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February 8, 2019

RE: Claiborne Parish School Board
Homer, LA

To Whom It May Concern:

The following report has been corrected. The only correction made was on the cover, changing year end June 30, 2017 to June 30, 2018.

Sincerely,

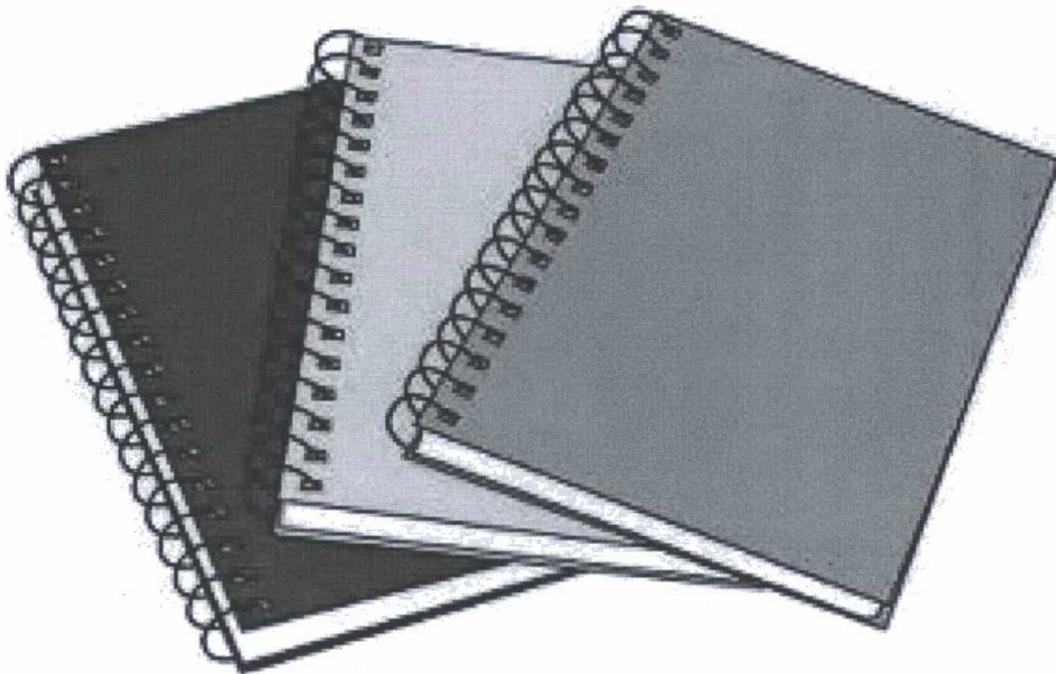
Nicia Bamburg, CPA
Partner

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

Release Date MAR 20 2019

REISSUE

Claiborne Parish School Board Homer, Louisiana



Comprehensive Annual Financial Report

As of and for the year ended June 30, 2018

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

Release Date MAR 20 2019

CLAIBORNE PARISH SCHOOL BOARD
Homer, Louisiana

COMPREHENSIVE ANNUAL FINANCIAL REPORT

AS OF AND FOR THE YEAR ENDED JUNE 30, 2018

William H. Maddox
President

Mr. William Kennedy, Jr.
Superintendent

Prepared by the Business Department

Terri Fedrick
Business Manager

**Claiborne Parish School Board
Table of Contents**

	<u>Statement</u>	<u>Page</u>
INTRODUCTORY SECTION		
Letter of Transmittal		9-11
GFOA Certificate of Achievement for Excellence in Financial Reporting		13
ASBO Certificate of Excellence in Financial Reporting		15
Organizational Chart		17
Elected Officials		18
Selected Administrative Officials		19
FINANCIAL SECTION		
Independent Auditor's Report		23-25
Required Supplementary Information:		27
Management's Discussion and Analysis (MD&A)		28-35
Basic Financial Statements:		
Government-wide Financial Statements (GWFS)		37
Statement of Net Position	A	38
Statement of Activities	B	39
Fund Financial Statements (FFS)		41
Governmental Funds:		
Balance Sheet	C	42
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	D	43
Statement of Revenues, Expenditures, and Changes in Fund Balances	E	44-45
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities	F	46
Fiduciary Funds:		
Statement of Fiduciary Assets and Liabilities	G	47
Notes to the Financial Statements		
Index		48
Notes		49-74
	<u>Exhibit</u>	
REQUIRED SUPPLEMENTARY INFORMATION		75
Schedule of Changes in Total OPEB Liability and Related Ratios	1	76
Schedule of Employer's Proportionate Share of the Net Pension Liability	2-1	77
Schedule of Employer Contributions to Pension Plans	2-2	78
Notes to Required Supplementary Information for Pension Plans		79
Budgetary Comparison Schedules		80
General Fund	3-1	81-82
Maintenance Fund	3-2	83-84
Title I	3-3	85
Notes to the Budgetary Comparison Schedules		86
SUPPLEMENTARY INFORMATION		87
Nonmajor Governmental Funds - by Fund Type		
Combining Balance Sheet	4	88
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	5	89-90

(Continued)

**Claiborne Parish School Board
Table of Contents**

	<u>Exhibit</u>	<u>Page</u>
Nonmajor Special Revenue Funds		91
Combining Balance Sheet	6	92-93
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	7	94-95
Schedule of Revenues, Expenditures, and Changes in Fund Balances- Budget (GAAP Basis) and Actual		
School Food Service	8-1	96
Special Education	8-2	97
Title II	8-3	98
Rural Education Achievement Program	8-4	99
Vocation Education	8-5	100
Preschool	8-6	101
Striving Readers Comprehensive Literacy	8-7	102
Student Support and Academic Enrichment	8-8	103
Nonmajor Debt Service Funds		104
Combining Balance Sheet	9	105
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	10	106
Agency Funds		107
Statement of Changes in Fiduciary Assets and Liabilities	11	108
School Activities Agency Fund - Schedule of Changes in Deposits Due Others	12	109
Sales Tax Agency Fund - Schedule of Changes in Deposits Due Others	13	110
Schedule of Compensation Paid Board Members	14	111
Schedule of Compensation, Benefits, and Other Payment to Agency Head (Superintendent)	15	112
 OTHER SCHEDULES		 113
Maintenance Fund Accounts		
Combining Balance Sheet	16	114-115
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances	17	116-117
 STATISTICAL SECTION		
Contents	<u>Table</u>	121-122
Net Position by Component	1	123
Changes in Net Position	2	124
Fund Balances of Governmental Funds	3	125
Changes in Fund Balances of Governmental Funds	4	126
Assessed Value and Estimated Actual Value of Taxable Property	5	127
Overlapping Governments	6	128
Principal Property Taxpayers	7	129
Property Tax Levies and Collections	8	130
Sales and Use Tax Rates and Collections – All Governments	9	131
Ratios of Outstanding Debt by Type	10	132
Ratios of General Bonded Debt Outstanding	11	133
Direct and Overlapping Governmental Activities Debt	12	134
Legal Debt Margin Information	13	135
Demographic and Economic Statistics	14	136
Principal Employers	15	137
School Personnel	16	138
School Building Information	17	139
Operating Statistics	18	140

(Concluded)

INTRODUCTORY SECTION

CLAIBORNE PARISH SCHOOL BOARD

Post Office Box 600
415 East Main
Homer, Louisiana 71040-0600
Phone: (318) 927-3502 Fax: (318) 927-9184
www.claibornepsb.org

December 31, 2018

Mr. William Maddox, President,
Members of the Claiborne Parish School Board
And Citizens of Claiborne Parish
Homer, Louisiana

State law requires the School Board to publish, within six months of the close of each fiscal year, a complete set of audited financial statements. This report is published to fulfill that requirement for the fiscal year ended June 30, 2018.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive internal control framework designed both to protect the School Board's assets from loss, theft, or misuse, and to compile sufficient reliable information for the preparation of the Claiborne Parish School Board's financial statements. Because the costs of internal controls should not outweigh their benefits, the Claiborne Parish School Board's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement.

Allen, Green & Williamson, LLP, a firm of licensed certified public accountants, have issued an unmodified (clean) opinion on the School Board's financial statements for the year ended June 30, 2018. The independent auditor's report is presented as the first component in the financial section of this report.

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

Profile of the School Board

The School Board is authorized by LSA-R.S. 17:81 to establish policies and procedures for its own government consistent with the laws of the state of Louisiana and the regulations of the Louisiana Board of Elementary and Secondary Education. Although created as a political subdivision of the State, the School Board legally stands on its own, is fiscally independent, and elects its own governing body who is accountable for the financial activities of the Claiborne Parish School Board. Therefore, it is considered a primary government under the provision of Governmental Accounting Standards Board Statement No. 61. The School Board has no component units nor is it a component unit of any other entity. All funds and activities of the Claiborne Parish School Board are included in this annual report.

The Claiborne Parish School Board serves approximately 1,730 students as of October 1, 2017, employs over 267 full time employees, and offers a full range of educational services for students from pre-kindergarten through twelfth grade, including regular and special education services for the disabled, vocational education, and alternative education programs, in addition to auxiliary services such as student transportation and food service. These services are provided through the Central Office and its 6 school sites housed throughout the parish. To learn more about the Claiborne Parish School Board, visit our web site at www.claibornepsb.org.

Age of School Buildings

The Claiborne Parish School Board has several buildings and non-instructional buildings that were constructed or purchased with Capital Project Funds. The method of financing for these capital expenditures occurred by (a) borrowing monies after tax propositions were approved by the public, or (b) by saving money over a period of years. Therefore, the decision to add a public facility or make extensive repairs is based on the understanding of needs of the students, teachers, parents, and taxpayers of the community. See Table 17 of the Statistical Section included in this report for additional details regarding the age of school buildings.

Local Economy

Claiborne Parish is located in the north-central region of the state of Louisiana with the county seat being Homer, Louisiana. It has a land area of 759 square miles which is situated between the two largest metropolitan cities in North Louisiana: the City of Shreveport approximately 51 miles to the west and the City of Monroe approximately 69 miles to the east. Claiborne Parish is also within the same proximity to Dallas, Texas; Little Rock, Arkansas; and Jackson, Mississippi. The economy in Claiborne Parish is firmly rooted in oil and gas industry, farming, cattle, and timber. With a population of 15,969 the citizens in Claiborne Parish enjoy all the benefits offered by life in a smaller, family-oriented community, without big-city hassles. If a need does arise, however, proximity to metropolitan areas allows area citizens big city convenience at a moment's notice without sacrificing the safety and security of a non-urban lifestyle. These are the qualities that continue to spur the prosperous economic growth in Claiborne Parish.

Long Term Financial Planning and Major Initiatives

Effort in State Funding. The School Board ranks 39th in local funding for education per pupil amount. This is according to Table 7 – Local Revenue of the state Minimum Foundation Program (MFP) for fiscal year 2017-2018. The following is a chart which shows the changes in local revenues over the past three years and the local revenue per pupil compared to the state average. Total local tax revenue was reduced in 2017-2018 due to the amount of taxes required for debt service declining.

<u>Fiscal Year</u>	<u>Total Pupils Served</u>	<u>Total Local Tax Revenues</u>	<u>Claiborne Parish Local Revenue Per Pupil</u>
2015-2016	1,724	\$6,575,521	\$3,814
2016-2017	1,725	6,662,915	3,863
2017-2018	1,730	5,980,206	3,457

School Board Strives to Meet Required Percent of Instruction. The MFP requires each school system in Louisiana to spend a minimum of 70% of total actual expenditures in the area of instruction. Claiborne Parish continues to strive to meet this requirement as in years past, as well as exceed the state's average expenditures for instruction. During the budget process, expenditures in the General Fund are analyzed to determine if any non-instructional expense could legally and financially be accounted for in other funds in order to keep the instructional expenditures percentage at or above the 70% minimum.

Average Teacher Salary. The average teacher salary at the Claiborne Parish School Board in 2017-2018 is \$43,482. The salary is partly the result of a greater number of certified employees, local sales tax checks and the attraction of more teachers with experience and graduate degrees to Claiborne Parish. In July, 2018, our teachers received an increase in salary due to passage of an ad valorem tax millage dedicated to salaries and benefits.

Budget Process

We normally start the process for building a budget for the coming year in March or April. Since the numbers from the Budget Revision process are still fresh in our minds we launch into the Budget for the coming year. We basically use the Revisions as actual for the new budget.

First thing we do is make a determination as to (1) projected student enrollment, (2) employer rates for retirement programs and impact on budget, (3) employer premiums for hospitalization programs, and (4) staffing level based on student enrollments (as of February 1 student count) and pupil teacher ratios.

Since the budget is 89%, more or less, salary and related benefits, we enter the salaries and benefits for the coming year. If we have to reduce personnel, the reductions are applied to the budget. We then look into non salary related areas of the budget and make adjustments based upon input from other departments of needs for textbooks, supplies, travel, etc.

Once we have these completed, the budget is done and we prepare to present it to the Board.

Relevant Financial Policies

The Claiborne Parish School Board was created by LRS 17:51 to provide public education for the children of Claiborne Parish. The ten member Board establish policies and regulations for its own government consistent with the laws of the State of Louisiana and regulations of the Louisiana Board of Elementary and Secondary Education.

The School Board is legally separate and fiscally independent. They include all funds and activities in their financial reports that are within the oversight and responsibility of the Board.

All accounts of the School Board are organized and operated on a fund basis. Each fund is a separate accounting entity with a self-balancing set of accounts. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities.

Acknowledgments

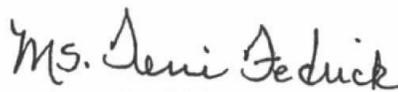
It is our desire that this report contain the necessary information and data which will provide a better understanding of the operations of the school system. It is further hoped that this report has been designed in a manner to be used as an administrative tool and general source of information so as to enhance our accountability to the public. We would like to take this opportunity to express our sincere appreciation to the staff of the business department whose extraordinary efforts contributed to the publication of this report.

Respectfully submitted,



Mr. William Kennedy, Jr.
Superintendent

Respectfully submitted,



Ms. Terri Fedrick
Business Manager

Claiborne Parish School Board

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Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**Claiborne Parish School Board
Louisiana**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2017

Christopher P. Morill

Executive Director/CEO

Claiborne Parish School Board

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ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

**The Certificate of Excellence in Financial Reporting
is presented to**

Claiborne Parish School Board

**for its Comprehensive Annual Financial Report (CAFR)
for the Fiscal Year Ended June 30, 2017.**

The CAFR has been reviewed and met or exceeded
ASBO International's Certificate of Excellence standards.



A handwritten signature in black ink, reading 'Charles E. Peterson, Jr.' The signature is written in a cursive style.

Charles E. Peterson, Jr., SFO, RSBA, MBA
President

A handwritten signature in black ink, reading 'John D. Musso'. The signature is written in a cursive style.

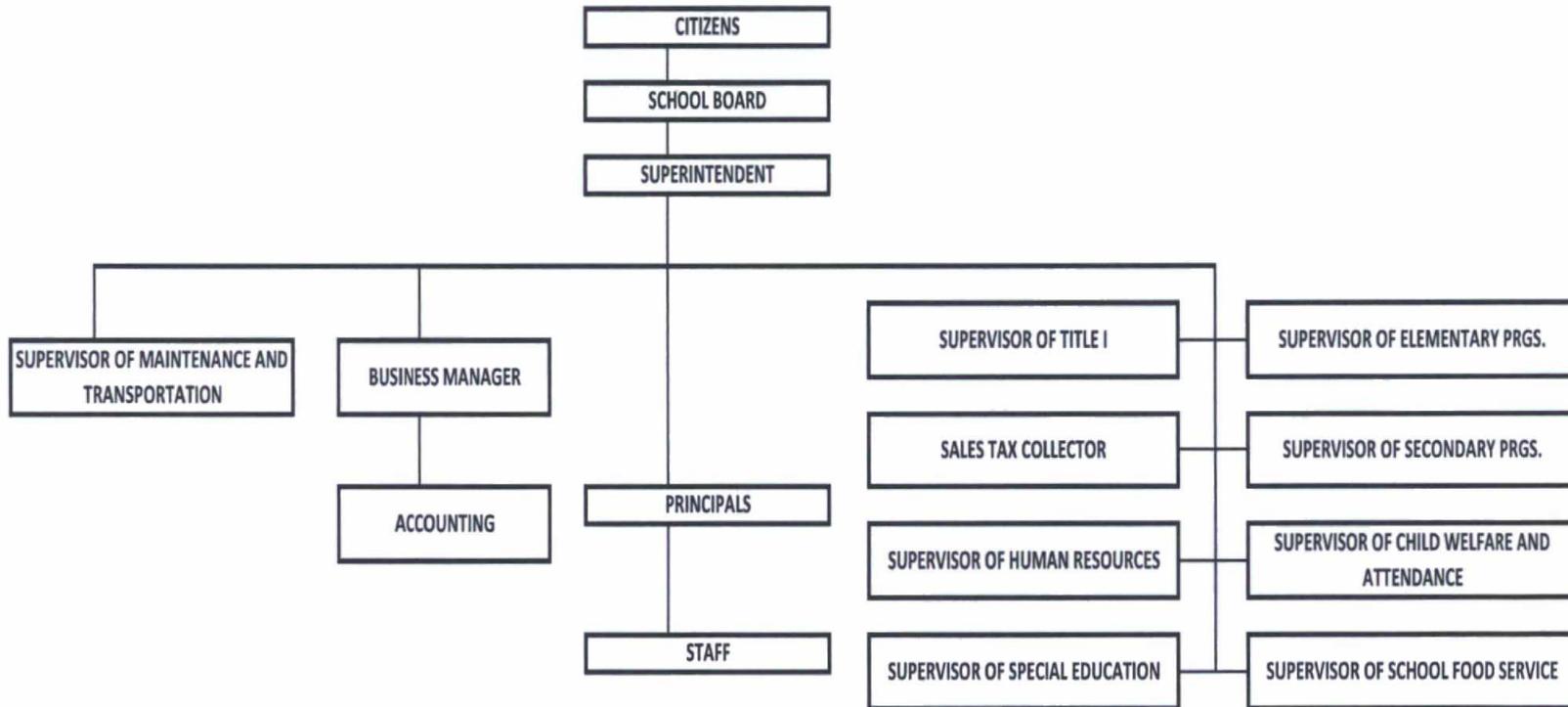
John D. Musso, CAE
Executive Director

Claiborne Parish School Board

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Claiborne Parish School Board
June 30, 2018

ORGANIZATIONAL CHART



**Claiborne Parish School Board
June 30, 2018**

Elected Officials

Mr. William H. Maddox	Dist. 2	President
Mr. Chris Chandler	Dist. 9	
Ms. Yolanda Coleman	Dist. 4	
Mr. Thomas E. Davidson	Dist. 6	
Mr. B. Stewart Griffin	Dist. 10	
Dr. Robert R. Haynes	Dist. 5	
Ms. Linda Knox	Dist. 3	
Mr. Danny Lee	Dist. 1	
Mrs. Shelley Malsam	Dist. 8	
Mrs. Vera R. Walker Meadors	Dist. 7	Vice President

**Claiborne Parish School Board
June 30, 2018**

Selected Administrative Officials

Mr. William Kennedy, Jr.	Superintendent
Tammy Jerry	Supervisor of Elementary Education
Brian Biggs	Supervisor of Secondary Education
Terri Fedrick	Business Manager
Sandra Bosby	Supervisor of School Food Service
Janet Holland	Supervisor of Title I
Wanda Clement	Sales Tax Collector
Rhonda Hatfield	Supervisor of Special Education
Joey Guillory	Supervisor of Transportation and Maintenance
Scott Martin	Supervisor of Child Welfare and Attendance

Claiborne Parish School Board

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FINANCIAL SECTION



ALLEN, GREEN & WILLIAMSON, LLP

CERTIFIED PUBLIC ACCOUNTANTS

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Principal: Cindy Thomason, CPA

Sandra Harper, CPA
Jennie Henry, CPA
Mallory Stone, CPA
Audit Manager: Margie Williamson, CPA

Ernest L. Allen, CPA
(Retired) 1963 - 2000

INDEPENDENT AUDITOR'S REPORT

Board Members
Claiborne Parish School Board
Homer, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Claiborne Parish School Board, as of and for the year ended June 30, 2018, 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, each major fund, and the aggregate remaining fund information of the Claiborne Parish School Board, as of June 30, 2018, and the respective changes in financial position 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, Schedule of Change in Total OPEB Liability and Related Ratios, Schedule of Employer's Proportionate Share of the Net Pension Liability, Schedule of Employer Contributions to Pension Plans, the notes to the required supplementary information and the Budgetary Comparison Schedules, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

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

The accompanying supplementary information, as listed in the table of contents, is the responsibility of management and was derived from and relates 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 accompanying supplementary information, as listed in the table of contents, is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The accompanying other information, such as the introductory and statistical sections and other schedules, as listed in the table of contents, 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, under separate cover, dated December 31, 2018 on our consideration of the School Board's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School Board's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School Board's internal control over financial reporting and compliance.

Allen, Green & Williamson, LLP

ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana
December 31, 2018

Claiborne Parish School Board

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REQUIRED SUPPLEMENTARY INFORMATION:

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

Claiborne Parish School Board
Management's Discussion and Analysis (MD&A)
June 30, 2018

Our discussion and analysis of Claiborne Parish School Board's financial performance provides an overview of the School Board's financial activities for the fiscal year ended June 30, 2018. Please read it in conjunction with the School Board's financial statements which follow this Management's Discussion and Analysis. Amounts are presented in thousands unless otherwise noted.

FINANCIAL HIGHLIGHTS In fiscal year 2018, the School Board adopted the following new statement of financial accounting standards issued by the Governmental Accounting Standards Board:

- *Statement No. 75 – Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*, issued by the Government Accounting Standards Board. This Statement addresses accounting and financial reporting of OPEB that is provided to the employees of state and local governmental employers and establishes standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures. For defined benefit OPEB, this Statement identifies the methods and assumptions that are required to be used to project benefit payments, discount projected benefit payments to the actuarial present value, and attribute that present value to periods of employee service. Note disclosure and required supplementary information requirements about defined benefit OPEB also are addressed. This Statement replaces the requirements of Statements No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, as amended, and No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans*, for OPEB.

The adoption of Statement No. 75 has no impact on the School Board's governmental fund financial statements, which continue to report expenditures on a pay-as-you-go basis. However, the adoption has resulted in the restatement of the School Board's 2017 government-wide financial statements to reflect the reporting of total OPEB liability in accordance with the provisions of the Statement. Net position as of July 1, 2017 was decreased by \$27,291 reflecting the cumulative retrospective effect of adoption.

- *Statement No. 85 – Omnibus 2017*, issued by the Government Accounting Standards Board. This Statement is to address practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics including issues related to fair value measurement, and application, and postemployment benefits for both pensions and other postemployment benefits (OPEB).
- *Statement No. 86 – Certain Debt Extinguishment Issues*, issued by the Government Accounting Standards Board. This Statement is to improve consistency in accounting and financial reporting for in-substance defeasance of debt by providing guidance for transactions in which cash and other monetary assets acquired with only existing resources, resources other than the proceeds of refunding debt, are placed in an irrevocable trust.

The adoption of Statements No. 85 and 86 had no impact on the government-wide or the governmental fund financial statements, but provide for additional guidance, clarification and/or additional disclosures in the notes to the financial statements.

The primary resources available to the School Board are local revenues which are primarily tax receipts, state revenues which are primarily minimum foundation funding and cost reimbursement grants, and federal revenues which are primarily cost reimbursement grants.

The net position of all governmental activities decreased \$3,066 mainly due to new reporting requirements for Other Post-Employment Benefits (OPEB).

**Claiborne Parish School Board
Management's Discussion and Analysis (MD&A)
June 30, 2018**

ANNUAL REPORT The School Board's annual report consists of a series of financial statements that show information for the School Board as a whole, its funds, and its fiduciary responsibilities. The Statement of Net Position and the Statement of Activities provide information about the activities of the School Board as a whole and present a longer-term view of the School Board's finances. Our fund financial statements are included later in this report. For our governmental activities, these statements tell how we financed our services in the short-term as well as what remains for future spending. Fund statements also may give you some insights into the School Board's overall financial health. Fund financial statements also report the School Board's operations in more detail than the government-wide financial statements by providing information about the School Board's most significant funds, the General Fund, Maintenance Fund and Title I. The remaining statement - the Statement of Fiduciary Assets and Liabilities presents financial information about activities for which the School Board acts solely as an agent for the benefit of students and parents as well as other governmental entities.

Financial Section

Required Supplementary Information

Management's Discussion & Analysis (MD&A)

Financial Statements

**Government-wide
Financial Statements**



**Fund
Financial Statements**

Notes to the Financial Statements

Required Supplementary Information

**Schedule of Changes in Total OPEB Liability and Related Ratios
Schedule of Employer's Proportionate Share of the Net Pension Liability
Schedule of Employer's Contributions to Pension Plans
Notes to Required Supplementary Information for Pension Plans
Budgetary Information for Major Funds
Notes to the Budgetary Comparison Schedules**

Supplementary Information

**Nonmajor Funds Combining Statements
Agency Funds Statements/Schedules
Schedule of Compensation Paid Board Members
Schedule Of Compensation, Benefits And Other Payments To Agency Head
(Superintendent)
Other Schedules**

Claiborne Parish School Board
Management's Discussion and Analysis (MD&A)
June 30, 2018

Our auditor has provided assurance in the independent auditor's report, located immediately preceding this Management's Discussion and Analysis, that the Financial Statements are fairly stated. Varying degrees of assurance is being provided by the auditor regarding the Required Supplemental Information and the Supplemental Information identified above. 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 Section.

Reporting the School Board as a Whole

The Statement of Net Position and the Statement of Activities

Our analysis of the School Board as a whole begins with the government-wide financial statements. One of the most important questions asked about the School Board is, "Is the School Board as a whole better off or worse off financially as a result of the year's activities?" The Statement of Net Position and the Statement of Activities, which appear first in the School Board's financial statements, report information on the School Board as a whole and its activities in a way that helps you answer this question. We prepare these statements to include all assets and liabilities and deferred outflows/inflows of resources, using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current 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 - the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources, as reported in the Statement of Net Position - 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 - as reported in the Statement of Activities - are one indicator of whether its financial health is improving or deteriorating. The relationship between revenues and expenses is the School Board's operating results. However, the School Board's goal is to provide services to our students, not to generate profits as commercial entities do. One must consider many other non-financial factors, such as the quality of the education provided and the safety of the schools to assess the overall health of the School Board.

