

**TERREBONNE PARISH SCHOOL BOARD
HOUMA, LOUISIANA**

Comprehensive Annual Report

June 30, 2020



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INTRODUCTORY SECTION

**TERREBONNE PARISH SCHOOL BOARD
HOUMA, LOUISIANA**

**School Board Members and Officials
2019 - 2020**

SCHOOL BOARD MEMBERS

Debi Benoit, President

Stacy Verhagen Solet, Vice-President

Michael LaGarde
Gregory Harding
Matthew J. Ford
Clyde F. Hamner
Roger Dale DeHart
Maybelle N. Trahan, Ed.D.
Dane Voisin

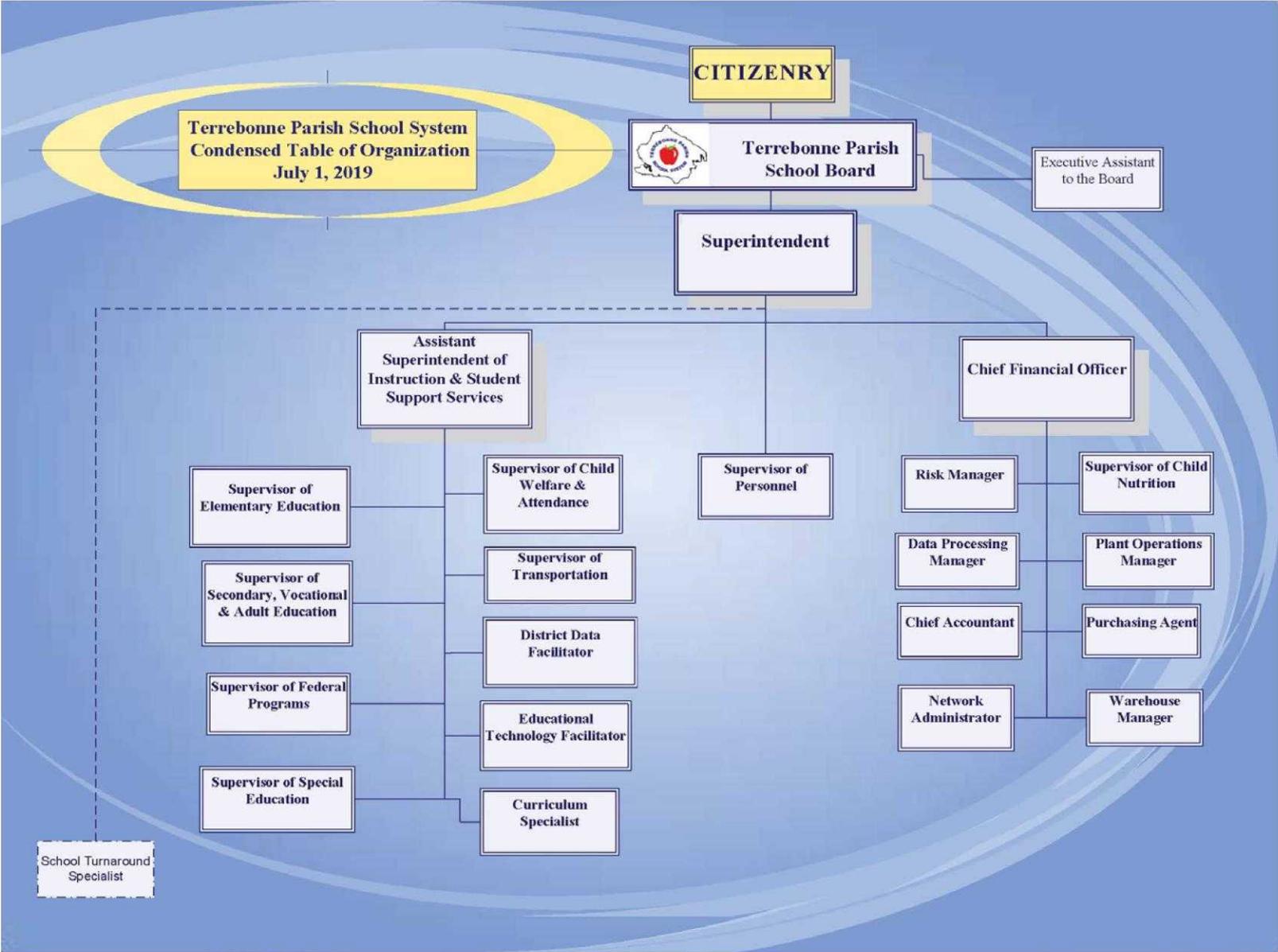
OFFICIALS

Philip Martin
Superintendent

Rebecca Breaux
Chief Financial Officer

TERREBONNE PARISH SCHOOL BOARD
HOUMA, LOUISIANA

2019 - 2020 Organizational Chart



FINANCIAL SECTION

Independent Auditor's Report

To the Members of the
Terrebonne Parish School Board
Houma, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Terrebonne Parish School Board (the School Board) as of and for the year ended June 30, 2020, and the 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 and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Terrebonne Parish School Board, as of June 30, 2020, 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 on pages 5 - 16, budgetary comparison information on pages 87 - 89 schedule of changes in the School Board's net other postemployment benefit (OPEB) liability and related ratios, schedule of School Board's proportionate share of the net pension liability, and schedule of contributions to pension plans on pages 90 - 91 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Terrebonne Parish School Board's basic financial statements. The introductory section, combining and individual non-major fund financial statements, the schedule of compensation paid to board members, and the schedule of compensation, benefits, and other payments to agency head or chief executive officer are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The combining and individual non-major fund financial statements, the schedule of compensation paid to board members, the schedule of compensation, benefits, and other payments to agency head or chief executive officer, and the schedule of expenditures of federal awards, are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual non-major fund financial statements, the schedule of compensation paid to board members, the schedule of compensation, benefits, and other payments to agency head or chief executive officer, and the schedule of expenditures of federal awards, are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory section 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 it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 28, 2020 on our consideration of the Terrebonne Parish School Board's internal control over financial reporting and 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 Terrebonne Parish 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 Terrebonne Parish School Board's internal control over financial reporting and compliance.



A Professional Accounting Corporation

Houma, Louisiana
December 28, 2020

**REQUIRED SUPPLEMENTARY INFORMATION
(PART I)**

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

**TERREBONNE PARISH SCHOOL BOARD
HOUMA, LOUISIANA**

Management's Discussion and Analysis

This management's discussion and analysis (MD&A) is a narrative overview and analysis of the financial activities of the Terrebonne Parish School Board (the School Board) for the fiscal year ended June 30, 2020. This section is intended to assist the reader in focusing on significant financial issues, provide an overview of the financial activity, and identify changes in the financial position and the ability of administration and management to address the next and subsequent years' challenges. It also identifies any material deviations from the financial plan and identifies individual fund issues or concerns.

FINANCIAL HIGHLIGHTS

The financial highlights for the Terrebonne Parish School Board for fiscal year ended June 30, 2020, are:

- The School Board's governmental funds expended \$185.7 million in fiscal year ended June 30, 2020 on education for Terrebonne Parish (the Parish).
- The School Board's governmental fund revenues on a budgetary basis for fiscal year ended June 30, 2020, were approximately \$196.6 million. The largest single sources of non-federal funds were from the State of Louisiana Minimum Foundation Program (\$94.3 million), ad valorem taxes (\$9.2 million), and sales and use taxes (\$58.1 million).
- The liabilities and deferred inflows of the School Board exceeded its assets and deferred outflows at the close of the fiscal year by \$341.8 million, a change of \$6.3 million from the prior year.
- The School Board's net position decreased by \$6.3 million.
- The School Board's governmental funds reported combined ending fund balances of \$78.6 million, an increase of \$13.3 million in comparison to the prior year.
- The School Board expended approximately \$3.4 million on capital projects in 2019-2020. The majority of these expenditures were on construction of a new school building.
- The School Board's General Fund on a budgetary basis had a decrease of \$0.8 million in fund balance.
- As of June 30, 2020, the School Board had \$51.2 million in bonds outstanding, including unamortized bond premiums.

OVERVIEW OF THE FINANCIAL STATEMENTS

The School Board's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements include the statement of net position (on page 18) and the statement of activities (on page 19). They provide information about the financial position of the School Board as a whole and present a longer-term view of the School Board's finances. Fund financial statements start on page 21. For governmental activities, these statements tell how these services were financed in the short-term as well as what remains for future spending.

**TERREBONNE PARISH SCHOOL BOARD
HOUMA, LOUISIANA**

Management's Discussion and Analysis

Fund financial statements also report the School Board's operations in more detail than the government-wide statements by providing information about the School Board's most significant funds. The fiduciary fund statements provide financial information about activities for which the School Board acts solely as a trustee or agent for the benefit of those outside of the government.

Our auditor has provided assurance in its independent auditor's report, located immediately preceding this management's discussion and analysis, that the basic financial statements are fairly stated. The auditor has also provided varying degrees of assurance regarding the required supplementary information and other supplementary information. A user of this report should read the independent auditor's report carefully to ascertain the level of assurance being provided for each of the other parts in the financial statements.

Notes to 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. The notes to basic financial statements can be found on pages 32 - 84 of this report.

Other Information

The combining statements of non-major governmental funds and internal service funds are presented as supplementary information following the notes to basic financial statements. Combining and individual fund statements and schedules can be found on pages 104 - 115 of this report.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The statement of net position and the statement of activities report information about the School Board and its activities as a whole. These statements include *all* assets and deferred outflows and liabilities and deferred inflows using the *accrual basis of accounting*, which is similar to the accounting used by most private-sector companies. All of the year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the School Board's net position and changes in the net position. You can think of the School Board's net position (the difference between assets and deferred outflows and liabilities and deferred inflows) as one way to measure the School Board's financial health, or financial position. Over time, *increases or decreases* in the School Board's net position are indicators of whether its financial health is improving or deteriorating. You will need to consider other nonfinancial factors, however, such as changes in the School Board's property tax base and the condition of the schools, to assess the overall financial health of the School Board.

In 2019-2020, the School Board's financial position decreased by \$6.3 million from a \$335.5 deficit in 2018-2019 to a \$341.8 deficit in 2019-2020. \$61.8 million of the School Board's net position is invested in capital assets net of related debt, and \$39.8 million of the School Board's net position is restricted for debt service, operational purposes, and food service, leaving a deficit of \$443.4 million in unrestricted net position.

**TERREBONNE PARISH SCHOOL BOARD
HOUMA, LOUISIANA**

Management's Discussion and Analysis

In the statement of net position and the statement of activities, the School Board can be divided into two kinds of activities:

Governmental Activities - Most of the School Board's basic services are reported here, including instruction, plant services, transportation, and food services. Property taxes, sales and use taxes, Minimum Foundation Program (MFP) funds, and state and federal grants finance most of these activities. The School Board's general liability, group health insurance, and workers' compensation self-insured programs are accounted for here.

Business-Type Activities - Business-type activities are those activities which are conducted by the School Board whereby the fees/charges for those services provided are intended to be sufficient to realize a profit. The School Board did not have any such activities.

Our analysis below focuses on the net position and changes in net position of the School Board's governmental activities:

**Summary of Net Position
June 30, 2020 and 2019**

| | Governmental Activities | |
|---------------------------------------|--------------------------------|-------------------------|
| | 2020 | 2019 |
| Assets | | |
| Current Assets | \$ 119,874,896 | \$ 108,598,783 |
| Capital Assets | 199,579,677 | 196,957,346 |
| Less: Accumulated Depreciation | (96,761,333) | (93,773,222) |
| Capital Assets, Net of Depreciation | 102,818,344 | 103,184,124 |
| Total Assets | 222,693,240 | 211,782,907 |
| Deferred Outflows of Resources | 83,308,483 | 42,146,207 |
| Liabilities | | |
| Current Liabilities | 34,992,083 | 36,558,030 |
| Long-Term Liabilities | 571,840,947 | 525,881,592 |
| Total Liabilities | 606,833,030 | 562,439,622 |
| Deferred Inflows of Resources | 40,986,403 | 26,989,989 |
| Net Position | | |
| Net Investment in Capital Assets | 61,840,401 | 62,574,351 |
| Restricted | 39,833,212 | 27,845,488 |
| Unrestricted | (443,491,323) | (425,920,336) |
| Total Net Position | \$ (341,817,710) | \$ (335,500,497) |

**TERREBONNE PARISH SCHOOL BOARD
HOUMA, LOUISIANA**

Management's Discussion and Analysis

The largest portion of the School Board's net position is an unrestricted deficit of \$443.4 million. The unrestricted deficit is primarily made up of the net pension liability of \$183.4 million and the other postemployment benefit liability of \$331.5 million. This deficit is not expected to consume the resources of the School Board in the next fiscal year since the net pension liability and other postemployment benefit liability are long-term in nature. Payments for these liabilities will be budgeted in the year that actual payments are expected to be made.

The School Board's net position also includes its investment in capital assets (e.g., land, buildings, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding. The School Board uses these capital assets to provide services to the public; consequently, these assets are not available for future spending. Although, the 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 restricted net position represents resources to be used to pay the remaining amount of outstanding debt, restricted resources for construction projects, and restricted resources for food service programs.

Total current assets increased approximately \$11.3 million from the previous year. Current assets consist primarily of cash, investments, and sales taxes receivable (94.3% and 93.9% at June 30, 2020 and 2019, respectively). The net book value of capital assets represents 46.2% and 48.7% of total assets for the years ended June 30, 2020 and 2019, respectively. Current liabilities consist primarily of amounts due for salaries and benefits payable in July and August for employees of the School Board (96.2% at June 30, 2020, 90.6% at June 30, 2019).

**TERREBONNE PARISH SCHOOL BOARD
HOUMA, LOUISIANA**

Management's Discussion and Analysis

The following represents a recap of the governmental activities presented in the statement of activities (government-wide financial statements):

**Summary of Changes in Net Position
For the Years Ended June 30, 2020 and 2019**

| | 2020 | 2019 |
|--|-----------------------|---------------------|
| Program Revenues | | |
| Charge for Services | \$ 1,714,611 | \$ 2,101,467 |
| Operating Grants and Contributions | 28,902,597 | 29,818,344 |
| Total Program Revenues | 30,617,208 | 31,919,811 |
| General Revenues | | |
| Ad Valorem Taxes | 9,190,226 | 8,704,916 |
| Sales and Use Taxes | 58,128,416 | 56,643,112 |
| Rental, Leases, and Royalties | 204,548 | 263,550 |
| Earnings on Investments | 1,347,133 | 1,787,133 |
| Other Local Revenue | 2,340,493 | 2,096,519 |
| Grants, Not Specific to Programs | 416,851 | 919,422 |
| Minimum Foundation Program | 94,282,741 | 93,090,032 |
| State Revenue Sharing | 216,844 | 216,681 |
| Total General Revenues | 166,127,252 | 163,721,365 |
| Total Revenues | 196,744,460 | 195,641,176 |
| Expenses | | |
| Instructional Expenses | 115,730,149 | 104,332,524 |
| Support Service Expenses | 74,822,379 | 70,917,048 |
| Food Service Operations | 11,470,454 | 10,858,787 |
| Debt Service and Other Expenses | 1,038,691 | 689,488 |
| Total Expenses | 203,061,673 | 186,797,847 |
| (Decrease) Increase in Net Position | \$ (6,317,213) | \$ 8,843,329 |

The total cost of all programs and services increased by 8.7% (\$16.3 million) and program revenues for these activities decreased by 4.1% (\$1.3 million) compared to the previous year. The decrease in net position for all activities was \$6.3 million at June 30, 2020, compared to a \$8.8 million increase in net position at June 30, 2019.

**TERREBONNE PARISH SCHOOL BOARD
HOUMA, LOUISIANA**

Management's Discussion and Analysis

The total revenue to fund all activities this year was \$196.7 million compared to \$195.6 million last year, an increase of 0.6% from the previous year. As shown in the statement of activities, the amount that taxpayers ultimately financed for these activities through taxes, rental, leases, royalties, earnings on investments, the Minimum Foundation Program, and state revenue sharing was \$166.1 million. Some of the cost was paid by those who directly benefited from the programs (\$1.7 million) or by other governments and organizations that subsidized certain programs with grants and contributions (\$28.9 million). Overall, the governmental program revenues decreased from \$31.9 million to \$30.6 million (4.1%).

Program revenues consist of charges for services and operating grants and contributions. Charges for services include such accounts as tuition, building rental, school bus rental, summer school fees, and driver's education fees, as well as charges for breakfast and lunches in the Food Service Fund. Operating grants and contributions consist of program specific state and federal grants. General revenues consist of taxes and revenues not specific to any program or service.

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 fund statements are reported using the modified accrual method of accounting. Fund financial statements provide more in-depth data on the most significant funds that are considered "major funds". All of the funds of the School Board can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds - Most of the activities are reported in governmental funds, which focus on how money flows in and out of those funds, the balances that are left at year-end, and the amount available for spending in future periods. 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, fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

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

Proprietary Funds - The Terrebonne Parish School Board maintains three proprietary-type funds. The School Board uses *internal service funds* as an accounting device to accumulate and allocate costs internally among the various functions for its self-funded workers' compensation program, loss fund, and group insurance claims fund.

**TERREBONNE PARISH SCHOOL BOARD
HOUMA, LOUISIANA**

Management's Discussion and Analysis

Proprietary fund statements provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for these funds.

Fiduciary Funds - Fiduciary funds are used to account for resources held for the benefit of parties outside the government. These funds include school activity funds and an employee benefits trust fund. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the Terrebonne Parish School Board's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

Financial Analysis of Governmental Funds

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

The focus of the Terrebonne 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 School Board's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

The following is a recap of the percentages of revenues by source for all governmental fund types (fund financial statements):

| Revenue Source | 2020 | | 2019 | |
|-----------------------|-----------------------|----------------|-----------------------|----------------|
| | Amount | Percentage | Amount | Percentage |
| Local | \$ 72,753,908 | 37.01% | \$ 71,183,896 | 36.46% |
| State | 99,453,794 | 50.59% | 95,994,505 | 49.17% |
| Federal | 24,365,239 | 12.40% | 28,049,974 | 14.37% |
| Total Revenues | \$ 196,572,941 | 100.00% | \$ 195,228,375 | 100.00% |

Local sources of revenues include property tax collections, sales and use taxes, local parish contributions to the Teachers' Retirement Plan, rents and royalties that are generated by various School Board properties, tuition, charges for services such as meal revenues, earnings on investments, and various reimbursements and contributions, for a total of \$72.8 million, an increase of 2.2% from last year.

**TERREBONNE PARISH SCHOOL BOARD
HOUMA, LOUISIANA**

Management's Discussion and Analysis

State sources of revenues include monies from the Minimum Foundation Program, revenue sharing, Professional Improvement Program support for teachers, state contributions to the Teachers' Retirement Plan, and grants from various other state programs, for a total of \$99.4 million, an increase of 3.6% from last year.

Federal sources of revenues include grants from various federal programs including the Disadvantaged Education Program, Meal Reimbursement Program, Special Education Fund, and various other federal programs, for a total of \$24.4 million, a decrease of 13.1% from last year.

The following is a recap by percentages of expenditures by function for all governmental fund types:

| Function | 2020 | | 2019 | |
|---------------------------|-----------------------|----------------|-----------------------|----------------|
| | Amount | Percentages | Amount | Percentages |
| Instruction | \$ 104,874,220 | 56.48% | \$ 107,498,702 | 55.40% |
| Support Services | 76,432,149 | 41.17% | 77,625,730 | 40.00% |
| Facilities Acquisition | 2,751,053 | 1.48% | 7,867,220 | 4.05% |
| Debt Service | 1,613,925 | 0.87% | 1,064,345 | 0.55% |
| Total Expenditures | \$ 185,671,347 | 100.00% | \$ 194,055,997 | 100.00% |

Instruction expenditures include regular, special, adult, vocational, and other various instructional expenditures such as alternative programs, music programs, extracurricular programs, and summer school programs. These expenditures decreased 2.4% from last year.

Support services include pupil support, instructional staff, general administration, school administration, business services, plant services, child nutrition, student transportation, central services, and community services. These expenditures decreased 1.5% from last year.

Facilities acquisition includes all expenditures for construction, engineer fees, land and site improvements, portable classrooms, and building improvements. These expenditures decreased 65.0% from last year.

Debt service includes all debt principal, interest, and agent fees. These expenditures increased 51.6% from last year.

**TERREBONNE PARISH SCHOOL BOARD
HOUMA, LOUISIANA**

Management's Discussion and Analysis

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

The following is a recap of the capital asset categories and balances for governmental activities:

| Category | Cost | Accumulated Depreciation | Net Balance | |
|----------------------------|-----------------------|-----------------------------|-----------------------|-----------------------|
| | | | 2020 | 2019 |
| Land | \$ 6,301,392 | \$ - | \$ 6,301,392 | \$ 6,256,446 |
| Buildings and Improvements | 183,339,967 | 90,453,215 | 92,886,752 | 72,885,183 |
| Furniture and Equipment | 7,517,269 | 5,210,756 | 2,306,513 | 1,623,925 |
| Vehicles | 1,308,403 | 1,097,362 | 211,041 | 136,800 |
| Construction-in-Progress | 1,112,646 | - | 1,112,646 | 22,281,770 |
| Total | \$ 199,579,677 | \$ 96,761,333 | \$ 102,818,344 | \$ 103,184,124 |

The original cost of capital assets is \$199,579,677 which is an accumulation of capital assets year after year less any disposals. The accumulated depreciation is the accumulation of depreciation expense since acquisition. In accordance with generally accepted accounting principles, depreciation expense is recorded on the original cost of the asset, less an estimated salvage value, expensed over the estimated useful life of the asset. Total accumulated depreciation is \$96,761,333. Most capital asset acquisitions are financed through long-term debt.

Capital asset additions for the year were \$3,387,787 and disposals were \$765,455, net of amounts transferred from construction-in-progress. Depreciation expense for the year was \$3,753,567. At the end of the fiscal year, the amount expended for uncompleted construction projects is \$1,112,646.

Debt

The following is a recap of the types and balances of debt outstanding:

| Category | Original Proceeds | Ending Balance | |
|-------------------------------|----------------------|-----------------------|-----------------------|
| | | 2020 | 2019 |
| Bonds Payable | \$ 52,940,804 | \$ 51,169,460 | \$ 40,609,773 |
| Compensated Absences | N/A | 6,759,503 | 6,253,660 |
| Other Postemployment Benefits | N/A | 331,494,777 | 297,210,170 |
| Net Pension Liabilities | N/A | 183,376,134 | 182,478,133 |
| Total | \$ 52,940,804 | \$ 572,799,874 | \$ 526,551,736 |

**TERREBONNE PARISH SCHOOL BOARD
HOUMA, LOUISIANA**

Management's Discussion and Analysis

Additional information regarding these bonds is included in Note 8 to the financial statements. At year-end, the School Board had approximately \$51.2 million in bonds and notes outstanding (not including compensated absences and other postemployment benefits) versus approximately \$40.6 million last year. Debt service expenditures totaled \$1,613,925, or 0.9%, of general governmental expenditures compared to 0.6% in the prior year.

GOVERNMENTAL FUND BUDGETARY HIGHLIGHTS

General Fund Balance

The budgetary comparison schedules for the major funds display original, final, and actual budget columns with a variance column showing the favorable or (unfavorable) difference of the actual compared to the final budget. The following shows the significant amendments to the original General Fund budget:

| | |
|---|-----------------------|
| Original Budget Revenues | \$ 109,189,009 |
| Amendments were made for: | |
| Increase in Ad Valorem Tax Received | 354,889 |
| Increase in Sales and Use Tax Revenue Received | 87,541 |
| Increase in Rentals, Leases, and Royalties | 14,000 |
| Increase in Interest Earned | 199,000 |
| Increase in Other Local Revenue | 26,600 |
| Increase in Equalization | 3,646,735 |
| Increase in Other State Revenues | 14,415 |
| | <hr/> |
| Total Revenue Amendments | 4,343,180 |
| | <hr/> |
| Amended Budget Revenues | \$ 113,532,189 |
| | <hr/> |
| Original Budget Expenditures | \$ 124,568,835 |
| Amendments were made for: | |
| Increase in Instructional Expenditures | 206,695 |
| Decrease in Support Service Expenditures | (1,287,375) |
| Decrease in Food Service Expenditures | (22,422) |
| Increase in Facilities Acquisition Expenditures | 68,345 |
| | <hr/> |
| Total Expenditure Amendments | (1,034,757) |
| | <hr/> |
| Amended Budget Expenditures | \$ 123,534,078 |
| | <hr/> |

**TERREBONNE PARISH SCHOOL BOARD
HOUMA, LOUISIANA**

Management's Discussion and Analysis

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

Highlights of the July 1, 2020 through June 30, 2021 Original Annual Operating Budget follow:

| | GENERAL | OTHER |
|---------------------------------|----------------------|----------------------|
| Local Revenues | \$ 18,723,397 | \$ 48,246,920 |
| State Revenues | 93,097,007 | 5,709,151 |
| Federal Revenues | - | 26,073,815 |
| Other Sources | 14,409,255 | 1,333,782 |
| Total Revenues | 126,229,659 | 81,363,668 |
| Instruction | 73,049,895 | 33,646,827 |
| Support Services | 50,155,494 | 27,194,383 |
| Debt Service | - | 130,763 |
| Transfers Out | 3,169,953 | 22,663,451 |
| Total Expenditures | 126,375,342 | 83,635,424 |
| Excess (Deficiency) of Revenues | (145,683) | (2,271,756) |
| Beginning Fund Balances | 13,359,866 | 19,601,055 |
| Ending Fund Balances | \$ 13,214,183 | \$ 17,329,299 |

Some of the most important features of the 2020-2021 budget are:

- The estimate for MFP revenues for 2020-2021 maintains the same level of per-pupil funding as 2019-2020, adjusted for enrollment.
- Sales tax collections are budgeted to 7% lower than the 2019-2020 revised budget for sales tax collections.
- Salaries and benefits are budgeted at \$155,415,428, which is 84% of total expenditures.
- The Louisiana School Employees' Retirement System (LSERS) employer contribution rate will be 28.7% for 2020-2021, for an estimated cost of \$2,348,305
- The Teachers' Retirement System of Louisiana (TRSL) employer contribution rate will be 25.8% for 2020-2021, for an estimated cost of \$20,918,796.
- Total employer health insurance costs are estimated at approximately \$33,036,771.
- A \$4,000,000 transfer from the General Fund to the Building Fund is budgeted to fund future capital and building projects.
- Workers' Compensation rates are budgeted to be the same as the 2019-2020 rates.
- Two positions have been eliminated district wide. These reductions are a result of either lost grant funding or change in student numbers and/or needs.
- Expenditures in the Instructional and Instructional Support areas make up 75% of total expenditures, exceeding the state's requirement of 70%.

**TERREBONNE PARISH SCHOOL BOARD
HOUMA, LOUISIANA**

Management's Discussion and Analysis

- Federal funding through the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) was received in June 2020 in response to the COVID-19 global pandemic. The funding period is from March 13, 2020 through September 30, 2022. Forty-two temporary positions will be funded through the CARES Act for the duration of the grant.

REQUEST FOR INFORMATION

The financial report is designed to provide a general overview of the Terrebonne Parish School Board's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Ms. Rebecca Breaux, Chief Financial Officer at the Terrebonne Parish School Board, 201 Stadium Drive, Houma, LA 70360, or by calling (985) 876-7400.

