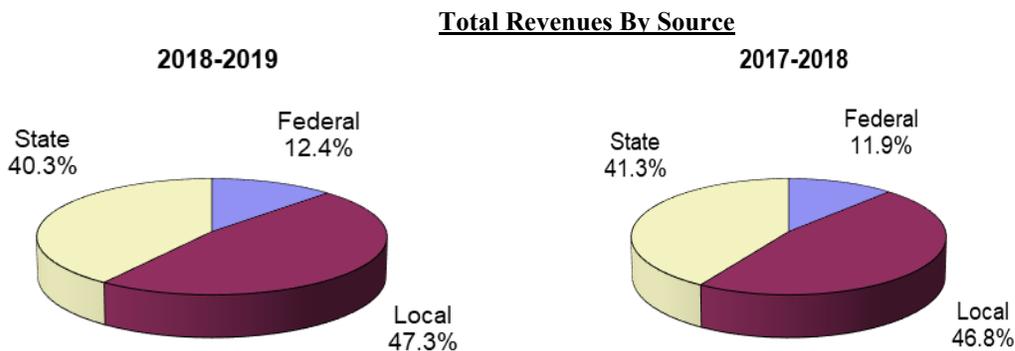
Caddo Parish School Board
Management's Discussion and Analysis (MD&A)
June 30, 2019

▪ **Long-Term Liabilities:**

The Caddo Parish School Board's total long-term debt decreased \$8 million during the current fiscal year. Debt on general obligation bonds decreased by \$5.9 million. Debt on Qualified School Construction Bonds decreased \$2.1 million.

Other long-term liabilities decreased by \$133 million during the current fiscal year. The majority of this decrease was due to the change in net OPEB liability.

This year, primary resources available to the school system are local revenues, primarily tax receipts, which total \$225.8 million or 47.3% of the total; state revenues, primarily Minimum Foundation Program funding (equalization) and special grants, totaling \$192.4 million or 40.3% of the total; and federal funds, totaling \$59.2 million or 12.4% of the total. Last year, local revenues were \$216.2 million or 46.8%, while state revenues were \$190.9 million or 41.3%, and federal revenues were \$54.8 million or 11.9%.



Overview of the Financial Statements

This MD&A is intended to serve as an introduction to the Caddo Parish School Board's basic financial statements. The Caddo Parish School Board's basic financial statements comprise three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

- **Government-wide Financial Statements.** The government-wide financial statements are designed to provide readers with a broad overview of the Caddo Parish School Board's finances, in a manner similar to a private sector business.
 - The **Statement of Net Position** The difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources is reported as the Caddo Parish School Board's net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Caddo Parish School Board is improving or deteriorating.
 - The **Statement of Activities** presents information showing how the Caddo Parish School Board's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the

Caddo Parish School Board
Management's Discussion and Analysis (MD&A)
June 30, 2019

underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

- The government-wide financial statements include not only the Caddo Parish School Board (known as the “primary government”) but three legally separate charter schools, the Shreveport Charter Foundation, Inc., Pathways in Education – Louisiana, Inc., and AMIkids Caddo Inc., for which the School Board is financially accountable. Financial information for these component units are reported separately from the financial information presented for the primary government itself. Complete financial statements of the component units can be obtained from Shreveport Charter Foundation, Inc., 2290 Clyde Fant Parkway, Shreveport, Louisiana 71104 and Pathways in Education – Louisiana, Inc., 8999 Mansfield Road, Shreveport, Louisiana 71118, and AMIkids Caddo, 3860 Hutchinson Street, Shreveport, Louisiana 71109.
- The governmental-wide financial statements can be found following the MD&A.
- **Fund Financial Statements.** A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Caddo Parish School Board, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. All of the funds of the Caddo Parish School Board can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.
 - **Governmental funds.** Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources at the end of the fiscal year. Such information may be useful in evaluating the Caddo Parish School Board’s near-term financing requirements.
 - Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the Caddo Parish School Board’s near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.
 - The Caddo Parish School Board maintains twenty individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the General Fund and Permanent Fund - CEEF which are considered to be major funds. The permanent fund, CEEF, is used to account for the Caddo Educational Excellence Fund. These monies are held by the School Board in trust and the principal cannot be expended. Data for the other twenty governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements in this report. The debt service fund is used to account for the accumulation of resources for, and the payment of, long term debt principal, interest, and related costs.
- The Caddo Parish School Board adopts an annual appropriated budget for its General Fund and Special Revenue Funds. Budgetary comparison schedules have been provided to demonstrate compliance with these budgets.

Caddo Parish School Board
Management's Discussion and Analysis (MD&A)
June 30, 2019

- The governmental fund financial statements can be found following the government-wide financial statements.
- **Proprietary fund.** Internal service funds are an accounting device used to accumulate and allocate costs internally among the School Boards various functions. The School Board uses an internal service fund to account for the accumulation of resources for and the payment of employee health insurance. Because this service predominantly benefits governmental functions, it has been included with governmental activities in the government-wide financial statements.
- **Fiduciary funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the Caddo Parish School Board. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Caddo Parish School Board's own programs. The Caddo Parish School Board maintains one agency fund named the School Activity Funds and one Other Employee Benefits Trust Fund. The Caddo School Board maintained another agency fund, Central Office Concession; however, it was closed during the year ended June 30, 2019.
- **Notes to the Basic Financial Statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.
- **Other Information.** In addition to the basic financial statements and accompanying notes, this report also presents certain required supplemental information concerning the Caddo Parish School Board's compliance with budgets for its major funds. The combining statements for nonmajor governmental funds are presented immediately following the required supplemental information.

Financial Analysis of Government-wide Activities

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Caddo Parish School Board, liabilities and deferred inflows of resources exceed assets and deferred outflows of resources by \$1.06 billion at the close of the most recent fiscal year (FY).

The Caddo Parish School Board's net position (deficit) reflects \$126.4 million as investment in capital assets (e.g. land, buildings, machinery, and equipment) less any related debt used to acquire those assets that are still outstanding. The Caddo Parish School Board uses these capital assets to provide educational services to children and adults; consequently, these assets are not available for future spending. Although the Caddo Parish School Board's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The School Board as a Whole. The School Board's net position (deficit) was \$(1.06) billion at June 30, 2019. Of this amount; \$(1.2) billion was unrestricted, \$41.1 million was restricted, and \$126.4 million was invested in capital assets.

Caddo Parish School Board
Management's Discussion and Analysis (MD&A)
June 30, 2019

The following analysis focuses on the net position (Table 1) and change in net position (Table 2) of the School Board's governmental activities:

TABLE 1
Net Position (in millions)
For Fiscal Years Ended June 30

	Governmental Activities		Percentage Change
	2019	2018	
Current and other assets	\$ 180.5	\$ 176.7	2.2
Capital assets net of accumulated depreciation	208.6	210.5	(0.9)
Total assets	<u>389.1</u>	<u>387.2</u>	<u>0.5</u>
 Total Deferred outflows of resources	 <u>133.9</u>	 <u>81.9</u>	 <u>63.5</u>
Current and other liabilities	70.7	72.3	(2.2)
Long-term liabilities	<u>1,279.0</u>	<u>1,419.8</u>	<u>(9.9)</u>
Total liabilities	<u>1,349.7</u>	<u>1,492.1</u>	<u>(9.5)</u>
 Total Deferred inflows of resources	 <u>229.9</u>	 <u>106.8</u>	 <u>115.3</u>
 Net position			
Net investment in capital assets	126.4	119.8	5.5
Restricted	41.2	39.9	3.3
Unrestricted	<u>(1,224.2)</u>	<u>(1,289.5)</u>	<u>5.1</u>
Total net position (deficit)	<u>\$(1,056.6)</u>	<u>\$(1,129.8)</u>	<u>6.5</u>

Restricted net position of \$41.2 million is reported separately to show legal constraints for the payment of outstanding long-term debt obligations and to limit the Caddo Parish School Board from using these funds for day-to-day operations. The debt service fund accounts for \$9.6 million, capital project fund accounts for \$3.9 million, and child nutrition fund accounts for \$4.2 million. The remaining balance is restricted for instructional enhancement and is generated from the school board's share of gaming receipts that are collected from area riverboat casinos. State law requires the gaming receipts to be held in perpetuity; however, the investment earnings may be spent for purposes of instructional enhancement. As of June 30, 2019, the permanently restricted portion was \$22.9 million. The remaining balance of (\$1.2) billion is a deficit in the unrestricted net position (deficit).

Overall net deficit decreased 6.5% from the prior year. Revenues exceeded expenses by \$73.1 million for the fiscal year 2018-19. Revenue increased approximately 3.8% in fiscal year 2018-19. This mostly resulted from an increase in other general revenues of \$8.8 million. The district's expenses decreased \$18.2 million in fiscal year 2018-19.

Caddo Parish School Board
Management's Discussion and Analysis (MD&A)
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Governmental Activities. Governmental Activities decreased the School Board's net deficit by \$73.1 million. Key elements of this decrease are as follows:

TABLE 2
Changes in Net Position (in millions)

	<u>Fiscal Years Ended June 30,</u>		Percentage Change
	<u>2019</u>	<u>2018</u>	
Revenues:			
Program revenues			
Charges for services	\$ 0.3	\$ 0.3	-
Operating grants and contributions	60.9	56.7	7.4
General revenues			
Ad valorem taxes	133.6	131.8	1.4
Sales taxes	79.6	78.5	1.4
State Minimum Foundation Program and Revenue Sharing	190.8	188.9	1.0
Other general revenues	15.8	7.0	125.7
Total revenues	<u>481.0</u>	<u>463.2</u>	<u>3.8</u>
Function/program expenses:			
Instruction			
Regular programs	120.5	133.7	(9.9)
Special programs	46.6	51.1	(8.8)
Other instructional programs	35.6	36.9	(3.5)
Support services			
Student services	29.2	30.1	(3.0)
Instructional staff support	31.4	26.5	18.5
General administration	7.7	7.6	1.3
School administration	24.6	26.3	(6.5)
Business services	3.5	3.6	(2.8)
Plant services	63.6	60.8	4.6
Student transportation services	18.5	21.2	(12.7)
Central services	6.8	7.5	(9.3)
Food services	16.9	17.9	(5.6)
Community service programs	0.8	0.7	14.3
Interest on long-term debt	2.2	2.2	-
Total expenses	<u>407.9</u>	<u>426.1</u>	<u>(4.3)</u>
Increase (decrease) in net position	<u>73.1</u>	<u>37.1</u>	<u>97.0</u>
Net position (deficit) – beginning, as previously stated	<u>(1,129.8)</u>	<u>(982.8)</u>	<u>15.0</u>
Prior period adjustment	<u>-</u>	<u>(184.1)</u>	<u>(100.0)</u>
Net position (deficit) – beginning, as restated	<u>(1,129.8)</u>	<u>(1,166.9)</u>	<u>(3.2)</u>
Net position (deficit) – ending	<u><u>\$(1,056.7)</u></u>	<u><u>\$(1,129.8)</u></u>	<u><u>(6.5)</u></u>

Caddo Parish School Board
Management's Discussion and Analysis (MD&A)
June 30, 2019

Governmental Activities Total and Net Costs

As reported in the Statement of Activities, the total cost of all governmental activities this year was \$407.8 million.

The table below presents the cost of each of the School Board's largest functions – as well as each program's *net* cost (total cost less revenues generated by the activities). As discussed above, net cost shows the financial burden that was placed on the School Board's taxpayers by each of these functions. Providing this information allows the analysis of the cost of each function in comparison to the benefits provided by that function.

	Total Costs of Service		Percent	Net Costs of Service		Percent
	2019	2018	Change	2019	2018	Change
Regular programs	\$ 120.5	\$ 133.7	(9.9)	\$ 99.4	\$ 114.8	(13.4)
Special programs	46.6	51.1	(8.8)	37.4	43.0	(13.0)
Other instructional programs	35.6	36.9	(3.5)	35.1	36.4	(3.6)
Student services	29.2	30.1	(3.0)	27.1	28.4	(4.6)
Instructional staff support	31.4	26.5	18.5	30.1	25.3	19.0
General administration	7.7	7.6	1.3	7.5	7.5	-
School administration	24.5	26.3	(6.8)	21.6	23.6	(8.5)
Business services	3.5	3.6	(2.8)	3.0	3.2	(6.3)
Plant services	63.6	60.8	4.6	60.0	57.5	4.3
Central services	18.5	7.5	146.7	15.3	6.9	121.7
Student transportation services	6.8	21.2	(67.9)	6.2	18.3	(66.1)
Food services	16.9	17.9	(5.6)	1.0	1.3	(23.1)
All other	3.0	2.9	3.4	3.0	2.9	3.4
Totals	<u>\$ 407.8</u>	<u>\$ 426.1</u>	<u>(4.3)</u>	<u>\$ 346.7</u>	<u>\$ 369.1</u>	<u>(6.1)</u>

Program Expenses and Revenues Governmental Activities

Expenses are classified by functions/programs. The related revenues are comprised of specific charges for the services and operating grants and contributions received to offset the expenses for the specific program.

Instructional services (regular programs, special programs, and other instructional programs) for fiscal 2019 totaling \$202.7 million or 50.0% of total expenses, decreased \$19.0 million or (8.62%) from fiscal year 2018 primarily because of decreases in the actuarially determined net pension liability and net OPEB liability. These decreases are then allocated to the various functions based on budgeted salaries and benefits percentages.

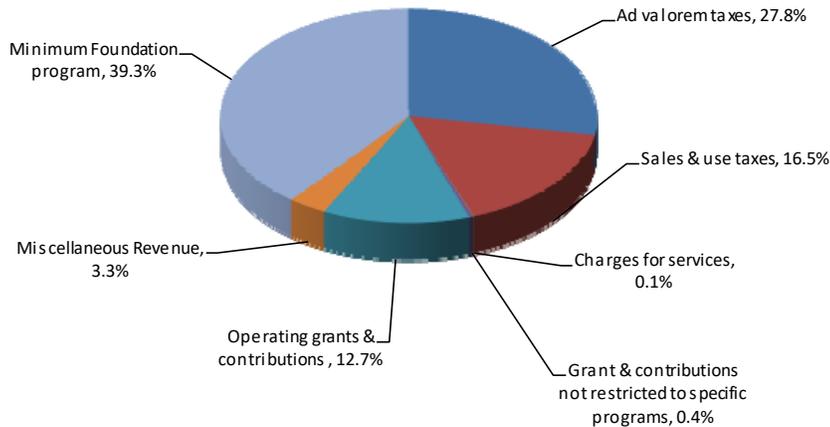
Services that support the instructional services including student services, instructional staff support, general administration, school administration, business services, plant services, student transportation services and central services are support services. Support services for fiscal 2019 totaling \$185.2 million or 45.44% of total expenses, decreased \$1.6 million or (.87%) from fiscal 2018, primarily because of decreases in the actuarially determined net pension liability and net OPEB liability which are then allocated to the various functions based on budgeted salaries and benefits percentages.

The remaining expenses (food services, community service programs, and interest on long term debt) of \$19.9 million or 4.86% of total expenses, decreased \$1.0 million or (4.3%) from fiscal 2018.

The program revenues for fiscal 2019 directly related to these expenses totaled \$60.9 million, which along with \$278 thousand in charges for services, resulted in net program expenses of \$346.7 million. These net program expenses are funded by general revenues of the Caddo Parish School Board.

Caddo Parish School Board
Management's Discussion and Analysis (MD&A)
June 30, 2019

Revenues by Source – Governmental Activities



- Minimum Foundation Program:** The single largest source of revenue to the Caddo Parish School Board for grants and contributions not restricted to a specific program is the State Equalization or commonly called the Minimum Foundation Program (MFP). The MFP distribution is based on a formula adopted by the Louisiana Board of Elementary and Secondary Education and approved by the Louisiana Legislature. The chart below lists the actual increases or decreases in MFP funds for the past three years.

Fiscal Year	General	Child Nutrition Program	Total MFP	Increase/(Decrease)	
2016-2017	187.6	2.3	189.9	(7.8)	(3.9)%
2017-2018	185.8	1.3	187.1	(2.8)	(1.5)%
2018-2019	188.0	1.0	189.0	1.9	1.0%

In FY 2018-2019 the School Board received \$189.0 million or 39.3% of its total revenue from the MFP. These revenues are deposited in the General Fund and the Child Nutrition Program Fund only. This amount is net of MFP revenue paid by the School Board to the charter schools. Less funding was paid to the charter schools in 2018-2019; therefore, causing an increase of \$1.9 million in the net amount.

- Ad Valorem Tax Revenues:** Ad valorem tax revenues, also called property tax revenues, are the second largest source of revenue for the School Board. Ad valorem collections are based upon the number of mills (approved annually by the School Board) and the taxable assessed value (established by the Caddo Parish Tax Assessor), subject to the limitations approved by the voters and the Louisiana Legislature. The following chart lists the ad valorem tax deposits for the past three years.

Caddo Parish School Board
Management's Discussion and Analysis (MD&A)
June 30, 2019

<u>Fiscal Year</u>	<u>General</u>	<u>Nonmajor Parish-Wide Capital Projects</u>	<u>Nonmajor Debt Service</u>	<u>Total Ad Valorem Taxes</u>	<u>Increase/(Decrease)</u>	
2016-2017	100.2	20.4	8.7	129.3	(2.6)	(2.0)%
2017-2018	102.2	20.8	8.8	131.8	2.5	1.9%
2018-2019	103.6	21.1	8.9	133.6	1.8	1.4%

In FY 2018-2019, the School Board recognized \$133.6 million of ad valorem tax revenues for the General Fund, the Parish-Wide Capital Projects Fund, and the Debt Service Fund. This represents 27.8% of the total revenues received. Ad valorem tax revenues in FY 2018-2019 increased by 1.8% as a result of increases in property values.

- **Sales and Use Tax Revenues:** Sales and use tax revenues are the third largest source of revenues for the Caddo Parish School Board. A 1.5% sales tax rate is levied upon the sale and consumption of goods and services within the parish. The chart below lists the sales and use tax revenues for the past three years.

<u>Fiscal Year</u>	<u>General Fund</u>	<u>Increase/(Decrease)</u>	
2016-2017	72.9	(0.9)	(1.2)%
2017-2018	78.5	5.6	7.7%
2018-2019	79.6	1.1	1.4%

All sales and use tax revenues are deposited into the General Fund. This represents 16.5% of the total revenues received. Sales tax revenue increased in FY 2018-2019 as a result of an increase in mining (oil and gas) revenue.

- **Operating Grants and Contributions:** Operating grants and contributions are the fourth largest source of revenues for the School Board. This revenue type is primarily comprised of federal grants with some state grants included. These grants and contributions are specifically restricted to certain programs, and therefore, are netted against the costs of these programs to show a true net cost. The chart below, stated in millions of dollars, shows the operating grants, and contributions by fund source.

<u>Fiscal Year</u>	<u>General</u>	<u>Title I</u>	<u>Parishwide Capital Projects</u>	<u>Nonmajor Special Revenue</u>	<u>Total</u>	<u>Increase/(Decrease)</u>	
2016-2017	1.2	19.5	-	35.1	55.8	2.8	5.3%
2017-2018	1.0	19.9	-	35.8	56.7	.9	1.6%
2018-2019	1.2	22.9	-	36.8	60.9	4.2	7.4%

In FY 2018-2019, the School Board received \$60.9 million in operating grants and contributions. The 7.4% increase from FY 2017-2018 is primarily due to an increase in federal grants.

Caddo Parish School Board
Management's Discussion and Analysis (MD&A)
June 30, 2019

Financial Analysis of the Government's Funds

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

The focus of the Caddo Parish School Board's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Caddo Parish School Board's financing requirements. In particular, unrestricted fund balance may serve as a useful measure of a School Board's net resources available for spending at the end of the fiscal year.

The General Fund is the main operating fund of the Caddo Parish School Board. At the end of the current fiscal year, spendable fund balance of the General Fund was \$23.5 million. The Caddo Parish School Board has committed \$19 million of the spendable fund balance for future claims and contingencies and for equipment replacement. The remaining \$4 million (unassigned) is available for spending at the Caddo Parish School Board's discretion. The fund balance of the general fund decreased \$3 million for the fiscal year. The main reason for spending in excess of revenue was due to increases in salaries and benefits, an increase in capital outlay, and an increase in debt service payments.

The CEEF Permanent Fund has a total fund balance of \$22.9 million. A net increase of \$.7 million occurred during the current fiscal year, largely due to continued receipts from the two riverboat casinos located in the parish.

General Fund Budgetary Highlights. The Caddo Parish School Board recognizes the importance of sound fiscal planning, as well as the technical relationship of the financial structure to the teaching of students. Formal budgetary integration is employed as a management control device during the fiscal year. The budget policy of the Caddo Parish School Board complies with state law, as amended, and as set forth in Louisiana Revised Statutes Title 39, Chapter 9, Louisiana Local Government Budget Act (LSA-R.S. 39:1301 et seq.).

The original budget for the Caddo Parish School Board was adopted in June 2018. Final budget amendments for the General Fund were adopted in May 2019. Differences between the original budget and final amended budget of the General Fund are as follows:

Revenues

- Sales taxes were estimated at \$76.9 million when the budget was first adopted by the board. The original budget was increased by \$1.8 million as the result of increased sales tax revenue due to an increase in mining (oil and gas) revenue.
- The Minimum Foundation Program (MFP) funding from the State was originally estimated at \$208.3 million. It was reduced by \$5.3 million because it did not reflect the decline in enrollment and funding from the past years. There was a 1,100 student decline in 2018-2019.
- Other revenue was increased by \$12.1 million to reflect a transfer in from the IT reserve. Since the IT reserve is part of the General Fund, it is reflected in fund balance instead of an increase to budgeted revenue.

Expenditures

- The original budget was increased by \$8.7 million as expenses were understated. The amendment included increases in salaries, benefits, utilities, and maintenance operations.

Caddo Parish School Board
Management's Discussion and Analysis (MD&A)
June 30, 2019

Actual Results

- Actual revenues were less than the final budget by \$5.4 million. The variance percentage was 1.37%.
- Total expenditures were less than final budget with a variance of \$3.6 million. The variance percentage was .89%

Capital Asset and Debt Administration

Capital Asset. For the year ended June 30, 2019, the School Board had \$208.6 million (net of accumulated depreciation) invested in a broad range of capital assets, including land, construction in progress, buildings, furniture and equipment, and transportation equipment. This amount represents a net decrease (including additions, deductions, and depreciation) of \$1.9 million or 0.9% from last year.

Capital Assets (in millions)
(Net of depreciation)

	<u>Governmental Activities</u>	
	As of June 30,	
	<u>2019</u>	<u>2018</u>
Land	\$ 4.8	\$ 4.8
Construction in progress – buildings	7.5	7.3
Buildings and improvements	182.2	183.2
Furniture and equipment	8.9	9.5
Transportation equipment	4.6	4.9
Intangibles - software	0.6	0.8
	<u>\$ 208.6</u>	<u>\$ 210.5</u>

Major capital projects during the 2018-2019 school year included the following:

- | | |
|--|--|
| <ul style="list-style-type: none"> • Byrd – HVAC Phase IV • Keithville – HVAC Phase III • Turner – HVAC Phase III • Donnie Bickham – Exterior Tile on Building, Phase II • Stoner Hill – Roofing Phase 1 • Caddo Magnet High – Roofing Phase II • Lock Maintenance • District-wide Fencing • District-wide I.T. Wiring • Various – Intercom Upgrades | <ul style="list-style-type: none"> • Various – Auditorium Sound System Improvements • Various – Asbestos Repairs • Various – Lighting Projects • Various – Flooring Projects • Various – Other HVAC Projects • Various – Painting Projects • Various – Paving Projects • Various – Roofing Projects • Various – T-Buildings |
|--|--|

Caddo Parish School Board
Management's Discussion and Analysis (MD&A)
June 30, 2019

Long-Term Debt. At the end of the current fiscal year, the Caddo Parish School Board had total debt outstanding of \$81.3 million. Of the amount, \$64.5 million comprises debt backed by the full faith and credit of the government. The following table summarizes bonds outstanding at June 30, 2019 and 2018.

Outstanding Debt (in millions)

	Governmental Activities	
	2019	2018
General obligation bonds	\$ 64.5	\$ 70.4
Qualified School Construction Bonds	16.8	18.9
	\$ 81.3	\$ 89.3

The Caddo Parish School Board entered into an additional capital lease agreement for vehicles (buses) during the current year. The total lease payable at June 30, 2019, was \$1.0 million.

For additional information regarding capital assets and long-term debt, see notes 5 and 9 to the basic financial statements.

Economic Factors and Next Year's Budgets and Rates

The following economic factors were considered when the budget for FY 2019-2020 was presented to the Board:

- Property taxes were budgeted flat. No millages are due to be renewed for the next several years.
- Sales taxes were budgeted flat.
- State MFP funding reflects the Department of Education’s model which includes the employee pay raise from the State.
- School staffing was based on the current staffing formula.
- Step increases were included.
- Funding for required textbooks was included.

Requests for Information

This financial report is designed to provide a general overview of the Caddo Parish School Board's finances for all those with an interest in the Caddo Parish School Board's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Jeff Howard, Chief Financial Officer, Caddo Parish School Board, P.O. Box 32000, Shreveport, LA 71130-2000, or by calling (318) 603-6316, or by emailing jhoward@caddoschools.org.

BASIC FINANCIAL STATEMENTS:

**GOVERNMENT-WIDE
FINANCIAL STATEMENTS (GWFS)**

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Statement of Net Position
June 30, 2019

Statement A

	Primary Government	Discretely Presented Component Units
Assets		
Cash and cash equivalents	\$ 128,582,342	\$ 2,219,884
Receivables	27,850,584	143,590
Inventory	710,172	-
Other assets	505,000	130,496
Restricted assets		
Cash and cash equivalents	1,383,922	-
Investments	21,406,804	-
Capital assets not being depreciated		
Land	4,796,357	-
Construction in progress	7,520,756	-
Capital assets net of accumulated depreciation		
Buildings and equipment	196,303,363	25,201,192
Total assets	<u>389,059,300</u>	<u>27,695,162</u>
Deferred Outflows of Resources		
Deferred outflows related to pensions	132,471,195	-
Deferred outflows related to OPEB	600,164	-
Unamortized loss on refunding bonds	829,119	-
Total deferred outflows of resources	<u>133,900,478</u>	<u>-</u>
Liabilities		
Accounts payable	6,611,182	1,391,759
Claims payable	8,126,223	-
Salaries and wages payable	54,704,537	-
Retainage payable	554,794	-
Interest payable - bonds	742,090	-
Long-term liabilities		
Due within one year	21,588,273	320,489
Due in more than one year	81,272,406	30,682,374
Net pension liability	473,379,919	-
Net other post-employment benefit obligation	702,687,544	-
Total liabilities	<u>1,349,666,968</u>	<u>32,394,622</u>
Deferred Inflows of Resources		
Deferred inflows related to pensions	97,231,827	-
Deferred inflows related to OPEB	132,553,810	-
Unamortized gain on refunding bonds	121,254	-
Total deferred inflows of resources	<u>229,906,891</u>	<u>-</u>
Net Position		
Net investment in capital assets	126,416,880	856,019
Restricted net position for:		
Debt service	9,619,417	-
Instructional enhancement		
Expendable	669,194	-
Nonexpendable	22,872,256	-
Child Nutrition Program	4,088,130	-
Capital projects	3,883,674	-
Unrestricted net position (deficit)	<u>(1,224,163,632)</u>	<u>(5,555,479)</u>
Total net position (deficit)	<u>(\$ 1,056,614,081)</u>	<u>(\$ 4,699,460)</u>

The accompanying notes are an integral part of the financial statements.

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Statement of Activities
For the Year ended June 30, 2019

Statement B

FUNCTIONS/PROGRAMS	Program Revenues			Net (Expense) revenue and Changes in Net Position	
	Expenses	Charges for Services	Operating Grants and Contributions	Primary Government	Discretely Presented Component Units
Primary government					
Governmental activities					
Instruction					
Regular programs	\$ 120,473,300	\$ -	\$ 21,138,405	(\$ 99,334,895)	\$ -
Special programs	46,613,454	-	9,187,905	(37,425,549)	-
Other instructional programs	35,621,606	-	523,448	(35,098,158)	-
Support services					
Student services	29,156,110	-	2,096,703	(27,059,407)	-
Instructional staff support	31,444,966	-	1,389,635	(30,055,331)	-
General administration	7,641,792	-	105,694	(7,536,098)	-
School administration	24,537,611	-	2,921,597	(21,616,014)	-
Business services	3,482,193	-	443,588	(3,038,605)	-
Plant services	63,646,836	-	3,627,935	(60,018,901)	-
Student transportation services	18,529,932	-	3,212,934	(15,316,998)	-
Central services	6,776,149	-	591,578	(6,184,571)	-
Food services	16,933,474	277,519	15,631,754	(1,024,201)	-
Community service programs	843,620	-	-	(843,620)	-
Interest and issuance costs on long-term debt	2,150,269	-	-	(2,150,269)	-
Total primary government	<u>\$ 407,851,312</u>	<u>\$ 277,519</u>	<u>\$ 60,871,176</u>	<u>(346,702,617)</u>	<u>-</u>
Total component units	20,949,763	-	984,113	-	(19,965,650)
	<u>\$ 20,949,763</u>	<u>\$ -</u>	<u>\$ 984,113</u>	<u>-</u>	<u>(19,965,650)</u>
General revenues					
Taxes					
Ad valorem taxes levied for general purposes				103,638,637	-
Ad valorem taxes levied for debt service purposes				8,884,318	-
Ad valorem taxes levied for capital improvements				21,109,139	-
Sales taxes levied for salaries, benefits, and general purposes				79,578,095	-
Grants and contributions not restricted to specific programs					
Minimum Foundation Program				188,977,359	15,128,723
State revenue sharing				1,780,711	-
Interest and investment earnings				2,752,975	-
Contributions to permanent funds				578,579	-
Medicaid reimbursements				5,687,839	-
Donations				1,687,802	-
Miscellaneous				5,155,256	2,801,730
Total general revenues				<u>419,830,710</u>	<u>17,930,453</u>
Change in net position (deficit)				73,128,093	(2,035,197)
Net position (deficit) - beginning				<u>(1,129,742,174)</u>	<u>(2,664,263)</u>
Net position (deficit) - ending				<u>(\$ 1,056,614,081)</u>	<u>(\$ 4,699,460)</u>

The accompanying notes are an integral part of the financial statements.

BASIC FINANCIAL STATEMENTS:
FUND FINANCIAL STATEMENTS (FFS)

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

GOVERNMENTAL FUNDS
Balance Sheet
June 30, 2019

Statement C

	General	Permanent Fund - CEEF	Non Major Governmental Funds	Total
ASSETS				
Cash and cash equivalents	\$ 51,684,342	\$ -	\$ 22,378,085	\$ 74,062,427
Cash and cash equivalents- restricted	-	1,383,922	-	1,383,922
Investments - restricted	-	21,406,804	-	21,406,804
Receivables	13,658,590	81,530	14,102,830	27,842,950
Interfund receivables	7,495,407	-	-	7,495,407
Inventory	484,895	-	225,277	710,172
Other assets	505,000	-	-	505,000
Total assets	<u>\$ 73,828,234</u>	<u>\$ 22,872,256</u>	<u>\$ 36,706,192</u>	<u>\$ 133,406,682</u>
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 804,358	\$ -	\$ 4,657,539	\$ 5,461,897
Salaries and wages payable	48,561,339	-	6,143,197	54,704,536
Interfund payables	-	-	7,495,407	7,495,407
Total Liabilities	<u>49,365,697</u>	<u>-</u>	<u>18,296,143</u>	<u>67,661,840</u>
Fund balances				
Nonspendable	989,895	22,872,256	225,277	24,087,428
Restricted	-	-	18,114,885	18,114,885
Committed	19,089,552	-	69,887	19,159,439
Unassigned	4,383,090	-	-	4,383,090
Total fund balances	<u>24,462,537</u>	<u>22,872,256</u>	<u>18,410,049</u>	<u>65,744,842</u>
Total liabilities and fund balances	<u>\$ 73,828,234</u>	<u>\$ 22,872,256</u>	<u>\$ 36,706,192</u>	<u>\$ 133,406,682</u>

The accompanying notes are an integral part of the financial statements.