The Statement of Net Position and Statement of Activities report the following activity for the School Board:

Governmental activities - All of the School Board's services are reported here, including instruction, plant services, transportation, and food services. Property taxes, sales taxes, Minimum Foundation Program funds, and state and federal grants finance most of these activities.

Reporting the School Board's Most Significant Funds

Fund Financial Statements

The School Board's fund financial statements provide detailed information about the most significant funds - not the School Board as a whole. Some funds are required to be established by State law and by bond covenants. However, the School Board establishes many other funds to help it control and manage money for particular purposes (like the School Food Service) or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money (like grants the School Board receives from the U.S. Department of Education). The School Board's governmental funds use the following accounting approach:

Governmental funds - All of the School Board's services are reported in governmental funds. Governmental fund reporting focuses on showing how money flows into and out of funds and the balances left at year-end that are available for spending. They are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund

Claiborne Parish School Board
Management's Discussion and Analysis (MD&A)
June 30, 2018

statements provide a detailed short-term view of the School Board's operations and the services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the School Board's programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in reconciliation on Statements D and F.

The School Board as Trustee

Reporting the School Board's Fiduciary Responsibilities

The School Board is the trustee, or fiduciary, for its student activities funds and sales tax collection agency. All of the School Board's fiduciary activities are reported in the Statements of Fiduciary Assets and Liabilities. We exclude these activities from the School Board's other financial statements because the School Board cannot use these assets to finance its operations. The School Board is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

THE SCHOOL BOARD AS A WHOLE The School Board's net position was \$(27,890) at June 30, 2018. Of this amount \$(49,223) was unrestricted. Restricted net position are reported separately to show legal constraints from debt covenants and enabling legislation that limit the School Board's ability to use those net position for day-to-day operations. Our analysis below focuses on the net position, (Table 1) and the change in net position (Table 2) of the School Board's governmental activities.

The 2017 amounts presented in Table 1 and Table 2 were not restated to reflect the retrospective effect of implementation of GASB 75, because the amounts were not readily determinable.

Table 1
Net Position
June 30,
(in thousands)

	<u>Governmental Activities</u>		
	<u>2018</u>	<u>2017</u>	<u>Variance</u>
Other assets	\$ 20,407	\$ 19,611	\$ 796
Capital assets	17,038	17,579	(541)
Total assets	<u>37,445</u>	<u>37,190</u>	<u>255</u>
Deferred outflows of resources	<u>21,799</u>	<u>5,309</u>	<u>16,490</u>
Other liabilities	1,956	2,210	(254)
Long-term liabilities	82,057	35,569	46,488
Total liabilities	<u>84,013</u>	<u>37,779</u>	<u>46,234</u>
Deferred inflows of resources	<u>3,121</u>	<u>2,253</u>	<u>868</u>
Net position			
Net investment in capital assets	14,863	14,729	134
Restricted	6,470	6,451	19
Unrestricted	(49,223)	(18,713)	(30,510)
Total net position	<u>\$ (27,890)</u>	<u>\$ 2,467</u>	<u>\$ (30,357)</u>

Claiborne Parish School Board
Management's Discussion and Analysis (MD&A)
June 30, 2018

The \$(49,223) in unrestricted net position of governmental activities represents accumulated results of all past year's operations. It means that if the School Board had to pay off all of its bills today including all of its non-capital liabilities such as other post-employment benefits (OPEB), net pension liability and compensated absences, there would be a shortfall of \$49,223.

The results of this year's operations for the School Board as a whole are reported in the Statement of Activities. Table 2, below, takes the information from that statement and rearranges it slightly so that readers can see total revenues for the year.

Table 2
Changes in Net Position
For the Year Ended June 30,
(in thousands)

	<u>Governmental Activities</u>		
	2018	2017	Variance
Net Position - beginning	\$ 2,467	\$ 2,313	\$ 154
Revenues:			
Program revenues			
Charges for services	115	104	11
Operating grants and contributions	3,209	3,327	(118)
General Revenues			
Ad valorem taxes	3,241	4,114	(873)
Sales taxes	2,739	2,549	190
State equalization	11,359	11,049	310
Other general revenues	611	503	108
Total revenues	<u>21,274</u>	<u>21,646</u>	<u>(372)</u>
Functions/Program Expenses:			
Instruction			
Regular programs	8,434	7,894	540
Special programs	2,422	1,941	481
Other instructional programs	1,896	1,456	440
Support services			
Student services	1,652	1,391	261
Instructional staff support	1,886	1,399	487
General administration	836	795	41
School administration	1,654	1,414	240
Business services	206	193	13
Plant services	1,854	1,769	85
Student transportation services	1,639	1,534	105
Central services	8	8	-
Food Services	1,768	1,585	183
Community service programs	13	13	-
Interest on long-term debt	72	100	(28)
Total expenses	<u>24,340</u>	<u>21,492</u>	<u>2,848</u>
Increase (decrease) in net position	<u>(3,066)</u>	<u>154</u>	<u>(3,220)</u>
Prior period adjustment	(27,291)	-	(27,291)
Net Position - ending	<u>\$ (27,890)</u>	<u>\$ 2,467</u>	<u>\$ (30,357)</u>

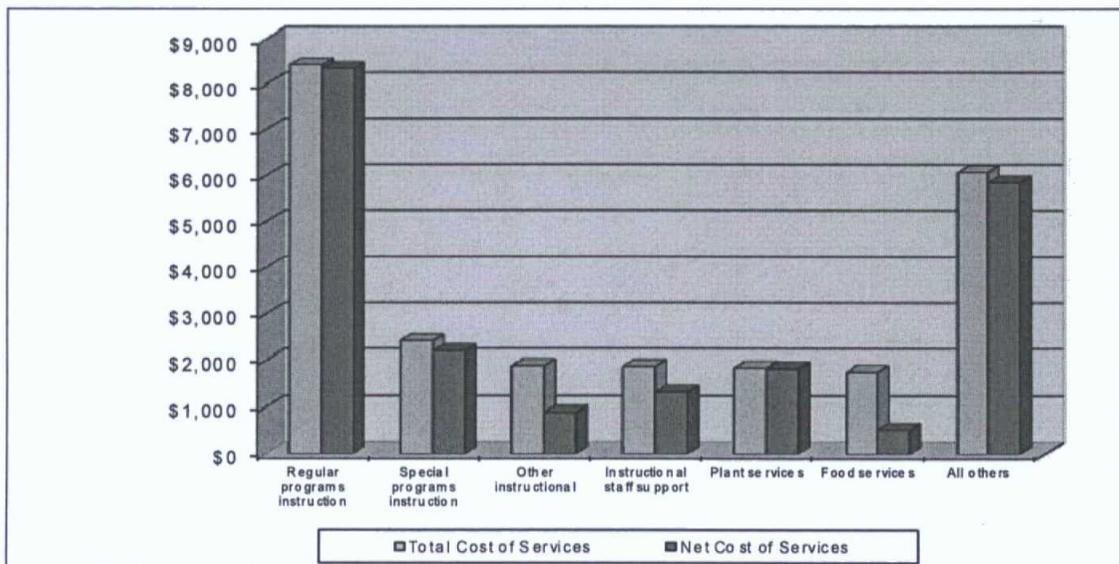
**Claiborne Parish School Board
Management's Discussion and Analysis (MD&A)
June 30, 2018**

Governmental Activities As reported in the Statement of Activities, the cost of all governmental activities this year was \$24,340. The amount that taxpayers ultimately financed for these activities through School Board taxes was \$5,980 because some of the cost was paid by those who benefited from the program \$115 or by other governments and organizations who subsidized certain programs with grants and contributions \$3,209. The remaining \$15,036 was paid by MFP funds and other revenues which are mainly interest earnings and other miscellaneous revenue, and from prior year net position.

In the table below we have presented the cost of each of the School Board's six largest functions - Regular programs, Special programs, Other instructional, Instructional staff support, Plant services, and Food services, as well as each program's net cost (total cost less revenues generated by the activities). Net cost shows the financial burden that was placed on the School Board's taxpayers by each of these functions. Providing this information allows our citizens to consider the cost of each function in comparison to the benefits they believe are provided by that function.

**Total Cost of Services
Versus
Net Cost of Services**

	<u>Year Ended Jun 30, 2018</u>		<u>Year Ended Jun 30, 2017</u>	
	<u>Governmental Activities</u>		<u>Governmental Activities</u>	
	<u>Total Cost of Services</u>	<u>Net Cost of Services</u>	<u>Total Cost of Services</u>	<u>Net Cost of Services</u>
Regular programs instruction	\$ 8,434	\$ 8,350	\$ 7,894	\$ 7,619
Special programs instruction	2,422	2,202	1,941	1,699
Other instructional	1,896	904	1,456	620
Instructional staff support	1,886	1,330	1,399	990
Plant services	1,854	1,843	1,769	1,752
Food services	1,768	534	1,585	318
All others	6,080	5,853	5,448	5,063
Totals	\$ 24,340	\$ 21,016	\$ 21,492	\$ 18,061



Claiborne Parish School Board
Management's Discussion and Analysis (MD&A)
June 30, 2018

THE SCHOOL BOARD'S FUNDS As we noted earlier, the School Board uses funds to help it control and manage money for particular purposes. Looking at funds helps you consider whether the School Board is being accountable for the resources taxpayers and others provide to it but may also give you more insight into the School Board's overall financial health.

For reporting purposes, the General Fund column of the fund financials includes the following individual funds of the School Board: General Fund, Contingency Fund, Sales Tax Collections Fund, 1996 Sales Tax Fund, Medicaid Fund, Payroll Fund and the 1978 Sales Tax Fund.

The fund balance of the General Fund increased \$1,072 and is due mainly to an increase in MFP revenue along with an increase in Sales Tax revenue for the 2017-2018 fiscal year. Expenditures were closely monitored during the year also.

The Maintenance Funds account for the proceeds of ad valorem taxes levied to maintain and improve school facilities in the parish. This fund balance increased \$187 during the year mainly due to close monitoring of expenditures during the fiscal year.

The Title I Fund is a cost reimbursement fund and does not carry a fund balance.

The fund balances for Non-major Governmental Funds decreased \$216 during 2018. The funds which are included are state and federal special revenue funds, a capital projects fund, and debt service funds. The decrease was mainly due to the principal and interest payments in debt service funds.

General Fund Budgetary Highlights As mentioned earlier the School Board revises its budget as it attempts to deal with unexpected changes in revenues and expenditures. (A schedule showing the School Board's original and final budgets compared with actual results for the General Fund and major special revenue funds with legally adopted budgets are provided in the required supplemental information section of this report as Exhibits 3-1 through 3-3.)

The General Fund's actual revenue was \$123 more than budgeted revenue amounts. This was mainly due to a refund of insurance premiums. Total actual expenditures for the General Fund were equal to the budgeted expenditures.

The general fund budget was amended during the year. The significant change that was made to the budget was mainly due to an increase in MFP and sales tax revenues and a decrease in ad valorem tax revenue for the fiscal year.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets At June 30, 2018, the School Board had \$17,038 invested in a broad range of capital assets, including land, construction in progress, buildings, and furniture and equipment. This amount represents a net decrease (including additions, deductions and depreciation) of \$541 or 3% from last year.

Claiborne Parish School Board
Management's Discussion and Analysis (MD&A)
June 30, 2018

	<u>Governmental Activities</u>		
	<u>2018</u>	<u>2017</u>	<u>Variance</u>
Land	\$ 484	\$ 484	\$ -
Construction in progress	-	2	(2)
Buildings	16,185	16,678	(493)
Furniture and equipment	369	415	(46)
Totals	<u><u>\$ 17,038</u></u>	<u><u>\$ 17,579</u></u>	<u><u>\$ (541)</u></u>

This year's additions included a school bus and two LED school signs. Also added was the Summerfield Sewer Project which was completed after the first of the 2017-2018 fiscal year.

Debt Administration At June 30, 2018, the School Board had \$2,175 outstanding versus \$2,850 in 2017 which is a decrease of 23.7%. Under state statute, the School Board is legally restricted from incurring long-term bonded debt in excess of 50% of the assessed value of taxable property. At June 30, 2018, the School Board's outstanding debt consisted of:

	<u>Long Term Obligations at June 30,</u>	
	<u>2018</u>	<u>2017</u>
General obligation bonds	<u>\$ 2,175</u>	<u>\$ 2,850</u>
Total	<u><u>\$ 2,175</u></u>	<u><u>\$ 2,850</u></u>

Additional information on capital assets and long-term debt can be found in Note 6 and Note 12, respectively, of the notes to financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES The following are currently known economic factors to be considered for the 2018-2019 fiscal year:

1. Monitoring of the employer costs for retirement and health insurance for employees.
2. MFP must continue to be monitored closely along with the student count.
3. Other major revenues such as property tax and sales tax must be closely monitored.

CONTACTING THE SCHOOL BOARD'S FINANCIAL MANAGEMENT Our financial report is designed to provide our citizens, taxpayers, parents, students, and investors and creditors with a general overview of the School Board's finances and to show the School Board's accountability for the money it receives. If you have questions about this report or wish to request additional financial information, contact Terri Fedrick, Business Manager, at Claiborne Parish School Board, 415 East Main Street, P. O. Box 600, Homer, Louisiana 71040, telephone number (318) 927-3502.

Claiborne Parish School Board

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BASIC FINANCIAL STATEMENTS:

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

CLAIBORNE PARISH SCHOOL BOARD

STATEMENT OF NET POSITION
June 30, 2018

	Statement A
	<u>GOVERNMENTAL ACTIVITIES</u>
ASSETS	
Cash and cash equivalents	\$ 19,427,172
Investments	100,000
Receivables	647,260
Inventory	17,524
Prepaid items	215,105
Capital assets:	
Land and construction in progress	484,481
Capital assets, net of depreciation	<u>16,553,509</u>
TOTAL ASSETS	<u>37,445,051</u>
DEFERRED OUTFLOWS	
Deferred outflows related to pensions	3,417,568
Deferred outflows related to OPEB	<u>18,381,736</u>
TOTAL DEFERRED OUTFLOWS	<u>21,799,304</u>
LIABILITIES	
Accounts, salaries and other payables	1,932,711
Unearned revenue	4,097
Interest payable on long-term debt	19,166
Long-term liabilities	
Due within one year	833,734
Due in more than one year	<u>81,223,303</u>
TOTAL LIABILITIES	<u>84,013,011</u>
DEFERRED INFLOWS	
Deferred inflows related to pensions	<u>3,121,049</u>
TOTAL DEFERRED INFLOWS	<u>3,121,049</u>
NET POSITION	
Net investment in capital assets	14,862,990
Restricted for:	
Worker's compensation	100,000
Salaries and benefits	898,892
Maintenance	4,813,811
School Food Service Program	201,998
Debt Service	459,560
Unrestricted	<u>(49,226,956)</u>
TOTAL NET POSITION	<u>\$ (27,889,705)</u>

THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

CLAIBORNE PARISH SCHOOL BOARD

STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2018

Statement B

FUNCTIONS/PROGRAMS	PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	
<i>Governmental activities:</i>				
<i>Instruction:</i>				
Regular programs	\$ 8,433,978	\$ -	\$ 83,744	\$ (8,350,234)
Special programs	2,422,044	-	220,186	(2,201,858)
Other instructional programs	1,896,248	-	992,432	(903,816)
<i>Support services:</i>				
Student services	1,651,802	-	154,469	(1,497,333)
Instructional staff support	1,885,652	-	555,157	(1,330,495)
General administration	836,131	-	48,489	(787,642)
School administration	1,654,369	-	12,551	(1,641,818)
Business services	206,056	-	1,571	(204,485)
Plant services	1,854,055	-	10,873	(1,843,182)
Student transportation services	1,638,715	-	10,110	(1,628,605)
Central services	8,057	-	87	(7,970)
Food services	1,767,739	114,837	1,119,306	(533,596)
Community service programs	12,858	-	138	(12,720)
Interest and bank charges	72,139	-	-	(72,139)
Total Governmental Activities	\$ 24,339,843	\$ 114,837	\$ 3,209,113	\$ (21,015,893)

General revenues:

<i>Taxes:</i>	
Ad valorem taxes, levied for general purposes	2,695,812
Ad valorem taxes, levied for debt service programs	545,270
Sales taxes, levied for general purposes	2,739,124
<i>Grants and contributions not restricted to specific programs:</i>	
Minimum Foundation Program	11,358,983
State revenue sharing	102,130
Other unrestricted state	341
Interest and investment earnings	96,541
Miscellaneous	411,395
Total general revenues	17,949,596
Changes in net position	(3,066,297)
Net position - beginning	2,467,353
Prior period adjustment	(27,290,761)
Net position - beginning, as restated	(24,823,408)
Net position - ending	\$ (27,889,705)

THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

Claiborne Parish School Board

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BASIC FINANCIAL STATEMENTS:
FUND FINANCIAL STATEMENTS (FFS)

CLAIBORNE PARISH SCHOOL BOARD

GOVERNMENTAL FUNDS

Balance Sheet

June 30, 2018

Statement C

	GENERAL	MAINTENANCE FUND	TITLE I	NON-MAJOR GOVERNMENTAL	TOTAL
ASSETS					
Cash and cash equivalents	\$ 13,826,747	\$ 4,857,202	\$ -	\$ 743,223	\$ 19,427,172
Investments	100,000	-	-	-	100,000
Receivables	253,908	8	248,616	144,728	647,260
Interfund receivables	277,370	-	-	-	277,370
Inventory	-	-	-	17,524	17,524
Prepaid items	215,105	-	-	-	215,105
TOTAL ASSETS	14,673,130	4,857,210	248,616	905,475	20,684,431
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts, salaries and other payables	1,709,364	43,399	82,917	97,031	1,932,711
Interfund payables	-	-	165,699	111,671	277,370
Unearned revenue	-	-	-	4,097	4,097
Total Liabilities	1,709,364	43,399	248,616	212,799	2,214,178
Fund Balances:					
Nonspendable	215,105	-	-	13,427	228,532
Restricted	998,892	4,813,811	-	676,627	6,489,330
Committed	495,713	-	-	2,622	498,335
Unassigned	11,254,056	-	-	-	11,254,056
Total Fund Balances	12,963,766	4,813,811	-	692,676	18,470,253
TOTAL LIABILITIES AND FUND BALANCES	\$ 14,673,130	\$ 4,857,210	\$ 248,616	\$ 905,475	\$ 20,684,431

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

CLAIBORNE PARISH SCHOOL BOARD

**Reconciliation of the Governmental Funds
Balance Sheet to the Statement of Net Position
June 30, 2018**

Statement D

Total fund balances - governmental funds \$ 18,470,253

The cost of capital assets (land, buildings, furniture and equipment) purchased or constructed is reported as an expenditure in governmental funds. The Statement of Net Position includes those capital assets among the assets of the School Board as a whole. The cost of those capital assets is allocated over their estimated useful lives (as depreciation expense) to the various programs reported as governmental activities in the Statement of Activities. Because depreciation expense does not affect financial resources, it is not reported in governmental funds.

Costs of capital assets	\$ 34,972,085	
Accumulated depreciation	<u>(17,934,095)</u>	
		17,037,990

Deferred inflows of resources are not available to pay current period expenditures and therefore are not reported in governmental funds. (3,121,049)

Deferred outflows of resources are not due and payable in the current period and accordingly are not reported in the fund financial statements 21,799,304

Long-term liabilities applicable to the School Board's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities - both current and long term - are reported in the Statement of Net Position.

Balances at June 30, 2018 are:

Long-term liabilities		
Bonds payable	(2,175,000)	
Net pension liability	(20,168,173)	
OPEB liability	(59,090,023)	
Compensated absences payable	<u>(623,841)</u>	
		(82,057,037)

Interest on long-term debt is not recognized in governmental funds until it is due and payable (usually semi-annually), however, in the Statement of Net Position that amount of interest which is payable but not yet due is recognized as a current liability. (19,166)

Net position - governmental activities \$ (27,889,705)

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

CLAIBORNE PARISH SCHOOL BOARD

GOVERNMENTAL FUNDS
Statement of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended June 30, 2018

Statement E

	GENERAL	MAINTENANCE FUND	TITLE I	NON-MAJOR GOVERNMENTAL	TOTAL
REVENUES					
Local sources:					
Taxes:					
Ad valorem	\$ 1,457,600	\$ 1,238,212	\$ -	\$ 545,270	\$ 3,241,082
Sales and use	2,739,124	-	-	-	2,739,124
Interest earnings	68,385	24,098	-	4,058	96,541
Food services	-	-	-	114,837	114,837
Other	404,356	7,039	-	-	411,395
State sources:					
Equalization	11,293,983	-	-	65,000	11,358,983
Other	175,966	39,684	-	-	215,650
Federal sources	28,569	-	1,138,461	1,928,904	3,095,934
Total Revenues	16,167,983	1,309,033	1,138,461	2,658,069	21,273,546
EXPENDITURES					
Current:					
Instruction:					
Regular programs	6,352,276	-	-	22,407	6,374,683
Special programs	1,690,192	-	-	204,134	1,894,326
Other instructional programs	551,496	-	942,011	44,588	1,538,095
Support services:					
Student services	1,105,195	-	-	143,531	1,248,726
Instructional staff support	1,035,750	-	340,072	204,552	1,580,374
General administration	612,296	44,746	-	65,076	722,118
School administration	1,249,365	8,153	-	-	1,257,518
Business services	173,537	-	-	-	173,537
Plant services	1,128,733	556,614	-	-	1,685,347
Student transportation services	877,288	344,413	-	2,224	1,223,925
Central services	8,057	-	-	-	8,057
Food services	150,761	-	-	1,342,678	1,493,439
Community service programs	12,858	-	-	-	12,858
Capital outlay	79,711	184,035	-	-	263,746
Debt service:					
Principal retirement	-	-	-	675,000	675,000
Interest and bank charges	-	-	-	78,336	78,336
Total Expenditures	15,027,515	1,137,961	1,282,083	2,782,526	20,230,085
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	\$ 1,140,468	\$ 171,072	\$ (143,622)	\$ (124,457)	\$ 1,043,461

(Continued)

CLAIBORNE PARISH SCHOOL BOARD

GOVERNMENTAL FUNDS
Statement of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended June 30, 2018

Statement E

	GENERAL	MAINTENANCE FUND	TITLE I	NON-MAJOR GOVERNMENTAL	TOTAL
OTHER FINANCING SOURCES (USES)					
Transfers in	\$ -	\$ 16,191	\$ 143,622	\$ 52,507	\$ 212,320
Transfers out	(68,698)	-	-	(143,622)	(212,320)
Total Other Financing Sources (Uses)	(68,698)	16,191	143,622	(91,115)	-
Net Change in Fund Balances	1,071,770	187,263	-	(215,572)	1,043,461
FUND BALANCES- BEGINNING	11,891,996	4,626,548	-	908,248	17,426,792
FUND BALANCES - ENDING	\$ 12,963,766	\$ 4,813,811	\$ -	\$ 692,676	\$ 18,470,253

(Concluded)

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

CLAIBORNE PARISH SCHOOL BOARD

**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, 2018**

	Statement F		
Total net change in fund balances - governmental funds	\$ 1,043,461		
Amounts reported for governmental activities in the Statement of Activities are different because:			
Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeds depreciation in the period:			
Depreciation expense	\$ (804,530)		
Capital outlays	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;"></td> <td style="width: 20%; text-align: right; border-top: 1px solid black;">263,746</td> </tr> </table> (540,784)		263,746
	263,746		
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.	675,000		
The recognition of pension expense in the Statement of Activities is based on projected benefit payments discounted to actuarial present value and attributed to periods of employee service. Pension expenditures in the fund financial statements are the amounts actually paid.	1,451,453		
In the Statement of Activities, certain operating expenses—compensated absences (vacations and sick leave) - are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid). This year, vacation and sick time earned (\$392,758) was more than the amounts used (\$313,738) by \$79,020.	(79,020)		
Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in government funds			
Decrease in interest payable	6,197		
Increase in OPEB liabilities and related deferrals	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;"></td> <td style="width: 20%; text-align: right; border-top: 1px solid black;">(5,622,604)</td> </tr> </table>		(5,622,604)
	(5,622,604)		
Change in net position of governmental activities	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;"></td> <td style="width: 20%; text-align: right; border-top: 1px solid black; border-bottom: 3px double black;">\$ (3,066,297)</td> </tr> </table>		\$ (3,066,297)
	\$ (3,066,297)		

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

CLAIBORNE PARISH SCHOOL BOARD
FIDUCIARY FUND
Statement of Fiduciary Assets and Liability
June 30, 2018

	Statement G
	AGENCY FUND
ASSETS	
Cash and cash equivalents	\$ 482,014
Accounts receivable	552,717
Cash, restricted - paid under protest	81,772
Total assets	1,116,503
LIABILITIES	
Deposits due others	1,034,731
Taxes paid under protest, payable with restricted assets	81,772
Total liabilities	\$ 1,116,503

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

**Claiborne Parish School Board
Notes to the Financial Statements
June 30, 2018**

<u>INDEX</u>	<u>Page</u>
NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES	49
A. REPORTING ENTITY	49
B. FUNDS	49
Governmental Funds	49
Fiduciary Funds	50
C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING	50
D. CASH AND CASH EQUIVALENTS	52
E. INVESTMENTS	52
F. SHORT-TERM INTERFUND RECEIVABLES/PAYABLES	52
G. ELIMINATION AND RECLASSIFICATIONS	52
H. INVENTORY AND PREPAID ITEMS	52
I. CAPITAL ASSETS	53
J. UNEARNED REVENUES	53
K. COMPENSATED ABSENCES	53
L. NET PENSION LIABILITY	54
M. OTHER POST EMPLOYMENT BENEFITS	54
N. RESTRICTED NET POSITION	54
O. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES	55
P. FUND EQUITY OF FUND FINANCIAL STATEMENTS	55
Q. INTERFUND ACTIVITY	56
R. SALES TAX	56
S. BUDGETS	56
T. USE OF ESTIMATES	57
NOTE 2 - STEWARDSHPPGIP, COMPLIANCE AND ACCOUNTABILITY	57
NOTE 3 - LEVIED TAXES	57
NOTE 4 - DEPOSITS AND INVESTMENTS	58
NOTE 5 - RECEIVABLES	59
NOTE 6 - CAPITAL ASSETS	59
NOTE 7 - PENSION PLANS	60
NOTE 8 - OTHER POST EMPLOYMENT BENEFITS	66
NOTE 9 - ACCOUNTS, SALARIES, AND OTHER PAYABLES	69
NOTE 10 - COMPENSATED ABSENCES	69
NOTE 11 - AGENCY FUND DEPOSITS DUE OTHERS	69
NOTE 12 - LONG-TERM LIABILITIES	70
NOTE 13 - INTERFUND ASSETS (FFS LEVEL ONLY)	71
NOTE 14 - INTERFUND TRANSFERS (FFS LEVEL ONLY)	71
NOTE 15 - LITIGATION AND CONTINGENCIES	71
NOTE 16 - RISK MANAGEMENT	72
NOTE 17 - ON-BEHALF PAYMENTS FOR FRINGE BENEFITS AND SALARIES	72
NOTE 18 - ECONOMIC DEPENDENCY	73
NOTE 19 - FUND BALANCE	73
NOTE 20 - NEW GASB STANDARDS	73
NOTE 21 - SUBSEQUENT EVENTS	74
NOTE 22 - PRIOR PERIOD ADJUSTMENT	74
NOTE 23 - CHANGE IN PRESENTATION	74

Claiborne Parish School Board
Notes to the Financial Statements
June 30, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES The accompanying financial statements of the Claiborne Parish School Board have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

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

The School Board operates six schools within the parish with a total enrollment of 1,730 pupils for the year ended June 30, 2018. In conjunction with the regular educational programs, some of these schools offer special education and/or vocational education programs. In addition, the School Board provides transportation and school food services for the students.