BASIC FINANCIAL STATEMENTS

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

TERREBONNE PARISH SCHOOL BOARD
HOUMA, LOUISIANA
Statement of Net Position
June 30, 2020

Statement A

| | Governmental Activities |
|---|------------------------------------|
| Assets | |
| Cash and Cash Equivalents | \$ 61,251,988 |
| Cash with Fiscal Agents | 87,418 |
| Investments, at Market | 41,592,551 |
| Receivables | |
| Sales and Use Tax | 10,103,089 |
| Other Receivables | 301,712 |
| Due from Governments | 5,562,937 |
| Due from External Parties (Fiduciary Fund) | 660 |
| Inventory, at Cost | 781,039 |
| Prepaid Expenses | 193,502 |
| Capital Assets, Net of Accumulated Depreciation | <u>102,818,344</u> |
| Total Assets | <u>222,693,240</u> |
| Deferred Outflows of Resources | <u>83,308,483</u> |
| Liabilities | |
| Accounts, Salaries, and Other Payables | 34,033,156 |
| Long-Term Liabilities Due Within One Year | 958,927 |
| Long-Term Liabilities Due in More Than One Year | |
| Bonds and Loans Payable | 50,540,800 |
| Compensated Absences | 6,429,236 |
| Other Postemployment Benefits (OPEB) | 331,494,777 |
| Net Pension Liabilities | <u>183,376,134</u> |
| Total Liabilities | <u>606,833,030</u> |
| Deferred Inflows of Resources | <u>40,986,403</u> |
| Net Position | |
| Net Investment in Capital Assets | 61,840,401 |
| Restricted for: | |
| Capital Projects | 10,098,862 |
| Debt Service | 13,963,385 |
| Compensation | 10,350,298 |
| Technology | 1,284,921 |
| Instructional Programs | 4,135,746 |
| Unrestricted | <u>(443,491,323)</u> |
| Total Net Position | <u>\$ (341,817,710)</u> |

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

TERREBONNE PARISH SCHOOL BOARD
HOUMA, LOUISIANA
Statement of Activities
For the Year Ended June 30, 2020

Statement B

| Functions/Programs | Expenses | Program Revenues | | Net (Expense) Revenue and Changes in Net Position |
|--------------------------------------|-----------------------|-------------------------|--|--|
| | | Charges for Services | Operating Grants and Contributions | |
| Governmental Activities | | | | |
| Instruction: | | | | |
| Regular Education | \$ 70,004,076 | \$ 647,571 | \$ 1,206,377 | \$ (68,150,128) |
| Special Education | 21,224,104 | - | 402,141 | (20,821,963) |
| Adult Education | 693,392 | 3,759 | 506,954 | (182,679) |
| Career and Technical Education | 4,175,919 | - | 162,220 | (4,013,699) |
| Other Programs | 19,632,659 | 372,182 | 8,736,772 | (10,523,705) |
| Support Services: | | | | |
| Pupil Support | 12,900,354 | - | 3,135,564 | (9,764,790) |
| Instructional Staff | 12,314,375 | 6,070 | 4,910,005 | (7,398,300) |
| General Administration | 6,704,755 | 156,416 | 1,993,602 | (4,554,737) |
| School Administration | 11,187,570 | 70,534 | 113,616 | (11,003,420) |
| Business Services | 2,295,493 | - | 49,857 | (2,245,636) |
| Plant Services | 14,316,638 | 14,164 | 31,566 | (14,270,908) |
| Student Transportation | 12,669,634 | - | 893,043 | (11,776,591) |
| Central Services | 2,433,561 | - | 1,350 | (2,432,211) |
| Non-Instructional: | | | | |
| Food Service | 11,470,454 | 443,915 | 6,759,530 | (4,267,009) |
| Interest and Bond Issuance Costs | 1,038,691 | - | - | (1,038,691) |
| Total Governmental Activities | \$ 203,061,673 | \$ 1,714,611 | \$ 28,902,597 | (172,444,465) |
| General Revenues | | | | |
| Local Sources: | | | | |
| Ad Valorem Taxes | | | | 9,190,226 |
| Sales and Use Taxes | | | | 58,128,416 |
| Rentals, Leases, and Royalties | | | | 204,548 |
| Earnings on Investments | | | | 1,347,133 |
| Other Local Revenue | | | | 2,340,493 |
| State Sources: | | | | |
| Grants not Specific to Programs | | | | 416,851 |
| Minimum Foundation Program | | | | 94,282,741 |
| State Revenue Sharing | | | | 216,844 |
| Total General Revenues | | | | 166,127,252 |
| Change in Net Position | | | | (6,317,213) |
| Net Position, Beginning | | | | (335,500,497) |
| Net Position, Ending | | | | \$ (341,817,710) |

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

BASIC FINANCIAL STATEMENTS
FUND FINANCIAL STATEMENTS (FFS)

TERREBONNE PARISH SCHOOL BOARD
 HOUMA, LOUISIANA
 Governmental Funds - Balance Sheet
 June 30, 2020

Statement C

| | General Fund | One Cent Sales Tax Fund | Building Fund | Non-Major Funds | Total |
|---------------------------------------|----------------------|-------------------------------|----------------------|----------------------|-----------------------|
| Assets | | | | | |
| Cash | \$ 19,798,515 | \$ 4,128,014 | \$ 7,174,894 | \$ 17,693,953 | \$ 48,795,376 |
| Investments - at Market | 4,321,984 | 3,302,271 | 9,049,036 | 23,760,022 | 40,433,313 |
| Receivables | | | | | |
| Sales and Use Tax | 1,358,067 | 3,886,709 | - | 4,858,313 | 10,103,089 |
| Other Receivables | - | 27,027 | - | 26,599 | 53,626 |
| Due from Other Funds | 21,605,556 | 26,977 | 1,429,142 | 1,681,667 | 24,743,342 |
| Due from Other Governmental Units | | | | | |
| State Department of Education | - | - | - | 5,237,147 | 5,237,147 |
| United States Department of Education | - | - | - | 193,275 | 193,275 |
| Other Units | - | - | - | 100,473 | 100,473 |
| Inventory, at Cost | - | - | - | 781,039 | 781,039 |
| Prepaid Expenses | 6,010 | 88,410 | - | 99,082 | 193,502 |
| Total Assets | \$ 47,090,132 | \$ 11,459,408 | \$ 17,653,072 | \$ 54,431,570 | \$ 130,634,182 |
| Liabilities | | | | | |
| Accounts Payable | \$ 227,424 | \$ 5,222 | \$ 23,952 | \$ 145,135 | \$ 401,733 |
| Accrued Salaries | 13,744,403 | - | - | - | 13,744,403 |
| Accrued Employee Benefits | 6,643,892 | - | - | - | 6,643,892 |
| Payroll Deductions Payable | 4,909,262 | - | - | - | 4,909,262 |
| Due to Other Funds | 4,625,620 | 5,779,164 | 26,977 | 15,854,010 | 26,285,771 |
| Total Liabilities | 30,150,601 | 5,784,386 | 50,929 | 15,999,145 | 51,985,061 |

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

TERREBONNE PARISH SCHOOL BOARD
HOUMA, LOUISIANA
Governmental Funds - Balance Sheet (Continued)
June 30, 2020

Statement C

| | General Fund | One Cent Sales Tax Fund | Building Fund | Non-Major Funds | Total |
|--|----------------------|-------------------------------|----------------------|----------------------|-----------------------|
| Fund Balances | | | | | |
| Nonspendable | | | | | |
| Inventory | - | - | - | 781,039 | 781,039 |
| Prepaid Expenses | 6,010 | 88,410 | - | 80,591 | 175,011 |
| Restricted for: | | | | | |
| Capital Projects | - | - | - | 10,098,862 | 10,098,862 |
| Debt Service | - | - | - | 13,963,385 | 13,963,385 |
| Compensation | - | 4,301,691 | - | 6,048,607 | 10,350,298 |
| Technology | - | 1,284,921 | - | - | 1,284,921 |
| Instructional Programs | - | - | - | 4,135,746 | 4,135,746 |
| Committed to: | | | | | |
| Capital Projects | - | - | - | 266,795 | 266,795 |
| Assigned to: | | | | | |
| Instructional Programs | - | - | - | 1,720,571 | 1,720,571 |
| Capital Projects | - | - | 17,602,143 | - | 17,602,143 |
| Child Nutrition | - | - | - | 1,336,829 | 1,336,829 |
| Unassigned | 16,933,521 | - | - | - | 16,933,521 |
| Total Fund Balances | 16,939,531 | 5,675,022 | 17,602,143 | 38,432,425 | 78,649,121 |
| Total Liabilities and Fund Balances | \$ 47,090,132 | \$ 11,459,408 | \$ 17,653,072 | \$ 54,431,570 | \$ 130,634,182 |

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

TERREBONNE PARISH SCHOOL BOARD
HOUMA, LOUISIANA

Statement D

Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
June 30, 2020

| | | |
|---|----------------------|--------------------------------|
| Total Fund Balances - Governmental Funds | | \$ 78,649,121 |
| Cost of Capital Assets at June 30, 2020 | \$ 199,579,677 | |
| Less: Accumulated Depreciation as of June 30, 2020 | | |
| Buildings and Improvements | (90,453,215) | |
| Furniture and Equipment | (5,210,756) | |
| Vehicles | <u>(1,097,362)</u> | 102,818,344 |
| Consolidation of Internal Service Funds | | 7,523,064 |
| Elimination of Interfund Assets and Liabilities | | |
| Due from Other Funds | 26,286,432 | |
| Due to Other Funds | <u>(26,286,432)</u> | - |
| Deferred Outflows of Resources Related to Pension Plans | | 40,194,467 |
| Deferred Outflows of Resources Related to OPEB | | 43,114,016 |
| Deferred Inflows of Resources Related to Pension Plans | | (18,719,038) |
| Deferred Inflows of Resources Related to OPEB | | (22,267,365) |
| Accrued Interest Payable on Long-Term Debt | | (330,445) |
| Long-Term Liabilities at June 30, 2020 | | |
| QSCB Bonds 2009 | (10,000,000) | |
| QSCB Bonds 2011 | (10,000,000) | |
| QSCB Bonds 2012 | (1,460,775) | |
| Series 2016 Bonds | (18,777,134) | |
| Series 2019 Bond | (10,931,551) | |
| Compensated Absences Payable | (6,759,503) | |
| Other Postemployment Benefits | (331,494,777) | |
| Net Pension Liabilities | <u>(183,376,134)</u> | <u>(572,799,874)</u> |
| Total Net Position - Governmental Activities | | <u>\$ (341,817,710)</u> |

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

**TERREBONNE PARISH SCHOOL BOARD
HOUMA, LOUISIANA**

Statement E

**Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended June 30, 2020**

| | General Fund | One Cent Sales Tax Fund | Building Fund | Non-Major Funds | Total |
|---|--------------------|-------------------------------|------------------|--------------------|--------------------|
| Revenues | | | | | |
| Local Sources: | | | | | |
| Ad Valorem Tax | \$ 9,190,226 | \$ - | \$ - | \$ - | \$ 9,190,226 |
| Sales and Use Tax | 7,505,051 | 22,515,154 | - | 28,108,211 | 58,128,416 |
| Deductions from Parish Taxes (1%) for | | | | | |
| Contribution to Teachers' Retirement System | 983,278 | - | - | - | 983,278 |
| Rents, Leases, and Royalties | 204,548 | - | - | - | 204,548 |
| Tuition | 616,391 | - | - | - | 616,391 |
| Interest Earned | 270,488 | 120,810 | 274,682 | 537,663 | 1,203,643 |
| Charges for Services | - | - | - | 443,373 | 443,373 |
| Other Local Revenue | 1,136,251 | 117,181 | 87,615 | 642,986 | 1,984,033 |
| State Sources: | | | | | |
| Equalization | 92,805,364 | - | - | 1,477,377 | 94,282,741 |
| Revenue Sharing | 216,844 | - | - | - | 216,844 |
| Professional Improvement Program Support | 33,243 | - | - | - | 33,243 |
| Contribution to Teachers' Retirement System | 9,080 | - | - | - | 9,080 |
| Other State Grants | 11,904 | - | - | 4,899,982 | 4,911,886 |
| Federal Sources | 260 | - | - | 24,364,979 | 24,365,239 |
| Total Revenues | 112,982,928 | 22,753,145 | 362,297 | 60,474,571 | 196,572,941 |
| Expenditures | | | | | |
| Current: | | | | | |
| Instruction: | | | | | |
| Regular Education | 48,813,053 | 6,456,447 | - | 9,367,599 | 64,637,099 |
| Special Education | 14,960,119 | 2,015,078 | - | 2,476,276 | 19,451,473 |
| Adult Education | 65,131 | 37,989 | - | 536,289 | 639,409 |
| Career and Technical Education | 2,898,300 | 335,665 | - | 608,822 | 3,842,787 |
| Other Programs | 4,804,470 | 1,282,937 | - | 10,216,045 | 16,303,452 |

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

**TERREBONNE PARISH SCHOOL BOARD
HOUMA, LOUISIANA**

Statement E

**Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)
For the Year Ended June 30, 2020**

| | General Fund | One Cent Sales Tax Fund | Building Fund | Non-Major Funds | Total |
|--|-------------------------|--|--------------------------|----------------------------|----------------------|
| Expenditures (Continued) | | | | | |
| Support Services: | | | | | |
| Pupil Support | 6,974,565 | 1,087,424 | - | 3,969,432 | 12,031,421 |
| Instructional Staff | 4,922,593 | 855,206 | - | 5,677,955 | 11,455,754 |
| General Administration | 1,527,201 | 231,016 | 13,340 | 238,593 | 2,010,150 |
| School Administration | 8,688,940 | 855,498 | - | 760,908 | 10,305,346 |
| Business Services | 1,788,739 | 185,666 | - | 170,104 | 2,144,509 |
| Plant Services | 11,910,934 | 846,596 | 314,920 | 479,518 | 13,551,968 |
| Student Transportation | 9,333,833 | 747,195 | - | 1,498,949 | 11,579,977 |
| Central Services | 1,282,801 | 975,865 | - | 85,187 | 2,343,853 |
| Non-Instructional: | | | | | |
| Food Services | 1,030,593 | 739,158 | - | 9,239,420 | 11,009,171 |
| Facilities Acquisition | 68,341 | - | 1,857,498 | 825,214 | 2,751,053 |
| Debt Service: | | | | | |
| Principal Retirement | - | - | - | 465,000 | 465,000 |
| Bond Issuance Costs | - | - | - | 183,094 | 183,094 |
| Interest and Bank Charges | - | 141,467 | - | 824,364 | 965,831 |
| Total Expenditures | 119,069,613 | 16,793,207 | 2,185,758 | 47,622,769 | 185,671,347 |
| Excess (Deficiency) of Revenues Over Expenditures | (6,086,685) | 5,959,938 | (1,823,461) | 12,851,802 | 10,901,594 |
| Other Financing Sources (Uses) | | | | | |
| Operating Transfers In | 13,852,488 | - | 4,195,812 | 3,810,958 | 21,859,258 |
| Operating Transfers Out | (9,353,944) | (6,457,014) | - | (14,048,300) | (29,859,258) |
| Indirect Costs Received (Paid) | 1,591,741 | - | - | (1,591,741) | - |
| Other Sources (Uses) | (806,342) | - | - | 11,220,584 | 10,414,242 |
| Total Other Financing Sources (Uses) | 5,283,943 | (6,457,014) | 4,195,812 | (608,499) | 2,414,242 |
| Net Change in Fund Balances | (802,742) | (497,076) | 2,372,351 | 12,243,303 | 13,315,836 |
| Fund Balances, Beginning of Year | 17,742,273 | 6,172,098 | 15,229,792 | 26,189,122 | 65,333,285 |
| Fund Balances, End of Year | \$ 16,939,531 | \$ 5,675,022 | \$ 17,602,143 | \$ 38,432,425 | \$ 78,649,121 |

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

TERREBONNE PARISH SCHOOL BOARD
HOUMA, LOUISIANA

Statement F

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, 2020

| | | |
|--|--------------------|------------------------------|
| Total Net Changes in Fund Balances - Governmental Funds | | \$ 13,315,836 |
| | | |
| Capital Assets | | |
| Capital Outlay | \$ 3,387,787 | |
| Depreciation Expense | <u>(3,753,567)</u> | (365,780) |
| Change in Net Position of Internal Service Funds | | (8,099,330) |
| Net Operating Transfers to/(from) Internal Service Funds | | 8,000,000 |
| | | |
| Long-Term Debt | | |
| Principal Portion of Debt Service Payments | 465,000 | |
| Proceeds from Debt Issuance | (11,220,584) | |
| Excess of Compensated Absences Earned Over Amounts Used | (505,843) | |
| Excess of Other Postemployment Benefits Accrued Over Amounts Paid | (10,361,029) | |
| Payments to Pension Plans in Excess of Net Pension Expense | 2,344,283 | |
| Change in Accrued Interest Payable | (85,663) | |
| Amortization of Bond Premium | <u>195,897</u> | <u>(19,167,939)</u> |
| Change in Net Position - Governmental Activities | | <u>\$ (6,317,213)</u> |

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

TERREBONNE PARISH SCHOOL BOARDS
HOUMA, LOUISIANA
Proprietary Fund
Statement of Net Position
June 30, 2020

Statement G

| | Internal Service Funds |
|---|-----------------------------------|
| Assets | |
| Cash | \$ 12,456,612 |
| Cash with Fiscal Agents | 87,418 |
| Investments | 1,159,238 |
| Accounts Receivable | 248,087 |
| Due from Federal Governments | 32,042 |
| Due from Other Funds | <u>1,543,089</u> |
| Total Assets | <u>15,526,486</u> |
| Liabilities | |
| Accounts Payable - Claims | 137,168 |
| Accrued Employee Benefits - Estimated Liability for Outstanding Claims | <u>7,866,254</u> |
| Total Liabilities | <u>8,003,422</u> |
| Net Position | |
| Restricted for: Future Claims | <u>7,523,064</u> |
| Total Net Position | <u><u>\$ 7,523,064</u></u> |

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

TERREBONNE PARISH SCHOOL BOARDS
HOUMA, LOUISIANA
Proprietary Fund
Statement of Changes in Net Position
For the Year Ended June 30, 2020

Statement H

| | Internal Service Funds |
|-------------------------------------|-----------------------------------|
| Operating Revenues | |
| Insurance Premium Billings | \$ 43,238,605 |
| Recoveries and Rebates | 2,903,049 |
| Other Sources | 834,430 |
| | <hr/> |
| Total Operating Revenues | 46,976,084 |
| | <hr/> |
| Operating Expenses | |
| Claims Expense | 49,781,735 |
| General Administration | 15,927 |
| Reinsurance and Administrative Fees | 5,421,242 |
| | <hr/> |
| Total Operating Expenses | 55,218,904 |
| | <hr/> |
| Operating Loss | (8,242,820) |
| | <hr/> |
| Non-Operating Revenues | |
| Interest Earned | 143,490 |
| Operating Transfers In | 8,000,000 |
| | <hr/> |
| Total Non-Operating Revenues | 8,143,490 |
| | <hr/> |
| Change in Net Position | (99,330) |
| | <hr/> |
| Net Position, Beginning | 7,622,394 |
| | <hr/> |
| Net Position, Ending | \$ 7,523,064 |
| | <hr/> <hr/> |

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

TERREBONNE PARISH SCHOOL BOARDS
HOUMA, LOUISIANA
Proprietary Fund
Statement of Cash Flows
For the Year Ended June 30, 2020

Statement I

| | Internal Service Funds |
|---|-----------------------------------|
| Cash Flows from Operating Activities | |
| Received from Assessments Made to Other Funds | \$ 41,738,971 |
| Received from Insurance Companies and Others | 3,459,061 |
| Payments for Claims | (50,354,262) |
| Payments for Reinsurance and Administrative Fees | <u>(5,437,169)</u> |
| Net Cash Used in Operating Activities | <u>(10,593,399)</u> |
| Cash Flows from Non-Operating Activities | |
| Operating Transfers from Other Funds | <u>8,001,525</u> |
| Net Cash Provided by Non-Operating Activities | <u>8,001,525</u> |
| Cash Flows from Investing Activities | |
| Net Change in Equity in Pooled Investment Account | 5,919,566 |
| Interest Received | <u>143,490</u> |
| Net Cash Provided by Investing Activities | <u>6,063,056</u> |
| Net Increase in Cash and Cash Equivalents | 3,471,182 |
| Cash and Cash Equivalents, Beginning of Year | <u>9,599,363</u> |
| Cash and Cash Equivalents, End of Year | <u>\$ 13,070,545</u> |
| Cash and Cash Equivalents at End of Year Consisted of: | |
| Cash | \$ 12,456,612 |
| Cash with Fiscal Agent | 87,418 |
| Cash Equivalents Included in Investments | <u>526,515</u> |
| Total Cash and Cash Equivalents | <u>\$ 13,070,545</u> |
| Reconciliation of Operating Loss to Net | |
| Cash Used in Operating Activities | |
| Operating Loss | \$ (8,242,820) |
| Adjustments to Reconcile Operating Loss to Net Cash Used in Operating Activities | |
| Change in Assets and Liabilities | |
| Receivables and Other Assets | (1,778,052) |
| Accounts Payable and Other Liabilities | <u>(572,527)</u> |
| Net Cash Used in Operating Activities | <u>\$ (10,593,399)</u> |

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

TERREBONNE PARISH SCHOOL BOARDS
HOUMA, LOUISIANA
Fiduciary Funds
Statement of Fiduciary Net Position
June 30, 2020

Statement J

| | Employee Benefit Trust Fund - IRC Section 125 Plan | Agency Fund - School Activity Fund | Total |
|--|--|--|------------------|
| Assets | | | |
| Cash | \$ 84,530 | \$ 2,684,300 | \$ 2,768,830 |
| Other | - | 10,921 | 10,921 |
| Total Assets | 84,530 | 2,695,221 | 2,779,751 |
| Liabilities | | | |
| Due to Other Funds | 660 | - | 660 |
| Other Liabilities | - | 2,695,221 | 2,695,221 |
| Total Liabilities | 660 | 2,695,221 | 2,695,881 |
| Net Position | | | |
| Held in Trust for Employee Benefits | \$ 83,870 | \$ - | \$ 83,870 |

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

TERREBONNE PARISH SCHOOL BOARDS
HOUMA, LOUISIANA
Fiduciary Funds
Statement of Changes in Fiduciary Net Position
For the Year Ended June 30, 2020

Statement K

| | Employee Benefit Trust Fund - IRC Section 125 Plan |
|-----------------------------------|--|
| <hr/> | |
| Additions | |
| Contributions by Employees | \$ 112,579 |
| Deductions | |
| Disbursements for Employee Claims | <u>102,154</u> |
| Change in Net Position | 10,425 |
| Net Position, Beginning | <u>73,445</u> |
| Net Position, Ending | <u><u>\$ 83,870</u></u> |

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

**TERREBONNE PARISH SCHOOL BOARD
HOUMA, LOUISIANA**

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies

- A. Financial Reporting Entity
- B. Basis of Presentation - Fund Accounting
- C. Measurement Focus/Basis of Accounting
- D. Budget and Budgetary Accounting
- E. Cash and Cash Equivalents and Investments
- F. Intergovernmental Receivables
- G. Interfund Receivables/Payables and Interfund Transfers
- H. Inventory
- I. Prepaid Expenses
- J. Capital Assets
- K. Deferred Outflows/Inflows of Resources
- L. Compensated Absences
- M. Long-Term Obligations
- N. Estimates
- O. Net Position Classifications
- P. Fund Balance
- Q. Claims and Judgments
- R. Ad Valorem Taxes
- S. Sales and Use Taxes
- T. Pensions
- U. Stewardship, Compliance, and Accountability
- V. Adoption of New Accounting Principles

Note 2. Cash and Investments

Note 3. Sales Taxes

Note 4. Ad Valorem Taxes and Tax Abatement Agreements

Note 5. Capital Assets

Note 6. Pension Plans

Note 7. Postemployment Benefits

Note 8. Long-Term Liabilities

Note 9. Risk Management and Insurance

Note 10. Interfund Balances

Note 11. Commitments and Contingencies

Note 12. Concentration

Note 13. Recent Reporting and Disclosure Developments

Note 14. Risks and Uncertainties

Note 15. Restricted Net Position

TERREBONNE PARISH SCHOOL BOARD

Notes to Basic Financial Statements

Note 1. Summary of Significant Accounting Policies

The accompanying financial statements of the Terrebonne Parish School Board (the School Board) have been prepared in conformity with accounting principles generally accepted in the United States of America (U.S. 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. Financial Reporting Entity

The Terrebonne Parish School Board is a legislative body created under Louisiana Revised Statute (R.S.) 17:51. The School Board has the power to make rules and regulations for its own government consistent with the laws of the State of Louisiana and the regulations of the State Board of Elementary and Secondary Education. The School Board consists of nine members elected by Districts. The School Board is authorized to establish public schools as it deems necessary to provide adequate school facilities for the children of Terrebonne Parish (the Parish), to determine the number of teachers to be employed, and to determine local supplements to their salaries. Accordingly, the School Board is defined as a primary government that meets the criteria as defined by governmental accounting standards. It has a separately elected governing body, it is legally separate, and it is fiscally independent of other state and local governments.

The School Board administration and instruction facilities are composed of a central office, 20 elementary schools, 8 junior high and middle schools, 4 high schools, 1 alternative program site, 1 career and technical school, 1 special school, and 1 adult education center. Student enrollment for the 2019-2020 year is approximately 17,200 regular and special education students. The School Board employs approximately 2,300 persons of which 75% are directly involved in the instructional and instructional support process. The remainder provide ancillary support such as general administration, repair and maintenance, bus transportation, etc. The regular school term normally begins during the middle of August and runs until late May.

B. Basis of Presentation - Fund Accounting

The accounts of the School Board are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues, and expenditures or expenses, as appropriate. Revenues are accounted for in these individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The funds presented in the financial statements are described as follows:

Governmental Fund Types

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

TERREBONNE PARISH SCHOOL BOARD

Notes to Basic Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

B. Basis of Presentation - Fund Accounting (Continued)

Governmental Fund Types (Continued)

The following are the School Board's governmental fund types:

General Fund - The General Fund is the general operating fund of the School Board. It is used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue Funds - Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects. These funds account for the revenues and expenditures related to federal, state, and local grant and entitlement programs and special district funds established for various educational objectives.

Debt Service Funds - Debt service funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditures for principal and interest. Debt service funds should be used to report resources if legally mandated. Financial resources that are being accumulated for principal and interest maturing in future years also should be reported in debt service funds.

Capital Projects Funds - Capital projects funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities and other capital assets. Capital projects funds exclude those types of capital-related outflows financed by proprietary funds or for assets that will be held in trust for individuals, private organizations, or other governments.

Proprietary Fund Types

Proprietary funds account for activities similar to those found in the private sector where the determination of net income is necessary or useful for sound financial administration and are used to account for the School Board's ongoing organizations and activities which are similar to those often found in the private sector. The measurement focus is upon determination of net income. The School Board's proprietary funds consist of three internal service funds.

Fiduciary Fund Types

Fiduciary funds are used to account for assets held by the School Board in a trustee or agency capacity. The School Board maintains one agency fund, the Student Activity Fund, for monies raised by the schools for the benefit of various school clubs and organizations. The School Board also maintains one Employee Benefit Trust Fund, the IRC Section 125 Fund, for amounts withheld from employee salaries for the payment of certain medical expenses. Disbursements are made only in accordance with the purpose for which assets are received.

TERREBONNE PARISH SCHOOL BOARD

Notes to Basic Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

C. Measurement Focus/Basis of Accounting

Government-Wide Financial Statements (GWFS)

The statement of net position and the statement of activities display 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. 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, deferred outflows of resources, liabilities, and deferred inflows of resources 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*.

Internal Activities

The group health insurance, workers' compensation insurance, and property and casualty insurance provide services to the governmental funds. Accordingly, these funds were included in the governmental activities. Pursuant to GASB Statement No. 34, the internal activities have been eliminated in order to avoid the "grossing-up" effect of a straight inclusion. However, interfund services provided and used are not eliminated in the process of consolidation.

Program Revenues

Program revenues include: 1) charges for services provided, 2) operating grants and contributions, and 3) capital grants and contributions. Program revenues reduce the cost of the function to be financed from the School Board's general revenues. Charges for services are primarily derived from food sales. Operating grants and contributions consist of the many educational grants received from the federal and state governments.

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. Indirect expenses of other functions are not allocated to those functions but are reported separately in the statement of activities. Depreciation expense is specifically identifiable by function and is included in the direct expense of each function. Depreciation on buildings is assigned to the general administration function due to the fact that school buildings serve many purposes. Interest on general long-term debt is considered an indirect expense and is reported separately in the statement of activities.

Fund Financial Statements (FFS)

Fund financial statements report detailed information about the School Board. The focus of governmental and enterprise fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Non-major funds are aggregated and presented in a single column. The internal service funds are presented in a single column on the face of the proprietary fund statements.

TERREBONNE PARISH SCHOOL BOARD

Notes to Basic Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

C. Measurement Focus/Basis of Accounting (Continued)

Governmental Funds

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets, deferred outflows of resources, current liabilities, and deferred inflows of resources generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The governmental fund types are reported in the financial statements on the modified accrual basis of accounting. Under the modified accrual basis, revenues are recorded when they become both measurable and available. Available means expected to be collected within two months of year-end. Revenues not considered available are recorded as deferred inflows. The following practices in recording revenues and expenditures have been used for the governmental funds.

Major Funds

The School Board reports the following major governmental funds:

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

One Cent Sales Tax Fund - Accounts for the proceeds of a one cent local sales tax dedicated as described in Note 3.

Building Fund - Accounts for expenditures for construction, renovation, and acquisition of buildings, equipment, and other capital assets.

Non-Major Funds

Special Revenue Funds - Account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

Debt Service Funds - Account for the financial resources assigned and used for the payment of principal and interest on long-term debt.

Capital Project Fund - 2019 Bonds - Accounts for the proceeds of the Series 2019 Bonds and the expenditure of those proceeds for capital improvements.

TERREBONNE PARISH SCHOOL BOARD

Notes to Basic Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

C. Measurement Focus/Basis of Accounting (Continued)

Proprietary Funds

Proprietary funds are used to account for the School Board's ongoing activities which are similar to those often found in the private sector.

Internal Service Funds - Account for the group health insurance, workers' compensation insurance, and property and casualty insurance services provided to other departments on a cost-reimbursement basis. Internal service funds are proprietary fund types that differ from governmental funds in that their focus is on income measurement, which, together with the maintenance of equity, is an important financial indicator.

Fiduciary Funds

Fiduciary funds are used to account for assets held by the School Board in a trustee or agency capacity.

Agency Funds - Account for cash held by the School Board as an agent. Agency funds are a fiduciary fund type, are custodial in nature (assets equal liabilities), and do not involve measurement of results of operations.

Employee Benefit Trust Funds - Account for cash held by the School Board for the payment of certain healthcare expenses of participating employees.

Revenues

Federal and state entitlements, which include the Minimum Foundation Program (MFP) 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. Ad valorem, sales, and other taxes are recorded in the year the taxes are due and payable. Ad valorem taxes are assessed on a calendar year basis based on the assessed value on January 1st, become due on December 31st of each year, and become delinquent on January 1st the following year. An enforceable lien attaches to the property as of January 10th the following year. The taxes were levied by the School Board on July 2, 2019. However, before the taxes can be collected, the tax rolls must be submitted to the State Tax Commission for approval.

The taxes are generally collected in December, January, and February of the fiscal year. Property tax revenues are accrued at fiscal year-end to the extent that they have been collected and are unremitted. Such amounts are measurable and available to finance current operations. Interest income on time deposits and revenues from rentals, leases, and royalties are recorded when earned. Sales and use tax revenues are recorded in the month in which the School Board considers them available to finance current year obligations and are collected by the School Board. Substantially all other revenues are recorded when received.

TERREBONNE PARISH SCHOOL BOARD

Notes to Basic Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

C. Measurement Focus/Basis of Accounting (Continued)

Expenditures

Salaries are recorded as expenditures when incurred. Nine-month employee salaries are incurred over a nine-month period but are paid over a twelve-month period. Compensated absences are recognized as expenditures when leave is actually taken or when employees (or heirs) are paid for accrued leave upon retirement or death, while the cost of earned leave privileges not requiring current resources is recorded as long-term debt. Commitments under construction contracts are recognized as expenditures when earned by the contractor. Principal and interest on long-term obligations are not recognized until due. All other expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

The proprietary fund type is reported in the financial statements on the accrual basis of accounting. Revenues are recognized when they are earned, and expenses are recognized when they are incurred. Operating income reported in the proprietary fund financial statements includes revenues and expenses related to the primary, continuing operations of the fund. Principal operating revenues are charges to customers for services. Principal operating expenses are the costs of providing services and include administrative expenses. Other revenues and expenses are classified as non-operating in the financial statements.