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position
June 30, 2019

		Statement D
Total fund balances - Governmental Funds at June 30, 2019	\$	65,744,842
<p>The cost of capital assets (land, buildings, furniture and equipment) purchased or constructed is reported as an expenditure in governmental funds. The Statement of Net Position includes those capital assets among the assets of the School Board as a whole. The cost of those capital assets allocated over their estimated useful lives (as depreciation expense) to the various programs is reported as governmental activities in the Statement of Activities. Because depreciation expense does not affect financial resources, it is not reported in governmental funds.</p>		
Costs of capital assets	512,312,737	
Accumulated depreciation	<u>(303,692,261)</u>	208,620,476
<p>Deferred outflows for pensions and refundings are not reported in the governmental funds but are reported in the government wide statements</p>		
Pensions	132,471,195	
Refundings	<u>829,119</u>	133,300,314
<p>Deferred inflows for pensions and refundings are not reported in the governmental funds but are reported in the government wide statements</p>		
Pensions	(97,231,827)	
Refundings	<u>(121,254)</u>	(97,353,081)
<p>Internal service funds are used by management to charge the cost of certain activities to individual funds. The assets, deferred inflows of resources, liabilities, and deferred outflows of resources of the internal service funds are reported in the government wide statements</p>		
		(362,936,041)
<p>Long-term liabilities applicable to the School Board's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities - both current and long term - are reported in the Statement of Net Position.</p>		
Long-term liabilities		
General obligation bonds payable	(64,469,438)	
Qualified School Construction bond	(16,847,661)	
Compensated absences payable	(14,649,251)	
Net pension liability	(473,379,919)	
OPEB liability (prior to self insurance)	(426,453,109)	
Claims and judgments payable	(5,854,761)	
Capital lease payable	(1,039,568)	
Interest payable	(742,090)	
Retainage payable	<u>(554,794)</u>	
		<u>(1,003,990,591)</u>
Net Position (Deficit) at June 30, 2019		<u><u>(\$ 1,056,614,081)</u></u>

The accompanying notes are an integral part of the financial statements.

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

GOVERNMENTAL FUNDS
Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Year ended June 30, 2019

Statement E

	General	Permanent Fund- CEEF	Non Major Governmental Funds	Total
REVENUES				
Local sources				
Taxes				
Ad valorem	\$ 103,638,637	\$ -	\$ 29,993,457	\$ 133,632,094
Sales and use	79,578,095	-	-	79,578,095
Interest earnings	2,135,061	439,349	178,565	2,752,975
Medicaid reimbursement	5,687,839	-	-	5,687,839
Miscellaneous revenue from other LEA's	463,564	-	-	463,564
Gaming revenue	-	578,580	-	578,580
Medicare RDS	1,442,147	-	-	1,442,147
Other local sources	1,496,759	-	272,711	1,769,470
State sources				
Equalization	188,027,359	-	950,000	188,977,359
State revenue sharing	1,496,994	-	283,716	1,780,710
Other state grants or sources	135,882	-	1,486,651	1,622,533
Federal sources				
	1,042,692	-	58,205,951	59,248,643
Total revenues	385,145,029	1,017,929	91,371,051	477,534,009
EXPENDITURES				
Current				
Instruction				
Regular programs	149,488,401	-	1,259,290	150,747,691
Special programs	58,362,449	-	2,728,628	61,091,077
Other instructional programs	19,084,414	-	16,395,508	35,479,922
Support services				
Student services	27,241,720	-	4,872,167	32,113,887
Instructional staff support	19,897,593	-	13,653,353	33,550,946
General administration	3,634,964	-	4,162,656	7,797,620
School administration	28,839,106	-	-	28,839,106
Business services	3,954,435	-	172,942	4,127,377
Plant services	47,417,432	-	58,077	47,475,509
Student transportation services	22,340,802	-	121,850	22,462,652
Central services	7,419,809	-	248,438	7,668,247
Food services	-	-	16,733,416	16,733,416
Community service programs	8,368	-	835,251	843,619
Capital outlay	-	-	19,992,687	19,992,687
Debt service				
Principal retirement	601,087	-	7,697,132	8,298,219
Interest and bank charges	-	140	2,426,659	2,426,799
Total expenditures	388,290,580	140	91,358,054	479,648,774
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(3,145,551)	1,017,789	12,997	(2,114,765)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	340,030	340,030
Transfers out	-	(340,030)	-	(340,030)
Sales of capital assets	16,848	-	16,408	33,256
Total other financing sources (uses)	16,848	(340,030)	356,438	33,256
Net change in fund balances	(3,128,703)	677,759	369,435	(2,081,509)
FUND BALANCES - BEGINNING	27,591,240	22,194,497	18,040,614	67,826,351
FUND BALANCES - ENDING	\$ 24,462,537	\$ 22,872,256	\$ 18,410,049	\$ 65,744,842

The accompanying notes are an integral part of the financial statements.

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Reconciliation of the Governmental Funds
Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities
For the Year ended June 30, 2019

		Statement F
Total net change in fund balances - governmental funds	(\$	2,081,509)
Amounts reported for governmental activities in the Statement of Activities are different because:		
Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated		
Depreciation expense	(18,550,792)	
Capital outlay	<u>15,014,745</u>	
Net cost of capital assets		(3,536,047)
Donations of capital assets increase net position in the statement of activities, but do not appear in the governmental funds, because they are not financial revenues.		
		1,687,802
Deferred inflows and outflows for refundings are not reported in the governmental funds but are reported in the government wide financial statements and amortized over the life of the bonds.		
		(79,619)
The issuance of long-term debt provides current financial resources of governmental funds, while the repayment of the principal of the long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.		
Repayment of bond principal	7,697,132	
Payment of capital lease	561,175	
Amortization of gain/loss of refunding bonds, net	<u>329,501</u>	8,587,808
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		
Amortization of deferred gain/loss, net		
Increase in compensated absences	75,303	
Decrease in net pension expense	45,950,894	
Decrease in accrued interest	66,421	
Loss on disposal of capital assets	(4,130)	
Claims and judgments and retainage	<u>(558,749)</u>	45,529,739
Internal services funds are used by management to charge the costs of certain activities to individual funds. The net revenue of the internal service fund is reported with governmental activities.		
		<u>23,019,919</u>
Change in net position of governmental activities		<u><u>\$ 73,128,093</u></u>

The accompanying notes are an integral part of the financial statements.

**Caddo Parish School Board
Shreveport, Louisiana**

**PROPRIETARY FUND TYPE - INTERNAL SERVICE
Statement of Fund Net Position (Deficit)
June 30, 2019**

Statement G

ASSETS

Cash and cash equivalents	\$ 54,519,915
Accounts receivable	7,629
	<u>7,629</u>
Total current assets	<u>54,527,544</u>

DEFERRED OUTFLOWS OF RESOURCES

Deferred outflows related to OPEB	600,164
Total deferred outflows of resources	<u>600,164</u>

LIABILITIES

Current liabilities	
Accounts payable	1,149,281
Claims payable	8,126,223
	<u>9,275,504</u>
Total current liabilities	

Noncurrent liabilities	
Net OPEB liabilities	276,234,435
	<u>276,234,435</u>

Total liabilities	<u>285,509,939</u>
-------------------	--------------------

DEFERRED INFLOWS OF RESOURCES

Deferred inflows related to OPEB	132,553,810
Total deferred inflows of resources	<u>132,553,810</u>

NET POSITION

Unrestricted net position (deficit)	(362,936,041)
	<u>(362,936,041)</u>
Total net position (deficit)	<u>(\$ 362,936,041)</u>

The accompanying notes are an integral part of the financial statements.

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

PROPRIETARY FUND TYPE - INTERNAL SERVICE
Statement of Revenues, Expenses, and Changes in Fund Net Position (Deficit)
For the Year ended June 30, 2019

Statement H

OPERATING REVENUE	
Premiums	\$ 104,353,281
Total operating revenue	<u>104,353,281</u>
OPERATING EXPENSES	
Medical claims	30,748,639
Prescription claims	26,968,257
OPEB expense	19,554,488
Administration	<u>4,074,746</u>
Total operating expenses	<u>81,346,130</u>
Operating income	23,007,151
NON OPERATING REVENUES	
Earnings on investments	<u>12,768</u>
Changes in net position	23,019,919
NET POSITION (DEFICIT) - BEGINNING	<u>(385,955,960)</u>
NET POSITION (DEFICIT) - ENDING	<u><u>(\$ 362,936,041)</u></u>

The accompanying notes are an integral part of the financial statements.

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

PROPRIETARY FUND TYPE - INTERNAL SERVICE
Statement of Cash Flows
For the Year ended June 30, 2019

Statement I

CASH FLOW FROM OPERATING ACTIVITIES	
Premiums	\$ 103,336,746
Claims paid	(92,652,268)
Administrative fees paid	(4,074,746)
	6,609,732
Net cash provided by operating activities	6,609,732
 CASH FLOW FROM INVESTING ACTIVITIES	
Earnings on investments	12,768
	12,768
Net increase in cash and cash equivalents	6,622,500
 CASH AND CASH EQUIVALENTS - BEGINNING	47,897,415
 CASH AND CASH EQUIVALENTS - ENDING	\$ 54,519,915
 RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES	
Operating income	\$ 23,007,151
Adjustments to reconcile operating revenue to net cash provided by operating activities	-
Changes in assets and liabilities	
(Increase) decrease in accounts receivable	(7,629)
Increase (decrease) in accounts payable	(1,216,589)
(Increase) decrease in deferred outflows of resources	200,054
Increase (decrease) in deferred inflows of resources	109,966,976
Increase (decrease) in claims payable	438,393
Increase (decrease) in OPEB liability	(125,778,624)
	-
Net cash provided by operating activities	\$ 6,609,732

The accompanying notes are an integral part of the financial statements.

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

FIDUCIARY FUND
Statement of Fiduciary Net Position
June 30, 2019

Statement J

	Other Post Employment Benefits Trust Fund	Agency Funds
ASSETS		
Cash and cash equivalents	\$ 529,792	\$ 6,371,986
Investments - Corporate bonds	15,494,178	-
Investments - U.S. government securities	7,728,754	-
Receivables	160,734	-
Total assets	\$ 23,913,458	\$ 6,371,986
LIABILITIES		
Deposits due to others	\$ -	\$ 6,371,986
Total liabilities	\$ -	\$ 6,371,986
NET POSITION		
Restricted for OPEB	\$ 23,913,458	\$ -

The accompanying notes are an integral part of the financial statements.

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

FIDUCIARY FUND
Statement of Change In Fiduciary Net Position
For the Year ended June 30, 2019

Statement K

	Other Post Employment Benefits Trust Fund
ADDITIONS	
Employer contributions	\$ 1,442,147
Earnings on investments	1,159,964
Total additions	2,602,111
DEDUCTIONS	
General and administrative expenses	170,628
Change in net position	2,431,483
Net position held in trust for OPEB benefits - beginning	21,481,975
Net position held in trust for OPEB benefits - ending	\$ 23,913,458

The accompanying notes are an integral part of the financial statements.

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

COMPONENT UNITS
Combining Statement of Net Position
June 30, 2019

Statement L

	Shreveport Charter Foundation, Inc. (Magnolia)	Pathways in Education - Louisiana, Inc. (Pathways)	AMIkids Caddo, Inc.	Total Component Units
Assets				
Cash and cash equivalents	\$ 500,728	\$ 1,563,067	\$ 156,089	\$ 2,219,884
Receivables	139,779	237.00	3,574	143,590
Other assets	40,724	24,734	65,038	130,496
Capital assets net of accumulated depreciation				
Buildings and equipment	24,345,173	850,803	5,216	25,201,192
Total assets	<u>25,026,404</u>	<u>2,438,841</u>	<u>229,917</u>	<u>27,695,162</u>
Liabilities				
Accounts payable	630,462	218,518	542,779	1,391,759
Long-term liabilities				
Due within one year	314,682	-	5,807	320,489
Due in more than one year	30,270,370	412,004	-	30,682,374
Total liabilities	<u>31,215,514</u>	<u>630,522</u>	<u>548,586</u>	<u>32,394,622</u>
Net Position				
Net investment in capital assets	-	850,803	5,216	856,019
Unrestricted net position (deficit)	(6,189,110)	957,516	(323,885)	(5,555,479)
Total net position (deficit)	<u>(\$ 6,189,110)</u>	<u>\$ 1,808,319</u>	<u>(\$ 318,669)</u>	<u>(\$ 4,699,460)</u>

The accompanying notes are an integral part of the financial statements.

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

COMPONENT UNITS
Combining Statement of Activities
For the Year ended June 30, 2019

Statement M

	Shreveport Charter Foundation, Inc. (Magnolia)	Pathways in Education - Louisiana, Inc. (Pathways)	AMIKids Caddo, Inc.	Total Component Units
Expenses	\$ 15,973,964	\$ 3,060,589	\$ 1,915,210	\$ 20,949,763
Program Revenues				
Operating grants and contributions	807,671	134,739	41,703	984,113
Net program (expenses) revenue	(15,166,293)	(2,925,850)	(1,873,507)	(19,965,650)
General Revenues				
Grants and contributions not restricted to specific programs				
Minimum Foundation Program	10,201,082	3,196,445	1,731,196	15,128,723
Miscellaneous	2,801,730	-	-	2,801,730
Total general revenues	13,002,812	3,196,445	1,731,196	17,930,453
Change in Net Position	(2,163,481)	270,595	(142,311)	(2,035,197)
Net position (deficit), beginning	(4,025,629)	1,537,724	(176,358)	(2,664,263)
Net position (deficit), ending	(\$ 6,189,110)	\$ 1,808,319	\$ (318,669)	(\$ 4,699,460)

The accompanying notes are an integral part of the financial statements.

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Caddo Parish School Board
Notes to the Basic Financial Statements
June 30, 2019

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Caddo Parish School Board
Notes to the Basic Financial Statements
June 30, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements of the Caddo Parish School Board have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units.

The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

A. REPORTING ENTITY

The Caddo Parish School Board (“School Board”) was created by Louisiana Revised Statute LSA-R.S. 17:51 to provide public education for the children within Caddo 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 twelve members who are elected from twelve districts for terms of four years.

The School Board operates 63 schools within the parish with a total enrollment of approximately 37,900 pupils in the 2018-2019 school year. In conjunction with the regular educational programs, some of these schools offer pre-kindergarten and/or special education programs. In addition, the School Board provides transportation and school food services for the students.

The School Board is considered a primary government, since it is a special-purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments. Fiscally independent means that the School Board may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges, and issue bonded debt.

The School Board has three component units, the Shreveport Charter Foundation, Inc. (“Magnolia” or “Magnolia School of Excellence”), Pathways in Education – Louisiana, Inc. (“Pathways”), and AMIkids Caddo Inc. (“AMIkids”). These charter schools are presented as discretely presented component units. Component units are defined as legally separate organizations for which the elected officials of the primary government are financially accountable. The criteria used in determining whether financial accountability exists include the appointment of a voting majority of an organization’s governing board, the ability of the primary government to impose its will on that organization or whether there is a potential for the organization to provide specific financial benefits or burdens to the primary government. Fiscal dependency may also play a part in determining financial accountability. In addition, a component unit can be another organization for which the nature and significance of its relationship with a primary government is such that exclusion would cause the reporting entity’s financial statements to be misleading or incomplete. Magnolia, Pathways, and AMIkids are included in the reporting entity because they are fiscally dependent on the School Board for the majority of their revenue, and because exclusion would render the School System’s financial statements incomplete or misleading. However, the charter schools are legally separate entities and, as such, each appoints its own Board. Magnolia is a Type I Charter School that opened in the fall of 2014. It has a June 30 year end. Complete financial statements of this component unit can be obtained from Shreveport Charter Foundation, Inc., 2290 Clyde Fant Parkway, Shreveport, Louisiana 71104. Pathways is a Type I Charter School that opened in the Fall of 2015. It has a June 30 year end. Complete financial statements of this component unit can be obtained from Pathways in Education – Louisiana, Inc., 8999 Mansfield Road, Shreveport, Louisiana 71118. AMIkids is a Type I Charter School that opened in the Fall of 2016. It has a June 30 year end. Complete financial statements of this component unit can be obtained from AMIkids Caddo, Inc., 3860 Hutchinson Street, Shreveport, Louisiana 71109.

The School Board and its component units represent the reporting entity. Additionally, the School Board is a legally separate elected governing body and does not meet the definition of a component unit of any other entity.

Caddo Parish School Board
Notes to the Basic Financial Statements
June 30, 2019

B. FUNDS

The accounts of the School Board are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

The funds of the School Board are classified into three categories: governmental, proprietary and fiduciary.

Governmental Funds: Governmental funds are used to account for the School Board's general government activities, including the collection and disbursement of specific or legally restricted monies, the acquisition or construction of capital assets, and the servicing of long-term debt. The School Board reports the following major governmental funds:

General Fund - the primary operating fund of the School Board accounts for all financial resources, except those accounted for in other funds.

Permanent Fund - CEEF - used to account for the Caddo Educational Excellence Fund. These monies are held by the School Board in trust and the principal cannot be expended.

Proprietary Funds: Proprietary funds account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Proprietary funds differ from governmental funds in that their focus is on measurement, which, together with the maintenance of equity is an important financial indicator. The School Board reports the following proprietary fund:

Internal Service Fund - used to account for health insurance for employees of the School Board on a cost reimbursement basis.

Fiduciary Funds: Fiduciary funds account for assets held by the government in a trustee capacity or as an agent on behalf of outside parties, including other governments, or on behalf of other funds within the School Board.

Agency funds are used to account for assets that the government holds for others in an agency capacity. These agency funds are as follows:

School Activities Fund - accounts for assets held by the School Board as an agent for the individual schools and school organizations.

Office Concession Agency Fund - accounts for monies collected by school board employees working in the central office coffee shop for the purpose of replenishing items sold and maintenance of coffee shop equipment. The School Board closed this fund during the year ended June 30, 2019, due to no longer operating a central office coffee shop.

Pension (and Other Postemployment Benefits) Trust Funds are used to report resources that are required to be held in trust for the members and beneficiaries of defined benefit pension plans, defined contributions plans, other postemployment benefit plans, or other employee benefit plans.

Other Postemployment Benefits Trust Fund - accounts for the assets held in an irrevocable trust for payment of retirees' health insurance premiums and costs.

Caddo Parish School Board
Notes to the Basic Financial Statements
June 30, 2019

C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Government-Wide Financial Statements (GWFS) The Statement of Net Position and the Statement of Activities displays information about the reporting government as a whole. Fiduciary funds are not included in the GWFS. Fiduciary funds are reported only in the Statement of Fiduciary Net Position and Statement of Changes in Fiduciary Net Position at the fund financial statement level.

The Statement of Net Position and the Statement of Activities were prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets, and liabilities resulting from non-exchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, Accounting, and Financial Reporting for Non-exchange Transactions. The effect of Interfund Activity has been eliminated from the government-wide financial statements.

Internal activities: The employees' medical insurance internal service fund provides services to the governmental funds. Accordingly, the employees' insurance fund activity was rolled up into the governmental activities. Pursuant to GASB Statement No. 34 Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments, as much as possible, the internal activities have been eliminated in order to avoid the "grossing-up" effect of a straight inclusion. The interfund services provided and used are not eliminated in the process of consolidation.

Program revenues Program revenues include charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Allocation of indirect expenses: 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. Depreciation expense is included in the direct expense of each function. Interest on general long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

Fund Financial Statements (FFS)

Governmental Funds The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting revenues are recognized when susceptible to accrual (i.e., when they are "measurable and available"). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The government considers all revenues available if they are collected within 60 days after year-end. Expenditures are recorded when the related fund liability is incurred, except for unmatured principal and interest on general long-term debt which is recognized when due. Compensated absences and claims and judgments are reported in a governmental fund only if the claims are due and payable. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet.

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Operating statements of these funds present increases and decreases in net current assets. The governmental funds use the following practices in recording revenues and expenditures:

Revenues

Ad valorem taxes are recognized when all applicable eligibility requirements are met and the resources are available.

Sales taxes are recognized when underlying exchange transaction occurs and the resources are available.

Entitlements and shared revenues (which include state equalization and state revenue sharing) are recorded as unrestricted grants-in-aid at the time of receipt or earlier if the susceptible to accrual criteria are met. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met and the susceptible to accrual criteria have been met.

Other receipts become measurable and available when cash is received by the School Board and are recognized as revenue at that time.

Expenditures

Salaries are recorded as paid. Salaries for nine-month employees are accrued at June 30.

Other financing sources (uses) are transfers between funds that are not expected to be repaid (or any other types, such as capital lease transactions, sale of fixed assets, debt extinguishments, long-term debt proceeds, et cetera) and are accounted as other financing sources (uses). These other financing sources (uses) are recognized at the time the underlying events occur.

Proprietary Fund: Proprietary fund is accounted for on the flow of economic resources measurement focus and uses the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time the liabilities are incurred. With this measurement focus, all assets and all liabilities associated with the operation of this fund are included on the balance sheet.

Operating revenues and expenses: Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with the fund's principal ongoing operations. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Fiduciary Funds: The fiduciary funds include *agency funds and a trust fund*, which are custodial in nature and do not present results of operations or have a measurement focus. Agency and trust funds are accounted for using the accrual basis of accounting. The trust fund uses the economic resources measurement focus.

D. BUDGETS

General Budget Policies The School Board follows these procedures in establishing the budgetary data reflected in the combined financial statements:

State statute requires budgets be adopted for the general fund and all special revenue funds. Each year prior to September 15, the Superintendent submits to the Board members the proposed annual budgets for the general fund and all special revenue funds. Public hearings are conducted, prior to the Board members' approval, to obtain citizens' comments. The operating budgets include proposed expenditures and the means of financing them.

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Appropriations (unexpended budget balances) lapse at year end.

Formal budget integration (within the accounting records) is employed as a management control device. All budgets are controlled at the division, departmental or project level. School Board policy prescribes that the level of budgetary control is at the functional level for the general fund and at the fund level for the special revenue funds.

Encumbrances Encumbrance accounting is employed in governmental funds. Outstanding encumbrances lapse at year end. To the extent the School Board intends to honor the purchase orders and commitments, they are reported as restricted or committed fund balances in the fund financial statements. Authorization for the eventual expenditure will be included in the following year's budget appropriations.

Budget Basis of Accounting All governmental funds' budgets are prepared on the modified accrual basis of accounting. Budgeted amounts are as originally adopted or as amended by the School Board. Legally, the School Board must adopt a balanced budget; that is, total budgeted revenues and other financing sources including fund balance must equal or exceed total budgeted expenditures and other financing uses. State statutes require the School Board to amend its budgets when revenues plus projected revenues within a fund are expected to be less than budgeted revenues by five percent or more and/or expenditures plus projected expenditures within a fund are expected to exceed budgeted expenditures by five percent or more. The School Board approves budgets at the functional level and management can transfer amounts between line items within a function. Amendments to the budget during the year were considered to be insignificant.

E. CASH AND CASH EQUIVALENTS

Cash includes amounts in demand deposits and interest-bearing demand deposits, and time deposit accounts. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the School Board may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

F. INVESTMENTS

Investments are limited by R.S. 33:2955 and the School Board's investment policy. If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents.

The investments are reflected at fair value except for the following which are required/permitted as per GASB Statement No. 31:

1. Investments in *nonparticipating* interest-earning contracts, such as nonnegotiable certificates of deposit with redemption terms that do not consider market rates, are reported using a cost-based measure.
2. The School Board reported at amortized cost money market investments and *participating* interest-earning investment contracts that have a remaining maturity at time of purchase of one year or less.

Definitions:

Interest-earning investment contracts include time deposits with financial institutions (such as certificates of deposit), repurchase agreements, and guaranteed investment contracts.

Money market investments are short-term, highly liquid debt instruments that include U. S. Treasury obligations.

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G. SHORT-TERM INTERFUND RECEIVABLES/PAYABLES

During the course of operations, numerous transactions occur between individual funds for services rendered. These receivables and payables are classified as due from other funds or due to other funds on the fund financial statements balance sheet. Short-term interfund loans are classified as interfund receivables/payables.

H. ELIMINATION AND RECLASSIFICATIONS

In the process of aggregating data for the statement of net position and the statement of activities, some amounts reported as interfund activity and balances in the funds were eliminated or reclassified. Interfund receivables and payables were eliminated to minimize the "grossing up" effect on assets and liabilities within the governmental activities column. Interfund services provided or used are not eliminated in the process of consolidation.

I. INVENTORY AND PREPAID ITEMS

Inventory is recorded as expenses when consumed on the government-wide financial statements and as expenditures when purchased on the fund financial statements.

Inventory of the child nutrition program special revenue 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. Unused commodities at June 30 are reported as unearned revenue. All purchased inventory items are valued at cost (first-in, first-out) and commodities are assigned values based on information provided by the United States Department of Agriculture. During the year ended June 30, 2019, the School Board received cash in lieu of commodities.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. Prepaid items are accounted for using the consumption method.

J. CAPITAL ASSETS

Capital assets are recorded at historical cost and depreciated over their estimated useful lives (excluding salvage value). The School Board maintains a threshold level for capitalization of the following: \$100,000 for buildings, building improvements and intangibles, \$50,000 for land and land improvements, \$100,000 for intangibles and \$5,000 for equipment and vehicles. Donated capital assets are recorded at their acquisition value at the time of acquisition.

Estimated useful life is management's estimate of how long the asset is expected to meet service demands. Vehicles and trailers are assigned a salvage value of ten percent of historical costs. Straight line depreciation is used based on the following estimated useful lives:

Buildings	25 – 45 years
Land improvements	10 – 25 years
Building improvements	10 – 30 years
Furniture and equipment	5 – 20 years
Vehicles	5 – 8 years
Intangibles - software	10 years
Intangibles - other	10 years

Land and construction in progress are not depreciated.

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K. UNEARNED REVENUES

The School Board reports unearned revenues on its Statement of Net Position and fund balance sheet. Unearned revenues arise when resources are received by the School Board before it has a legal claim to them, as when grant monies are received prior to the occurrence of qualifying expenditures. In subsequent periods, when the School Board has a legal claim to the resources, the liability for deferred revenue is removed and the revenue is recognized.

L. COMPENSATED ABSENCES

All 12-month employees earn ten to twenty days of vacation leave each year depending upon length of service. Vacation leave may be accumulated up to one hundred and fifty percent of their annual allotment. Upon termination, employees may be paid for their accumulated balance.

All School Board employees earn twelve to sixteen days of sick leave each year depending upon length of service. Sick leave may be accumulated without limitation. Upon retirement or death unused accumulated sick leave of up to 25 days is paid to employees per Louisiana Revised Statute 17:425 at the employees current rate of pay and all unused sick leave is used in the retirement computation as earned service.

Sabbatical leave may be granted for medical reasons 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 three years of continuous service or two semesters of sabbatical leave after six or more years of continuous service.

The School Board's recognition and measurement criteria for compensated absences follow:

Vacation leave and other compensated absences with similar characteristics should be accrued as a liability as the benefits are earned by the employees if both of the following conditions are met:

1. The employees' right to receive compensation is attributable to services already rendered.
2. It is probable that the employer will compensate the employees for the benefits through paid time off or some other means, such as cash payments at termination or retirement.

A liability for sick leave should be accrued using one of the following termination approaches:

1. An accrual for earned sick leave should be made only to the extent it is probable that the benefits will result in termination payments, rather than be taken as absences due to illness or other contingencies, such as medical appointments and funerals.
2. Alternatively, a governmental entity should estimate its accrued sick leave liability based on the sick leave accumulated at the balance sheet date by those employees who currently are eligible to receive termination payments as well as other employees who are expected to become eligible in the future to receive such payments. The School Board uses the latter approach to accrue the liability for sick leave which includes salary-related payments. Employees with ten years or more of experience are included.

Sabbatical leave benefits are accrued in the government-wide financial statements if they are based on past service, will be used as unrestricted time off, and are probable of being paid. In the fund financial statements, sabbatical leave benefits are recorded in the governmental fund only if the benefits are due and payable.

All School Board employees earn 90 days of extended sick leave that can be used over a 6 year period. It is paid at a rate of 65% of their daily rate of pay. At the end of each 6 year period, the available days is reset to 90 days. All School Board employees earn 30 days catastrophic sick days that can be used over a 6 year period. It is paid at 50% of their daily rate of pay. At the end of each 6 year period, the available days is reset to 30 days.

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M. PENSIONS

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Teacher's Retirement System of Louisiana (TRSL), State of Louisiana School Employees' Retirement System (LSERS), and Louisiana State Employees' Retirement System (LASERS) (collectively the "Retirement Plans") and additions to/deductions from the Retirement Plans' fiduciary net position have been determined on the same basis as they are reported by the Retirement Plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

N. OTHER POST-EMPLOYMENT BENEFITS

The fiduciary net position of the Caddo Parish Public School Board Retiree Benefits Plan (the OPEB Plan) has been determined using the flow of economic resources measurement focus and full accrual basis of accounting. This includes for purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to other post-employment benefits, OPEB expense, and information about assets, liabilities and additions to/deductions from the OPEB Plan's fiduciary net position. Benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

O. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The School Board has deferred outflows related to unamortized loss from refunding bonds, net pension liability, and net OPEB liability.

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenues) until that time. The School Board has deferred inflows related to unamortized gain from refunding bond, net pension liability, and net OPEB liability.

P. LONG-TERM LIABILITIES

For government-wide reporting, the costs associated with the bonds are recognized over the life of the bond. For fund financial reporting, bond premiums and discounts, as well as issuance costs are recognized in the period the bonds are issued. Bond proceeds are reported as other financing source net of the applicable premium or discount. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures.

Q. RESTRICTED NET POSITION

For the government-wide statement of net position, net position is reported as restricted when constraints placed on net asset use are either:

Externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments; or, imposed by law through constitutional provisions or enabling legislation.

Net Position as of June 30, 2019, restricted by enabling legislation, is \$41,132,671.

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R. FUND BALANCES OF FUND FINANCIAL STATEMENTS

GASB 54 requires the fund balance amounts to be reported within the fund balance categories as follows:

Non-spendable: Fund balance that is not in spendable form or legally or contractually required to be maintained intact. This category includes items that are not easily converted to cash such as inventories.

Restricted: Fund balance that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation.

Committed: Fund balance that can only be used for specific purposes determined by the School Board's highest level of decision making authority. Committed amounts cannot be used for any other purpose unless the Board removes or changes the specified use by taking the same type of action it employed to previously commit the funds. Committed fund balance is the result of resolutions that were passed at a School Board meeting committing the funds.

Assigned: Fund balance that is constrained by the School Board's intent to be used for specific purposes, but are neither restricted nor committed. The School Board currently does not have a policy authorizing the assignment of fund balance.

Unassigned: Fund balance that is the residual classification for the general fund. A negative unassigned fund balance may be reported in other governmental funds if expenditures incurred for specific purposes exceed the amounts restricted, committed, or assigned to those purposes.

When both restricted and unrestricted resources are available for use, it is the government's policy to use unrestricted resources first, then restricted resources as necessary. The School Board reduces committed amounts, followed by assigned amounts and then unassigned amounts when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

S. INTERFUND ACTIVITY

Interfund activity is reported as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market, or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund, and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental funds are netted as part of the reconciliation to the government-wide financial statements.

T. SALES TAXES

The Caddo Parish School Board has the following three sales tax ordinances:

The voters of Caddo Parish approved on June 6, 1967, a one-half of one percent (1/2%) parish-wide sales tax to be used to supplement salaries of teachers of Caddo Parish and for the operation of public schools in Caddo Parish.

The voters of Caddo Parish approved on May 27, 1969, a one-half of one percent (1/2%) parish-wide sales tax to be used to supplement salaries of teachers of Caddo Parish and for the operation of public schools in Caddo Parish.

The voters of Caddo Parish approved on May 4, 1985, a one-half of one percent (1/2%) parish-wide sales tax to be used to supplement salaries of teachers of Caddo Parish and other School Board employees and for the operation of public schools in Caddo Parish.

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U. USE OF ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statement and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

V. ADOPTION OF NEW FINANCIAL STANDARDS

The School Board adopted GASB Statement No. 88, *Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements*, during the current fiscal year ended June 30, 2019. The objective of this statement is to improve the information disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements. It also clarifies which liabilities governments should include when disclosing debt. The School Board had no direct borrowings or direct placements. The adoption had no impact on the financial statements. Note disclosures reflect any required changes.

W. FUTURE ACCOUNTING PRONOUNCEMENTS

The Governmental Accounting Standards Board has issued several pronouncements that have effective dates that may impact future presentations. The School Board is currently evaluating the potential impacts of the following GASB statements on its accounting practices and financial statements.

- GASB Statement No. 84, *Fiduciary Activities*.
- GASB Statement No. 87, *Leases*.
- GASB Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*.

NOTE 2 - LEVIED TAXES

The School Board levies taxes on real and business personal property located within Caddo Parish's boundaries. Property taxes are levied by the School Board on property values assessed by the Caddo Parish Tax Assessor and approved by the State of Louisiana Tax Commission.

The Caddo Parish Sheriff's office bills and collects property taxes for the School board. Collections are remitted to the School Board monthly.

Property Tax Calendar	
Assessment date	January 1
Levy date	Not later than June 1
Tax bills mailed	On or about November 25
Due date	December 31
Lien date	January 1
Tax sales – 2018 delinquent property	On or about May 15

Assessed values are established by the Caddo Parish Tax Assessor each year on a uniform basis at the following ratios of assessed value to fair market value.

10% land	15% machinery
10% residential improvements	15% commercial improvements
15% industrial improvements	25% public service properties, excluding land

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A revaluation of all property is required after 1978 to be completed no less than every four years. The last revaluation was completed for the roll of January 1, 2017. Total assessed value was \$1,779,917,820 in calendar year 2018. Louisiana state law exempts the first \$75,000 of assessed value of a taxpayer's primary residence from parish property taxes. The homestead exemption was \$334,155,007 of the assessed value in calendar year 2018.