GASB Statements No. 61 established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Because the School Board has a separately elected governing body and is legally separate and fiscally independent, the School Board is a separate governmental reporting entity. The School Board includes all funds, activities, et cetera, that are within the oversight responsibility of the School Board.

Certain units of local government, such as the parish police jury and municipalities within the parish, are excluded from the accompanying financial statements. These units of government are considered separate reporting entities and issue financial statements separate from those of the School Board.

B. FUNDS The accounts of the School Board are organized and operated on the basis of funds. A fund is a separate accounting entity with a self-balancing set of accounts. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities.

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

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

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

Maintenance Fund - The maintenance fund accounts for the proceeds of ad valorem taxes levied to maintain and improve school facilities in the parish.

Claiborne Parish School Board
Notes to the Financial Statements
June 30, 2018

Title I - This program was designed to improve educational opportunities of educationally deprived children by helping them succeed in the regular school program, attain grade level proficiency and improve achievement in basic and more advanced skills. Primarily for provision of compensatory instructional activities to educationally deprived children that reside in low-income areas and have been selected on the basis of a needs assessment, services supplement, not supplant, those normally provided by state and local educational agencies.

Fiduciary Funds - account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the School Board. Fiduciary funds include:

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

Sales Tax Agency Fund - accounts for monies collected on behalf of other taxing authorities in Claiborne Parish.

Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

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

The Statement of Net Position and the Statement of Activities was prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, liabilities and deferred outflows/inflows of resources resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets, liabilities and deferred outflows/inflows of resources resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33 "Accounting and Financial Reporting for Nonexchange Transactions".

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 cafeteria sales. Operating grants and contributions consist of the many educational grants received from the federal and state government.

Allocation of indirect expenses The School Board reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Depreciation expense is specifically identified by function and is included in the direct expense of each function. Interest on general long-term debt is considered an indirect expense and is reported separately in the Statement of Activities.

Fund Financial Statements (FFS)

Governmental Funds The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting revenues are

**Claiborne Parish School Board
Notes to the Financial Statements
June 30, 2018**

recognized when susceptible to accrual (i.e., when they are "measurable and available"). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The government considers all revenues available if they are collected within 60 days after year-end. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on general long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present increases and decreases in net current assets. The governmental funds use the following practices in recording revenues and expenditures:

Revenues

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

Sales taxes are recognized when the underlying exchange takes place and the resources are available.

Interest income on time deposits and investments is recorded when the interest becomes measurable and available to finance expenditures of the fiscal period.

Federal and state entitlements which include state equalization and state revenue sharing are recorded as unrestricted grants-in-aid when available and measurable. Federal and state restricted grants are recorded when the reimbursable expenditures have been incurred.

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

Salaries are recorded as paid. Salaries for nine-month employees are paid over twelve months and accrued at June 30.

Principal and interest on long-term debt is recognized when due.

Inventory items are expensed as purchased except for inventory of the school food service fund which is expensed as consumed.

Compensated absences are recognized as expenditures when leave is actually taken or upon termination of employment due to retirement or death.

Other Financing Sources (Uses) Transfers between funds that are not expected to be repaid (or other types, such as sale of capital assets, debt extinguishments, and long-term debt proceeds) are accounted for as other financing sources (uses). These other financing sources (uses) are recognized at the time the underlying events occur.

Fiduciary Funds The *agency fund* is custodial in nature and does not present results of operations or have a measurement focus. Agency funds are accounted for using the accrual basis of accounting.

Claiborne Parish School Board
Notes to the Financial Statements
June 30, 2018

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

Under state law, the School Board may invest in United States bonds, treasury notes, or certificates. These are classified as investments if their original maturities exceed 90 days; however, if the original maturities are 90 days or less they are classified as cash equivalents and are stated at cost.

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

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

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

Definitions:

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

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

F. SHORT-TERM INTERFUND RECEIVABLES/PAYABLES During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as due from other funds or due to other funds on the balance sheet. Short-term interfund loans are classified as interfund receivables/payables.

G. ELIMINATION AND RECLASSIFICATIONS In the process of aggregating data for the statement of net position and the statement of activities, some amounts reported as interfund activity and balances in the funds were eliminated or reclassified. Interfund receivables and payables were eliminated to minimize the "grossing up" effect on assets and liabilities within the governmental activities column.

H. INVENTORY AND PREPAID ITEMS Inventory items are expensed as purchased except for inventory of the school food service fund.

Inventory of the school food service special revenue fund consists of food purchased by the School Board and commodities granted by the United States Department of Agriculture through the Louisiana Department of Agriculture and Forestry. Inventory is accounted for on the consumption method. Inventory items are valued at cost (first in - first out) and commodities are assigned values based on information provided by the United States Department of Agriculture.

**Claiborne Parish School Board
Notes to the Financial Statements
June 30, 2018**

Certain payments to vendors reflect cost applicable to future accounting periods and are reported as prepaid items using the purchases method.

I. CAPITAL ASSETS Capital assets are recorded at historical cost or estimated historical cost if purchased or constructed and depreciated over their estimated useful lives (including salvage value). Donated capital assets, donated works of art and similar items and capital assets received in a service concession arrangement are reported at acquisition value. The capitalization threshold is \$5,000 for all capital assets other than intangibles. The threshold for intangibles is \$250,000. Estimated useful life is management's estimate of how long the asset is expected to meet service demands.

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

<u>Description</u>	<u>Estimated Lives</u>
Buildings and building improvements	20-40 years
Furniture and fixtures	5-10 years
Vehicles	5-15 years
Equipment	5-20 years
Intangibles	5-20 years

J. UNEARNED REVENUES Unearned revenues arise when resources are received by the School Board before it has a legal claim to them, as when grant monies are received prior to the occurrence of qualifying expenditures. In subsequent periods, when the School Board has a legal claim to the resources, the liability for unearned revenue is removed and the revenue is recognized.

K. COMPENSATED ABSENCES All full-time employees earn vacation leave each year, ranging from 2 days to 15 days depending on position and years of experience. Vacation leave cannot be accumulated. Upon separation of employment, all unused vacation leave is forfeited.

All School Board employees earn from ten to eighteen days of sick leave each year, depending upon the length of service. Sick leave can be accumulated without limitation. Upon retirement or death, unused accumulated sick leave of up to twenty-five days is paid to the employee or to the employee's estate at the employee's current rate of pay. Under the Louisiana Teachers' Retirement System, and the Louisiana School Employees' Retirement System, all unpaid sick leave is used in the retirement benefit computation as earned service.

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

GASB Statement 16 provides that vacation leave and other compensated absences with similar characteristics should be accrued as a liability as the benefits are earned by the employees if both of the following conditions are met:

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

Claiborne Parish School Board
Notes to the Financial Statements
June 30, 2018

GASB Statement 16 provides that a liability for sick leave should be accrued using one of the following termination approaches:

- A. An accrual for earned sick leave should be made only to the extent it is probable that the benefits will result in termination payments, rather than be taken as absences due to illness or other contingencies, such as medical appointments and funerals.
- B. Alternatively, a governmental entity should estimate its accrued sick leave liability based on the sick leave accumulated at the balance sheet date by those employees who currently are eligible to receive termination payments as well as other employees who are expected to become eligible in the future to receive such payments. The School Board uses this approach to accrue the liability for sick leave. The minimum experience is 15 years.

L. NET PENSION LIABILITY For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the retirement systems and additions to/deductions from the retirements systems fiduciary net position have been determined on the same basis as they are reported by the retirement systems. 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.

M. OTHER POST EMPLOYMENT BENEFITS Effective with the fiscal year ended June 30, 2009, the School Board implemented Government Accounting Standards Board Statement Number 45, *Accounting and Financial Reporting by Employers for Post Employment Benefits Other than Pensions (GASB 45)*. Effective with fiscal year ended June 30, 2018, the School Board implemented Government Accounting Standards Board Statement Number 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions (GASB75)*, which replaces GASB 45. See Note 8 for additional information on Other Postemployment Benefits.

Plan Description - In accordance with state statutes, the School Board provides certain continuing health care and life insurance benefits for its retired employees on a pay-as-you-go basis. The School Board OPEB plan is a single employer defined benefit "substantive plan" as understood by past practices of the School Board and its employees. Although no written plan or trust currently exists or is sanctioned by law, the OPEB plan is reported based on communication to plan members. Also, no stand-alone financial report was prepared. Substantially all of the School Board's employees become eligible for these benefits if they reach normal retirement age while working for the School Board. These benefits and similar benefits for active employees are provided through an insurance program, whose monthly premiums are paid jointly by the employee and the School Board.

Funding Policy - The contribution requirements of plan members and the School Board are established and may be amended by LRS 42:801-883. Employees do not contribute to their post employment benefits cost until they become retirees and begin receiving those benefits. The retirees contribute to the cost of retiree healthcare based on a rate schedule. Contribution amounts are approximately 25% retiree/75% employer of the stated costs of healthcare coverage.

N. RESTRICTED NET POSITION For the government-wide statement of net position, net position is reported as restricted when constraints placed on net position use are either:

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

Claiborne Parish School Board
Notes to the Financial Statements
June 30, 2018

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as they are needed. Of the \$6,470,164 reported as restricted the Statement of Net Position, \$5,712,703 is restricted through enabling legislation.

O. 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. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The School Board does have deferred outflows related to the net pension liability and the OPEB liability. Refer to Note 7 and 8 for additional information.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenues) until that time. The School Board does have deferred inflows related to the net pension liability. Refer to Note 7 for additional information.

P. FUND EQUITY OF FUND FINANCIAL STATEMENTS:

GASB 54 Fund Balance Reporting and Governmental Fund Type Definitions requires the fund balance amounts to be reported within the fund balance categories as follows:

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

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

Committed: Fund balance that can only be used for specific purposes determined by the School Board's highest level of decision making authority. The Board is the highest level of decision making authority for the School Board that can, by adoption of resolution prior to the end of the fiscal year commit fund balance. Committed amounts cannot be used for any other purpose unless the Board removes or changes the specified use by taking the same type of action it employed to previously commit the funds.

Assigned: Fund balance that is constrained by the School Board's intent to be used for specific purposes, but are neither restricted nor committed. Intent should be expressed by the Board or Finance Committee.

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

The School Board reduces committed amounts, followed by assigned amounts and then unassigned amounts when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used. The School Board considers restricted amounts to have been spent when an expenditure has been incurred for purposes for which both restricted and unrestricted fund balance is available.

Claiborne Parish School Board
Notes to the Financial Statements
June 30, 2018

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

R. SALES TAX On January 21, 1978 the voters of Claiborne Parish approved the assessment of a one percent sales tax. The net revenues from the tax, which may be used for any school purpose, are primarily used to supplement salaries and related benefits of school board employees. The tax is collected by the School Board and has no expiration date.

Claiborne Parish voters, on September 21, 1996 approved the assessment of a one percent sales tax, to be effective January 1, 1997. Net revenues from the tax are dedicated fifty percent to provide a source of funding for salaries and benefits for the employees of the school board and fifty percent for the general fund. The tax is collected by the School Board and expires in 2022.

S. BUDGETS

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

State statute requires budgets to be adopted for the general fund and all special revenue funds.

Each year prior to September, the Superintendent submits to the Board proposed annual budgets for the general fund and special revenue funds. Public hearings are conducted, prior to the Board's approval, to obtain taxpayer comments. The operating budgets include proposed expenditures and the means of financing them.

Appropriations (unexpended budget balances) lapse at year-end.

Formal budget integration (within the accounting records) is employed as a management control device. All budgets are controlled at the function level. Budget amounts included in the accompanying financial statements include the original adopted budget and all subsequent amendments. These revisions were considered insignificant by the Board.

Encumbrances Encumbrance accounting, under which purchase orders are recorded in order to reserve that portion of the applicable appropriation, is not employed. However, outstanding purchase orders are taken into consideration before expenditures are incurred in order to assure that applicable appropriations are not exceeded.

Budget Basis of Accounting The major governmental funds' budgets are prepared on the modified accrual basis of accounting, a basis consistent with accounting principles generally accepted in the United States of America (GAAP). Budgeted amounts are originally adopted or amended by the Board. Legally, the Board must adopt a balanced budget; that is, total budgeted revenues and other financing sources including fund balance must equal or exceed total budgeted expenditures and other financing uses. State statutes require the Board to amend its budgets when revenues plus projected revenues within a fund are expected to be less than budgeted revenues by five percent or more and/or expenditures within a fund are expected to exceed budgeted expenditures by five percent or more. The School Board approves budgets at the function level and management can transfer amounts between line items within a function.

**Claiborne Parish School Board
Notes to the Financial Statements
June 30, 2018**

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

NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY The following individual accounts and fund had actual expenditures over budgeted expenditures for the year ended June 30, 2018:

Fund	Budget	Actual	Unfavorable Variance
School Food Service	\$ 1,342,346	\$ 1,342,678	\$ (332)

The variance is due to an adjusting entry made after year-end.

NOTE 3 - LEVIED TAXES The School Board levies taxes on real and business personal property located within Claiborne Parish's boundaries. Property taxes are levied by the School Board on property values assessed By the Claiborne Parish Tax Assessor and approved by the State of Louisiana Tax Commission.

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

Property Tax Calendar

Millage rates adopted	August 10, 2017
Levy date	April 1, 2017
Tax bills mailed	November 1, 2017
Due date	December 31, 2017
Lien date	January 1, 2018
Tax sale date – 2017 delinquent property	May 16, 2018

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

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

A revaluation of all property is required after 1978 to be completed no less than every four years. The last revaluation was completed for the tax roll of January 1, 2016. Total assessed value was \$150,006,719 in calendar year 2017. Louisiana state law exempts the first \$75,000 of assessed value of a taxpayer's primary residence from parish property taxes. This homestead exemption was \$19,317,804 of the assessed value in calendar year 2017.

State law requires the sheriff to collect property taxes in the calendar year in which the assessment is made. Property taxes become delinquent January 1 of the following year. If taxes are not paid by the due date, taxes bear interest at the rate of 1.25% per month until the taxes are paid. After notice is given to the delinquent

**Claiborne Parish School Board
Notes to the Financial Statements
June 30, 2018**

taxpayers, the sheriff is required by the *Constitution of the State of Louisiana* to sell the least quantity of property necessary to settle the taxes and interest owed.

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

The tax roll is prepared by the parish tax assessor in November of each year. The collection of the 2018 property taxes occurs in December, and January and February of the next year. As a result, no property taxes receivable for 2018 taxes is included on the accompanying balance sheet because none is available within 60 days of the School Board's year-end.

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

The following is a summary of adjusted maximum and levied (tax rate per \$1,000 Assessed Value) ad valorem taxes:

	Adjusted Maximum <u>Millage</u>	Levied <u>Millage</u>	<u>Expiration Date</u>
Parish-wide taxes:			
Constitutional	5.32	5.29	Indefinite
Operations and Maintenance	5.15	5.15	2025
Maintenance	5.15	5.15	2025
District Taxes			
District No.11	3.33	3.33	2026
District No. 13	11.97	11.88	2022
District No. 26	9.65	9.25	2021
Bond and Interest			
District No. 13	Variable	17.50	2021

NOTE 4 - DEPOSITS AND INVESTMENTS

At June 30, 2018, the School Board had the following deposits and investments:

Interest Rate Risk: The School Boards' policy does not address interest rate risk.

Credit Rate Risk: The School Board invests in certificates of deposit, which do not have credit ratings. The School Board's policy does not address credit rate risk.

Custodial Credit Risk: At year-end, the School Board's carrying amount of deposits was \$20,090,958 and the bank balance was \$20,267,731. These deposits are reported as follows: Statement A- cash and cash equivalents, \$19,427,172 Statement A- Investments, \$100,000 and Statement G-cash and cash equivalents, \$482,014 and Statement G - Cash, restricted - paid under protest, \$81,772. Of the bank balance, \$750,000 was covered by federal depository insurance or by collateral held by the School Board's agent in the School Board's name. The remaining bank balance was collateralized with securities held by the pledging financial

**Claiborne Parish School Board
Notes to the Financial Statements
June 30, 2018**

institution's trust department or agent but not in the School Board's name. Even though the pledged securities are considered uncollateralized under the provision of GASB Statement No. 3, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the School Board that the fiscal agent has failed to pay deposited funds upon demand. The School Board's policy does not address custodial credit risk.

As of June 30, 2018, the School Board had a certificate of deposit managed by a financial institution which was classified on Statement A as an investment. The \$100,000 certificate of deposit is entrusted to the Office of Workers' Compensation because the School Board is self-insured.

NOTE 5 - RECEIVABLES The balance of receivables at June 30, 2018, is shown below. The School Board expects to collect the full amount; therefore, no allowance for doubtful accounts has been established.

	General	Maintenance	Title I	Non-Major Governmental	Total
Intergovernmental - grants:					
Federal	\$ -	\$ -	\$ 248,616	\$ 144,728	\$ 393,344
State	16,934	-	-	-	16,934
Local sources:					
Ad valorem	17	8	-	-	25
Sales tax	236,537	-	-	-	236,537
Other	420	-	-	-	420
Total	<u>\$ 253,908</u>	<u>\$ 8</u>	<u>\$ 248,616</u>	<u>\$ 144,728</u>	<u>\$ 647,260</u>

NOTE 6 - CAPITAL ASSETS Capital asset balances and activity for the year ended June 30, 2018 is as follows:

	Balance Beginning	Additions	Deletions	Balance Ending
Governmental activities				
Nondepreciable capital assets				
Land	\$ 484,481	\$ -	\$ -	\$ 484,481
Construction in Progress	1,600	164,455	166,055	-
Total nondepreciable capital assets	<u>486,081</u>	<u>164,455</u>	<u>166,055</u>	<u>484,481</u>
Depreciable capital assets				
Buildings	29,915,315	166,055	-	30,081,370
Furniture and equipment	4,308,650	99,291	1,707	4,406,234
Total depreciable capital assets	<u>34,223,965</u>	<u>265,346</u>	<u>1,707</u>	<u>34,487,604</u>
Less accumulated depreciation				
Buildings	13,237,481	659,397	-	13,896,878
Furniture and equipment	3,893,791	145,133	1,707	4,037,217
Total accumulated depreciation	<u>17,131,272</u>	<u>804,530</u>	<u>1,707</u>	<u>17,934,095</u>
Depreciable capital assets, net	<u>17,092,693</u>	<u>(539,184)</u>	<u>-</u>	<u>16,553,509</u>
Governmental activities				
Capital assets, net	<u>\$17,578,774</u>	<u>\$ (374,729)</u>	<u>\$ 166,055</u>	<u>\$17,037,990</u>

**Claiborne Parish School Board
Notes to the Financial Statements
June 30, 2018**

Depreciation expense was charged to governmental activities as follows:

Regular programs	\$ 609,343
Special programs	660
Vocational educations programs	749
Other instructional programs	434
School administration	792
General administration	5,318
Business services	1,904
Plant services	25,235
Student transportation services	154,143
Food services	5,952
Total depreciation expense	\$ 804,530

NOTE 7 - PENSION PLANS

The School Board is a participating employer in two statewide, public employee retirement systems, the Louisiana School Employees' Retirement System (LSERS) and the Teacher's Retirement System of Louisiana (TRSL). Both systems have separate boards of trustees and administer cost-sharing, multiple-employer defined benefit pension plans, including classes of employees with different benefits and contribution rates (sub-plans). Article X, Section 29(F) of the Louisiana Constitution of 1974 assigns the authority to establish and amend benefit provisions of all sub-plans administered by these systems to the State Legislature. Each system issues a public report that includes financial statements and required supplementary information. Copies of these reports for LSERS and TRSL may be obtained at www.lasers.net and www.trsl.org, respectively.

TRSL also administers an optional retirement plan (ORP), which was created by Louisiana Revised Statute 11:921-931 for academic and administrative employees of public institutions of higher education and is considered a defined contribution plan (see Optional Retirement Plan note below). A portion of the employer contributions for ORP plan members is dedicated to the unfunded accrued liability of the TRSL defined benefit plan.

General Information about the Pension Plans

Plan Descriptions/Benefits Provided:

Louisiana School Employees' Retirement System: LSERS administers a plan to provide retirement, disability, and survivor's benefits to non-teacher school employees excluding those classified as lunch workers and their beneficiaries as defined in R.S. 11:1001. The age and years of creditable service (service) required in order for a member to receive retirement benefits are established by R.S. 11:1141-1153 and vary depending on the member's hire date.

A member who joined the system on or after July 1, 2015 is eligible for normal retirement if he has at least 5 years of creditable service and is at least age 62. A member who joined between July 1, 2010 and June 30, 2015 is eligible for normal retirement if he has at least 5 years of creditable service and is at least age 60. A member who joined the system on or before June 30, 2010 is eligible for normal retirement if he has at least 30 years of creditable service regardless of age, 25 years of creditable service and is at least age 55, or 10 years of creditable service and is at least age 60. All members are eligible for retirement with 20 years of creditable service regardless of age with an actuarially reduced benefit.

Claiborne Parish School Board
Notes to the Financial Statements
June 30, 2018

For members who joined the system prior to July 1, 2006, the maximum retirement benefit is an amount equal to 3 1/3% of the average compensation for the 3 highest consecutive years of membership service, subject to the 10% salary limitation, multiplied by the number of years of service limited to 100% of final average compensation plus a supplementary allowance of \$2.00 per month for each year of service. For members who joined the system on or after July 1, 2006 through June 30, 2010, 3 1/3% of the average compensation is used to calculate benefits, however, the calculation consists of the five highest consecutive years of membership service, subject to the 10% salary limitation. For members who joined the system on or after July 1, 2010, 2 1/2% of the average compensation is used to calculate benefits and consists of the five highest consecutive years' average salary, subject to the 15% salary limitation. The supplemental allowance was eliminated for members entering the plan on or after July 1, 1986. Effective January 1, 1992, the supplemental allowance was reinstated to all members whose service retirement became effective after July 1, 1971.

A member is eligible to retire and receive disability benefits if the member 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 Medical Board. A vested person with twenty or more years of creditable service who has withdrawn from active service prior to the age at which that person is eligible for retirement benefits, is eligible for a disability benefit until normal retirement age. A member who joins the system on or after July 1, 2006, must have at least 10 years of service to qualify for disability benefits. Upon the death of a member with five or more years of creditable service, the plan provides benefits for surviving spouses and minor children. Under certain conditions outlined in the statutes, a spouse is entitled to 75% of the member's benefit.

Teachers' Retirement System of Louisiana: TRSL administers a plan to provide retirement, disability, and survivor benefits to employees who meet the legal definition of a "teacher" as provided for in R.S. 11:701. Eligibility for retirement benefits and the calculation of retirement benefits are provided for in R.S. 11:761. Statutory changes closed existing, and created new, sub-plans for members hired on or after January 1, 2011 and July 1, 2015.

Most members are eligible to receive retirement benefits 1) at the age of 60 with 5 years of service, 2) at the age of 55 with at least 25 years of service, or 3) at any age with at least 30 years of service. For members joining on or after July 1, 2015, retirement benefits are paid at age 62 with at least 5 years of service credit. Members may retire with an actuarially reduced benefit with 20 years of service credit. Retirement benefits are calculated by applying a percentage ranging from 2% to 3% of final average salary multiplied by years of service. Average compensation is defined as the member's average annual earned compensation for the highest 36 consecutive months of employment for members employed prior to January 1, 2011, or highest 60 consecutive months of employment for members employed after that date.

Under R.S. 11:778 and 11:779, members who have suffered a qualified disability are eligible for disability benefits if employed prior to January 1, 2011 and attained at least 5 years of service or if employed on or after January 1, 2011 and attained at least 10 years of service. Members employed prior to January 1, 2011 receive disability benefits equal to 2 1/2% of average compensation multiplied by the years of service, but not more than 50% of average compensation subject to statutory minimums. Members employed on or after January 1, 2011 receive disability benefits equivalent to the regular retirement formula without reduction by reason of age.

Survivor benefits are provided for in R.S. 11:762. In order for survivor benefits to be paid, the deceased member must have been an active member at the time of death and must have a minimum of five years of service, at least two of which were earned immediately prior to death, or must have had a minimum of twenty years of service regardless of when earned in order for a benefit to be paid to a minor or handicapped child. Survivor benefits are equal to 50% of the benefit to which the member would have been entitled if retired on the date of death using a factor of 2 1/2% regardless of years of service or age, or \$600 per month, whichever is greater. Benefits are

Claiborne Parish School Board
Notes to the Financial Statements
June 30, 2018

payable to an unmarried child until age 21, or age 23 if the child remains a full-time student. The minimum service credit requirement is ten years for a surviving spouse with no minor children, and benefits are to be paid for life to the spouse or a qualified handicapped child.

Deferred Retirement Option Program (DROP)

In lieu of terminating employment and accepting a service retirement, an eligible LSERS or TRSL member can begin participation in the DROP on the first retirement eligibility date for a period not to exceed 3 years. A member has a 60 day window from his first eligible date to participate in the program in order to participate for the maximum number of years. Delayed participation reduces the three year maximum participation period. During participation, benefits otherwise payable are fixed, and deposited in an individual DROP account. Upon termination of DROP participation, the member can continue employment and earn additional benefit 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.