D. Budget and Budgetary Accounting

Formal budgetary integration is employed as a management control device during the fiscal year. The budget policy complies with state law, as amended, and as set forth in Louisiana Revised Statutes Title 39, Chapter 9, Louisiana Local Government Budget Act (R.S. 39:1301 et seq.). State law requires that parish school boards adopt a budget of expected revenues and probable expenditures not later than September 15th.

The process of developing the operational budget begins in late February and ends with the adoption of the budget at the first board meeting of the fiscal year. The proposed budgets for fiscal year 2019-2020 were completed and made available for public inspection at the School Board office on May 22, 2019. A public hearing was held on June 5, 2019 for suggestions and comments from taxpayers. The proposed fiscal year 2019-2020 budgets were formally adopted by the School Board on July 2, 2019, and final amendment was adopted on July 7, 2020. The budgets, which included proposed expenditures and the means of financing them, for the General, Special Revenue, Debt Service, and Capital Projects Funds, were published in the official journal ten days prior to the public hearings.

The budget was prepared on the modified accrual basis of accounting and included proposed expenditures and means of financing them. Budget amounts included in the accompanying financial statements include the original adopted budgets and all subsequent board approved amendments thereto. Budget amounts which are not expended or obligated through contract lapse at year-end.

TERREBONNE PARISH SCHOOL BOARD

Notes to Basic Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

D. Budget and Budgetary Accounting (Continued)

The budget resolution defines by generic fund type the authority of the School Board and its principal operating officers to effect amendments to the original operating budgets. As it relates to the General Fund, the Superintendent and Director of Finance, jointly, are authorized to reallocate amounts within internal functional areas.

Budgets for state and federal special revenue funds are approved by the appropriate regulatory authority and subsequently adopted by the School Board. Expenditures may not exceed budgeted amounts unless a budget revision is approved by the regulatory authority. Encumbrances outstanding at year end are reported as reservations of fund balances because they do not constitute expenditures or liabilities.

State law provides that when actual revenues within a fund are failing to meet estimated annual budgeted revenues, and/or actual expenditures within a fund are exceeding estimated budgeted expenditures by five percent or more, a budget amendment shall be adopted by the School Board in an open meeting.

E. Cash and Cash Equivalents and Investments

Cash includes amounts in demand deposits and interest-bearing money market accounts. Cash equivalents include amounts in time deposits or investments with original maturity dates of less than 90 days. Under state law, the School Board may deposit funds with a fiscal agent organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The School Board may invest in United States Treasury obligations, United States government agency obligations, or certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. In addition, local governments in Louisiana are authorized to invest in the Louisiana Asset Management Pool (LAMP), a nonprofit corporation formed by the State Treasurer and organized under the laws of the State of Louisiana, which operates a local government investment pool. Investments are stated at fair value or net asset value.

For purposes of the statement of cash flows, all highly liquid investments with a maturity of three months or less at the date of acquisition are considered to be cash equivalents in the internal service fund.

F. Intergovernmental Receivables

Due from other governments consists of receivables for reimbursement of expenditures under various programs and grants. These amounts also represent various tax type revenues due at year-end. Collections are expected within one year.

TERREBONNE PARISH SCHOOL BOARD

Notes to Basic Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

G. Interfund Receivables/Payables and Interfund Transfers

During the course of normal operations, numerous transactions occur between funds for goods provided or services rendered. These receivables and payables, as well as short-term interfund loans, are classified as due from other funds or due to other funds, but are eliminated in the GWFS. Any residual balances outstanding between governmental activities and business-type activities are reported in the GWFS as internal balances. The same is true for interfund transfers which, in nature, principally consist of payments of indirect costs to the General Fund as well as a transfer to the School Food Service Fund. All interfund balances are expected to be liquidated within one year. The principal purpose (source) of interfund balances is negative cash balances in the special revenue funds (pooled cash).

H. Inventory

Inventory of the School Food Service Special Revenue Fund consists of food purchased by the School Board and commodities granted by the USDA through the Louisiana Department of Education (LDOE). The commodities are recorded as revenues and expenditures when the rights are transferred to the School Board. The purchased food is recorded as expenditures when purchased. All inventory items purchased are valued at average cost, and donated commodities are assigned values based on USDA values.

I. Prepaid Expenses

Prepaid expenses are accounted for using the consumption method, or properly divided over the periods in which the services are provided.

J. Capital Assets

Capital assets are recorded at historical cost or estimated historical cost for assets where actual historical cost is not available and depreciated over their estimated useful lives. Donated capital assets are recorded at their acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized over the remaining useful lives of the assets. The School Board maintains a threshold level for capitalizing capital assets of \$1 for land and construction-in-progress, and \$5,000 for all other types of capital assets. Capital assets are reported in the GWFS, but not reported in the FFS. Estimated useful life is management's estimate of how long the asset is expected to meet service demands. Capital assets have not been assigned a salvage value because management feels that the salvage value is immaterial. Land and construction-in-progress are not depreciated. The School Board does not possess any material amounts of infrastructure capital assets, such as roads and bridges.

TERREBONNE PARISH SCHOOL BOARD

Notes to Basic Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

J. Capital Assets (Continued)

Straight-line depreciation is calculated based on the following estimated useful lives:

| <u>Assets</u> | <u>Years</u> |
|-------------------------------------|--------------|
| Buildings and Building Improvements | 40 Years |
| Land Improvements | 20 Years |
| Machinery, Furniture, and Equipment | 5 - 12 Years |
| Vehicles | 5 - 15 Years |

K. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources, which represents a consumption of net position that applies to future periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. The School Board has two items that qualify for reporting in this category, a deferred outflow of resources related to the pension obligation and one related to the other postemployment benefit (OPEB) obligation.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources, which represents an acquisition of net position that applies to future periods and so will not be recognized as an inflow of resources (revenue) until then. The School Board has two items that qualify for reporting in this category, a deferred inflow of resources related to the pension obligation and one related to the other postemployment benefit obligation. Unavailable revenue is reported only in the governmental funds.

L. Compensated Absences

All compensated absences liabilities result from governmental fund activities. Current expenditures include salary and salary-related payments for leave taken during the year and for leave payments made to employees whose employment terminated during the year. Since the largest portion of the liability remaining at the end of the year in compensated absences does not require the use of current resources, it is recorded in the debt portion of the GWFS statement of net position and not in the General Fund. The cost of compensated absence privileges (unused sick leave) is recognized as current year expenditures in the General Fund when leave is actually taken, or when employees are paid for accrued leave upon retirement or death (liquidated). A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

TERREBONNE PARISH SCHOOL BOARD

Notes to Basic Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

L. Compensated Absences (Continued)

Sick Leave

Teachers and other school employees accrue from 10 to 12 days of sick leave per year depending upon the number of months worked. Sick leave may be accumulated without limitation. Upon death or retirement, unused accumulated sick leave of up to 25 days is to be paid to employees or their heirs at the employee's current rate of pay. The accrual computation for earned sick leave, or any portion thereof, is calculated on a 25-day maximum per employee. Sick leave is not payable upon discharge or termination.

Extended Sick Leave

For catastrophic illnesses only, all employees may be eligible to receive 65% of their pay at the time leave begins for illness or illness of an immediate family member. No more than 90 days of extended sick leave may be taken in a 6-year period. Extended sick leave requires a statement from a licensed physician and board approval. Additionally, regular sick leave must be exhausted before extended sick leave begins.

Vacation

Full-time employees who work year-round are granted vacation in varying amounts (a maximum of 20 days per year) as established by the School Board Policy. Effective July 1, 2010, annual leave could no longer be accumulated. In the event of termination, an employee receives compensation for any unused earned vacation.

M. Long-Term Obligations

In the GWFS and proprietary fund types in the FFS, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

N. 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, deferred outflows, liabilities, deferred inflows, and disclosure of contingent assets or liabilities as of the date of financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

TERREBONNE PARISH SCHOOL BOARD

Notes to Basic Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

O. Net Position Classifications

In the government-wide financial statements, equity is classified as net position and displayed in three components:

Net Investment in Capital Assets - This component of net position consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt also should be included in this component of net position. If there are significant unspent related debt proceeds or deferred inflows of resources at the end of the reporting period, the portion of the debt or deferred inflows of resources attributable to the unspent amount should not be included in the calculation of net investment in capital assets. Instead, that portion of the debt or deferred inflows of resources should be included in the same net position component (restricted or unrestricted) as the unspent amount.

Restricted Net Position - This component consists of net position with constraints placed on its use either by external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or law through constitutional provisions or enabling legislation. Restricted for other purposes on the statement of net position consists of grant-related cash and workers' compensation investments.

Unrestricted Net Position - This component consists of all other net position that does not meet the definition of "restricted" or "net investment in capital assets".

P. Fund Balance

The GASB has issued Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. This Statement defines the different types of fund balances that a governmental entity must use for financial reporting purposes. It requires the fund balance amounts be reported as follows:

Nonspendable - This component includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Restricted - This component consists of amounts that have constraints placed on them either externally by third parties (creditors, grantors, contributors, or laws or regulations of other governments) or by law through constitutional provisions or enabling legislation. Enabling legislation authorizes the School Board to assess, levy, charge, or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement (compelled by external parties) that those resources be used only for the specific purposes stipulated in the legislation.

TERREBONNE PARISH SCHOOL BOARD

Notes to Basic Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

P. Fund Balance (Continued)

Committed - This component consists of amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the School Board's highest level of decision-making authority which includes the resolutions of the School Board. Those committed amounts cannot be used for any other purpose unless the School Board removes or changes the specified use by taking the same type of action it employed previously to commit those amounts.

Assigned - This component consists of amounts that are constrained by the School Board's intent to be used for specific purposes, but are neither restricted nor committed. The authority for assigning fund balance is expressed by the School Board, Superintendent, or their designee as established in the School Board's Fund Balance Policy.

Unassigned - This classification represents amounts that have not been restricted, committed, or assigned to specific purposes within the General Fund.

When both restricted and unrestricted resources are available for use, it is the School Board's policy to use restricted resources first, then unrestricted resources (committed, assigned, and unassigned) as they are needed. When unrestricted resources (committed, assigned, and unassigned) are available for use, it is the School Board's policy to use committed resources first, then assigned, and then unassigned as they are needed.

Q. Claims and Judgments

The School Board provides for losses and anticipated expenses resulting from claims and judgments including claim adjustment expenditures/expenses, salvage, and subrogation. Losses resulting from claims and judgments are estimated by utilizing a case-by-case review of all claims in accordance with Governmental Accounting Standards Board Codification Section C50. The liability for such losses is recorded in the internal service fund. Incurred but not reported claims as of June 30, 2020 have been considered in determining the accrued liability.

R. Ad Valorem Taxes

All taxable property in Louisiana is required by law to be assessed annually at a percentage of its fair market value by the Parish Assessor, except for public utility property which is assessed by the Louisiana Tax Commission. The 1974 Louisiana Constitution provided that, beginning in 1978, all land and residential property are to be assessed at 10% of "use" value; and all other property is to be assessed at 15% of fair market value. Fair market values are determined by the elected assessor of the parish and are subject to review and final certification by the Louisiana Tax Commission.

TERREBONNE PARISH SCHOOL BOARD

Notes to Basic Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

R. Ad Valorem Taxes (Continued)

After 1978, the assessor is required to reappraise all property every four years. The School Board is permitted by constitutional and statutory authority of the State to levy taxes up to \$4.06 per \$1,000 of assessed valuation for operations other than the payment of principal and interest on long-term debt. State law requires the Sheriff to collect property taxes in the calendar year in which the assessment is made. Property taxes become delinquent January 1st of the following year. Therefore, there are no delinquent taxes at year-end. If taxes are not paid by the due date, taxes bear interest at the rate of one and one-fourth percent 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. The Sheriff of Terrebonne Parish, as provided by state law, is the official tax collector of general property taxes levied by the School Board.

The 2019 tax calendar is as follows:

| | |
|---------------------------------|-------------------|
| Millage Rates Adopted/Levy Date | July 2, 2019 |
| Bills Mailed | November 30, 2019 |
| Due Date | December 31, 2019 |
| Lien Date | January 10, 2020 |

Property taxes are recorded in the General Fund. As explained in Note 1C, revenues in such funds are recognized in the accounting period in which they become measurable and available. Property taxes are considered measurable in the calendar year of the tax levy. Estimated uncollectible taxes are those taxes based on past experience which will not be collected in the subsequent year and usually result in subsequent adjustments to the tax roll. Available means due or past due, and receivable within the current period and collected within the current period or expected to be collected soon enough thereafter to pay liabilities of the current period. The remaining property taxes receivable are considered available because they are substantially collected within 60 days subsequent to year-end.

S. Sales and Use Taxes

The School Board receives a total of 2.58% parish-wide sales and use tax. The various restrictions and dedications of these sales tax revenues are discussed in Note 3.

TERREBONNE PARISH SCHOOL BOARD

Notes to Basic Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

T. Pensions

Substantially all employees of the School Board are participants in one of three statewide pension plans: Teachers' Retirement System of Louisiana (TRSL), Louisiana School Employees' Retirement System (LSERS), or Louisiana State Employees' Retirement System (LASERS), (collectively, referred to as the Plans).

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 positions of the Plans and additions to/deductions from the Plans' fiduciary net positions have been determined on the same basis as they are reported by the 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.

U. Stewardship, Compliance, and Accountability

Deposit and Investment Laws and Regulations

In accordance with state law, all uninsured deposits in financial institutions must be secured with acceptable collateral valued at the lower of market or par. The School Board was in compliance with the deposit and investment laws and regulations.

V. Adoption of New Accounting Principles

GASB Statement No. 89, Accounting for Interest Cost Incurred before the End of a Construction Period

The primary objectives of this Statement are to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and to simplify accounting for interest cost incurred before the end of a construction period. This Statement establishes accounting requirements for interest cost incurred before the end of a construction period. The requirements of this Statement were adopted by the School Board for the year ended June 30, 2020. The adoption did not affect amounts reported in the financial statements.

TERREBONNE PARISH SCHOOL BOARD

Notes to Basic Financial Statements

Note 2. Cash and Investments

Cash

Under state law, the School Board may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the union, or the laws of the United States.

Deposits are stated at cost, which approximates market. Balances of interest-bearing demand deposits at June 30, 2020, were as follows:

| | Book Balances | Bank Balances |
|---|--------------------------|--------------------------|
| Cash | | |
| Governmental Funds | \$ 48,795,376 | \$ 50,154,173 |
| Proprietary Funds | 12,456,612 | 12,890,348 |
| Agency Funds | 2,768,807 | 2,848,528 |
| Total Cash | 64,020,795 | 65,893,049 |
| Cash Equivalents (Included in Investments) | | |
| Governmental Funds | 18,364,417 | 18,364,417 |
| Proprietary Funds | 526,515 | 526,515 |
| Total Cash Equivalents | 18,890,932 | 18,890,932 |
| Total | \$ 82,911,727 | \$ 84,783,981 |

Custodial credit risk for deposits is the risk that in the event of a failure of a depository institution, the School Board may not recover its deposits or the securities pledged as collateral by a third-party custodian. The School Board's policy and state law require all deposits to be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the bank. At June 30, 2020, there were no bank deposits subject to custodial credit risk.

TERREBONNE PARISH SCHOOL BOARD

Notes to Basic Financial Statements

Note 2. Cash and Investments (Continued)

Investments

The School Board had the following investments at year-end:

| Investment Type | Interest Risk - Maturity Duration in Years | | | Total |
|---------------------------------|--|-------------|----------------------|----------------------|
| | Less than 1 | 1 to 5 | Greater than 5 | |
| Governmental Funds | | | | |
| U.S. Government Agencies | \$ 734,878 | \$ - | \$ - | \$ 734,878 |
| U.S. Treasury | 10,796,401 | - | 10,537,617 | 21,334,018 |
| Cash Equivalents | 18,364,417 | - | - | 18,364,417 |
| Total Governmental Funds | 29,895,696 | - | 10,537,617 | 40,433,313 |
| Proprietary Funds | | | | |
| U.S. Government Agencies | 21,069 | - | - | 21,069 |
| U.S. Treasury | 309,537 | - | 302,117 | 611,654 |
| Cash Equivalents | 526,515 | - | - | 526,515 |
| Total Proprietary Funds | 857,121 | - | 302,117 | 1,159,238 |
| Total Investments | \$ 30,752,817 | \$ - | \$ 10,839,734 | \$ 41,592,551 |

Investments are subject to various risks, the following of which are considered the most significant:

Custodial Credit Risk - For investments, this is the risk that, in the event of a failure of the counterparty to an investment transaction (typically a broker-dealer), the School Board would not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Although the School Board's investment policies do not directly address custodial credit risk, it typically limits its exposure by purchasing insured or registered investments or by controlling who holds the securities.

Interest Rate Risk - This is the risk of potential variability in the fair value of fixed rate investments resulting from changes in interest rates (the longer the period for which an interest rate is fixed, the greater the risk). The School Board's investment policy does not limit the maturities of investments; however, when purchasing investments, the School Board considers such things as interest rates and cash flow needs.

Concentration Risk - The School Board places no limit on the amount it may invest in any one issuer. All School Board investments are treasuries, U.S. government agencies or sponsored enterprises, municipal bonds, or cash equivalents.

Fair Value Measurement

The School Board categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets that a government can access at the measurement date; Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for an asset, either directly or indirectly; and Level 3 inputs are unobservable inputs for an asset.

TERREBONNE PARISH SCHOOL BOARD

Notes to Basic Financial Statements

Note 2. Cash and Investments (Continued)

Fair Value Measurement (Continued)

The following table sets forth by level within the fair value hierarchy the School Board's assets at fair value as of June 30, 2020:

| | Total | Fair Value Measurement Using: | | |
|--------------------------|----------------------|-------------------------------|---------------------|-------------|
| | | Level 1 | Level 2 | Level 3 |
| U.S. Government Agencies | \$ 755,948 | \$ 755,948 | \$ - | \$ - |
| U.S. Treasury | 21,945,672 | 11,969,598 | 9,976,074 | - |
| Cash Equivalents | 18,890,931 | 18,890,931 | - | - |
| Total | \$ 41,592,551 | \$ 31,616,477 | \$ 9,976,074 | \$ - |

Note 3. Sales Taxes

Sales taxes accrued at year-end represent those amounts that are both measurable and available. The tax payments are collected by the Parish of Terrebonne, Sales and Use Tax Department, and are remitted to the School Board.

The School Board levies a one-third of one percent sales and use tax, with the receipts deposited in the General Fund. The tax is dedicated to the payment of salaries of teachers and other board employees. This revenue was \$7,505,051 for the year ended June 30, 2020.

The School Board levies a one-half cent sales tax with the receipts to be deposited in its own fund; the tax is dedicated to salary increases for teachers and support personnel. This revenue was \$11,221,845 for the year ended June 30, 2020.

The School Board also levies a three-quarters of one percent sales and use tax with the receipts being deposited in the $\frac{3}{4}$ Cent Sales Tax Special Revenue Fund of 1975. This revenue was \$16,886,366 for the year ended June 30, 2020. These sales tax proceeds are dedicated and used as follows:

50% of the net tax collections and all interest earned on fund investments are used to assist in the payment of salaries and employee benefits.

30% of the net tax collections are for acquiring, constructing, and installing air conditioning equipment and facilities in the public schools and payment of the costs and expenses of operating utilities, maintenance and operations, replacement of equipment, and assistance to the maintenance and operation of the entire physical plant of the Terrebonne Parish School Board. In addition, the ordinance allows the sales tax to fund bonds used for the purpose of acquiring, constructing, and installing air conditioning equipment and facilities.

TERREBONNE PARISH SCHOOL BOARD

Notes to Basic Financial Statements

Note 3. Sales Taxes (Continued)

20% of the tax revenues are for the costs and expenses of an instructional program for the Terrebonne Parish School Board based upon per-pupil allotments to each school as well as non-allotment general instructional expenditures for teaching materials, supplies, and equipment; classroom furniture and fixtures; instructional support costs; general administrative expenses; school administration expenses; and repair and maintenance of instructional equipment.

Operating transfers are made from these allocations to the General Fund and other funds. In any fiscal year in which the dedicated expenditures described above exceed the current year's allocated revenue, equity transfers may include such additional amounts as are necessary and available to fully fund such expenditures.

On April 20, 1996, the citizens of Terrebonne Parish authorized a 1% sales tax effective for July 1, 1996 to be deposited into a new fund named the One Cent Sales Tax Fund of 1996. The revenue for the 1% sales tax at June 30, 2020 was \$22,515,154 and dedicated as follows:

83% of revenues for paying increased compensation and related employment costs of teachers and other full-time personnel except management positions.

8½% for providing, operating and maintaining computers, and high technology.

8½% for replacement, repair, and maintenance of roofs and mechanical equipment.

On October 17, 2009, the voters of Terrebonne Parish approved a rededication of the One Cent Sales Tax Fund. The rededication provides that all of the 17% currently divided equally between technology and school maintenance can be used to build new schools and classroom wings.

Note 4. Ad Valorem Taxes and Tax Abatement Agreements

Ad Valorem taxes are levied on November 1st of each year on the assessed value listed as of the prior January 1st for all real property, merchandise, and movable property located in the Parish. The taxes are assessed on a calendar year basis, become due on November 15th of each year, and become delinquent on December 31st. Assessed values are established by the Terrebonne Parish Assessor's Office and the State Tax Commission at percentages of actual value as specified by Louisiana law. A re-evaluation of all property is required to be completed no less than every four years. The last re-evaluation was completed for the 2016 Tax Roll.

TERREBONNE PARISH SCHOOL BOARD

Notes to Basic Financial Statements

Note 4. Ad Valorem Taxes and Tax Abatement Agreements (Continued)

The assessed values of the Parish upon which the 2018 levy were based is as follows:

| | Assessed Values |
|---------------------------|--------------------------------|
| Gross | \$ 1,186,021,444 |
| Less: Homestead Exemption | <u>178,986,935</u> |
| Taxable Property | <u>\$ 1,007,034,509</u> |

Total ad valorem tax revenue collected for the year ended June 30, 2020 was \$9,190,226.

The following is a summary of the authorized and levied ad valorem tax millages and gross tax revenue assessed for the 2019 Tax Rolls:

| | Authorized Millage | Levied Millage | Gross Tax Levy |
|-------------------------|-------------------------------|---------------------------|----------------------------|
| Parish-Wide Taxes | | | |
| Constitutional Tax | 3.99 | 3.86 | \$ 3,887,153 |
| Special Maintenance Tax | 5.60 | <u>5.41</u> | <u>5,448,057</u> |
| Total | | <u>9.27</u> | <u>\$ 9,335,210</u> |

The constitutional tax millage and the special maintenance tax millage are to be used to maintain and operate the present School Board. The constitutional tax is authorized to be levied by the School Board without referendum. The special maintenance tax is levied pursuant to a referendum for a period of ten years expiring in the year 2030.

The School Board levied taxes at \$9.27 per \$1,000 of assessed valuation on property within Terrebonne Parish for general school services and maintenance of School Board operations.

Property taxes are recorded as revenue by the School Board in the year the taxes are levied. Property taxes which are paid under protest are recorded as unearned revenue in the year the taxes are received and are held until settled. Property tax revenues are accrued at year-end to the extent that they are measurable and estimated to become available to finance current operations.

Delinquent taxes considered to be uncollectible are not recorded as revenues; consequently, no allowance for uncollected taxes is considered necessary. Such revenues are based on total tax levies less exempt taxes due to the general homestead exemption. A portion of exempt taxes due to homestead exemptions relating to constitutional and special school taxes are reimbursed to the School Board through state revenue sharing. Such revenue sharing was \$216,844 for the year ended June 30, 2020.

TERREBONNE PARISH SCHOOL BOARD

Notes to Basic Financial Statements

Note 4. Ad Valorem Taxes and Tax Abatement Agreements (Continued)

As required by Louisiana Revised Statutes, prescribed deductions are made from the School Board's property tax receipts and revenue sharing for contributions to various pension funds. For the year ended June 30, 2020, \$945,630 was deducted from property tax receipts for amounts due to various pension funds.

The State of Louisiana grants exemptions (tax abatements) from ad valorem taxes to manufacturers under criteria established by the Louisiana Department of Economic Development. Under these tax abatement agreements, qualifying buildings and equipment are exempt from ad valorem taxes for a period of 10 years. As a result of these tax abatement agreements, the School Board's ad valorem tax revenues were reduced by \$375,926 for the year ended June 30, 2020.

Note 5. Capital Assets

A summary of changes in capital assets for the 2020 fiscal year is as follows:

| Governmental Activities | Balance June 30, 2019 | Additions | Deletions | Balance June 30, 2020 |
|---|--------------------------|---------------|---------------|--------------------------|
| Capital Assets, Not Being Depreciated | | | | |
| Land | \$ 6,256,446 | \$ 44,946 | \$ - | \$ 6,301,392 |
| Construction-in-Progress | 22,281,770 | 2,680,662 | 23,849,786 | 1,112,646 |
| Total Capital Assets, Not Being Depreciated | 28,538,216 | 2,725,608 | 23,849,786 | 7,414,038 |
| Capital Assets, Being Depreciated | | | | |
| Buildings and Improvements | 159,998,002 | 23,341,965 | - | 183,339,967 |
| Furniture and Equipment | 6,571,574 | 1,029,848 | 84,153 | 7,517,269 |
| Vehicles | 1,849,553 | 140,152 | 681,302 | 1,308,403 |
| Total Capital Assets, Being Depreciated | 168,419,129 | 24,511,965 | 765,455 | 192,165,639 |
| Less Accumulated Depreciation for: | | | | |
| Buildings and Improvements | 87,112,819 | 3,340,396 | - | 90,453,215 |
| Furniture and Equipment | 4,947,649 | 347,260 | 84,153 | 5,210,756 |
| Vehicles | 1,712,753 | 65,911 | 681,302 | 1,097,362 |
| Total Accumulated Depreciation | 93,773,221 | 3,753,567 | 765,455 | 96,761,333 |
| Total Capital Assets, Being Depreciated, Net | 74,645,908 | 20,758,398 | - | 95,404,306 |
| Total Assets | \$ 103,184,124 | \$ 23,484,006 | \$ 23,849,786 | \$ 102,818,344 |

TERREBONNE PARISH SCHOOL BOARD

Notes to Basic Financial Statements

Note 5. Capital Assets (Continued)

Capital asset additions reported above include \$23,849,786 of prior period and current year construction costs moved out of construction-in-progress.

Depreciation was charged to general administration services in the statement of activities.

At June 30, 2020, construction-in-progress consisted of the following:

| Fund and Project | Estimated Cost | Expended to June 30, 2020 | Restricted Fund Balance | Assigned Fund Balance |
|--|----------------------|------------------------------|-------------------------------|-----------------------------|
| Building Fund | | | | |
| High School Gym/Auditorium Repairs | | | | |
| H. L. Bourgeois | \$ 5,000 | \$ - | \$ - | \$ 5,000 |
| School Security System | 198,839 | - | - | 198,839 |
| South Terrebonne High - Boiler | 85,000 | - | - | 85,000 |
| Broadmoor Elementary Boiler Replacement | 128,128 | 64,989 | - | 63,139 |
| Terrebonne High School Boiler Replacement | 325,233 | 309,016 | - | 16,217 |
| Ellender Memorial High School Air Handler | 125,679 | 90,186 | - | 35,493 |
| Exterior Door Replacements | 34,760 | - | - | 34,760 |
| PA/Intercom System | 4,871 | - | - | 4,871 |
| Assigned to Future Projects | - | - | - | 17,158,824 |
| Total Building Fund | 907,510 | 464,191 | - | 17,602,143 |
| Capital Projects Fund - Series 2019 Bonds | | | | |
| School Construction | | | | |
| Mulberry Elementary School Addition | 11,024,112 | 648,455 | 10,375,657 | - |
| Total Capital Projects Fund | 11,024,112 | 648,455 | 10,375,657 | - |
| Total Construction-in-Progress | \$ 11,931,622 | \$ 1,112,646 | \$ 10,375,657 | \$ 17,602,143 |

Note 6. Pension Plans

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 of Louisiana (TRSL), Louisiana School Employees' Retirement System (LSERS), or Louisiana State Employees' Retirement System (LASERS).

TERREBONNE PARISH SCHOOL BOARD

Notes to Basic Financial Statements

Note 6. Pension Plans (Continued)

Following are descriptions of the plans and their respective benefits. The descriptions are provided for general informational purposes only. Participants should refer to the appropriate statutes for more complete information.

Teachers' Retirement System of Louisiana (TRSL)

Plan Description

Chapter 2 of Title 11 of the Louisiana Revised Statutes (R.S. 11:401) grants to the TRSL Board of Trustees and the Louisiana Legislature the authority to review administration, benefit terms, investments, and funding of the plan. TRSL issues a publicly available financial report that can be obtained at www.trsl.org.

Benefits Provided

The following is a description of the plan and its benefits and is provided for general informational purposes only. The School Board participates in two membership plans of the TRSL - the Regular Plan and Plan A. The TRSL provides retirement, deferred retirement option, disability, and survivor's benefits. 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 60 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 2.0% 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.

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 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 Plan A members, final average compensation is defined as the highest average 36-month period.

TERREBONNE PARISH SCHOOL BOARD

Notes to Basic Financial Statements

Note 6. Pension Plans (Continued)

Teachers' Retirement System of Louisiana (TRSL) (Continued)

Benefits Provided (Continued)

Normal Retirement (Continued)

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 member's 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

In lieu of terminating employment and accepting a service retirement, an eligible member can begin participation in the Deferred Retirement Option Program (DROP) on the first retirement eligibility date for a period not to exceed the third anniversary of retirement eligibility. Delayed participation reduces the three-year participation period. During participation, benefits otherwise payable are fixed, and deposited into 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 upon the account balance.

Disability Benefits

Active members whose first employment makes them eligible for membership in a Louisiana state retirement system before January 1, 2011, and who have 5 or more years of service credit are eligible for disability retirement benefits if certified by the State Medical Disability Board (SMDB) 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.

TERREBONNE PARISH SCHOOL BOARD

Notes to Basic Financial Statements

Note 6. Pension Plans (Continued)

Teachers' Retirement System of Louisiana (TRSL) (Continued)

Benefits Provided (Continued)

Survivor Benefits

A surviving spouse with minor children of an active member with 5 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 surviving spouse's benefit ceases.