State law requires the sheriff to collect property taxes in the calendar year in which the assessment is made. Property taxes become delinquent January 1 of the following year. If taxes are not paid by the due date, taxes bear interest at the rate of 1.00% per month until the taxes are paid. After notice is given to the delinquent taxpayers, the sheriff is required by the *Constitution of the State of Louisiana* to sell the least quantity of property necessary to settle the taxes and interest owed.

All property taxes are recorded in the general fund, parish-wide capital projects fund, and debt service fund. Revenues in such funds are recognized in the accounting period in which an enforceable legal claim arises. Estimated uncollectible taxes are those taxes based on past experience which will not be collected in the subsequent year and are primarily due to subsequent adjustments to the tax roll. The School Board uses the lien date to establish the enforceable legal claim date.

The tax roll is prepared by the parish tax assessor in November of each year; therefore, the bulk of property taxes are collected by the Sheriff in December, January, and February.

Historically, virtually all ad valorem taxes receivable were collected since they are secured by property; therefore, there is no allowance for uncollectible taxes.

The following is a summary of authorized and levied (tax rate per \$1,000 assessed value) ad valorem taxes:

	<u>Date of Voter Approval</u>	<u>Authorized Millage</u>	<u>Levied Millage</u>	<u>Expiration Date</u>
Parish-wide taxes:				
Constitutional	Statutory	7.85	7.70	n/a
Maintenance and operation	May 4, 2013	17.11	16.77	2023
Operation, Maintenance, and Support	May 4, 2013	11.26	11.04	2024
Employee Salaries & Benefits	April 9, 2016	20.18	20.18	2026
Technology	April 9, 2016	1.25	1.25	2026
Special Building, Repair, & Equipment	May 4, 2013	6.86	6.73	2023
Special Renovations	April 9, 2016	5.15	5.15	2026
Bond and Interest	October 18, 1997	Variable	5.00	2033

NOTE 3 - DEPOSITS AND INVESTMENTS

Governmental and Agency Funds

Deposits are stated at cost, which approximates fair value. 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 fair value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

Custodial credit risk: At year-end, the School Board's carrying amount of deposits was \$136,868,042 and the bank balance was \$141,389,904.

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These deposits are reported as follows: Statement A-cash and cash equivalents, \$128,582,342; Statement A-restricted cash and cash equivalents, \$1,383,922; and Statement J-cash and cash equivalents, \$6,901,778. Of the bank balance, \$7,964,379 was uninsured and collateralized with securities held by the pledging financial institution's trust department or agent but not in the School Board's name. There were no unsecured funds as of June 30, 2019. Even though the pledged securities are considered uncollateralized under the provisions of GASB Statement No. 40, 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. The School Board's investment policy does not specifically address custodial credit risk.

The deposits include a balance of \$87,606,652 in a sweep account. Funds in this account are invested in U. S. Government securities at night and swept back to the bank account the next morning. The agreement with the bank specifies that all purchased securities in the possession of the bank shall be segregated from other securities in its possession and shall be identified as subject to the terms of the agreement.

Restricted cash is reported on the statement of net position. This is cash in the Caddo Educational Excellence Fund (CEEF) permanent fund.

Other Post-employment Benefits Trust Fund

The School Board follows the state law regarding investments in postemployment benefits funds by political subdivisions, R.S. 33:5161 and R.S. 33:5162. In summary, funds may be invested in direct U.S. Treasury Obligations, debt which is issued or guaranteed by federal agencies and backed by the full faith and credit of the U.S., direct security repurchase agreements of any federal book-entry only securities, debt issued by Corporations of the U.S. which are rated Baa or better by Moody's, Inc. or BBB or better by Fitch or Standard and Poor's Corporation, money market mutual funds or Louisiana Asset Management Pool.

Fair Value Measurements: The School Board categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The implementation of this new statement did not change the method of measuring the fair value of the School Board's assets. These guidelines recognize a three-tiered fair value hierarchy.

- Level 1—Investments reflect prices quoted in active markets.
- Level 2—Investments reflect prices that are based on a similar observable asset either directly or indirectly, which may include inputs in markets that are not considered to be active.
- Level 3—Investments reflect prices based upon unobservable sources.

The categorization of investments within the hierarchy is based upon the pricing transparency of the instrument and should not be perceived as the particular investment's risk. Debt and equity securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Debt securities classified in Level 2 of the fair value hierarchy are valued using a matrix and market-corroborate pricing and inputs such as yield curves and indices. Matrix pricing is used to value securities based on the securities' relationship to benchmark quote prices.

Investments by Fair Value Level	6/30/2019	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
U. S. government securities	\$ 7,728,754	\$ 504,510	\$ 7,224,244	\$ -
Corporate bonds	15,494,178	15,494,178	-	-
Total	\$ 23,222,932	\$ 15,998,688	\$ 7,224,244	\$ -

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Interest Rate Risk: The state law does not address specific policies for managing interest rate risk. The following table provides information about interest rate risk associated with the other postemployment benefits trust fund.

Description of investment	Fair Value	Maturity			
		Less than 1 Year	1 - 3 Years	3 - 5 Years	5 - 7 Years
U. S. government securities	\$ 7,728,754	\$ 2,943,192	\$ 3,381,038	\$ 1,404,524	\$ -
Corporate bonds	15,494,178	2,853,920	8,445,523	4,194,735	-
Total	<u>\$ 23,222,932</u>	<u>\$ 5,797,112</u>	<u>\$ 11,826,561</u>	<u>\$ 5,599,259</u>	<u>\$ -</u>

Custodial Credit Risk: The School Board's policy regarding custodial credit risk is that funds on deposit shall be collateralized an amount at all times equal to 100% by pledged "approved securities" as specified by La. R.S 39:1225 as amended to adequately protect the funds of the School Board. Cash of \$529,792 is held in a trust account.

Credit Rate Risk: The credit risk of the other postemployment benefits trust fund is managed by restricting investments to those authorized by R.S. 33:5162. The School Board's policy does not address credit rate risk.

Description of investment	Fair Value	Rating by Standard & Poor's		
		AA	A	BBB
U. S. government securities	\$ 7,728,754	\$ 7,728,754	\$ -	\$ -
Corporate bonds	15,494,178	581,682	5,390,879	9,521,617
Total	<u>\$ 23,222,932</u>	<u>\$ 8,310,436</u>	<u>\$ 5,390,879</u>	<u>\$ 9,521,617</u>

Concentration of Credit Risk: R.S. 33:5162 provides that all fixed income investments shall be appropriately diversified by maturity, security, sector, and credit quality. At June 30, 2019, no more than 5 percent of the other postemployment benefits trust fund's total investments were invested in any single issuer.

NOTE 4 - RECEIVABLES

The governmental fund receivables at June 30, 2019, are as follows:

Class of Receivables	General	Permanent Fund - CEEF	Non Major Governmental	Total
Taxes:				
Ad Valorem	\$ 508,252	\$ -	\$ 150,672	\$ 658,924
Sales Tax	6,748,625	-	-	6,748,625
Intergovernmental grants:				
Federal	1,283,006	-	13,666,287	14,949,293
State	3,373,394	-	280,022	3,653,416
Other	1,745,313	81,530	5,849	1,832,692
Total	<u>\$ 13,658,590</u>	<u>\$ 81,530</u>	<u>\$ 14,102,830</u>	<u>\$ 27,842,950</u>

No allowance for doubtful accounts has been established as the School Board expects to collect the full balance.

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NOTE 5 - CAPITAL ASSETS

Capital assets balances and activity for the year ended June 30, 2019, are as follows:

	Balance Beginning	Adjustments or Reclassifications	Additions	Deletions	Balance Ending
Governmental activities					
Capital assets not being depreciated					
Land	\$ 4,796,357	\$ -	\$ -	\$ -	\$ 4,796,357
Construction in progress	7,279,136	(12,188,304)	12,429,924	-	7,520,756
Total capital assets not being depreciated	<u>12,075,493</u>	<u>(12,188,304)</u>	<u>12,429,924</u>	<u>-</u>	<u>12,317,113</u>
Capital assets being depreciated					
Buildings & improvements	422,125,196	13,641,504	11,150	-	435,777,850
Furniture and equipment	29,672,610	234,602	2,397,900	2,559,245	29,745,867
Transportation equipment	32,205,321	-	175,771	74,280	32,306,812
Intangibles - software	2,165,097	-	-	-	2,165,097
Total capital assets being depreciated	<u>486,168,224</u>	<u>13,876,106</u>	<u>2,584,821</u>	<u>2,633,525</u>	<u>499,995,626</u>
Total cost of capital assets	<u>498,243,717</u>	<u>1,687,802</u>	<u>15,014,745</u>	<u>2,633,525</u>	<u>512,312,739</u>
Less accumulated depreciation					
Buildings & improvements	238,965,915	-	14,604,101	-	253,570,016
Furniture and equipment	20,174,889	-	3,262,095	2,555,461	20,881,523
Transportation equipment	27,258,345	-	478,086	73,934	27,662,497
Intangibles - software	1,371,717	-	206,510	-	1,578,227
Total accumulated depreciation	<u>287,770,866</u>	<u>-</u>	<u>18,550,792</u>	<u>2,629,395</u>	<u>303,692,263</u>
Total capital assets being depreciated, net	<u>198,397,358</u>	<u>13,876,106</u>	<u>(15,965,971)</u>	<u>4,130</u>	<u>196,303,363</u>
Governmental activities					
Capital assets, net	<u>\$ 210,472,851</u>	<u>\$ 1,687,802</u>	<u>\$ (3,536,047)</u>	<u>\$ 4,130</u>	<u>\$ 208,620,476</u>

Depreciation expense was charged to governmental activities as follows:

Regular programs	\$ 2,854,711
Special programs	131,181
Other instructional programs	79,501
Instructional staff support	144,781
General administration	447
School administration	17,853
Business services	10,567
Plant services	14,408,108
Student transportation services	817,395
Food services	86,248
Total depreciation expense	<u>\$18,550,792</u>

NOTE 6 - RETIREMENT SYSTEMS

Substantially all employees of the School Board are provided with pensions through cost-sharing multiple-employer defined benefit pension plans administered by the Teachers' Retirement System Louisiana ("TRSL"), the Louisiana School Employees' Retirement System ("LSERS"), or the Louisiana State Employees' Retirement System ("LASERS"), all of which are administered on a statewide basis. The authority to establish and amend the benefit terms of TRSL, LSERS, and LASERS was granted to the respective Board of Trustees and the Louisiana Legislature by Title 11 of the Louisiana Revised Statutes.

TRSL, LSERS, and LASERS each issue publicly available financial reports that can be obtained at www.trsl.org, www.lasers.net, and www.lasersonline.org, respectively.

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Disclosures relating to these plans follow:

Plan Descriptions

TRSL

Plan Description

TRSL was established for the purpose of providing retirement allowances and other benefits as stated under the provisions of La. R.S. 11:700-999, as amended for eligible teachers, employees, and their beneficiaries. The projection of benefit payments in the calculation of the total pension liability includes all benefits to be provided to current active and inactive employees through the System in accordance with the benefit terms and any additional legal agreements to provide benefits that are in force at the measurement date.

The following is a description of the plan and its benefits, and is provided for general information purposes only. Participants should refer to the appropriate statutes for more complete information.

Normal Retirement

Regular Plan - Members whose first employment makes them eligible for membership in a Louisiana state retirement system on or after January 1, 2011 may retire with a 2.5% accrual rate after attaining age sixty with at least 5 years of service credit and are eligible for an actuarially reduced benefit with 20 years of service at any age. All other members, if initially hired on or after July 1, 1999, are eligible for a 2.5% accrual rate at the earliest of age 60 with 5 years of service, age 55 with 25 years of service, or at any age with 30 years of service. Members may retire with an actuarially reduced benefit with 20 years of service at any age. If hired before July 1, 1999, members are eligible for a 2% accrual rate at the earliest of age 60 with 5 years of service, or at any age with 20 years of service and are eligible for a 2.5% accrual rate at the earliest of age 65 with 20 years of service, age 55 with 25 years of service, or at any age with 30 years of service.

Plan A - Members may retire with a 3.0% annual accrual rate at age 55 with 25 years of service, age 60 with 5 years of service or 30 years of service, regardless of age. Plan A is closed to new entrants.

Plan B - Members may retire with a 2.0% annual accrual rate at age 55 with 30 years of service, or age 60 with 5 years of service.

For all plans, retirement benefits are based on a formula which multiplies the final average compensation by the applicable accrual rate, and by the years of creditable service. For Regular Plan and Lunch Plan B members whose first employment makes them eligible for membership in a Louisiana state retirement system on or after January 1, 2011, final average compensation is defined as the highest average 60-month period. For all other members, final average compensation is defined as the highest average 36-month period.

A retiring member is entitled to receive the maximum benefit payable until the member's death. In lieu of the maximum benefit, the member may elect to receive a reduced benefit payable in the form of a Joint and Survivor Option, or as a lump sum that can't exceed 36 months of the members' maximum monthly benefit amount.

Effective July 1, 2009, members may make an irrevocable election at retirement to receive an actuarially reduced benefit which increases 2.5% annually, beginning on the first retirement anniversary date, but not before age 55 or before the retiree would have attained age 55 in the case of a surviving spouse. This option can be chosen in combination with the above options.

Deferred Retirement Option Program (DROP)

In lieu of terminating employment and accepting a service retirement, an eligible member can begin participation in

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the Deferred Retirement Option Program (DROP) on the first retirement eligibility date for a period not to exceed the 3rd anniversary of retirement eligibility. Delayed participation reduces the three year participation period. During participation, benefits otherwise payable are fixed, and deposited in an individual DROP account. Upon termination of DROP, the member can continue employment and earn additional accruals to be added to the fixed pre-DROP benefit. Upon termination of employment, the member is entitled to the fixed benefit, an additional benefit based on post -DROP service (if any), and the individual DROP account balance which can be paid in a lump sum or an additional annuity based on the account balance.

Disability Retirement Benefits

Active members whose first employment makes them eligible for membership in a Louisiana state retirement system before January 1, 2011, and who have five or more years of service credit are eligible for disability retirement benefits if certified by the State Medical Disability Board (SMDDB) to be disabled from performing their job. All other members must have at least 10 years of service to be eligible for a disability benefit. Calculation of the disability benefit as well as the availability of a minor child benefit is determined by the plan to which the member belongs and the date on which the member's first employment made them eligible for membership in a Louisiana state retirement system.

Survivor Benefits

A surviving spouse with minor children of an active member with five years of creditable service (2 years immediately prior to death) or 20 years of creditable service is entitled to a benefit equal to the greater of (a) \$600 per month, or (b) 50% of the member's benefit calculated at the 2.5% accrual rate for all creditable service. When a minor child(ren) is no longer eligible to receive survivor benefits, the spouse's benefit reverts to a survivor benefit in accordance with the provisions for a surviving spouse with no minor child(ren). Benefits for the minor child(ren) cease when he/she is no longer eligible. Each minor child (maximum of 2) shall receive an amount equal to the greater of (a) 50% of the spouse's benefit or (b) \$300 (up to 2 eligible children). Benefits to minors cease at attainment of age 18, marriage, or age 23 if enrolled in an approved institution of higher education. A surviving spouse without minor children of an active member with 10 years of creditable service (2 years immediately prior to death) or 20 years of creditable service is entitled to a benefit equal to the greater of (a) \$600 per month, or (b) the option 2 equivalent of the benefit calculated at the 2.5% accrual rate for all creditable service.

Permanent Benefit Increases/Cost of Living Adjustments

As fully described in Title 11 of the Louisiana Revised Statutes, the System allows for the payment of permanent benefit increases, also known as cost-of-living adjustments (COLAs), that are funded through investment earnings when recommended by the Board of Trustees and approved by the State Legislature.

Optional Retirement Plan (ORP)

ORP was established for academic employees of public institutions of higher education who are eligible for membership in TRSL. This plan was designed to provide certain academic and unclassified employees of public institutions of higher education an optional method of funding for their retirement. The ORP is a defined contribution pension plan which provides for portability of assets and full and immediate vesting of all contributions submitted on behalf of the affected employees to the approved providers. These providers are selected by the TRSL Board of Trustees. Monthly employer and employee contributions are invested as directed by the employee to provide the employee with future retirement benefits. The amount of these benefits is entirely dependent upon the total contributions and investment returns accumulated during the employee's working lifetime. Employees in eligible positions of higher education can make an irrevocable election to participate in the ORP rather than TRSL and purchase annuity contracts—fixed, variable, or both—for benefits payable at retirement.

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LSERS

Plan Description

The State of Louisiana School Employees' Retirement System is the administrator of a cost-sharing multiple-employer defined benefit pension plan and is a component unit of the State of Louisiana and is included in the State's CAFR as a Pension Trust Fund. The System was established and provided for by R.S.11:1001 of the Louisiana Revised Statutes (LRS). The accompanying statements present information only as to transactions of the System as authorized by Louisiana Revised Statutes. The following is a description of the Plan and its benefits and is provided for general information purposes only. Participants should refer to the appropriate statutes for more complete information.

Eligibility Requirements

Membership is mandatory for all persons employed by a Louisiana Parish or City School Board or by the Lafourche Special Education District #1 who work more than twenty hours per week as a school bus driver, school janitor, school custodian, school maintenance employee, or school bus aide, a monitor or attendant, or any other regular school employee who actually works on a school bus helping with the transportation of school children. If a person is employed by and is eligible to be a member of more than one public agency within the state, he must be a member of each such retirement system. Members are vested after 10 years of service or 5 years if enrolled after June 30, 2010.

All temporary, seasonal and part-time employees as defined in federal Regulations 26 CFR 31:3121(b)(7)-2 are not eligible for membership in the Plan. Any part-time employees who work 20 hours or less per week and who are not vested will be refunded their contributions.

Benefits

Benefit provisions are authorized and amended under Louisiana Revised Statutes. Benefit provisions are dictated by LA R.S. 11:1141 - 11:1153. A member who joined the system on or before June 30, 2010 is eligible for normal retirement if he has at least 30 years of creditable service regardless of age, 25 years of creditable service and is at least age 55, 20 years of creditable service regardless of age with an actuarially reduced benefit, or 10 years of creditable service and is at least age 60. A member who joined the system on or after July 1, 2010 is eligible for normal retirement if he has at least 5 years of creditable service and is at least age 60, or 20 years of creditable service regardless of age with an actuarially reduced benefit. For members who joined the system prior to July 1, 2006, the maximum retirement benefit is an amount equal to 3 1/3% of the average compensation for the three highest consecutive years of membership service, subject to the 10% salary limitation, multiplied by the number of years of service limited to 100% of final average compensation plus a supplementary allowance of \$2.00 per month for each year of service. For members who joined the system on or after July 1, 2006 through June 30, 2010, 3 1/3% of the average compensation is used to calculate benefits; however, the calculation consists of the five highest consecutive years of membership service, subject to the 10% salary limitation. For members who join the system on or after July 1, 2010, 2 1/2% of the average compensation is used to calculate benefits and consists of the five highest consecutive years' average salary, subject to the 15% salary limitation. The supplemental allowance was eliminated for members entering the Plan on or after July 1, 1986. Effective January 1, 1992, the supplemental allowance was reinstated to all members whose service retirement became effective after July 1, 1971.

Disability

A member is eligible to retire and receive disability benefits if he has at least five years of creditable service, is not eligible for normal retirement and has become totally and permanently disabled and is certified as disabled by the Medical Board. A member who joins the system on or after July 1, 2006, must have at least ten years of service to qualify for disability benefits. Upon the death of a member with five or more years of creditable service, the Plan provides benefits for surviving spouses and minor children. Under certain conditions outlined in the statutes, a spouse is entitled to 75% of the member's benefit.

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Deferred Retirement Option Plan (DROP)

Members of the Plan may elect to participate in DROP and defer the receipt of benefits. The election may be made only one time and the duration is limited to three years. Once an option has been selected, no change is permitted. Upon the effective date of the commencement of participation in the DROP Plan, active membership in the regular retirement plan of the system terminates. Average compensation and creditable service remain as they existed on the effective date of commencement of participation in the Plan. The monthly retirement benefits, that would have been payable had the person elected to cease employment and receive a service retirement allowance, are paid into the Deferred Retirement Option Plan Fund Account. The Plan maintains subaccounts within this account reflecting the credits attributed to each participant in the Plan. Interest credited and payments from the DROP account are made in accordance with LA R.S. 11:1152(E)(3). Upon termination of participation in both the Plan and employment, a participant may receive his DROP monies either in a lump sum payment from the account or systematic disbursements. The Plan also provides for deferred benefits for vested members who terminate before being eligible for retirement. Once the member reaches the appropriate age for retirement, benefits become payable.

Initial Benefit Retirement Plan (IBRP)

Effective January 1, 1996, the state legislature authorized the Plan to establish an IBRP program. IBRP is available to members who have not participated in DROP and who select the maximum benefit, Option 2 benefit, Option 3 benefit or Option 4 benefit. Thereafter, these members are ineligible to participate in the DROP. The IBRP program provides both a one-time single sum payment of up to 36 months of a regular monthly retirement benefit, plus a reduced monthly retirement benefit for life. Interest credited and payments from IBRP account are made in accordance with LA R.S. 11:1152(F)(3).

LASERS

Plan Description

The System was established for the purpose of providing retirement allowances and other benefits as stated under the provisions of La. R.S. 11:401, as amended, for eligible state officers, employees and their beneficiaries. The projection of benefit payments in the calculation of the total pension liability includes all benefits to be provided to current active and inactive employees through the System in accordance with the benefit terms and any additional legal agreements to provide benefits that are in force at the measurement date.

The following is a description of the plan and its benefits and is provided for general information purposes only. Participants should refer to the appropriate statutes for more complete information.

Retirement Benefits

The age and years of creditable service required in order for a member to retire with full benefits are established by statute, and vary depending on the member's hire date, employer, and job classification. The majority of LASERS rank and file members may either retire with full benefits at any age upon completing 30 years of creditable service or at age 60 upon completing five to ten years of creditable service depending on their plan. Additionally, members may choose to retire with 20 years of service at any age, with an actuarially reduced benefit. The basic annual retirement benefit for members is equal to 2.5% to 3.5% of average compensation multiplied by the number of years of creditable service.

Average compensation is defined as the member's average annual earned compensation for the highest 36 consecutive months of employment for members employed prior to July 1, 2006. For members hired July 1, 2006 or later, average compensation is based on the member's average annual earned compensation for the highest 60 consecutive months of employment. The maximum annual retirement benefit cannot exceed the lesser of 100% of average compensation or a certain specified dollar amount of actuarially determined monetary limits, which vary depending upon the member's age at retirement. Judges, court officers, and certain elected officials receive an additional annual retirement benefit equal to 1.0% of average compensation multiplied by the number of years of creditable service in their respective capacity. As an alternative to the basic retirement benefits, a member may

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elect to receive their retirement benefits under any one of six different options providing for reduced retirement benefits payable throughout their life, with certain benefits being paid to their designated beneficiary after their death.

Act 992 of the 2010 Louisiana Regular Legislative Session, changed the benefit structure for LASERS members hired on or after January 1, 2011. This resulted in three new plans: regular, hazardous duty, and judges. The new regular plan includes regular members and those members who were formerly eligible to participate in specialty plans, excluding hazardous duty and judges. Regular members and judges are eligible to retire at age 60 after five years of creditable service and, may also retire at any age, with a reduced benefit, after 20 years of creditable service. Hazardous duty members are eligible to retire with twelve years of creditable service at age 55, 25 years of creditable service at any age or with a reduced benefit after 20 years of creditable service. Average compensation will be based on the member's average annual earned compensation for the highest 60 consecutive months of employment for all three new plans. Members in the regular plan will receive a 2.5% accrual rate, hazardous duty plan a 3.33% accrual rate, and judges a 3.5% accrual rate. The extra 1.0% accrual rate for each year of service for court officers, the governor, lieutenant governor, legislators, House clerk, sergeants at arms, or Senate secretary, employed after January 1, 2011, was eliminated by Act 992. Specialty plan and regular members, hired prior to January 1, 2011, who are hazardous duty employees have the option to transition to the new hazardous duty plan.

A member leaving employment before attaining minimum retirement age, but after completing certain minimum service requirements, becomes eligible for a benefit provided the member lives to the minimum service retirement age, and does not withdraw their accumulated contributions. The minimum service requirement for benefits varies depending upon the member's employer and service classification but generally is ten years of service.

Deferred Benefits

The State Legislature authorized LASERS to establish DROP. When a member enters DROP, their status changes from active member to retiree even though they continue to work and draw their salary for a period of up to three years. The election is irrevocable once participation begins. During DROP participation, accumulated retirement benefits that would have been paid to each retiree are separately tracked. For members who entered DROP prior to January 1, 2004, interest at a rate of one-half percent less than LASER's realized return on its portfolio (not to be less than zero) will be credited to the retiree after participation ends. At that time, the member must choose among available alternatives for the distribution of benefits that have accumulated in the DROP account. Members who enter DROP on or after January 1, 2004, are required to participate in LASERS Self-Directed Plan (SDP) which is administered by a third-party provider. The SDP allows DROP participants to choose from a menu of investment options for the allocation of their DROP balances. Participants may diversify their investments by choosing from an approved list of mutual funds with different holdings, management styles, and risk factors.

Members eligible to retire and who do not choose to participate in DROP may elect to receive at the time of retirement an initial benefit option (IBO) in an amount up to 36 months of benefits, with an actuarial reduction of their future benefits. For members who selected the IBO option prior to January 1, 2004, such amount may be withdrawn or remain in the IBO account earning interest at a rate of one-half percent less than the System's realized return on its portfolio (not to be less than zero). Those members who select the IBO on or after January 1, 2004, are required to enter the SDP as described above.

Disability Benefits

All members with ten or more years of credited service who become disabled may receive a maximum disability retirement benefit equivalent to the regular retirement formula without reduction by reason of age. Upon reaching age 60, the disability retiree may receive a regular retirement benefit by making application to the Board of Trustees. For injuries sustained in the line of duty, hazardous duty personnel in the Hazardous Duty Services Plan will receive a disability benefit equal to 75% of final average compensation.

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Survivor's Benefits

Certain eligible surviving dependents receive benefits based on the deceased member's compensation and their relationship to the deceased. The deceased member who was in state service at the time of death must have a minimum of five years of service credit, at least two of which were earned immediately prior to death, or who had a minimum of twenty years of service credit regardless of when earned in order for a benefit to be paid to a minor or handicapped child. Benefits are payable to an unmarried child until age 18, or age 23 if the child remains a full-time student. The aforementioned minimum service credit requirement is ten years for a surviving spouse with no minor children, and benefits are to be paid for life to the spouse or qualified handicapped child.

Permanent Benefit Increases/Cost-of-Living Adjustments

As fully described in Title 11 of the Louisiana Revised Statutes, LASERS allows for the payment of ad hoc permanent benefit increases, also known as cost-of-living adjustments (COLAs), which are funded through investment earnings when recommended by the Board of Trustees and approved by the State Legislature.

Employer Contributions

TRSL

The employer contribution rate is established annually under LA R.S. 11:101 - 11:104 by the Public Retirement Systems Actuarial Committee (PRSACX) taking into consideration the recommendation of the System's actuary. Each sub plan pays a separate actuarially determined employer contribution rate. However, all assets of TRSL are used for the payment of benefits for all classes of members, regardless of their plan.

The normal cost portion of each plan's employer contribution rate varies based upon that plan's benefits, member demographics, and the rate contributed by employees. The Unfunded Accrued Liability (UAL) contribution rate is determined in aggregate for all plans. The UAL established due to a specific plan or group of plans because of legislation will be allocated entirely to that plan or those plans.

For ORP, only the UAL portion of the employer contribution is retained by the plan. Therefore, only the UAL projected rates were used in the projection of future contributions in determining an employer's proportionate share.

Contributions Required and Made- Covered employees and the School System are required by State statute to contribute fixed percentages of employees' gross earnings to the pension plans. Current contribution rates for the plans are as follows:

	Employee	Employer
Teachers' Regular	8.00%	26.7%
Lunch Plan B	5.00%	26.7%

The School Board's contributions to TRSL for the years ended June 30, 2019, 2018, and 2017, were \$53,385,186, \$52,973,838, and \$48,680,651, respectively, equal to the required contributions for each year.

LSERS

Employer Contributions

Contributions for all participating school boards are actuarially determined as required by Act 81 of 1988 but cannot be less than the rate required by the Constitution. The actuarial required contribution rate and actual employer rate contributed for June 30, 2019 was 28.0%.

Contributions Required and Made

Covered employees and the School System are required by State statute to contribute fixed percentages of employees' gross earning to the plan. Current contribution rates for the plans are 7.5% for participating employees

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hired on or before June 30, 2006, 8% for participating employees hired on or after July 1, 2006, and 30.4% for the School System.

The School Board's contributions to LSERS for the years ended June 30, 2019, 2018, and 2017, were \$5,022,686, \$5,023,631, and \$4,833,583, respectively, equal to the required contributions for each year.

LASERS

The employer contribution rate is established annually under La. R.S. 11:101-11:104 by the Public Retirement Systems' Actuarial Committee (PRSAC), taking into consideration the recommendation of the System's Actuary. Each plan pays a separate actuarially-determined employer contribution rate. However, all assets of LASERS are used for the payment of benefits for all classes of members, regardless of their plan membership.

Contributions Required and Made

Covered employees and the School System are required by State statute to contribute fixed percentages of employees' gross earnings to the pension plans. Current contribution rates for the plans are 7.5% for participating employees hired on or before June 30, 2006, 8% for employees hired on or after July 1, 2006, and 37.9% for the School System.

The School Board's contributions to LASERS for the years ended June 30, 2019, 2018, and 2017, were \$216,813, \$197,475, and \$212,130, respectively, equal to the required contributions for each year.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

The net pension liabilities were measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The School Board's proportion of the net pension liability for TRSL and LASERS was based on a projection of the School Board's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. The Schools Board's proportion of the net pension liability of LSERS was based on the School Board's historical contributions.

The following table reflects the School Board's proportionate share of the Net Pension Liability for each of the pension plans, the proportion at June 30, 2018, and the change compared to the June 30, 2017, proportion.

	Net Pension Liability at June 30, 2019	Proportion at June 30, 2018	Increase (Decrease) to June 30, 2017 Proportion
TRSL	\$ 429,514,152	4.37030%	0.09319%
LSERS	42,161,805	6.31350%	0.13956%
LASERS	1,703,959	0.02499%	-0.00689%
	<u>\$ 473,379,916</u>		

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The following table reflects the School Board's recognized pension expense plus the School Board's amortization of change in proportionate share and difference between employer contributions and proportionate share of contributions for each of the pension plans for the year ended June 30, 2019.