Cost of Living Adjustments

As fully described in Title 11 of the Louisiana Revised Statutes, LSERS and TRSL allow for the payment of permanent benefit increases, also known as cost of living adjustments, or COLAs, that are funded through investment earnings when recommended by the board of trustees and approved by the Legislature. These ad hoc COLAs are not considered to be substantively automatic.

Contributions

Article X, Section 29(E)(2)(a) of the Louisiana Constitution of 1974 assigns the Legislature the authority to determine employee contributions. Employer contributions are actuarially determined using statutorily established methods on an annual basis and are constitutionally required to cover the employer's portion of the normal cost and provide for the amortization of the unfunded accrued liability. Employer contributions are adopted by the Legislature annually upon recommendation of the Public Retirement Systems' Actuarial Committee. For those members participating in the TRSL defined contribution ORP, a portion of the employer contributions are used to fund the TRSL defined benefit plans' unfunded accrual liability.

Employer contributions to LSERS for fiscal year 2018 were \$245,822, with active member contributions ranging from 7.5% to 8%, and employer contributions of 27.6%. Employer defined benefit plan contributions to TRSL for fiscal year 2018 were \$2,106,817, with active member contributions ranging from 5% to 8%, and employer contributions of 26.6%. Non-employer contributions to TRSL, which are comprised of \$91,908 from ad valorem tax revenue and state revenue sharing and \$341 from the State for PIP salaries, totaled \$92,249 for fiscal year 2018, and were recognized as revenue by the School Board.

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

At June 30, 2018, the School Board reported liabilities of \$1,839,867 and \$18,328,306 under LSERS and TRSL, respectively, for its proportionate share of the Net Pension Liability (NPL). The NPL for LSERS and TRSL was measured as of June 30, 2017, and the total pension liabilities used to calculate the NPL were determined by actuarial valuations as of that date. The School Board's proportions of the NPL were based on projections of the School Board's long-term share of contributions to the pension plans relative to the projected contribution of all participating employers, actuarially determined. As of June 30, 2017, the most recent measurement date, the

Claiborne Parish School Board
Notes to the Financial Statements
June 30, 2018

School Board's proportions and the changes in proportion from the prior measurement date were 0.287512%, or a decrease of 0.010524% for LSERS and 0.17878% or a decrease of 0.00978% for TRSL.

For the year ended June 30, 2018, the School Board recognized a total pension expense of \$901,185 or \$105,286 and \$795,899 for LSERS and TRSL, respectively. The School Board reported deferred outflows of resources and deferred inflows of resources related to pensions as components of unrestricted net position from the following sources:

	Deferred Outflows			Deferred Inflows		
	LSERS	TRSL	Total	LSERS	TRSL	Total
Differences between expected and actual experience	\$ -	\$ -	\$ -	\$ 42,904	\$ 602,481	\$ 645,385
Changes of assumptions	38578	193272	231850	28662	-	28,662
Net difference between projected and actual earnings on pension plan investments	-	-	-	28,709	473,387	502,156
Changes in proportion and differences between employer contributions and proportionate share of contributions	22672	810407	833079	52895	1,891,950	1,944,845
Employer contributions subsequent to the measurement date	245822	2,106817	2,352639	-	-	-
Total	\$ 307072	\$ 3,110,496	\$ 3,417,568	\$ 153,230	\$ 2,967,818	\$ 3,121,048

Deferred outflows of resources related to pensions resulting from the School Board's contributions subsequent to the measurement date will be recognized as a reduction of the LSERS and TRSL NPL in the year ended June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

	LSERS	TRSL	TOTAL
2019	\$ (67,823)	\$ (997,543)	\$ (1,065,366)
2020	30,657	(172,317)	(141,660)
2021	12,127	(106,333)	(94,206)
2022	(66,941)	(687,946)	(754,887)

**Claiborne Parish School Board
Notes to the Financial Statements
June 30, 2018**

Actuarial Assumptions The total pension liabilities for LSERS and TRSL in the June 30, 2017 actuarial valuations were determined using the following actuarial assumptions, applied to all periods included in the measurements:

	LSERS	TRSL
	June 30, 2017	June 30, 2017
Valuation Date	Entry Age Normal	Entry Age Normal
Actuarial Cost Method	3 years, closed period	5 years, closed period
Expected Remaining Service Lives	7.125% per annum	7.70%, net of investment exp
Investment Rate of Return	2.625% per annum	2.5% per annum
Inflation Rate	RP-2000 Sex Distinct Mortality Table	RP-2000, scale AA to 2025
Mortality - Non-disabled	RP-2000 Disabled Lives Mortality Table	RP-2000, scale AA to 2025
Mortality - Disabled	2008-2012 experience study	2008-2012 experience study
Termination, Disability, Retirement	3.075% to 5.375%	3.5% - 10% varies depending on duration of service
Salary Increases	Not substantively automatic	Not substantively automatic
Cost of Living Adjustments		

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

Claiborne Parish School Board
Notes to the Financial Statements
June 30, 2018

For TRSL, the long-term expected rate of return 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 of 2.5% and an adjustment for the effect of rebalancing/diversification. The target allocation and best estimates of real rates of return for each major asset class are summarized for each plan in the following table:

	Target Allocation	LT Expected Real Rate of Return
TRSL (arithmetic)		
Domestic equity	27.00%	4.28%
International equity	19.00%	4.96%
Domestic fixed income	13.00%	1.98%
International fixed income	5.50%	2.75%
Private equity	25.50%	8.47%
Other private assets	10.00%	3.51%
Total	100.00%	
LSERS (arithmetic)		
Fixed income	Core Fixed Income	2.02%
	High Yield	4.43%
	Emerging Markets Debt	4.71%
	Global Fixed Income	1.38%
Equity	US Equity	6.44%
	Developed Equity	7.40%
	Emerging Markets Equity	9.42%
	Global REITs	5.77%
	Private Equity	10.47%
Alternative	Hedge Fund of Funds	3.75%
	Real Estate	5.00%
	Timber	5.67%
Real assets	Oil & Gas	10.57%
	Infrastructure	6.25%
	Total	100.00%

Discount Rate. The discount rate used to measure the total pension liability was 7.125% for LSERS and 7.70% for TRSL. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that employer contributions from participating employers will be made at contractually required rates, actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was 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.

The TRSL discount rate used in the June 30, 2017 net pension liability valuation was decreased from the 7.75% used in the June 30, 2016 valuation to 7.70%. The discount rate was reduced in accordance with the TRSL Board's adopted plan to reduce the discount rate to 7.5% in 0.05% annual increments. This change was anticipated in the prior valuation when determining the projected contribution requirements for fiscal year 2018.

**Claiborne Parish School Board
Notes to the Financial Statements
June 30, 2018**

Sensitivity of the proportionate share of the NPL to changes in the discount rate. The following presents the School Board's proportionate share of the NPL for LSERS and TRSL using the current discount rate as well as what the School Board's proportionate share of the NPL would be if it were calculated using a discount rate that is one percentage-point lower or one percentage-point higher than the current rate:

	<u>1.0% Decrease</u>	<u>Current Discount Rate</u>	<u>1.0% Increase</u>
LSERS	\$ 2,522,241	\$ 1,839,867	\$ 1,253,867
TRSL	23,616,440	18,328,306	13,829,818

Pension plan fiduciary net position. Detailed information about LSERS and TRSL fiduciary net position is available in the separately issued financial reports referenced above.

Payables to the Pension Plan. At June 30, 2018, the School Board had \$44,667 and \$492,168 in payables to LSERS and TRSL, respectively, for the June 2018 employee and employer legally required contributions.

NOTE 8 - OTHER POST EMPLOYMENT BENEFITS

Plan description - In accordance with state statutes, the School Board provides certain continuing health care and life insurance benefits for its retired employees on a pay-as-you-go basis. The School Board OPEB plan is a single-employer defined benefit "substantive plan" as understood by past practices of the School Board and its employees. Although no written plan or trust currently exists or is sanctioned by law, the OPEB plan is reported based on communication to plan members. Also, no stand-alone financial report was prepared. Substantially all of the School Board's employees become eligible for these benefits if they reach normal retirement age while working for the School Board. These benefits and similar benefits for active employees are provided through the Office of Group Benefits, whose monthly premiums are paid jointly by the employee and the School Board. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

Benefits Provided and Funding Policy - The plan provides medical and life insurance benefits for retirees and their dependents. The contribution requirements of plan members and the School Board are established and may be amended by LRS 42:801-883. Employees do not contribute to their post employment benefits cost until they become retirees and begin receiving those benefits. The retirees contributes approximately 25% of the medical premium with the School Board contributing the balance. This percentage will be greater for eligible retirees with less than 20 years of service. Medical coverage is provided through options under the Louisiana Office of Group Benefits (OGB). A Medicare supplement benefit is provided at Medicare eligibility. Benefits continue for life. A life insurance benefit depending on final salary is provided at retirement prior to age 65. The life insurance benefit may continue for life if the retiree pays premiums. The cost of life insurance is shared with the retiree and the School Board.

Employees Covered by Benefit Terms - At June 30, 2018, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	252
Inactive employees entitled to but not yet receiving benefit payments	0
Active employees	193
Total	445

**Claiborne Parish School Board
Notes to the Financial Statements
June 30, 2018**

Total OPEB Liability - The School Board's total OPEB liability of \$59,090,023 was measured as of June 30, 2018 and was determined by an actuarial valuation as of July 1, 2017.

Actuarial Assumptions and Other Inputs - The total OPEB liability in the June 30, 2018 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Actuarial method	Entry Age Normal Cost Method
Inflation	2.30%
Discount rate	3.87% based on the Bond Buyer General Obligation 20-Bond Municipal Index
Healthcare trend	Range from 4.3% - 3.9% for pre-65 and 6.4% - 4.1% for post-65, using an inflation rate of 2.3% and reflects ACA Excise Tax effective 2022
Mortality- Nondisabled	RP-2014 Total Dataset Mortality Table projected backward to 2006 with Mortality Improvement Scale MP-2014 and then forward with Mortality Improvement Scale MP-2017 on a generational basis with healthy annuitant rates after benefit commencement
Mortality- Disabled	RP-2014 Disabled Retiree Mortality Table projected backward to 2006 with Mortality Improvement Scale MP-2014 and then forward with Mortality Improvement Scale MP-2017 on a generational basis with disabled annuitant rates after benefit commencement
Turnover	Range from 18% at age 18 to 4% at age 50 and over. For active participants the rates were multiplied by 1.15, 1.20 and 1.05 in the second, third and fourth years of employment, respectively.
Retirement rates	Range from 80% at age 47 to 100% at age 70 and over.
Salary increase	3%, including inflation.
Retirees' share of benefit-related costs	25% of the medical contributions and 50% of the costs of life insurance

No salary experience studies were conducted. The School Board contributed \$1,335,650 utilizing the pay-as-you-go basis.

**Claiborne Parish School Board
Notes to the Financial Statements
June 30, 2018**

Changes in the Total OPEB Liability:

	Total OPEB Liability
Balance at June 30, 2017	\$ 35,085,683
Changes for the year:	
Service cost	1,091,380
Interest	1,271,440
Economic/demographic gains or (losses)	712,763
Changes in assumptions or other inputs	22,264,407
Benefit payments	(1,335,650)
Net changes	24,004,340
Balance at June 30, 2018	\$ 59,090,023

Changes of assumptions and other inputs included updated estimated claims costs, updated healthcare trend assumptions (prior trend ranged from 5.4% to 4.4% for pre-65 and 6.2% to 4.5% for post-65), updated life insurance premiums, updated estimate for non-Medicare eligible claims and updated mortality tables (prior mortality rates used were Sex Distinct RP 2000 Healthy Mortality Table for annuitants projected to 2017 using scale AA for pre-retirement and Sex Distinct RP 2000 Healthy Mortality Table for non-annuitants projected to 2017 using Scale AA for post-retirement.)

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 and one percentage point higher than the current discount rate.

	1% Decrease (2.87%)	Discount Rate (3.87%)	1% Increase (4.87%)
Total OPEB liability	\$70,160,088	\$59,090,023	\$50,469,563

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 (3.3% - 2.9% for pre-65 and 5.4% - 3.1% for post-65) and one percentage point higher (5.3% - 4.9% for pre-65 and 7.4% - 5.1% for post-65) than the current healthcare cost trend rates.

	1% Decrease	Discount Rate	1% Increase
Total OPEB liability	\$50,234,519	\$59,090,023	\$70,249,427

**Claiborne Parish School Board
Notes to the Financial Statements
June 30, 2018**

OPEB Expense and Deferred Outflows of Resources and Deferred inflows of resources related to OPEB –

For the year ended June 30, 2018, the School Board recognized OPEB expense of \$6,958,254. At June 30, 2018, the School Board reported deferred outflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources
Difference between expected and actual experience	\$ 570,210
Changes of assumptions	17,811,526
	\$ 18,381,736

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

Year ended June 30:	
2019	\$ 4,595,434
2020	4,595,434
2021	4,595,434
2022	4,595,434

NOTE 9 - ACCOUNTS, SALARIES, AND OTHER PAYABLES Payables at year-end are as follows:

	General Fund	Maintenance Fund	Title 1	Non-Major Governmental	Total
Salaries	\$ 1,623,068	\$ -	\$ 82,917	\$ 95,212	\$ 1,801,197
Accounts	86,296	43,399	-	1,819	131,514
Total	\$ 1,709,364	\$ 43,399	\$ 82,917	\$ 97,031	\$ 1,932,711

NOTE 10 - COMPENSATED ABSENCES At June 30, 2018, employees of the School Board have accumulated and vested \$623,841 of employee leave benefits, including \$8,916 of salary-related benefits. These employee leave benefits are computed in accordance with GASB Codification Section C60.

NOTE 11 - AGENCY FUND DEPOSITS DUE OTHERS A summary of changes in agency fund deposits due others for the year follows:

	Balance, Beginning	Additions	Reductions	Balance, Ending
Agency funds:				
School activities fund	\$ 478,804	\$ 659,456	\$ 656,246	\$ 482,014
Sales tax fund	648,312	6,344,330	6,439,925	552,717
Total	\$ 1,127,116	\$ 7,003,786	\$ 7,096,171	\$ 1,034,731

**Claiborne Parish School Board
Notes to the Financial Statements
June 30, 2018**

**Sales Tax Collections and Distributions:
(Cash Basis)**

	%	Total Collections	Collection Fees	Attorney and Audit Fees	Refunds	Total Distribution
School Board 1978	1.000	\$ 1,388,957	\$ -	\$ 10,924	\$ 3,482	\$ 1,374,551
School Board 1996	1.000	1,388,958	-	10,924	3,482	1,374,552
Police Jury	1.000	666,246	16,656	7,662	3,000	638,928
Town of Homer	3.000	1,421,939	35,549	4,981	1,392	1,380,017
Homer Memorial	0.500	674,316	16,858	1,936	275	655,247
Homer recreation	0.125	59,102	1,478	165	58	57,401
Homer police	0.250	118,524	2,963	331	116	115,114
Town of Haynesville	2.000	495,141	12,379	2,695	59	480,008
Village of Athens	1.000	31,749	317	42	-	31,390
Junction City	1.000	22,788	228	-	-	22,560
Water Shed	0.125	172,205	4,305	1,342	436	166,122
Total		\$ 6,439,925	\$ 90,733	\$ 41,002	\$ 12,300	\$ 6,295,890

NOTE 12 - LONG-TERM LIABILITIES The following is a summary of the long-term obligation transactions for the year:

	** Beginning Balance, as restated	Additions	Deletions	Ending Balance	Amounts Due Within One Year
Governmental Activities					
Bonds Payable:					
General obligation bonds	\$ 2,850,000	\$ -	\$ 675,000	\$ 2,175,000	\$ 520,000
Net pension liability	24,379,606	-	4,211,433	20,168,173	-
OPEB liability	35,085,683	25,339,990	1,335,650	59,090,023	-
Compensated absences	544,821	392,758	313,738	623,841	313,738
Governmental Activities					
Long-term liabilities	<u>\$62,860,110</u>	<u>\$ 25,732,748</u>	<u>\$ 6,535,821</u>	<u>\$82,057,037</u>	<u>\$ 833,738</u>

** The beginning balance was restated to reflect GASB 75 implementation.

Payments on the general obligation bonds payable that pertain to the School Board's governmental activities are made by debt service funds. The compensated absences liability, the net pension liability and OPEB liability attributable to the governmental activities will be liquidated primarily by the General Fund.

	Issue Date	Original Issue	Interest Rate	Range of Maturities	Interest to Maturity	Principal Outstanding
District 13 Refunding	12/15/2010	\$ 4,960,000	2.68	2010-2022	\$ 147,937	\$ 2,175,000

The general obligation bond was used for capital improvements.

**Claiborne Parish School Board
Notes to the Financial Statements
June 30, 2018**

All principal and interest requirements on general obligation bonds are funded in accordance with Louisiana law by the annual ad valorem tax levy on taxable property within the parish. At June 30, 2018 the School Board has accumulated \$470,418 in the District 13 debt service funds for future debt requirements. The notes and bonds are due as follows:

Year Ending June 30,	<u>General Obligation Bonds</u>		
	Principal	Interest	Total
	Payments	Payments	Payments
2019	\$ 520,000	\$ 58,290	\$ 578,290
2020	535,000	44,354	579,354
2021	550,000	30,016	580,016
2022	570,000	15,277	585,277
Total	<u>\$ 2,175,000</u>	<u>\$ 147,937</u>	<u>\$ 2,322,937</u>

In accordance with Louisiana Revised Statute 39:562(0), the School Board is legally restricted from incurring long-term bonded debt in excess of 50 percent of the assessed value of taxable property. At June 30, 2018 the statutory limit was \$75,003,360 and outstanding net bonded debt totaled \$1,704,582.

NOTE 13 - INTERFUND ASSETS (FFS LEVEL ONLY)

Interfund Receivable/Payable balance at year end is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Non-Major Governmental	<u>\$ 277,370</u>

The purpose of the interfund assets/liabilities was to cover current-year expenditures on cost reimbursement programs until the reimbursement requests are received.

NOTE 14 - INTERFUND TRANSFERS (FFS LEVEL ONLY)

Transfer ins and outs for fiscal year is as follows:

<u>Fund</u>	<u>Transfer In</u>	<u>Transfer Out</u>
General Fund	\$ -	\$ 68,698
Maintenance Fund	16,191	-
Title I	143,622	-
Non-Major Governmental	52,507	143,622
Total	<u>\$ 212,320</u>	<u>\$ 212,320</u>

The 1996 Sales Tax Fund transferred \$52,507 to School Food Service related to sales tax supplements paid to School Lunch employees and \$16,191 to the Maintenance Fund related to sales tax supplements paid to maintenance employees. Various non-major governmental funds transferred \$143,622 to Title I to reallocate grant funds as approved by the State.

NOTE 15 - LITIGATION AND CONTINGENCIES

Litigation At June 30, 2017 the School Board was involved in various litigations. It is the opinion of legal counsel for the School Board that ultimate resolution of these lawsuits would not materially affect the financial statements.

**Claiborne Parish School Board
Notes to the Financial Statements
June 30, 2018**

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

Tax Arbitrage Rebate Under the Tax Reform Act of 1986, interest earned on the debt proceeds in excess of interest expense prior to the disbursement of the proceeds must be rebated to the Internal Revenue Service (IRS). Management believes there is no tax arbitrage rebate liability at year end.

NOTE 16 - RISK MANAGEMENT The School Board is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. A risk management program for workers' compensation was established by the School Board several years ago. The general fund pays claims, claim reserves, and administrative costs of the program. The School Board has contracted with a third party administrator to handle all workers' compensation claims. The School Board maintains stop loss coverage with an insurance company for individual claims in excess of \$350,000 and for total claims that exceed \$1,000,000 in a three year period.

Changes in the claims amount for the three years ended June 30, 2018 were as follows:

<u>Years Ended June 30.</u>	Beginning of Fiscal Year Liability	Claims and Changes in Estimates	Benefit Payment and Claims	Ending of Fiscal Year Liability
2015-2016	\$ -	\$ 68,814	\$ 68,814	\$ -
2016-2017	-	47,790	47,790	-
2017-2018	-	62,508	62,508	-

There is no claims payable liability at June 30, 2018 as there were no open claims. New claims opened in the fiscal year were closed prior to year-end.

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

NOTE 17 - ON-BEHALF PAYMENTS FOR FRINGE BENEFITS AND SALARIES On-behalf payments for fringe benefits and salaries are direct payments made by an entity (the paying agent) to a third-party recipient for the employees of another, legally separate entity (the employer entity). GASB Statement No. 24 requires employer governments to recognize revenue and expenditures or expenses for these on-behalf payments.

The State of Louisiana made pension contributions (regarding Professional Improvement Program) directly to the Teachers' Retirement System of Louisiana on behalf of the School Board in the amount of \$341. This amount was recognized as state revenue with a corresponding expenditure in the applicable fund from which the salary was paid.

The Parish Tax Collector makes pension contributions to the Teacher's Retirement System of Louisiana on behalf of the School Board. These remittances are a portion of the property taxes and state revenue sharing collected which are statutorily set aside for teacher's retirement. The basis for recognizing the revenues and expenditures is the actual contributions made by the Tax Collector's office. For the 2018 fiscal year, the Tax Collector paid the Teacher's Retirement System of Louisiana \$91,908 on behalf of the School Board. The

**Claiborne Parish School Board
Notes to the Financial Statements
June 30, 2018**

amount was recognized as ad valorem and state revenue sharing revenue and a reduction in the School Board's required contribution.

NOTE 18 - ECONOMIC DEPENDENCY The Minimum Foundation Funding provided by the state to all public school systems in Louisiana is primarily based on October 1 student count. The state provided \$11,358,983 to the School Board, which represents approximately 53.39% of the School Board's total revenue for the year.

NOTE 19 - FUND BALANCE The following are details of the fund balance classifications at year end.

	General	Maintenance Fund	Non-Major Governmental	Total
Non spendable:				
Inventory and prepaid items	\$ 215,105	\$ -	\$ 13,427	\$ 228,532
Restricted for:				
Worker's compensation	100,000	-	-	100,000
Salaries and benefits	898,892	-	-	898,892
Maintenance	-	4,813,811	-	4,813,811
Debt service	-	-	478,726	478,726
School food service	-	-	197,901	197,901
Committed to:				
Contingencies	495,713	-	-	495,713
School construction	-	-	2,622	2,622
Unassigned	11,254,056	-	-	11,254,056
Total	<u>\$ 12,963,766</u>	<u>\$ 4,813,811</u>	<u>\$ 692,676</u>	<u>\$ 18,470,253</u>

NOTE 20 - NEW GASB STANDARDS In fiscal year 2018 the School Board adopted two new statements of financial accounting standards issued by the Governmental Accounting Standards Board:

- *Statement No. 75 – Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*, issued by the Government Accounting Standards Board. This Statement addresses accounting and financial reporting of OPEB that is provided to the employees of state and local governmental employers and establishes standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures. For defined benefit OPEB, this Statement identifies the methods and assumptions that are required to be used to project benefit payments, discount projected benefit payments to the actuarial present value, and attribute that present value to periods of employee service. Note disclosure and required supplementary information requirements about defined benefit OPEB also are addressed. This Statement replaces the requirements of Statements No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, as amended, and No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans*, for OPEB.

The adoption of Statement No. 75 has no impact on the School Board's governmental fund financial statements, which continue to report expenditures on a pay-as-you-go basis. However, the adoption has resulted in the restatement of the School Board's 2017 government-wide financial statements to reflect the reporting of total OPEB liability in accordance with the provisions of the Statement. Net position as of July 1, 2017 was decreased by \$27,290,761 reflecting the cumulative retrospective effect of adoption.

Claiborne Parish School Board
Notes to the Financial Statements
June 30, 2018

- *Statement No. 85 – Omnibus 2017*, issued by the Government Accounting Standards Board. This Statement is to address practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics including issues related to fair value measurement, and application, and postemployment benefits for both pensions and other postemployment benefits (OPEB).
- *Statement No. 86 – Certain Debt Extinguishment Issues*, issued by the Government Accounting Standards Board. This Statement is to improve consistency in accounting and financial reporting for in-substance defeasance of debt by providing guidance for transactions in which cash and other monetary assets acquired with only existing resources, resources other than the proceeds of refunding debt, are placed in an irrevocable trust.

The adoption of Statements No. 85 and 86 had no impact on the government-wide or the governmental fund financial statements, but provide for additional guidance, clarification and/or additional disclosures in the notes to the financial statements.

NOTE 21 - SUBSEQUENT EVENTS In August 2018, the School Board purchased three school buses totaling \$189,674 to be paid for with the 1978 Sales Tax Fund.

NOTE 22 - PRIOR PERIOD ADJUSTMENT The government-wide financial statements include a prior period adjustment decreasing net position of the governmental activities by \$27,290,761, which is related to the implementation of GASB 75. The pro forma amounts for fiscal year 2017 are not presented because the amounts are not readily determinable. See note 8 and 20 for additional information.

NOTE 23 – CHANGE IN PRESENTATION For fiscal year ended June 30, 2017, the General Fund and Maintenance Fund were presented as major. However, for fiscal year ended June 30, 2018, the General Fund, the Maintenance Fund and the Title 1 Fund were presented as major. The Title 1 fund was required to be presented as major due to the amount of its liabilities.

REQUIRED SUPPLEMENTARY INFORMATION

Claiborne Parish School Board

**SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS
June 30, 2018**

Exhibit 1

Total OPEB Liability

Service costs	\$ 1,091,380
Interest	1,271,440
Economic/demographic gains or (losses)	712,763
Changes in assumptions or other inputs	22,264,407
Benefit payments	<u>(1,335,650)</u>
Net change in total OPEB liability	24,004,340
Total OPEB liability - Beginning	<u>35,085,683</u>
Total OPEB liability - Ending	<u>\$ 59,090,023</u>
Covered payroll	9,583,251
Total OPEB liability as a percentage of covered payroll	616.60%

Changes of Assumptions

Changes of assumptions and other inputs reflect the effect of changes in the discount rate each period. The following is the discount rate used:

2018	3.87%
------	-------

Notes:

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10 year trend is compiled, only information for those years for which information is available is presented.

No assets are accumulated in a trust that meets the criteria in GASB 75, paragraph 4, to pay related benefits.