A surviving spouse with minor children of a deceased active member with at least 10 years of creditable service (2 years immediately prior to death) or 20 years of creditable service (regardless when earned) 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. If the surviving spouse remarries before the age of 55 and the deceased active member had less than 20 years of creditable service, the surviving spouse's benefit will cease.

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 21, marriage, or age 23 if enrolled in an approved institution of higher education.

A surviving spouse without minor children of a deceased active member with at least 10 years of creditable service (2 years immediately prior to death) or 20 years of creditable service (regardless when earned) 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% benefit factor for all creditable service. If a surviving spouse remarries before the age of 55 and the deceased active member had less than 20 years of creditable service, the surviving spouse's benefit will cease.

Optional Retirement Plan

The Optional Retirement Plan (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.

Permanent Benefit Increases/Cost-of-Living Adjustments

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

TERREBONNE PARISH SCHOOL BOARD

Notes to Basic Financial Statements

Note 6. Pension Plans (Continued)

Teachers' Retirement System of Louisiana (TRSL) (Continued)

Contributions

The employer contribution rate is established annually under R.S. 11:101-11:104 by the Public Retirement Systems' Actuarial Committee (PRSAC), taking into consideration the recommendation of the School Board'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 rates in effect during the fiscal year ended June 30, 2020 are as follows:

| 2020 TRSL Plan | Contributions | |
|--------------------------|---------------|----------|
| | Employee | Employer |
| K-12 Regular Plan | 8.0% | 26.0% |
| Plan A | 9.1% | 26.0% |
| Optional Retirement Plan | 8.0% | 28.4% |

The School Board's contractually required composite contribution rate for the year ended June 30, 2020 was 26.0% of annual payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any Unfunded Actuarial Accrued Liability. Employer contributions to TRSL from the School Board were \$21,214,515 for the year ended June 30, 2020.

Louisiana School Employees' Retirement System (LSERS)

Plan Description

Chapter 3 of Title 11 of the Louisiana Revised Statutes (R.S. 11:1001) grants to the LSERS Board of Trustees and the Louisiana Legislature the authority to review administration, benefit terms, investments, and funding of the plan. LSERS issues a publicly available financial report that can be obtained at www.lservers.net.

Benefits Provided

The following is a description of the plan and its benefits and is provided for general informational purposes only. LSERS provides retirement, disability, and survivor's benefits. Participants should refer to the appropriate statutes for more complete information.

Normal Retirement

A member who joined the School Board 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 School Board 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.

TERREBONNE PARISH SCHOOL BOARD

Notes to Basic Financial Statements

Note 6. Pension Plans (Continued)

Louisiana School Employees' Retirement System (LSERS) (Continued)

Benefits Provided (Continued)

Benefit Formula

For members who joined the School Board prior to July 1, 2006, the maximum retirement benefit is an amount equal to 3 $\frac{1}{3}$ % 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 School Board on or after July 1, 2006 through June 30, 2010, 3 $\frac{1}{3}$ % of the average compensation is used to calculate benefits. However, the calculation consists of the 5 highest consecutive years of membership service, subject to the 10% salary limitation. For members who joined the School Board on or after July 1, 2010, 2 $\frac{1}{2}$ % of the average compensation is used to calculate benefits and consists of the 5 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 Benefits

A member is eligible to retire and receive disability benefits if he has at least 5 years of creditable service, is not eligible for normal retirement, and has become totally and permanently disabled, and is certified as disabled by the State Medical Disability Board (SMDB). A vetted employee with 20 or more years of creditable service, who has withdrawn from active service prior to the age at which he is eligible for retirement benefits, is eligible to receive a disability benefit until normal retirement age. A member who joined the School Board on or after July 1, 2006 must have at least 10 years of service to qualify for disability benefits.

Survivor Benefits

Upon the death of a member with 5 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.

Deferred Retirement Option Program (DROP) and Initial Benefit Retirement Plan (IBRP)

Members of the plan may elect to participate in the 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, active membership in the regular retirement plan of the School Board 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.

TERREBONNE PARISH SCHOOL BOARD

Notes to Basic Financial Statements

Note 6. Pension Plans (Continued)

Louisiana School Employees' Retirement System (LSERS) (Continued)

Benefits Provided (Continued)

Deferred Retirement Option Program (DROP) and Initial Benefit Retirement Plan (IBRP) (Continued)

The plan maintains subaccounts within this account reflecting the credits attributed to each participant in the plan. Interest credited to and payments from the DROP account are made in accordance with R.S. 11:1152(F)(3). Upon termination of both participation in 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.

Effective January 1, 1996, the State Legislature authorized the plan to establish an Initial Benefit Retirement Plan (IBRP) program. The IBRP is available to members who have not participated in the 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 lump sum payment of up to 36 months of a regular monthly retirement benefit, plus a reduced monthly retirement benefit for life. Interest credited to and payments from IBRP accounts are made in accordance with R.S. 11:1152 (F)(3).

Permanent Benefit Increases/Cost-of-Living Adjustments

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

Contributions

Contributions for members are established by state statute at 7.5% of their annual covered salary for members employed prior to July 1, 2010 and 8.0% for members employed subsequent to July 1, 2010. 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 State Constitution. The actuarially required contribution rate for June 30, 2020 was 29.4%. Employer contributions to LSERS from the School Board were \$2,220,572 for the year ended June 30, 2020.

Louisiana State Employees' Retirement System (LASERS)

Plan Description

Title 11 of the Louisiana Revised Statutes (R.S. 11:401) grants to the LASERS Board of Trustees and the Louisiana Legislature the authority to review administration, benefit terms, investments, and funding of the plan. LASERS issues a publicly available financial report that can be obtained at www.lasersonline.org.

TERREBONNE PARISH SCHOOL BOARD

Notes to Basic Financial Statements

Note 6. Pension Plans (Continued)

Louisiana State Employees' Retirement System (LASERS) (Continued)

Benefits Provided

The following is a description of the plan and its benefits and is provided for general informational purposes only. LASERS provides retirement, deferred retirement option, disability, and survivor benefits. Participants should refer to the appropriate statutes for more complete information.

Normal Retirement

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. Their rank and file members hired prior to July 1, 2006 may either retire with full benefits at any age upon completing 30 years of creditable service and at age 60 upon completing 10 years of creditable service depending on their plan. Those members hired between July 1, 2006 and June 30, 2015 may retire at age 60 upon completing 5 years of creditable service and those hired on or after July 1, 2015 may retire at age 62 upon completing 5 years of creditable service. 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. Additionally, members may choose to retire with 20 years of service at any age, with an actuarially reduced benefit.

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 elect to receive their retirement throughout 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 5 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 12 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.

TERREBONNE PARISH SCHOOL BOARD

Notes to Basic Financial Statements

Note 6. Pension Plans (Continued)

Louisiana State Employees' Retirement System (LASERS) (Continued)

Benefits Provided (Continued)

Normal Retirement (Continued)

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 members, 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.

Deferred Benefits

The State Legislature authorized LASERS to establish a Deferred Retirement Option Plan (DROP). When a member enters the 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 the DROP prior to January 1, 2004, interest at a rate of one-half percent less than the School Board'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 the 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.

TERREBONNE PARISH SCHOOL BOARD

Notes to Basic Financial Statements

Note 6. Pension Plans (Continued)

Louisiana State Employees' Retirement System (LASERS) (Continued)

Benefits Provided (Continued)

Deferred Benefits (Continued)

Members eligible to retire and who do not choose to participate in the 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 School Board's realized return on its portfolio (not to be less than zero). Those members who selected the IBO on or after January 1, 2004 are required to enter the SDP as described above.

Disability Benefits

Generally, active members with 10 or more years of creditable 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 disabled retiree may receive a regular retirement benefit by making application to the Board of Trustees.

Survivor 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 5 years of service credit, at least 2 of which were earned immediately prior to death, or a minimum of 20 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 10 years for a surviving spouse with no minor children, and benefits are to be paid for life to the spouse or qualified handicapped child.

The deceased regular member hired on or after January 1, 2011 must have a minimum of 5 years of service credit regardless of when earned in order for a benefit to be paid to a minor child. The aforementioned minimum service credit requirements for a surviving spouse are 10 years, 2 years being earned immediately prior to death, and active state service at the time of death, or a minimum of 20 years of service credit regardless of when earned. A deceased member's spouse must have been married for at least one year before death.

TERREBONNE PARISH SCHOOL BOARD

Notes to Basic Financial Statements

Note 6. Pension Plans (Continued)

Louisiana State Employees' Retirement System (LASERS) (Continued)

Permanent Benefit Increases/Cost-of-Living Adjustments

LASERS allows for the payment of permanent benefit increases, also known as cost-of-living adjustments, that are funded through investment earnings when recommended by the Board of Trustees and approved by the State Legislature.

Contributions

Members are required by state statute to contribute 7.5% of their annual covered salaries if hired before July 1, 2006 (closed plan) and 8.0% of their annual covered salaries if hired after July 1, 2006, and the School Board is required to make employer contributions based on an actuarially determined rate. The employer contribution rate for the fiscal year ended June 30, 2020 was 40.7% of annual covered payroll. Employer contributions paid to LASERS for the year ended June 30, 2020 were \$126,824.

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

The following table reflects the School Board's reported net pension liability, pension expense, proportionate share of the net pension liability, and the changes in proportion as of June 30, 2020:

| Plan | Pension Expense | Net Pension Liability at June 30, 2020 | Rate at June 30, 2020 | Increase Decrease on June 30, 2019 Rate |
|--------------|------------------------|---|------------------------------|--|
| TRSL | \$ 18,728,249 | \$ 164,357,562 | 1.65605% | (0.01959%) |
| LSERS | 2,747,102 | 17,958,859 | 2.56533% | 0.02416% |
| LASERS | 62,471 | 1,059,713 | 0.01463% | 0.00264% |
| Total | \$ 21,537,822 | \$ 183,376,134 | | |

The net pension liabilities were measured as of June 30, 2019 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 School Board's proportion of the net pension liability of LSERS was based on the School Board's historical contributions.

TERREBONNE PARISH SCHOOL BOARD

Notes to Basic Financial Statements

Note 6. Pension Plans (Continued)

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

At June 30, 2020, the School Board reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

| Plan | Deferred Outflows of Resources | Deferred Inflows of Resources |
|--|--------------------------------------|-------------------------------------|
| <u>TRSL</u> | | |
| Changes in Proportion | \$ 1,213,313 | \$ 6,933,398 |
| Differences between Expected and Actual Experience | - | 5,136,230 |
| Changes in Assumptions | 11,684,503 | - |
| Net Difference between Projected and Actual | | |
| Earnings on Pension Plan Investments | - | 6,083,046 |
| Difference between Employer Contributions | | |
| and Proportionate Share of Contributions | 2,355,925 | - |
| Contributions Subsequent to the | | |
| Measurement Date | 21,214,515 | - |
| | 36,468,256 | 18,152,674 |
| <u>LSERS</u> | | |
| Changes in Proportion | 114,836 | - |
| Differences between Expected and Actual Experience | - | 447,619 |
| Net Difference between Projected and Actual | | |
| Earnings on Pension Plan Investments | 690,886 | - |
| Changes in Assumptions | 520,640 | - |
| Difference between Employer Contributions | | |
| and Proportionate Share of Contributions | - | 15,478 |
| Contributions Subsequent to the | | |
| Measurement Date | 2,220,572 | - |
| | 3,546,934 | 463,097 |
| <u>LASERS</u> | | |
| Changes in Proportion | - | 96,012 |
| Differences between Expected and Actual Experience | 6,507 | 2,202 |
| Net Difference between Projected and Actual | | |
| Earnings on Pension Plan Investments | 36,612 | - |
| Changes in Assumptions | 9,081 | - |
| Difference between Employer Contributions | | |
| and Proportionate Share of Contributions | 253 | 5,053 |
| Contributions Subsequent to the | | |
| Measurement Date | 126,824 | - |
| | 179,277 | 103,267 |
| Total | \$ 40,194,467 | \$ 18,719,038 |

TERREBONNE PARISH SCHOOL BOARD

Notes to Basic Financial Statements

Note 6. Pension Plans (Continued)

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

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, | Amortization Amounts | | |
|-------------------------|-----------------------|-------------------|--------------------|
| | TRSL | LSERS | LASERS |
| 2021 | \$ 89,002 | \$ 578,752 | \$ (63,956) |
| 2022 | (4,749,421) | (265,614) | (10,655) |
| 2023 | 104,258 | 314,917 | 10,073 |
| 2024 | 1,657,228 | 235,210 | 13,724 |
| Total | \$ (2,898,933) | \$ 863,265 | \$ (50,814) |

Actuarial Assumptions

The total pension liability in the June 30, 2020 actuarial valuations for TRSL, LSERS, and LASERS were determined using the following actuarial assumptions, applied to all periods included in the measurement:

| Actuarial Assumptions | TRSL | LSERS | LASERS |
|----------------------------------|---|---|---|
| Actuarial Cost Approach | Entry Age Normal | Entry Age Normal | Entry Age Normal |
| Amortization Approach | Closed | Closed | Closed |
| Expected Remaining Service Lives | 5 years | 3 years | 3 years |
| Investment Rate of Return | 7.55% net of investment expenses | 7.00% net of investment expenses | 7.65% net of investment expenses |
| Inflation Rate | 2.50% | 2.50% | 2.50% |
| Discount Rate | 7.55% | 7.00% | 7.60% |
| Salary Increases | 3.3% - 4.8% | 3.25% | 2.8% - 14.0% |
| Cost-of-Living Adjustments | None | None | None |
| Mortality Rates | RP-2014 Sex Distinct Mortality Table | RP-2014 Sex Distinct Mortality Table | RP-2014 Combined Healthy Mortality Table |
| | RP-2014 Disabled Lives Mortality Table | RP-2014 Disabled Lives Mortality Table | RP-2014 Disabled Retiree Table |
| Termination and Disability | Based on a five year (2013 - 2017) experience study of the System's members | Based on a five year (2013 - 2017) experience study of the System's members | Based on a five year (2009 - 2013) experience study of the System's members |

TERREBONNE PARISH SCHOOL BOARD

Notes to Basic Financial Statements

Note 6. Pension Plans (Continued)

Actuarial Assumptions (Continued)

TRSL Investments

The long-term expected rate of return on TRSL 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. Best estimates of arithmetic real rates of return for each major asset class included in TRSL's target asset allocation as of June 30, 2020 are summarized in the following table:

| Asset Class | Target Asset Allocation | Long-Term Expected Real Rate of Return |
|----------------------------|--------------------------------|---|
| Domestic Equity | 27.00% | 4.60% |
| International Equity | 19.00% | 5.70% |
| Domestic Fixed Income | 13.00% | 1.69% |
| International Fixed Income | 5.50% | 2.10% |
| Private Equity | 25.50% | 8.67% |
| Other Private Assets | <u>10.00%</u> | 3.65% |
| Total | <u><u>100.00%</u></u> | |

LSERS Investments

The long-term expected rate of return on LSERS 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.

TERREBONNE PARISH SCHOOL BOARD

Notes to Basic Financial Statements

Note 6. Pension Plans (Continued)

Actuarial Assumptions (Continued)

LASERS Investments (Continued)

Best estimates of geometric real rates of return for each major asset class included in LASERS' target asset allocation as of June 30, 2020, are summarized in the following table:

| Asset Class | Target Asset Allocation | Long-Term Expected Real Rate of Return |
|--------------------|--------------------------------|---|
| Fixed Income | 26.00% | 1.07% |
| Equity | 39.00% | 2.93% |
| Alternatives | 17.00% | 1.43% |
| Real Estate | 12.00% | 0.73% |
| Real Assets | 6.00% | 0.60% |
| Total | 100.00% | |

LASERS Investments

The long-term expected rate of return on LASERS 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.

Best estimates of arithmetic real rates of return for each major asset class included in LASERS' target asset allocation as of June 30, 2020, are summarized in the following table:

| Asset Class | Target Asset Allocation | Long-Term Expected Real Rate of Return |
|----------------------------|--------------------------------|---|
| Cash | 0.00% | 0.24% |
| Domestic Equity | 23.00% | 4.83% |
| International Equity | 32.00% | 5.83% |
| Domestic Fixed Income | 6.00% | 2.79% |
| International Fixed Income | 10.00% | 4.49% |
| Alternative Investments | 22.00% | 8.32% |
| Global Asset Allocation | 7.00% | 5.06% |
| Total | 100.00% | |

TERREBONNE PARISH SCHOOL BOARD

Notes to Basic Financial Statements

Note 6. Pension Plans (Continued)

Actuarial Assumptions (Continued)

Discount Rates

The discount rates used to measure the total pension liabilities of TRSL, LSERS, and LASERS were 7.55%, 7.00%, and 7.60%, respectively. For TRSL and LASERS, 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 the member rate. For LSERS, the projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and that contributions from participating employers will be made at the actuarially determined rates approved by the Public Retirement System's Actuarial Committee (PRSAC), taking into consideration the recommendation of the plan's actuary. Based on those assumptions, 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 Employer's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the School Board's proportionate share of the net pension liabilities of the plans using the discount rates of 7.55%, 7.00%, and 7.60%, respectively, as well as what the School Board's proportionate share of the net pension obligations would be if they were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

| Pension Plan | 1% Decrease | Current Discount Rate | 1% Increase |
|---------------------|-----------------------|----------------------------------|-----------------------|
| TRSL | \$ 218,783,433 | \$ 164,357,562 | \$ 118,484,862 |
| LSERS | 24,337,853 | 17,958,859 | 12,505,714 |
| LASERS | 1,337,494 | 1,059,713 | 825,083 |
| Total | \$ 244,458,780 | \$ 183,376,134 | \$ 131,815,659 |

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 its proportionate share of the total contributions to the pension plan from these non-employer contributing entities. During the year ended June 30, 2020, the School Board recognized revenue as a result of support received from non-employer contributing entities of \$676,499 (TRSL), \$-0- (LSERS), and \$-0- (LASERS) for its participation in the plans.

TERREBONNE PARISH SCHOOL BOARD

Notes to Basic Financial Statements

Note 6. Pension Plans (Continued)

Actuarial Assumptions (Continued)

Pension Plan Fiduciary Net Position

Detailed information about the pension plans' fiduciary net positions is available in the separately issued 2018 Comprehensive Annual Financial Reports at www.trsl.org, www.lasers.net, and www.lasersonline.org.

Payables to the Pension Plans

At June 30, 2020, amounts due to the pension plans for employer required contributions are as follows:

| | |
|--------------|----------------------------|
| TRSL | \$ 6,656,940 |
| LSERS | 444,446 |
| LASERS | <u>32,742</u> |
| Total | <u>\$ 7,134,128</u> |

Note 7. Postemployment Benefits

General Information about the OPEB Plan

Plan Description - The School Board provides certain continuing health care and life insurance benefits for its retired employees. The School Board's OPEB plan (the OPEB Plan) is a single-employer defined benefit OPEB plan administered by the School Board. The authority to establish and/or amend the obligation of the employer, employees, and retirees rests with the School Board. No assets are accumulated in a trust that meets the criteria in GASB Codification Section P52, *Postemployment Benefits Other Than Pensions-Reporting For Benefits Not Provided Through Trusts That Meet Specified Criteria-Defined Benefit*.

Benefits Provided - Medical benefits are provided through a self-insured medical plan and are made available to employees upon actual retirement. Most of the employees are covered by the Teachers' Retirement System of Louisiana, whose retirement eligibility (DROP entry) provisions are as follows: 30 years of service at any age; age 55 and 25 years of service; or, age 60 and 5 years of service. Employees hired on or after January 1, 2011 may not retire prior to age 60 without actuarial reduction in benefits. All but a few of the remaining employees are covered by the Louisiana School Employees' Retirement System, whose retirement eligibility provisions are nearly identical to the TRSL.

TERREBONNE PARISH SCHOOL BOARD

Notes to Basic Financial Statements

Note 7. Postemployment Benefits (Continued)

General Information about the OPEB Plan (Continued)

Life insurance coverage is available to retirees by election and based on a blended rate (active and retired). As with the medical benefits, the employer pays a portion of the blended premium equal to 75% plus a graded schedule based on length of service, if any, as of July 1, 1989. Insurance coverage amounts are reduced to 50% of the original level at age 70 and again to 35% of the original level at age 75 according to plan provisions.

Employees Covered by Benefit Terms - At June 30, 2020, the following employees were covered by the benefit terms:

| | |
|--|---------------------|
| Inactive Employees or Beneficiaries Currently Receiving Benefit Payments | 1,557 |
| Inactive Employees Entitled to But Not Yet Receiving Benefit Payments | - |
| Active Employees | <u>2,093</u> |
| Total | <u><u>3,650</u></u> |

Total OPEB Liability

The School Board's total OPEB liability of \$331,494,777 was measured as of June 30, 2020 and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and Other Inputs - The total OPEB liability in the June 30, 2020 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

| | |
|-----------------------------|---|
| Inflation | 2.5% |
| Salary Increases | 4.0%, Including Inflation |
| Discount Rate | 2.21%, Net of OPEB Plan Investment Expense, Including Inflation |
| Healthcare Cost Trend Rates | Flat 5.5% Annually |

The discount rate was based on the average of the Bond Buyers' 20 Year General Obligation municipal bond index over the 52 weeks immediately preceding the applicable measurement dates.

Mortality rates were based on the RP-2000 Combined Healthy Table without projection.

The actuarial assumptions used in the June 30, 2020 valuation were based on the results of ongoing evaluations of the assumptions from July 1, 2010 to June 30, 2020.

TERREBONNE PARISH SCHOOL BOARD

Notes to Basic Financial Statements

Note 7. Postemployment Benefits (Continued)

Changes in the Total OPEB Liability

A summary of changes in the Total OPEB Liability is as follows:

Changes in the Total OPEB Liability

| | |
|--|------------------------------|
| Balance at June 30, 2019 | \$ 297,210,170 |
| Changes for the Year | |
| Service Cost | 5,629,187 |
| Interest | 10,238,235 |
| Change in Assumptions | 57,485,354 |
| Differences between Expected and Actual Experience | (29,689,820) |
| Benefit Payments and Net Transfers | (9,378,349) |
| Net Changes | <u>34,284,607</u> |
| Balance at June 30, 2020 | <u>\$ 331,494,777</u> |

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate - The following presents the total OPEB liability of the School Board, as well as what the School Board's total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (1.21%) or one percentage point higher (3.21%) than the current discount rate:

| | 1.0% Decrease (1.21%) | Current Discount Rate (2.21%) | 1.0% Increase (3.21%) |
|----------------------|--------------------------|----------------------------------|--------------------------|
| Total OPEB Liability | <u>\$ 394,237,094</u> | <u>\$ 331,494,777</u> | <u>\$ 282,532,619</u> |

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates - The following presents the total OPEB liability of the School Board, as well as what the School Board's total OPEB liability would be if it were calculated using healthcare cost trend rates that are one percentage point lower (4.5%) or one percentage point higher (6.5%) than the current healthcare cost trend rates:

| | 1.0% Decrease (4.5%) | Current Trend (5.5%) | 1.0% Increase (6.5%) |
|----------------------|-------------------------|-------------------------|-------------------------|
| Total OPEB Liability | <u>\$ 256,563,855</u> | <u>\$ 331,494,777</u> | <u>\$ 375,721,179</u> |

TERREBONNE PARISH SCHOOL BOARD

Notes to Basic Financial Statements

Note 7. Postemployment Benefits (Continued)

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

For the year ended June 30, 2020, the School Board recognized OPEB expense of \$21,983,738. At June 30, 2020, 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 | \$ - | \$ 22,267,365 |
| Changes in Assumptions | 43,114,016 | - |
| Total | \$ 43,114,016 | \$ 22,267,365 |

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

| Year Ending June 30, | Amount |
|-------------------------|----------------------|
| 2021 | \$ 6,116,316 |
| 2022 | 6,116,316 |
| 2023 | 6,116,316 |
| 2024 | (832,567) |
| 2025 | (832,567) |
| Thereafter | 4,162,837 |
| Total | \$ 20,846,651 |

TERREBONNE PARISH SCHOOL BOARD

Notes to Basic Financial Statements

Note 8. Long-Term Liabilities

Summary of General Long-Term Obligations

The following is a summary of the changes in general long-term obligations for the year ended June 30, 2020:

| | Payable at June 30, 2019 | Additions | Reductions | Payable at June 30, 2020 |
|--|-----------------------------|----------------------|-------------------|-----------------------------|
| Debt from Direct Borrowings and Direct Placements | | | | |
| QSCB 2009 Series | \$ 10,000,000 | \$ - | \$ - | \$ 10,000,000 |
| QSCB 2011 Series | 10,000,000 | - | - | 10,000,000 |
| QSCB 2012 Series | 1,460,775 | - | - | 1,460,775 |
| | <u>21,460,775</u> | <u>-</u> | <u>-</u> | <u>21,460,775</u> |
| Other Debt | | | | |
| Tax Revenue Bond Series 2016 | 17,595,000 | - | 230,000 | 17,365,000 |
| Tax Revenue Bond Series 2019 | - | 10,000,000 | 235,000 | 9,765,000 |
| 2016 Bond Premium | 1,553,998 | - | 141,864 | 1,412,134 |
| 2019 Bond Premium | - | 1,220,584 | 54,033 | 1,166,551 |
| Compensated Absences | 6,253,660 | 836,110 | 330,267 | 6,759,503 |
| Other Postemployment Benefits | 297,210,170 | 34,284,607 | - | 331,494,777 |
| Net Pension Liabilities | 182,478,133 | 898,001 | - | 183,376,134 |
| | <u>526,551,736</u> | <u>47,239,302</u> | <u>991,164</u> | <u>572,799,874</u> |
| Total | \$ 526,551,736 | \$ 47,239,302 | \$ 991,164 | \$ 572,799,874 |

Additional information regarding other postemployment benefits is included in Note 7 to the financial statements and additional information regarding net pension liabilities is included in Note 6 to the financial statements.

The following is a summary of the current (due in one year or less) and long-term (due in more than one year) portions of long-term obligations as of June 30, 2020:

| | Current | Long-Term | Total |
|--|-------------------|-----------------------|-----------------------|
| Debt from Direct Borrowings and Direct Placements | | | |
| QSCB 2009 Series | \$ - | \$ 10,000,000 | \$ 10,000,000 |
| QSCB 2011 Series | - | 10,000,000 | 10,000,000 |
| QSCB 2012 Series | - | 1,460,775 | 1,460,775 |
| | <u>-</u> | <u>21,460,775</u> | <u>21,460,775</u> |
| Other Debt | | | |
| Tax Revenue Bond Series 2016 | 235,000 | 17,130,000 | 17,365,000 |
| 2016 Bond Premium | 139,604 | 1,272,530 | 1,412,134 |
| Tax Revenue Bond Series 2019 | 175,000 | 9,590,000 | 9,765,000 |
| 2019 Bond Premium | 79,056 | 1,087,495 | 1,166,551 |
| Compensated Absences | 330,267 | 6,429,236 | 6,759,503 |
| Other Postemployment Benefits | - | 331,494,777 | 331,494,777 |
| Net Pension Liabilities | - | 183,376,134 | 183,376,134 |
| | <u>958,927</u> | <u>571,840,947</u> | <u>572,799,874</u> |
| Total | \$ 958,927 | \$ 571,840,947 | \$ 572,799,874 |

TERREBONNE PARISH SCHOOL BOARD

Notes to Basic Financial Statements

Note 8. Long-Term Liabilities (Continued)

Qualified School Construction Bonds

On October 6, 2009, the School Board authorized the issuance of Ten Million Dollars (\$10,000,000) of Revenue Bonds (Taxable QSCB), Series 2009, of the Parish School Board of the Parish of Terrebonne, State of Louisiana (the Issuer).

These Bonds represent the entire principal amount of an authorized issue aggregating in principal the sum of Ten Million Dollars (\$10,000,000) of Revenue Bonds (Taxable QSCB), Series 2009 (the Bonds), of the Issuer, for the purpose of construction, rehabilitation, or repair of public school facilities within the jurisdiction of the Issuer, including equipping of school facilities improved with Bond proceeds, and paying the costs of issuance thereof, under the authority conferred by Section 1430 of Title 39 of the Louisiana Revised Statutes of 1950, as amended, and other constitutional and statutory authority.

These Bonds are secured by and payable from an irrevocable pledge and dedication of the funds to be derived by the Issuer from the levy and collection of a special tax of three and sixty-eight hundredths (3.68) mills (such rate being subject to adjustment from time to time due to reassessment), which the Issuer is authorized to impose and collect in each year. Such special tax has been authorized to be levied on all the property subject to taxation within the corporate boundaries of the Issuer.

For the payment of the principal of the Bonds, a special fund known as "Parish School Board of the Parish of Terrebonne, State of Louisiana, Revenue Bonds (Taxable QSCB), Series 2009, Sinking Fund" has been established and maintained. Said Sinking Fund has been established and maintained with Regions Bank (the Paying Agent). The Bonds bear interest at 1.04%, payable quarterly. The Bonds will mature on October 1, 2024.

The sum of all cash and investments held in the Sinking Fund shall equal, as close as is reasonably possible, the Required Principal Account Value set forth below on the relevant Principal Account Deposit Date:

| Year Ending June 30, | Required Principal Account Value |
|-------------------------|--|
| 2021 | \$ 6,666,666 |
| 2022 | 7,333,333 |
| 2023 | 8,000,000 |
| 2024 | 8,666,666 |
| 2025 | 9,333,333 |
| Thereafter | 10,000,000 |

On January 18, 2011, the Board authorized the issuance of Ten Million Dollars (\$10,000,000) of Sales Tax Bonds (Taxable QSCB), series 2011, of the Parish School Board of the Parish of Terrebonne, State of Louisiana (the Issuer).

TERREBONNE PARISH SCHOOL BOARD

Notes to Basic Financial Statements

Note 8. Long-Term Liabilities (Continued)

Qualified School Construction Bonds (Continued)

These Bonds represent the entire principal amount of an authorized issue aggregating in principal the sum of Ten Million Dollars (\$10,000,000) of Sales Tax Bonds (Taxable QSCB), Series 2011 (the Bonds), of the Issuer, for the purpose of construction, rehabilitation, or repair of public school facilities within the jurisdiction of the Issuer, including equipping of school facilities improved with Bond proceeds, and paying the costs of issuance thereof, under the authority conferred by Section 1430 of Title 39 of the Louisiana Revised Statutes of 1950, as amended, and other constitutional and statutory authority.