	Pension Expense	Amortization	Total
TRSL	\$ 28,385,797	\$ (15,975,377)	\$ 12,410,420
LSERS	2,146,015	(38,046)	2,107,969
LASERS	139,109	(255,237)	(116,128)
	\$ 30,670,921	\$ (16,268,660)	\$ 14,402,261

At June 30, 2019, the School Board reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

TRSL

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 14,149,079
Changes in assumptions	27,597,692	-
Net difference between projected and actual earnings on pension plan investments	-	27,681,382
Changes in proportion and differences between employer contributions and proportionate share of contributions	42,773,448	52,928,166
Employer contributions subsequent to the measurement date	53,385,186	-
Total TRSL	\$ 123,756,326	\$ 94,758,627

LSERS

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 1,163,475
Changes in assumptions	1,776,200	-
Net difference between projected and actual earnings on pension plan investments	837,243	-
Changes in proportion	-	692,846
Changes in proportion and differences between employer contributions and proportionate share of contributions	756,543	177,483
Employer contributions subsequent to the measurement date	5,022,686	-
Total LSERS	\$ 8,392,672	\$ 2,033,804

LASERS

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 19,108
Changes in assumptions	17,339	-
Net difference between projected and actual earnings on pension plan investments	22,095	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	65,949	420,288
Employer contributions subsequent to the measurement date	216,813	-
Total LASERS	\$ 322,196	\$ 439,396

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Summary totals of deferred outflows of resources and deferred inflows of resources by pension plan:

	Deferred Outflows of Resources	Deferred Inflows of Resources
TRSL	\$ 123,756,326	\$ 94,758,627
LSERS	8,392,672	2,033,804
LASERS	322,196	439,396
	\$ 132,471,195	\$ 97,231,827

Deferred outflows of resources related to pensions resulting from the School Board's contributions subsequent to the measurement date of \$58,624,686 will be recognized as a reduction of net pension liability in the subsequent fiscal year ending June 30, 2020. The following table lists the pension contributions made subsequent to the measurement period for each pension plan:

	Subsequent Contributions
TRSL	\$ 53,385,186
LSERS	5,022,686
LASERS	216,814
	\$ 58,624,686

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ending June 30:	TRSL	LSERS	LASERS	Total
2020	\$ (2,733,563)	\$ 1,328,825	\$ (152,136)	\$ (1,556,874)
2021	(9,273,507)	1,084,450	(133,998)	(8,323,055)
2022	(13,581,738)	(1,273,165)	(41,642)	(14,896,545)
2023	1,201,321	196,072	(6,236)	1,391,157
	\$ (24,387,487)	\$ 1,336,182	\$ (334,012)	\$ (23,385,317)

Actuarial Assumptions

A summary of the actuarial methods and assumptions used in determining the total pension liability as of June 30, 2019, are as follows:

	TRSL	LSERS	LASERS
Valuation Date	June 30, 2018	June 30, 2018	June 30, 2018
Actuarial Cost Method	Entry Age Normal	Entry Age Normal	Entry Age Normal
Amortization Approach	Closed	-	-
Actuarial Assumptions:			
Expected Remaining Service Lives	5 years	3 years, closed period	3 years
Investment Rate of Return	7.65% net of investment expenses	7.0625% net of investment expenses	7.65% per annum.
Inflation Rate	2.5% per annum.	2.5%	2.75% per annum.
Salary Increases	3.3%-4.8% varies depending on duration of service.	2013-2017 experience study, 3.25%	2009-2013 experience study, ranging from 2.8% to 14.3%

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Cost of Living Adjustments	None	The present value of future retirement benefits is based on benefits currently being paid by the system and includes previously granted cost of living increases. The present value and accrued liabilities include one future COLA, though not yet authorized by the legislature by including the recognition of the existing balance in the Experience Account together with the present value of future contributions to the Account up to the maximum permissible value of the Account based upon current amount limitations.	The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost of living increases. The projected benefit payments do not include provisions for potential future increases not yet authorized by the Board of Trustees as they were deemed not to be substantively automatic.
Mortality	Active members – RP-2014 White Collar Employee tables; Non-disabled retiree/inactive members – RP-2014 White Collar Healthy Annuitant tables; Disability retiree mortality – RP-2014 Disability tables.	RP-2014 Healthy Annuitant Tables; RP-2014 Sex Distinct Employee Tables; RP-2014 Sex Distinct Disabled Tables	Non-disabled members - Mortality rates based on the RP-2000 Combined Healthy Mortality Table with mortality improvement projected to 2015. Disabled members – Mortality rates based on the RP-2000 Disabled Retiree Mortality Table, with no projection for mortality improvement.
Termination, Disability, and Retirement	Termination, disability, and retirement assumptions were projected based on a five-year (July 1, 2012- June 30, 2017) experience study of the System's members.	Termination, disability, and retirement assumptions were projected based on a five-year (2009-2013) experience study of the System's members.	Termination, disability, and retirement assumptions were projected based on a five-year (2009-2013) experience study of the System's members.

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The following table lists the methods used by each of the pension plans in determining the long-term rate of return on pension plan investments:

TRSL	LSERS	LASERS
The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long term expected rate of return by weighting the expected inflation and an adjustment for the effect of rebalancing/diversification.	The long-term expected rate of return on pension plan investments was determined using a triangulation method which integrated the CAPM pricing model (top-down), a treasury yield curve approach (bottom-up) and an equity building-block model (bottom-up). Risk return and correlations are projected on a forward looking basis in equilibrium, in which best-estimates of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These rates are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation and an adjustment for the effect of rebalancing/diversification.	The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation and an adjustment for the effect of rebalancing/diversification.

The following table provides a summary of the best estimates of arithmetic real rates of return for each major asset class included in each of the pension plans' target asset allocation as of June 30, 2018:

Asset Class	Target Allocation			Long-Term Expected Portfolio Real Rate of Return		
	TRSL	LSERS	LASERS	TRSL	LSERS	LASERS
Cash	-	-	-	-	-	-0.48%
Domestic equity	27.0%	20.0%	23.0%	4.01%	6.15%	4.31%
International equity	19.0%	-	32.0%	4.90%	-	5.26%
Developed equity	-	18.0%	-	-	7.11%	-
Emerging markets equity	-	10.0%	-	-	9.41%	-
Global REITs	-	3.0%	-	-	5.77%	-
Domestic fixed income	13.0%	-	6.0%	1.36%	-	1.49%
International fixed income	5.5%	10.0%	10.0%	2.35%	1.63%	2.23%
Core fixed income	-	8.0%	-	-	1.68%	-
High yield fixed income	-	5.0%	-	-	4.13%	-
Emerging markets debt	-	7.0%	-	-	4.42%	-
Private Equity	-	5.0%	-	8.39%	10.28%	-
Real estate	-	5.0%	-	-	4.90%	-
Alternative investments	35.5%	3.0%	22.0%	3.57%	3.94%	7.67%
Risk parity	-	-	7.0%	-	-	4.96%
Real assets – timber	-	2.0%	-	-	5.67%	-
Real assets – oil and gas	-	2.0%	-	-	10.57%	-
Real assets - infrastructure	-	2.0%	-	-	6.25%	-
Total	100.0%	100.0%	100.0%	n/a	n/a	5.40%

n/a – amount not provided by Retirement System

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Discount Rates

The discount rates used to measure the total pension liability for TRSL, LSERS, and LASERS were 7.65%, 7.0625%, and 7.65%, respectively, for the year ended June 30, 2019.

The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that sponsor contributions will be made at rates equal to the difference between actuarially determined contribution rates and member rate. Based on those assumptions, each of the pension plans' fiduciary net positions were projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the School Board's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following table presents the School Board's proportionate share of the Net Pension Liability (NPL) using the discount rate of each pension plan as well as what the School Board's proportionate share of the Net Pension Liability would be if it were calculated using a discount rate that is one percentage-point lower or one percentage-point higher than the current rate:

	1.0% Decrease	Current Discount Rate	1.0% Increase
TRSL			
Discount rate	6.65%	7.65%	8.65%
Share of NPL	\$ 569,002,275	\$ 429,514,152	\$ 311,848,654
LSERS			
Discount rate	6.0625%	7.0625%	8.0625%
Share of NPL	\$ 57,878,173	\$ 42,161,805	\$ 28,727,456
LASERS			
Discount rate	6.65%	7.65%	8.65%
Share of NPL	\$ 2,150,509	\$ 1,703,959	\$ 1,319,369

Support of Non-employer Contributing Entities

Contributions received by a pension plan from non-employer contributing entities that are not in a special funding situation are recorded as revenue by the respective pension plan. The School Board recognizes revenue in an amount equal to their proportionate share of the total contributions to the pension plan from these non-employer contributing entities. During the year ended June 30, 2019, the School Board recognized revenue as a result of support received from non-employer contributing entities of \$1,728,468 for its participation in TRSL, LSERS and LASERS do not receive support from non-employer contributing entities and, as a result, no revenue was recorded for LSERS or LASERS for the year ended June 30, 2019.

Pension Plans Fiduciary Net Position

Detailed information about the pension plans' fiduciary net position is available in the separately issued financial reports for TRSL, LSERS, and LASERS and can be obtained on the pension plans' respective websites or on the Louisiana Legislative Auditor's website: www.la.gov.

Payables to the Pension Plan

As of June 30, 2019, the School Board had payables due to the pension plans totaling \$10,145,771. Payables are the School Board's legally required contributions to the pension plans. Outstanding balances will be applied to the

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School Board's required monthly contributions. The balance due to each of the pension plans is as follows:

	Payables
TRSL	\$ 9,315,464
LSERS	783,197
LASERS	47,110
	\$ 10,145,771

NOTE 7 - OTHER POST-EMPLOYMENT BENEFITS

General Information about the OPEB Plan

Plan Description and Administration - The Board of Trustees of the Caddo Parish School Board Retiree Benefits Funding Trust administers the Caddo Parish Public School Board Retiree Benefits Plan (the Plan) - a single-employer defined benefit plan that is used to provide post-employment benefits other than pensions (OPEB) for all permanent full-time employees of the School Board. The Plan was established in January, 2012. The plan does not issue a publicly available financial report.

Management of the Plan - Management of the plan is vested in the Board of Trustees, which consists of the Superintendent, Chief Financial Officer, and Director of Insurance.

Plan Membership - At June 30, 2019, the Plan's membership consisted of the following:

Inactive plan members or beneficiaries currently receiving benefit payments	4,116
Inactive plan members entitled to but not yet receiving benefit payments	-
Active plan members	3,715
	7,831

Benefits Provided - The plan provides lifetime healthcare and life insurance for eligible retirees through the School Board's group health insurance plan, which covers both active and retired members. Benefit provisions are established by state law R.S. 13:5554(G).

Medical benefits are provided through a comprehensive medical plan and are made available to employees upon actual retirement. Employees are covered by the Teachers' Retirement System of Louisiana (TRSL), the Louisiana State Employees' Retirement System (LASERS) and the Louisiana School Employees' Retirement System (LSERS). All three systems have similar retirement (D.R.O.P. entry) eligibility provisions. Accordingly, we have assumed the following eligibility for retirement (D.R.O.P. entry): 30 years of service at any age; age 55 and 25 years of service; or, age 60 and 10 years of service. In addition, employees hired on and after January 1, 2011 may not retire prior to age 60 without actuarial reduction in benefits.

Life insurance coverage is available to retirees by election and based on a modified unblended rate (active and retired). The retiree pays 75% of this modified unblended premium. Insurance coverage amounts are reduced to 75% of the original level at age 65 and again to 50% of the original level age 70 according to plan provisions.

Contributions - The School Board has the authority to establish and amend the contribution requirements of the School Board and the plan members. The School Board is not required to make contributions to the trust absent the existence of a contractual obligation mandating contributions. It is anticipated that contributions shall be derived from annual retiree drug subsidy funds. Plan members are not required to contribute to their post-employment benefits costs.

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Investments

Investment policy – The Caddo Parish School Board Retiree Benefits Funding Trust’s policy regarding the allocation of invested assets is established and may be amended by the investment advisory board. It is the policy of the investment advisory board to invest trust funds in accordance with the provisions of Louisiana Revised Statutes 33:5162.

The following was the asset allocation policy as of June 30, 2019:

<u>Asset Class</u>	<u>Target Allocation</u>
Equities	0.00%
Fixed Income	100.0%
Cash	0.00%

Concentrations – All plan assets are held in an investment account managed by Reliant Investment Management, LLC and are protected by insurance. The Trust has over 5% invested in the following funds; Federal Home Loan Bank, 6.9%, Federal National Mortgage Assoc., 9.0%, Federal Farm Credit Bank, 13.0%.

Rate of Return – For the year ended June 30, 2019, the annual money-weighted rate of return on investments, net of investment expense, was 4.41%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Net OPEB Liability of the School Board

The components of the net OPEB liability of the School Board at June 30, 2019, were as follows:

Total OPEB liability	\$ 726,601,004
Plan fiduciary net position	<u>23,913,459</u>
School Board’s net OPEB liability	<u>\$ 702,687,545</u>
Plan fiduciary net position as a percentage of the total OPEB liability	3.29%

The School Board’s net OPEB liability was measured as of June 30, 2019, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions – The total OPEB liability in the June 30, 2019, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.5%
Salary increases	4.0%, including inflation
Investment rate of return	5.0% annually
Healthcare cost trend rates	Flat 5.5% annually

Mortality rates were based on the 1994 Group Annuity Reserving (94GAR) table, projected to 2002, based on a fixed blend of 50% of the unloaded male mortality rates and 50% of the unloaded female mortality rates.

The actuarial assumptions used in the July 1, 2019, valuation were based on the results of ongoing evaluations of the assumptions from July 1, 2008 to June 30, 2018.

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The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of June 30, 2019, are summarized in the following table:

Asset Class	Long-Term Expected Real Rate of Return
Corporate Bonds	4.0%
Agency Bonds	2.2%
Cash	2.0%

Discount Rate –Although this plan is a defined benefit OPEB plan which meets the requirements of paragraph 4 of GASB Statement No. 75, the funded ratio is only 1.1% and the total actual and deemed employer contributions are well below the actuarially determined contribution. We have therefore used a discount rate which would be applicable had the requirements of paragraph 4 not been met. That discount rate is 5.0%, which is the value of the Bond Buyers' 20 Year General Obligation municipal bond index as of June 30, 2019, the end of the applicable measurement period.

Changes in the Net OPEB Liability

	Increases (Decreases)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
	(a)	(b)	(a)-(b)
Balances at 6/30/2018	\$849,948,144	\$21,481,975	\$828,466,169
Service Cost	11,388,626	-	11,388,626
Interest Cost at 5.00%	41,618,255	-	41,618,255
Difference between expected and actual experience	(42,147,896)	-	(42,147,896)
Employer contributions			
Trust	-	1,442,147	(1,442,147)
Net investment income	-	1,159,964	(1,159,964)
Change of assumptions	(99,040,043)	-	(99,040,043)
Benefit payments			
a. From Trust	-	-	-
b. Direct	(35,166,082)	-	(35,166,082)
Administrative expense			
a. From Trust	-	(170,627)	170,627
b. Direct	-	-	-
Net changes:	(123,347,140)	2,431,484	(125,778,624)
Balances at 6/30/2019	\$726,601,004	\$23,913,459	\$702,687,545

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Sensitivity of the net OPEB liability to changes in the discount rate – The following represents the net OPEB liability of the School Board, as well as what the School Board’s net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (4.0%) or 1-percentage-point higher (6.0%) than the current discount rate:

	1.0% Decrease (4.0%)	Current Discount Rate (5.0%)	1.0% Increase (6.0%)
Net OPEB liability	\$ 812,775,276	\$ 702,687,545	\$ 603,793,827

Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates – The following represents the net OPEB liability of the School Board, as well as what the School Board’s net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (4.5%) or 1-percentage-point higher (6.5%) than the current healthcare trend rates:

	1.0% Decrease (4.5%)	Current Discount Rate (5.5%)	1.0% Increase (6.5%)
Net OPEB liability	\$ 602,326,301	\$ 702,687,545	\$ 803,738,469

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2019, the School Board recognized OPEB expense of \$20,796,581. At June 30, 2019, the School Board reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 600,164	\$ (53,278,514)
Changes of assumptions	-	(79,232,034)
Net difference between projected and actual earnings on OPEB plan investments	-	(43,262)
Total	\$ 600,164	\$ (132,553,810)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Years Ending June 30	Net Amount to be Recognized
2020	\$ (31,275,040)
2021	(31,275,040)
2022	(31,275,040)
2023	(31,475,094)
2024	(3,226,691)
Thereafter	(3,426,741)
	<u>\$ (131,953,646)</u>

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Payable to the OPEB Plan

At June 30, 2019, the School Board reported no payables for any outstanding contributions to the OPEB Plan required for the year ended June 30, 2019.

NOTE 8 - AGENCY FUND DEPOSITS DUE OTHERS (FFS LEVEL ONLY)

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

	Balance June 30, 2018	Additions	Deductions	Balance June 30, 2019
School Activities Fund	\$ 5,785,171	\$ 12,011,893	\$ 11,425,079	\$ 6,371,985
Central Office Concession Fund	2,728	-	2,728	-
School Activities Fund	<u>\$ 5,787,899</u>	<u>\$ 12,011,893</u>	<u>\$ 11,427,807</u>	<u>\$ 6,371,985</u>

NOTE 9 - LONG-TERM LIABILITIES

The School Board has issued the following types of long-term liabilities, all which pertain to the School Board's governmental activities.

General Obligation Bonds: The School Board issues general obligation bonds to provide funds for the acquisition of land for schools, to build new facilities and to improve capital assets. General obligation bonds are direct obligations and pledge the full faith and credit of the School Board. These bonds generally are issued as 20- or 25-year serial bonds with varying amounts of principal maturing each year.

Qualified School Construction Bond: The School Board received authority under the American Recovery and Reinvestment Act of 2009 (ARRA) to issue taxable bonds for construction, rehabilitation or repair of public school facilities. The bonds are interest free and bond holders receive a tax credit in lieu of interest. In June 2009, the School Board issued revenue bonds of \$17,359,000 to be paid from the constitutional tax of 7.96 mills collected annually. In 2011 the School Board issued revenue bonds of \$20,707,000 to be paid from the constitutional tax of 7.96 mills collected annually.

Summary of Transactions and Balances: The following is a summary of the long-term liabilities transactions and balances for the year ended June 30, 2019:

	Beginning Balance	Additions	Deletions	Ending Balance	Amounts Due Within One year
Bonds payable:					
General Obligation debt	\$ 70,413,940	\$ -	\$ 5,944,500	\$ 64,469,440	\$ 6,262,053
Qualified School Construction bond	18,929,793	-	2,082,132	16,847,661	2,537,733
Other liabilities:					
Compensated absences	14,724,554	10,627,502	10,702,805	14,649,251	10,702,805
Capital lease payable	1,600,743	-	561,175	1,039,568	426,006
Net pension liability	480,216,737	66,681,204	73,518,025	473,379,916	-
Net OPEB liability	828,466,168	53,177,508	178,956,132	702,687,544	-
Claims & judgments payable	5,418,942	4,719,889	4,284,070	5,854,761	2,399,781
Total	<u>\$ 1,419,770,877</u>	<u>\$ 135,206,103</u>	<u>\$ 276,048,839</u>	<u>\$ 1,278,928,141</u>	<u>\$ 22,328,378</u>

Payments on the general obligation bonds payable that pertain to the School Board's governmental activities are made by the debt service fund. The Qualified School Construction Bonds payments are made by the parish-wide capital projects fund. The compensated absences liability attributable to the governmental activities will be

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liquidated by several of the School Board's governmental funds. In the past, approximately 92.9% was paid by the general fund and the remaining 7.1% by other governmental funds. Claims and judgments payable have typically been liquidated by the general fund. Each governmental fund with payroll expense is also used to liquidate pension liabilities.

	Original Amount	Interest Rates	Range of Maturities	Interest to Maturity	Principal Outstanding
General Obligation Bonds:					
Series 2008	\$ 14,290,000	3.63 to 6.00%	3/1/10 - 3/1/33	\$ 127,217	\$ 1,640,000
Unamortized portion of related bond discount					(16,376)
Refunding Series 2005A Bonds	12,710,000	3.00 to 5.25%	3/1/06 - 3/1/20	79,749	1,595,000
Unamortized portion of related bond premium					146,341
Refunding Series 2010 Bond	5,365,000	3.45%	3/1/11 - 3/1/21	64,353	1,235,000
Refunding Series 2012 Bond	9,960,000	1.00 to 3.13%	3/1/13 - 3/1/29	1,427,937	8,210,000
Unamortized portion of related bond premium					343
Refunding Series 2013 Bond	15,280,000	2.00 to 5.00%	9/1/13 - 3/1/30	2,749,950	12,170,000
Unamortized portion of related bond premium					1,070,931
Refunding Series 2014 Bond	15,810,000	2.00 to 4.00%	3/1/15 - 3/1/31	3,216,776	13,265,000
Unamortized portion of related bond premium					510,232
Refunding Series 2015 Bond	14,530,000	3.00 to 5.00%	3/1/18 - 3/1/32	4,507,295	13,170,000
Unamortized portion of related bond premium					1,921,818
Refunding Series 2016 Bond	8,480,000	3.00 to 4.00%	3/1/23 - 3/1/33	3,139,850	8,480,000
Unamortized portion of related bond premium					1,071,151
QZAB					
Series 2002	3,500,000	n/a	5/1/02 - 11/1/15	n/a	-
Series 2008	1,582,450	n/a	3/1/09 - 3/20/18	n/a	-
QSCB					
Series 2009	17,359,000	n/a	6/1/10 - 6/1/24	n/a	6,448,465
Series 2011	20,707,000	n/a	6/1/12 - 6/1/26	n/a	10,399,196
				<u>\$ 15,313,127</u>	<u>\$ 81,317,101</u>

All principal and interest requirements are funded in accordance with Louisiana law by the annual ad valorem tax levy on taxable property within the parish. At June 30, 2019, the School Board had accumulated \$9,619,417 in the debt service funds for future debt requirements. The bonds are due as follows:

Year Ending June 30	General Obligation Bonds		QSCB Loan	TOTAL	
	Principal Payments	Interest Payments	Principal Payments	Principal Payments	Interest Payments
2020	\$ 6,262,053	\$ 2,226,270	\$ 2,537,733	\$ 8,799,786	\$ 2,226,270
2021	4,699,083	2,006,823	14,309,929	19,009,012	2,006,823
2022	4,334,007	1,859,756	-	4,334,007	1,859,756
2023	4,103,887	1,705,375	-	4,103,887	1,705,375
2024	4,400,943	1,558,836	-	4,400,943	1,558,836
2025-2029	26,924,454	5,027,040	-	26,924,454	5,027,040
2030-2034	13,745,012	929,006	-	13,745,012	929,006
Total	<u>\$ 64,469,439</u>	<u>\$ 15,313,106</u>	<u>\$ 16,847,662</u>	<u>\$ 81,317,101</u>	<u>\$ 15,313,106</u>

In accordance with Louisiana Revised Statute 39:562, the School Board is legally restricted from incurring long-term bonded debt in excess of 35 percent of the assessed value of taxable property. At June 30, 2019, the statutory limit is \$739,925,489 and outstanding net bonded debt totals \$54,850,023.

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The School Board defeased certain general obligation bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the School Board's financial statements. At June 30, 2019, \$23,298,716 of bonds outstanding is considered defeased.

Capital Lease Obligation: The School Board has several capital lease agreements. These leases qualify as capital leases for accounting purposes and, therefore, have been reported at the present value of the future minimum lease payments as of the inception date.

The first lease obligation is due in annual installments of \$41,560 which includes interest at 2.58% through December 16, 2018. The two special needs passenger buses purchased under the capital lease total \$197,983 and are included in the capital assets of the School Board.

The second lease obligation is due in annual installments of \$106,197 which includes interest at 2.58% through December 18, 2018. The six passenger buses purchased under the capital lease total \$505,900 and are included in the capital assets of the School Board.

The third lease obligation is due in annual installments of \$37,582 which includes interest at 3.16% through April 1, 2020. The two passenger buses purchased under the capital lease total \$176,746 and are included in the capital assets of the School Board.

The fourth lease obligation is due in annual installments of \$106,759 which includes interest at 2.93% through December 17, 2019. The six passenger buses purchased under the capital lease total \$502,362 and are included in the capital assets of the School Board.

The fifth lease obligation is due in monthly installments of \$12,583 which includes interest at 1.677 % through October 6, 2021. The ten passenger buses purchased under the capital lease total \$723,696 and are included in the capital assets of the School Board.

The sixth lease obligation is due in monthly installments of \$13,166 which includes interest at 3.3350 % through March 22, 2023. The eleven passenger buses purchased under the capital lease total \$726,700 and are included in the capital assets of the School Board.

The amortization of the vehicles has been included in the School Board's depreciation expense. Obligations of the School Board's governmental activities under the capital lease at June 30, 2019, are as follows:

Years ending June 30:	Governmental activities		
	Principal Payments	Interest Payments	Total Payments
2020	\$ 426,006	\$ 27,325	\$ 453,331
2021	295,191	13,799	308,990
2022	201,504	8,841	210,345
2023	116,867	1,630	118,497
2024	-	-	-
Total	<u>\$ 1,039,568</u>	<u>\$ 51,595</u>	<u>\$ 1,091,163</u>

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NOTE 10 - INTERFUND ASSETS/LIABILITIES (FFS LEVEL ONLY)

The composition of interfund balances as of June 30, 2019, is as follows:

<u>Receivable Fund</u>	<u>Amount</u>	<u>Payable Fund</u>	<u>Amount</u>
General	<u>\$ 7,495,407</u>	Non Major Governmental	<u>\$ 7,495,407</u>
Total	<u>\$ 7,495,407</u>		<u>\$ 7,495,407</u>

The purpose of the interfund assets/liabilities was to cover current-year expenditures on cost reimbursement programs until the payments between funds are made.

NOTE 11 - INTERFUND TRANSFERS (FFS LEVEL ONLY)

Transfers for the year ended June 30, 2019, were as follows:

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
Non Major Governmental	\$ 340,030	\$ -
Permanent Fund - CEEF	-	340,030
Totals	<u>\$ 340,030</u>	<u>\$ 340,030</u>

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them. A transfer of interest earned of \$340,030 on the permanent fund - Caddo Educational Excellence Fund (CEEF), was moved to the nonmajor governmental fund, CEEF operating fund.

NOTE 12 - ENCUMBRANCES (FFS LEVEL ONLY)

Encumbrances are not liabilities and, therefore, are not recorded as expenditures until receipt of material or service. For budgetary purposes, appropriations lapse at fiscal year-end and outstanding encumbrances are reappropriated in the next year. At June 30, 2019, the School Board had entered into purchase orders and commitments as follows:

<u>General</u>	<u>Non Major Governmental</u>	<u>Total</u>
\$1,123,893	\$ 7,666,325	\$ 8,790,218

NOTE 13 - RISK MANAGEMENT

The School Board is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks are handled by the School Board through the purchase of various commercial insurance policies with varying coverage limits, deductibles, and premiums based on the type of policy.

The School Board is self-insured for workers' compensation. Claims expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. These losses include an estimate of claims that have been incurred but not reported. This liability is the School Board's best estimate based on available information. This liability does not include incremental costs, if any. The current amounts due

Caddo Parish School Board
Notes to the Basic Financial Statements
June 30, 2019

and payable are recorded in the respective funds at June 30, 2019, and the remaining liability is included in the government-wide financial statements and paid through each fund.

The School Board is self-insured for health insurance coverage. Claims are funded through operating funds of the School Board. All known claims filed and an estimate of incurred but not reported claims based on experience of the School Board are made and accrued as necessary in the internal service fund. This liability is the School Board's best estimate based on available information. The internal service fund for group health insurance benefits incurred an increase in net position of \$23,019,919 for the fiscal year. The increase was mostly attributed to changes in actuary assumptions which are used to calculate the net OPEB liability and related accounts such as deferred inflows of resources, deferred outflows of resources, and net OPEB liability. The fund had a deficit in net position of (\$362,936,041) at June 30, 2019.

Changes in the claims amount in previous fiscal years were as follows:

Worker's comp

<u>Year Ended June 30,</u>	<u>Beginning of Fiscal Year Liability</u>	<u>Claims and Changes in Estimates</u>	<u>Benefit Payments</u>	<u>Ending of Fiscal Year Liability</u>
2017	3,258,246	3,347,724	3,124,320	3,481,650
2018	3,481,650	2,607,448	2,912,156	3,176,942
2019	3,176,942	3,841,889	3,406,070	3,612,761

Health Insurance

<u>Year Ended June 30,</u>	<u>Beginning of Fiscal Year Liability</u>	<u>Claims and Changes in Estimates</u>	<u>Benefit Payments</u>	<u>Ending of Fiscal Year Liability</u>
2017	7,298,981	87,482,283	87,686,643	7,094,621
2018	7,094,621	90,586,241	89,993,031	7,687,831
2019	7,687,831	92,689,999	92,251,596	8,126,234

The School Board continues to carry commercial insurance for all other risks of loss. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

NOTE 14 - LITIGATION AND CLAIMS

Litigation At June 30, 2019, the School Board is involved in various litigation. A claims liability for \$2,242,000 is included in claims payable in the government-wide financial statements.

Construction Projects There are construction projects in progress at June 30, 2019. Construction in progress on these various projects at June 30, 2019, was \$7,520,755. These projects are funded by property tax receipts. The expected completion date is prior to June 30, 2020. The outstanding construction commitment at June 30, 2019, was \$6,713,581.

Grant Disallowances The School Board participates in a number of state and federally assisted grant programs. The programs are subject to compliance audits under the single audit approach. Such audits could lead to requests for reimbursement by the grantor agency for expenditures disallowed under terms of the grants. School Board management believes that the amount of disallowances, if any, which may arise from future audits will not be material.

Caddo Parish School Board
Notes to the Basic Financial Statements
June 30, 2019

Federal Arbitrage Regulations The School Board's bonded indebtedness is subject to the Internal Revenue Code's provisions applicable to arbitrage earnings. In government finance, these earnings result from the temporary investment of the proceeds of a government entity's tax exempt securities in materially higher yielding taxable securities. Under the Tax Reform Act of 1986, interest earned on the debt proceeds in excess of interest expense prior to the disbursement of the proceeds must be rebated to the Internal Revenue Service (IRS). Management believes there is no tax arbitrage liability at year end.

NOTE 15 - ON-BEHALF PAYMENTS FOR FRINGE BENEFITS AND SALARIES

On-behalf payments for fringe benefits and salaries are direct payments made by an entity (the paying agent) to a third-party recipient for the employees of another, legally separate entity (the employer entity). GASB Statement No. 24 requires employer governments to recognize revenue and expenditures or expenses for these on-behalf payments.

The State of Louisiana made pension contributions (regarding Professional Improvement Program) directly to the Teachers' Retirement System of Louisiana on behalf of the School Board in the amount of \$13,709. This amount was recognized as revenue and a corresponding expenditure in the applicable fund from which the salary was paid.

NOTE 16 - ECONOMIC DEPENDENCY

Financial Accounting Standards Board Accounting Standards Codification (FASB ASC) 280-10-50-42 requires disclosure in financial statements of a situation where one entity provides more than 10% of the audited entity's revenue. The Minimum Foundation funding provided by the state to all public school systems in Louisiana is primarily based on October 1 student count. The state provided \$192,380,602 to the School Board, which represents approximately 40% of the School Board's total revenues for the year.

NOTE 17 - JOINTLY GOVERNED ORGANIZATION

The Caddo – Shreveport Sales and Use Tax Commission serves as the collector of sales and use taxes for the parish. The commission is comprised of four members, two each selected from the Caddo Parish School Board and the City of Shreveport, in accordance with the joint agreement of the agencies. Sales taxes of \$79,578,095 were collected by the Commission and distributed to the School Board.

Caddo Parish School Board
Notes to the Basic Financial Statements
June 30, 2019

NOTE 18 - FUND BALANCE CLASSIFICATIONS

	General	Permanent Fund - CEEF	Nonmajor Governmental	Total
Non spendable:				
Inventory	\$ 484,895	\$ -	\$ 225,277	\$ 710,172
Other	505,000	-	-	505,000
Caddo Educational Excellence Fund	-	22,872,256	-	22,872,256
Restricted for:				
School renovations and repairs	-	-	3,738,144	3,738,144
Instructional expenditures from CEEF	-	-	669,194	669,194
Child Nutrition Program	-	-	4,088,130	4,088,130
Debt service	-	-	9,619,417	9,619,417
Committed to:				
Unemployment compensation	742,487	-	-	742,487
Self funded workers' compensation	250,000	-	-	250,000
Insurance	4,000,000	-	-	4,000,000
Data processing	922,869	-	-	922,869
Technology enhancement	12,761,746	-	-	12,761,746
Outstanding legal claims	412,450	-	-	412,450
Educational Excellence Programs	-	-	69,887	69,887
Unassigned	4,383,090	-	-	4,383,090
Total	<u>\$ 24,462,537</u>	<u>\$ 22,872,256</u>	<u>\$ 18,410,049</u>	<u>\$ 65,744,842</u>

NOTE 19 – SUBSEQUENT EVENTS

Management disclosed that there are Full-Time Only Corrections payments due to TRSL related to prior year pension contributions. A letter from TRSL dated November 27, 2019, and received in early December 2019, stated that the School Board owed \$851,879 for corrected members' full-time earnings for 2007 through 2015. Management is uncertain as to whether this amount is correct and intends to fully audit and analyze the backup information sent by TRSL to support the calculations; therefore, no liability was recorded as of June 30, 2019. The final liability will be determined in early 2020.

On July 30, 2019, the School Board issued \$9,800,000 General Obligation School Bonds, Series 2019, for the purpose of (i) acquiring and/or improving lands for building sites and playgrounds, including construction of necessary sidewalks and streets adjacent thereto; purchasing, erecting and/or improving school buildings and other school related facilities within and for the Issuer, and acquiring the necessary equipment and furnishings, and (ii) paying the costs of issuance of the bonds. The bonds will mature on March 1, 2039.