Claiborne Parish School Board

**SCHEDULE OF EMPLOYER'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2018**

Exhibit 2-1

<u>Fiscal Year</u>	<u>Employer's Proportion of the Net Pension Liability</u>	<u>Employer's Proportionate Share of the Net Pension Liability</u>	<u>Covered Payroll</u>	<u>Employer's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll</u>	<u>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</u>
Louisiana School Employees' Retirement System					
2015	0.31456%	\$ 1,826,447	\$ 882,390	207%	76.18%
2016	0.28917%	1,833,690	814,077	225%	74.49%
2017	0.29804%	2,248,226	847,317	265%	70.09%
2018	0.28751%	1,839,867	822,110	224%	75.03%
Teacher's Retirement System of Louisiana					
2015	0.19673%	\$ 20,108,660	\$ 8,729,172	230%	63.7%
2016	0.17901%	19,247,989	8,449,766	228%	62.5%
2017	0.18856%	22,131,380	8,384,221	264%	59.9%
2018	0.17878%	18,328,306	8,213,461	223%	65.6%

Notes:

The amounts presented have a measurement date of the previous fiscal year end.

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10 year trend is compiled, only information for those years for which information is available is presented.

Claiborne Parish School Board

**SCHEDULE OF EMPLOYER CONTRIBUTIONS TO PENSION PLANS
June 30, 2018**

Exhibit 2-2

<u>Fiscal Year</u>	<u>Contractually Required Contribution</u>	<u>Contributions in Relation to Contractually Required Contributions</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered Payroll</u>	<u>Contributions as a Percentage of Covered Payroll</u>
Louisiana School Employees' Retirement System					
2015	\$ 271,189	\$ 271,189	\$ -	\$ 814,077	33.3%
2016	254,553	254,553	-	847,317	30.0%
2017	224,436	224,436	-	822,110	27.3%
2018	245,822	245,822	-	890,659	27.6%
Teacher's Retirement System of Louisiana					
2015	\$ 2,364,799	\$ 2,364,799	\$ -	\$ 8,449,766	28.0%
2016	2,230,084	2,230,084	-	8,384,221	26.6%
2017	2,095,881	2,095,881	-	8,213,461	25.5%
2018	2,106,817	2,106,817	-	7,920,366	26.6%

Notes:

The amounts presented were determined as of the end of the fiscal year end.

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10 year trend is compiled, only information for those years for which information is available is presented.

Claiborne Parish School Board
Notes to Required Supplementary Information for Pension Plans
June 30, 2018

Louisiana School Employees' Retirement System

Changes in Benefit Terms: Members whose first employment makes them eligible for membership in a Louisiana state retirement system on or after July 1, 2015 may retire with a 2.5% benefit factor after attaining the age of 62 with at least 5 years of service credit and are eligible for an actuarially reduced benefit with 20 years of service at any age. This benefit change raised the age requirement from 60 years of age for members hired after June 30, 2010.

Changes in assumptions: For amounts reported in 2016, the valuation investment rate of return was reduced from the 7.25% reported in 2015 to 7.00%. The reduction was made to account for the funding of administrative expenses out of investment earnings. Prior to this valuation, no explicit provision was made to fund or offset administrative expenses. In addition, the valuation model was revised. The long-term expected portfolio real rate of return (expected arithmetic nominal return) was increased .77% in 2016 to 8.30% from the rate of 7.53% used in the 2015 valuation.

Change in discount rate: For LSERS, the discount rate used in the June 30, 2016 net pension liability valuation was increased from the 7.00% used in the June 30, 2015 valuation to 7.125%. The rate used in the June 30, 2015 valuation assumed 0.25% of investment return would offset administrative expenses. Based on Act 94 of the 2016 Regular Session of the Legislature, beginning with the June 30, 2016, actuarial valuation, the explicit cost of projected noninvestment related administrative expenses will be included in the calculation of the actuarially required contribution for the System. With this change, the valuation of plan liabilities based on a valuation interest rate set for 0.25% below the assumed long-term rate of return is no longer necessary. Instead, for the June 30, 2016, actuarial valuation, the assumed long-term rate of return was reduced from 7.25% to 7.125%, and the valuation interest rate was set equal to the long-term rate of return.

Teacher's Retirement System of Louisiana

Changes in Benefit Terms: Members whose first employment makes them eligible for membership in a Louisiana state retirement system on or after July 1, 2015 may retire with a 2.5% benefit factor after attaining the age of 62 with at least 5 years of service credit and are eligible for an actuarially reduced benefit with 20 years of service at any age. This benefit change raised the age requirement from 60 years of age for members hired after January 1, 2011.

Change in discount rate: The TRSL discount rate used in the June 30, 2017 net pension liability valuation was decreased from the 7.75% used in the June 30, 2016 valuation to 7.70%. The discount rate was reduced in accordance with the TRSL Board's adopted plan to reduce the discount rate to 7.5% in 0.05% annual increments. This change was anticipated in the prior valuation when determining the projected contribution requirements for fiscal year 2018.

Claiborne Parish School Board

Budgetary Comparison Schedules

General Fund and Major Special Revenue Funds With Legally Adopted Annual Budgets

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

MAINTENANCE FUNDS The maintenance funds account for the proceeds of ad valorem taxes levied to maintain and improve school facilities in the parish. The Parish wide Maintenance Fund is financed by a Parish wide ad valorem tax levy to provide additional support to operate and maintain all school facilities in the parish. Districts No. 11, No. 13 and No. 26, Maintenance Funds are financed by an ad valorem tax levy for each district, which provides additional funds to operate and maintain school facilities in the respective districts.

TITLE I This program was designed to improve educational opportunities of educationally deprived children by helping them succeed in the regular school program, attain grade level proficiency and improve achievement in basic and more advanced skills. Primarily for provision of compensatory instructional activities to educationally deprived children that reside in low-income areas and have been selected on the basis of a needs assessment, services supplement, not supplant, those normally provided by state and local educational agencies.

CLAIBORNE PARISH SCHOOL BOARD

**GENERAL FUND
Budgetary Comparison Schedule
For the Year Ended June 30, 2018**

Exhibit 3-1

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL AMOUNTS</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
REVENUES				
Local sources:				
Taxes:				
Ad valorem	\$ 1,592,625	\$ 1,457,601	\$ 1,457,600	\$ (1)
Sales and use	2,540,000	2,739,124	2,739,124	-
Interest earnings	41,600	68,344	68,385	41
Other	232,472	281,505	404,356	122,851
State sources:				
Equalization	11,138,989	11,293,983	11,293,983	-
Other	178,633	175,626	175,966	340
Federal sources				
	27,000	28,569	28,569	-
Total Revenues	15,751,319	16,044,752	16,167,983	123,231
EXPENDITURES				
Current:				
Instruction:				
Regular programs	6,332,050	6,352,275	6,352,276	(1)
Special programs	1,682,592	1,690,192	1,690,192	-
Other instructional programs	552,125	551,492	551,496	(4)
Support services:				
Student services	1,144,350	1,105,194	1,105,195	(1)
Instructional staff support	919,953	1,035,748	1,035,750	(2)
General administration	693,017	612,294	612,296	(2)
School administration	1,256,810	1,249,365	1,249,365	-
Business services	178,216	173,536	173,537	(1)
Plant services	1,156,950	1,128,733	1,128,733	-
Student transportation services	1,044,471	956,997	877,288	79,709
Central services	7,800	8,056	8,057	(1)
Food services	138,010	150,762	150,761	1
Community service programs	13,000	12,871	12,858	13
Capital Outlay	-	-	79,711	(79,711)
Total Expenditures	15,119,344	15,027,515	15,027,515	-
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	\$ 631,975	\$ 1,017,237	\$ 1,140,468	\$ 123,231

(Continued)

CLAIBORNE PARISH SCHOOL BOARD

GENERAL FUND
 Budgetary Comparison Schedule
 For the Year Ended June 30, 2018

Exhibit 3-1

	BUDGETED AMOUNTS		ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL		
OTHER FINANCING SOURCES (USES)				
Transfers out	\$ (516,094)	\$ (68,699)	\$ (68,698)	\$ 1
Total Other Financing Sources (Uses)	(516,094)	(68,699)	(68,698)	1
Net Change in Fund Balances	115,881	948,538	1,071,770	123,232
FUND BALANCES - BEGINNING	11,791,919	11,891,996	11,891,996	-
FUND BALANCES - ENDING	\$ 11,907,800	\$ 12,840,534	\$ 12,963,766	\$ 123,232

(Concluded)

CLAIBORNE PARISH SCHOOL BOARD

MAINTENANCE FUND
 Budgetary Comparison Schedule
 For the Year Ended June 30, 2018

Exhibit 3-2

	BUDGETED AMOUNTS		ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL		
REVENUES				
Local sources:				
Taxes:				
Ad valorem	\$ 1,327,100	\$ 1,238,211	\$ 1,238,212	\$ 1
Interest earnings	13,925	24,096	24,098	2
Other	11,000	7,039	7,039	-
State sources:				
Other	45,800	39,685	39,684	(1)
Total Revenues	<u>1,397,825</u>	<u>1,309,031</u>	<u>1,309,033</u>	<u>2</u>
EXPENDITURES				
Current:				
Support services:				
General administration	46,200	44,746	44,746	-
School administration	13,000	8,153	8,153	-
Plant services	547,400	567,452	556,614	10,838
Student transportation services	312,750	344,415	344,413	2
Capital outlay	166,000	173,197	184,035	(10,838)
Total Expenditures	<u>1,085,350</u>	<u>1,137,963</u>	<u>1,137,961</u>	<u>2</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	<u>\$ 312,475</u>	<u>\$ 171,068</u>	<u>\$ 171,072</u>	<u>\$ 4</u>

(Continued)

CLAIBORNE PARISH SCHOOL BOARD

MAINTENANCE FUND
 Budgetary Comparison Schedule
 For the Year Ended June 30, 2018

Exhibit 3-2

	BUDGETED AMOUNTS		ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL		
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ 18,000	\$ 16,191	\$ 16,191	\$ -
Total Other Financing Sources (Uses)	18,000	16,191	16,191	-
Net Change in Fund Balances	330,475	187,259	187,263	4
FUND BALANCES - BEGINNING	4,626,549	4,626,548	4,626,548	-
FUND BALANCES - ENDING	\$ 4,957,024	\$ 4,813,807	\$ 4,813,811	\$ 4

(Concluded)

CLAIBORNE PARISH SCHOOL BOARD

TITLE I
 Budgetary Comparison Schedule
 For the Year Ended June 30, 2018

Exhibit 3-3

	BUDGETED AMOUNTS		ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL		
REVENUES				
Federal sources	\$ 1,137,051	\$ 1,277,167	\$ 1,138,461	\$ (138,706)
Total Revenues	<u>1,137,051</u>	<u>1,277,167</u>	<u>1,138,461</u>	<u>(138,706)</u>
EXPENDITURES				
Current:				
Instruction:				
Other instructional programs	821,911	1,029,220	942,011	87,209
Support services:				
Instructional staff support	<u>216,582</u>	<u>391,569</u>	<u>340,072</u>	<u>51,497</u>
Total Expenditures	<u>1,038,493</u>	<u>1,420,789</u>	<u>1,282,083</u>	<u>138,706</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	<u>98,558</u>	<u>(143,622)</u>	<u>(143,622)</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	143,622	143,622	-
Transfers out	<u>(98,558)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(98,558)</u>	<u>143,622</u>	<u>143,622</u>	<u>-</u>
Net Change in Fund Balances	-	-	-	-
FUND BALANCES - BEGINNING	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Claiborne Parish School Board
Notes to the Budgetary Comparison Schedules
For the Year Ended June 30, 2018

A. BUDGETS

Formal budget integration (within the accounting records) is employed as a management control device. All budgets are controlled at the function level. Budget amounts included in the accompanying financial statements include the original adopted budget and all subsequent amendments. These revisions were considered insignificant by the Board.

Budget Basis of Accounting The major governmental funds' budgets are prepared on the modified accrual basis of accounting, a basis consistent with accounting principles generally accepted in the United States of America (GAAP). Budgeted amounts are originally adopted or amended by the Board. Legally, the Board must adopt a balanced budget; that is, total budgeted revenues and other financing sources including fund balance must equal or exceed total budgeted expenditures and other financing uses. State statutes require the Board to amend its budgets when revenues plus projected revenues within a fund are expected to be less than budgeted revenues by five percent or more and/or expenditures within a fund are expected to exceed budgeted expenditures by five percent or more. The School Board approves budgets at the function level and management can transfer amounts between line items within a function.

**SUPPLEMENTARY INFORMATION:
COMBINING NON-MAJOR GOVERNMENTAL
FUNDS**

CLAIBORNE PARISH SCHOOL BOARD

NON-MAJOR GOVERNMENTAL FUNDS
 Combining Balance Sheet - By Fund Type
 June 30, 2018

Exhibit 4

	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS DISTRICT 13	TOTAL
ASSETS				
Cash and cash equivalents	\$ 261,875	\$ 478,726	\$ 2,622	\$ 743,223
Receivables	144,728	-	-	144,728
Inventory	17,524	-	-	17,524
TOTAL ASSETS	<u>424,127</u>	<u>478,726</u>	<u>2,622</u>	<u>905,475</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts, salaries and other payables	97,031	-	-	97,031
Interfund payables	111,671	-	-	111,671
Unearned revenue	4,097	-	-	4,097
Total Liabilities	<u>212,799</u>	<u>-</u>	<u>-</u>	<u>212,799</u>
Fund Balances:				
Nonspendable	13,427	-	-	13,427
Restricted	197,901	478,726	-	676,627
Committed	-	-	2,622	2,622
Total Fund Balances	<u>211,328</u>	<u>478,726</u>	<u>2,622</u>	<u>692,676</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 424,127</u>	<u>\$ 478,726</u>	<u>\$ 2,622</u>	<u>\$ 905,475</u>

CLAIBORNE PARISH SCHOOL BOARD

NON-MAJOR GOVERNMENTAL FUNDS
 Combining Statement of Revenues, Expenditures,
 and Changes in Fund Balances - By Fund Type
 For the Year Ended June 30, 2018

Exhibit 5

	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS DISTRICT 13	TOTAL
REVENUES				
Local sources:				
Taxes:				
Ad valorem	\$ -	\$ 545,270	\$ -	\$ 545,270
Interest earnings	1,009	3,036	13	4,058
Food services	114,837	-	-	114,837
State sources:				
Equalization	65,000	-	-	65,000
Federal sources	1,928,904	-	-	1,928,904
Total Revenues	2,109,750	548,306	13	2,658,069
EXPENDITURES				
Current:				
Instruction:				
Regular programs	22,407	-	-	22,407
Special programs	204,134	-	-	204,134
Other instructional programs	44,588	-	-	44,588
Support services:				
Student services	143,531	-	-	143,531
Instructional staff support	204,552	-	-	204,552
General administration	45,188	19,888	-	65,076
Student transportation services	2,224	-	-	2,224
Food services	1,342,678	-	-	1,342,678
Debt service:				
Principal retirement	-	675,000	-	675,000
Interest and bank charges	-	78,336	-	78,336
Total Expenditures	2,009,302	773,224	-	2,782,526
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	\$ 100,448	\$ (224,918)	\$ 13	\$ (124,457)

(Continued)

CLAIBORNE PARISH SCHOOL BOARD

NON-MAJOR GOVERNMENTAL FUNDS
 Combining Statement of Revenues, Expenditures,
 and Changes in Fund Balances - By Fund Type
 For the Year Ended June 30, 2018

Exhibit 5

	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS DISTRICT 13	TOTAL
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ 52,507	\$ -	\$ -	\$ 52,507
Transfers out	(143,622)	-	-	(143,622)
Total Other Financing Sources (Uses)	(91,115)	-	-	(91,115)
Net Changes in Fund Balances	9,333	(224,918)	13	(215,572)
FUND BALANCES- BEGINNING	201,995	703,644	2,609	908,248
FUND BALANCES - ENDING	\$ 211,328	\$ 478,726	\$ 2,622	\$ 692,676

(Concluded)

**Claiborne Parish School Board
Non-Major Special Revenue Funds**

SCHOOL FOOD SERVICE This program assists school boards through cash grants and food donations in providing a nutritious breakfast and lunch service for school students and encourages the domestic consumption of nutritious agricultural commodities.

SPECIAL EDUCATION This program was designed to provide grants to states to assist them in providing a free appropriate education to all children with exceptionalities.

TITLE II This program provides funds to the School Board for projects that are designed to improve the skills of teachers and instruction in the areas of mathematics, science, computer learning, and foreign languages and to increase the accessibility of such instruction to all students.

RURAL EDUCATION ACHIEVEMENT PROGRAM This program was designed to provide financial assistance to rural districts to carry out activities to help improve the quality of teaching and learning.

VOCATIONAL EDUCATION This program was designed to make the United States more competitive in the world economy by developing more fully the academic and occupational skills of all segments of the population, principally through concentrating resources on improving education programs leading to academic and occupational skills needed to work in a technologically advanced society.

PRESCHOOL This fund is designed to provide grants to assist states in providing free appropriate public education to preschool children with exceptionalities age three through five years.

STRIVING READERS COMPREHENSIVE LITERACY This program was designed to advance literacy skills, including pre-literacy skills, reading and writing for students from birth through 12th grade, including limited - English- proficient students and students with disabilities.

STUDENT SUPPORT AND ACADEMIC ENRICHMENT This program was designed to provide all students with access to a well-rounded education, improve school conditions for student learning, and improve the use of technology in order to improve the academic achievement and digital literacy for students.

CLAIBORNE PARISH SCHOOL BOARD

NON-MAJOR SPECIAL REVENUE FUNDS
 Combining Balance Sheet
 June 30, 2018

	SCHOOL FOOD SERVICE	SPECIAL EDUCATION	TITLE II	RURAL EDUCATION ACHIEVEMENT PROGRAM	VOCATIONAL EDUCATION
ASSETS					
Cash and cash equivalents	\$ 261,875	\$ -	\$ -	\$ -	\$ -
Receivables	-	91,456	1,057	22,407	-
Inventory	17,524	-	-	-	-
TOTAL ASSETS	279,399	91,456	1,057	22,407	-
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts, salaries and other payables	63,974	30,629	-	-	-
Interfund payables	-	60,827	1,057	22,407	-
Unearned revenue	4,097	-	-	-	-
Total Liabilities	68,071	91,456	1,057	22,407	-
Fund Balances:					
Nonspendable	13,427	-	-	-	-
Restricted	197,901	-	-	-	-
Total Fund Balances	211,328	-	-	-	-
TOTAL LIABILITIES AND FUND BALANCES	\$ 279,399	\$ 91,456	\$ 1,057	\$ 22,407	\$ -

Exhibit 6

PRESCHOOL	STRIVING READERS COMPREHENSIVE LITERACY	STUDENT SUPPORT AND ACADEMIC ENRICHMENT	TOTAL
\$ -	\$ -	\$ -	\$ 261,875
7,260	22,548	-	144,728
-	-	-	17,524
<u>7,260</u>	<u>22,548</u>	<u>-</u>	<u>424,127</u>
2,428	-	-	97,031
4,832	22,548	-	111,671
-	-	-	4,097
<u>7,260</u>	<u>22,548</u>	<u>-</u>	<u>212,799</u>
-	-	-	13,427
-	-	-	197,901
-	-	-	211,328
<u>\$ 7,260</u>	<u>\$ 22,548</u>	<u>\$ -</u>	<u>\$ 424,127</u>

CLAIBORNE PARISH SCHOOL BOARD

NON-MAJOR SPECIAL REVENUE FUNDS
 Combining Statement of Revenues, Expenditures,
 and Changes in Fund Balances
 For the Year Ended June 30, 2018

	SCHOOL FOOD SERVICE	SPECIAL EDUCATION	TITLE II	RURAL EDUCATION ACHIEVEMENT PROGRAM	VOCATIONAL EDUCATION
REVENUES					
Local sources:					
Interest earnings	\$ 1,009	\$ -	\$ -	\$ -	\$ -
Food services	114,837	-	-	-	-
State sources:					
Equalization	65,000	-	-	-	-
Federal sources	1,118,658	471,516	167,468	22,407	5,299
Total Revenues	1,299,504	471,516	167,468	22,407	5,299
EXPENDITURES					
Current:					
Instruction:					
Regular programs	-	-	-	22,407	-
Special programs	-	170,261	-	-	-
Other instructional programs	-	-	-	-	2,088
Support services:					
Student services	-	141,499	-	-	2,032
Instructional staff support	-	121,437	48,614	-	1,179
General administration	-	36,095	-	-	-
Student transportation services	-	2,224	-	-	-
Food services	1,342,678	-	-	-	-
Total Expenditures	1,342,678	471,516	48,614	22,407	5,299
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	(43,174)	-	118,854	-	-
OTHER FINANCING SOURCES (USES)					
Transfers in	52,507	-	-	-	-
Transfers out	-	-	(118,854)	-	-
Total Other Financing Sources (Uses)	52,507	-	(118,854)	-	-
Net Change in Fund Balances	9,333	-	-	-	-
FUND BALANCES - BEGINNING	201,995	-	-	-	-
FUND BALANCES - ENDING	\$ 211,328	\$ -	\$ -	\$ -	\$ -

Exhibit 7

<u>PRESCHOOL</u>	<u>STRIVING READERS COMPREHENSIVE LITERACY</u>	<u>STUDENT SUPPORT AND ACADEMIC ENRICHMENT</u>	<u>TOTAL</u>
\$ -	\$ -	\$ -	\$ 1,009
-	-	-	114,837
-	-	-	65,000
36,681	82,107	24,768	1,928,904
<u>36,681</u>	<u>82,107</u>	<u>24,768</u>	<u>2,109,750</u>
-	-	-	22,407
33,873	-	-	204,134
-	42,500	-	44,588
-	-	-	143,531
-	33,322	-	204,552
2,808	6,285	-	45,188
-	-	-	2,224
-	-	-	1,342,678
<u>36,681</u>	<u>82,107</u>	<u>-</u>	<u>2,009,302</u>
-	-	24,768	100,448
-	-	-	52,507
-	-	(24,768)	(143,622)
-	-	(24,768)	(91,115)
-	-	-	9,333
-	-	-	201,995
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 211,328</u>

CLAIBORNE PARISH SCHOOL BOARD
NON-MAJOR SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and Changes
in Fund Balances - Budget (GAAP Basis) and Actual
For the Year Ended June 30, 2018

Exhibit 8-1

*****SCHOOL FOOD SERVICE*****

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
REVENUES			
Local sources:			
Interest earnings	\$ 1,008	\$ 1,009	\$ 1
Food services	114,837	114,837	-
State sources:			
Equalization	65,000	65,000	-
Federal sources	<u>1,118,658</u>	<u>1,118,658</u>	<u>-</u>
 Total Revenues	 <u>1,299,503</u>	 <u>1,299,504</u>	 <u>1</u>
 EXPENDITURES			
Current:			
Food services	<u>1,342,346</u>	<u>1,342,678</u>	<u>(332)</u>
 Total Expenditures	 <u>1,342,346</u>	 <u>1,342,678</u>	 <u>(332)</u>
 EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	 <u>(42,843)</u>	 <u>(43,174)</u>	 <u>(331)</u>
 OTHER FINANCING SOURCES (USES)			
Transfers in	<u>52,507</u>	<u>52,507</u>	<u>-</u>
 Total Other Financing Sources (Uses)	 <u>52,507</u>	 <u>52,507</u>	 <u>-</u>
 Net Change in Fund Balances	 9,664	 9,333	 (331)
 FUND BALANCES - BEGINNING	 <u>201,995</u>	 <u>201,995</u>	 <u>-</u>
 FUND BALANCES - ENDING	 <u>\$ 211,659</u>	 <u>\$ 211,328</u>	 <u>\$ (331)</u>

CLAIBORNE PARISH SCHOOL BOARD

NON-MAJOR SPECIAL REVENUE FUND
 Schedule of Revenues, Expenditures, and Changes
 in Fund Balances - Budget (GAAP Basis) and Actual
 For the Year Ended June 30, 2018

Exhibit 8-2

*****SPECIAL EDUCATION*****

	BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES			
Federal sources	\$ 656,253	\$ 471,516	\$ (184,737)
Total Revenues	<u>656,253</u>	<u>471,516</u>	<u>(184,737)</u>
EXPENDITURES			
Current:			
Instruction:			
Special programs	361,311	170,261	191,050
Support services:			
Student services	152,312	141,499	10,813
Instructional staff support	89,641	121,437	(31,796)
General administration	50,237	36,095	14,142
Student transportation services	2,752	2,224	528
Total Expenditures	<u>656,253</u>	<u>471,516</u>	<u>184,737</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	-	-	-
FUND BALANCES - BEGINNING	-	-	-
FUND BALANCES - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CLAIBORNE PARISH SCHOOL BOARD
NON-MAJOR SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and Changes
in Fund Balances - Budget (GAAP Basis) and Actual
For the Year Ended June 30, 2018

Exhibit 8-3

*****TITLE II*****			
	BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES			
Federal sources	\$ 167,595	\$ 167,468	\$ (127)
Total Revenues	167,595	167,468	(127)
EXPENDITURES			
Current:			
Support services:			
Instructional staff support	48,741	48,614	127
Total Expenditures	48,741	48,614	127
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	118,854	118,854	-
OTHER FINANCING SOURCES (USES)			
Transfers out	(118,854)	(118,854)	-
Total Other Financing Sources (Uses)	(118,854)	(118,854)	-
Net Change in Fund Balances	-	-	-
FUND BALANCES - BEGINNING	-	-	-
FUND BALANCES - ENDING	\$ -	\$ -	\$ -

CLAIBORNE PARISH SCHOOL BOARD

NON-MAJOR SPECIAL REVENUE FUND
 Schedule of Revenues, Expenditures, and Changes
 in Fund Balances - Budget (GAAP Basis) and Actual
 For the Year Ended June 30, 2018

Exhibit 8-4

*****RURAL EDUCATION ACHIEVEMENT PROGRAM*****

	BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES			
Federal sources	\$ 34,006	\$ 22,407	\$ (11,599)
Total Revenues	<u>34,006</u>	<u>22,407</u>	<u>(11,599)</u>
EXPENDITURES			
Current:			
Instruction:			
Regular programs	<u>34,006</u>	<u>22,407</u>	<u>11,599</u>
Total Expenditures	<u>34,006</u>	<u>22,407</u>	<u>11,599</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	-	-	-
FUND BALANCES - BEGINNING	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CLAIBORNE PARISH SCHOOL BOARD