These Bonds are secured by and payable from an irrevocable pledge and dedication of the Pledged Tax Revenues derived by the Issuer from the levy and collection of 17% of the avails or proceeds of the 1% sales and use tax levied and collected by the Issuer by virtue of the authority of an election held on October 17, 2009.

For the payment of the principal of the Bonds, a special fund known as "Parish School Board of the Parish of Terrebonne, State of Louisiana, Sales Tax Bonds (Taxable QSCB), Series 2011, Sinking Fund" has been established and maintained. Said Sinking Fund has been established and maintained with The Bank of New York Mellon Trust Company, N.A. (the Paying Agent). The Bonds bear interest at 0.38%, payable quarterly. The Bonds will mature on March 1, 2026.

The sum of all cash and investments held in the Sinking Fund shall equal, as close as is reasonably possible, the Required Principal Account Value set forth below on the relevant Principal Account Deposit Date:

| Year Ending June 30, | Required Principal Account Value |
|-------------------------|--|
| 2021 | \$ 5,999,994 |
| 2022 | 6,666,660 |
| 2023 | 7,333,326 |
| 2024 | 7,999,992 |
| 2025 | 8,666,658 |
| Thereafter | 10,000,000 |

On February 14, 2012, the Board authorized the issuance of One Million Four Hundred Sixty Thousand Seven Hundred Seventy-Five Dollars (\$1,460,775) of Sales Tax Bonds (Taxable QSCB), Series 2012, of the Parish School Board of the Parish of Terrebonne, State of Louisiana (the Issuer).

TERREBONNE PARISH SCHOOL BOARD

Notes to Basic Financial Statements

Note 8. Long-Term Liabilities (Continued)

Qualified School Construction Bonds (Continued)

These Bonds represent the entire principal amount of an authorized issue aggregating in principal the sum of One Million Four Hundred Sixty Thousand Seven Hundred Seventy-Five Dollars (\$1,460,775) of Sales Tax Bonds (Taxable QSCB), Series 2012 (the Bonds), of the Issuer, for the purpose of construction, rehabilitation, or repair of public school facilities within the jurisdiction of the Issuer, including equipping of school facilities improved with Bond proceeds, and paying the costs of issuance thereof, under the authority conferred by Section 1430 of Title 39 of the Louisiana Revised Statutes of 1950, as amended, and other constitutional and statutory authority.

These Bonds are secured by and payable from an irrevocable pledge and dedication of the Pledged Tax Revenues derived by the Issuer from the levy and collection of 17% of the avails or proceeds of the 1% sales and use tax levied and collected by the Issuer by virtue of the authority of an election held on October 17, 2009.

For the payment of the principal of the Bonds, a special fund known as "Parish School Board of the Parish of Terrebonne, State of Louisiana, Sales Tax Bonds (Taxable QSCB), Series 2012, Sinking Fund" has been established and maintained. Said Sinking Fund has been established and maintained with The Bank of New York Mellon Trust Company, N.A. (the Paying Agent). The Bonds bear interest at 0%. The Bonds will mature on March 1, 2027.

The sum of all cash and investments held in the Sinking Fund shall equal, as close as is reasonably possible, the Required Principal Account Value set forth below on the relevant Principal Account Deposit Date:

| Year Ending June 30, | Required Principal Account Value |
|-------------------------|--|
| 2021 | \$ 779,080 |
| 2022 | 876,465 |
| 2023 | 973,850 |
| 2024 | 1,071,235 |
| 2025 | 1,168,620 |
| Thereafter | 1,460,775 |

Series 2016 Bonds

On March 1, 2016, the Board authorized the issuance of Eighteen Million Two Hundred Seventy Thousand Dollars (\$18,270,000) of Limited Tax Revenue Bonds, Series 2016, of the Parish School Board of the Parish of Terrebonne, State of Louisiana (the Issuer).

TERREBONNE PARISH SCHOOL BOARD

Notes to Basic Financial Statements

Note 8. Long-Term Liabilities (Continued)

Series 2016 Bonds (Continued)

The Bonds represent the entire principal amount of an authorized issue aggregating in principal the sum of Eighteen Million Two Hundred Seventy Thousand Dollars (\$18,270,000) of Limited Tax Revenue Bonds, Series 2016, (the Bonds), of the Issuer, for the purpose of purchasing, acquiring, and improving capital improvements for the School Board, including the necessary sites, equipment, and furnishings thereof, title to which shall be in the public, and paying the costs of issuance thereof, under the authority conferred by Section 1430 of Title 39 of the Louisiana Revised Statutes of 1950, as amended, and other constitutional and statutory authority.

The Bonds are secured by and payable from an irrevocable pledge and dedication of the funds to be derived by the Issuer from the levy and collection of a special tax of 3.86 mills (such rate being subject to adjustment from time to time due to reassessment) authorized to be imposed and collected each year on all property subject to taxation within the corporate boundaries of the Issuer (the Tax).

For the payment of the principal of the Bonds, a special fund known as "Parish School Board of the Parish of Terrebonne, State of Louisiana, Limited Tax Revenue Bonds, Series 2016, Sinking Fund", said Sinking Fund to be maintained with the regularly designated fiscal agent bank of the Issuer. The Bonds bear interest at varying amounts between 3% and 4%. The Bonds mature in varying amounts from March 1, 2020 through March 1, 2039.

Series 2019 Bonds

On October 29, 2019, the Board authorized the issuance of Ten Million Dollars (\$10,000,000) of Limited Tax Revenue Bonds, Series 2019, of the Parish School Board of the Parish of Terrebonne, State of Louisiana (the Issuer).

The Bonds represent the entire principal amount of an authorized issue aggregating in principal the sum of Ten Million Dollars (\$10,000,000) of Limited Tax Revenue Bonds, Series 2019, (the Bonds), of the Issuer, for the purpose of purchasing, acquiring, and improving capital improvements for the School Board, including the necessary sites, equipment, and furnishings thereof, title to which shall be in the public, and paying the costs of issuance thereof, under the authority conferred by Section 1430 of Title 39 of the Louisiana Revised Statutes of 1950, as amended, and other constitutional and statutory authority.

The Bonds are secured by and payable from an irrevocable pledge and dedication of the funds to be derived by the Issuer from the levy and collection of a special tax of 3.86 mills (such rate being subject to adjustment from time to time due to reassessment) authorized to be imposed and collected each year on all property subject to taxation within the corporate boundaries of the Issuer (the Tax).

TERREBONNE PARISH SCHOOL BOARD

Notes to Basic Financial Statements

Note 8. Long-Term Liabilities (Continued)

Series 2019 Bonds (Continued)

For the payment of the principal of the Bonds, a special fund known as "Parish School Board of the Parish of Terrebonne, State of Louisiana, Limited Tax Revenue Bonds, Series 2019, Sinking Fund", said Sinking Fund to be maintained with the regularly designated fiscal agent bank of the Issuer. The Bonds bear interest at varying amounts between 3% and 4%. The Bonds mature in varying amounts from March 1, 2020 through March 1, 2036.

The annual debt service requirements including interest to amortize all long-term obligations outstanding at June 30, 2020 other than compensated absences, pensions, and other postemployment benefits are as follows:

| Year Ending June 30, | Notes from Direct Borrowings and Direct Placements | | | Tax Revenue Bonds | Tax Revenue Bonds | Total |
|----------------------------|---|----------------------|---------------------|----------------------|----------------------|----------------------|
| | QSCB 2009 | QSCB 2011 | QSCB 2012 | Series 2016 | Series 2019 | |
| 2021 | \$ 104,000 | \$ 38,000 | \$ - | \$ 925,563 | \$ 549,200 | \$ 1,616,763 |
| 2022 | 104,000 | 38,000 | - | 930,863 | 548,950 | 1,621,813 |
| 2023 | 104,000 | 38,000 | - | 928,513 | 548,550 | 1,619,063 |
| 2024 | 104,000 | 38,000 | - | 1,041,013 | 438,000 | 1,621,013 |
| 2025 | 104,000 | 38,000 | - | 1,714,913 | 545,600 | 2,402,513 |
| Thereafter | 10,104,000 | 10,076,000 | 1,460,775 | 18,975,758 | 12,904,000 | 53,520,533 |
| Total | 10,624,000 | 10,266,000 | 1,460,775 | 24,516,623 | 15,534,300 | 62,401,698 |
| Less: | | | | | | |
| Interest | 624,000 | 266,000 | - | 7,151,623 | 5,769,300 | 13,810,923 |
| Net Amount | \$ 10,000,000 | \$ 10,000,000 | \$ 1,460,775 | \$ 17,365,000 | \$ 9,765,000 | \$ 48,590,775 |

Note 9. Risk Management and Insurance

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; providing health, dental, and other medical benefits to employees; and natural disasters. The School Board manages these risks in various ways as follows:

Commercial Insurance

The School Board has purchased excess commercial liability insurance to cover risks of loss related to torts or negligence by employees and board members. Commercial insurance has also been obtained to cover damage to or theft of computer equipment, vehicles, boilers, and other machinery. Claims have not exceeded insurance coverage in any of the past four years.

TERREBONNE PARISH SCHOOL BOARD

Notes to Basic Financial Statements

Note 9. Risk Management and Insurance (Continued)

Self-Insurance Programs

The School Board has established three (3) partially self-insured programs, which are accounted for in Internal Service Funds, as follows:

The workers' compensation program was established for the purpose of providing medical and indemnity payments as required by law for on-the-job related injuries. The Plan Administrator, Gulf South Risk Services, is responsible for claims processing and administration. The School Board has obtained excess insurance coverage with a deductible of \$500,000 per occurrence and a \$1,000,000 limit per claim. An analysis of the claims activities for the current year and prior year follows:

| Year Ended | Beginning Liability | Current Year Claims and Changes in Estimates | Actual Claim Payments | Ending Liability |
|----------------|---------------------|---|--------------------------|---------------------|
| (In Thousands) | | | | |
| June 30, 2019 | \$ 733 | \$ 560 | \$ 533 | \$ 760 |
| June 30, 2020 | \$ 733 | \$ 940 | \$ 605 | \$ 1,068 |

The Employee Benefit Group Insurance Plan was established by board action during the June 1991 fiscal year. The Plan Administrator, Gilsbar, is responsible for claims processing and administration. Resources to pay claims are derived from employer and employee contributions. Employer contributions are partially funded by local, state, and federal funds. The contributions are recorded as expenditures in each fund employing personnel qualified for group hospital insurance benefits and are recorded as non-operating revenues in the Group Insurance Claims Internal Service Fund. The amounts charged to the various funds and the liability for outstanding claims are estimated based on an actuarial projection of expected claims. These amounts consider claims which may have been incurred but not reported as of June 30, 2020. The School Board has obtained excess insurance coverage which limits its exposure to \$425,000 per claim per calendar year, and \$34,232,566 in the aggregate.

Self-Insurance Programs (Continued)

An analysis of claims activities for the current year and prior year follows:

| Year Ended | Beginning Liability | Current Year Claims and Changes in Estimates | Actual Claim Payments | Ending Liability |
|----------------|---------------------|---|--------------------------|---------------------|
| (In Thousands) | | | | |
| June 30, 2019 | \$ 8,740 | \$ 45,154 | \$ 46,589 | \$ 7,305 |
| June 30, 2020 | \$ 7,305 | \$ 47,184 | \$ 47,601 | \$ 6,888 |

TERREBONNE PARISH SCHOOL BOARD

Notes to Basic Financial Statements

Note 10. Interfund Balances

Interfund Receivables/Payables

During the course of normal operations, numerous transactions occur between funds for goods provided or services rendered. These receivables and payables, as well as short-term interfund loans, are classified as due from other funds or due to other funds, but are eliminated in the GWFS. Any residual balances outstanding between governmental activities and business-type activities are reported in the GWFS as internal balances. The following table shows the due from/due to other funds for the year ended June 30, 2020:

| | Due from Other Funds | Due to Other Funds |
|--------------------------------|---------------------------------|-------------------------------|
| Governmental Funds | | |
| General Fund | \$ 21,605,556 | \$ 4,625,620 |
| One Cent Sales Tax Fund | 26,977 | 5,779,164 |
| Building Fund | 1,429,142 | 26,977 |
| Non-Major Funds | 1,681,667 | 15,854,010 |
| | <hr/> | <hr/> |
| Total Governmental Accounts | 24,743,342 | 26,285,771 |
| Proprietary Funds | | |
| Loss Fund | 43,455 | - |
| Group Insurance Claims | 1,499,634 | - |
| | <hr/> | <hr/> |
| Total Business-Type Activities | 1,543,089 | - |
| Fiduciary Funds | | |
| Employee Spending | - | 660 |
| | <hr/> | <hr/> |
| Total | \$ 26,286,431 | \$ 26,286,431 |
| | <hr/> | <hr/> |

TERREBONNE PARISH SCHOOL BOARD

Notes to Basic Financial Statements

Note 10. Interfund Balances (Continued)

Interfund Transfers

During the course of normal operations, numerous transactions occur between funds for goods provided or services rendered. Interfund transfers consisted of payments of indirect costs to the General Fund as well as a transfer to the School Food Service Fund for the year ended June 30, 2020, as follows:

| | Transfers In | Transfers Out |
|---------------------------|----------------------|----------------------|
| Governmental Funds | | |
| General Fund | \$ 13,852,488 | \$ 9,353,944 |
| One Cent Sales Tax Fund | - | 6,457,014 |
| Building Fund | 4,195,812 | - |
| Non-Major Funds | 3,810,958 | 14,048,300 |
| | <hr/> | <hr/> |
| Total Governmental Funds | 21,859,258 | 29,859,258 |
| Proprietary Funds | | |
| Group Insurance Fund | 7,000,000 | - |
| Loss Fund | 1,000,000 | - |
| | <hr/> | <hr/> |
| Total Proprietary Funds | 8,000,000 | - |
| | <hr/> | <hr/> |
| Total | \$ 29,859,258 | \$ 29,859,258 |

Note 11. Commitments and Contingencies

Litigation

The School Board is subject to legal proceedings which arise in the normal course of operations. In the opinion of the School Board, the outcome of these proceedings will not materially affect the accompanying financial statements and, accordingly, no provision for losses has been recorded.

Federal and State Grant Awards

The School Board received funding under grants from various federal and state governmental agencies. These grants specify the purpose for which the grant monies are to be used and such grants are subject to audit by the granting agency or its representative. Certain grant monies received in prior years have not been expended and may require reimbursement to the granting agency.

TERREBONNE PARISH SCHOOL BOARD

Notes to Basic Financial Statements

Note 12. Concentrations

The School Board received 12% (\$24,365,239) and 48% (\$94,282,741) of its fiscal 2020 revenues from federal grants and the State of Louisiana Minimum Foundation Program, respectively. The MFP funding is allocated to the School Board through a formula based primarily on the student population.

Note 13. Recent Reporting and Disclosure Developments

As of June 30, 2020, the Governmental Accounting Standards Board has issued several statements not yet implemented by the School Board. The statements, which might impact the School Board, are as follows:

GASB Statement No. 84, *Fiduciary Activities*

The objective of GASB 84 is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. In May 2020, the GASB issued Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*, postponing the effective date of Statement No. 84 to reporting periods beginning after December 15, 2019.

GASB Statement No. 87, *Leases*

The objective of GASB 87 is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. In May 2020, the GASB issued Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*, postponing the effective date of Statement No. 87 to reporting periods beginning after June 15, 2021.

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*

The Statement provides guidance on the accounting and financial reporting for subscription based information-technology arrangements for government end users. The Statement is effective for fiscal years beginning after June 15, 2022.

GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*

The Statement amends Questions 4.3 and 4.5 of Implementation Guide 201-2. The requirements of this Statement related to the accounting and financial reporting for Internal Revenue Code Section 457 plans are effective June 15, 2021.

TERREBONNE PARISH SCHOOL BOARD

Notes to Basic Financial Statements

Note 14. Risks and Uncertainties

On January 30, 2020, the World Health Organization declared the coronavirus outbreak a "Public Health Emergency of International Concern", and on March 11, 2020, declared it to be a pandemic. Actions taken around the world to help mitigate the spread of the coronavirus include restrictions on travel, quarantines in certain areas, and forced closures for certain types of public places and businesses. The coronavirus and actions taken to mitigate the spread of it have had, and are expected to continue to have, an adverse impact on the economies and financial markets of many countries and localities. Travel restrictions have significantly impacted the State of Louisiana, which relies heavily on tourism as a contributor to its economy.

As of June 30, 2020, the School Board has not experienced any decreases in revenues as a result of the coronavirus pandemic. However, a decrease in State revenues and a result of reduced tourism revenues may affect funding for public schools in future periods. On March 27, 2020, The Coronavirus Aid, Relief, and Economic Security Act (CARES Act) was enacted to - amongst other provisions - provide emergency assistance for individuals, families, and businesses affected by the coronavirus pandemic. Funds from the CARES Act are passed through to Louisiana school districts through the Elementary and Secondary School Emergency Relief Fund grant. These funds are expected to assist the School Board in funding distance learning measures and with potential reduced state funding in the coming school year.

Note 15. Restricted Net Position

The government-wide statement of net position reports \$39,833,212 of restricted net position, of which \$15,770,965 is restricted by enabling legislation.

**REQUIRED SUPPLEMENTARY
INFORMATION (PART II)**

TERREBONNE PARISH SCHOOL BOARD
HOUMA, LOUISIANA
Major Fund Type
Fund Descriptions

General Fund

The General Fund is the primary operating fund of the School Board and receives most of the revenues derived by the School Board from local sources (principally property and sales taxes) and state sources (principally equalization funding). General Fund expenditures represent the costs of general school system operations and include functional categories of instructional and support services. The General Fund is used to account for all financial resources and expenditures except those that are required to be accounted for in another fund.

One Cent Sales Tax Fund (1996)

The Citizens of Terrebonne Parish authorized a 1% sales and use tax effective July 1, 1996. The sales tax is to provide for increased compensation and related employment costs of teachers and other full-time personnel except management positions; operating and maintaining computers and high technology; and replacement, repair, and maintenance of roofs and mechanical equipment. This fund accounts for the receipt and disbursement of the one cent sales tax, a local funding source; therefore, this fund is classified as a Local Special Revenue Fund.

Building Fund

This fund was established to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those projects financed by the proprietary fund).

TERREBONNE PARISH SCHOOL BOARD
HOUMA, LOUISIANA
Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2020

Schedule 1

| | Original Budget | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|--|---------------------|---------------------|--------------------|---|
| Revenues | | | | |
| Local Sources: | | | | |
| Ad Valorem Tax | \$ 8,488,742 | \$ 8,843,631 | \$ 9,190,226 | \$ 346,595 |
| Sales and Use Tax | 7,425,346 | 7,512,887 | 7,505,051 | (7,836) |
| Deductions from Parish Taxes (1%) for | | | | |
| Contribution to Teachers Retirement System | 935,000 | 972,800 | 983,278 | 10,478 |
| Rents, Leases, and Royalties | 201,000 | 215,000 | 204,548 | (10,452) |
| Tuition | 623,800 | 602,000 | 616,391 | 14,391 |
| Interest Earned | 116,000 | 315,000 | 270,488 | (44,512) |
| Other Local Revenue | 682,100 | 692,700 | 1,136,251 | 443,551 |
| State Sources: | | | | |
| Equalization | 90,427,321 | 94,074,056 | 92,805,364 | (1,268,692) |
| Revenue Sharing | 210,000 | 215,000 | 216,844 | 1,844 |
| Professional Improvement Program Support | 48,200 | 37,472 | 33,243 | (4,229) |
| Contribution to Teachers' Retirement System | 12,800 | 9,743 | 9,080 | (663) |
| Other State Grants | 18,700 | 41,900 | 11,904 | (29,996) |
| Federal Sources | - | - | 260 | 260 |
| Total Revenues | 109,189,009 | 113,532,189 | 112,982,928 | (549,261) |
| Expenditures | | | | |
| Current: | | | | |
| Instruction: | | | | |
| Regular Education | 49,678,955 | 49,554,498 | 48,813,053 | 741,445 |
| Special Education | 15,476,078 | 15,846,697 | 14,960,119 | 886,578 |
| Adult Education | 77,134 | 77,053 | 65,131 | 11,922 |
| Career and Technical Education | 2,931,379 | 2,954,772 | 2,898,300 | 56,472 |
| Other Programs | 5,134,837 | 5,072,058 | 4,804,470 | 267,588 |
| Support Services: | | | | |
| Pupil Support | 7,264,519 | 7,081,736 | 6,974,565 | 107,171 |
| Instructional Staff | 5,393,587 | 5,124,230 | 4,922,593 | 201,637 |
| General Administration | 1,571,931 | 1,702,797 | 1,527,201 | 175,596 |
| School Administration | 8,707,403 | 8,816,218 | 8,688,940 | 127,278 |
| Business Services | 1,897,514 | 1,861,331 | 1,788,739 | 72,592 |
| Plant Services | 13,935,569 | 12,979,204 | 11,910,934 | 1,068,270 |
| Student Transportation | 10,128,650 | 10,035,838 | 9,333,833 | 702,005 |
| Central Services | 1,304,653 | 1,315,097 | 1,282,801 | 32,296 |
| Non-Instructional: | | | | |
| Food Services | 1,066,626 | 1,044,204 | 1,030,593 | 13,611 |
| Facilities Acquisition | - | 68,345 | 68,341 | 4 |
| Total Expenditures | 124,568,835 | 123,534,078 | 119,069,613 | 4,464,465 |
| Excess (Deficiency) of Revenues Over Expenditures | (15,379,826) | (10,001,889) | (6,086,685) | 3,915,204 |

See notes to required supplementary information and independent auditor's report.

TERREBONNE PARISH SCHOOL BOARD
HOUMA, LOUISIANA
Budgetary Comparison Schedule
General Fund (Continued)
For the Year Ended June 30, 2020

Schedule 1

| | Original Budget | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|---|----------------------|----------------------|----------------------|---|
| Other Financing Sources (Uses) | | | | |
| Operating Transfers In | 15,341,024 | 13,462,631 | 13,852,488 | 389,857 |
| Operating Transfers Out | (6,356,261) | (9,356,643) | (9,353,944) | 2,699 |
| Indirect Costs | 1,636,906 | 2,188,770 | 1,591,741 | (597,029) |
| Other Sources (Uses) | (559,780) | (675,274) | (806,342) | (131,068) |
| Total Other Financing Sources (Uses) | <u>10,061,889</u> | <u>5,619,484</u> | <u>5,283,943</u> | <u>(335,541)</u> |
| Net Change in Fund Balance | (5,317,937) | (4,382,405) | (802,742) | 3,579,663 |
| Fund Balances, Beginning of Year | <u>15,478,852</u> | <u>17,742,271</u> | <u>17,742,273</u> | <u>(2)</u> |
| Fund Balances, End of Year | <u>\$ 10,160,915</u> | <u>\$ 13,359,866</u> | <u>\$ 16,939,531</u> | <u>\$ 3,579,665</u> |

See notes to required supplementary information and independent auditor's report.

**TERREBONNE PARISH SCHOOL BOARD
HOUMA, LOUISIANA
Budgetary Comparison Schedule
One Cent Sales Tax Fund (1996)
For the Year Ended June 30, 2020**

Schedule 2

| | Original Budget | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|--|----------------------------|-------------------------|---------------------|---|
| Revenues | | | | |
| Local Sources: | | | | |
| Sales and Use Tax | \$ 21,842,507 | \$ 22,535,961 | \$ 22,515,154 | \$ (20,807) |
| Investment Earned | 99,200 | 125,000 | 120,810 | (4,190) |
| Other Local Revenue | - | 90,153 | 117,181 | 27,028 |
| Total Revenues | 21,941,707 | 22,751,114 | 22,753,145 | 2,031 |
| Expenditures | | | | |
| Current: | | | | |
| Instruction: | | | | |
| Regular Education | 6,963,045 | 7,141,413 | 6,456,447 | 684,966 |
| Special Education | 2,031,952 | 2,104,593 | 2,015,078 | 89,515 |
| Adult Education | 37,967 | 37,965 | 37,989 | (24) |
| Career and Technical Education | 348,571 | 340,645 | 335,665 | 4,980 |
| Other Programs | 1,354,352 | 1,312,864 | 1,282,937 | 29,927 |
| Support Services: | | | | |
| Pupil Support | 1,104,978 | 1,094,578 | 1,087,424 | 7,154 |
| Instructional Staff | 944,589 | 893,694 | 855,206 | 38,488 |
| General Administration | 226,884 | 228,234 | 231,016 | (2,782) |
| School Administration | 871,619 | 869,096 | 855,498 | 13,598 |
| Business Services | 197,173 | 185,916 | 185,666 | 250 |
| Plant Services | 863,274 | 867,084 | 846,596 | 20,488 |
| Student Transportation | 796,371 | 767,512 | 747,195 | 20,317 |
| Central Services | 684,589 | 714,606 | 975,865 | (261,259) |
| Non-Instructional: | | | | |
| Food Services | 777,252 | 744,807 | 739,158 | 5,649 |
| Facilities Acquisition | - | - | - | - |
| Debt Service: | | | | |
| Interest and Bank Charges | 139,395 | 139,395 | 141,467 | (2,072) |
| Total Expenditures | 17,342,011 | 17,442,402 | 16,793,207 | 649,195 |
| Excess (Deficiency) of Revenues Over Expenditures | 4,599,696 | 5,308,712 | 5,959,938 | 651,226 |
| Other Financing Sources (Uses) | | | | |
| Operating Transfers Out | (4,169,672) | (4,169,672) | (6,457,014) | 2,287,342 |
| Total Other Financing Sources (Uses) | (4,169,672) | (4,169,672) | (6,457,014) | 2,287,342 |
| Net Change in Fund Balance | 430,024 | 1,139,040 | (497,076) | (1,636,116) |
| Fund Balances, Beginning of Year | 5,144,412 | 6,172,097 | 6,172,098 | (1) |
| Fund Balances, Beginning of Year | \$ 5,574,436 | \$ 7,311,137 | \$ 5,675,022 | \$ (1,636,115) |

See notes to required supplementary information and independent auditor's report.

**TERREBONNE PARISH SCHOOL BOARD
HOUMA, LOUISIANA
Schedule of Changes in Net OPEB Liability
and Related Ratios
For the Year Ended June 30, 2020**

Schedule 3

| | 2020 | 2019 | 2018 |
|--|-----------------------|----------------|----------------|
| Total OPEB Liability | | | |
| Service Cost | \$ 5,629,187 | \$ 5,582,072 | \$ 5,368,789 |
| Interest | 10,238,235 | 10,164,350 | 11,539,734 |
| Changes of Benefit Terms | - | - | - |
| Differences Between Expected and Actual Experience | (29,689,820) | (3,461,543) | (4,031,560) |
| Changes of Assumptions | 57,485,354 | - | - |
| Benefit Payments | (9,378,349) | (10,969,411) | (10,951,202) |
| Net Change in Total OPEB Liability | 34,284,607 | 1,315,468 | 1,925,761 |
| Total OPEB Liability - Beginning | 297,210,170 | 295,894,702 | 293,968,941 |
| Total OPEB Liability - Ending (a) | \$ 331,494,777 | \$ 297,210,170 | \$ 295,894,702 |
| Plan Fiduciary Net Position | | | |
| Contributions - Employer | \$ - | \$ - | \$ - |
| Contributions - Member | - | - | - |
| Net Investment Income | - | - | - |
| Benefit Payments | - | - | - |
| Administrative Expense | - | - | - |
| Net Change in Plan Fiduciary Net Position | - | - | - |
| Plan Fiduciary Net Position, Beginning | - | - | - |
| Plan Fiduciary Net Position, Ending | \$ - | \$ - | \$ - |
| Net OPEB Liability, Ending (a) - (b) | \$ 331,494,777 | \$ 297,210,170 | \$ 295,894,702 |
| Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability | 0.00% | 0.00% | 0.00% |
| Covered-Employee Payroll | \$ 83,996,541 | \$ 83,220,863 | \$ 83,220,863 |
| Net OPEB Liability as a Percentage of Covered-Employee Payroll | 394.65% | 357.13% | 355.55% |

Notes to Schedule:

Benefit Changes. There were no changes of benefit terms for the year ended June 30, 2020.

Changes of Assumptions. The discount rate was changed from 3.5% to 2.21% for the year ended June 30, 2020.

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

See notes to required supplementary information and independent auditor's report.

TERREBONNE PARISH SCHOOL BOARD
HOUMA, LOUISIANA
Schedule of Proportionate Share of Net Pension Liabilities
For the Years Ended June 30, 2020 through 2015

Schedule 4

| Year Ended | Proportion of the Net Pension Liability | Proportionate Share of the Net Pension Liability | Covered Payroll | Share of the Net Pension Liability as a Percentage of its Covered Payroll | Plan Fiduciary Net Position as a Percentage of the Total Pension Liability |
|---|--|---|------------------------|--|---|
| <u>Teachers' Retirement System of Louisiana</u> | | | | | |
| June 30, 2020 | 1.656050% | \$ 164,357,562 | \$ 80,294,711 | 204.69% | 68.60% |
| June 30, 2019 | 1.675640% | \$ 164,681,938 | \$ 79,035,699 | 208.36% | 68.20% |
| June 30, 2018 | 1.743570% | \$ 178,748,347 | \$ 81,652,047 | 218.91% | 65.60% |
| June 30, 2017 | 1.768350% | \$ 207,551,358 | \$ 83,581,607 | 248.32% | 59.90% |
| June 30, 2016 | 1.713760% | \$ 184,268,550 | \$ 76,987,172 | 239.35% | 62.50% |
| June 30, 2015 | 1.619310% | \$ 166,375,110 | \$ 72,914,095 | 228.18% | 63.70% |
| <u>Louisiana School Employees' Retirement System</u> | | | | | |
| June 30, 2020 | 2.565325% | \$ 17,958,859 | \$ 7,465,643 | 240.55% | 73.49% |
| June 30, 2019 | 2.541167% | \$ 16,978,486 | \$ 7,330,082 | 231.63% | 74.44% |
| June 30, 2018 | 2.536210% | \$ 16,229,886 | \$ 7,260,315 | 223.54% | 75.03% |
| June 30, 2017 | 2.558188% | \$ 19,297,621 | \$ 7,268,557 | 265.49% | 70.09% |
| June 30, 2016 | 2.376480% | \$ 15,069,870 | \$ 6,666,544 | 226.05% | 74.49% |
| June 30, 2015 | 2.343700% | \$ 13,617,019 | \$ 6,569,367 | 207.28% | 76.18% |
| <u>Louisiana State Employees' Pension System</u> | | | | | |
| June 30, 2020 | 0.014630% | \$ 1,059,713 | \$ 270,361 | 391.96% | 62.90% |
| June 30, 2019 | 0.011990% | \$ 817,709 | \$ 232,776 | 351.29% | 64.30% |
| June 30, 2018 | 0.012290% | \$ 865,143 | \$ 230,903 | 374.68% | 62.50% |
| June 30, 2017 | 0.011280% | \$ 886,003 | \$ 243,604 | 363.71% | 57.70% |
| June 30, 2016 | 0.013340% | \$ 907,321 | \$ 255,573 | 355.01% | 62.70% |
| June 30, 2015 | 0.015980% | \$ 1,025,400 | \$ 255,573 | 401.22% | 65.00% |

See notes to required supplementary information and independent auditor's report.