**REQUIRED SUPPLEMENTAL
INFORMATION**

**Caddo Parish School Board
Shreveport, Louisiana**

**Schedule of Changes in Net OPEB Liability and Related Ratios
For the Year Ended June 30, 2019**

Fiscal year ended June 30,	2018	2019
Total OPEB Liability		
Service cost	\$11,922,544	\$11,388,626
Interest	42,035,298	41,618,255
Changes of benefit terms	-	-
Differences between expected and actual experience	(25,813,525)	(42,147,896)
Changes of assumptions	-	(99,040,043)
Benefit payments	<u>(37,804,248)</u>	<u>(35,166,082)</u>
Net change in total OPEB liability	(9,659,931)	(123,347,140)
Total OPEB liability - beginning	<u>859,608,074</u>	<u>849,948,143</u>
Total OPEB liability - ending (a)	<u>\$849,948,143</u>	<u>\$726,601,003</u>
Plan Fiduciary Net Position		
Contributions - employer	\$1,828,998	\$1,442,147
Net investment income	28,779	1,159,964
Administrative expense	<u>(84,665)</u>	<u>(170,627)</u>
Net change in plan fiduciary net position	1,773,112	2,431,484
Plan fiduciary net position - beginning	<u>19,708,863</u>	<u>21,481,975</u>
Plan fiduciary net position - ending (b)	<u>\$21,481,975</u>	<u>\$23,913,459</u>
Net OPEB liability - ending (a) - (b)	<u>\$828,466,168</u>	<u>\$702,687,544</u>
Plan fiduciary net position as a percentage of the total OPEB liability	2.53%	3.29%
Covered payroll	\$168,626,896	\$162,005,039
Net OPEB liability as a percentage of covered payroll	491.30%	433.74%
Notes to Schedule:		
<i>Benefit Changes:</i>	None	None
<i>Changes of Assumptions.</i>		
<i>Healthcare trend</i>	None	Flat 5.5% annually
<i>Mortality</i>	None	94 GAR projected to 2002, 50% unisex blend
<i>Discount Rates:</i>	5.00%	5.00%

This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

**Caddo Parish School Board
Shreveport, Louisiana**

**Schedule of Employer Contributions for Other Post-Employment Benefits
For the Year Ended June 30, 2019**

	2018	2019
Actuarially determined contribution	\$66,559,194	\$65,281,539
Contributions in relation to the actuarially determined contribution		
Employer contributions to trust	1,828,998	1,442,147
Employer-paid retiree premiums	37,804,248	35,166,082
Total contributions	39,633,246	36,608,229
Contribution deficiency (excess)	\$26,925,948	\$28,673,310
Covered annual payroll	\$168,626,896	\$162,005,039
Contributions as a percentage of covered employee payroll	23.50%	22.60%

Notes to Schedule:

Valuation date	7/1/2017	7/1/2018
----------------	----------	----------

Actuarially determined contributions are calculated as of the last day of the fiscal year in which contributions are reported.

Actuarial cost method	Individual Entry Age Normal	Individual Entry Age Normal
Amortization method	Level dollar, open	Level dollar, open
Amortization period	30 years	30 years
Asset valuation method	Market value	Market value
Inflation	2.5% annually	2.5% annually
Healthcare trend	Graded from 8% down to 5% ultimate over ten years	Flat 5.5% annually
Salary increases	4.0% annually	4.0% annually
Discount rate	5.00% annually	5.00% annually
Retirement age	4 years after the earliest of: 30 years of service; attainment of age 55 and 25 years of service; and, attainment of age 60 and 10 years of service. In addition, employees hired on and after 1/01/2011 may not retire before age 60 without actuarial reduction in benefits.	4 years after the earliest of: 30 years of service; attainment of age 55 and 25 years of service; and, attainment of age 60 and 10 years of service. In addition, employees hired on and after 1/01/2011 may not retire before age 60 without actuarial reduction in benefits.
Mortality	RP-2000 without projection, 50% unisex blend	94 GAR projected to 2002, 50% unisex blend
Turnover	Age specific table with an average of 5% when applied to the active census	Age specific table with an average of 5% when applied to the active census

This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

**Caddo Parish School Board
Shreveport, Louisiana**

**Schedule of Investment Returns for Other Post-Employment Benefits
June 30, 2019**

<u>Year</u>	<u>Annual money- weighted rate of return, net of investment expense</u>
2019	4.41%
2018	-0.21%
2017	0.30%
2016	2.74%
2015	0.69%
2014	2.34%
2013	0.28%
2012	0.37%

This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

**Caddo Parish School Board
Shreveport, Louisiana**

**Schedule of Employer's Proportionate Share
of Net Pension Liability
For the Year Ended June 30, 2019**

Fiscal Year*	Agency's proportion of the net pension liability (asset)	Agency's proportionate share of the net pension liability (asset)	Agency's covered payroll	Agency's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total pension liability
Teachers' Retirement System of Louisiana					
2018	4.370300%	\$ 429,514,152	\$ 198,585,756	216%	68.2%
2017	4.277110%	\$ 438,484,062	\$ 190,648,312	230%	65.6%
2016	4.411150%	\$ 517,735,625	\$ 195,670,932	265%	59.9%
2015	4.617476%	\$ 496,483,824	\$ 202,185,085	246%	62.5%
2014	4.662480%	\$ 476,571,812	\$ 201,598,762	236%	63.7%
Louisiana School Employees' Retirement System					
2018	6.310350%	\$ 42,161,805	\$ 16,506,527	255%	74.4%
2017	6.170790%	\$ 39,488,552	\$ 17,704,936	223%	75.0%
2016	6.475813%	\$ 48,850,117	\$ 18,408,266	265%	70.1%
2015	7.146534%	\$ 45,318,102	\$ 19,990,082	227%	74.5%
2014	7.275800%	\$ 42,177,012	\$ 20,324,933	208%	76.2%
Louisiana State Employees' Retirement System					
2018	0.024990%	\$ 1,703,959	\$ 509,090	335%	64.3%
2017	0.031880%	\$ 2,244,120	\$ 516,020	435%	62.5%
2016	0.338500%	\$ 2,658,324	\$ 530,917	501%	57.7%
2015	0.036065%	\$ 2,452,964	\$ 761,779	322%	62.7%
2014	0.043050%	\$ 2,691,995	\$ 761,847	353%	65.0%

*Amounts presented were determined as of the measurement date (previous fiscal year end).

*This schedule is intended to show information for 10 years.
Additional years will be displayed as they become available.*

**Caddo Parish School Board
Shreveport, Louisiana**

**Schedule of Employer Contributions
to the Plans
For the Year Ended June 30, 2019**

Fiscal Year*	(a) Statutorily Required Contribution	(b) Contributions in relation to the statutorily required contribution	(a-b) Contribution Deficiency (Excess)	Agency's covered payroll	Contributions as a percentage of covered payroll
Teachers' Retirement System of Louisiana					
2019	\$ 53,385,186	\$ 53,385,186	\$ -	\$ 199,891,841	26.7%
2018	\$ 51,539,488	\$ 51,539,488	\$ -	\$ 198,585,756	26.0%
2017	\$ 48,680,651	\$ 48,680,651	\$ -	\$ 190,648,312	25.5%
2016	\$ 51,251,294	\$ 51,251,294	\$ -	\$ 195,670,932	26.2%
2015	\$ 56,401,853	\$ 56,401,853	\$ -	\$ 202,185,085	27.9%
2014	\$ 54,647,761	\$ 54,647,761	\$ -	\$ 201,598,762	27.1%
Louisiana School Employees' Retirement System					
2019	\$ 5,022,686	\$ 5,022,686	\$ -	\$ 17,945,546	28.0%
2018	\$ 5,549,918	\$ 5,549,918	\$ -	\$ 16,506,527	33.6%
2017	\$ 4,833,583	\$ 4,833,583	\$ -	\$ 17,704,936	27.3%
2016	\$ 5,549,918	\$ 5,549,918	\$ -	\$ 18,408,266	30.1%
2015	\$ 6,655,160	\$ 6,655,160	\$ -	\$ 19,990,082	33.3%
2014	\$ 6,547,560	\$ 6,547,560	\$ -	\$ 20,324,933	32.2%
Louisiana State Employees' Retirement System					
2019	\$ 216,813	\$ 216,813	\$ -	\$ 558,443	38.8%
2018	\$ 231,131	\$ 231,131	\$ -	\$ 509,090	45.4%
2017	\$ 212,130	\$ 212,130	\$ -	\$ 516,020	41.1%
2016	\$ 231,131	\$ 231,131	\$ -	\$ 530,917	43.5%
2015	\$ 282,576	\$ 282,576	\$ -	\$ 761,779	37.1%
2014	\$ 249,668	\$ 249,668	\$ -	\$ 761,847	32.8%

*Amounts presented were determined as of the end of the fiscal year.

Budgetary Comparison Schedule

Funds With a Legally Adopted Annual Budget

GENERAL FUND The general fund accounts for all activities of the School Board except those that are accounted for in other funds.

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

GENERAL FUND
Budgetary Comparison Schedule
For the Year ended June 30, 2019

Exhibit 1

	BUDGETED AMOUNTS		ACTUAL	VARIANCE
	ORIGINAL	FINAL	AMOUNTS (Budgetary Basis)	WITH FINAL BUDGET
REVENUES				
Local sources				
Taxes				
Ad valorem	\$ 101,350,000	\$ 101,350,000	\$ 103,638,637	\$ 2,288,637
Sales and use	76,900,000	78,700,000	79,578,095	878,095
Interest earnings	1,550,000	1,550,000	2,135,061	585,061
Other	4,315,000	4,315,000	9,090,309	4,775,309
State sources				
Equalization	208,300,000	203,000,000	203,358,617	358,617
Other	1,970,000	1,970,000	1,632,876	(337,124)
Federal sources	4,115,000	4,115,000	1,042,692	(3,072,308)
Sale of capital assets	100,000	100,000	16,848	(83,152)
Total revenues	<u>398,600,000</u>	<u>395,100,000</u>	<u>400,493,135</u>	<u>5,393,135</u>
EXPENDITURES				
Current				
Instruction				
Regular programs	161,570,986	160,670,986	149,488,401	11,182,585
Special programs	63,895,239	67,595,239	58,362,449	9,232,790
Other instructional programs	12,403,653	12,903,653	19,084,414	(6,180,761)
Support services				
Student services	19,683,772	20,183,772	27,241,720	(7,057,948)
Instructional staff support	15,479,839	17,279,839	19,897,593	(2,617,754)
General administration	6,876,464	7,058,464	3,634,964	3,423,500
School administration	23,885,759	24,685,759	28,839,106	(4,153,347)
Business services	3,866,500	3,766,500	3,954,435	(187,935)
Plant services	45,254,149	47,879,149	47,417,432	461,717
Student transportation services	20,501,492	22,101,492	22,340,802	(239,310)
Central services	7,513,607	7,413,607	7,419,809	(6,202)
Community service programs	-	-	8,368	(8,368)
Other uses of funds (transfer out)	17,600,000	15,700,000	15,331,258	368,742
Total expenditures	<u>398,531,460</u>	<u>407,238,460</u>	<u>403,621,838</u>	<u>3,616,622</u>
EXCESS (Deficiency) of REVENUES OVER EXPENDITURES	<u>68,540</u>	<u>(12,138,460)</u>	<u>(3,128,703)</u>	<u>9,009,757</u>
TOTAL FUND BALANCES - BEGINNING	<u>\$ 23,486,182</u>	<u>\$ 15,233,299</u>	<u>\$ 27,591,240</u>	<u>\$ 12,357,941</u>
TOTAL FUND BALANCES - ENDING	<u>\$ 23,554,722</u>	<u>\$ 3,094,839</u>	<u>\$ 24,462,537</u>	<u>\$ 21,367,698</u>

See notes to budgetary comparison schedules.

Caddo Parish School Board

Notes to the Required Supplementary Information For the Year Ended June 30, 2019

NOTE A – PENSION PLANS

Change of Benefit Terms

Teachers' Retirement System of Louisiana - There were no changes of benefit terms for the actuarial valuation for the year ended June 30, 2018.

Louisiana School Employees' Retirement System - There were no changes of benefit terms for the actuarial valuation for the year ended June 30, 2018.

Louisiana State Employees' Retirement System - There were no changes of benefit terms for the actuarial valuation for the year ended June 30, 2018.

Change of Assumptions

Teachers' Retirement System of Louisiana - For the actuarial valuation for the year ended June 30, 2018, the discount rate was decreased from 7.70% to 7.65%.

Louisiana School Employees' Retirement System - There were no changes of assumptions for the actuarial valuation for the year ended June 30, 2017. For the actuarial valuation for the year ended June 30, 2018, the discount rate was decreased from 7.125% to 7.0625% and the inflation rate was decreased from 2.625% to 2.5%. Salary increases decreased from a range of 3.075% to 5.375% to a rate of 3.25%.

Louisiana State Employees' Retirement System - For the actuarial valuation for the year ended June 30, 2018, the discount rate was decreased from 7.70% to 7.65%.

NOTE B - BUDGETS

General Budget Policies The School Board follows these procedures in establishing the budgetary data reflected in the combined financial statements:

State statute requires budgets be adopted for the general fund and all special revenue funds. Each year prior to September 15, the Superintendent submits to the School Board members the proposed annual budgets for the general fund and all special revenue funds. Public hearings are conducted, prior to the School Board's approval, to obtain citizens' comments. The operating budgets include proposed expenditures and the means of financing them. Appropriations (unexpended budget balances) lapse at year-end.

Formal budget integration (within the accounting records) is employed as a management control device. All budgets are controlled at the division, departmental or project level. School Board policy prescribes that the level of budgetary control is at the functional level for the general fund and at the fund level for the special revenue funds.

Budget Basis of Accounting All governmental funds' budgets are prepared on the modified accrual basis of accounting. Budgeted amounts are as originally adopted or as amended by the School Board members. Legally, the Board must adopt a balanced budget; that is, total budgeted revenues and other financing sources including fund balance must equal or exceed total budgeted expenditures and other financing uses. State statutes require the School Board to amend its budgets when revenues plus projected revenues within a fund are expected to be less than budgeted revenues by five percent or more and/or expenditures plus projected expenditures within a fund are expected to exceed budgeted expenditures by five percent or more. The School Board approves budgets at the function level and management can transfer amounts between line items within a function. The effects of budget revisions to the general fund passed during the year were insignificant.

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Notes to the Required Supplementary Information
For the Year ended June 30, 2019

NOTE B - BUDGETS (continued)

Budget to GAAP Reconciliation Explanations of differences between budgetary inflows and outflows and GAAP revenues and expenditures are as follows:

	<u>General Fund</u>
<i>Sources/inflows of resources:</i>	
Actual amounts (budgetary basis) "available for appropriation" from the Budgetary Comparison Schedule	\$ 400,493,135
State equalization revenue received and transferred to charter schools but is not a current year revenue for financial reporting purposes	(15,331,258)
The sale of capital assets is a budgetary resource but is not a current year revenue for financial reporting purposes	<u>(16,848)</u>
Total revenues as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	<u><u>\$ 385,145,029</u></u>
<i>Charges to appropriations:</i>	
Actual amounts (budgetary basis) "Total charges to appropriations" from the Budgetary Comparison Schedule	\$ 403,621,838
State equalization revenue received and transferred to charter schools but is not a current year expense for financial reporting purposes	<u>(15,331,258)</u>
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	<u><u>\$ 388,290,580</u></u>

SUPPLEMENTARY INFORMATION

Caddo Parish School Board

COMBINING STATEMENTS BY FUND TYPE

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

NONMAJOR GOVERNMENTAL FUNDS
Combining Balance Sheet - By Fund Type
June 30, 2019

Exhibit 2

	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Parishwide Capital Projects</u>	<u>Total</u>
ASSETS				
Cash and cash equivalents	\$ 6,202,215	\$ 9,574,787	\$ 6,601,083	\$ 22,378,085
Receivables	13,952,158	44,630	106,042	14,102,830
Inventory	79,747	-	145,530	225,277
Total assets	<u>\$ 20,234,120</u>	<u>\$ 9,619,417</u>	<u>\$ 6,852,655</u>	<u>\$ 36,706,192</u>
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 1,712,239	\$ -	\$ 2,945,300	\$ 4,657,539
Salaries and wages payable	6,119,516	-	23,681	6,143,197
Interfund payable	7,495,407	-	-	7,495,407
Total liabilities	<u>15,327,162</u>	<u>-</u>	<u>2,968,981</u>	<u>18,296,143</u>
Fund Balances				
Nonspendable	79,747	-	145,530	225,277
Restricted	4,757,324	9,619,417	3,738,144	18,114,885
Committed	69,887	-	-	69,887
Total fund balances	<u>4,906,958</u>	<u>9,619,417</u>	<u>3,883,674</u>	<u>18,410,049</u>
Total liabilities and fund balances	<u>\$ 20,234,120</u>	<u>\$ 9,619,417</u>	<u>\$ 6,852,655</u>	<u>\$ 36,706,192</u>

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

NONMAJOR GOVERNMENTAL FUNDS
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - By Fund Type
For the Year ended June 30, 2019

Exhibit 3

	SPECIAL REVENUE	DEBT SERVICE	PARISHWIDE CAPITAL PROJECTS	TOTAL
REVENUES				
Local sources				
Taxes				
Ad valorem	\$ -	\$ 8,884,318	\$ 21,109,139	\$ 29,993,457
Interest earnings	10,832	147,522	20,211	178,565
Other local sources	272,711	-	-	272,711
State sources				
Equalization	950,000	-	-	950,000
State revenue sharing	-	-	283,716	283,716
Other local grants and sources	1,486,651	-	-	1,486,651
Federal sources	58,205,951	-	-	58,205,951
Total revenues	60,926,145	9,031,840	21,413,066	91,371,051
EXPENDITURES				
Current				
Instruction				
Regular programs	1,259,290	-	-	1,259,290
Special programs	2,728,628	-	-	2,728,628
Other instructional programs	16,395,508	-	-	16,395,508
Support services				
Student services	4,872,167	-	-	4,872,167
Instructional staff support	13,653,353	-	-	13,653,353
General administration	3,892,519	270,137	-	4,162,656
Business services	157,532	4,492	10,918	172,942
Plant services	58,077	-	-	58,077
Student transportation services	121,850	-	-	121,850
Central services	248,438	-	-	248,438
Food services	16,733,416	-	-	16,733,416
Community service programs	835,251	-	-	835,251
Capital outlay	307,494	-	19,685,193	19,992,687
Debt service				
Principal retirement	-	5,615,000	2,082,132	7,697,132
Interest and bank charges	-	2,426,659	-	2,426,659
Total expenditures	61,263,523	8,316,288	21,778,243	91,358,054
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(337,378)	715,552	(365,177)	12,997
OTHER FINANCING SOURCES (USES)				
Transfers in	340,030	-	-	340,030
Sale of capital assets	16,408	-	-	16,408
Total other financing sources (uses)	356,438	-	-	356,438
Net change in fund balances	19,060	715,552	(365,177)	369,435
FUND BALANCES - BEGINNING	4,887,898	8,903,865	4,248,851	18,040,614
FUND BALANCES - ENDING	\$ 4,906,958	\$ 9,619,417	\$ 3,883,674	\$ 18,410,049

Nonmajor Special Revenue Funds

Special Education

State Grants To provide grants to states to assist them in providing a free appropriate public education to all children with disabilities.

Preschool Grants To provide grants to states to assist them in providing a free appropriate public education to preschool disabled children aged three through five years.

Title II To improve the skills of teachers and the quality of instruction in mathematics and science. To increase the accessibility of such instruction to all students.

Title III To ensure that limited English proficient children (LEP) and youth, including immigrant children and youth, attain English proficiency and meet the same challenging state academic content and student academic achievement standards as all children and youth are expected to meet.

Safe and Drug Free To establish state and local programs of alcohol and drug abuse education and prevention coordinated with related community efforts and resources.

TANF/JAG Provides assistance and work opportunities to needy families by granting states the federal funds and wide flexibility to develop and implement their own welfare programs.

Tobacco Settlement This fund was established to account for monies received from the state Education Excellence Fund. The funds are to be expended in accordance with the School Board's plan submitted and approved by the State Department of Education.

8(g) State Fund The 8g state fund is a program to provide enhancement to elementary, secondary and vocational programs funded through the State Minimum Foundation Program.

Title I To improve the teaching and learning of children who are at risk of not meeting challenging academic standards and who reside in areas of high concentrations of children from low-income families.

School Improvement Federal grants that directly support and empower local educational agencies to pursue high-quality initiatives that will transform educational opportunities for students attending Louisiana's lowest performing schools.

Vocational Education To make the United States more competitive in the world economy by developing more fully the academic and occupational skills of all segments of the population, principally through concentrating resources on improving educational programs leading to academic and occupational skills needed to work in a technologically advanced society.

Title IV To provide a well-rounded education, create safe learning environments for students, and improve technology use.

Homeless This fund is designed to ensure that homeless children and youth have access to a free, appropriate public education.

Child Nutrition Program This program was designed to assist through cash grants and food donations in providing a nutritious breakfast and lunch service for school students and to encourage the domestic consumption of nutritious agricultural commodities.

Behavioral Health To provide mental health services to children with a serious emotional disturbance.

Nonmajor Special Revenue Funds

CEEF Operating This fund was established to account for the expenditures of the earnings from the Caddo Educational Excellence Permanent Fund.

Misc. State/Federal Grants This fund is used to account for various small state and federal grants for which the expenditures are legally restricted to specified purposes.

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CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

NONMAJOR SPECIAL REVENUE FUNDS
Combining Balance Sheet
June 30, 2019

	SPECIAL EDUCATION	TITLE II	TITLE III	SAFE AND DRUG-FREE	TANF/JAG	TOBACCO SETTLEMENT	8(g) STATE FUND	TITLE I
ASSETS								
Cash and cash equivalents	\$ 1,351	\$ -	\$ 1	\$ -	\$ -	\$ 168,255	\$ 911	\$ 306,833
Receivables	2,875,756	1,137,633	2,091	123,034	381,233	-	119,607	6,001,364
Inventory	-	-	-	-	-	-	-	-
Total assets	<u>\$ 2,877,107</u>	<u>\$ 1,137,633</u>	<u>\$ 2,092</u>	<u>\$ 123,034</u>	<u>\$ 381,233</u>	<u>\$ 168,255</u>	<u>\$ 120,518</u>	<u>\$ 6,308,197</u>
LIABILITIES AND FUND BALANCES								
Liabilities								
Accounts payable	\$ 279,484	\$ 222,827	\$ 42	\$ 13,543	\$ 34,572	\$ -	\$ -	\$ 635,573
Salaries and wages payable	1,109,429	92,109	153	55,117	167,838	98,368	78,377	2,274,137
Interfund payables	1,488,194	822,697	1,897	54,374	178,823	-	42,141	3,398,487
Total liabilities	<u>2,877,107</u>	<u>1,137,633</u>	<u>2,092</u>	<u>123,034</u>	<u>381,233</u>	<u>98,368</u>	<u>120,518</u>	<u>6,308,197</u>
Fund balances								
Nonspendable	-	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-	-
Committed	-	-	-	-	-	69,887	-	-
Total fund balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>69,887</u>	<u>-</u>	<u>-</u>
Total liabilities and fund balances	<u>\$ 2,877,107</u>	<u>\$ 1,137,633</u>	<u>\$ 2,092</u>	<u>\$ 123,034</u>	<u>\$ 381,233</u>	<u>\$ 168,255</u>	<u>\$ 120,518</u>	<u>\$ 6,308,197</u>

Exhibit 4

SCHOOL IMPROVEMENT	VOCATIONAL EDUCATION	TITLE IV	HOMELESS	CHILD NUTRITION PROGRAM	BEHAVIORAL HEALTH	CEEF OPERATING	MISC STATE/FEDERAL GRANTS	TOTAL
\$ -	\$ -	\$ 1	\$ 39,917	\$ 4,874,149	\$ 141,603	\$ 669,194	\$ -	\$ 6,202,215
979,334	431,763	298,652	69,648	1,031,739	-	-	500,304	13,952,158
-	-	-	-	79,747	-	-	-	79,747.00
<u>\$ 979,334</u>	<u>\$ 431,763</u>	<u>\$ 298,653</u>	<u>\$ 109,565</u>	<u>\$ 5,985,635</u>	<u>\$ 141,603</u>	<u>\$ 669,194</u>	<u>\$ 500,304</u>	<u>\$ 20,234,120</u>
\$ 84,071	\$ 3,068	70,827	\$ 21,900	\$ 164,091	\$ 140,735	\$ -	\$ 41,506	\$ 1,712,239
388,130	3,850	58,488	11,419	1,653,667	868	-	127,566	6,119,516
507,133	424,845	169,338	76,246	-	-	-	331,232	7,495,407
<u>979,334</u>	<u>431,763</u>	<u>298,653</u>	<u>109,565</u>	<u>1,817,758</u>	<u>141,603</u>	<u>-</u>	<u>500,304</u>	<u>15,327,162</u>
-	-	-	-	79,747	-	-	-	79,747
-	-	-	-	4,088,130	-	669,194	-	4,757,324
-	-	-	-	-	-	-	-	69,887
-	-	-	-	4,167,877	-	669,194	-	4,906,958
<u>\$ 979,334</u>	<u>\$ 431,763</u>	<u>\$ 298,653</u>	<u>\$ 109,565</u>	<u>\$ 5,985,635</u>	<u>\$ 141,603</u>	<u>\$ 669,194</u>	<u>\$ 500,304</u>	<u>\$ 20,234,120</u>

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

NONMAJOR SPECIAL REVENUE FUNDS
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Year ended June 30, 2019

	SPECIAL EDUCATION	TITLE II	TITLE III	SAFE AND DRUG- FREE	TANF/JAG	TOBACCO SETTLEMENT	8(g) STATE FUND	TITLE I
REVENUES								
Local sources								
Interest earnings	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Food services	-	-	-	-	-	-	-	-
State sources								
Equalization	-	-	-	-	-	-	-	-
Other	-	-	-	-	25,536	380,819	382,914	-
Federal sources	9,008,324	2,953,555	121,457	545,799	955,754	-	-	22,924,321
Total revenues	9,008,324	2,953,555	121,457	545,799	981,290	380,819	382,914	22,924,321
EXPENDITURES								
Current								
Instruction								
Regular programs	59,855.00	159,797	-	-	133,733	-	-	-
Special programs	1,856,097	-	-	-	17,093	-	-	-
Other instructional programs	61,861	-	118,147	-	739,319	518,445	372,414	13,795,821
Support services								
Student services	3,884,916	-	-	369,084	-	-	-	543,087
Instructional staff support	2,046,216	2,518,993	359	125,955	-	17,846	10,500	5,312,091
General administration	841,861	274,765	2,951	50,760	91,145	-	-	2,172,140
Business administration	66,158	-	-	-	-	-	-	91,388
Plant services	50,697	-	-	-	-	-	-	-
Student transportation services	28,704	-	-	-	-	-	-	89,338
Central services	111,959	-	-	-	-	-	-	136,479
Food services	-	-	-	-	-	-	-	-
Community service programs	-	-	-	-	-	-	-	783,977
Capital outlay	-	-	-	-	-	-	-	-
Total expenditures	9,008,324	2,953,555	121,457	545,799	981,290	536,291	382,914	22,924,321
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	-	-	-	(155,472)	-	-
OTHER FINANCING SOURCES (USES)								
Transfers in	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Net change in fund balances	-	-	-	-	-	(155,472)	-	-
FUND BALANCES - BEGINNING	-	-	-	-	-	225,359	-	-
FUND BALANCES - ENDING	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 69,887	\$ -	\$ -

SCHOOL IMPROVEMENT	VOCATIONAL EDUCATION	TITLE IV	HOMELESS	CHILD NUTRITION PROGRAM	BEHAVIORAL HEALTH	CEEFF OPERATING	MISC STATE/FEDERAL GRANTS	TOTAL
\$ -	\$ -	\$ -	\$ -	\$ 10,832	\$ -	\$ -	\$ -	\$ 10,832
-	-	-	-	272,711	-	-	-	272,711
-	-	-	-	950,000	-	-	-	950,000
-	-	-	-	-	-	-	697,382	1,486,651
2,521,167	546,833	1,438,820	259,824	15,631,754	81,589	-	1,216,754	58,205,951
2,521,167	546,833	1,438,820	259,824	16,865,297	81,589	-	1,914,136	60,926,145
-	-	338,328	-	-	-	6,307	561,270.00	1,259,290
-	-	-	-	-	-	-	855,438	2,728,628
177,493	430,316	-	181,692	-	-	-	-	16,395,508
-	-	-	-	-	75,080	-	-	4,872,167
2,126,951	116,517	969,208	-	-	(871)	-	409,588	13,653,353
216,723	-	131,284	23,050	-	-	-	87,840	3,892,519
-	-	-	-	(14.00)	-	-	-	157,532
-	-	-	-	-	7,380	-	-	58,077
-	-	-	3,808	-	-	-	-	121,850
-	-	-	-	-	-	-	-	248,438
-	-	-	-	16,733,416	-	-	-	16,733,416
-	-	-	51,274	-	-	-	-	835,251
-	-	-	-	307,494	-	-	-	307,494
2,521,167	546,833	1,438,820	259,824	17,040,896	81,589	6,307	1,914,136	61,263,523
-	-	-	-	(175,599.00)	-	(6,307)	-	(337,378)
-	-	-	-	-	-	340,030	-	340,030
-	-	-	-	16,408	-	-	-	16,408
-	-	-	-	16,408	-	340,030	-	356,438
-	-	-	-	(159,191)	-	333,723	-	19,060
-	-	-	-	4,327,068	-	335,471	-	4,887,898
\$ -	\$ -	\$ -	\$ -	\$ 4,167,877	\$ -	\$ 669,194	\$ -	\$ 4,906,958

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Exhibit 6-1

NONMAJOR SPECIAL REVENUE FUNDS
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (GAAP Basis) and Actual
For the Year ended June 30, 2019

	*****SPECIAL EDUCATION*****		
	BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES			
Federal sources	\$ 11,816,874	\$ 9,008,324	\$ (2,808,550)
Total revenues	11,816,874	9,008,324	(2,808,550)
EXPENDITURES			
Current			
Instruction			
Regular programs	-	59,855	(59,855)
Special programs	2,936,473	1,856,097	1,080,376
Other instructional programs	303,614	61,861	241,753
Support services			
Student services	4,253,833	3,884,916	368,917
Instructional staff support	2,861,933	2,046,216	815,717
General administration	1,028,769	841,861	186,908
Business services	64,812	66,158	(1,346)
Plant services	79,425	50,697	28,728
Student transportation services	150,015	28,704	121,311
Central services	138,000	111,959	26,041
Total expenditures	11,816,874	9,008,324	2,808,550
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	-
FUND BALANCE AT BEGINNING OF YEAR	-	-	-
FUND BALANCE AT END OF YEAR	\$ -	\$ -	\$ -

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Exhibit 6-2

NONMAJOR SPECIAL REVENUE FUNDS
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (GAAP Basis) and Actual
For the Year ended June 30, 2019

	*****TITLE II*****		
	BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES			
Federal sources	\$ 3,300,107	\$ 2,953,555	\$ (346,552)
Total revenues	3,300,107	2,953,555	(346,552)
EXPENDITURES			
Current			
Instruction			
Regular programs	59,299	159,797	(100,498)
Support services			
Instructional staff support	2,951,259	2,518,993	432,266
General administration	289,549	274,765	14,784
Total expenditures	3,300,107	2,953,555	346,552
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	-
FUND BALANCE AT BEGINNING OF YEAR	-	-	-
FUND BALANCE AT END OF YEAR	\$ -	\$ -	\$ -

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Exhibit 6-3

NONMAJOR SPECIAL REVENUE FUNDS
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (GAAP Basis) and Actual
For the Year ended June 30, 2019

	*****TITLE III*****		
	BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES			
Federal sources	\$ 123,318	\$ 121,457	\$ (1,861)
Total revenues	123,318	121,457	\$ (1,861)
EXPENDITURES			
Current			
Instruction			
Other instructional programs	113,534	118,147	(4,613)
Support services			
Instructional staff support	6,762	359	6,403
General administration	3,022	2,951	71
Total expenditures	123,318	121,457	1,861
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	-
FUND BALANCE AT BEGINNING OF YEAR	-	-	-
FUND BALANCE AT END OF YEAR	\$ -	\$ -	\$ -

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Exhibit 6-4

NONMAJOR SPECIAL REVENUE FUNDS
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (GAAP Basis) and Actual
For the Year ended June 30, 2019

	*****SAFE AND DRUG-FREE*****		
	BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES			
Federal sources	\$ 776,389	\$ 545,799	\$ (230,590)
Total revenues	776,389	545,799	(230,590)
EXPENDITURES			
Current			
Support services			
Student services	645,601	369,084	276,517
Instructional staff support	70,550	125,955	(55,405)
General administration	60,238	50,760	9,478
Total expenditures	776,389	545,799	230,590
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	-
FUND BALANCE AT BEGINNING OF YEAR	-	-	-
FUND BALANCE AT END OF YEAR	\$ -	\$ -	\$ -

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Exhibit 6-5

NONMAJOR SPECIAL REVENUE FUNDS
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (GAAP Basis) and Actual
For the Year ended June 30, 2019

	*****TANF/JAG*****		VARIANCE POSITIVE (NEGATIVE)
	BUDGET	ACTUAL	
REVENUES			
State sources	\$ -	\$ 25,536	\$ 25,536
Federal sources	1,073,076	955,754	(117,322)
Total revenues	1,073,076	981,290	(91,786)
EXPENDITURES			
Current			
Instruction			
Regular programs	160,250	133,733	26,517
Special programs	67,168	17,093	50,075
Other instructional programs	751,508	739,319	12,189
Support services			
General administration	94,150	91,145	3,005
Total expenditures	1,073,076	981,290	91,786
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	-
FUND BALANCE AT BEGINNING OF YEAR	-	-	-
FUND BALANCE AT END OF YEAR	\$ -	\$ -	\$ -

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Exhibit 6-6

NONMAJOR SPECIAL REVENUE FUNDS
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (GAAP Basis) and Actual
For the Year ended June 30, 2019