NON-MAJOR SPECIAL REVENUE FUND
 Schedule of Revenues, Expenditures, and Changes
 in Fund Balances - Budget (GAAP Basis) and Actual
 For the Year Ended June 30, 2018

Exhibit 8-5

*****VOCATIONAL EDUCATION*****

	BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES			
Federal sources	\$ 25,178	\$ 5,299	\$ (19,879)
Total Revenues	<u>25,178</u>	<u>5,299</u>	<u>(19,879)</u>
EXPENDITURES			
Current:			
Instruction:			
Other instructional programs	23,955	2,088	21,867
Support services:			
Student services	1,223	2,032	(809)
Instructional staff support	-	1,179	(1,179)
Total Expenditures	<u>25,178</u>	<u>5,299</u>	<u>19,879</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	-	-	-
FUND BALANCES - BEGINNING	-	-	-
FUND BALANCES - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CLAIBORNE PARISH SCHOOL BOARD

NON-MAJOR SPECIAL REVENUE FUND
 Schedule of Revenues, Expenditures, and Changes
 in Fund Balances - Budget (GAAP Basis) and Actual
 For the Year Ended June 30, 2018

Exhibit 8-6

*****PRESCHOOL*****

	BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES			
Federal sources	\$ 48,402	\$ 36,681	\$ (11,721)
Total Revenues	<u>48,402</u>	<u>36,681</u>	<u>(11,721)</u>
EXPENDITURES			
Current:			
Instruction:			
Special programs	42,697	33,873	8,824
Support services:			
Instructional staff support	2,000	-	2,000
General administration	3,705	2,808	897
Total Expenditures	<u>48,402</u>	<u>36,681</u>	<u>11,721</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	-	-	-
FUND BALANCES - BEGINNING	-	-	-
FUND BALANCES - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CLAIBORNE PARISH SCHOOL BOARD

NON-MAJOR SPECIAL REVENUE FUND
 Schedule of Revenues, Expenditures, and Changes
 in Fund Balances - Budget (GAAP Basis) and Actual
 For the Year Ended June 30, 2018

Exhibit 8-7

*****STRIVING READERS COMPREHENSIVE LITERACY*****

	BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES			
Federal sources	\$ 120,514	\$ 82,107	\$ (38,407)
Total Revenues	<u>120,514</u>	<u>82,107</u>	<u>(38,407)</u>
EXPENDITURES			
Current:			
Instruction:			
Other instructional programs	58,700	42,500	16,200
Support services:			
Instructional staff support	52,589	33,322	19,267
General administration	9,225	6,285	2,940
Total Expenditures	<u>120,514</u>	<u>82,107</u>	<u>38,407</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	-	-	-
FUND BALANCES - BEGINNING	-	-	-
FUND BALANCES - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CLAIBORNE PARISH SCHOOL BOARD

NON-MAJOR SPECIAL REVENUE FUND
 Schedule of Revenues, Expenditures, and Changes
 in Fund Balances - Budget (GAAP Basis) and Actual
 For the Year Ended June 30, 2018

Exhibit 8-8

*****STUDENT SUPPORT AND ACADEMIC ENRICHMENT*****

	BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES			
Federal sources	\$ 24,768	\$ 24,768	\$ -
Total Revenues	<u>24,768</u>	<u>24,768</u>	<u>-</u>
EXPENDITURES			
Current:			
Instruction:			
Special programs	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	24,768	24,768	-
OTHER FINANCING SOURCES (USES)			
Transfers out	<u>(24,768)</u>	<u>(24,768)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(24,768)</u>	<u>(24,768)</u>	<u>-</u>
Net Change in Fund Balances	-	-	-
FUND BALANCES - BEGINNING	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES - ENDING	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

**Claiborne Parish School Board
Non-Major Debt Service Funds**

DISTRICT NO. 11 (2010 ISSUE) and DISTRICT NO. 13 (2010 ISSUE) The debt service funds are used to accumulate monies to pay outstanding bond issues. The bonds were issued by the respective school districts to acquire lands for building sites and to purchase, erect, and improve school buildings, equipment, and furnishings. The bond issues are financed by an ad valorem tax on property within the territorial boundaries of the respective wards.

CLAIBORNE PARISH SCHOOL BOARD

NON-MAJOR DEBT SERVICE FUNDS

Combining Balance Sheet

June 30, 2018

Exhibit 9

	<u>DISTRICT NO. 11</u>	<u>DISTRICT NO. 13</u>	<u>TOTAL</u>
ASSETS			
Cash and cash equivalents	<u>\$ 8,308</u>	<u>\$ 470,418</u>	<u>\$ 478,726</u>
TOTAL ASSETS	<u>8,308</u>	<u>470,418</u>	<u>478,726</u>
FUND BALANCES			
Restricted	<u>8,308</u>	<u>470,418</u>	<u>478,726</u>
TOTAL FUND BALANCES	<u>\$ 8,308</u>	<u>\$ 470,418</u>	<u>\$ 478,726</u>

CLAIBORNE PARISH SCHOOL BOARD
NON-MAJOR DEBT SERVICE FUNDS
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended June 30, 2018

Exhibit 10

	<u>DISTRICT NO. 11</u>	<u>DISTRICT NO. 13</u>	<u>Total</u>
REVENUES			
Local sources:			
Taxes:			
Ad valorem	\$ 274	\$ 544,996	\$ 545,270
Interest earnings	411	2,625	3,036
Total Revenues	<u>685</u>	<u>547,621</u>	<u>548,306</u>
EXPENDITURES			
Current:			
Support services:			
General administration	-	19,888	19,888
Debt service:			
Principal retirement	170,000	505,000	675,000
Interest and bank charges	5,912	72,424	78,336
Total Expenditures	<u>175,912</u>	<u>597,312</u>	<u>773,224</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	<u>(175,227)</u>	<u>(49,691)</u>	<u>(224,918)</u>
FUND BALANCES - BEGINNING	<u>183,535</u>	<u>520,109</u>	<u>703,644</u>
FUND BALANCES - ENDING	<u>\$ 8,308</u>	<u>\$ 470,418</u>	<u>\$ 478,726</u>

Claiborne Parish School Board
Agency Funds

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

SALES TAX FUND The sales tax fund accounts for monies collected on behalf of the other taxing authorities in Claiborne Parish. Upon receipt of sales tax returns and monies, the School Board remits a check to the other authorities monthly.

CLAIBORNE PARISH SCHOOL BOARD

AGENCY FUNDS
Combining Schedule of Fiduciary Assets and Liabilities
For the Year Ended June 30, 2018

Exhibit 11

	Balance, Beginning	Additions	Deductions	Balance, Ending
*****SCHOOL ACTIVITIES AGENCY FUND*****				
ASSETS				
Cash and cash equivalents	\$ 478,804	\$ 659,456	\$ 656,246	\$ 482,014
	<u>\$ 478,804</u>	<u>\$ 659,456</u>	<u>\$ 656,246</u>	<u>\$ 482,014</u>
LIABILITIES				
Deposits due others	\$ 478,804	\$ 659,456	\$ 656,246	\$ 482,014
	<u>\$ 478,804</u>	<u>\$ 659,456</u>	<u>\$ 656,246</u>	<u>\$ 482,014</u>
*****SALES TAX AGENCY FUND*****				
ASSETS				
Accounts Receivable	\$ 648,312	\$ 6,344,330	\$ 6,439,925	\$ 552,717
Cash, restricted- paid under protest	76,403	6,598	1,229	81,772
	<u>\$ 724,715</u>	<u>\$ 6,350,928</u>	<u>\$ 6,441,154</u>	<u>\$ 634,489</u>
LIABILITIES				
Deposits due others	\$ 648,312	\$ 6,344,330	\$ 6,439,925	\$ 552,717
Taxes paid under protest, payable with restricted assets	76,403	6,598	1,229	81,772
	<u>\$ 724,715</u>	<u>\$ 6,350,928</u>	<u>\$ 6,441,154</u>	<u>\$ 634,489</u>
*****ALL AGENCY FUNDS*****				
ASSETS				
Cash and cash equivalents	\$ 478,804	\$ 659,456	\$ 656,246	\$ 482,014
Accounts Receivable	648,312	6,344,330	6,439,925	552,717
Cash, restricted- paid under protest	76,403	6,598	1,229	81,772
	<u>\$ 1,203,519</u>	<u>\$ 7,010,384</u>	<u>\$ 7,097,400</u>	<u>\$ 1,116,503</u>
LIABILITIES				
Deposits due others	\$ 1,127,116	\$ 7,003,786	\$ 7,096,171	\$ 1,034,731
Taxes paid under protest, payable with restricted assets	76,403	6,598	1,229	81,772
	<u>\$ 1,203,519</u>	<u>\$ 7,010,384</u>	<u>\$ 7,097,400</u>	<u>\$ 1,116,503</u>

CLAIBORNE PARISH SCHOOL BOARD
SCHOOL ACTIVITIES AGENCY FUND
Schedule of Changes in Deposits Due Others
For the Year Ended June 30, 2018

Exhibit 12

SCHOOL	<u>Balance, Beginning</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance, Ending</u>
Haynesville Elementary	\$ 30,318	\$ 25,819	\$ 21,666	\$ 34,471
Haynesville Junior/Senior High	167,625	245,265	276,056	136,834
Homer Elementary	108,891	40,269	43,291	105,869
Homer Junior High	21,745	36,919	38,911	19,753
Homer High	39,201	177,334	155,826	60,709
Summerfield High	111,024	133,850	120,496	124,378
Total	<u>\$ 478,804</u>	<u>\$ 659,456</u>	<u>\$ 656,246</u>	<u>\$ 482,014</u>

CLAIBORNE PARISH SCHOOL BOARD

SALES TAX AGENCY FUND -
Schedule of Changes in Deposits Due Others
For the Year Ended June 30, 2018

Exhibit 13

DEPOSIT BALANCE AT BEGINNING OF YEAR	\$ 648,312
ADDITIONS:	
Sales tax collections	6,344,330
SETTLEMENTS:	
School Board	2,777,915
Police Jury	666,246
Town of Homer	1,421,939
Homer Police	118,524
Homer Recreation	59,102
Homer Memorial	674,316
Town of Haynesville	495,141
Junction City	22,788
Water Shed	172,205
Village of Athens	31,749
Total settlements	6,439,925
DEPOSIT BALANCE AT END OF YEAR	\$ 552,717

**Claiborne Parish School Board
Schedule of Compensation Paid Board Members
For the Year Ended June 30, 2018**

Exhibit 14

The schedule of compensation paid School Board members is in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. Compensation of the School Board members is included in the general administrative expenditures of the general fund. In accordance with Louisiana Revised Statute 17:56, the School Board members have elected the monthly payment method of compensation.

<u>Board Member</u>	<u>Amount</u>
William H. Maddox, President	\$ 4,800
Mr. Chris Chandler	4,800
Ms. Yolanda Coleman	4,800
Mr. Thomas E. Davidson	4,800
Mr. B. Stewart Griffin	4,800
Dr. Robert R. Haynes	4,800
Ms. Linda Knox	4,800
Mr. Danny Lee	4,800
Mrs. Shelley Malsam	4,800
Mrs. Vera R. Walker Meadors, Vice President	<u>4,800</u>
Total	<u>\$ 48,000</u>

**Claiborne Parish School Board
Schedule of Compensation, Benefits and Other Payments
to Agency Head (Superintendent)
Year Ended June 30, 2018**

Exhibit 15

Agency Head Name: William Kennedy, Jr., Superintendent

<u>Purpose</u>	<u>Amount</u>
Salary	\$96,467
Benefits-insurance	6,971
Benefits-retirement	28,852
Benefits - Medicare	1,573
Car allowance	12,000
Cell phone	702
Conference travel	3,545
Other- Dues	705

OTHER SCHEDULES

CLAIBORNE PARISH SCHOOL BOARD

MAINTENANCE FUND ACCOUNTS
 Combining Balance Sheet
 June 30, 2018

	PARISHWIDE	HAYNESVILLE DISTRICT 11	HOMER DISTRICT 13	SUMMERFIELD DISTRICT 26
ASSETS				
Cash and cash equivalents	\$ 1,972,383	\$ 367,236	\$ 2,444,859	\$ 72,724
Receivables	8	-	-	-
TOTAL ASSETS	1,972,391	367,236	2,444,859	72,724
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts, salaries and other payables	12,322	-	7,443	23,634
Total Liabilities	12,322	-	7,443	23,634
Fund Balances:				
Restricted	1,960,069	367,236	2,437,416	49,090
Total Fund Balances	1,960,069	367,236	2,437,416	49,090
TOTAL LIABILITIES AND FUND BALANCES	\$ 1,972,391	\$ 367,236	\$ 2,444,859	\$ 72,724

Note: For reporting purposes in Governmental Fund Financial Statements these funds are reported in a single column titled Maintenance Fund, and any activity between these funds is netted to avoid grossing up balances. Such activity is not netted for Exhibit 16 and Exhibit 17.

Exhibit 16

TOTAL

\$ 4,857,202
8

4,857,210

43,399

43,399

4,813,811

4,813,811

\$ 4,857,210

CLAIBORNE PARISH SCHOOL BOARD

MAINTENANCE FUND ACCOUNTS
 Combining Schedule of Revenues, Expenditures,
 and Changes in Fund Balances
 For the Year Ended June 30, 2018

	PARISHWIDE	HAYNESVILLE DISTRICT 11	HOMER DISTRICT 13	SUMMERFIELD DISTRICT 26
REVENUES				
Local sources:				
Taxes:				
Ad valorem	\$ 678,430	\$ 140,475	\$ 369,974	\$ 49,333
Interest earnings	10,029	1,736	11,731	602
Other	7,039	-	-	-
State sources:				
Other	12,832	3,945	22,907	-
Total Revenues	<u>708,330</u>	<u>146,156</u>	<u>404,612</u>	<u>49,935</u>
EXPENDITURES				
Current:				
Support services:				
General administration	24,387	5,055	13,501	1,803
School administration	8,153	-	-	-
Plant services	351,569	90,862	66,357	47,826
Student transportation services	344,413	-	-	-
Capital outlay	-	3,476	4,975	175,584
Total Expenditures	<u>728,522</u>	<u>99,393</u>	<u>84,833</u>	<u>225,213</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	<u>(20,192)</u>	<u>46,763</u>	<u>319,779</u>	<u>(175,278)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	16,191	-	-	-
Total Other Financing Sources (Uses)	<u>16,191</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	(4,001)	46,763	319,779	(175,278)
FUND BALANCES - BEGINNING	<u>1,964,070</u>	<u>320,473</u>	<u>2,117,637</u>	<u>224,368</u>
FUND BALANCES - ENDING	<u>\$ 1,960,069</u>	<u>\$ 367,236</u>	<u>\$ 2,437,416</u>	<u>\$ 49,090</u>

Exhibit 17

TOTAL

\$ 1,238,212
24,098
7,039

39,684
1,309,033

44,746
8,153
556,614
344,413
184,035
1,137,961

171,072

16,191

16,191

187,263

4,626,548

\$ 4,813,811

Claiborne Parish School Board

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STATISTICAL SECTION

**Claiborne Parish School Board
Statistical Section
Contents**

	<u>Table Number</u>	<u>Page Number</u>
Financial Trends		
These schedules contain trend information to help the reader understand how the School Board's financial performance and well being has changed over time.		
Net Position by Component	1	123
Changes in Net Position	2	124
Fund Balances of Governmental Funds	3	125
Changes in Fund Balances of Governmental Funds	4	126
Revenue Capacity		
These schedules contain information to help the reader assess the School Board's most significant local revenue sources, property tax and sales tax.		
Assessed Value and Estimated Actual Value of Taxable Property	5	127
Overlapping Governments	6	128
Principal Property Taxpayers	7	129
Property Tax Levies and Collections	8	130
Sales and Use Tax Rates and Collections	9	131
Debt Capacity		
These schedules present information to help the reader assess the affordability of the School Board's current levels of outstanding debt and the School Board's ability to issue debt in the future.		
Ratios of Outstanding Debt by Type	10	132
Ratios of General Bonded Debt Outstanding	11	133
Direct and Overlapping Governmental Activities Debt	12	134
Legal Debt Margin Information	13	135
		(continued)

**Claiborne Parish School Board
Statistical Section
Contents**

	<u>Table Number</u>	<u>Page Number</u>
Demographic and Economic Information		
These schedules offer demographic and economic indicators to help the reader understand the environment within which the School Board's financial activities take place.		
Demographic and Economic Statistics	14	136
Principal Employers	15	137
Operating Information		
These schedules contain service and infrastructure data to help the reader understand how the information in the School Board's financial report relates to the services the School Board provides and the activities it performs.		
School Personnel	16	138
School Building Information	17	139
Operating Statistics	18	140

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial report (CAFR) for the relevant year.

(concluded)

CLAIBORNE PARISH SCHOOL BOARD
Homer, Louisiana
Net Position by Component
Fiscal Years Ended June 30, 2009 through June 30, 2018

(Accrual Basis of Accounting)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Governmental Activities										
Net investment in capital assets	\$ 9,802,399	\$ 10,410,932	\$ 12,424,793	\$ 12,321,937	\$ 12,830,798	\$ 11,897,055	\$ 12,353,033	\$ 14,346,553	\$ 14,728,774	\$ 14,862,990
Restricted	4,951,874	4,201,202	4,913,448	5,499,022	5,591,902	7,152,343	7,054,439	5,431,125	6,451,458	6,474,261
Unrestricted	6,606,479	8,031,053	3,676,923	3,531,219	3,871,324	3,948,720	(19,504,627)	(17,464,575)	(18,712,879)	(49,226,956)
Total governmental activities net position	<u>\$ 21,360,752</u>	<u>\$ 22,643,187</u>	<u>\$ 21,015,164</u>	<u>\$ 21,352,178</u>	<u>\$ 22,294,024</u>	<u>\$ 22,998,118</u>	<u>\$ (97,155)</u>	<u>\$ 2,313,103</u>	<u>\$ 2,467,353</u>	<u>\$ (27,889,705)</u>

Source: Comprehensive Annual Financial Report

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

GASB Statements No. 68 and 71 were implemented for the year ended June 30, 2015. Beginning net position was decreased by \$24,099,200 as a result of the implementation

GASB Statement No. 75 was implemented for the year ended June 30, 2018. Beginning net position was decreased by \$27,290,761 as a result of the implementation

Table 2

CLAIBORNE PARISH SCHOOL BOARD
Homer, Louisiana

Changes in Net Position
Fiscal Years Ended June 30, 2009 through June 30, 2018
(Accrual Basis of Accounting)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Expenses										
Instruction:										
Regular programs	\$ 9,831,626	\$ 9,732,063	\$ 10,094,333	\$ 8,401,455	\$ 7,703,973	\$ 7,208,928	\$ 6,860,224	\$ 6,372,718	\$ 7,893,513	\$ 8,433,978
Special programs	3,136,740	3,066,608	2,947,646	2,570,588	2,195,695	2,167,162	2,014,607	1,814,921	1,940,849	2,422,044
Other instructional programs	2,320,545	2,248,414	2,358,702	2,045,081	1,995,602	1,653,964	1,452,806	1,419,214	1,456,248	1,896,248
Support services:										
Student services	792,323	999,900	1,361,161	1,406,708	1,309,785	1,220,426	1,290,345	1,115,998	1,390,806	1,651,802
Instructional staff support	1,853,798	2,073,914	1,577,666	1,333,128	1,332,206	1,340,909	1,298,218	1,312,779	1,399,059	1,885,652
General administration	975,492	776,038	837,552	754,563	835,975	751,305	665,116	717,354	795,316	836,131
School administration	1,727,475	1,775,109	1,571,723	1,462,747	1,414,054	1,277,767	1,230,403	1,176,069	1,414,217	1,654,369
Business services	345,810	293,796	263,279	197,349	173,243	221,214	192,455	237,766	192,871	206,056
Plant services	2,072,202	1,907,333	1,927,069	1,826,013	1,863,134	1,958,451	1,727,351	1,733,440	1,769,032	1,854,055
Student transportation services	1,714,891	1,584,936	1,584,789	1,613,639	1,619,490	1,624,117	1,478,931	1,444,052	1,534,581	1,638,715
Central services	8,047	14,475	9,013	102,516	98,000	109,736	18,892	6,389	7,572	8,057
Food services	1,674,168	1,778,760	1,653,656	1,648,926	1,660,873	1,611,745	1,546,890	1,561,198	1,584,878	1,767,739
Community services	18,900	12,762	27,011	11,697	19,113	12,858	14,621	13,727	12,859	12,858
Interest on long-term debt	597,141	566,366	411,637	642,395	210,053	186,942	161,197	131,725	100,048	72,139
Total expenses	<u>27,069,158</u>	<u>26,830,474</u>	<u>26,625,237</u>	<u>24,016,805</u>	<u>22,431,196</u>	<u>21,345,524</u>	<u>19,952,056</u>	<u>19,057,350</u>	<u>21,491,849</u>	<u>24,339,843</u>
Program Revenues										
Charges for services:										
Plant Services	0	0	0	0	136,374	48,579	0	0	0	0
Food Service Operations	170,804	177,888	171,277	174,596	138,252	145,058	146,215	100,560	103,869	114,837
Operating Grants and Contributions	4,168,222	4,621,161	3,877,210	3,435,497	3,577,941	3,552,066	2,970,225	3,484,004	3,326,718	3,209,113
Total program revenues	<u>4,339,026</u>	<u>4,799,049</u>	<u>4,048,487</u>	<u>3,610,093</u>	<u>3,852,567</u>	<u>3,745,703</u>	<u>3,116,440</u>	<u>3,584,564</u>	<u>3,430,587</u>	<u>3,323,950</u>
Net (Expense) / Revenue	<u>(22,730,132)</u>	<u>(22,031,425)</u>	<u>(22,576,750)</u>	<u>(20,406,712)</u>	<u>(18,578,629)</u>	<u>(17,599,821)</u>	<u>(16,835,616)</u>	<u>(15,472,786)</u>	<u>(18,061,262)</u>	<u>(21,015,893)</u>
General Revenues and Other Changes in Net Assets/Position										
Taxes										
Ad Valorem taxes levied for general purposes	2,309,751	2,784,037	2,797,982	2,860,547	2,929,522	3,078,014	3,047,152	2,859,043	2,938,569	2,695,812
Ad Valorem taxes levied for debt services	2,208,667	2,484,325	1,209,502	1,098,644	1,098,978	1,148,494	1,075,251	1,000,201	1,175,220	545,270
Sales taxes levied for general purposes	4,915,361	3,091,271	2,940,828	3,549,236	3,579,753	3,265,756	2,971,041	2,716,277	2,549,126	2,739,124
Grants and contributions not restricted to specific program:	15,950,101	14,534,710	13,039,376	12,944,326	11,518,386	10,288,490	10,335,524	10,936,538	11,208,688	11,461,454
Interest and investment earnings	123,445	69,040	151,000	113,429	127,104	129,312	128,683	58,988	57,838	96,541
Miscellaneous	314,101	350,479	810,043	177,544	266,732	393,849	281,892	311,997	286,071	411,395
Total	<u>25,821,426</u>	<u>23,313,862</u>	<u>20,948,731</u>	<u>20,743,726</u>	<u>19,520,475</u>	<u>18,303,915</u>	<u>17,839,543</u>	<u>17,883,044</u>	<u>18,215,512</u>	<u>17,949,596</u>
Change in Net Position	<u>\$ 3,091,294</u>	<u>\$ 1,282,437</u>	<u>\$ (1,628,019)</u>	<u>\$ 337,014</u>	<u>\$ 941,846</u>	<u>\$ 704,094</u>	<u>\$ 1,003,927</u>	<u>\$ 2,410,258</u>	<u>\$ 154,250</u>	<u>\$ (3,066,297)</u>

Source: Comprehensive Annual Financial Report

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

CLAIBORNE PARISH SCHOOL BOARD
Homer, Louisiana

Fund Balances of Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
General Fund										
Reserved	\$ 2,376,583	\$ 880,651	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Unreserved	6,830,550	7,356,372	0	0	0	0	0	0	0	0
Nonspendable	0	0	0	0	97,153	61,429	142,516	145,997	123,490	215,105
Restricted	0	0	568,472	743,023	655,925	635,062	569,676	529,196	961,461	998,892
Committed	0	0	4,158,170	4,853,899	5,399,279	5,797,837	6,174,757	6,104,078	500,131	495,713
Unassigned	0	0	3,354,645	3,382,830	4,054,731	4,378,611	4,071,539	4,526,409	10,306,914	11,254,056
Total general fund	<u>9,207,133</u>	<u>8,237,023</u>	<u>8,081,287</u>	<u>8,979,752</u>	<u>10,207,088</u>	<u>10,872,939</u>	<u>10,958,488</u>	<u>11,305,680</u>	<u>11,891,996</u>	<u>12,963,766</u>
All Other Governmental Funds										
Reserved	2,744,663	3,888,866	0	0	0	0	0	0	0	0
Unreserved, reported in:										
Special revenue funds	1,638,510	2,335,590	0	0	0	0	0	0	0	0
Capital projects funds	2,529	2,537	0	0	0	0	0	0	0	0
Nonspendable	0	0	31,134	9,414	18,674	22,555	24,919	21,752	13,758	13,427
Restricted	0	0	4,313,842	4,746,585	4,917,303	6,551,009	6,531,068	4,937,928	5,518,429	5,490,438
Committed	0	0	2,549	2,561	2,572	2,583	2,592	2,600	2,609	2,622
Unassigned	0	0	(10,598)	0	0	0	0	0	0	0
Total all other governmental funds	<u>4,385,702</u>	<u>6,226,993</u>	<u>4,336,927</u>	<u>4,758,560</u>	<u>4,938,549</u>	<u>6,576,147</u>	<u>6,558,579</u>	<u>4,962,280</u>	<u>5,534,796</u>	<u>5,506,487</u>
Grand Total of funds	<u>\$ 13,592,835</u>	<u>\$ 14,464,016</u>	<u>\$ 12,418,214</u>	<u>\$ 13,738,312</u>	<u>\$ 15,145,637</u>	<u>\$ 17,449,086</u>	<u>\$ 17,517,067</u>	<u>\$ 16,267,960</u>	<u>\$ 17,426,792</u>	<u>\$ 18,470,253</u>

Source: Comprehensive Annual Financial Report

Notes: GASB 54 Fund Balance Reporting and Governmental Fund Type Definitions was adopted for the June 30, 2011 year end.