TERREBONNE PARISH SCHOOL BOARD
HOUMA, LOUISIANA
Schedule of School Board Contributions
For the Years Ended June 30, 2020 though 2015

Schedule 5

| Year Ended | Contractually Required Contribution | Contributions in Relation to Contractually Required Contribution | Contribution Deficiency (Excess) | Covered Payroll | Contribution as a Percentage of Covered Payroll |
|---|--|---|---|------------------------|--|
| <u>Teachers' Retirement System of Louisiana (TRSL)</u> | | | | | |
| June 30, 2020 | \$ 21,214,515 | \$ 21,214,515 | \$ - | \$ 81,571,851 | 26.01% |
| June 30, 2019 | \$ 21,442,049 | \$ 21,442,049 | \$ - | \$ 80,294,711 | 26.70% |
| June 30, 2018 | \$ 21,026,699 | \$ 21,026,699 | \$ - | \$ 79,035,699 | 26.60% |
| June 30, 2017 | \$ 20,829,888 | \$ 20,829,888 | \$ - | \$ 81,652,047 | 25.51% |
| June 30, 2016 | \$ 21,925,329 | \$ 21,925,329 | \$ - | \$ 83,581,607 | 26.23% |
| June 30, 2015 | \$ 21,560,667 | \$ 21,560,667 | \$ - | \$ 76,987,172 | 28.01% |
| <u>Louisiana School Employees' Retirement System (LSERS)</u> | | | | | |
| June 30, 2020 | \$ 2,220,572 | \$ 2,220,572 | \$ - | \$ 7,551,492 | 29.41% |
| June 30, 2019 | \$ 2,090,307 | \$ 2,090,307 | \$ - | \$ 7,465,643 | 28.00% |
| June 30, 2018 | \$ 2,023,102 | \$ 2,023,102 | \$ - | \$ 7,330,082 | 27.60% |
| June 30, 2017 | \$ 1,982,064 | \$ 1,982,064 | \$ - | \$ 7,260,315 | 27.30% |
| June 30, 2016 | \$ 2,195,114 | \$ 2,195,114 | \$ - | \$ 7,268,557 | 30.20% |
| June 30, 2015 | \$ 2,199,138 | \$ 2,199,138 | \$ - | \$ 6,666,544 | 32.99% |
| <u>Louisiana State Employees' Pension System (LASERS)</u> | | | | | |
| June 30, 2020 | \$ 126,824 | \$ 126,824 | \$ - | \$ 312,195 | 40.62% |
| June 30, 2019 | \$ 102,467 | \$ 102,467 | \$ - | \$ 270,361 | 37.90% |
| June 30, 2018 | \$ 88,222 | \$ 88,222 | \$ - | \$ 232,776 | 37.90% |
| June 30, 2017 | \$ 83,822 | \$ 83,822 | \$ - | \$ 230,903 | 36.30% |
| June 30, 2016 | \$ 90,133 | \$ 90,133 | \$ - | \$ 243,604 | 37.00% |
| June 30, 2015 | \$ 94,626 | \$ 94,626 | \$ - | \$ 255,573 | 37.03% |

See notes to required supplementary information and independent auditor's report.

**TERREBONNE PARISH SCHOOL BOARD
HOUMA, LOUISIANA**

Notes to Required Supplementary Information

Note 1. Budgets

General Budget Practices

The proposed budgets for fiscal year 2019-2020 were completed and made available for public inspection at the School Board office on May 22, 2019. A public hearing was held on June 5, 2019, for suggestions and comments from taxpayers. The proposed fiscal year 2019-2020 budgets were formally adopted by the School Board on July 2, 2019, and final amendment was adopted on March 12, 2020. The budgets, which included proposed expenditures and the means of financing them, for the General, Special Revenue, Debt Service, and Capital Projects Funds, were published in the official journal ten days prior to the public hearings.

Formal budgetary accounts are integrated into the accounting system during the year as a management control device, including the recording of encumbrances. Appropriations are valid only for the year in which made, and any part of such appropriation which is not encumbered or expensed lapses at the end of the year. Current year transactions that are directly related to the prior year's budget are not re-budgeted in the current year.

The Superintendent is authorized to transfer budget amounts between budget lines in a fund; however, any supplemental appropriations that amend the total expenditures of any fund require Board approval. As required by State law, when actual revenues within a fund are failing to meet estimated annual budgeted revenues by five percent or more, and/or actual expenditures within a fund are exceeding estimated budgeted expenditures by five percent or more, a budget amendment to reflect such changes is adopted by the School Board in an open meeting. Budgeted amounts included in the financial statements include the original adopted budget and all subsequent amendments. Amendments to the budget reflect changes in revenue sources determined after the budget was initially approved. No other significant changes occurred.

Budget Basis of Accounting

The budgets for the General and Special Revenue Funds for fiscal year 2019-2020 were prepared on the modified accrual basis of accounting, consistent with generally accepted accounting principles (GAAP).

Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments are recorded, is employed by the General Fund and Capital Projects Funds.

Encumbrances outstanding at year-end lapse and are re-encumbered the following year.

**TERREBONNE PARISH SCHOOL BOARD
HOUMA, LOUISIANA**

Notes to Required Supplementary Information

Note 2. Pension Plans

Changes of Benefit Terms

A member joining TRSL, LSERS, or LASERS on or after July 1, 2015 is eligible for normal retirement if he has at least five years of creditable service and is at least age 62, or 20 years of creditable service regardless of age with an actuarially reduced benefit. The retirement age prior to the change in benefit terms was age 60.

During the reporting period 2015, a 1.5% cost-of-living adjustment was granted by TRSL and LASERS. During the reporting period 2017, a cost-of-living adjustment was granted by TRSL and LSERS of 1.5% and 1.9% respectively.

There were no changes in benefit terms for any of the remaining years presented.

Changes of Assumptions

TRSL

| Valuation Date | Investment Rate of Return | Inflation Rate | Salary Increases | Mortality Rate - Active & Retired Members | Termination, Disability, and Retirement Assumptions |
|----------------|---------------------------|----------------|------------------|---|---|
| June 30, 2019 | 7.55% | 2.50% | 3.30% - 4.80% | Mortality Rates based on the RP-2014 mortality tables | Projected on a 5 year (2013-2017) experience study |
| June 30, 2018 | 7.65% | 2.50% | 3.30% - 4.80% | Mortality Rates based on the RP-2014 mortality tables | Projected on a 5 year (2013-2017) experience study |
| June 30, 2017 | 7.70% | 2.50% | 3.50% - 10.0% | Mortality Rates based on the RP-2000 mortality tables with projection to 2025 | Projected on a 5 year (2008-2012) experience study |
| June 30, 2016 | 7.75% | 2.50% | 3.50% - 10.0% | Mortality Rates based on the RP-2000 mortality tables with projection to 2025 | Projected on a 5 year (2008-2012) experience study |
| June 30, 2015 | 7.75% | 2.50% | 3.50% - 10.0% | Mortality Rates based on the RP-2000 mortality tables with projection to 2025 | Projected on a 5 year (2008-2012) experience study |
| June 30, 2014 | 7.75% | 2.50% | 3.50% - 10.0% | Mortality Rates based on the RP-2000 mortality tables with projection to 2025 | Projected on a 5 year (2008-2012) experience study |

**TERREBONNE PARISH SCHOOL BOARD
HOUMA, LOUISIANA**

Notes to Required Supplementary Information

Note 2. Pension Plans (Continued)

LSERS

| Valuation Date | Investment Rate of Return | Inflation Rate | Salary Increases | Mortality Rate - Active & Retired Members | Termination, Disability, and Retirement Assumptions |
|----------------|---------------------------|----------------|------------------------------------|---|---|
| June 30, 2019 | 7.00% | 2.50% | 3.25% | Mortality Rates based on the RP-2014 mortality tables | Projected on a 5 year (2013-2017) experience study |
| June 30, 2018 | 7.0625% | 2.50% | 3.25% | Mortality Rates based on the RP-2014 mortality tables | Projected on a 5 year (2013-2017) experience study |
| June 30, 2017 | 7.125% | 2.625% | 3.075% - 5.375% | Mortality Rates based on the RP-2000 mortality tables | Projected on a 5 year (2008-2012) experience study |
| June 30, 2016 | 7.125% | 2.625% | 3.075% - 5.375% | Mortality Rates based on the RP-2000 mortality tables | Projected on a 5 year (2008-2012) experience study |
| June 30, 2015 | 7.00% | 2.75% | 3.2% - 5.5% | Mortality Rates based on the RP-2000 mortality tables | Projected on a 5 year (2008-2012) experience study |
| June 30, 2014 | 7.25% | 2.75% | Based on member's years of service | Mortality Rates based on the RP-2000 mortality tables | Projected on a 5 year (2008-2012) experience study |

**TERREBONNE PARISH SCHOOL BOARD
HOUMA, LOUISIANA**

Notes to Required Supplementary Information

Note 2. Pension Plans (Continued)

LASERS

| Valuation Date | Investment Rate of Return | Inflation Rate | Salary Increases | Mortality Rate - Active & Retired Members | Termination, Disability, and Retirement Assumptions |
|----------------|---------------------------|----------------|------------------|---|---|
| June 30, 2019 | 7.60% | 2.50% | 2.80% - 14.00% | Mortality Rates based on the RP-2014 mortality tables | Projected on a 5 year (2014-2018) experience study |
| June 30, 2018 | 7.65% | 2.75% | 2.80% - 14.30% | Mortality Rates based on the RP-2000 mortality tables | Projected on a 5 year (2009-2013) experience study |
| June 30, 2017 | 7.70% | 2.75% | 2.80% - 14.30% | Mortality Rates based on the RP-2000 mortality tables with projection to 2015 | Projected on a 5 year (2009-2013) experience study |
| June 30, 2016 | 7.75% | 3.00% | 3.00% - 14.50% | Mortality Rates based on the RP-2000 mortality tables with projection to 2015 | Projected on a 5 year (2009-2013) experience study |
| June 30, 2015 | 7.75% | 3.00% | 3.00% - 14.50% | Mortality Rates based on the RP-2000 mortality tables with projection to 2015 | Projected on a 5 year (2009-2013) experience study |
| June 30, 2014 | 7.75% | 3.00% | 3.00% - 14.50% | Mortality Rates based on the RP-2000 mortality tables with projection to 2015 | Projected on a 5 year (2009-2013) experience study |

OTHER SUPPLEMENTARY INFORMATION

FEDERAL FUNDS

ESSA Title I - Disadvantaged Schoolwide Fund

The Every Student Succeeds Act of 2015 (ESSA) is a reform-based law that seeks to close entirely the achievement gap between disadvantaged and minority students and their peers and to increase academic achievement among all students.

This fund is used to monitor services provided to educationally-disadvantaged children attending schools in Terrebonne Parish that qualify as target areas because of low socio-economic factors. Funds are received through the State from federally-funded educational programs; therefore, this fund is classified as a Federal Special Revenue Fund. The primary activity is the instruction of students with some support services to assist the academic program in either a reading or math lab setting. All twenty-five Title I schools are elected to enter a "Schoolwide Program." This program allows each school the opportunity to provide assistance to all students. These schools may change personnel, services, and/or support programs to fit the needs of the individual school.

ESSA Title I - Striving Readers Fund

The Striving Readers Comprehensive Literacy grant is designed to increase literacy achievement for all students in feeder systems from birth through grade 12. Funds will be used to create sustainable systems that support implementation of CCSS and focus on: (1) School Leader and Teacher Learning Targets, 2) Assessment and Curriculum, 3) School and Teacher Collaboration, and 4) Compass Observation and Feedback.

ESSA Title I - Direct Services Fund

The Direct Services Fund is designed to support individualized academic services to improve student achievement by supporting students in gaining access to academic courses, credentials, and services that are not otherwise available at their schools.

ESSA Title I - School Redesign Fund

The School Redesign Fund provides resources required to develop a plan for improvement of persistently struggling schools by conducting needs assessments, building a plan to address the biggest needs at each school, and aligning a budget to fund the prioritized interventions. For the 2019-2020 fiscal year the schools included in the grant were Village East Elementary School, Oaklawn Junior High School, and Southdown Elementary School.

Federal Adult Education Fund

The Federal Adult Education Program is designed to expand and improve educational opportunities to students 16 years of age or older, not currently enrolled in school, and lacking a high school diploma or the basic skills to function effectively in the workplace. The curriculum offered intends to prepare the student for the high school equivalency examination. Students successfully completing the examination are awarded a General Education Development (GED) diploma.

FEDERAL FUNDS (Continued)

Federal Vocational Education Fund

The Federal Vocational Educational Fund was established to monitor expenditures of monies received from Federal Vocational Education grants through the State Department of Education. Funding for this grant is through the Carl D. Perkins Act. Expenditures include salaries and benefits, administrative costs, and the purchase of equipment and supplies.

ESSA Title VII - Indian Education Fund

This fund is used to provide a program designed to assist deprived Indian students. Funds are obtained by Federal grants directly from the U. S. Department of Education, Office of Indian Education, and are provided for salaries and benefits, tutorial stipends with benefits, cultural presenters, instructional and cultural supplies, registration fees, and travel.

Special Education PL 101-476 Individuals with Disabilities Education Act (IDEA) Fund

These federal funds are allocated under Part B of the Education for the Handicapped Act as amended by PL 101-476. Such funds are awarded through the State Department of Education and are based on the number of identified handicapped students being served as of the December child count. Funds are used for salaries, contracted services, materials, supplies, travel, equipment, and other expenses necessary to provide full educational opportunities to exceptional children.

ESSA Title II - Part A and Part D

The Title II - Part A funds are provided to increase student academic achievement through strategies such as preparing, training, and improving teacher and principal quality, as well as increasing the number of highly qualified teachers in the classrooms and highly qualified principals and assistant principals in the schools. Local Educational Agencies and schools will be accountable for improvements in student academic achievement. Part D funds are provided to assist high need school systems in improving student achievement through the effective use of technology.

TANF- Block Grant Fund

The purpose of this grant is to assist low income families by providing quality early childhood education programs. This grant consists of only the LA 4 Pre-Kindergarten Program.

ESSA Title III - English Language Acquisition, Enhancement, and Academic Achievement Fund

This fund was established to help ensure that children who are limited English proficient, including immigrant children and youth, attain English proficiency, develop high levels of academic attainment in English, and meet the same challenging state academic content and student academic achievement standards as all children are expected to meet. These funds are allocated for purchasing instructional materials and supplies.

FEDERAL FUNDS (Continued)

ESSA Title IV - Student Support and Academic Enrichment Grant

The purpose of this grant is to provide students with a well-rounded education to support safe and healthy students, and to support the effective use of technology.

ESSA Title X - McKinney/Vento Homeless Assistance Act

The purpose of this grant is to ensure that each child of a homeless individual and each homeless youth have equal access to the same free, appropriate public education as any non-homeless child or youth. These grants are awarded on a three-year cycle with continuation grant applications filed annually.

Child Nutrition Fund

The Child Nutrition Fund accounts for activities relating to the operation of the School Board's lunch, breakfast, and summer feeding programs. The meals are provided for free or at a reduced price through subsidies from the State and Federal Governments. The bulk of the funding is from federal sources; therefore, the fund is classified as a Federal Special Revenue Fund.

Child Care and Development Funds

The Early Childhood Community Network Pilot - Childcare and Development Block Grant - The ultimate goal of this federal grant is to prepare our youngest learners for kindergarten through support and implementation of the following strategies outlined in the Early Childhood Care and Education Network - Roadmap to 2015: Unity Expectations, Support Teachers and Providers, Measure and Recognize Progress, Fund High Quality Providers, Provide Clear Information, and High Quality Choices.

ESSA Title I - Migrant Education Fund

These funds are used to enlist cooperation of school systems in the recruiting parish area, identifying migrant children in these areas, establish contacts with migrant families, and assist in planning educational and social services for migrant children.

ESSER CARES Act Stimulus 2020

The Elementary and Secondary School Emergency Relief Funds were appropriated in response to the worldwide COVID-19 pandemic for the purpose of providing local educational agencies with emergency relief funds to address the impact that COVID-19 has had, and continues to have on elementary and secondary schools.

Special Education IDEA Preschool Fund

The purpose of the Individuals with Disabilities Education Act (IDEA) is to ensure all children with disabilities have available to them a free appropriate public education which emphasizes special education and related services designed to meet their unique needs.

STATE FUNDS

State Adult Education Fund

The Adult Education Program offers a basic and remedial academic curriculum to individuals who are at least 16 years of age or emancipated minors who have not obtained a high school diploma. The curriculum offered is intended to prepare the student for the High School Equivalency Examination. Students successfully completing the examination are awarded the High School Equivalency Diploma.

MFP Level 4 Fund

The Minimum Foundation Program Level 4 Fund was established to account for state funds received through the MFP, which funds are to be used to provide materials, equipment, and teacher credentialing and training for Career and Technical Education courses.

LA 4 Pre-Kindergarten Fund

The LA 4 Pre-Kindergarten Program, which is modeled after the existing state-funded program for high-risk four-year-olds, establishes developmentally appropriate preschools for at-risk youth. Local LA 4 Pre-kindergarten Programs will adhere to the developmental philosophy as outlined by the National Association of Educators of Young Children.

8(g) Preschool Block Grant Program Fund

This fund was established to monitor expenditures of the Early Childhood Development Program. The project is a state funded pre-school pilot program made available by Act 323 of the 1985 Louisiana Legislature. Funds are now made available through the 8(g) block Grant Allocation for Early Childhood Education. The early childhood at-risk component serves eligible four-year-old students from low-income families who are determined to be at-risk. The program also serves children of low socio-economic backgrounds scoring a developmental age of 3 or 3½ years on the Brigance Preschool Screen for three and four-year-old children. The program specifically addresses the child's social, physical, and language needs.

State Textbooks and Materials Fund

This fund was established to monitor expenditures for the purchase of textbooks and instructional materials. Local school districts determine how to expend funds in these areas and handle their own purchasing and disbursing function. Accordingly, this fund monitors the portion of the state textbook and supplies monies allotted for textbooks and materials.

Education Excellence Fund

The Education Excellence Fund is being established to monitor the expenditures of monies from the State Legislature Millennium Trust, which provides for the disposition of proceeds from the tobacco settlement. The fund will provide a remediation program for 8th - 12th grade students, 16 or over who did not score at or above "Approaching Basic" on the 8th grade LEAP test and lack sufficient Carnegie credits to graduate in four years.

**TERREBONNE PARISH SCHOOL BOARD
HOUMA, LOUISIANA
Non-Major Governmental Funds
Fund Descriptions (Continued)
June 30, 2020**

STATE FUNDS (Continued)

Early Childhood Network Pilot Fund

The Early Childhood Network Pilot Fund is being established to monitor the expenditures of monies from the Early Childhood Community Network Pilot State Grant, which is a one-time start up grant to enhance the infrastructure and field test the data systems associated with Class and Teaching Strategies GOLD assessments.

LOCAL FUNDS

1/2 Cent Sales Tax Fund

The 1/2 Cent Sales Tax was passed in 2014. The collections are accounted for in the 1/2 Cent Sales Tax Fund and are dedicated for employee salaries and benefits.

3/4 Cent Sales Tax Fund (1976)

This fund is used to monitor collections and uses of a 3/4 of 1% local sales and use tax. The fund serves partially as a conduit for the transfers of monies to other funds. Operating transfers are made to the General Fund for salary and benefit expenditures, and support of instructional expenditures and plant operations.

Child Care Program Fund

This program provides before and after school care in order for children to remain in a safe, secure, and familiar environment of their schools while enjoying activities such as arts and crafts, indoor and outdoor games, and educational videos. Time is also set aside each day for the child to complete homework assignments under adult supervision. Salaries and fringe benefits for the site coordinator and workers are tracked in this fund.

Sinking Fund QSCB Series 2009 - Regions Bank

This Sinking Fund was established for the payment of the principal of the Bonds with the Paying Agent. Within the Sinking Fund is a Principal Account established for the purpose of paying the principal falling due on the Final Maturity Date and an Interest Account established for the purpose of paying the interest falling due on each Interest Payment Date.

Sinking Fund QSCB Series 2011 - Bank of New York Mellon

This Sinking Fund was established for the payment of the principal of the Bonds with the Paying Agent. Within the Sinking Fund is a Principal Account established for the purpose of paying the principal falling due on the Final Maturity Date and an Interest Account established for the purpose of paying the interest falling due on each Interest Payment Date.

Sinking Fund QSCB Series 2012 - Bank of New York Mellon

This Sinking Fund was established for the payment of the principal of the Bonds with the Paying Agent. Within the Sinking Fund is a Principal Account established for the purpose of paying the principal falling due on the Final Maturity Date and an Interest Account established for the purpose of paying the interest falling due on each Interest Payment Date.

**TERREBONNE PARISH SCHOOL BOARD
HOUMA, LOUISIANA
Non-Major Governmental Funds
Fund Descriptions (Continued)
June 30, 2020**

LOCAL FUNDS (Continued)

Sinking Fund QSCB Series 2016 - Argent Trust Company

This Sinking Fund was established for the payment of the principal of the Bonds with the Paying Agent. Within the Sinking Fund is a Principal Account established for the purpose of paying the principal falling due on the Final Maturity Date and an Interest Account established for the purpose of paying the interest falling due on each Interest Payment Date.

Sinking Fund QSCB Series 2019 - Argent Trust Company

This Sinking Fund was established for the payment of the principal of the Bonds with the Paying Agent. Within the Sinking Fund is a Principal Account established for the purpose of paying the principal falling due on the Final Maturity Date and an Interest Account established for the purpose of paying the interest falling due on each Interest Payment Date.

Capital Projects Fund - Series 2019 Bond

This fund is used to account for the resources received from the sale of Tax Revenue Bonds (Series 2019) and expenditures for the acquisition, construction, and improvements of capital facilities.

Miscellaneous Grants

This fund accounts for various grants and donations received from businesses to strengthen Science, Technology, Engineering, and Mathematics (STEM) programs. The funds are issued to develop curriculum, acquire equipment, and enhance student engagement in the STEM learning process.

TERREBONNE PARISH SCHOOL BOARD
 HOUMA, LOUISIANA
 Combining Balance Sheet
 Non-Major Governmental Funds
 June 30, 2020

Schedule 6

| | ESSA Title I - Disadvantaged Schoolwide Fund | ESSA Title I - Striving Readers Fund | ESSA Title I - Direct Services Fund | ESSA Title I - School Redesign Fund | Federal Adult Education Fund | Federal Vocational Education Fund | ESSA Title VII - Indian Education Fund | Special Education PL 101-476 IDEA Fund | ESSA Title II Fund |
|--|---|---|--|--|---------------------------------------|--|--|---|--------------------------|
| Assets | | | | | | | | | |
| Cash | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Investments - at Market | - | - | - | - | - | - | - | - | - |
| Sales and Use Tax | - | - | - | - | - | - | - | - | - |
| Other Receivables | - | - | - | - | - | - | - | - | - |
| Due from Other Funds | - | - | - | - | - | - | - | - | - |
| Due from Other Governmental Units | | | | | | | | | |
| State Department of Education | 1,642,195 | 89,930 | 38,208 | 105,998 | - | 48,910 | - | 1,490,545 | 421,762 |
| United States Department of Education | - | - | - | - | - | - | 193,275 | - | - |
| Other Units | - | - | - | - | 34,167 | - | - | - | - |
| Inventory, at Cost | - | - | - | - | - | - | - | - | - |
| Prepaid Expenses | - | - | - | - | - | - | - | 13,374 | - |
| Total Assets | \$ 1,642,195 | \$ 89,930 | \$ 38,208 | \$ 105,998 | \$ 34,167 | \$ 48,910 | \$ 193,275 | \$ 1,503,919 | \$ 421,762 |
| Liabilities | | | | | | | | | |
| Accounts Payable and Other Liabilities | \$ - | \$ - | \$ - | \$ - | | \$ - | \$ - | \$ - | \$ - |
| Due to Other Funds | 1,642,195 | 89,930 | 38,208 | 105,998 | 34,167 | 48,910 | 193,275 | 1,503,919 | 421,762 |
| Total Liabilities | 1,642,195 | 89,930 | 38,208 | 105,998 | 34,167 | 48,910 | 193,275 | 1,503,919 | 421,762 |
| Fund Balance | | | | | | | | | |
| Nonspendable | | | | | | | | | |
| Inventory | - | - | - | - | - | - | - | - | - |
| Prepaid Expenses | - | - | - | - | - | - | - | - | - |
| Restricted for: | | | | | | | | | |
| Debt Service | - | - | - | - | - | - | - | - | - |
| Compensation | - | - | - | - | - | - | - | - | - |
| Capital Projects | - | - | - | - | - | - | - | - | - |
| Instructional Programs | - | - | - | - | - | - | - | - | - |
| Assigned to: | | | | | | | | | |
| Instructional Programs | - | - | - | - | - | - | - | - | - |
| Child Nutrition | - | - | - | - | - | - | - | - | - |
| Committed to: | | | | | | | | | |
| Capital Projects | - | - | - | - | - | - | - | - | - |
| Unassigned | - | - | - | - | - | - | - | - | - |
| Total Fund Balances | - | - | - | - | - | - | - | - | - |
| Total Liabilities and Fund Balances | \$ 1,642,195 | \$ 89,930 | \$ 38,208 | \$ 105,998 | \$ 34,167 | \$ 48,910 | \$ 193,275 | \$ 1,503,919 | \$ 421,762 |

See independent auditor's report.

TERREBONNE PARISH SCHOOL BOARD
 HOUMA, LOUISIANA
 Combining Balance Sheet (Continued)
 Non-Major Governmental Funds
 June 30, 2020

Schedule 6

| | TANF - Block Grant Fund | Essa Title III Fund | ESSA Title IV Fund | ESSA Title X Fund | Child Nutrition Fund | Child Care and Development Funds | ESSA Title I - Migrant Education Fund | ESSER CARES Act Stimulus 2020 | Special Ed IDEA Preschool Fund |
|--|-------------------------------|---------------------------|--------------------------|-------------------------|----------------------------|---|--|--|---|
| Assets | | | | | | | | | |
| Cash | \$ - | \$ - | \$ - | \$ - | \$ 3,251,786 | \$ - | \$ - | \$ - | \$ - |
| Investments - at Market | - | - | - | - | - | - | - | - | - |
| Sales and Use Tax | - | - | - | - | - | - | - | - | - |
| Other Receivables | - | - | - | - | 265 | - | - | - | - |
| Due from Other Funds | - | - | - | - | - | - | - | - | - |
| Due from Other Governmental Units | | | | | | | | | |
| State Department of Education | 38,976 | 18,207 | 109,514 | 48,832 | 58,970 | 15,739 | 46,341 | 556,326 | 33,862 |
| United States Department of Education | - | - | - | - | - | - | - | - | - |
| Other Units | - | - | - | - | - | - | - | - | - |
| Inventory, at Cost | - | - | - | - | 781,039 | - | - | - | - |
| Prepaid Expenses | - | - | - | - | 947 | - | - | - | - |
| Total Assets | \$ 38,976 | \$ 18,207 | \$ 109,514 | \$ 48,832 | \$ 4,093,007 | \$ 15,739 | \$ 46,341 | \$ 556,326 | \$ 33,862 |
| Liabilities | | | | | | | | | |
| Accounts Payable and Other Liabilities | \$ - | \$ - | \$ - | \$ - | \$ 6,541 | \$ - | \$ 546 | \$ 29 | \$ - |
| Due to Other Funds | 38,976 | 18,207 | 109,514 | 48,832 | 1,967,651 | 15,739 | 45,795 | 556,297 | 33,862 |
| Total Liabilities | 38,976 | 18,207 | 109,514 | 48,832 | 1,974,192 | 15,739 | 46,341 | 556,326 | 33,862 |
| Fund Balance | | | | | | | | | |
| Nonspendable | | | | | | | | | |
| Inventory | - | - | - | - | 781,039 | - | - | - | - |
| Prepaid Expenses | - | - | - | - | 947 | - | - | - | - |
| Restricted for: | | | | | | | | | |
| Debt Service | - | - | - | - | - | - | - | - | - |
| Compensation | - | - | - | - | - | - | - | - | - |
| Capital Projects | - | - | - | - | - | - | - | - | - |
| Instructional Programs | - | - | - | - | - | - | - | - | - |
| Assigned to: | | | | | | | | | |
| Instructional Programs | - | - | - | - | - | - | - | - | - |
| Child Nutrition | - | - | - | - | 1,336,829 | - | - | - | - |
| Committed to: | | | | | | | | | |
| Capital Projects | - | - | - | - | - | - | - | - | - |
| Unassigned | - | - | - | - | - | - | - | - | - |
| Total Fund Balances | - | - | - | - | 2,118,815 | - | - | - | - |
| Total Liabilities and Fund Balances | \$ 38,976 | \$ 18,207 | \$ 109,514 | \$ 48,832 | \$ 4,093,007 | \$ 15,739 | \$ 46,341 | \$ 556,326 | \$ 33,862 |

See independent auditor's report.