	*****TOBACCO SETTLEMENT*****		
	BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES			
State sources	\$ 633,240	\$ 380,819	\$ (252,421)
Total revenues	633,240	380,819	(252,421)
EXPENDITURES			
Current			
Instruction			
Other instructional programs	611,026	518,445	92,581
Support services			
Instructional staff support	22,214	17,846	4,368
Total expenditures	633,240	536,291	96,949
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	(155,472)	(155,472)
FUND BALANCE AT BEGINNING OF YEAR	167,406	225,359	57,953
FUND BALANCE AT END OF YEAR	\$ 167,406	\$ 69,887	\$ (97,519)

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Exhibit 6-7

NONMAJOR SPECIAL REVENUE FUNDS
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (GAAP Basis) and Actual
For the Year ended June 30, 2019

	*****8(g) STATE FUND*****		
	BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES			
State sources	\$ 409,217	\$ 382,914	\$ (26,303)
Total revenues	409,217	382,914	(26,303)
EXPENDITURES			
Current			
Instruction			
Other instructional programs	406,217	372,414	33,803
Support services			
Instructional staff support	3,000	10,500	(7,500)
Total expenditures	409,217	382,914	26,303
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	-
FUND BALANCE AT BEGINNING OF YEAR	-	-	-
FUND BALANCE AT END OF YEAR	\$ -	\$ -	\$ -

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Exhibit 6-8

NONMAJOR SPECIAL REVENUE FUNDS
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (GAAP Basis) and Actual
For the Year ended June 30, 2019

	*****TITLE I*****		
	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
REVENUES			
Federal sources	\$ 21,540,512	\$ 22,924,321	\$ 1,383,809
Total revenues	<u>21,540,512</u>	<u>22,924,321</u>	<u>1,383,809</u>
EXPENDITURES			
Current			
Instructional			
Other instructional programs	12,949,054	13,795,821	(846,767)
Support services			
Student services	700,296	543,087	157,209
Instructional staff support	4,804,880	5,312,091	(507,211)
General administration	1,883,474	2,172,140	(288,666)
Business services	87,407	91,388	(3,981)
Plant services	-	-	-
Student transportation services	201,934	89,338	112,596
Central services	136,826	136,479	347
Community service programs	776,641	783,977	(7,336)
Capital outlay	-	-	-
Total expenditures	<u>21,540,512</u>	<u>22,924,321</u>	<u>(1,383,809)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	-
FUND BALANCE AT BEGINNING OF YEAR	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE AT END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Exhibit 6-9

NONMAJOR SPECIAL REVENUE FUNDS
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (GAAP Basis) and Actual
For the Year ended June 30, 2019

	*****SCHOOL IMPROVEMENT*****		
	BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES			
Federal sources	\$ 4,540,920	\$ 2,521,167	\$ (2,019,753)
Total revenues	4,540,920	2,521,167	(2,019,753)
EXPENDITURES			
Current			
Instruction			
Other instructional programs	123,888	177,493	(53,605)
Support services			
Instructional staff support	4,027,101	2,126,951	1,900,150
General administration	389,931	216,723	173,208
Total expenditures	4,540,920	2,521,167	2,019,753
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	-
FUND BALANCE AT BEGINNING OF YEAR	-	-	-
FUND BALANCE AT END OF YEAR	-	\$ -	\$ -

**Note that no budget was adopted for the School Improvement Fund for 2018.

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Exhibit 6-10

NONMAJOR SPECIAL REVENUE FUNDS
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (GAAP Basis) and Actual
For the Year ended June 30, 2019

	*****VOCATIONAL EDUCATION*****		
	BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES			
Federal sources	\$ 460,324	\$ 546,833	\$ 86,509
Total revenues	460,324	546,833	86,509
EXPENDITURES			
Current			
Instruction			
Other instructional programs	344,365	430,316	(85,951)
Support services			
Instructional staff support	115,959	116,517	(558)
Total expenditures	460,324	546,833	(86,509)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	-
FUND BALANCE AT BEGINNING OF YEAR	15,420	-	-
FUND BALANCE AT END OF YEAR	\$ 15,420	\$ -	\$ -

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Exhibit 6-11

NONMAJOR SPECIAL REVENUE FUNDS
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (GAAP Basis) and Actual
For the Year ended June 30, 2019

*****TITLE IV*****			
	BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES			
Federal sources	\$ 447,182	1,438,820	\$ 991,638
Total revenues	447,182	1,438,820	991,638
EXPENDITURES			
Current			
Instruction			
Regular programs	135,600	338,328	(202,728)
Support services			
Instructional staff support	272,348	969,208	(696,860)
General administration	39,234	131,284	(92,050)
Total expenditures	447,182	1,438,820	(991,638)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	-
FUND BALANCE AT BEGINNING OF YEAR	-	-	-
FUND BALANCE AT END OF YEAR	\$ -	\$ -	\$ -

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Exhibit 6-12

NONMAJOR SPECIAL REVENUE FUNDS
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (GAAP Basis) and Actual
For the Year ended June 30, 2019

	*****HOMELESS*****		
	BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES			
Federal sources	\$ 172,678	\$ 259,824	\$ 87,146
Total revenues	172,678	259,824	87,146
EXPENDITURES			
Current			
Instructional			
Other instructional programs	125,053	181,692	(56,639)
Support services			
General administration	15,151	23,050	(7,899)
Student transportation services	3,500	3,808	(308)
Community service programs	28,974	51,274	(22,300)
Total expenditures	172,678	259,824	(87,146)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	-
FUND BALANCE AT BEGINNING OF YEAR	-	-	-
FUND BALANCE AT END OF YEAR	\$ -	\$ -	\$ -

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Exhibit 6-13

NONMAJOR SPECIAL REVENUE FUNDS
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (GAAP Basis) and Actual
For the Year ended June 30, 2019

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
*****CHILD NUTRITION PROGRAM*****			
REVENUES			
Local Sources			
Interest earnings	\$ 15,000	\$ 10,832	\$ (4,168)
Food services	305,000	272,711	(32,289)
State sources			
Equalization	950,000	950,000	-
Federal sources	<u>16,568,000</u>	<u>15,631,754</u>	<u>(936,246)</u>
Total revenues	<u>17,838,000</u>	<u>16,865,297</u>	<u>(972,703)</u>
EXPENDITURES			
Current			
Support services			
Business services	-	(14)	(14)
Food services	17,708,090	16,733,416	(974,674)
Capital outlay	<u>-</u>	<u>307,494</u>	<u>307,494</u>
Total expenditures	<u>17,708,090</u>	<u>17,040,896</u>	<u>(667,194)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	129,910	(175,599)	(305,509)
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	-
Sale of capital assets	<u>-</u>	<u>16,408</u>	<u>16,408</u>
Total other financing sources (uses)	<u>-</u>	<u>16,408</u>	<u>16,408</u>
Net change in fund balance	129,910	(159,191)	(289,101)
FUND BALANCE AT BEGINNING OF YEAR	<u>1,354,168</u>	<u>4,327,068</u>	<u>2,972,900</u>
FUND BALANCE AT END OF YEAR	<u>\$ 1,484,078</u>	<u>\$ 4,167,877</u>	<u>\$ 2,683,799</u>

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Exhibit 6-14

NONMAJOR SPECIAL REVENUE FUNDS
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (GAAP Basis) and Actual
For the Year ended June 30, 2019

*****BEHAVIORAL HEALTH*****

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
REVENUES			
Federal sources	\$ 92,129	\$ 81,589	\$ (10,540)
Total revenues	<u>92,129</u>	<u>81,589</u>	<u>(10,540)</u>
EXPENDITURES			
Current			
Support services			
Student services	53,116	75,080	(21,964)
Instructional staff support	35,013	(871)	35,884
Student transportation services	-	-	-
Plant services	<u>4,000</u>	<u>7,380</u>	<u>(3,380)</u>
Total expenditures	<u>92,129</u>	<u>81,589</u>	<u>10,540</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	-
FUND BALANCE AT BEGINNING OF YEAR	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE AT END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Exhibit 6-15

NONMAJOR SPECIAL REVENUE FUNDS
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (GAAP Basis) and Actual
For the Year ended June 30, 2019

	*****CEEFF OPERATING*****		
	BUDGET (a)	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES			
Local sources	\$ -	\$ -	\$ -
Total revenues	-	-	-
EXPENDITURES			
Current			
Instruction			
Regular programs	\$ 300,000	\$ 6,307	293,693
Total expenditures	300,000	6,307	293,693
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(300,000)	(6,307)	293,693
OTHER FINANCING SOURCES (USES)			
Transfers in	300,000	340,030	40,030
Total other financing sources (uses)	300,000	340,030	40,030
Net change in fund balance	-	333,723	333,723
FUND BALANCE AT BEGINNING OF YEAR	335,206	335,471	265
FUND BALANCE AT END OF YEAR	\$ 335,206	\$ 669,194	\$ 333,988

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Exhibit 6-16

NONMAJOR SPECIAL REVENUE FUNDS
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (GAAP Basis) and Actual
For the Year ended June 30, 2019

	*****MISC STATE/FEDERAL GRANTS*****		
	BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES			
State sources	\$ 779,797	\$ 697,382	\$ (82,415)
Federal sources	1,091,711	1,216,754	125,043
Total revenues	1,871,508	1,914,136	42,628
EXPENDITURES			
Current			
Instruction			
Regular programs	-	561,270	(561,270)
Special programs	965,410	855,438	109,972
Other instructional programs	567,128	-	567,128
Support services			
Student services	-	-	-
Instructional staff support	264,131	409,588	(145,457)
General administration	74,659	87,840	(13,181)
Student transportation services	180	-	180
Total expenditures	1,871,508	1,914,136	(42,628)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	-
FUND BALANCE AT BEGINNING OF YEAR	-	-	-
FUND BALANCE AT END OF YEAR	\$ -	\$ -	\$ -

Agency Funds

SCHOOL ACTIVITIES FUND The activities of the various individual school accounts are accounted for in the school activities agency fund. While the accounts are under the supervision of the School Board, they belong to the individual schools or their student bodies and are not available for use by the School Board.

CENTRAL OFFICE CONCESSION FUND This fund accounts for those monies collected by School Board employees working in the Central Office Coffee Shop for the purposes of replenishing items sold and maintenance of coffee shop equipment. This fund was closed in the fiscal year ended June 30, 2019.

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Combining Statement of Changes in Assets and Liabilities - Agency Fund
For the Year ended June 30, 2019

Exhibit 7

	BALANCE, JULY 1, 2018	ADDITIONS	DEDUCTIONS	BALANCE, JUNE 30, 2019
*****SCHOOL ACTIVITIES FUND*****				
ASSETS				
Cash and cash equivalents	\$ 5,474,415	\$ 12,130,108	\$ 11,519,071	\$ 6,085,452
Investments	310,756	855	25,078	286,533
Total assets	\$ 5,785,171	\$ 12,130,963	\$ 11,544,149	\$ 6,371,985
LIABILITES				
Deposits due others	\$ 5,785,171	\$ 12,130,963	\$ 11,544,149	\$ 6,371,985
Total liabilities	\$ 5,785,171	\$ 12,130,963	\$ 11,544,149	\$ 6,371,985
*****CENTRAL OFFICE CONCESSION FUND*****				
ASSETS				
Cash and cash equivalents	\$ 2,728	\$ -	\$ 2,728	\$ -
Total assets	\$ 2,728	\$ -	\$ 2,728	\$ -
LIABILITES				
Deposits due others	\$ 2,728	\$ -	\$ 2,728	\$ -
Total liabilities	\$ 2,728	\$ -	\$ 2,728	\$ -
*****ALL AGENCY FUNDS*****				
ASSETS				
Cash and cash equivalents	\$ 5,477,143	\$ 12,130,108	\$ 11,521,799	\$ 6,085,452
Investments	310,756	855	25,078	286,533
Total assets	\$ 5,787,899	\$ 12,130,963	\$ 11,546,877	\$ 6,371,985
LIABILITES				
Deposits due others	\$ 5,787,899	\$ 12,130,963	\$ 11,546,877	\$ 6,371,985
Total liabilities	\$ 5,787,899	\$ 12,130,963	\$ 11,546,877	\$ 6,371,985

**Schedule of Compensation Paid Board Members
For the Year Ended June 30, 2019**

The schedule of compensation paid to the School Board members is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. Compensation of the School Board members is included in the general administrative expenditures of the General Fund and represents the amounts paid for the year ended June 30, 2019, and the office held at that time. In accordance with Louisiana Revised Statute 17:56, the School Board members have elected the monthly payment method of compensation. Under this method, each member of the School Board receives \$800 per month, the vice presidents receive \$850 per month, and the president receives \$900 per month for performing the duties of office. The extra \$50 and \$100 per month for the vice presidents and the president is paid to each only in the event each attends the monthly executive committee meeting.

<u>Board Member</u>	<u>Amount</u>
Mary Trammel	\$10,457
Barry Rachal	10,200
Stephen Riall	10,063
John Albritton	9,600
Dottie Bell	9,600
Margaret Brown	4,806
Bonita Douzart	9,600
Jasmine Green	9,861
Raymond Green	9,600
Durwood Hendricks	4,806
Donald Little	4,800
Denee' Locke	9,600
Anthony Nations	4,800
Susannah Poljak	4,806
Lloyd Thompson	<u>4,800</u>
Total	<u>\$117,399</u>

**Schedule of Compensation, Benefits, and
Other Payments to Agency Head
For the Year Ended June 30, 2019**

Agency Head Name: Theodis Lamar Goree, Superintendent

Purpose	Amount
Salary	\$ 246,564
Benefits-insurance (health & life)	\$ 17,440
Benefits (retirement)	\$ 65,832
Benefits (medicare)	\$ 3,464
Vehicle provided by government	\$ 666
Travel and registration fees	\$ 16,964

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**CPSB
2019**

Statistical Section

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**Caddo Parish School Board
Statistical Section
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These schedules contain service and infrastructure data to help the reader understand how the information in the School Board's financial report relates to the services the School Board provides and the activities it performs.		
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Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial report (CAFR) for the relevant year.

CADD O PARISH SCHOOL BOARD
Shreveport, Louisiana

Net Assets/Position (Deficit) by Component
Last Ten Fiscal Years Ended June 30
(Accrual Basis of Accounting)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Governmental Activities										
Net investment in capital assets	\$ 110,198,416	\$ 115,011,586	\$ 100,856,675	\$ 94,274,181	\$ 84,710,168	\$ 93,169,071	\$ 98,387,765	\$ 107,803,609	\$ 119,883,995	\$ 126,416,880
Restricted	\$ 38,559,316	\$ 49,171,234	\$ 49,302,498	\$ 51,059,711	\$ 49,083,245	\$ 44,027,980	\$ 45,943,529	\$ 44,972,235	\$ 39,920,590	\$ 41,132,671
Unrestricted	\$ (215,963,076)	\$ (300,406,542)	\$ (389,955,620)	\$ (493,255,550)	\$ (520,725,760)	\$ (1,145,417,219)	\$ (1,137,261,392)	\$ (1,135,576,948)	\$ (1,289,546,759)	\$ (1,224,163,632)
Total governmental activities net assets/position (deficit)	\$ (67,205,344)	\$ (136,223,722)	\$ (239,796,447)	\$ (347,921,658)	\$ (386,932,347)	\$ (1,008,220,168)	\$ (992,930,098)	\$ (982,801,104)	\$ (1,129,742,174)	\$ (1,056,614,081)

Notes: GASB Statement No. 63 was implemented for the year ended June 30, 2013. The statement changed the term net assets to net position.

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Changes in Net Assets/Position (Deficit)
Last Ten Fiscal Years Ended June 30
(Accrual Basis of Accounting)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Expenses										
Instruction:										
Regular programs	\$ 194,847,644	\$ 189,714,298	\$ 191,493,972	\$ 195,084,770	\$ 170,095,108	\$ 165,881,175	\$ 150,032,207	\$ 146,081,564	\$ 133,694,023	\$ 120,473,300
Special programs	76,168,958	72,411,723	69,023,591	67,983,851	71,265,506	59,905,619	55,736,048	55,765,588	51,149,473	46,613,454
Other instructional programs	43,481,613	45,738,576	53,883,308	54,757,387	36,641,599	41,129,622	37,413,663	35,823,476	36,868,034	35,621,606
Support services:										
Student services	24,365,917	31,873,003	34,384,569	37,455,077	26,531,030	30,772,696	29,415,998	29,192,321	30,128,590	29,156,110
Instructional staff support	34,427,828	35,410,629	32,454,956	30,971,011	21,073,276	25,787,057	25,413,854	26,267,686	26,514,073	31,444,966
General administration	7,961,856	6,638,373	6,305,210	7,725,052	7,010,667	8,597,474	7,868,948	7,387,942	7,641,186	7,641,792
School administration	31,853,988	36,287,686	34,551,836	36,116,588	29,615,181	32,138,769	28,937,243	28,684,686	26,261,899	24,537,611
Business services	5,244,764	5,336,156	5,547,402	5,572,285	5,219,269	5,328,311	4,034,499	4,011,121	3,638,862	3,482,193
Plant services	67,657,869	63,763,630	88,017,551	76,112,607	71,054,058	69,399,880	63,360,947	65,482,436	60,755,139	63,646,836
Student transportation services	26,848,449	27,188,421	27,581,761	27,140,598	26,037,204	25,873,230	23,239,259	23,680,663	21,204,138	18,529,932
Central services	13,611,374	7,319,077	7,143,732	7,582,203	7,236,964	7,613,820	7,100,426	7,241,921	7,466,174	6,776,149
Food services	25,411,707	25,376,924	25,407,258	25,699,368	17,875,767	20,815,974	19,057,664	17,715,853	17,889,530	16,933,474
Community services	793,023	778,521	770,731	733,392	458,380	683,586	693,203	690,196	719,853	843,620
Interest on long-term debt	5,550,738	4,854,199	5,582,562	4,219,222	4,852,465	4,291,748	2,845,978	2,661,913	2,206,804	2,150,269
Total expenses	558,225,728	552,691,216	582,148,439	577,153,411	494,966,474	498,218,961	455,149,937	450,687,366	426,137,778	407,851,312
Program Revenues										
Charges for services:										
Plant Services	-	-	-	306,000	-	-	-	-	-	-
Student transportation services	2,695,925	2,416,667	2,253,385	85,065	34,140	-	-	-	-	-
Food Service Operations	-	-	-	1,878,669	1,729,075	1,497,111	1,325,303	307,215	296,410	277,519
Operating Grants and Contributions	75,995,429	69,275,680	65,751,851	59,941,887	51,726,043	54,267,018	52,981,007	55,840,085	56,731,982	60,871,176
Total program revenues	78,691,354	71,692,347	68,005,236	62,211,621	53,489,258	55,764,129	54,306,310	56,147,300	57,028,392	61,148,695
Net (Expense) / Revenue	(479,534,374)	(480,998,869)	(514,143,203)	(514,941,790)	(441,477,216)	(442,454,832)	(400,843,627)	(394,540,066)	(369,109,386)	(346,702,617)
General Revenues and Other Changes in Net Position (Deficit)										
Taxes										
Ad valorem taxes levied for general purposes	81,352,511	87,037,097	90,883,910	94,729,927	98,319,454	99,111,363	102,379,444	100,246,470	102,213,959	103,638,637
Ad valorem taxes levied for debt service purposes	10,326,013	10,922,490	11,530,901	9,749,726	9,993,778	10,073,599	8,683,304	8,658,568	8,768,622	8,884,318
Ad valorem taxes levied for capital improvements	16,534,849	17,490,047	18,464,673	19,255,954	20,007,125	20,165,199	20,833,893	20,407,360	20,833,904	21,109,139
Sales taxes levied for salaries, benefits and general purposes	74,861,726	78,271,951	74,472,829	71,286,828	75,136,182	79,272,950	73,777,428	72,891,833	78,464,255	79,578,095
Grants and contributions not restricted to specific programs	208,141,369	210,103,396	207,375,203	204,124,872	202,474,554	204,149,398	199,597,052	191,860,725	188,948,941	190,758,070
Interest and investment earnings	222,629	987,938	695,008	659,239	687,030	779,640	1,338,545	404,569	1,353,760	2,752,975
Miscellaneous	7,720,504	7,167,572	7,147,954	7,010,033	4,778,452	8,077,293	9,524,031	7,897,810	5,646,133	13,109,476
Total	399,159,601	411,980,491	410,570,478	406,816,579	411,396,575	421,629,442	416,133,697	402,367,335	406,229,574	419,830,710
Change in Net Assets/Position (Deficit)	\$ (80,374,773)	\$ (69,018,378)	\$ (103,572,725)	\$ (108,125,211)	\$ (30,080,641)	\$ (20,825,390)	\$ 15,290,070	\$ 7,827,269	\$ 37,120,188	\$ 73,128,093

Notes: GASB Statement No. 63 was implemented for the year ended June 30, 2013. The statement changed the term net assets to net position.

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Fund Balances of Governmental Funds
Last Ten Fiscal Years Ended June 30,
(Modified Accrual Basis of Accounting)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General Fund										
Reserved	\$ 1,610,915	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	75,012,763	-	-	-	-	-	-	-	-	-
Nonspendable	-	1,043,458	1,048,771	1,491,789	1,417,875	1,418,595	1,420,513	1,474,185	1,702,136	989,895
Committed	-	35,535,348	24,474,022	21,378,512	21,380,811	21,380,811	21,413,782	21,625,176	21,727,703	19,089,552
Unassigned	-	34,463,139	30,495,621	29,695,614	28,588,365	21,957,451	20,271,059	13,443,077	4,161,401	4,383,090
Total general fund	<u>\$ 76,623,678</u>	<u>\$ 71,041,945</u>	<u>\$ 56,018,414</u>	<u>\$ 52,565,915</u>	<u>\$ 51,387,051</u>	<u>\$ 44,756,857</u>	<u>\$ 43,105,354</u>	<u>\$ 36,542,438</u>	<u>\$ 27,591,240</u>	<u>\$ 24,462,537</u>
All Other Governmental Funds										
Reserved	\$ 37,493,789	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:										
Special revenue funds	5,612,151	-	-	-	-	-	-	-	-	-
Capital projects funds	23,352,262	-	-	-	-	-	-	-	-	-
Nonspendable	-	186,547	18,222,213	19,242,741	19,951,962	20,637,476	21,204,249	21,779,774	22,427,837	23,097,533
Restricted	-	58,923,844	45,451,082	31,816,970	29,131,283	23,549,486	24,854,991	23,285,423	17,581,915	18,114,885
Committed	-	376,803	182,748	210,927	171,261	276,307	156,661	167,407	225,359	69,887
Total all other governmental funds	<u>\$ 66,458,202</u>	<u>\$ 59,487,194</u>	<u>\$ 63,856,043</u>	<u>\$ 51,270,638</u>	<u>\$ 49,254,506</u>	<u>\$ 44,463,269</u>	<u>\$ 46,215,901</u>	<u>\$ 45,232,604</u>	<u>\$ 40,235,111</u>	<u>\$ 41,282,305</u>

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Notes: GASB Statement No. 54 was implemented for the year ended June 30, 2011.

Prior to the implementation of GASB 54, fund balance was reported as reserved and unreserved. Reserved fund balance represented amounts that were not appropriate for expenditures or legally segregated for a specific purpose. Reserves included inventory, encumbrances, permanent fund required to be held in perpetuity, and amounts set aside for specific purposes. GASB 54 has very clear definitions for the classes of fund balance.

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years Ended June 30,
(Modified Accrual Basis of Accounting)

	2009	2010	2012	2013	2014	2015	2016	2017	2018	2019
Revenues										
Ad valorem taxes	\$ 104,841,542	\$ 108,213,373	\$ 120,879,484	\$ 123,735,607	\$ 128,320,357	\$ 129,350,161	\$ 131,896,640	\$ 129,312,398	\$ 131,816,485	\$ 133,632,094
Sales & use taxes	\$ 75,686,649	\$ 74,861,726	\$ 74,472,829	\$ 71,286,828	\$ 75,136,182	\$ 79,272,950	\$ 73,777,428	\$ 72,891,833	\$ 78,464,255	\$ 79,578,095
Investment Earning	\$ 1,269,429	\$ 222,629	\$ 695,008	\$ 655,882	\$ 666,904	\$ 564,080	\$ 1,338,546	\$ 404,568	\$ 1,353,760	\$ 2,752,975
Food services	\$ 2,613,016	\$ 2,695,925	\$ 2,253,385	\$ 1,878,245	\$ 1,727,552	\$ 1,496,232	\$ 1,324,766	\$ 307,153	\$ 294,791	\$ 277,519
Other Revenues	\$ 9,090,505	\$ 7,803,755	\$ 7,167,205	\$ 8,402,102	\$ 4,844,635	\$ 8,283,047	\$ 7,571,524	\$ 6,413,365	\$ 4,276,678	\$ 9,664,081
Total revenues from local sources	\$ 193,501,141	\$ 193,797,408	\$ 205,467,911	\$ 205,958,664	\$ 210,695,630	\$ 218,966,470	\$ 215,908,904	\$ 209,329,317	\$ 216,205,969	\$ 225,904,764
Revenue from state sources:										
Equalization	\$ 220,189,623	\$ 205,784,377	\$ 204,957,804	\$ 201,890,754	\$ 200,497,316	\$ 202,174,928	\$ 197,725,387	\$ 189,944,015	\$ 187,080,918	\$ 188,977,359
Other	\$ 15,012,956	\$ 7,853,319	\$ 3,903,820	\$ 4,113,590	\$ 3,607,819	\$ 4,654,540	\$ 3,539,278	\$ 4,000,189	\$ 3,782,896	\$ 3,403,243
Total revenue from state sources	\$ 235,202,579	\$ 213,637,696	\$ 208,861,624	\$ 206,004,344	\$ 204,105,135	\$ 206,829,468	\$ 201,264,665	\$ 193,944,204	\$ 190,863,814	\$ 192,380,602
Revenue from federal sources	\$ 61,689,953	\$ 70,499,102	\$ 64,265,430	\$ 58,062,415	\$ 50,095,464	\$ 51,586,949	\$ 51,313,397	\$ 53,756,603	\$ 54,817,108	\$ 59,248,643
Total Revenues	\$ 490,393,673	\$ 477,934,206	\$ 478,594,965	\$ 470,025,423	\$ 464,896,229	\$ 477,382,887	\$ 468,486,966	\$ 457,030,124	\$ 461,886,891	\$ 477,534,009
Expenditures:										
Current:										
Instruction services	\$ 257,684,887	\$ 263,696,722	\$ 263,942,178	\$ 253,510,385	\$ 247,023,903	\$ 254,206,800	\$ 247,339,887	\$ 240,539,068	\$ 247,630,321	\$ 247,318,689
Student services	\$ 19,185,793	\$ 20,411,903	\$ 30,536,978	\$ 29,390,407	\$ 28,465,771	\$ 29,692,030	\$ 30,192,785	\$ 29,398,193	\$ 31,976,576	\$ 32,113,887
Instructional staff support	\$ 31,956,498	\$ 28,813,791	\$ 27,324,623	\$ 24,818,276	\$ 21,102,664	\$ 25,265,497	\$ 25,961,928	\$ 26,624,303	\$ 27,692,318	\$ 33,550,946
General administration	\$ 5,489,638	\$ 7,728,034	\$ 6,027,949	\$ 7,035,466	\$ 6,636,267	\$ 7,872,253	\$ 7,435,917	\$ 7,397,676	\$ 7,749,825	\$ 7,797,620
School administration	\$ 25,660,793	\$ 26,485,130	\$ 28,738,116	\$ 28,301,020	\$ 29,226,210	\$ 30,939,741	\$ 29,450,947	\$ 28,958,164	\$ 29,045,282	\$ 28,839,106
Business services	\$ 4,281,169	\$ 4,358,832	\$ 4,697,109	\$ 4,371,563	\$ 4,731,888	\$ 5,090,010	\$ 4,111,259	\$ 4,042,886	\$ 4,097,738	\$ 4,127,377
Plant services	\$ 48,437,911	\$ 52,844,938	\$ 71,780,724	\$ 58,627,378	\$ 45,829,571	\$ 46,866,125	\$ 45,984,767	\$ 46,643,112	\$ 47,368,285	\$ 47,475,509
Student transportation services	\$ 22,585,726	\$ 22,420,502	\$ 23,115,501	\$ 22,283,560	\$ 23,227,577	\$ 23,506,395	\$ 22,699,029	\$ 22,259,477	\$ 22,607,678	\$ 22,462,652
Food service	\$ 6,034,607	\$ 22,783,968	\$ 6,281,541	\$ 22,109,930	\$ 6,788,399	\$ 20,740,628	\$ 18,952,174	\$ 17,649,081	\$ 17,763,906	\$ 16,733,416
Central services	\$ 22,933,201	\$ 11,469,967	\$ 22,700,704	\$ 6,195,089	\$ 21,283,975	\$ 7,396,056	\$ 7,210,296	\$ 7,305,857	\$ 8,023,616	\$ 7,668,247
Community services	\$ 643,556	\$ 649,403	\$ 643,612	\$ 558,781	\$ 631,043	\$ 683,586	\$ 693,658	\$ 690,196	\$ 719,852	\$ 843,620
Capital Outlay	\$ 29,450,888	\$ 28,270,397	\$ 10,668,430	\$ 15,778,701	\$ 20,479,502	\$ 24,239,166	\$ 17,489,781	\$ 21,913,676	\$ 24,031,016	\$ 19,992,687
Debt service:										
Principal	\$ 5,022,790	\$ 6,725,058	\$ 8,576,315	\$ 9,109,731	\$ 9,217,049	\$ 8,955,846	\$ 9,230,149	\$ 8,984,568	\$ 10,281,213	\$ 8,298,219
Bond issue costs	\$ 8,796	\$ 1,900	\$ -	\$ -	\$ -	\$ -	\$ 163,762	\$ -	\$ -	\$ -
Interest	\$ 5,561,932	\$ 5,350,561	\$ 4,922,867	\$ 4,364,529	\$ 4,198,670	\$ 3,425,243	\$ 3,151,302	\$ 2,958,166	\$ 2,690,011	\$ 2,426,799
Total Expenditures	\$ 484,937,385	\$ 502,011,106	\$ 509,956,647	\$ 486,454,816	\$ 468,842,489	\$ 488,879,376	\$ 470,067,641	\$ 465,364,423	\$ 481,676,827	\$ 479,648,774
Excess of revenues over (under) expenditures	\$ 5,456,288	\$ (24,076,900)	\$ (31,361,682)	\$ (16,429,393)	\$ (3,946,260)	\$ (11,496,489)	\$ (1,580,675)	\$ (8,334,299)	\$ (19,789,936)	\$ (2,114,765)
Other Financing Sources (Uses)										
Proceeds from the sale of capital assets	\$ -	\$ -	\$ -	\$ 391,489	\$ 35,662	\$ 10,684	\$ 796,336	\$ 33,120	\$ 51,266	\$ 33,256
Proceeds from borrowing	\$ 17,359,000	\$ -	\$ 20,707,000	\$ 15,280,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Proceeds from refunding	\$ -	\$ 5,365,000	\$ 9,960,000	\$ 1,224,944	\$ 15,810,000	\$ 14,428,290	\$ 8,480,000	\$ -	\$ -	\$ -
Payments to escrow agent	\$ -	\$ (5,367,332)	\$ (9,960,000)	\$ (16,504,944)	\$ (16,336,040)	\$ (16,435,195)	\$ (9,387,389)	\$ -	\$ -	\$ -
Premium on bond issuance	\$ -	\$ -	\$ -	\$ -	\$ 526,040	\$ 2,006,905	\$ 1,071,151	\$ -	\$ -	\$ -
Other financing sources - capital lease agreement	\$ -	\$ -	\$ -	\$ -	\$ 715,602	\$ 703,883	\$ 721,706	\$ 754,966	\$ 789,979	\$ -
Transfers in	\$ 287,750	\$ 18,057	\$ 32,860	\$ 27,178	\$ 25,931	\$ 10,398	\$ 6,057	\$ 16,330	\$ 5,065,319	\$ 340,030
Transfers out	\$ (287,750)	\$ (18,057)	\$ (32,860)	\$ (27,178)	\$ (25,931)	\$ (10,398)	\$ (6,057)	\$ (16,330)	\$ (65,319)	\$ (340,030)
Total other financing sources (uses)	\$ 17,359,000	\$ (2,332)	\$ 20,707,000	\$ 391,489	\$ 751,264	\$ 714,567	\$ 1,681,804	\$ 788,086	\$ 5,841,245	\$ 33,256
Net change in fund balances	\$ 22,815,288	\$ (24,079,232)	\$ (10,654,682)	\$ (16,037,904)	\$ (3,194,996)	\$ (10,781,922)	\$ 101,129	\$ (7,546,213)	\$ (13,948,691)	\$ (2,081,509)
Debt service as a percentage of noncapital expenditures	2.3%	2.5%	2.7%	2.9%	3.0%	2.7%	2.7%	2.7%	2.8%	2.3%

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

Fiscal Year Ended June 30	Real Property		Less:	Total Taxable	Total	Estimated	Assessed
	Residential Property	Commercial Property	Homestead Exempt Property	Assessed Value	Direct Tax Rate	Actual Taxable Value	Value as a Percentage of Actual Value
2010	554,874,570	1,188,009,260	342,555,070	1,400,328,760	78.20	12,526,997,567	13.91%
2011	558,756,760	1,265,504,820	341,146,070	1,483,115,510	78.20	13,002,027,200	14.03%
2012	563,181,690	1,318,574,710	340,067,180	1,541,689,220	78.20	13,319,843,633	14.13%
2013	588,336,400	1,386,600,910	347,726,690	1,627,210,620	75.66	13,983,025,800	14.12%
2014	690,998,311	1,326,073,372	344,674,110	1,672,397,573	75.66	12,975,903,330	15.54%
2015	768,016,123	1,277,604,369	345,228,061	1,700,392,431	75.66	13,914,158,577	14.70%
2016	781,282,278	1,316,526,241	343,400,769	1,754,407,750	74.66	14,326,631,747	14.64%
2017	784,607,385	1,303,348,729	339,924,738	1,748,031,376	73.30	14,824,179,720	14.08%
2018	778,804,495	1,314,790,293	335,245,281	1,758,349,507	73.82	14,791,747,790	14.15%
2019	785,182,628	1,328,890,199	334,155,007	1,779,917,820	73.82	15,024,180,200	14.07%

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Source: Caddo Parish Tax Assessor Agency

Notes:

- (1) Property in the parish is reassessed every four years.
- (2) Assessed values are established by the Assessor each year on a uniform basis at the following ratios of assessed value to actual value:
 - 10% land
 - 10% residential improvements
 - 15% industrial improvements
 - 15% machinery
 - 15% commercial improvements
 - 25% public service properties, excluding land
- (3) Tax rates are per \$1,000 of assessed value.
- (4) Real property calculations were based on information provided by Assessor's office.