Table 4

CLAIBORNE PARISH SCHOOL BOARD
Homer, Louisiana

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

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Revenues										
Ad valorem taxes	\$ 4,518,418	\$ 5,268,362	\$ 4,007,484	\$ 3,959,191	\$ 4,028,500	\$ 4,226,508	\$ 4,122,403	\$ 3,859,244	\$ 4,113,789	\$ 3,241,082
Sales & use taxes	4,790,142	2,973,467	2,825,687	3,549,236	3,579,753	3,265,756	2,971,041	2,716,277	2,549,126	2,739,124
Investment Earning	123,445	69,040	111,049	113,429	127,104	129,312	128,683	58,988	57,838	96,541
Food services	170,804	177,888	171,277	174,596	138,252	145,058	146,215	100,560	103,869	114,837
Other Revenues	333,646	361,290	249,475	179,351	269,885	232,232	283,016	312,868	286,071	411,395
Total revenues from local sources	9,936,455	8,850,047	7,364,972	7,975,803	8,143,494	7,998,866	7,651,358	7,047,937	7,110,693	6,602,979
Revenue from state sources:										
Equalization	15,950,101	14,534,710	13,039,376	12,816,698	11,405,134	10,288,490	10,224,774	10,833,886	11,048,829	11,358,983
Other	974,289	454,331	300,286	311,254	393,481	675,137	249,479	301,962	348,609	215,650
Total revenue from state sources	16,924,390	14,989,041	13,339,662	13,127,952	11,798,615	10,963,627	10,474,253	11,135,848	11,397,438	11,574,633
Revenue from federal sources	3,319,152	4,284,634	4,296,998	3,251,871	3,297,712	3,079,181	2,831,496	3,284,694	3,137,968	3,095,934
Total Revenues	30,179,997	28,123,722	25,001,632	24,355,626	23,239,821	22,041,674	20,957,107	21,468,479	21,646,099	21,273,546
Expenditures:										
Current:										
Instruction services	14,053,204	13,898,095	14,019,171	11,915,009	10,699,515	10,000,300	9,942,011	9,935,940	9,890,810	9,807,104
Student services	759,635	967,124	1,297,001	1,332,071	1,243,713	1,176,869	1,332,348	1,254,556	1,266,616	1,248,726
Instructional staff support	1,793,584	2,021,549	1,510,331	1,269,360	1,267,120	1,296,966	1,318,353	1,427,971	1,297,582	1,580,374
General administration	962,867	762,359	818,597	731,954	813,938	735,625	664,928	747,052	756,688	722,118
School administration	1,657,941	1,712,093	1,489,762	1,377,674	1,331,871	1,226,976	1,266,507	1,315,286	1,296,400	1,257,518
Business services	326,740	275,793	243,351	180,972	159,102	210,899	190,531	247,578	180,488	173,537
Plant services	1,976,402	1,809,567	1,827,004	1,762,198	1,744,902	1,887,666	1,723,063	1,757,602	1,690,990	1,685,347
Student transportation services	1,467,782	1,963,622	1,255,799	1,372,078	1,307,739	1,337,214	1,292,802	1,336,670	1,261,753	1,223,925
Central services	8,047	14,475	9,013	95,956	91,206	104,357	18,519	6,389	7,572	8,057
Food services	1,617,940	1,764,691	1,581,353	1,575,454	1,584,132	1,556,132	1,590,615	1,654,500	1,495,554	1,493,439
Community services	18,900	12,762	27,011	11,697	19,113	12,858	14,621	13,727	12,859	12,858
Capital Outlay	537,968	8,709	0	18,121	283,485	103,077	275,179	134,647	89,271	263,746
Debt service:										
Principal	875,718	904,998	1,107,995	750,750	1,209,649	1,052,273	1,087,274	2,743,637	1,130,000	675,000
Interest	599,070	571,398	506,297	642,234	219,660	195,866	172,375	142,031	110,684	78,336
Total Expenditures	26,655,798	26,687,235	25,692,685	23,035,528	21,975,145	20,897,078	20,889,126	22,717,586	20,487,267	20,230,085
Excess of revenues over (under) expenditures	3,524,199	1,436,487	(691,053)	1,320,098	1,264,676	1,144,596	67,981	(1,249,107)	1,158,832	1,043,461
Other Financing Sources (Uses)										
Insurance proceeds	0	0	0	0	18,450	0	0	0	0	0
Payments to escrow agent	0	0	(10,825,000)	0	0	0	0	0	0	0
Transfers in	171,532	437,109	305,939	86,525	127,083	270,437	360,910	277,876	70,707	212,320
Transfers out	(171,532)	(437,109)	(305,939)	(86,525)	(127,083)	(270,437)	(360,910)	(277,876)	(70,707)	(212,320)
Sale of Capital Assets	0	0	0	0	124,199	48,579	0	0	0	0
Issuance of debt	0	0	8,904,951	0	0	0	0	0	0	0
Total other financing sources (uses)	0	0	(1,920,049)	0	142,649	48,579	0	0	0	0
Net change in fund balances	\$ 3,524,199	\$ 1,436,487	\$ (2,611,102)	\$ 1,320,098	\$ 1,407,325	\$ 1,193,175	\$ 67,981	\$ (1,249,107)	\$ 1,158,832	\$ 1,043,461
Debt service as a percentage of noncapital expenditures	5.6%	5.5%	6.3%	6.1%	6.6%	6.0%	6.1%	12.8%	6.1%	3.8%

Source: Comprehensive Annual Financial Report

CLAIBORNE PARISH SCHOOL BOARD
Homer, Louisiana

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

Fiscal Year Ended June 30	Real Property		Personal Property	Less:	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
	Residential Property	Commercial Property		Homestead Exempt Property				
2009	\$ 43,559,723	\$ 23,058,784	\$ 59,225,969	\$ 19,975,859	\$ 105,868,617	114.47	\$ 906,291,250	13.89%
2010	44,141,205	44,803,147	59,550,793	19,954,502	128,540,643	114.47	1,001,785,137	14.82%
2011	44,674,123	57,988,752	54,205,987	20,045,848	136,823,014	76.33	1,025,031,220	15.30%
2012	45,220,982	60,484,323	54,244,098	19,797,469	140,151,934	73.13	1,040,351,193	15.37%
2013	45,555,832	66,227,168	52,578,444	19,707,692	144,653,752	73.74	1,069,553,960	15.37%
2014	45,674,184	61,242,032	60,273,845	19,587,578	147,602,483	72.86	1,091,774,739	15.31%
2015	46,171,322	60,815,090	61,496,088	19,405,388	149,077,112	66.80	1,106,214,409	15.23%
2016	46,823,056	59,745,494	57,447,989	19,360,135	144,656,404	67.30	1,080,918,638	15.17%
2017	48,120,056	57,106,406	51,881,342	19,302,927	137,804,877	70.05	1,044,014,382	15.05%
2018	48,820,161	55,245,511	45,941,047	19,317,803	130,688,915	57.55	974,745,218	15.39%

127

Source: Claiborne Parish Tax Assessor Agency

Notes:

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

CLAIBORNE PARISH SCHOOL BOARD
 Homer, Louisiana

Overlapping Governments
 Last Ten Fiscal Years

Fiscal Year Ended June 30	School District Direct Rate			Overlapping Rates		Total Direct and Overlapping Rates
	Operating Millage	Debt Service Millage	Total School Millage	Police Jury	Homer	
2009	47.55	66.92	114.47	22.40	8.73	145.60
2010	47.55	66.92	114.47	22.40	8.73	145.60
2011	43.63	32.70	76.33	22.40	8.73	107.46
2012	43.63	29.50	73.13	22.40	8.73	104.26
2013	44.24	29.50	73.74	22.99	8.73	105.46
2014	44.11	28.75	72.86	22.99	8.33	104.18
2015	40.05	26.75	66.80	22.99	8.33	98.12
2016	40.05	27.25	67.30	23.34	8.33	98.97
2017	40.05	30.00	70.05	23.85	8.45	102.35
2018	40.05	17.50	57.55	23.85	8.45	89.85

Source: Claiborne Parish Tax Assessor Agency

Notes:

- (1) School district debt service millage is for individual school districts.
- (2) The above schedule does not include water districts, fire districts, forestry districts, or levee districts.
- (3) Overlapping rates are those of city and parish governments that apply to property owners within Claiborne Parish. Not all overlapping rates apply to all property owners.
- (4) The operating millage includes district constitutional tax, maintenance taxes and operational taxes.

Table 7

CLAIBORNE PARISH SCHOOL BOARD
Homer, Louisiana

Principal Property Taxpayers
June 30, 2018 and Nine Years Ago

Taxpayer	Fiscal Year 2018			Fiscal Year 2009		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Midcontinent Express	\$ 13,250,810	1	10.14 %	\$ 5,068,000	5	4.79 %
Gulf Crossing Pipeline	12,035,970	2	9.21	14,280,000	1	13.49
Texas Gas Transmission	5,386,620	3	4.12	5,486,000	4	5.18
Claiborne Electric Co-op	4,159,160	4	3.18	2,323,000	10	2.19
Blackbeard Operating	3,508,601	5	2.68			
XTO Energy	3,499,407	6	2.68	5,937,000	2	5.61
Mid-Valley Pipeling Co.	3,369,740	7	2.58			
DCP Midstream	2,736,689	8	2.09			
Entergy Corporation	2,494,350	9	1.91			
James Michael Hays	2,117,271	10	1.62	2,617,000	9	2.47
AIX Energy						
Akin Beene Resources, LLC						
Marathon Oil				5,826,000	3	5.50
Hunt Oil Company				2,924,000	8	2.76
Covalence Specialty Coatings				3,647,000	7	3.44
Centerpoint Energy Gas Transmission				4,391,000	6	4.15
Regency Gas Gathering						
Totals	\$ 52,558,618		40.21 %	\$ 52,499,000		49.58 %

Source: Claiborne Parish Tax Assessor Agency
Claiborne Parish Police Jury Report 2008

Table 8

CLAIBORNE PARISH SCHOOL BOARD
Homer, Louisiana

Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year Ended June 30	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy		Collections In Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2009	\$ 4,430,011	\$ 4,420,979	99.80%	\$ 245	\$ 4,421,224	99.80%
2010	5,205,547	5,168,264	99.28%	15,952	5,184,216	99.59%
2011	3,923,551	3,915,617	99.80%	148	3,915,765	99.80%
2012	3,929,291	3,855,358	98.12%	926	3,856,284	98.14%
2013	3,927,381	3,921,551	99.85%	1,486	3,923,037	99.89%
2014	4,115,235	3,967,738	96.42%	211	3,967,949	96.42%
2015	4,011,402	3,867,222	96.41%	0	3,867,222	96.41%
2016	3,909,523	3,859,244	98.71%	405	3,859,649	98.72%
2017	4,433,697	4,113,789	92.78%	1,489	4,115,278	92.82%
2018	3,675,783	3,241,082	88.17%	N/A	3,241,082	88.17%

Source: Claiborne Parish Sheriff (ex-officio tax collector) & Claiborne Parish Tax Assessor

N/A - Information is not yet available.

Table 9

CLAIBORNE PARISH SCHOOL BOARD
Homer, Louisiana

Sales and Use Tax Rates and Collections - All Governments
Last Ten Calendar Years

Calendar Year	Sales and Use Tax Rates						Tax Collections					
	Parishwide		Municipalities				Parishwide		Municipalities			
	School Board	Police Jury	Watershed District	Homer	Other	Total Rate	School Board	Police Jury	Watershed District	Homer	Other	Total Collections
2009	2.00 %	0.50 %	1.25 %	2.000 %	3.00 %	8.750 %	\$ 4,790,142	\$ 1,653,640	\$ 278,890	\$ 910,759	\$ 802,217	\$ 8,435,648
2010	2.00	0.50	1.25	2.000	3.00	8.750	2,973,467	782,553	182,532	906,887	660,930	5,506,369
2011	2.00	0.50	1.25	2.000	3.15	8.900	2,825,686	718,452	173,316	1,026,687	665,981	5,410,122
2012	2.00	0.50	1.25	2.000	3.15	8.900	3,562,408	997,193	220,945	1,205,114	785,704	6,771,364
2013	2.00	0.50	1.25	2.000	3.15	8.900	3,691,332	1,020,984	228,872	1,249,159	846,692	7,037,039
2014	2.00	1.00	1.25	2.000	4.375	10.625	3,328,668	865,957	199,565	1,084,939	828,526	6,307,655
2015	2.00	1.00	1.25	2.000	4.375	10.625	3,000,200	781,452	185,722	1,127,594	895,726	5,990,694
2016	2.00	1.00	1.25	2.000	4.875	11.125	2,746,914	661,565	164,247	1,415,989	1,277,512	6,266,227
2017	2.00	1.00	0.125	3.000	4.875	11.000	2,482,465	563,278	153,387	1,359,723	1,269,132	5,827,985
2018	2.00	1.00	0.125	3.000	4.875	11.000	2,777,915	666,246	172,205	1,421,939	1,401,620	6,439,925

Notes:

- (1) Information provided by Claiborne Parish Sales and Use Tax Agency.
- (2) Total rate represents the maximum amount that may be assessed by local taxing authorities. These rates do not include the state sales and use tax rate.
- (3) The Municipalities - Other column includes Haynesville 2.00%, Village of Athens 1.00%, Junction City 1.00%, Homer Recreation .125%, Homer Police 0.250% and Homer Memorial 0.50%
- (4) Haynesville has a tax increase of .5 effective 7/1/18
- (5) Sales tax collections reported by the Caliborne Sales and Use Tax Agency are on the cash basis.

N/A - Information is not available.

Table 10

CLAIBORNE PARISH SCHOOL BOARD
Homer, Louisiana

Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year Ended June 30	Qualified Zone Academy Bonds	General Obligation Bonds	Total Bonds Outstanding	Percentage of Personal Income	Per Capita
2009	\$ 1,381,302	\$ 12,305,000	\$ 13,686,302	2.90%	\$ 794
2010	1,196,304	11,585,000	12,781,304	2.60%	745
2011	1,003,309	8,710,000	9,713,309	2.00%	565
2012	802,559	8,160,000	8,962,559	1.85%	530
2013	592,910	7,160,000	7,752,910	1.55%	461
2014	1,675,911	6,135,000	7,810,911	1.44%	469
2015	1,648,637	5,075,000	6,723,637	1.24%	410
2016	0	3,980,000	3,980,000	0.75%	244
2017	0	2,850,000	2,850,000	0.49%	177
2018	0	2,175,000	2,175,000	0.39%	136

Notes:

- (1) Details regarding the School Board's outstanding debt can be found in the notes to the financial statements.
- (2) See the Schedule of Demographic and Economic Statistics (Table 14) for personal income and population data.

Table 11

CLAIBORNE PARISH SCHOOL BOARD
Homer, Louisiana

Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years

Fiscal Year Ended June 30	General Obligation Bonds	Less: Amounts Available in Debt Service Funds	Total	Percentage of Estimated Actual Taxable Value of Property	Per Capita
2009	\$ 12,305,000	\$ 2,762,699	\$ 9,542,301	1.05%	\$ 554
2010	11,585,000	3,878,683	7,706,317	0.77%	449
2011	8,710,000	1,635,919	7,074,081	0.69%	411
2012	8,160,000	1,510,803	6,649,197	0.64%	393
2013	7,160,000	1,376,836	5,783,164	0.54%	344
2014	6,135,000	1,268,824	4,866,176	0.45%	292
2015	5,075,000	1,077,269	3,997,731	0.36%	244
2016	3,980,000	806,192	3,173,808	0.29%	195
2017	2,850,000	703,644	2,146,356	0.21%	133
2018	2,175,000	470,418	1,704,582	0.17%	107

Notes:

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

CLAIBORNE PARISH SCHOOL BOARD
Homer, Louisiana

Direct and Overlapping Governmental Activities Debt
As of June 30, 2018

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes			
Claiborne Parish Police Jury	\$ 1,230,000	100.00%	\$ 1,230,000
Subtotal, overlapping debt			<u>1,230,000</u>
Claiborne Parish School Board Direct Debt	2,175,000		<u>2,175,000</u>
Total direct and overlapping debt			<u>\$ 3,405,000</u>

Sources: Debt outstanding data extracted from annual financial report of respective governments.

Notes:

- (1) Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the School Board. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the School Board.
- (2) Various tax districts exist within Claiborne Parish that involve a small percentage of parish taxpayers. These districts' debt is not included as the amounts and impact on this schedule is not significant.
- (3) Debt outstanding includes general bonded debt.

CLAIBORNE PARISH SCHOOL BOARD
Homer, Louisiana

Legal Debt Margin Information
Last Ten Fiscal Years

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Debt Limit	\$ 63,428,585	\$ 87,247,573	\$ 78,434,431	\$ 79,974,702	\$ 82,180,722	\$ 83,595,031	\$ 84,241,250	\$ 82,008,270	\$ 78,553,902	\$ 75,003,359
Total net debt applicable to limit	<u>9,542,301</u>	<u>7,706,317</u>	<u>7,074,081</u>	<u>6,649,197</u>	<u>5,783,164</u>	<u>4,866,176</u>	<u>3,997,731</u>	<u>3,173,808</u>	<u>2,146,356</u>	<u>1,704,582</u>
Legal debt margin	\$ <u>53,886,284</u>	\$ <u>79,541,256</u>	\$ <u>71,360,350</u>	\$ <u>73,325,505</u>	\$ <u>76,397,558</u>	\$ <u>78,728,855</u>	\$ <u>80,243,519</u>	\$ <u>78,834,462</u>	\$ <u>76,407,546</u>	\$ <u>73,298,777</u>
Total net debt applicable to the limit as a percentage of debt limit	15.04%	8.83%	9.02%	8.31%	7.04%	5.82%	4.75%	3.87%	2.73%	2.27%

Legal Debt Margin Calculation for Fiscal Year 2017

Taxable assessed value	\$ 130,688,915
Add back: exempt real property	<u>19,317,803</u>
Total assessed value	150,006,718
Debt limit (50% of total assessed value)	75,003,359
Debt applicable to limit:	
General Obligation bonds	2,175,000
Less: Amount set aside for repayment of general obligation debt	<u>470,418</u>
Total net debt applicable to limit	<u>1,704,582</u>
Legal debt margin	\$ <u>73,298,777</u>

Source: Comprehensive Annual Financial Report

Notes:

(1) The debt limit is 50% of total assessed value. This percentage is in accordance with Act 103 or 1980 Regular Session of the Louisiana Legislature R.S. 39:562 (O).

Table 14

CLAIBORNE PARISH SCHOOL BOARD
Homer, Louisiana

Demographic and Economic Statistics
Last Ten Fiscal Years

Fiscal Year Ended June 30	Population	Personal Income	Per Capita Personal Income	School Enrollment	Percentage on Free & Reduced Meals	Unemployment Rate
2009	17,230	\$ 471,562,000	\$ 27,369	2,349	72.4%	9.1%
2010	17,153	492,508,000	28,713	2,200	76.5%	9.2%
2011	17,195	485,651,000	28,244	2,105	73.0%	8.9%
2012	16,914	485,651,000	28,713	1,832	72.9%	8.9%
2013	16,828	499,216,710	29,666	1,731	72.8%	7.7%
2014	16,650	540,675,450	32,473	1,746	82.4%	8.0%
2015	16,412	541,530,352	32,996	1,652	83.1%	7.6%
2016	16,295	530,255,595	32,541	1,724	82.9%	7.3%
2017	16,132	581,300,488	36,034	1,725	82.1%	6.7%
2018	15,969	553,261,974	34,646	1,730	79.8%	5.4%

Sources:

- (1) Population data obtained from U.S. Census Bureau
- (2) School enrollment and free and reduced meals obtained from Louisiana Department of Education.
- (3) Unemployment rate obtained from U. S. Department of Labor.
- (4) Personal Income data obtained from U.S. Bureau of Economic Analysis

Table 15

CLAIBORNE PARISH SCHOOL BOARD
Homer, Louisiana

Principal Employers
Current Year and 2009 Fiscal Year

	Fiscal Year 2018			Fiscal Year 2009		
	Number of Employees		% of Total Employment	Number of Employees		% of Total Employment
Wade Correctional Center	745	1	13.40%	249	2	4.14%
Claiborne Parish School Board	267	2	4.80%	500	1	8.31%
XTO Energy	300	3	5.39%			
Homer Memorial Hospital	232	4	4.17%	99	4	1.64%
Covalence Specialty Coatings	190	5	3.42%			
Berry Plastics	117	6	2.10%			
Claiborne Parish *	110	7	1.98%			
Heritage Nursing Center	98	8	1.76%			
Key Energy Services	95	9	1.71%			
Presbyterian Village- Homer Inc.	85	10	1.53%	75	5	1.25%
Claiborne Manor Nursing Home				50	6	0.83%
Ludlow Corp.				175	3	2.91%
UTI				50	7	0.83%
Superior foods				50	8	0.83%
La Wood Moulding Co. Inc.				50	9	0.83%
Walmart Stores Inc.				50	10	0.83%

*includes Sheriff's office, Parish Clerk's office & the detention center

Sources:

- (1) North Louisiana Economic Partnership
- (2) U.S. Department of Labor
- (3) Number of employees information for 2009 is an estimate.

Table 16

CLAIBORNE PARISH SCHOOL BOARD
Homer, Louisiana

School Personnel
Fiscal Years Ended June 30, 2009 through June 30, 2018

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Teachers										
Bachelor	122	123	117	85	81	68	68	67	134	64
Master	34	33	31	28	24	24	22	23	39	20
Master +30	30	27	25	24	18	16	13	12	28	12
Ph.D or Ed.D	<u>2</u>	<u>2</u>	<u>2</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total	188	185	175	138	124	109	103	102	201	96
Principals & Assistants										
Bachelor	0	2	2	1	0	0	1	1	2	0
Master	4	6	5	4	7	8	4	3	6	4
Master +30	10	9	6	5	4	1	3	4	8	4
Ph.D or Ed.D	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>2</u>	<u>1</u>
Total	14	17	13	10	11	10	9	9	18	9

Source:

2009-2017 Agreed upon procedures report on performance and statistical data accompanying the annual financial statements.

2018 Claiborne Parish School Board

CLAIBORNE PARISH SCHOOL BOARD
Homer, Louisiana

School Building Information
June 30, 2018

<u>Instructional Sites</u>	<u>Date Constructed</u>	<u>Enrollment</u>	<u>Grades Taught</u>
High Schools:			
Haynesville Jr/Sr School	1932	325	5-12
Homer High School	1926	203	9-12
Summerfield High School	1956	297	K-12
Middle Schools:			
Homer Jr. High School	1985	248	6-8
Elementary Schools:			
Haynesville Elementary School	1958	260	K-4
Homer Elementary School	1955	397	K-5
Total		<u>1,730</u>	

Sources:

(1) Claiborne Parish School Board

Notes: This table does not include Claiborne Parish students attending Junction City, Arkansas schools. The primary function of the School Board includes instruction and school food service. Enrollment counts are as of October 1st and include preschool students.

CLAIBORNE PARISH SCHOOL BOARD
Homer, Louisiana

Operating Statistics
For the Fiscal Years Ended June 30, 2009 through June 30, 2018

Fiscal Year Ended June 30	Expenses	Enrollment	Cost Per Pupil	Percentage Change	Teaching Staff	Pupil/ Teacher Ratio
2009	\$ 27,069,158	2,349	\$ 11,524	11.85%	188	12.49
2010	26,830,474	2,200	12,196	5.83%	185	11.89
2011	26,625,237	2,105	12,649	3.71%	175	12.03
2012	24,016,805	1,832	13,110	3.65%	138	13.28
2013	22,431,196	1,731	12,959	-1.15%	124	13.96
2014	21,345,524	1,746	12,225	-5.66%	109	16.02
2015	19,952,056	1,652	12,078	-1.21%	103	16.04
2016	19,057,350	1,724	11,054	-8.48%	102	16.90
2017	21,491,849	1,730	12,423	12.38%	201	8.61
2018	24,339,843	1,730	14,069	13.25%	96	18.02

Notes:

- (2) Expenses are on full accrual and is extracted from Table 2, Changes in Net Position.
- (3) Enrollment is extracted from Table 14, Demographic and Economic Statistics.
- (4) Teaching staff is extracted from Table 16, School Personnel.

**Claiborne Parish School Board
Homer, Louisiana**

**Single Audit Report
For the Year Ended June 30, 2018**

**Claiborne Parish School Board
Table of Contents**

Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With <i>Government Auditing Standards</i>	5-6
Report on Compliance For Each Major Federal Program; Report on Internal Control Over Compliance; and Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance	7-9
Schedule of Expenditures of Federal Awards	10
Notes to the Schedule of Expenditures of Federal Awards	11
Schedule of Findings and Questioned Costs	12-13
OTHER INFORMATION	14
Status of Prior Year Audit Findings and Questioned Costs	15
Corrective Action Plan for Current Year Findings and Questioned Costs	16
Status of Prior Year Management Letter Item	17
AGREED UPON PROCEDURES	18
Independent Accountant's Report on Applying State-wide Agreed-Upon Procedures	19-27
Independent Accountant's Report on Applying BESE Agreed-Upon Procedures	28-30
Schedules of Performance and Statistical Data Prepared by Management	31-32

Claiborne Parish School Board

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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*

Independent Auditor's Report

Board Members
Claiborne Parish School Board
Homer, 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, each major fund, and the aggregate remaining fund information of Claiborne Parish School Board, as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the School Board's basic financial statements, and have issued our report thereon dated December 31, 2018.

Internal Control Over Financial Reporting

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

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

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 School Board'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 School Board's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Although the intended use of these reports may be limited, under Louisiana Revised Statute 24:513, this report is distributed by the Office of the Louisiana Legislative Auditor as a public document.

Allen Green & Williamson, LLP

ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana
December 31, 2018



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(Retired) 1963 - 2000

Report on Compliance For Each Major Federal Program; Report on Internal Control Over Compliance; and Report on the Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

Independent Auditor's Report

Board Members
Claiborne Parish School Board
Homer, Louisiana

Report on Compliance for Each Major Federal Program

We have audited Claiborne Parish School Board's 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, 2018. 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 the 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 a legal determination of the School Board's compliance.

Opinion on Each Major Federal Program

In our opinion, the School Board complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2018.