TERREBONNE PARISH SCHOOL BOARD
 HOUMA, LOUISIANA
 Combining Balance Sheet (Continued)
 Non-Major Governmental Funds
 June 30, 2020

Schedule 6

| | State Adult Education Fund | MFP Level 4 Fund | Miscellaneous Grants | LA 4 Pre-K Fund | 8 (g) Preschool Block Grant Program Fund | State Textbooks and Materials Fund | Education Excellence Fund | Early Childhood Network Pilot Fund |
|--|-------------------------------------|------------------------|-------------------------|-----------------------|---|---|---------------------------------|--|
| Assets | | | | | | | | |
| Cash | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Investments - at Market | - | - | - | - | - | - | - | - |
| Sales and Use Tax | - | - | - | - | - | - | - | - |
| Other Receivables | 1,235 | 750 | - | - | - | 2,928 | - | - |
| Due from Other Funds | - | 706,245 | 99,793 | - | - | 864,403 | 11,226 | - |
| Due from Other Governmental Units | | | | | | | | |
| State Department of Education | - | - | - | 373,728 | 53,233 | 35,776 | - | 10,095 |
| United States Department of Education | - | - | - | - | - | - | - | - |
| Other Units | 66,306 | - | - | - | - | - | - | - |
| Inventory, at Cost | - | - | - | - | - | - | - | - |
| Prepaid Expenses | 5,117 | 11,616 | 12,800 | - | - | - | - | - |
| Total Assets | \$ 72,658 | \$ 718,611 | \$ 112,593 | \$ 373,728 | \$ 53,233 | \$ 903,107 | \$ 11,226 | \$ 10,095 |
| Liabilities | | | | | | | | |
| Accounts Payable and Other Liabilities | \$ - | \$ 550 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Due to Other Funds | 72,658 | - | - | 373,728 | 53,233 | - | - | 10,095 |
| Total Liabilities | 72,658 | 550 | - | 373,728 | 53,233 | - | - | 10,095 |
| Fund Balance | | | | | | | | |
| Nonspendable | | | | | | | | |
| Inventory | - | - | - | - | - | - | - | - |
| Prepaid Expenses | - | 11,616 | 12,800 | - | - | - | - | - |
| Restricted for: | | | | | | | | |
| Debt Service | - | - | - | - | - | - | - | - |
| Compensation | - | - | - | - | - | - | - | - |
| Capital Projects | - | - | - | - | - | - | - | - |
| Instructional Programs | - | - | - | - | - | - | - | - |
| Assigned to: | | | | | | | | |
| Instructional Programs | - | 706,445 | 99,793 | - | - | 903,107 | 11,226 | - |
| Child Nutrition | - | - | - | - | - | - | - | - |
| Committed to: | | | | | | | | |
| Capital Projects | - | - | - | - | - | - | - | - |
| Unassigned | - | - | - | - | - | - | - | - |
| Total Fund Balances | - | 718,061 | 112,593 | - | - | 903,107 | 11,226 | - |
| Total Liabilities and Fund Balances | \$ 72,658 | \$ 718,611 | \$ 112,593 | \$ 373,728 | \$ 53,233 | \$ 903,107 | \$ 11,226 | \$ 10,095 |

See independent auditor's report.

TERREBONNE PARISH SCHOOL BOARD
 HOUMA, LOUISIANA
 Combining Balance Sheet (Continued)
 Non-Major Governmental Funds
 June 30, 2020

Schedule 6

| | 1/2 Cent Sales Tax Fund | 3/4 Cent Sales Tax Fund (1976) | Child Care Program Fund | Sinking Fund QSCB 2009 | Sinking Fund QSCB 2011 | Sinking Fund QSCB 2012 | Sinking Fund QSCB 2016 | Capital Projects Fund 2019 Bond | Total |
|--|-------------------------------|--------------------------------------|-------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|---------------------------------------|----------------------|
| Assets | | | | | | | | | |
| Cash | \$ 9,007,871 | \$ 4,736,176 | \$ - | \$ - | \$ - | \$ - | \$ 1,079 | \$ 697,041 | \$ 17,693,953 |
| Investments - at Market | - | - | - | 6,812,338 | 6,316,543 | 833,425 | - | 9,797,716 | 23,760,022 |
| Sales and Use Tax | 1,943,281 | 2,915,032 | - | - | - | - | - | - | 4,858,313 |
| Other Receivables | - | - | 21,421 | - | - | - | - | - | 26,599 |
| Due from Other Funds | - | - | - | - | - | - | - | - | 1,681,667 |
| Due from Other Governmental Units | | | | | | | | | |
| State Department of Education | - | - | - | - | - | - | - | - | 5,237,147 |
| United States Department of Education | - | - | - | - | - | - | - | - | 193,275 |
| Other Units | - | - | - | - | - | - | - | - | 100,473 |
| Inventory, at Cost | - | - | - | - | - | - | - | - | 781,039 |
| Prepaid Expenses | - | 55,228 | - | - | - | - | - | - | 99,082 |
| Total Assets | \$ 10,951,152 | \$ 7,706,436 | \$ 21,421 | \$ 6,812,338 | \$ 6,316,543 | \$ 833,425 | \$ 1,079 | \$ 10,494,757 | \$ 54,431,570 |
| Liabilities | | | | | | | | | |
| Accounts Payable and Other Liabilities | \$ - | \$ 24,407 | \$ 12,239 | \$ - | \$ - | \$ - | \$ - | \$ 100,823 | \$ 145,135 |
| Due to Other Funds | 4,902,545 | 3,491,055 | 9,182 | - | - | - | - | 28,277 | 15,854,010 |
| Total Liabilities | 4,902,545 | 3,515,462 | 21,421 | - | - | - | - | 129,100 | 15,999,145 |
| Fund Balance | | | | | | | | | |
| Nonspendable | | | | | | | | | |
| Inventory | - | - | - | - | - | - | - | - | 781,039 |
| Prepaid Expenses | - | 55,228 | - | - | - | - | - | - | 80,591 |
| Restricted for: | | | | | | | | | |
| Debt Service | - | - | - | 6,812,338 | 6,316,543 | 833,425 | 1,079 | - | 13,963,385 |
| Compensation | 6,048,607 | - | - | - | - | - | - | - | 6,048,607 |
| Capital Projects | - | - | - | - | - | - | - | 10,098,862 | 10,098,862 |
| Instructional Programs | - | 4,135,746 | - | - | - | - | - | - | 4,135,746 |
| Assigned to: | | | | | | | | | |
| Instructional Programs | - | - | - | - | - | - | - | - | 1,720,571 |
| Child Nutrition | - | - | - | - | - | - | - | - | 1,336,829 |
| Committed to: | | | | | | | | | |
| Capital Projects | - | - | - | - | - | - | - | 266,795 | 266,795 |
| Unassigned | - | - | - | - | - | - | - | - | - |
| Total Fund Balances | 6,048,607 | 4,190,974 | - | 6,812,338 | 6,316,543 | 833,425 | 1,079 | 10,365,657 | 38,432,425 |
| Total Liabilities and Fund Balances | \$ 10,951,152 | \$ 7,706,436 | \$ 21,421 | \$ 6,812,338 | \$ 6,316,543 | \$ 833,425 | \$ 1,079 | \$ 10,494,757 | \$ 54,431,570 |

See independent auditor's report.

TERREBONNE PARISH SCHOOL BOARD
HOUMA, LOUISIANA
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Non-Major Governmental Funds
For the Year Ended June 30, 2020

Schedule 7

| | ESSA Title I - Disadvantaged Schoolwide Fund | ESSA Title I - Striving Readers Fund | ESSA Title I - Direct Services Fund | ESSA Title I - School Redesign Fund | Federal Adult Education Fund | Federal Vocational Education Fund | ESSA Title VII - Indian Education Fund | Special Education PL 101-476 IDEA Fund | ESSA Title II Fund |
|--|---|---|--|--|---------------------------------------|--|--|---|--------------------------|
| Revenues | | | | | | | | | |
| Local Sources | | | | | | | | | |
| Interest Earned | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Charges for Services | - | - | - | - | - | - | - | - | - |
| Sales and Use Taxes | - | - | - | - | - | - | - | - | - |
| Other Local Revenue | - | - | - | - | - | - | - | - | - |
| State Sources | | | | | | | | | |
| Equalization | - | - | - | - | - | - | - | - | - |
| Other State Grants | - | - | - | - | - | - | - | - | - |
| Federal Sources | 7,482,058 | 137,725 | 217,895 | 651,139 | 343,804 | 218,607 | 1,027,551 | 4,927,303 | 863,246 |
| Total Revenues | 7,482,058 | 137,725 | 217,895 | 651,139 | 343,804 | 218,607 | 1,027,551 | 4,927,303 | 863,246 |
| Expenditures | | | | | | | | | |
| Instruction | | | | | | | | | |
| Regular Education | - | - | - | - | - | - | - | 323,636 | 546,501 |
| Special Education | - | - | - | - | - | - | - | 336,864 | 31,959 |
| Adult Education | - | - | - | - | 321,029 | - | - | - | - |
| Career and Technical Education | - | - | - | - | - | 156,370 | - | - | - |
| Other Programs | 4,239,542 | 27,314 | 198,254 | 101,025 | - | 48,530 | 422,421 | 42,864 | 80,175 |
| Support Services | | | | | | | | | |
| Pupil Support | 215,511 | - | - | - | - | - | 114,918 | 2,413,485 | - |
| Instructional Staff | 2,342,811 | 97,851 | - | 491,427 | 6,432 | 13,707 | 389,845 | 989,942 | 125,723 |
| General Administration | 2,265 | - | - | - | 145 | - | 330 | 1,420 | 280 |
| School Administration | - | - | - | - | - | - | - | 4,868 | 91,379 |
| Business Services | - | - | - | - | - | - | - | - | - |
| Plant Services | - | - | - | - | - | - | 642 | 49 | - |
| Student Transportation | 4,370 | - | - | - | - | - | 6,409 | 380,941 | - |
| Central Services | - | - | - | - | - | - | - | - | - |
| Non-Instructional | | | | | | | | | |
| Food Services | - | - | - | - | - | - | - | - | - |
| Facilities Acquisition | - | - | - | - | - | - | - | - | - |
| Debt Service | | | | | | | | | |
| Principal Retirement | - | - | - | - | - | - | - | - | - |
| Bond Issuance Costs | - | - | - | - | - | - | - | - | - |
| Interest and Bank Charges | - | - | - | - | - | - | - | - | - |
| Total Expenditures | 6,804,499 | 125,265 | 198,254 | 592,452 | 327,606 | 218,607 | 934,585 | 4,494,089 | 876,017 |
| Excess (Deficiency) of Revenues Over Expenditures | 677,559 | 12,460 | 19,741 | 58,687 | 16,198 | - | 92,966 | 433,214 | 87,229 |
| Other Financing Sources (Uses) | | | | | | | | | |
| Operating Transfers In | - | - | - | - | - | - | - | - | - |
| Operating Transfers Out | - | - | - | - | - | - | - | - | - |
| Indirect Costs Received (Paid) | (677,559) | (12,460) | (19,741) | (58,687) | (16,198) | - | (92,966) | (433,214) | (87,229) |
| Other Sources (Uses) | - | - | - | - | - | - | - | - | - |
| Total Other Financing Sources (Uses) | (677,559) | (12,460) | (19,741) | (58,687) | (16,198) | - | (92,966) | (433,214) | (87,229) |
| Net Change in Fund Balances | - | - | - | - | - | - | - | - | - |
| Fund Balances, Beginning of Year | - | - | - | - | - | - | - | - | - |
| Fund Balances, End of Year | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

See independent auditor's report.

TERREBONNE PARISH SCHOOL BOARD
HOUMA, LOUISIANA
Combining Statement of Revenues, Expenditures and Changes in Fund Balance (Continued)
Non-Major Governmental Funds
For the Year Ended June 30, 2020

Schedule 7

| | TANF - Block Grant Fund | Essa Title III Fund | ESSA Title IV Fund | ESSA Title X Fund | Child Nutrition Fund | Child Care and Development Funds | ESSA Title I - Migrant Education Fund | ESSER CARES Act Stimulus 2020 | Special Ed IDEA Preschool Fund |
|--|-------------------------------|---------------------------|--------------------------|-------------------------|----------------------------|---|---|--|---|
| Revenues | | | | | | | | | |
| Local Sources | | | | | | | | | |
| Interest Earned | \$ - | \$ - | \$ - | \$ - | \$ 30,452 | \$ - | \$ - | \$ - | \$ - |
| Charges for Services | - | - | - | - | 443,373 | - | - | - | - |
| Sales and Use Taxes | - | - | - | - | - | - | - | - | - |
| Other Local Revenue | - | - | - | - | 17,634 | - | - | - | - |
| State Sources | | | | | | | | | |
| Equalization | - | - | - | - | 134,830 | - | - | - | - |
| Other State Grants | - | - | - | - | - | - | - | - | - |
| Federal Sources | 73,920 | 65,898 | 343,314 | 167,338 | 6,749,002 | 73,674 | 242,375 | 556,327 | 123,703 |
| Total Revenues | 73,920 | 65,898 | 343,314 | 167,338 | 7,375,291 | 73,674 | 242,375 | 556,327 | 123,703 |
| Expenditures | | | | | | | | | |
| Instruction | | | | | | | | | |
| Regular Education | - | - | - | - | - | - | - | 247,745 | - |
| Special Education | - | - | - | - | - | - | - | 27,752 | 5,566 |
| Adult Education | - | - | - | - | - | - | - | - | - |
| Career and Technical Education | - | - | 5,850 | - | - | - | - | - | - |
| Other Programs | 71,176 | 59,931 | 62,550 | 67,569 | - | 3,561 | 70,601 | 13,656 | - |
| Support Services | | | | | | | | | |
| Pupil Support | - | - | 54,844 | 45,937 | - | 24,875 | 125,052 | 39,300 | 101,643 |
| Instructional Staff | - | - | 168,980 | 38,678 | - | 38,566 | 24,774 | 22,403 | 5,292 |
| General Administration | - | - | - | - | - | - | - | 1,052 | - |
| School Administration | - | - | - | - | - | - | - | 17,349 | - |
| Business Services | - | - | - | - | - | - | - | 49,166 | - |
| Plant Services | - | - | - | - | - | - | - | 31,566 | - |
| Student Transportation | 870 | - | - | - | - | - | - | - | - |
| Central Services | - | - | - | - | - | - | - | 1,350 | - |
| Non-Instructional | | | | | | | | | |
| Food Services | - | - | - | - | 8,769,003 | - | - | 10,528 | - |
| Facilities Acquisition | - | - | - | - | - | - | - | - | - |
| Debt Service | | | | | | | | | |
| Principal Retirement | - | - | - | - | - | - | - | - | - |
| Bond Issuance Costs | - | - | - | - | - | - | - | - | - |
| Interest and Bank Charges | - | - | - | - | - | - | - | - | - |
| Total Expenditures | 72,046 | 59,931 | 312,224 | 152,184 | 8,769,003 | 67,002 | 220,427 | 461,867 | 112,501 |
| Excess (Deficiency) of Revenues Over Expenditures | 1,874 | 5,967 | 31,090 | 15,154 | (1,393,712) | 6,672 | 21,948 | 94,460 | 11,202 |
| Other Financing Sources (Uses) | | | | | | | | | |
| Operating Transfers In | - | - | - | - | 353,944 | - | - | - | - |
| Operating Transfers Out | - | - | - | - | - | - | - | - | - |
| Indirect Costs Received (Paid) | (7,174) | (5,967) | (31,090) | (15,154) | - | (6,672) | (21,948) | (94,460) | (11,202) |
| Other Sources (Uses) | - | - | - | - | - | - | - | - | - |
| Total Other Financing Sources (Uses) | (7,174) | (5,967) | (31,090) | (15,154) | 353,944 | (6,672) | (21,948) | (94,460) | (11,202) |
| Net Change in Fund Balances | (5,300) | - | - | - | (1,039,768) | - | - | - | - |
| Fund Balances, Beginning of Year | 5,300 | - | - | - | 3,158,583 | - | - | - | - |
| Fund Balances, End of Year | \$ - | \$ - | \$ - | \$ - | \$ 2,118,815 | \$ - | \$ - | \$ - | \$ - |

See independent auditor's report.

TERREBONNE PARISH SCHOOL BOARD
HOUMA, LOUISIANA

Schedule 7

Combining Statement of Revenues, Expenditures and Changes in Fund Balance (Continued)
Non-Major Governmental Funds
For the Year Ended June 30, 2020

| | State Adult Education Fund | MFP Level 4 Fund | Miscellaneous Grants | LA 4 Pre-K Fund | 8 (g) Preschool Block Grant Program Fund | State Textbooks and Materials Fund | Education Excellence Fund | Early Childhood Network Pilot Fund | 1/2 Cent Sales Tax Fund |
|--|-------------------------------------|------------------------|-------------------------|-----------------------|---|---|---------------------------------|--|-------------------------------|
| Revenues | | | | | | | | | |
| Local Sources | | | | | | | | | |
| Interest Earned | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 73,504 |
| Charges for Services | - | - | - | - | - | - | - | - | - |
| Sales and Use Taxes | - | - | - | - | - | - | - | - | 11,221,845 |
| Other Local Revenue | 3,759 | 5,000 | 130,000 | - | - | 3,505 | - | - | - |
| State Sources | | | | | | | | | |
| Equalization | - | 1,342,547 | - | - | - | - | - | - | - |
| Other State Grants | 248,179 | - | - | 3,958,494 | 212,476 | 88,235 | 362,624 | 29,974 | - |
| Federal Sources | - | - | - | - | - | - | - | - | - |
| Total Revenues | 251,938 | 1,347,547 | 130,000 | 3,958,494 | 212,476 | 91,740 | 362,624 | 29,974 | 11,295,349 |
| Expenditures | | | | | | | | | |
| Instruction | | | | | | | | | |
| Regular Education | - | 120,892 | 87,372 | - | - | 951,020 | 370,723 | - | 4,645,619 |
| Special Education | - | 604,004 | - | - | - | - | - | - | 1,467,051 |
| Adult Education | 189,884 | - | - | - | - | - | - | - | 25,576 |
| Career and Technical Education | - | 135,253 | - | - | - | - | - | - | 261,747 |
| Other Programs | - | 26,079 | - | 2,990,332 | 212,476 | - | - | 10,095 | 945,196 |
| Support Services | | | | | | | | | |
| Pupil Support | - | - | - | - | - | - | - | - | 828,853 |
| Instructional Staff | 62,254 | 6,834 | 7,132 | 71,342 | - | - | - | 19,879 | 618,172 |
| General Administration | - | - | - | 518 | - | - | - | - | 103,481 |
| School Administration | - | - | - | - | - | - | - | - | 576,758 |
| Business Services | - | - | - | - | - | - | - | - | 120,938 |
| Plant Services | - | - | - | - | - | - | - | - | 433,097 |
| Student Transportation | - | 19,382 | - | 500,453 | - | - | - | - | 586,524 |
| Central Services | - | - | - | - | - | - | - | - | 83,837 |
| Non-Instructional | | | | | | | | | |
| Food Services | - | - | - | - | - | - | - | - | 459,347 |
| Facilities Acquisition | - | - | - | - | - | - | - | - | - |
| Debt Service | | | | | | | | | |
| Principal Retirement | - | - | - | - | - | - | - | - | - |
| Bond Issuance Costs | - | - | - | - | - | - | - | - | - |
| Interest and Bank Charges | - | - | - | - | - | - | - | - | - |
| Total Expenditures | 251,938 | 912,444 | 94,504 | 3,582,645 | 212,476 | 951,020 | 370,723 | 29,974 | 11,156,196 |
| Excess (Deficiency) of Revenues Over Expenditures | - | 435,103 | 35,496 | 395,849 | - | (859,280) | (8,099) | - | 139,153 |
| Other Financing Sources (Uses) | | | | | | | | | |
| Operating Transfers In | - | - | - | - | - | 1,000,000 | - | - | - |
| Operating Transfers Out | - | - | - | (395,849) | - | (4,026) | - | - | - |
| Indirect Costs Received (Paid) | - | - | - | - | - | - | - | - | - |
| Other Sources (Uses) | - | - | - | - | - | - | - | - | - |
| Total Other Financing Sources (Uses) | - | - | - | (395,849) | - | 995,974 | - | - | - |
| Net Change in Fund Balances | - | 435,103 | 35,496 | - | - | 136,694 | (8,099) | - | 139,153 |
| Fund Balances, Beginning of Year | - | 282,958 | 77,097 | - | - | 766,413 | 19,325 | - | 5,909,454 |
| Fund Balances, End of Year | \$ - | \$ 718,061 | \$ 112,593 | \$ - | \$ - | \$ 903,107 | \$ 11,226 | \$ - | \$ 6,048,607 |

See independent auditor's report.

TERREBONNE PARISH SCHOOL BOARD
HOUMA, LOUISIANA
Combining Statement of Revenues, Expenditures and Changes in Fund Balance (Continued)
Non-Major Governmental Funds
For the Year Ended June 30, 2020

Schedule 7

| | 3/4 Cent Sales Tax Fund (1976) | Child Care Program Fund | Sinking Fund QSCB 2009 | Sinking Fund QSCB 2011 | Sinking Fund QSCB 2012 | Sinking Fund QSCB 2016 | Sinking Fund QSCB 2019 | Capital Projects Fund 2019 Bond | Total |
|--|--------------------------------------|-------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|---------------------------------------|----------------------|
| Revenues | | | | | | | | | |
| Local Sources | | | | | | | | | |
| Interest Eamed | \$ 37,018 | \$ - | \$ 126,788 | \$ 179,147 | \$ 24,661 | \$ 9 | \$ - | \$ 66,084 | \$ 537,663 |
| Charges for Services | - | - | - | - | - | - | - | - | 443,373 |
| Sales and Use Taxes | 16,886,366 | - | - | - | - | - | - | - | 28,108,211 |
| Other Local Revenue | - | 483,088 | - | - | - | - | - | - | 642,986 |
| State Sources | | | | | | | | | |
| Equalization | - | - | - | - | - | - | - | - | 1,477,377 |
| Other State Grants | - | - | - | - | - | - | - | - | 4,899,982 |
| Federal Sources | | | | | | | | | |
| - | - | - | - | - | - | - | - | - | 24,364,979 |
| Total Revenues | 16,923,384 | 483,088 | 126,788 | 179,147 | 24,661 | 9 | - | 66,084 | 60,474,571 |
| Expenditures | | | | | | | | | |
| Instruction | | | | | | | | | |
| Regular Education | 2,043,397 | 30,694 | - | - | - | - | - | - | 9,367,599 |
| Special Education | 3,080 | - | - | - | - | - | - | - | 2,476,276 |
| Adult Education | - | - | - | - | - | - | - | - | 536,299 |
| Career and Technical Education | 49,602 | - | - | - | - | - | - | - | 608,822 |
| Other Programs | 141,614 | 361,094 | - | - | - | - | - | - | 10,216,045 |
| Support Services | | | | | | | | | |
| Pupil Support | 5,014 | - | - | - | - | - | - | - | 3,969,432 |
| Instructional Staff | 129,741 | 6,070 | - | - | - | - | - | - | 5,677,955 |
| General Administration | 121,782 | - | - | - | - | - | - | 7,320 | 238,593 |
| School Administration | - | 70,534 | - | - | - | - | - | - | 760,908 |
| Business Services | - | - | - | - | - | - | - | - | 170,104 |
| Plant Services | - | 14,164 | - | - | - | - | - | - | 479,518 |
| Student Transportation | - | - | - | - | - | - | - | - | 1,489,949 |
| Central Services | - | - | - | - | - | - | - | - | 85,187 |
| Non-Instructional | | | | | | | | | |
| Food Services | - | 542 | - | - | - | - | - | - | 9,239,420 |
| Facilities Acquisition | - | - | - | - | - | - | - | 825,214 | 825,214 |
| Debt Service | | | | | | | | | |
| Principal Retirement | - | - | - | - | - | 230,000 | 235,000 | - | 465,000 |
| Bond Issuance Costs | - | - | - | - | - | - | - | 183,094 | 183,094 |
| Interest and Bank Charges | - | - | - | - | - | 895,163 | 129,201 | - | 824,364 |
| Total Expenditures | 2,494,230 | 483,088 | - | - | - | 925,163 | 364,201 | 1,015,628 | 47,622,769 |
| Excess (Deficiency) of Revenues Over Expenditures | 14,429,154 | - | 126,788 | 179,147 | 24,661 | (925,154) | (364,201) | (949,544) | 12,851,802 |
| Other Financing Sources (Uses) | | | | | | | | | |
| Operating Transfers In | - | - | 532,992 | 551,656 | 83,002 | 925,163 | 364,201 | - | 3,810,958 |
| Operating Transfers Out | (13,452,613) | - | - | - | - | - | - | (195,812) | (14,048,300) |
| Indirect Costs Received (Paid) | - | - | - | - | - | - | - | - | (1,591,741) |
| Other Sources (Uses) | - | - | - | - | - | - | - | 11,220,584 | 11,220,584 |
| Total Other Financing Sources (Uses) | (13,452,613) | - | 532,992 | 551,656 | 83,002 | 925,163 | 364,201 | 11,024,772 | (608,499) |
| Net Change in Fund Balances | 976,541 | - | 659,780 | 730,803 | 107,663 | 9 | - | 10,075,228 | 12,243,303 |
| Fund Balances, Beginning of Year | 3,214,433 | - | 6,152,558 | 5,585,740 | 725,762 | 1,070 | - | 290,429 | 26,189,122 |
| Fund Balances, End of Year | \$ 4,190,974 | \$ - | \$ 6,812,338 | \$ 6,316,543 | \$ 833,425 | \$ 1,079 | \$ - | \$ 10,365,657 | \$ 38,432,425 |

See independent auditor's report.

TERREBONNE PARISH SCHOOL BOARD
HOUMA, LOUISIANA
Proprietary Fund Type
Internal Service Funds
Fund Descriptions

Loss Fund

The Loss Fund was created pursuant to Board direction and the proceeds placed in a dedicated fund to provide for uninsured property and content losses. In addition, this fund serves to accumulate resources sufficient to handle all property and casualty losses, which fall within any deductible conditions or any self-insured retention program developed in the future.

Workers' Compensation Claims Fund

The Workers' Compensation Claims Fund was created pursuant to Board direction for payment of workers' compensation claims not covered by insurance policies. Revenues and other financing sources of the fund include interest earnings and premiums charged to other system funds through the use of internally determined workers' compensation rates. Other financial uses include an excess loss insurance policy, claims administration, loss control expenses, compensation payments, and medical expenses disbursed to or for claimants. The estimated liability for compensation claims existing at year-end, as determined by the program administrator, is recognized in the accounts for financial reporting purposes.

Group Insurance Claims Fund

The Group Insurance Claims Fund was created pursuant to Board direction to monitor operating results of a partially self-insured group health and dental insurance program for both active and retired personnel. Operating revenues of the fund include premiums charged to other system funds and insurance recoveries. Operating expenses include insurance claims paid, reinsurance costs, and administrative expenses. Non-operating revenues and expenses include interest earned on temporary investments and transfers to/from other funds.

TERREBONNE PARISH SCHOOL BOARD
HOUMA, LOUISIANA
Combining Statement of Net Position
Proprietary Fund Type
Internal Service Funds
June 30, 2020

Schedule 8

| | Loss Fund | Workers' Compensation Claims Fund | Group Insurance Claims Fund | Total |
|---|----------------------|--|--|---------------------|
| Assets | | | | |
| Cash | \$ 1,479,167 | \$ 3,383,198 | \$ 7,594,247 | \$ 12,456,612 |
| Cash with Fiscal Agents | 42,418 | 45,000 | - | 87,418 |
| Investments | - | - | 1,159,238 | 1,159,238 |
| Accounts Receivable | - | - | 248,087 | 248,087 |
| Due from Federal Government | 32,042 | - | - | 32,042 |
| Due from Other Funds | 43,455 | - | 1,499,634 | 1,543,089 |
| Total Assets | 1,597,082 | 3,428,198 | 10,501,206 | 15,526,486 |
| Liabilities | | | | |
| Accounts Payable - Claims | 46,729 | 81,554 | 8,885 | 137,168 |
| Accrued Employee Benefits - Estimated Liability for Outstanding Claims | - | 986,843 | 6,879,411 | 7,866,254 |
| Total Liabilities | 46,729 | 1,068,397 | 6,888,296 | 8,003,422 |
| Net Position | | | | |
| Restricted for: Future Claims | 1,550,353 | 2,359,801 | 3,612,910 | 7,523,064 |
| Total Net Position | \$ 1,550,353 | \$ 2,359,801 | \$ 3,612,910 | \$ 7,523,064 |

See independent auditor's report.

TERREBONNE PARISH SCHOOL BOARD
HOUMA, LOUISIANA
Combining Statement of Revenues, Expenses,
and Changes in Net Position
Proprietary Fund Type
Internal Service Funds
For the Year Ended June 30, 2020

Schedule 9

| | Loss Fund | Workers' Compensation Claims Fund | Group Insurance Claims Fund | Total |
|--|----------------------|--|--|---------------------|
| Operating Revenues | | | | |
| Insurance Premium Billings | \$ - | \$ 1,012,729 | \$ 42,225,876 | \$ 43,238,605 |
| Recoveries and Rebates | 9,240 | 264,046 | 2,629,763 | 2,903,049 |
| Other Revenues | 32,042 | - | 802,388 | 834,430 |
| Total Operating Revenues | 41,282 | 1,276,775 | 45,658,027 | 46,976,084 |
| Operating Expenses | | | | |
| Claims Expense | 2,168,482 | 912,687 | 46,700,566 | 49,781,735 |
| General Administration | - | - | 15,927 | 15,927 |
| Reinsurance and Administration Fees | 24,083 | 136,148 | 5,261,011 | 5,421,242 |
| Total Operating Expenses | 2,192,565 | 1,048,835 | 51,977,504 | 55,218,904 |
| Operating Income (Loss) | (2,151,283) | 227,940 | (6,319,477) | (8,242,820) |
| Non-Operating Revenues | | | | |
| Interest Earned | 25,108 | 27,564 | 90,818 | 143,490 |
| Operating Transfers In | 1,000,000 | - | 7,000,000 | 8,000,000 |
| Total Non-Operating Revenues | 1,025,108 | 27,564 | 7,090,818 | 8,143,490 |
| Change in Net Position | (1,126,175) | 255,504 | 771,341 | (99,330) |
| Net Position, Beginning | 2,676,528 | 2,104,297 | 2,841,569 | 7,622,394 |
| Net Position, Ending | \$ 1,550,353 | \$ 2,359,801 | \$ 3,612,910 | \$ 7,523,064 |

See independent auditor's report.