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Overlapping Governments
Last Ten Fiscal Years

Fiscal Year Ended June 30	School District Direct Rate			Overlapping Rates		Total Direct and Overlapping Rates
	Operating Millage	Debt Service Millage	Total School Millage	Caddo Parish Commission	City of Shreveport	
2010	70.60	7.60	78.20	35.14	44.54	157.88
2011	70.60	7.60	78.20	35.14	44.54	157.88
2012	70.60	7.60	78.20	35.14	44.54	157.88
2013	69.66	6.00	75.66	35.14	39.70	150.50
2014	69.66	6.00	75.66	35.14	39.70	150.50
2015	69.66	6.00	75.66	35.14	39.70	150.50
2016	69.66	5.00	74.66	34.94	36.65	146.25
2017	68.30	5.00	73.30	34.41	36.29	144.00
2018	68.82	5.00	73.82	34.41	35.81	144.04
2019	68.82	5.00	73.82	34.41	33.65	141.88

Source: Caddo Parish Tax Assessor Agency

Notes:

- (1) School district debt service millage is parish wide.
- (2) The above schedule does not include water districts, fire districts, forestry districts, or levee districts.
- (3) Overlapping rates are those of city and parish governments that apply to property owners within Caddo Parish. Not all overlapping rates apply to all property owners.

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Principal Property Taxpayers
June 30, 2019 and Nine Years Ago

Taxpayer	Fiscal Year 2019			Fiscal Year 2010		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Swepeco/AEP	\$ 114,246,664	1	6.42 %	\$ 61,994,620	1	4.43 %
Chesapeake Operating	30,871,180	2	1.73			
Calumet	25,140,860	3	1.41	12,542,900	7	0.90
Union Pacific Railroad	14,255,610	4	0.80			
Ternium, USA	13,510,130	5	0.76	-		-
BHP Billiton Petro	12,432,600	6	0.70			
Wal-Mart	12,360,430	7	0.69	11,284,970	9	0.81
Kansas City Southern Railway	11,781,760	8	0.66			
Bellsouth Communications	11,593,150	9	0.65			
Center Point Energy Gas Transmission	11,345,430	10	0.64	20,169,270	4	1.44
Gulf Crossing Pipeline			-	26,503,750	2	1.89
Universal Oil Products			-	15,913,100	5	1.14
General Motors				24,439,330	3	1.75
Sam's Town				14,341,200	6	1.02
Regions Bank				11,945,770	8	0.85
Capital One				7,906,550	10	0.56
Totals	<u>\$ 257,537,814</u>		<u>14.47 %</u>	<u>\$ 207,041,460</u>		<u>14.79 %</u>

Source: Caddo Parish Tax Assessor Agency

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year Ended	Total Tax Levy for	Collected within the		Collections In Subsequent Years	Total Collections to Date	
		Fiscal Year of the Levy			Amount	Percentage of
June 30	Fiscal Year	Amount	Percentage of Levy		Amount	Levy
2010	109,505,709	106,036,548	96.83%	191,552	106,228,100	97.01%
2011	115,979,633	113,177,522	97.58%	276,489	113,454,011	97.82%
2012	120,560,097	118,446,666	98.25%	229,346	118,676,012	98.44%
2013	123,114,756	121,758,953	98.90%	355,546	122,114,499	99.19%
2014	126,533,857	125,682,875	99.33%	796,571	126,479,446	99.96%
2015	128,651,945	126,238,537	98.12%	173,957	126,412,493	98.26%
2016	130,984,360	129,349,465	98.75%	126,999	129,476,464	98.85%
2017	128,130,971	125,525,000	97.97%	1,646,467	127,171,467	99.25%
2018	129,801,718	128,287,280	98.83%	1,605,821	129,893,101	100.07%
2019	131,393,898	129,659,699	98.68%	129,570	129,789,269	98.78%

Source: Caddo Parish Sheriff (ex-officio tax collector)

N/A - Information is not yet available.

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year Ended June 30	General Obligation Bonds	Certificates of Indebtedness	QZAB and QSCB	Capital Lease Payable	Total Debt Outstanding	Percentage of Personal Income	Per Capita
2010	111,200,000	2,235,000	18,867,695	-	132,302,695	1.40%	237
2011	106,480,000	1,515,000	17,297,637	-	125,292,637	1.21%	544
2012	102,350,000	770,000	35,133,322	-	138,253,322	1.40%	515
2013	97,100,000	-	32,103,591	-	129,203,591	1.23%	487
2014	95,309,577	-	28,651,928	565,216	124,526,721	1.11%	542
2015	90,364,365	-	25,989,225	985,304	117,338,894	1.06%	511
2016	84,687,418	-	23,496,561	1,246,615	109,430,594	1.05%	495
2017	77,688,566	-	21,667,501	1,468,613	100,824,680	0.85%	474
2018	70,413,940	-	18,929,793	1,600,743	90,944,476	0.83%	444
2019	64,469,440	-	16,847,661	1,039,568	82,356,669	0.70%	415

Notes:

- (1) Details regarding the School Board's outstanding debt can be found in the notes to the financial statements.
- (2) See the Schedule of Demographic and Economic Statistics for personal income and population data.

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years

Fiscal Year Ended June 30	General Obligation Bonds	Less: Amounts Available in Debt Service Funds	Total	Percentage of Estimated Actual Taxable Value of Property	Per Capita
2010	106,480,000	9,677,752	96,802,248	0.79%	382
2011	102,350,000	10,769,006	91,580,994	0.70%	359
2012	97,100,000	12,176,155	84,923,845	0.61%	330
2013	97,100,000	11,953,725	85,146,275	0.66%	331
2014	90,364,365	11,844,751	78,519,614	0.56%	308
2015	84,687,418	12,194,061	72,493,357	0.51%	287
2016	84,687,418	11,164,706	73,522,712	0.50%	292
2017	77,688,566	9,971,469	67,717,097	0.46%	273
2018	70,413,940	8,903,865	61,510,075	0.41%	249
2019	64,469,440	9,619,417	54,850,023	0.37%	226

Notes:

- (1) Details regarding the School Board's outstanding debt can be found in the notes to the financial statements.
- (2) General Obligation Bonds column excludes certificates of indebtedness.
- (3) See the Schedule of Demographic and Economic Statistics for personal income and population data.
- (4) See Schedule of Assessed Value and Estimated Actual Value of Taxable Property for property value data.

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Direct and Overlapping Governmental Activities Debt
As of June 30, 2019

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes			
Caddo Parish Commission	\$ 28,022,000	100.00%	\$ 28,022,000
City of Shreveport	196,908,000	100.00%	196,908,000
Subtotal, overlapping debt			<u>224,930,000</u>
Caddo Parish School Board Direct Debt			<u>82,356,669</u>
Total direct and overlapping debt			<u><u>\$ 307,286,669</u></u>

Source: Audit reports of respective governments.

Notes:

- (1) Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the School Board. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the School Board.
- (2) Various tax districts exist within Caddo Parish that involve a small percentage of parish taxpayers. These districts' debt is not included as the amounts and impact on this schedule is not significant.
- (3) Debt outstanding includes only general bonded debt.
- (4) The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining a portion of another governmental units taxable assessed value that is within the parish' boundaries and dividing it by each unit's total taxable assessed value.

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Legal Debt Margin Information
Last Ten Fiscal Years

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Debt Limit	\$ 610,009,341	\$ 638,491,553	\$ 658,614,740	\$ 691,228,059	\$ 705,975,089	\$ 715,967,172	\$ 734,232,982	\$ 730,784,640	\$ 732,758,176	\$ 739,925,489
Total net debt applicable to limit	\$ 101,522,248	\$ 95,710,994	\$ 90,173,845	\$ 85,146,275	\$ 80,230,249	\$ 78,170,304	\$ 73,522,712	\$ 67,717,097	\$ 61,510,075	\$ 54,850,023
Legal debt margin	\$ 508,487,093	\$ 542,780,559	\$ 568,440,895	\$ 606,081,784	\$ 625,744,840	\$ 637,796,868	\$ 660,710,270	\$ 663,067,543	\$ 671,248,101	\$ 685,075,466
Total net debt applicable to the limit as a percentage of debt limit	16.64%	14.99%	13.69%	12.32%	11.36%	10.92%	10.01%	9.27%	8.39%	7.41%

Legal Debt Margin Calculation for Fiscal Year 2019

Assessed value	\$ 1,779,917,820
Add back: exempt real property	334,155,007
Total assessed value	<u>2,114,072,827</u>
Debt limit (35% of total assessed value)	<u>739,925,489</u>
Debt applicable to limit:	
General Obligation bonds	64,469,440
Less: Amount set aside for repayment of general obligation debt	<u>9,619,417</u>
Total net debt applicable to limit	<u>54,850,023</u>
Legal debt margin	<u>\$ 685,075,466</u>

Source:

Total assessed value is obtained from Caddo Parish Assessor Agency
Debt information is obtained from Table 10.

Notes:

The debt limit is 35% of total assessed value. This percentage is in accordance with Act (1) 103 of 1980 Regular Session of the Louisiana Legislature R.S. 39:562 (C).

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Demographic and Economic Statistics
Last Ten Fiscal Years

Fiscal Year Ended June 30	Population	Personal Income	Per Capita Personal Income	Median Age	School Enrollment	Percentage on Free & Reduced Meals	Unemployment Rate
2010	253,623	9,464,956,737	37,319	35.6	42,000	64.57	6.8
2011	254,969	10,392,536,440	40,760	35.6	41,000	65.00	8.2
2012	257,051	9,859,962,258	38,358	36.1	40,442	64.90	7.2
2013	257,093	10,491,965,330	40,810	36.4	41,728	65.00	6.7
2014	254,887	11,254,025,711	44,153	36.2	40,769	67.79	7.1
2015	252,603	11,091,583,000	43,909	36.4	39,621	67.73	7.2
2016	251,460	10,372,976,460	41,251	35.0	39,530	71.20	7.4
2017	247,597	11,881,437,239	47,987	36.9	39,199	71.20	6.7
2018	246,581	10,988,882,265	44,565	37.1	39,708	70.35	5.8
2019	242,922	11,760,582,786	48,413	38.1	38,598	69.21	5.5

Sources:

- (1) Population data obtained from U. S. Census Bureau and Center for Business Economic Research, Louisiana State University,
- (2) Per capita personal income data obtained from www.stats.indiana.edu.
- (3) Median age data obtained from U. S. Census Bureau and Center for Business Economic Research, Louisiana State University, Shreveport.
- (4) School enrollment at Oct 1 and free and reduced meals data obtained from Louisiana Department of Education.
- (5) Unemployment rate obtained from U. S. Department of Labor Bureau of Labor Statistics.

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Principal Employers
Current Year and 2010

	2019		2010	
	Number of Employees	% of Total Employment	Number of Employees	% of Total Employment
State of Louisiana	12,226	6.82%	14,490	12.02%
Barksdale Air Force Base	11,205	6.25%	9,018	7.48%
Caddo Parish School Board	6,101	3.40%	6,743	5.59%
LSU Health Sciences Center	6,200	3.46%	5,941	4.93%
Willis Knighton Health System	6,145	3.43%	5,061	4.20%
Bossier Parish School Board	2,926	1.63%	-	-
City of Shreveport	2,718	1.52%	2,641	2.19%
Wal-Mart/Sam's Stores	2,000	1.11%	-	-
Harrah's/Horseshoe Casino	1,800	1.00%	-	-
Christus Schumpert Health System	1,600	0.89%	2,018	1.67%
General Motors	-	-	2,093	1.74%
US Support Company			1,618	1.34%
Overton Brooks VA Medical Center			1,533	1.27%
Total	52,921	29.51%	51,156	42.43%

Source: North Louisiana Economic Partnership

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

School Building Information
June 30, 2019

Form of Government: Parish School Board

Geographic Area: 891 Square Miles

Population: 242,922

Public School Membership: Approximately 38,598

<u>Instruction Sites</u>	<u>Constructed</u>	<u>Capacity/Sq. Ft.</u>	<u>Acreage</u>	<u>Enrollment at 10/1/2018</u>
High Schools:				
C.E. Byrd	1926	246,347	20.56	1,955
Caddo Parish Magnet	1964	111,618	26.50	1,025
Captain Shreve	1967	193,488	58.00	1,635
Green Oaks Performing Arts	1971	157,000	52.64	611
Huntington	1973	227,301	43.00	888
North Caddo	1954	96,425	40.00	377
Northwood	1970	147,486	63.20	1,053
Southwood	1970	195,503	60.00	1,577
Booker T. Washington	1950	145,366	33.00	849
Woodlawn	1960	176,858	53.00	845
		1,697,392	449.90	10,815
Middle Schools:				
Broadmoor Middle Lab	1949	88,586	16.00	467
Caddo Parish Middle Magnet	1965	110,432	20.00	1,216
Caddo Middle Career and Technology	1955	66,103	10.00	496
Donnie Bickham	1989	160,457	32.38	816
Herndon Magnet	1956	74,106	80.00	742
Fair Park Middle School	1928	162,741	23.00	747
		662,425	181.38	4,484

(Continued)

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

School Building Information
June 30, 2019

<u>Instruction Sites:</u>	<u>Constructed</u>	<u>Capacity/Sq. Ft.</u>	<u>Acreage</u>	<u>Enrollment at 10/1/2018</u>
Middle Schools (continued):				
Ridgewood	1965	83,415	19.98	703
Youree Drive	1959	97,304	26.25	1,046
		<u>843,144</u>	<u>227.61</u>	<u>6,233</u>
Elementary Schools:				
Arthur Circle	1955	41,225	12.77	405
Atkins Technology	1935	60,096	13.00	320
Blanchard	1948	63,130	10.00	438
Caddo Heights Math/Science	1949	74,609	15.00	392
Cherokee Park	1966	54,142	8.50	319
Claiborne Fundamental Magnet	1923	54,701	5.00	442
Creswell	1920	57,328	4.00	385
Eden Gardens Fundamental Magnet	1967	44,496	6.50	507
Eighty-First Street ECE	1954	52,572	12.60	215
Fairfield Magnet	1924	43,330	9.00	489
Forest Hill	1964	62,506	12.40	561
J S Clark	1958	116,266	30.00	573
Judson Fundamental Magnet	1954	32,284	12.00	377
Keithville	1989	172,850	32.50	1,042
Midway	1931	63,028	15.09	331
Mooretown	1954	54,000	10.00	280
Mooringsport	1911	44,648	4.00	316
North Highlands	1957	54,806	10.00	414
Northside	1955	38,193	12.00	393
Oak Park Microsociety	1961	107,252	20.00	491
Pine Grove	1963	57,309	10.00	352
Queensborough	1924	58,776	5.00	298
		<u>1,407,547</u>	<u>269.36</u>	<u>9,340</u>

(Continued)

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

School Building Information
June 30, 2019

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<u>Instruction Sites:</u>	<u>Constructed</u>	<u>Capacity/Sq. Ft.</u>	<u>Acreage</u>	<u>Enrollment at 10/1/2018</u>
Elementary Schools (continued):				
Riverside	1957	42,058	9.44	435
Shreve Island	1955	58,100	10.45	772
South Highlands Magnet	1922	54,343	5.40	504
Southern Hills	1959	77,674	10.00	820
A.C. Steere	1929	27,896	13.00	447
E.B. Williams Stoner Hill Lab	1954	34,587	14.44	240
Summer Grove	1954	39,535	12.00	555
Summerfield	1967	54,586	15.46	581
Sunset Acres	1954	57,975	10.73	260
Jack P. Timmons	1956	43,985	10.08	277
Turner	1984	162,000	17.00	1,407
University	1969	65,505	15.34	1,058
North Caddo Elementary/Middle	1923	90,651	9.00	731
Walnut Hill	1956	118,355	77.58	1,671
Werner Park	1942	68,977	8.30	332
Westwood	1960	38,881	10.00	334
		<u>2,442,655</u>	<u>517.58</u>	<u>19,764</u>
Other Instruction Sites:				
Academic Recovery Ombudsman	1956	68,140	11.69	83
Alexander Learning Center	1960	57,436	12.00	57
Caddo Central Office	1917	51,572	2.95	141
Caddo Career Center	1956	103,868	18.15	0
Special Education Center (Old Central Elen	1917	51,136	2.50	0
Magnolia School of Excellence	N/A	N/A	N/A	992
Newton Smith	1960	45,881	12.00	0
Pathways in Education - Louisiana, Inc.	N/A	N/A	N/A	302
School Nurse/Book Processing	1975	11,338	3.60	0
Special Education Center	1982	48,120	6.00	0
West Shreveport	1926	98,090	5.00	0
Lakeshore	1949	94,561	18.00	0
AMIkids Caddo	N/A	N/A	N/A	149
Caddo Virtual Academy	N/A	N/A	N/A	62
		<u>630,142</u>	<u>91.89</u>	<u>1,786</u>
Total Overall Instruction Sites		<u><u>5,613,333</u></u>	<u><u>1,286.98</u></u>	<u><u>38,598</u></u>

Concluded

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

School Personnel
Last Ten Fiscal Years Ended June 30

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Teachers										
Less than a Bachelor's degree	45	51	47	44	37	39	37	33	32	32
Bachelor	1911	1896	2009	1675	1686	1631	1599	1497	1438	1286
Master	647	668	716	623	667	649	670	671	663	824
Master +30	239	230	252	191	215	187	184	197	177	186
Specialist in Education	27	27	30	26	23	21	17	18	13	15
Ph.D or Ed.D	11	8	9	8	8	11	11	16	17	25
Total	<u>2880</u>	<u>2880</u>	<u>3063</u>	<u>2567</u>	<u>2636</u>	<u>2538</u>	<u>2518</u>	<u>2432</u>	<u>2340</u>	<u>2368</u>
Principals & Assistants										
Bachelor	0	0	0	0	0	1	2	1	1	0
Master	64	63	63	61	58	63	70	60	62	67
Master +30	81	73	67	66	63	68	67	60	58	46
Specialist in Education	5	5	7	7	8	9	8	6	6	7
Ph.D or Ed.D	8	8	9	6	7	7	6	7	5	5
Total	<u>158</u>	<u>149</u>	<u>146</u>	<u>140</u>	<u>136</u>	<u>148</u>	<u>153</u>	<u>134</u>	<u>132</u>	<u>125</u>

Source: Agreed upon procedures report on performance and statistical data accompanying the annual financial statements.

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Operating Statistics
Last Ten Fiscal Years

Fiscal Year Ended June 30	Expenses	Enrollment	Cost Per Pupil	Percentage Change	Teaching Staff	Pupil/ Teacher Ratio
2010	558,225,728	42,000	13,291	0.01	2,897	14.50
2011	552,691,216	41,000	13,480	0.01	2,880	14.24
2012	582,148,439	40,442	14,395	0.07	2,880	14.04
2013	577,153,411	41,728	13,831	-0.04	3,063	13.62
2014	494,966,474	40,769	12,141	-0.12	2,567	15.88
2015	498,218,961	39,621	12,575	0.04	2,636	15.03
2016	455,149,937	39,530	11,514	-0.08	2,538	15.58
2017	450,687,366	39,199	11,497	0.00	2,432	16.12
2018	426,137,778	39,708	10,732	-0.07	2,340	16.97
2019	407,851,312	38,598	10,567	-0.02	2,368	16.30

Notes:

- (1) This information is presented is extracted from agreed upon procedures report on performance and statistical d
- (2) Expenses are on full accrual and is extracted from Table 2, Changes in Net Assets.
- (3) Enrollment is extracted from Table 13, Demographic and Economic Statistics.
- (4) Teaching staff is extracted from Table 16, School Personnel.

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Schedule of Insurance in Force
6/30/2019

Type of Coverage/ Name of Company	Policy Number	Policy Period From To	Details of Coverage	Retention	Premium
Commercial Property Coverage CNA (Continental Casualty)	RMP 5084732785	7/1/2019 7/1/2020	\$200,000,000 limit (125% of amounts declared for real and personal property) Business interruption (extra expense only) \$2,500,000 limit Accounts receivable \$5,000,000 limit Debris removal \$1,000,000 limit Earth movement - annual aggregate \$25,000,000 Electronic data processing -\$5,000,000 Flood Annual aggregate \$25,000,000 limit Locations situated in 100 year floodplains excluded	\$ 1,000,000	\$ 395,757 \$ 10,363 *
Casualty Package Berkley Insurance Co.	PEM000000207	7/1/2019 7/1/2020	\$2,000,000 per occurrence/\$4,000,000 aggregate -General Liability \$2,000,000 per accident - Automobile (excludes comprehensive, collision and UM) Sexual abuse - \$1,000,000 per claim/\$1,000,000 aggregate Claims Expense included within Retained Limit - In addition to Limits of Insurance	\$ 1,000,000 \$ 1,000,000 \$ 1,000,000 \$ 750,000	\$ 210,400
Terrorism Property Insurance Beazley	W238C2190201	7/1/2019 7/1/2020	Terrorism package \$15,000,000 per occurrence/\$15,000,000 aggregate	\$ 5,000	\$ 12,215
Crime Travelers Casualty & Surety	105813056	7/1/2018 7/1/2021	\$1,000,000 employee theft per loss \$1,000,000 limit for Board President, Superintendent & CFO \$ 100,000 Social Engineering Fraud	\$ 10,000 \$ 10,000 \$ 10,000	\$ 14,312
Boiler and Machinery Travelers Property & Casualty Co.	BME1-6053C501	7/1/2019 7/1/2020	Equipment Breakdown \$250,000,000 total limit per breakdown	\$ 25,000	\$ 26,100
Exterminator License Bond Travelers Casualty & Surety	100952946	5/3/2019 5/3/2020	\$2,000 limit	n/a	\$ 100
Disaster Management Response Lloyds of London	B1262PC0491519	7/1/2019 7/1/2020	Disaster Management Support \$1,000,000 per occurrence/\$2,000,000 aggregate	n/a	\$ 12,650
Excess Workers' Compensation Star Insurance Compan	WCE-0935229-19	7/1/2019 7/1/2020	Excess Workers' Compensation - Occurrence Limit & Policy Limit - Statutory Employers Liability - \$1M per occurrence, \$1M policy limit - Cash Flow Protection Retention of \$275K per year/occurrence	\$ 275,000	\$ 57,373
Student Accident (Voluntary) Markel Insurance Company	N/A	8/5/2019 8/5/2020	Voluntary student accident coverage		\$ -
Wright Flood Insurance for the following schools: Broadmoor Middle School Youree Middle School Southern Hills Elementary	Various	8/2/2019 8/2/2020	Various Limits	Various	\$ 7,252 \$ 20,154 \$ 16,125
Cyber Liability Chubb Custom Insurance Company	D94963199	10/1/2019 10/1/2020	\$1,000,000 Limit of Insurance Each Incident/Aggregate	\$50,000	\$ 13,990

* Surcharge

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Single Audit Report
and
Agreed-Upon Procedures Report

As of and for the Year ended June 30, 2019



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CPAs and Advisors

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CADDO PARISH SCHOOL BOARD

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**Independent Auditors' Report on Internal Control Over
Financial Reporting and on Compliance and Other Matters
Based on an Audit of Financial Statements Performed
In Accordance With *Government Auditing Standards***

Board Members
Caddo Parish School Board
Shreveport, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the Caddo Parish School Board (the School Board), as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the School Board's basic financial statements and have issued our report thereon dated December 19, 2019. Our report includes a reference to other auditors who audited the financial statements of Pathways in Education, Inc., a discretely presented component unit of Caddo Parish School Board. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on by those auditors.

Internal Control over Financial Reporting

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying Schedule of Findings and Questioned Costs, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiency described in the accompanying Schedule of Findings and Questioned Costs as item 2019-001 to be a material weakness.

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiency described in the accompanying Schedule of Findings and Questioned Costs as item 2019-002 that we consider to be significant deficiencies.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the School Board's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance; however, there were other matters required to be reported under *Government Auditing Standards*, described in the accompanying Schedule of Findings and Questioned Costs as items 2019-003.

We noted certain matters that we reported to management of the School Board, in a separate letter dated December 19, 2019.

The School Board's Response to Findings

The School Board's response to the findings identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs. The School Board's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this report is not suitable for any other purpose. Although the intended use of these reports may be limited, under Louisiana Revised Statute 24:513, this report is distributed by the Office of the Louisiana Legislative Auditor as a public document.

Carr, Riggs & Ingram, L.L.C.

CARR, RIGGS & INGRAM, LLC

Shreveport, Louisiana
December 19, 2019



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**Independent Auditors' Report on Compliance for
Each Major Program and on Internal
Control over Compliance Required by the *Uniform Guidance***

Board Members
Caddo Parish School Board
Shreveport, Louisiana

Report on Compliance for Each Major Federal Program

We have audited the Caddo Parish School Board's (the School Board) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the School Board's major federal programs for the year ended June 30, 2019. The School Board's major federal programs are identified in the summary of auditors' results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

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

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the School Board's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance 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 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 on compliance for each major federal program. However, our audit does not provide a legal determination of the School Board's compliance.

Opinion on Each Major Federal Program

In our opinion, the School Board, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2019.

Report on Internal Control Over Compliance

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

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

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

We noted certain matters that we reported to management of the School Board, in a separate letter dated December 19, 2019.

Report on the Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the School Board as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the School Board's basic financial statements. We issued our report thereon dated December 19, 2019, which contained unmodified opinions on those financial statements. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the School Board's basic financial statements. The accompanying schedule of expenditures of federal awards is presented for the purposes of additional analysis as required by the Uniform Guidance, and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Purpose of this Report

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose. Although the intended use of these reports may be limited, under Louisiana Revised Statute 24:513, this report is distributed by the Office of the Louisiana Legislative Auditor as a public document.

Carr, Riggs & Ingram, L.L.C.

CARR, RIGGS & INGRAM, LLC

Shreveport, Louisiana
December 19, 2019

Caddo Parish School Board
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2019

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-Through Entity's Number	Federal Expenditures	Amounts Passed Through to Subrecipients
United States Department of Agriculture				
Child Nutrition Cluster				
Cash Assistance				
Passed through Ender York, Inc. of Herndon, Virginia:				
Food Distribution (Cash in lieu of commodities)	10.555	N/A	\$1,134,536	
Passed through Louisiana Department of Education:				
School Breakfast Program	10.553	N/A	3,330,042	
National School Lunch Program	10.555	N/A	10,849,844	
Summer Food Service Program for Children	10.559	N/A	121,626	
Total Child Nutrition Cluster			15,436,048	-
Passed through Louisiana Department of Education:				
Fresh Fruit and Vegetable Program	10.582	N/A	195,707	-
Total United States Department of Agriculture			<u>15,631,755</u>	<u>-</u>
United States Department of Education				
Passed through Louisiana Department of Education:				
Title I Grants to Local Educational Agencies	84.010	28-17-BD01-09	26,219	
Title I Grants to Local Educational Agencies	84.010	28-19-DSS-09	327,766	
Title I Grants to Local Educational Agencies	84.010	28-20-DSS-09	47,345	
Title I Grants to Local Educational Agencies	84.010	28-19-T1-09	20,998,781	
Title I Grants to Local Educational Agencies	84.010	28-20-T1-09	36,118	
Title I Grants to Local Educational Agencies	84.010	28-18-RD18-09	1,488,092	
Total Title I Grants to Local Educational Agencies			22,924,321	92,324
Special Education Cluster (IDEA)				
Grants to States (IDEA Part B)	84.027	28-19-JP-09	60,000	
Grants to States (IDEA Part B)	84.027	28-18-BPT6-09	(526)	
Grants to States (IDEA Part B)	84.027	28-19-BPT6-09	22,488	
Grants to States (IDEA Part B)	84.027	28-19-B1-09	8,648,723	
Grants to States (IDEA Part B)	84.027	28-18-CY-09	5,192	
Preschool Grants (IDEA Preschool)	84.173	28-20-B1-09	21,528	
Preschool Grants (IDEA Preschool)	84.173	28-19-P1-09	250,918	
Total Special Education Cluster (IDEA)			9,008,323	-
Career and Technical Education - Basic Grants to States	84.048	28-17-02-09	32,193	
Career and Technical Education - Basic Grants to States	84.048	28-16-02-09	(2,148)	
Career and Technical Education - Basic Grants to States	84.048	28-18-02-09	516,788	
			546,833	-
Supporting Effective Instruction State Grants	84.367	28-19-50-09	2,866,611	
Supporting Effective Instruction State Grants	84.367	28-20-50-09	86,944	
			2,953,555	-
Education for Homeless Children & Youth	84.196	28-18-H1-09	244,490	-

(Continued)

Caddo Parish School Board
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2019

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-Through Entity's Number	Federal Expenditures	Amounts Passed Through to Subrecipients
English Language Acquisition State Grants	84.365	28-19-S3-09	113,830	\$ -
English Language Acquisition State Grants	84.365	28-19-60-09	<u>7,626</u>	121,456
Title IV:				
School Safety National Activities	84.184	S184G140197-17	76,827	
School Safety National Activities	84.184	S184G140197-18	<u>468,972</u>	
			545,799	-
Disaster Recovery Assistance for Education	84.938	Unknown	86,959	-
School Improvement Grants	84.377	28-17-BE-09	2,521,167	
Comprehensive Literacy Development	84.371	28-18-SR06-09	37,426	
Comprehensive Literacy Development	84.371	28-18-SR02-09	104,298	
Comprehensive Literacy Development	84.371	28-18-SR05-09	139,018	
Comprehensive Literacy Development	84.371	28-18-SR01-09	99,856	
Comprehensive Literacy Development	84.371	28-18-SR03-09	115,838	
Comprehensive Literacy Development	84.371	28-19-SR06-09	41,942	
Comprehensive Literacy Development	84.371	28-19-SR01-09	424,806	-
			963,184	
R&D Cluster				
Preschool Development Grants	84.419	28-17-RM-09	15,854	
Preschool Development Grants	84.419	28-18-RM-09	102,948	
Preschool Development Grants	84.419	28-17-RL-09	6,067	
Preschool Development Grants	84.419	28-18-RL-A4	<u>32,368</u>	
Total R&D Cluster			157,237	-
Student Support and Academic Enrichment Program	84.424	28-20-71-09	47,112	
Student Support and Academic Enrichment Program	84.424	28-19-71-09	<u>1,391,708</u>	
			1,438,820	
Total United States Department of Education			<u>41,512,144</u>	<u>92,324</u>
United States Department of Health and Human Services				
Direct Program:				
Block Grants for Prevention and Treatment of Substance Abuse	93.959	20000291426	16,811	
Block Grants for Prevention and Treatment of Substance Abuse	93.959	20000291424	<u>64,778</u>	
			81,589	-
Passed through Louisiana Department of Education:				
CCDF Cluster				
Child Care and Development Block Grant	93.575	28-19-CO-09	<u>96,333</u>	-
Total CCDF Cluster			96,333	
Temporary Assistance for Needy Families (TANF) Cluster				
TANF - LA Pre-K Program	93.558	28-18-36-09	816,276	
JAG LA	93.558	28-19-JS-09	<u>139,478</u>	
Total TANF Cluster			955,754	-
Total United States Department of Health and Human Services			<u>1,133,676</u>	-
United States Department of Defense				
Direct Programs:				
Department of the Army: ROTC	12.U01	N/A	968,965	-
Flood Control Projects	12.106	N/A	<u>2,103</u>	-
Total United States Department of Defense			<u>971,068</u>	-
TOTAL FEDERAL AWARDS			<u>\$59,248,643</u>	<u>\$ 92,324</u>

(Concluded)

**Caddo Parish School Board
Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2019**

Note 1 – Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) presents the activity of all federal awards activity of the Caddo Parish School Board, Shreveport, Louisiana (the School Board), under programs of the federal government for the year ended June 30, 2019. The information in the Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the School Board, it is not intended to and does not present the financial position, changes in net position, or cash flows of the School Board.