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance which is required to be reported in accordance with the Uniform Guidance and which is described in the accompanying schedule of findings and questioned costs as item 2018-001. Our opinion on each major federal program is not modified with respect to this matter.

The School Board's response to the noncompliance finding identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs and the Corrective Action Plan for Current Year Findings and Questioned Costs. The School Board's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

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

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we did identify a certain deficiency in internal control over compliance, described in the accompanying Schedule of Findings and Questioned Costs as item 2018-001 that we consider to be a significant deficiency.

The School Board's response to the internal control over compliance finding identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs and Corrective Action Plan for Current Year Findings and Questioned Costs.

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

Although the intended use of these reports may be limited, under Louisiana Revised Statute 24:513, this report is distributed by the Office of the Louisiana Legislative Auditor as a public document.

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

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the School Board, as of and for the year ended June 30, 2018 and the related notes to the financial statements, which collectively comprise the School Board's basic financial statements. We issued our report thereon dated December 31, 2018, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 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 schedule of expenditure of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Allen, Green & Williamson, LLP

ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana
December 31, 2018

**Claiborne Parish School Board
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2018**

	<u>CFDA Number</u>	<u>Pass-Through Grantor</u>	<u>Expenditures</u>	
FEDERAL AWARDS				
United States Department of Agriculture				
Passed through Louisiana Department of Education:				
Child Nutrition Cluster:				
Cash Assistance:				
School Breakfast Program	10.553	NONE	\$ 268,344	
National School Lunch Program	10.555	NONE	752,352	
Non-cash Assistance - Commodities	10.555	NONE	<u>97,962</u>	\$ 1,118,658
Schools and Roads - Forestry	10.665	NONE		<u>28,569</u>
Total United States Department of Agriculture				<u>1,147,227</u>
United States Department of Education				
Passed Through Louisiana Department of Education:				
Title I Grants to Local Educational Agencies	84.010A	28-18-T1-14 28-18-RD18-14	1,070,901 <u>67,560</u>	1,138,461
Special Education Cluster:				
Grants to States (Part B)	84.027A	28-18-B1-14	471,516	
Preschool Grants	84.173A	28-18-P1-14	<u>36,681</u>	508,197
Vocational Education:				
Basic Grants to States	84.048	28-18-02-14		5,299
Rural Education Achievement Program (Title V)	84.358B	28-18-RE-14		22,407
Title II Part A Improving Teacher Quality	84.367A	28-18-50-14		167,468
Striving Readers Comprehensive Literacy	84.371C	28-18-SR03-14		82,107
Student Support and Academic Enrichment (Title IV)	84.424A	28-18-71-14		<u>24,768</u>
Total United States Department of Education				<u>1,948,707</u>
TOTAL FEDERAL AWARDS				<u>\$ 3,095,934</u>

Claiborne Parish School Board
Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2018

NOTE 1 - GENERAL The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") includes the Federal award activity of Claiborne Parish School Board under programs of the federal government for the year ended June 30, 2018. The information in this Schedule is presented in accordance with 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 or change in net position of the Claiborne Parish School Board.

NOTE 2 - BASIS OF ACCOUNTING Expenditures reported on the Schedule of Expenditures of Federal Awards are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE 3 - RELATIONSHIP TO BASIC FINANCIAL STATEMENTS Federal awards revenues are reported in the School Board's basic financial statements as follows:

Major fund:		
General Fund	\$	28,569
Nonmajor special revenue funds:		
School Food Service		1,118,658
Special Education		471,516
Title I		1,138,461
Title II		167,468
Rural Education Achievement Program		22,407
Vocational Education		5,299
Preschool		36,681
Striving Readers Comprehensive Literacy		82,107
Student Support and Academic Enrichment		24,768
Total	<u>\$</u>	<u>3,095,934</u>

NOTE 4 - RELATIONSHIP TO FEDERAL FINANCIAL REPORTS Amounts reported in the accompanying schedule agree with the amounts reported in the related federal financial reports except for changes made to reflect amounts in accordance with accounting principles generally accepted in the United States of America.

NOTE 5 - MATCHING REVENUES For those funds that have matching revenues and state funding, federal expenditures were determined by deducting matching revenues from total expenditures.

NOTE 6 - NONCASH PROGRAMS The commodities received, which are noncash revenues, are valued using prices provided by the United States Department of Agriculture.

NOTE 7 - INDIRECT COST RATE Claiborne Parish School Board has not elected to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

**Claiborne Parish School Board
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2018**

Part I - Summary of the Auditor's results

Financial Statement Audit

- i. The type of audit report issued was unmodified.
- ii. There were no significant deficiencies required to be disclosed by Government Auditing Standards, issued by the Comptroller General of the United States of America.
- iii. There were no instances of noncompliance considered material, as defined by the Government Auditing Standards, to the financial statements.

Audit of Federal Awards

- iv. There was one significant deficiency required to be disclosed by the Uniform Guidance (2 CFR 200). The significant deficiency was not considered to be a material weakness.
- v. The type of report the auditor issued on compliance for major programs was unmodified.
- vi. The audit disclosed one finding which the auditor was required to report under the Uniform Guidance.
- vii. The major federal program is:

CFDA# 84.010A Title 1, Part A
- viii. The dollar threshold used to distinguish between Type A and Type B programs as described by the Uniform Guidance was \$750,000.
- ix. The auditee does qualify as a low-risk auditee under the Uniform Guidance.

**Claiborne Parish School Board
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2018**

Part III-Findings and questioned costs for federal awards which are required to be reported under the Uniform Guidance:

Reference # and title: 2018-001 Title 1 Targeting

Federal program and specific Federal award identification: This finding relates to Title I, Part A CFDA #84.010A for Federal Award Year 2017, received from Federal Agency: U.S. Department of Education passed through Louisiana Department of Education.

Criteria or specific requirement: Federal guidelines require that the School Board determine which schools are eligible to participate in Title I, Part A based on poverty measures for children between the ages of 5 to 17.

Condition found: When tracing the enrollment numbers reported in the targeting calculation to proper support, it was noted that preschool students were included in the targeting calculation in error.

Context: The targeting calculation is completed by the School Board annually to determine eligibility and funding allocations. The exceptions noted above appear to be systemic.

Possible asserted effect (cause and effect):

Cause: The student enrollment counts were prepopulated by the State and the amounts were not properly reviewed by the School Board prior to submission.

Effect: The School Board may not be in compliance with eligibility requirements related to the Title I program.

Recommendation to prevent future occurrences: Procedures should be established to ensure members included in the Title I targeting calculation agrees to underlying supporting documentation, as well as that preschool students are not included in the calculation.

Origination date and prior year reference (if applicable): This finding is first reported in the fiscal year ended June 30, 2018.

View of Responsive Official: The School Board agrees with auditors' finding. The Title I Supervisor will review targeting information pre-populated by LDOE to ensure the information is correct.

OTHER INFORMATION

CLAIBORNE PARISH SCHOOL BOARD

Post Office Box 600
415 East Main
Homer, Louisiana 71040-0600
Phone: (318) 927-3502 Fax: (318) 927-9184
www.claibornepsb.org

**Status of Prior Year Audit Findings and Questioned Costs
as of June 30, 2018**

Reference # and title: 2017-001 Late Submission of Audit Report to Legislative Auditor

Entity-Wide or program/department specific: This finding is entity-wide.

Condition: R.S. 24:513 A (5)(a)(i) requires that "...audits shall be completed within six months of the close of the entity's fiscal year." The School Board's audit report should be submitted to the Louisiana Legislative Auditor by December 31st each year.

The School Board's audit report for the fiscal year ending June 30, 2017 was not completed within the six month deadline as per R.S. 24:513 A (5)(a)(i).

Corrective action taken: The School Board will strive to file the required reports in a timely manner in the future. This finding is considered cleared in the current year.

Respectfully submitted,



Terri Fedrick, Business Manager

CLAIBORNE PARISH SCHOOL BOARD

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415 East Main
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Corrective Action Plan for Current Year Findings and Questioned Costs June 30, 2018

Reference # and title: 2018-001 Title 1 Targeting

Federal program and specific Federal award identification: This finding relates to Title I, Part A CFDA #84.010A for Federal Award Year 2017, received from Federal Agency: U.S. Department of Education passed through Louisiana Department of Education.

Condition: Federal guidelines require that the School Board determine which schools are eligible to participate in Title I, Part A based on poverty measures for children between the ages of 5 to 17.

When tracing the enrollment numbers reported in the targeting calculation to proper support, it was noted that preschool students were included in the targeting calculation in error.

Corrective action planned: The Title I Supervisor will review targeting information pre-populated by LDOE to ensure the information is correct.

Person responsible for corrective action plan:

Terri Fedrick, Business Manager Telephone: 318-927-3502
Claiborne Parish School Board Fax: 318-927-9184
P O Box 600
Homer, LA 71040

Anticipated Completion: Immediately.

Respectively submitted:



Terri Fedrick, Business Manager

"An Equal Opportunity Employer"

Claiborne Parish School Board
Status of Prior Year Management Letter Item
June 30, 2018

2017-M1 Misappropriation of Funds

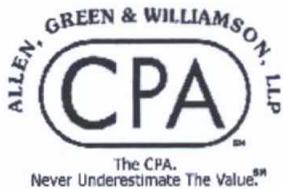
Comment: The School Board should ensure that proper internal controls are designed at each school to prevent or detect fraud and abuse in a timely manner.

In April 2017, the auditor was notified that the School Board was actively investigating a suspicion of misappropriation of funds involving candy sales by an extra-curricular Sponsor at a school. Following further investigation, it was determined that there were boxes of candy that were unaccounted for, and the revenue for those boxes was not deposited into the school's bank account. When the Superintendent discussed this matter with the extra-curricular Sponsor, the employee resigned their position and agreed to pay restitution of approximately \$640 to the school for the estimated total of missing funds. Formal charges have not been filed related to this matter. During the investigation, the Superintendent and Business Manager contacted the District Attorney and Louisiana Legislative Auditor, as required by State law. There is currently no further investigation considered necessary into this matter.

Recommendation: The School Board should continue to monitor financial records for school activity and should ensure school administration and employees are trained on proper controls over collections.

Management's Response: The School Board feels that our internal controls are effective due to the facts of the situation. The principal of the school immediately reported the suspicion of the misappropriation of funds to the Superintendent. Action was taken immediately to recover any missing funds. The Superintendent reported the incident to the District Attorney, Legislative Auditor, and external auditors as is required by law. All missing funds were recovered. This matter is considered cleared in the current year.

AGREED UPON PROCEDURES



ALLEN, GREEN & WILLIAMSON, LLP

CERTIFIED PUBLIC ACCOUNTANTS

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Jennie Henry, CPA
Mallory Stone, CPA
Audit Manager: Margie Williamson, CPA

Ernest L. Allen, CPA
(Retired) 1963 - 2000

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING STATEWIDE AGREED-UPON PROCEDURES

Board Members
Claiborne Parish School Board
Homer, Louisiana

We have performed the procedures enumerated below, which were agreed to by the management of Claiborne Parish School Board, Homer, Louisiana, and the Louisiana Legislative Auditor (LLA) on the control and compliance areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the period April 1, 2017 through March 31, 2018. The School Board's management is responsible for the control and compliance areas identified in these Statewide Agreed-Upon Procedures. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures and associated findings are as follows:

Written Policies and Procedures

1. Obtain and inspect the entity's written policies and procedures and observe that they address each of the following categories and subcategories (if applicable to public funds and the entity's operations):
 - a) **Budgeting**, including preparing, adopting, monitoring, and amending the budget
 - b) **Purchasing**, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the public bid law; and (5) documentation required to be maintained for all bids and price quotes.
 - c) **Disbursements**, including processing, reviewing, and approving
 - d) **Receipts/Collections**, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g. periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).
 - e) **Payroll/Personnel**, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked.

- f) **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process
- g) **Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases)
- h) **Travel and expense reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers
- i) **Ethics** including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirement that all employees, including elected officials, annually attest through signature verification that they have read the entity's ethics policy.
- j) **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

Comment: When reviewing the applicable written policies and procedures for the required elements, the following exceptions were noted:

- **Purchasing-** Written policies did not discuss required elements of how purchases are initiated, how vendors are added to the vendor list and the preparation and approval process for purchase requisitions and purchase orders.
- **Disbursements-** Unable to locate written policies and procedures.
- **Receipts/Collections-** Unable to locate written policies and procedures.
- **Payroll/Personnel-** Written policies did not discuss required elements of reviewing and approving time and attendance records, including leave and overtime worked.
- **Contracting-** Written policies did not discuss types of services requiring written contracts, standard terms and conditions, legal review, approval process, and monitoring process
- **Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)-** Written policy did not address requirement elements of required approvers.
- **Travel and expense reimbursement-** Written policy did not discuss required elements of dollar thresholds by category of expense, documentation requirements, and required approvers
- **Ethics-** Written policy did not discuss required elements of actions to be taken if an ethics violation takes place, system to monitor possible ethics violations, and requirement that all employees, including elected officials, annually attest through signature verification that they have read the entity's ethics policy.
- **Debt Service-** Written policy did not discuss required elements of continuing disclosure/EMMA reporting requirements, debt reserve requirements, and debt service requirements.

Management's Response: The Business Office along with the Superintendent will examine each policy and procedure noted above to determine any changes required in order for the policy to be more effective in the desired goal of effective controls over all financial areas within the School Board. The policy manual will be updated with any changes deemed necessary.

Board or Finance Committee

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

- a) Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.
- b) For those entities reporting on the governmental accounting model, observe that the minutes referenced or included monthly budget-to-actual comparisons on the general fund and major special revenue funds, as well as monthly financial statements (or budget-to-actual comparisons, if budgeted) for major proprietary funds. *Alternately, for those entities reporting on the non-profit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.*
- c) For governmental entities, obtain the prior year audit report and observe the unrestricted fund balance in the general fund. If the general fund had a negative ending unrestricted fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unrestricted fund balance in the general fund.

Comment: It was noted that the board minutes did not include reference to budget-to-actual comparisons for two months, November 2017 and December 2017.

Management's Response: The November, 2017 and December, 2017 financial information was included in the financial report presented to the Board at the January 11, 2018 meeting of the Board. The report presented was financial information for the period of July, 2017 through December, 2017.

Bank Reconciliations

3. Obtain a listing of client bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for selected each account, and observe that:
 - a) Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated, electronically logged);
 - b) Bank reconciliations include evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and
 - c) Management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

Comment: A sample of five bank accounts were selected for testing. It was noted that three bank reconciliations reviewed did not include evidence of review by a member of management/board member who does not handle cash, post ledger, or issue checks. It was also noted that one bank reconciliation did not include evidence that items outstanding for more than 12 months have been researched.

Management's Response: The bank reconciliations are now being reviewed by the School Lunch Supervisor. The outstanding checks have been reviewed and cleared from bank reconciliations as of May, 2018.

Collections

4. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).

5. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e. 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:
 - a) Employees that are responsible for cash collections do not share cash drawers/registers.
 - b) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g. pre-numbered receipts) to the deposit.
 - c) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.
 - d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions are not responsible for collecting cash, unless another employee verifies the reconciliation.
6. Inquire of management that all employees who have access to cash are covered by a bond or insurance policy for theft.
7. Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3 under "Bank Reconciliations" above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *Alternately, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and:
 - a) Observe that receipts are sequentially pre-numbered.
 - b) Trace sequentially pre-numbered receipts, system reports, and other related collection
 - c) Trace the deposit slip total to the actual deposit per the bank statement.
 - d) Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100).
 - e) Trace the actual deposit per the bank statement to the general ledger.

Comment: No exceptions were noted as a result of applying agreed upon procedures.

Non-Payroll Disbursements (excluding card purchases/payments, travel reimbursements, and petty cash purchases)

8. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).
9. For each location selected under #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:

- a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.
 - b) At least two employees are involved in processing and approving payments to vendors.
 - c) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.
 - d) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.
10. For each location selected under #8 above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction and:
- a) Observe that the disbursement matched the related original invoice/billing statement.
 - b) Observe that the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

Comment: When reviewing personnel and processed for disbursements for a sample of five location, there were two exceptions noted where the same employee was responsible for processing payments, as well as having access to edit vendor information; however, it was noted that there is a mitigating control where the business manager reviews all check registers before the disbursement is recorded or payment is made to the vendor. There was one exception noted where the location reviewed did not have at least two people involved in initiating a purchase request and approving the purchase. There were three exceptions with the same employees mailing the checks and processing the payments. When testing a sample of five disbursements from each location reviewed, there were five exceptions noted where at least two employees were not involved in initiating and approving the purchase.

Management's Response: The Business Office has limited staff available due to the Claiborne Parish School District being a rural small district. Every effort is made to segregate duties in each position or to have mitigating controls in place to offset this problem. The Business Manager reviews every payment in accounts payable and payroll for fraudulent vendor/employees. Having signed off on all invoices (including School Lunch and Sales Tax invoices) and new employees being paid, there is a high probability that the Business Manager would recognize a questionable payment. All journal entries made are manually reviewed before posting to accounts payable or payroll for any questionable transactions. The Superintendent also reviews accounts payable and payroll registers, manual journal entries recording ACH transactions for payment of retirement and payroll. The chairperson of the finance committee also reviews and signs all invoices. All schools sent a copy of the bank statement along with their monthly financials and these are reviewed by the Business Manager and Superintendent who questions any check copies within the bank statement not containing two signatures or if there is a question concerning the expenditure/vendor.

Credit Cards/Debit Cards/Fuel Cards/P-Cards

- 11. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.
- 12. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtain supporting documentation, and:

- a) Observe that there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) was reviewed and approved, in writing, by someone other than the authorized card holder. [Note: Requiring such approval may constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); these instances should not be reported.]
 - b) Observe that finance charges and late fees were not assessed on the selected statements.
13. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e. each card should have 10 transactions subject to testing). For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only).

Comment: There were no exceptions noted as a result of applying agreed upon procedures.

Travel and Travel-Related Expense Reimbursements (excluding card transactions)

14. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:
- a) If reimbursed using a per diem, agree the reimbursement rate to those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).
 - b) If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.
 - c) Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1h).
 - d) Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Comment: A sample of five travel reimbursements was selected for testing. There was one exception noted where the mileage rate used for reimbursement did not agree to the State approved reimbursement rate. Per School Board policy, mileage should be reimbursed at the State approved rate.

Management's Response: The one exception noted was when an employee used an old travel form for reimbursement. The Business Manager and Accounts Payable Clerk make every effort to correct travel forms when the correct form is not used reflecting the current mileage rate.

Contracts

15. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *Alternately, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:

- a) Observe that the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.
- b) Observe that the contract was approved by the governing body/board, if required by policy or law (e.g. Lawrason Act, Home Rule Charter).
- c) If the contract was amended (e.g. change order), observe that the original contract terms provided for such an amendment.
- d) Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.

Comment: These procedures were not required to be tested in the current year, due to no exceptions being noted in the prior year.

Payroll and Personnel

16. Obtain a listing of employees/elected officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees/officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.
17. Randomly select one pay period during the fiscal period. For the 5 employees/officials selected under #16 above, obtain attendance records and leave documentation for the pay period, and:
 - a) Observe that all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, an elected official is not eligible to earn leave and does not document his/her attendance and leave. However, if the elected official is earning leave according to policy and/or contract, the official should document his/her daily attendance and leave.)
 - b) Observe that supervisors approved the attendance and leave of the selected employees/officials.
 - c) Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.
18. Obtain a listing of those employees/officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees/officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations, agree the hours to the employee/officials' cumulate leave records, and agree the pay rates to the employee/officials' authorized pay rates in the employee/officials' personnel files.
19. Obtain management's representation that employer and employee portions of payroll taxes, retirement contributions, health insurance premiums, and workers' compensation premiums have been paid, and associated forms have been filed, by required deadlines.

Comment: When reviewing attendance and leave documentation for a sample of five employees for one pay period, it was noted that timesheets were not reviewed and approved by a supervisor for one employee and that timesheets could not be provided for one employee for that pay period.

Management's Response: The exceptions noted were for a Central Office employee. As of November, 2018, all Central Office employees are required to keep time sheets and are approved by the Superintendent.

Ethics

20. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above obtain ethics documentation from management, and:
 - a. Observe that the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.
 - b. Observe that the documentation demonstrates each employee/official attested through signature verification that he or she has read the entity's ethics policy during the fiscal period.

Comment: When reviewing the ethics training documentation for a sample of five employees, there was one exception noted where proof of completion of the required ethics training course could not be provided. It was also noted that documentation could not be provided showing that the five employees attested through signature verification that they read the entity's ethics policy during the fiscal period.

Management's Response: All employees and new hires will be required to sign a verification that they read the School Board's ethics policy. The School Board requires all employees to complete the required ethics training and give the certificate to the Human Resources Supervisor.

Debt Service

21. Obtain a listing of bonds/notes issued during the fiscal period and management's representation that the listing is complete. Select all bonds/notes on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each bond/note issued.
22. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants.

Comment: These procedures were not required to be tested in the current year, due to no exceptions being noted in the prior year.

Other

23. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled.
24. Observe that the entity has posted on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

Comment: These procedures were not required to be tested in the current year, due to no exceptions being noted in the prior year.

We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on those control and compliance areas identified in the SAUPs. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

The purpose of this report is solely to describe the scope of testing performed on those control and compliance areas identified in the SAUPs, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the LLA as a public document.

Allen, Green & Williamson, LP

ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana
December 31, 2018



ALLEN, GREEN & WILLIAMSON, LLP

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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING BESE AGREED-UPON PROCEDURES

Board Members
Claiborne Parish School Board
Homer, Louisiana

We have performed the procedures enumerated below, which are agreed to by the management of the Claiborne 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 the Claiborne Parish School Board for the fiscal year ended June 30, 2018; 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), in compliance with Louisiana Revised Statute 24:514(I.) Management of the School Board is responsible for the 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 described below either for the purpose for which this report has been requested or for any other purpose.

The procedures and associated findings are as follows:

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

1. We selected a sample of 25 transactions, reviewed supporting documentation, and observed that the sampled expenditures/revenues are classified correctly and are reported in the proper amounts among the following amounts reported on the schedule:

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

Comment: There were no exceptions noted as a result of applying agreed upon procedures.

Class Size Characteristics (Schedule 2)

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

Comment: There were two exceptions noted where the number of students per the roll book did not agree to the number of students per the class size reported to the State.

Management's Response: The School Board will determine the reason for the discrepancy and correct to ensure in the future roll books agree with the class size reported to the state.

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

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

Comment: There were no exceptions noted as a result of applying agreed upon procedures.

Public Staff Data: Average Salaries (No Schedule)

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

Comment: There were no exceptions noted as a result of applying agreed upon procedures.

This agreed-upon procedures engagement was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants, and the standards applicable to 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 Claiborne Parish School Board, as required by Louisiana Revised Statute 24:514(I) and the results of the testing, and not to provide an opinion on the sufficiency of the procedures. Accordingly this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Allen, Green & Williamson, LLP
ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana
December 31, 2018

CLAIBORNE PARISH SCHOOL BOARD
Homer, Louisiana

Schedule 1

**General Fund Instructional and Support Expenditures
and Certain Local Revenue Sources
For the Year Ended June 30, 2018**

	Column A	Column B
<u>General Fund Instructional and Equipment Expenditures</u>		
General Fund Instructional Expenditures:		
Teacher and Student Interaction Activities:		
Classroom Teacher Salaries	\$ 4,037,379	
Other Instructional Staff Salaries	619,420	
Instructional Staff Employee Benefits	2,830,242	
Purchased Professional and Technical Services	58,487	
Instructional Materials and Supplies	128,296	
Instructional Equipment	-	
Total Teacher and Student Interaction Activities	-	\$ 7,673,824
Other Instructional Activities		67,154
Pupil Support Services	1,018,277	
Less: Equipment for Pupil Support Services	-	
Net Pupil Support Services	-	1,018,277
Instructional Staff Services	980,603	
Less: Equipment for Instructional Staff Services	-	
Net Instructional Staff Services	-	980,603
School Administration	1,168,453	
Less: Equipment for School Administration	-	
Net School Administration	-	1,168,453
Total General Fund Instructional Expenditures (Total of Column B)		10,908,311
Total General Fund Equipment Expenditures (Object 730; Function Series 1000-4000)		-
<u>Certain Local Revenue Sources</u>		
Local Taxation Revenue:		
Ad valorem Taxes		
Constitutional Ad Valorem Taxes		691,945
Renewable Ad Valorem Tax		1,906,998
Debt Service Ad Valorem Tax		545,222
Up to 1% of Collections by the Sheriff on Taxes Other than School Taxes		91,908
Penalties/Interest on Ad Valorem Taxes		270
Taxes Collected Due to Tax Incremental Financing (TIF)(Ad Valorem)		-
Sales Taxes		
Sales and Use Taxes - Gross		2,739,124
Sales/Use Taxes - Court Settlement		-
Penalties/Interest on Sales/Use Taxes		-
Sales/Use Taxes Collected Due to TIF		-
Total Local Taxation Revenue		5,975,467
Local Earnings on Investment in Real Property:		
Earnings from 16th Section Property		-
Earnings from Other Real Property		1,029
Total Local Earnings on Investment in Real Property		1,029
State Revenue in Lieu of Taxes:		
Revenue Sharing - Constitutional Tax		28,045
Revenue Sharing - Other Taxes		74,085
Revenue Sharing - Excess Portion		-
Other Revenue in Lieu of Taxes		-
Total State Revenue in Lieu of Taxes		102,130
Nonpublic Textbook Revenue		9,516
Nonpublic Transportation Revenue	\$	-

CLAIBORNE PARISH SCHOOL BOARD
Homer, Louisiana

Schedule 2

Class Size Characteristics
As of October 1, 2017

School Type	Class Size Range							
	1 - 20		21 - 26		27 - 33		34+	
	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Elementary	16.50%	94	33.60%	51	0.00%	0	0.00%	0
Elementary Activity Classes	0.00%	0	0.00%	0	0.00%	0	0.00%	0
Middle/Jr. High	15.10%	86	13.80%	21	0.00%	0	16.70%	1
Middle/Jr. High Activity Classes	1.10%	6	0.00%	0	0.00%	0	0.00%	0
High	13.00%	74	20.40%	31	0.00%	0	0.00%	0
High Activity Classes	3.20%	18	0.00%	0	0.00%	0	0.00%	0
Combination	44.70%	254	31.60%	48	55.56%	5	50.00%	3
Combination Activity Classes	6.30%	36	0.70%	1	44.44%	4	33.30%	2

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