**TERREBONNE PARISH SCHOOL BOARD
HOUMA, LOUISIANA
Combining Statement of Cash Flows
Proprietary Fund Type
Internal Service Funds
For the Year Ended June 30, 2020**

Schedule 10

| | Loss Fund | Workers' Compensation Claims Fund | Group Insurance Claims Fund | Total |
|---|-----------------------|--|--|------------------------|
| Cash Flows from Operating Activities | | | | |
| Received from Assessments Made to Other Funds | \$ - | \$ 1,012,729 | \$ 40,726,242 | \$ 41,738,971 |
| Received from Insurance Companies and Others | 9,240 | 264,046 | 3,185,775 | 3,459,061 |
| Payments for Claims | (2,148,198) | (604,987) | (47,601,077) | (50,354,262) |
| Payments for Reinsurance and Administrative Fees | (24,083) | (136,148) | (5,276,938) | (5,437,169) |
| Net Cash (Used in) Provided by Operating Activities | (2,163,041) | 535,640 | (8,965,998) | (10,593,399) |
| Cash Flows from Non-Operating Activities | | | | |
| Operating Transfers from Other Funds | 1,001,525 | - | 7,000,000 | 8,001,525 |
| Net Cash Provided by Non-Operating Activities | 1,001,525 | - | 7,000,000 | 8,001,525 |
| Cash Flows from Investing Activities | | | | |
| Net Change in Equity in Pooled Investment Account | - | - | 5,919,566 | 5,919,566 |
| Interest Received | 25,108 | 27,564 | 90,818 | 143,490 |
| Net Cash Provided by Investing Activities | 25,108 | 27,564 | 6,010,384 | 6,063,056 |
| Net Increase (Decrease) in Cash and Cash Equivalents | (1,136,408) | 563,204 | 4,044,386 | 3,471,182 |
| Cash and Cash Equivalents, Beginning of Year | 2,657,993 | 2,864,994 | 4,076,376 | 9,599,363 |
| Cash and Cash Equivalents, End of Year | \$ 1,521,585 | \$ 3,428,198 | \$ 8,120,762 | \$ 13,070,545 |
| Cash and Cash Equivalents, End of Year Consisted of: | | | | |
| Cash | \$ 1,479,167 | \$ 3,383,198 | \$ 7,594,247 | \$ 12,456,612 |
| Cash with Fiscal Agent | 42,418 | 45,000 | - | 87,418 |
| Cash Equivalents Included in Investments | - | - | 526,515 | 526,515 |
| Total Cash and Cash Equivalents | \$ 1,521,585 | \$ 3,428,198 | \$ 8,120,762 | \$ 13,070,545 |
| Reconciliation of Operating (Loss) Income to Net Cash Used in Operating Activities | | | | |
| Operating (Loss) Income | \$ (2,151,283) | \$ 227,940 | \$ (6,319,477) | \$ (8,242,820) |
| Adjustments to Reconcile Operating (Loss) Income to Net Cash (Used in) Provided by Operating Activities | | | | |
| Changes in Assets and Liabilities | | | | |
| Receivables and Other Assets | (32,042) | - | (1,746,010) | (1,778,052) |
| Accounts Payable and Other Liabilities | 20,284 | 307,700 | (900,511) | (572,527) |
| Net Cash (Used in) Provided by Operating Activities | \$ (2,163,041) | \$ 535,640 | \$ (8,965,998) | \$ (10,593,399) |

See independent auditor's report.

TERREBONNE PARISH SCHOOL BOARD
HOUMA, LOUISIANA
Fiduciary Fund Type
Agency Funds
Fund Descriptions

IRC Section 125 Employee Benefits Fund

This fund accounts for disbursement of reimbursement benefits to employees participating in the School Board's Internal Revenue Code Section 125 Employee Benefits (Cafeteria) Plan. Deposits consist of payroll deductions for participating personnel. Disbursements are processed and reimbursement checks are issued by an appointed independent administrator. Interest earnings on the fund checking account are recognized in the General Fund. The Plan provides for tax sheltered payment of certain employee benefit expenses, principally, group term hospitalization and life insurance.

School Activity Accounts

Each of the schools in the Parish accounts for monies held by the school through the use of school activity accounts and, at the secondary level, where appropriate, athletic activity accounts and stadium maintenance accounts. The accounting records are maintained at each facility under the supervision of the school principal. Year-end statements of receipts and disbursements are prepared by the school administrator and transmitted to the Assistant Superintendent of Administration and Statistics.

Each school activity account monitors proceeds expended for a variety of activities such as sales of concessions, student pictures, student club activities, and various other expenditures for instructional and school operating supplies.

Athletic accounts monitor revenues and expenditures related to various athletic programs, including the costs of equipment, supplies, and services required in the program.

Stadium maintenance accounts monitor costs of operation and maintenance of athletic facilities. Schools using such facilities are charged a pro-rated facility use fee based upon the number of events held in the facility, and the direct cost of custodial services.

TERREBONNE PARISH SCHOOL BOARD
HOUMA, LOUISIANA
Combining Statement of Changes in Asset Balances
Fiduciary Fund Type
Agency Funds - School Activity Accounts
For the Year Ended June 30, 2020

Schedule 11

| Schools | Balance | | | Balance |
|---------------------------------|----------------------|---------------------|---------------------|---------------------|
| | June 30, 2019 | Additions | Deletions | |
| Acadian | \$ 108,107 | \$ 174,713 | \$ 176,135 | \$ 106,685 |
| Bayou Black | 6,626 | 27,561 | 26,760 | 7,427 |
| Bayou Cane - Adult Education | 34,670 | 40,004 | 41,079 | 33,595 |
| Bourg | 119,689 | 279,609 | 272,329 | 126,969 |
| H.L. Bourgeois | 223,511 | 826,205 | 829,512 | 220,204 |
| Broadmoor | 117,629 | 306,984 | 301,243 | 123,370 |
| Caldwell | 69,822 | 127,669 | 124,053 | 73,438 |
| Coteau Bayou Blue | 75,053 | 281,280 | 237,074 | 119,259 |
| Dularge Elementary | 73,877 | 126,869 | 129,387 | 71,359 |
| East Street | 1,464 | 1,811 | 1,933 | 1,342 |
| Ellender Memorial High | 76,583 | 386,858 | 370,622 | 92,819 |
| Elysian Fields | 25,033 | 293 | 25,326 | - |
| Evergreen Jr. High | 188,470 | 382,102 | 370,818 | 199,754 |
| Gibson | 12,448 | 29,856 | 28,284 | 14,020 |
| Grand Caillou Elementary | 29,475 | 105,496 | 100,914 | 34,057 |
| Grand Caillou Middle | 22,912 | 126,142 | 133,870 | 15,184 |
| Honduras | 21,461 | 46,222 | 46,792 | 20,891 |
| Houma Jr. High | 134,720 | 304,674 | 294,067 | 145,327 |
| Lacache | 48,562 | 172,310 | 151,510 | 69,362 |
| Legion Park | 34,170 | 53,323 | 59,699 | 27,794 |
| Lisa Park | 45,321 | 210,996 | 204,880 | 51,437 |
| Montegut Elementary | 28,791 | 55,277 | 50,683 | 33,385 |
| Montegut Middle | 61,597 | 229,711 | 234,920 | 56,388 |
| Mulberry | 156,344 | 547,927 | 543,445 | 160,826 |
| Oaklawn Jr. High | 63,928 | 219,333 | 178,375 | 104,886 |
| Oakshire | 61,384 | 162,796 | 164,359 | 59,821 |
| Pointe-Aux-Chenes | 27,099 | 65,463 | 57,564 | 34,998 |
| School for Exceptional Children | 3,607 | 5,075 | 8,202 | 480 |
| Schriever | 78,537 | 124,265 | 115,907 | 86,895 |
| Southdown | 11,643 | 66,470 | 66,018 | 12,095 |
| South Terrebonne High | 299,777 | 935,117 | 914,232 | 320,662 |
| Terrebonne High | 147,032 | 651,784 | 666,161 | 132,655 |
| Upper Little Caillou | 119,363 | 262,920 | 286,035 | 96,248 |
| Village East | 20,546 | 51,863 | 53,024 | 19,385 |
| Vocational Technical High | 18,366 | 66,054 | 62,216 | 22,204 |
| Total | \$ 2,567,617 | \$ 7,455,032 | \$ 7,327,428 | \$ 2,695,221 |

See independent auditor's report.

TERREBONNE PARISH SCHOOL BOARD
HOUMA, LOUISIANA
Schedule of Compensation Paid to Board Members
For the Year Ended June 30, 2020

Schedule 12

| Board Member | Compensation |
|---------------------|---------------------|
| Brenda Leroux Babin | \$ 4,800 |
| Clyde Hamner | 4,800 |
| Dane Voisin | 4,800 |
| Debi Benoit | 10,200 |
| Donald Duplantis | 4,800 |
| Gregory Harding | 9,600 |
| L.P. Bordelon III | 4,800 |
| Matthew Ford | 4,800 |
| Maybell Trahan | 4,800 |
| Michael LaGarde | 4,800 |
| Richard Jackson | 4,800 |
| Roger Dale DeHart | 10,200 |
| Roosevelt Thomas | 4,800 |
| Stacy Solet | 4,800 |
| Vicki Bonvillain | 4,800 |
| | <u>\$ 87,600</u> |

See independent auditor's report.

TERREBONNE PARISH SCHOOL BOARD
HOUMA, LOUISIANA

Schedule 13

Schedule of Compensation, Benefits, and Other Payments
to Agency Head or Chief Executive Officer
For the Year Ended June 30, 2020

Agency Head
Philip Martin, Superintendent

| Purpose | Amount |
|--|-----------|
| Salary | \$208,957 |
| Benefits-Insurance | \$8,286 |
| Benefits-Retirement | \$51,989 |
| Benefits-Other (Medicare) | \$2,896 |
| Car Allowance | \$9,000 |
| Vehicle Provided by Agency | \$0 |
| Per Diem | \$0 |
| Reimbursements | \$0 |
| Travel | \$0 |
| Registration Fees | \$0 |
| Conference Travel | \$0 |
| Continuing Professional Education Fees | \$591 |
| Housing | \$0 |
| Unvouchered Expenses | \$0 |
| Special Meals | \$0 |

See independent auditor's report.

SINGLE AUDIT SECTION

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

To the Terrebonne Parish School Board
Houma, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Terrebonne Parish School Board (the School Board) as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Terrebonne Parish School Board's basic financial statements, and have issued our report thereon dated December 28, 2020.

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) as a basis for designing 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.

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

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

Compliance and Other Matters

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

Terrebonne Parish School Board's Response to Findings

Terrebonne Parish School Board's response to the findings identified in our audit is described in the accompanying corrective action plan. 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 communication is not suitable for any other purpose. However, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



A Professional Accounting Corporation

Houma, LA
December 28, 2020

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER
COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

To the Terrebonne Parish School Board
Houma, Louisiana

Report on Compliance for Each Major Federal Program

We have audited the Terrebonne 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, 2020. The School Board's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and terms and conditions of its federal awards applicable to its federal programs.

Auditor's 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 legal determination of the Terrebonne Parish School Board's compliance.

Opinion on Each Major Federal Program

In our opinion, the Terrebonne Parish 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, 2020.

Report on Internal Control Over Compliance

Management of the Terrebonne Parish 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 Terrebonne Parish 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.

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



A Professional Accounting Corporation

Houma, LA
December 28, 2020

**TERREBONNE PARISH SCHOOL BOARD
HOUMA, LOUISIANA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2020**

| Federal Grantor/ Pass-Through Grantor/ Program Title | CFDA Number | Pass-Through Grantor's Number | Expenditures |
|--|----------------|----------------------------------|-------------------|
| United States Department of Agriculture | | | |
| Passed through the Louisiana Department of Education: | | | |
| Child Nutrition Cluster: | | | |
| Food Distribution (Non-Cash): | 10.555 | FY20 | \$ 588,154 |
| Cash Assistance: | | | |
| School Breakfast Program | 10.553 | 05-SFS-110 | 1,472,609 |
| School Lunch Program | 10.555 | 05-SFS-110 | 4,640,610 |
| School Snack Program | 10.555 | 05-SFS-110 | <u>15,791</u> |
| Total Child Nutrition Cluster | | | <u>6,717,164</u> |
| National School Lunch Equipment Assistance Grant | 10.159 | | 19,875 |
| Child and Adult Care Food Program | 10.558 | 05-SFS-110 | <u>11,964</u> |
| Total Department of Agriculture | | | <u>6,749,003</u> |
| United States Department of Education | | | |
| Passed through the Louisiana Community and Technical College System: | | | |
| Adult Education - Federal Funds / State Grant Program - Current | 84.002A | V002A200018 | 281,311 |
| Adult Education - Federal Funds / State Grant Program - Prior | 84.002A | V002A200018 | 36,268 |
| Adult Education - Federal English Language/Civics Education | 84.002A | V002A200018 | 22,851 |
| Adult Education - Federal Leadership Funds - Current | 84.002A | V002A200018 | 1,070 |
| Adult Education - Miscellaneous Reimbursement | 84.002A | V002A200018 | <u>2,305</u> |
| | | | 343,805 |
| Passed through the Louisiana Department of Education: | | | |
| ESSA | | | |
| ESSA Title I - Terrebonne Educational Enrichment - Current | 84.010A | S010A190018 | 7,482,058 |
| ESSA Title I - School Redesign | 84.010A | S010A180018 | 531,228 |
| ESSA Title I - School Redesign - Prior | 84.010A | S010A170018 | 119,911 |
| ESSA Title I - Direct Student Services | 84.010A | S010A190018 | <u>217,995</u> |
| | | | 8,351,192 |
| ESSA Title I - Migrant Education - Current | 84.011A | S011A190018 | 242,375 |
| ESSA Title I - Striving Readers Comprehensive Literacy Program - Current | 84.371C | S371C170015 | 119,000 |
| ESSA Title I - Striving Readers Comprehensive Literacy Program - Current | 84.371C | S371C170015 | <u>18,725</u> |
| | | | 137,725 |
| ESSA Title II - Part A, Teacher and Principal Training & Recruiting Fund - Current | 84.367A | S367A190017 | 963,246 |
| ESSA Title III - English Language Acquisition Grants - Current | 84.365A | S365A190018 | 63,719 |
| ESSA Title III - English Language Acquisition Grants - Immigrant | 84.365A | S365A190018 | <u>2,179</u> |
| | | | 65,898 |
| ESSA Title IV - Student Support and Academic Enrichment Program - Current | 84.424A | S424A190019 | 319,674 |
| ESSA Title IV - Student Support and Academic Enrichment Program - Set Aside | 84.424 | S424A180019 | <u>23,640</u> |
| | | | 343,314 |
| ESSA Title VII - Indian Education - Grants to Local Educational Agencies | 84.060A | S060A190646 | 419,099 |
| ESSA Title VII - Indian Education - Native Youth Community Program Grant | 84.299A | S299A170056-19 | 504,257 |
| ESSA Title VII - Indian Education - Native Youth Community Program Grant - Prior | 84.299A | S299A170056-18 | <u>104,196</u> |
| | | | 608,453 |
| ESSA Title IX - Part A, Homeless Grant | 84.196A | S196A190019 | <u>167,339</u> |
| Total ESSA | | | <u>11,298,641</u> |

See independent auditor's report and notes to schedule of expenditures of federal awards.

**TERREBONNE PARISH SCHOOL BOARD
HOUMA, LOUISIANA
Schedule of Expenditures of Federal Awards (Continued)
For the Year Ended June 30, 2020**

| Federal Grantor/ Pass-Through Grantor/ Program Title | CFDA Number | Pass-Through Grantor's Number | Expenditures |
|--|----------------|----------------------------------|----------------------|
| United States Department of Education (Continued) | | | |
| Special Education Cluster: | | | |
| Special Education - Grants to States | 84.027A | H027A190033 | 4,670,786 |
| Special Education - Grants to States High Cost Services | 84.027A | H027A190033 | 143,378 |
| Special Education - Grants to States Positive Behavior Interventions and Support | 84.027A | H027A190033 | 67 |
| Special Education - Grants to States JAG Aim High | 84.027A | H027A190033 | 50,000 |
| Special Education - Grants to States IDEA School Redesign | 84.027A | H027A190033 | 36,009 |
| | | | <u>4,900,240</u> |
| Special Education - Grants to States State Personnel Development Grant - UIR | 84.323A | H323A160009 | 27,063 |
| Special Education - Preschool Grants | 84.173A | H173A190082 | 123,703 |
| | | | <u>150,766</u> |
| Total Special Education Cluster | | | <u>5,051,006</u> |
| Other Federal | | | |
| Carl Perkins Grant - FY 18-19 Reallocation | 84.048A | V048A180018 | 12,489 |
| Career and Technical Education - Basic Grants to States | 84.048A | V048A190019 | 206,118 |
| | | | <u>218,607</u> |
| Jobs for America's Graduates | 84.126A | 28-19-JSPT-55 | 5,300 |
| Jobs for America's Graduates - LA Workforce Commission Contract Services | 84.126A | | 73,920 |
| | | | <u>79,220</u> |
| ESSERF - Formula Education Stabilization Fund | 84.425D | S425D200003 | 556,326 |
| | | | <u>556,326</u> |
| Total U.S. Department of Education | | | <u>17,547,605</u> |
| U.S. Department of Homeland Security | | | |
| Passed through the Louisiana Department of Homeland Security | | | |
| FEMA - Disaster Grants - Public Assistance | 97.036 | | 32,042 |
| | | | <u>32,042</u> |
| Total U.S. Department of Homeland Security | | | <u>32,042</u> |
| U.S. Department of Health and Human Services | | | |
| Passed through the Louisiana Department of Education: | | | |
| CCDF Cluster: | | | |
| Early Childhood Network Lead Agency Consolidated - CCDF | 93.575 | 28-19-CO-55 | 32,318 |
| ESSA/Preschool Development Grants | | | |
| Get Ready Cohort | 93.434 | 90TP0010 | 25,000 |
| Infant CLASS - Preschool Development | 93.434 | 90TP0010-01-02 | 16,356 |
| | | | <u>41,356</u> |
| Total U.S. Department of Health and Human Services | | | <u>73,674</u> |
| Total Expenditure of Federal Awards | | | <u>\$ 24,402,324</u> |

See independent auditor's report and notes to schedule of expenditures of federal awards.

TERREBONNE PARISH SCHOOL BOARD
HOUMA, LOUISIANA
Notes to Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2020

Note 1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the Terrebonne Parish School Board (the School Board) under programs of federal government for the year ended June 30, 2020. The information in this 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 modified accrual basis of accounting. Revenues are recognized when they become measurable and available as current assets. Expenditure are generally recognized when the liability is incurred. Such expenditures are recognized following the cost principles contained in the Uniform Guidance wherein certain types of expenditures are not allowed or are limited as to reimbursement.

Note 3. Indirect Cost Rate

The School Board has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

Note 4. USDA Commodities

Nonmonetary assistance is reported in the schedule at the fair market value of the commodities received.

Note 5. Reconciliation of Total Federal Revenues in Statement E to Total Program Activity in Schedule of Expenditures of Federal Awards

| | |
|---|-----------------------------|
| Federal Revenues Reported in Statement E | \$ 24,365,239 |
| Expenditures of Revenues Recognized in Prior Year | 5,300 |
| Federal Revenues Reported in Statement H | 32,042 |
| Revenues Received for Prior Year Expenditures | <u>(257)</u> |
| Total Activity in Schedule of Expenditures of Federal Awards | <u>\$ 24,402,324</u> |

**TERREBONNE PARISH SCHOOL BOARD
HOUMA, LOUISIANA
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2020**

Part I - Summary of Auditor's Results

1. The auditor's report expresses an unmodified opinion on the basic financial statements of the Terrebonne Parish School Board.
2. No deficiencies relating to the audit of the financial statements are reported in the 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*.
3. No instances of noncompliance material to the financial statements of the Terrebonne Parish School Board were disclosed during the audit.
4. No deficiencies relating to the audit of the major federal award programs are reported in the Report on Compliance for Each Major Program and on Internal Control over Compliance required by the Uniform Guidance.
5. The auditor's report on compliance for the major federal award programs for the Terrebonne Parish School Board expresses an unmodified opinion.
6. No audit findings relative to the major federal award programs for the Terrebonne Parish School Board are reported in Part III of this Schedule.
7. The programs tested as major programs include:

| | |
|-----------------|---------|
| ESSA - Title I | 84.010A |
| ESSA - Title II | 84.367A |
| ESSERF | 84.425D |

8. The threshold for distinguishing Types A and B programs was \$750,000.
9. The Terrebonne Parish School Board was determined to be a low-risk auditee.

Part II - Financial Statement Findings

None.

Part III - Federal Award Findings and Questioned Costs

None.

**TERREBONNE PARISH SCHOOL BOARD
HOUMA, LOUISIANA
Summary Schedule of Prior Year Findings
For the Year Ended June 30, 2020**

Part I - Financial Statement Findings

None.

Part II - Federal Award Findings and Questioned Costs

None.

**TERREBONNE PARISH SCHOOL BOARD
HOUMA, LOUISIANA
Management's Corrective Action Plan
For the Year Ended June 30, 2020**

Part I - Financial Statement Findings

No findings were reported which required a response from management.

Part II - Federal Award Findings and Questioned Costs

No findings were reported which required a response from management.

Part III - Management Letter

No management letter was issued for the year ended June 30, 2020.

**TERREBONNE PARISH
SCHOOL BOARD**

Agreed-Upon Procedures
R.S. 24:514 - Performance and Statistical Data

June 30, 2020



| Contents | Schedule | Page |
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| Independent Accountant's Report on Applying Agreed-Upon Procedures | | 1 - 2 |
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| Schedules Required by State Law (R.S. 24:514 - Performance and Statistical Data) | | 3 |
| General Fund Instructional and Support Expenditures and Certain Local Revenue Sources | 1 | 4 |
| Class Size Characteristics | 2 | 5 |

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Board Members of the
Terrebonne Parish School Board
Houma, Louisiana

We have performed the procedures enumerated below, which were agreed to by the Terrebonne Parish School Board, the Louisiana Department of Education, and the Louisiana Legislative Auditor (the specified parties), on the performance and statistical data accompanying the annual financial statements of Terrebonne Parish School Board for the fiscal year ended June 30, 2020; and to determine whether the specified schedules are free of obvious errors and omissions as provided by the Board of Elementary and Secondary Education (BESE) Bulletin, in compliance with Louisiana Revised Statute 24:514 I. Management of Terrebonne Parish School Board is responsible for its performance and statistical data. The sufficiency of these procedures is solely the responsibility of the specified parties. Consequently, we make no representation regarding the sufficiency of the procedures enumerated 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:

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

1. We selected a random sample of 25 transactions and reviewed supporting documentation to determine if the sampled expenditures/revenues are classified correctly and are reported in the proper amounts for each of the following amounts reported on the schedule:
 - Total General Fund Instructional Expenditures
 - Total General Fund Equipment Expenditures
 - Total Local Taxation Revenue
 - Total Local Earnings on Investment in Real Property
 - Total State Revenue in Lieu of Taxes
 - Nonpublic Textbook Revenue
 - Nonpublic Transportation Revenue

No findings were noted.

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 random sample of 10 classes to the October 1 roll books for those classes and determined if the class was properly classified on the schedule.

No findings were noted.

Education Levels/Experience of Public School Staff (No Schedule)

3. We obtained October 1st PEP data submitted to the Department of Education, 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 is complete. We then randomly 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.

No findings were noted.

Public School Staff Data: Average Salaries (No Schedule)

4. We obtained June 30th PEP data submitted to the Department of Education, a list of all classroom teachers including their base salary, extra compensation, and ROTC or rehired retiree status as well as full time equivalents as reported on the schedule and traced a random sample of 25 teachers to the individual's personnel file and determined if the individual's salary, extra compensation, and full time equivalents were properly included on the schedule.

No findings were noted.

The agreed-upon procedures engagement was performed in accordance with the attestation standards established by the American Institute of Certified Public Accountants, and the standards applicable to the attestation engagements contained in *Government Auditing Standards*, issued by the United States Comptroller General. 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 the performance and statistical data. 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 the performance and statistical data accompanying the annual financial statements of the Terrebonne Parish School District, as required by Louisiana Revised Statute 24:514 I, and the result of that testing, and not to provide an opinion on compliance or control. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.



A Professional Accounting Corporation

Houma, LA
December 28, 2020

TERREBONNE PARISH SCHOOL BOARD
Schedules Required by State Law
(R.S. 24:514 - Performance and Statistical Data)
As of and for the Year Ended June 30, 2020

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

This schedule includes general fund instructional and equipment expenditures. It also contains local taxation revenue, earnings on investments, revenue in lieu of taxes, and nonpublic textbook and transportation revenue. This data is used either in the Minimum Foundation Program (MFP) formula or is presented annually in the MFP 70% Expenditure Requirement Report.

Schedule 2 - Class Size Characteristics

This schedule includes the percent and number of classes with student enrollment in the following ranges: 1 - 20, 21 - 26, 27 - 33, and 34+ students. This data is currently reported to the Legislature in the Annual School Report (ASR).

TERREBONNE PARISH SCHOOL BOARD
General Fund Instructional and Support Expenditures
and Certain Local Revenue Sources
For the Year Ended June 30, 2020

Schedule 1

General Fund Instructional and Equipment Expenditures

General Fund Instructional Expenditures:

Teacher and Student Interaction Activities:

| | | |
|--|---------------|-----------------------|
| Classroom Teacher Salaries | \$ 54,148,078 | |
| Other Instructional Staff Salaries | 4,692,554 | |
| Instructional Staff Employee Benefits | 34,345,093 | |
| Purchased Professional and Technical Services | 59,786 | |
| Instructional Materials and Supplies | 2,686,377 | |
| Instructional Equipment | 10,175 | |
| Total Teacher and Student Interaction Activities | | \$ 95,942,063 |
| Other Instructional Activities | | 1,688,872 |
| Pupil Support Services | 8,935,157 | |
| Less: Equipment for Pupil Support Services | - | |
| Net Pupil Support Services | | 8,935,157 |
| Instructional Staff Services | 6,721,627 | |
| Less: Equipment for Instructional Staff Services | - | |
| Net Instructional Staff Services | | 6,721,627 |
| School Administration | 10,209,075 | |
| Less: Equipment for School Administration | - | |
| Net School Administration | | 10,209,075 |
| Total General Fund Instructional Expenditures | | \$ 123,496,794 |
| Total General Fund Equipment Expenditures | | \$ 10,175 |

Certain Local Revenue Sources

Local Taxation Revenue:

| | | |
|--|--------------|----------------------|
| Ad Valorem Taxes | | |
| Constitutional Ad Valorem Tax | \$ 3,820,200 | |
| Renewable Ad Valorem Tax | 5,354,218 | |
| Debt Service Ad Valorem Tax | - | |
| Up to 1% Collections by the Sheriff on Taxes Other than School Taxes | 983,278 | |
| Result of Court Ordered Settlement (Ad Valorem) | - | |
| Penalties/Interest on Ad Valorem Taxes | 15,808 | |
| Taxes Collected Due to Tax Incremental Financing (TIF)(Ad Valorem) | - | |
| Sales Taxes | | |
| Sales and Use Taxes | 58,128,417 | |
| Sales/Use Taxes - Court Settlement | - | |
| Penalties/Interest on Sales/Use Taxes | - | |
| Sales/Use Taxes Collected Due to TIF | - | |
| Total Local Taxation Revenue | | \$ 68,301,921 |

Local Earnings on Investment in Real Property:

| | | |
|--|------------|-------------------|
| Earnings from 16th Section Property | \$ 204,547 | |
| Earnings from Other Real Property | - | |
| Total Local Earnings on Investment in Real Property | | \$ 204,547 |

State Revenue in Lieu of Taxes:

| | | |
|---|-----------|-------------------|
| Revenue Sharing - Constitutional Tax | \$ 90,293 | |
| Revenue Sharing - Other Taxes | 126,551 | |
| Revenue Sharing - Excess Portion | - | |
| Other Revenue in Lieu of Taxes | - | |
| Total State Revenue in Lieu of Taxes | | \$ 216,844 |

State Revenues for Non-Public Education

| | | |
|--|-----------|------------------|
| Nonpublic Transportation Revenue | \$ 88,235 | |
| Nonpublic Textbook Revenue | - | |
| Total State Revenue for Nonpublic Education | | \$ 88,235 |

TERREBONNE PARISH SCHOOL BOARD
Class Size Characteristics
As of October 1, 2019

Schedule 2

| School Type | Class Size Range | | | | | | | |
|----------------------------------|------------------|--------|---------|--------|---------|--------|---------|--------|
| | 1-20 | | 21-26 | | 27-33 | | 34+ | |
| | Percent | Number | Percent | Number | Percent | Number | Percent | Number |
| Elementary | 54% | 1,260 | 44% | 1,025 | 2% | 51 | 0% | 0 |
| Elementary Activity Classes | 68% | 302 | 30% | 135 | 1% | 5 | 0% | 1 |
| Middle/Jr. High | 39% | 421 | 37% | 396 | 22% | 239 | 1% | 13 |
| Middle/Jr. High Activity Classes | 55% | 120 | 12% | 27 | 13% | 28 | 20% | 45 |
| High | 58% | 969 | 24% | 398 | 17% | 283 | 2% | 7 |
| High Activity Classes | 79% | 239 | 15% | 45 | 5% | 16 | 1% | 2 |
| Combination | 100% | 59 | 0% | 0 | 0% | 0 | 0% | 0 |
| Combination Activity Classes | 100% | 8 | 0% | 0 | 0% | 0 | 0% | 0 |
| Other | 0% | 0 | 0% | 0 | 0% | 0 | 0% | 0 |
| Other Activity Classes | 0% | 0 | 0% | 0 | 0% | 0 | 0% | 0 |

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