Note 2 – Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance wherein certain types of expenditures are not allowable or are limited as to reimbursement.

The Caddo Parish School Board has elected not to use the 10 percent *de minimis* indirect cost rate as allowed under the Uniform Guidance.

Note 3 – Relationship to Financial Statements

Federal awards revenues are reported in the School Board’s fund financial statements as follows:

<u>Funds</u>	<u>Federal Sources</u>
General	\$ 1,042,692
Other Governmental:	
Special Education	9,008,324
Title II	2,953,555
Title III	121,457
Safe and Drug-Free	545,799
TANF/JAG	955,754
School Improvement	1,438,820
Vocational Education	546,833
Title I	22,924,321
Homeless	259,824
Child Nutrition Fund	15,631,754
Behavioral Health	81,589
Misc. State/Federal Grants	1,216,754
Total	\$ <u>59,248,643</u>

Note 4 – Relationship to Federal Financial Reports

Amounts reported in the accompanying schedule agree with the amounts reported in the federal financial reports except for changes made to reflect amounts in accordance with accounting principles generally accepted in the United States of America.

Caddo Parish School Board
Notes to the Schedule of Expenditures of Federal Awards (continued)
For the Year Ended June 30, 2019

Note 5 – Matching Revenues

For those funds that have matching revenue and state funding, federal expenditures were determined by deducting matching revenues from total expenditures.

Note 6 – Noncash Programs

No noncash awards were received for the year ended June 30, 2019. The School Board received cash in lieu of commodities.

Note 7 – Loans and Loan Guarantees

The School Board did not expend federal awards related to loans or loan guarantees during the year.

Note 8 – Federally Funded Insurance

The School Board has no federally funded insurance.

**Caddo Parish School Board
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2019**

Section I - Summary of Auditors' Results

A. Financial Statement Audit

Type of auditors' report issued on the basic financial statements: **Unmodified**

Internal control over financial reporting:

- Material weaknesses identified? **Yes**
- Significant deficiencies identified that are not considered to be material weaknesses? **Yes**

Noncompliance material to the basic financial statements noted? **No**

A separate management letter was issued on December 19, 2019.

B. Audit of Federal Awards

Type of auditors' report issued on compliance for major programs: **Unmodified**

Internal control over major programs:

- Material weaknesses identified? **No**
- Significant deficiencies identified that are not considered to be material weaknesses? **No**

Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance?
No

Any instances of material noncompliance in major programs disclosed during the audit? **No**

Identification of major programs:

<u>CFDA numbers</u>	<u>Name of federal program or cluster</u>
10.553, 10.555, 10.559	Child Nutrition Cluster

The dollar threshold used to identify Type A programs: **\$1,777,459**

Auditee qualified as a low-risk auditee under the Uniform Guidance: **Yes**

**Caddo Parish School Board
Schedule of Findings and Questioned Costs (continued)
For the Year Ended June 30, 2019**

Section II – Financial Statement Findings Reported in Accordance with *Governmental Auditing Standards*

Reference # and title: 2019-001 Controls Over Payroll

Year of Origination – June 30, 2019

Entity-Wide or Program/Department Specific: This finding is entity-wide.

Criteria or Specific Requirement: Good controls over payroll require appropriate checks and balances; therefore, more than one individual should be involved in the payroll and payroll tax disbursement functions. Management is to implement controls to ensure that payroll is processed properly and accurately.

Condition: In performing testwork of accounts receivable, we noted a significant receivable at June 30, 2019, due from the Internal Revenue Service (IRS). Upon further investigation, we noted that there was an error in filing a payroll tax payment in February 2019 in which the payroll manager mistakenly submitted the wrong amount. The original payment transferred in February 2019 to the IRS was an overpayment of \$6,188,426. The error was discovered when correspondence was received from the IRS related to the payment in which the payroll manager filed an amended return. The IRS has refunded the majority of the overpayment; however, there is still \$1.4M owed by the IRS as of the date of this report.

Effect: A material error occurred in February 2019 and over \$6 million dollars in cash was sent to the IRS. The IRS repaid \$4,779,847 in June 2019, but has still not refunded \$1,408,579. During these months, these funds could have been used in operations and earned a significant amount of interest over the time period.

Cause: Controls over payroll tax payments were not effective. Management does not have controls in place regarding the payroll tax payments that would prevent material errors in the wire transfer.

Recommendation: We recommend that the School Board strengthen policies and procedures related to payroll and payroll tax disbursements. Controls should be implemented to prevent and/or timely detect material errors. There should be someone reviewing the payroll manager's calculation of payroll taxes prior to submission and a hierarchy of approval or dollar limits for wires/ACH payments restricted at the bank level.

Views of responsible officials and corrective action plan: New controls have been implemented by the School Board to prevent future payroll tax disbursement errors. All payroll related tax payments made by the Payroll Manager are verified and approved prior to submission by the Controller.

Anticipated completion date: New procedures are already in place.

Person responsible for corrective actions:

Jeff Howard, Chief Financial Officer
Caddo Parish School Board
1961 Midway Avenue
Shreveport, LA 71108
Telephone: 318-603-6355
Fax: 318-603-6512

Caddo Parish School Board
Schedule of Findings and Questioned Costs (continued)
For the Year Ended June 30, 2019

Reference # and title: 2019-002 Fraud Incident – Misappropriation of Assets

Year of Origination – June 30, 2019

Entity-Wide or Program/Department Specific: This finding is entity-wide.

Criteria or Specific Requirement: Management of the School Board and the School is responsible for establishing and maintaining effective internal controls.

Condition: In July 2018, an electronic bank transfer of approximately \$988K was made with the intent that it would be deposited in an account for Magnolia Charter School. The information provided via email for the transfer was fraudulent and the charter school did not receive the funds. The Caddo Parish Sheriff along with the FBI investigated the theft. The authorities were able to locate a large portion of the money. A total of \$832,864 was recovered which includes \$100,000 received from the insurance claim.

Effect: The School Board experienced a weakness in internal control, which resulted in a misappropriation of assets.

Cause: The School Board did not have adequate internal controls in place to prevent or deter the fraud incident.

Recommendation: The School Board should implement stricter procedures to prohibit wire transfer changes via email instructions and train employees how to identify fraudulent email activity or phishing schemes.

Views of responsible officials and corrective action plan: Procedures have been implemented to prevent email scams or phishing schemes from occurring. These procedures include placing a phone call to businesses notifying the School Board of a bank account change.

Anticipated completion date: New procedures are already in place.

Person responsible for corrective actions:

Jeff Howard, Chief Financial Officer
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1961 Midway Avenue
Shreveport, LA 71108
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Fax: 318-603-6512

Reference # and title: 2019-003 Policies and Procedures over Cash Receipts

Year of Origination – June 30, 2019

Entity-Wide or Program/Department Specific: This finding is entity-wide.

Criteria or Specific Requirement: Policies and procedures should be documented and in place to control the cash receipts process.

Condition: It was noted that the School Board does not have any written policies or procedures that govern how funds should be received by the central office personnel.

Effect: The lack of written policies and procedures increases the likelihood that errors, omissions, mismanagement or fraud could occur.

**Caddo Parish School Board
Schedule of Findings and Questioned Costs (continued)
For the Year Ended June 30, 2019**

Cause: Unknown.

Recommendation: The School Board should implement appropriate policies and procedures over cash receipts process. We recommend that the School Board implement the recommendations that were made by the internal audit department.

Views of responsible officials and corrective action plan: Management will implement appropriate policies and procedures over the cash receipts process as noted in the internal audit. We would like to move receipts for as many functions as possible to online only. We have already converted to this method for records requests, fingerprinting, United Way and several other functions.

Anticipated completion date: April 2020

Person responsible for corrective actions:

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Fax: 318-603-6512

Section III – Federal Award Findings and Responses

None

Other Information

**Caddo Parish School Board
Summary Schedule of Prior Year Audit Findings and
Management Letter Comments
For the Year Ended June 30, 2018**

SECTION I – FINDINGS RELATED TO THE FINANCIAL STATEMENTS

Reference # and title: 2018-001 Controls Over Purchasing and Procurement Cards

Year of Origination – June 30, 2016

Condition: There were several procurement card purchases made by various employees during the year that were not supported with proper documentation or the documentation was not provided timely. We also noted that there were many employees with procurement cards and one employee had several cards.

Corrective action taken: Controls have been implemented to improve these procedures:

- Supervisors and Directors are required to review and initial all procurement card statements for employees under their control.
- Purchasing Director is now reviewing procurement card purchases online and looking for anything that appears to be an irregular purchase. These are reported to the cardholder's Director and the Chief Financial Officer. An explanation as to the need for the item is requested. Any pattern of misuse will result in revocation of the card.
- Blanket Purchase Orders are reviewed more closely by the Purchasing Director for need and amount. A report is now being generated on a regular basis, listing all outstanding blanket purchase orders.
- Certain cards have been eliminated.

Reference # and title: 2018-002 Fraud Incident – Misappropriation of Assets

Year of Origination – June 30, 2018

Condition: During the performance of an internal audit of University Elementary School completed in February 2018, it was discovered that the bookkeeper had misappropriated \$26,753.23. This misappropriation occurred from 2016 through 2017. The bookkeeper was terminated and the matter was turned over to the Shreveport Police Department. Tracy Wood was ultimately arrested and her court case is still pending. The Legislative Auditor was notified in December 2018.

As a result of this theft, the principal was given further training on controls required to be in place at the school level to prevent the theft of public funds.

Corrective action taken: The School Board recommended that the School implement additional controls to avoid this in the future along with closer oversight by the School Board.

Reference # and title: 2018-003 Late Submission of Audit Report to Legislative Auditor

Year of Origination – June 30, 2018

Condition: The School Board's audit report for the fiscal year ending June 30, 2018, was not completed within the six month deadline as per R.S. 24:513 A (5)(a)(i). The School Board requested an extension from the Legislative Auditor which was granted.

Corrective action taken: The audit report was filed on time for the fiscal year ended June 30, 2019.

SECTION II – FINDINGS RELATED TO MAJOR FEDERAL AWARD PROGRAMS

No prior year findings

SECTION III – MANAGEMENT LETTER

MLC 2018-001 Budgets

Unresolved (See MLC 2019-001)

MLC 2018-002 Donation of School Improvement Project

Resolved

MLC 2018-003 Payroll Errors resulting in Overpayments

Unresolved (See MLC 2019-002)

MLC 2018-004 Pension Contribution Errors

Unresolved (See MLC 2019-003)



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Management Letter

Board Members
Caddo Parish School Board
Shreveport, Louisiana

We have audited the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Caddo Parish School Board (the School Board) for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the School Board's basic financial statements, and have issued our report thereon dated December 19, 2019. Our report includes a reference to other auditors who audited the financial statements of the discretely presented component units, as described in our report on the School Board's financial statements. The report does not include the results of the other auditors' testing of internal control over financial reporting and compliance and other matters that are reported on separately by those auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and the provisions of the Uniform Guidance.

As a part of our examination, we have issued our report on the financial statements, dated December 19, 2019, and our reports on internal control and compliance with laws, regulations, contracts, and grants, and on compliance for each major program and internal control over compliance required the Uniform Guidance dated December 19, 2019.

During the course of our examination, we became aware of the following matters which represent immaterial deviations of compliance or suggestions for improved internal controls.

MLC 2019-001 Budgets

Year of Origination – June 30, 2014

Observation:

During review over budget compliance, we noted that budgeted revenues for the special revenue fund EEF "Tobacco" exceeded the actual amount causing an unfavorable variance of more than 5%. An amended budget was not presented for approval and therefore the School Board was not in compliance with the state Budget Law.

Also, we noted that the General Fund beginning fund balance and other special revenue funds' beginning fund balances for budgeting were not amended to equal the actual ending fund balances from the previous year.

We noted that the School Board has a budget policy related to a minimum unassigned fund balance. It states that the minimum fund balance for the General Fund should not drop below 10% of the General Fund's total annual expenditures. The use of General Fund balance below the established minimum limit of 10% shall only be for unanticipated or unforeseen events of a non-recurring nature, as may be approved by the School Board. The June 30, 2019, unassigned general fund's fund balance was only .45% of the general fund annual expenditures. The School Board is not in compliance with the policy.

Recommendation:

We recommend that the School Board implement procedures to ensure that special revenue fund budgets are amended according to the state budget law.

We recommend that the Finance Committee review monthly budget-to-actual financial statements for all funds and present any significant variances to the Board. The Finance Committee and the Board need to be kept abreast of all significant budget variances during the year. These variances should be explained by the CFO or appropriate department head and documented in the board/committee meeting minutes.

The General Fund beginning fund balance for budgeting should be amended to equal the ending unassigned fund balance from the previous year.

Management should develop a strategic plan to increase the General Fund's unassigned fund balance to comply with its policy.

Views of responsible officials and corrective actions:

Management has already implemented a process of reviewing financial statements with the Board at its quarterly Finance Committee meetings. A process will be implemented to review all special revenue funds for variances to assure budgets are amended as required.

Anticipated completion date:

January 2020

MLC 2019-002 Payroll Errors resulting in Overpayments

Year of Origination – June 30, 2018

Observation:

When performing testwork in prior year, we noted that there were situations where employees were erroneously overpaid. We noted that as of June 30, 2019, some of them still owe the School Board. In addition, we noted that there were more errors made. One of the errors made in the current year resulted in overpayments of approximately \$19K to one individual,

We obtained a list of people that owed the School Board for payroll overpayments. The original amounts overpaid totaled approximately \$114K. The amount paid back to the School Board was approximately \$74K (\$23K repaid in prior years and \$51K repaid in the current fiscal year) leaving a balance of approximately \$40K due as of June 30, 2019.

Having payment plans for these individuals have the appearance of a loan, which is a violation of the Louisiana Constitutions Article VII Section 14.

Recommendation:

We recommend that the School Board continue to pursue repayment from the individuals owing money. In addition, the controls over salary payments should be strengthened to ensure proper payment and timely removal from the payroll system of employees who are no longer employed.

Suggested payment plans should be made in lump sum or at least no more than two payments to avoid the appearance of a loan which is a violation.

Views of responsible officials and corrective actions:

A committee has been formed to develop exception reports to be reviewed monthly in order to detect errors more timely. This committee is made up of representatives from HR, IT and Auditing. Finance will also be working closely with the committee on this project. Also, the School Board will be implementing procedures to ensure that all manual salary calculations performed by HR are reviewed by Finance.

Anticipated completion date:

The committee is currently working on this process and completion is expected in spring 2020.

MLC 2019-003 Pension Contribution Errors

Year of Origination – June 30, 2018

Observation:

When performing testwork, we noted that there were additional payments made to TRSL in 2017 and 2018. These payments were significant and according to the documentation, they were for corrections in contribution payments for the years 2007 to 2013. The errors were discovered from the contributions exceptions report and TRSL notifying Human Resources of the errors.

TRSL notified the School Board in December 2019 that \$851,879 was owed for corrected members' full-time earnings for 2007 through 2015. Management is uncertain as to whether this amount is correct and intends to fully audit and analyze the backup information sent by TRSL to support the calculations.

Recommendation:

We recommend that the School Board investigate why these errors occurred and put controls in place to avoid future errors. We also recommend that management closely audit the TRSL charges to ensure that they are being appropriately charged.

Views of responsible officials and corrective actions:

Management will work with Human Resources to ensure controls are in place to avoid future errors. The department has exception reports in place that will help detect when files need to be reviewed for potential errors.

Anticipated completion date:

These reports are currently in place and being reviewed.

This report is intended solely for the information and use of the Members of the School Board, management, others within the School Board, the Louisiana Legislative Auditor, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Although the intended use of these reports may be limited, under Louisiana Revised Statute 24:513, this report is distributed by the Office of the Louisiana Legislative Auditor as a public document.

Carr, Riggs & Ingram, L.L.C.

CARR, RIGGS & INGRAM, LLC

Shreveport, Louisiana
December 19, 2019



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Independent Accountant's Report On Applying Agreed-Upon Procedures

Board Members
Caddo Parish School Board
Shreveport, Louisiana

We have performed the procedures included in the Louisiana Governmental Audit Guide and enumerated below, which were agreed to by the management of Caddo 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 the 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. Management of the School Board is responsible for its performance and statistical data. This agreed-upon procedures engagement was performed in accordance with attestation 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 this 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 sample of 25 transactions, reviewed supporting documentation, and observed that the sampled expenditures/revenues are classified correctly and are reported in the proper amounts among 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.

Comment: No exceptions were found as a result of applying the agreed-upon procedure.

Class Size Characteristics (Schedule 2)

2. We obtained a list of classes by school, school type, and class size as reported on the schedule. We then traced a sample of 10 classes to the October 1 roll books for those classes and observed that the class was properly classified on the schedule.

Comment: No exceptions were found as a result of applying the agreed-upon procedure.

Education Levels/Experience of Public School Staff (NO SCHEDULE)

3. We obtained October 1st PEP data submitted to the Department of Education (or equivalent listing prepared by management), including full-time teachers, principals, and assistant principals by classification, as well as their level of education and experience, and obtained management's representation that the data/listing was complete. We then selected a sample of 25 individuals, traced to each individual's personnel file, and observed that each individual's education level and experience was properly classified on the PEP data or equivalent listing prepared by management.

Comment: There were four instances where an individual's education level per PEP did not agree to education level in the personnel file.

There were four instances where an individual's experience level per PEP did not agree to the experience level in the personnel file.

There were three instances where the support for an individual's experience level could not be located.

Public School Staff Data: Average Salaries (NO SCHEDULE)

4. We obtained June 30th PEP data submitted to the Department of Education (or equivalent listing provided by management) of all classroom teachers, including base salary, extra compensation, and ROTC or rehired retiree status, as well as full-time equivalents, and obtained management's representation that the data/listing was complete. We then selected a sample of 25 individuals, traced to each individual's personnel file, and observed that each individual's salary, extra compensation, and full-time equivalents were properly included on the PEP data (or equivalent listing prepared by management).

Comment: There were three instances where an individual's salary per PEP did not agree to the salary in the personnel file.

There were three instances where an individual's extra compensation per PEP did not agree to the extra compensation in the personnel file.

We were not engaged to perform, and did not perform, an audit, 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 Caddo 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 Legislative Auditor as a public document.

Carr, Riggs & Ingram, L.L.C.

CARR, RIGGS & INGRAM, LLC

Shreveport, Louisiana
December 19, 2019

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Schedule 1

**General Fund Instructional and Support Expenditures
and Certain Local Revenue Sources
For the Year Ended June 30, 2019**

<u>General Fund Instructional and Equipment Expenditures</u>	<u>Column A</u>	<u>Column B</u>
General Fund Instructional Expenditures:		
Teacher and Student Interaction Activities:		
Classroom Teacher Salaries	\$ 120,699,519	
Other Instructional Staff Activities	18,518,608	
Employee Benefits	85,964,792	
Purchased Professional and Technical Services	2,435,734	
Instructional Materials and Supplies	4,962,565	
Instructional Equipment	<u>239,917</u>	
Total Teacher and Student Interaction Activities		\$ 232,821,135
Other Instructional Activities		1,455,771
Pupil Support Activities	27,805,829	
Less: Equipment for Pupil Support Activities	<u>-</u>	
Net Pupil Support Activities		27,805,829
Instructional Staff Services	19,979,652	
Less: Equipment for Instructional Staff Services	<u>126,585</u>	
Net Instructional Staff Services		19,853,067
School Administration	30,158,876	
Less: Equipment for School Administration	<u>-</u>	
Net School Administration		<u>30,158,876</u>
Total General Fund Instructional Expenditures		<u>\$ 312,094,678</u>
Total General Fund Equipment Expenditures		<u>\$ 547,541</u>
 <u>Certain Local Revenue Sources</u>		
Local Taxation Revenue:		
Constitutional Ad Valorem Taxes		\$ 13,681,849
Renewable Ad Valorem Tax		87,492,761
Debt Service Ad Valorem Tax		-
Up to 1% of Collections by the Sheriff on Taxes Other than School Taxes		2,464,027
Sales and Use Taxes		<u>79,578,095</u>
Total Local Taxation Revenue		<u>\$ 183,216,732</u>
Local Earnings on Investment in Real Property:		
Earnings from 16th Section Property		\$ -
Earnings from Other Real Property		<u>305,440</u>
Total Local Earnings on Investment in Real Property		<u>\$ 305,440</u>
State Revenue in Lieu of Taxes:		
Revenue Sharing - Constitutional Tax		\$ 324,609
Revenue Sharing - Other Taxes		1,456,102
Revenue Sharing - Excess Portion		-
Other Revenue in Lieu of Taxes		<u>-</u>
Total State Revenue in Lieu of Taxes		<u>\$ 1,780,711</u>
Nonpublic Textbook Revenue		<u>\$ 82,145</u>
Nonpublic Transportation Revenue		<u>\$ -</u>

**CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana**

Schedule 2

**Class Size Characteristics
As of October 1, 2018**

School Type	Class Size Range							
	1-20		21 - 26		27 - 33		34+	
	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Elementary	46%	2,159	43%	2,024	11%	514	0%	20
Elementary Activity Classes	37%	430	48%	560	14%	158	1%	14
Middle/Jr. High	43%	620	24%	347	31%	439	2%	31
Middle/Jr. High Activity Classes	56%	162	13%	39	16%	48	14%	42
High	65%	3,120	14%	675	18%	867	3%	121
High Activity Classes	83%	537	9%	61	5%	32	3%	20
Combination	49%	1,416	38%	1,108	13%	373	1%	15
Combination Activity Classes	56%	355	35%	219	7%	46	2%	13

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 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.

CADDO PARISH SCHOOL BOARD
Shreveport, Louisiana

Caddo Educational Excellence Fund
Independent Accountants' Report
On Applying Agreed-Upon Procedures

For the Year Ended June 30, 2019



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RIGGS &
INGRAM

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Independent Accountant's Report On Applying Agreed-Upon Procedures

Board Members
Caddo Parish School Board
Shreveport, Louisiana

We have performed the procedures enumerated below, which were agreed to by the Caddo Parish School Board ("School Board"), solely to assist you in evaluating the effectiveness of the School Board's compliance with Louisiana RS 17:408.2 (Act No. 743 of the 1995 Louisiana Legislative Session) concerning the Caddo Educational Excellence Fund (CEEF) (a permanent fund of the Caddo Parish School Board) for the year ended June 30, 2019. The Caddo Parish School Board's management is responsible for the School Board's compliance with those requirements. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in this 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 are as follows:

1. Obtained the balances and a summary of the activity of the CEEF funds from the School Board as of and for the year ended June 30, 2019.

Comment: See Attachment I and II.

2. We selected all of the deposits from the two riverboats from the CEEF general ledger covering all twelve months during the fiscal year ended June 30, 2019, totaling \$578,579, or 100% of total fees collected, and compared the amounts received to the amounts that should be received per the written agreements and the revenue reported by the casinos to the Louisiana Gaming Control Board. LSA-R.S. 27:93 requires that:

- a. The School Board is receiving the correct amount from the respective casinos per written agreement.

Comment: 13 months of revenue from Boomtown casino were recognized for the year ended June 30, 2019. The additional payment was due to a prior year payment that was not accrued and is recognized as current year revenue. No other exceptions were found in the procedures performed.

3. Agreed the amount of interest removed from the CEEF general ledger and the School Board's CEEF bank account to the amount deposited into the CEEF Operating Special Revenue Fund general ledger and the School Board's sweep bank account in January 2019, from which disbursements are made. LSA-R.S. 17:408.1(A) requires that:
 - a. The CEEF was established
 - b. The CEEF is a permanent trust fund
 - c. The bank account for the CEEF is in the official repository of the Caddo Parish School Board
 - d. The monies in the CEEF were held and invested on behalf of the Caddo Parish School Board.
 - e. The investment income from the CEEF accounts was withdrawn by the Caddo Parish School Board only during January of the calendar year.

Comment: No exceptions were found in the procedures performed.

4. Compared the investments of the monies held in the CEEF bank account to the types of investments allowed by the State of Louisiana. Louisiana R.S. 17:408.1B requires that:
 - a. The monies in the CEEF are to be invested in the same manner as monies in the state general fund.
 - b. The amount of earnings in the CEEF was kept account of separately from the fund principal.

Comment: No exceptions were found in the procedures performed.

5. Obtained a general ledger detail of the CEEF fund expenditure activity. From this, we selected 15 expenditures which made up 100% of total CEEF disbursements, and agreed the expenditure amount to the invoice. We reviewed the invoices to ensure all disbursements were approved based on the School Board's required policy and expended solely for the purposes of instructional enhancement as defined below:

Enhancement may include:

- Provision for materials and supplies, including computers and other technological upgrades;
- Training for students, faculty and administrators on the use of materials;
- Professional development of teachers;
- Establishment of exemplary programs of instruction.

Enhancement may not include:

- Costs of additional administrators;
- Increases in salaries of benefits for employees, or maintenance or custodial costs

Comment: No exceptions were found in the procedures performed.

6. Recalculated the amount of interest being removed from the CEEF as recorded in the CEEF general ledger.

Comment: No exceptions were found in the procedures performed.

7. Compared approval of expenditures tested in step 5 to the School Board's required policy.

Comment: No exceptions were found in the procedures performed.

We were not engaged to, and did not conduct an audit or examination, the objective of which would be the expression of an opinion on the School Board's compliance with Act 743 of 1995 concerning the Caddo Educational Excellence Fund (a permanent fund of the Caddo Parish School Board) for the year ended June 30, 2019. 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 Caddo 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 Legislative Auditor as a public document.

Carr, Riggs & Ingram, L.L.C.

CARR, RIGGS & INGRAM, LLC

Shreveport, Louisiana
December 19, 2019

**Caddo Parish School Board
Shreveport, Louisiana**

AGREED-UPON PROCEDURES REPORT

June 30, 2019



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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Caddo Parish School Board and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below, which were agreed to by the Caddo Parish School Board ("CPSB") and the Louisiana Legislative Auditor (LLA) on the control and compliance (C/C) areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period July 1, 2018 through June 30, 2019. CPSB's management is responsible for those C/C areas identified in the SAUPs.

This agreed-upon procedures engagement was conducted in accordance with attestation 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 this 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.

The procedures and associated findings are as follows:

Written Policies and Procedures

1. Obtained and inspected the entity's written policies and procedures and observed that they address each of the following categories and subcategories:

- a) ***Budgeting***, including preparing, adopting, monitoring, and amending the budget.

Results: No exceptions were found as a result of applying the procedure.

- b) ***Purchasing***, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the public bid law; and (5) documentation required to be maintained for all bids and price quotes.

Results: The Purchasing policy does not address controls to ensure compliance with public bid law. In addition, certain aspects of the following items were mentioned, but they were not specific or detailed: how vendors are added to the vendor list, the preparation and approval process of purchase requisitions and purchase orders, and the documentation required to be maintained for all bids and price quotes.

- c) **Disbursements**, including processing, reviewing, and approving.
Results: There were Disbursement policies that properly addressed the components above; however, they were only for the individual schools.
- d) **Receipts/Collections**, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions.
Results: There were Receipt policies that properly address the components above; however, they were only for the individual schools.
- e) **Payroll/Personnel**, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked.
Results: The Payroll/Personnel policy addressed certain components; however, there were no references to approving absences in the SunGuard system.
- f) **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring card usage.
Results: There was no separately written internal policy for Contracting.
- g) **Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage.
Results: The Credit Card policy did not address how cards are to be controlled.
- h) **Travel and expense reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
Results: No exceptions were found as a result of applying the procedure.
- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirement that all employees, including elected officials, annually attest through signature verification that they have read the entity's ethics policy.
Results: The Ethics policy did not include: actions to be taken if an ethics violation takes place, system to monitor possible ethics violations, and does not have a requirement that all employees, including elected officials, annually attest through signature verification that they have read the entity's ethics policy.
- j) **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
Results: The Debt Service policy did not include EMMA reporting requirements. No other exceptions were found.
- k) **Disaster Recovery/Business Continuity**, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.
Results: The CPSB relies on the policies and procedures of the server host provider for backup policies. Written policies and procedures for antivirus software and updates were identified; however, the policies and procedures did not include identification of personnel, processes, and tools needed to recover operations after a critical event.

Board or Finance Committee

2. Obtained and inspected the board/finance committee minutes for the fiscal period, as well as the board's/finance committee's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:

- a) Observed that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's/finance committee's enabling legislation, charter, bylaws or other equivalent document.

Results: No exceptions were found as a result of applying the procedure.

- b) Observed that the minutes referenced or included monthly budget-to actual comparisons on the general fund and major special revenue funds, as well as monthly financial statements or budget-to-actual comparisons, if budgeted for major proprietary funds.

Results: The Caddo Parish School Board did not reference Budget-to-Actual comparisons for the General Fund and major funds for any month during the fiscal year. The adoption and amending of the annual budget is referenced in March 2019, May 2019 and June 2019.

- c) Obtained the prior year audit report and observed the unrestricted fund balance in the general fund. If the general fund had a negative ending unrestricted fund balance in the prior year audit report, observed that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unrestricted fund balance in the general fund.

Results: No exceptions were found as a result of applying the procedure.

Collections

3. Obtained a listing of deposit sites for the fiscal period where deposits for cash/check/money orders (cash) are prepared and management's representation that the listing is complete. Randomly selected five deposit sites (or all deposit sites (if less than five)).

Results: Management provided a list of deposit sites and represented that it was complete. From this list, five deposit sites were randomly selected.

4. For each deposit site selected, obtained a listing of collection locations and management's representation that the listing is complete. Randomly selected one collection location for each deposit site, obtained and inspected written policies and procedures relating to employee job duties (if no written policies or procedures – inquired of employees about their job duties) at each collection location, and observed that job duties are properly segregated at each collection location such that:

- a) Employees that are responsible for cash collections do not share cash drawers/registers.

Results: In one of the five locations subject to procedures, two cash collectors share a cash drawer.

- b) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation to the deposit.

Results: In all five locations subject to procedures, the cash collector is responsible for preparing/making bank deposits.

- c) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.

Results: In all five locations subject to procedures, the cash collector is responsible for posting collection entries to the general ledger.

- d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions are not responsible for collecting cash, unless another employee verified the reconciliation.

Results: In all five locations subject to procedures, the cash collector is responsible for reconciling cash collections to the general ledger by revenue source or agency fund.

- 5. Inquired of management that all employees who have access to cash are covered by a bond or insurance policy for theft.

Results: No exceptions were found as a result of applying the procedure.

- 6. Selected the entity's main operating account and randomly selected 4 additional accounts (or all accounts if less than 5). Randomly selected two deposit dates for each of these 5 bank accounts (selected the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly selected a deposit if multiple deposits are made on the same day). Obtained supporting documentation for each of the ten deposits and:

- a) Observed that receipts are sequentially pre-numbered.

Results: No exceptions were found as a result of applying the procedure.

- b) Traced sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.

Results: No exceptions were found as a result of applying the procedure.

- c) Traced the deposit slip total to the actual deposit per the bank statement.

Results: No exceptions were found as a result of applying the procedure.

- d) Observed that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than ten miles from the collection location or the deposit is less than \$100).

Results: There were six instances of a deposit being made more than one business day after collection.

- e) Traced the actual deposit per the bank statement to the general ledger.

Results: No exceptions were found as a result of applying the procedure.

Contracts

- 8. Obtained from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. Obtained management's representation that the listing is complete. Randomly selected five contracts (or all contracts if less than five) from the listing, excluding the practitioner's contract, and:

Results: Management provided a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period and represented that it was complete.

- a) Observed that the contract was bid in accordance with the Louisiana Public Bid Law if required by law.

Results: No exceptions were found as a result of applying the procedure.

- b) Observed that the contract was approved by the governing body/board, if required by policy or law.

Results: No exceptions were found as a result of applying the procedure.

- c) If the contract was amended, observed that the original contract terms provided for such an amendment.

Results: No exceptions were found as a result of applying the procedure.

- d) Randomly selected one payment from the fiscal period for each of the five contracts, obtained the supporting invoice, agreed the invoice to the contract terms, and observed that the invoice and related payment agreed to the terms and conditions of the contract.

Results: No exceptions were found as a result of applying the procedure.

We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

The purpose of this report is solely to describe the scope of testing performed on those C/C areas identified in the SAUPs, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the LLA as a public document.

Carr, Riggs & Ingram, L.L.C.

CARR, RIGGS, & INGRAM, LLC
Shreveport, Louisiana
December 19, 2019



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Theodis Lamar Goree, Ph.D.
Superintendent

December 19, 2019

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and

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Re: Management Response to Agreed-Upon Procedures

The Caddo Parish School Board Management Team has reviewed the Independent Accountant's Report on Applying Agreed-Upon Procedures. The Management Team is in agreement with the report as provided by Carr, Riggs & Ingram. In addition, the Caddo Parish School Board has implemented changes or additions to policy or procedures where necessary to meet the expectations identified in the report.

Respectfully,

Jeff Howard
Chief Financial Officer