

Webster Parish School Board

Minden, Louisiana



Comprehensive Annual Financial Report
For the Year Ending June 30, 2019

WEBSTER PARISH SCHOOL BOARD
Minden, Louisiana

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

Johnnye Kennon
President

Johnny Rowland
Superintendent

Crevonne J. Odom
Director of Business & Finance

Prepared by the Department of Finance

Webster Parish School Board

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INTRODUCTORY SECTION



Johnnye Kennon
President

Charles Strong
Vice-President

WEBSTER PARISH SCHOOL BOARD

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1442 Sheppard Street

Minden, Louisiana 71058-0520

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Telephone: (318) 377-7052

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Johnny Rowland, Jr.
Superintendent

Kevin J. Washington
Assistant Superintendent

Letter of Transmittal

March 24, 2020

Mrs. Johnnye Kennon, President
Webster Parish School Board Members and Citizens
of Webster Parish
Minden, Louisiana

The Comprehensive Annual Financial Report of the Webster Parish School Board (School Board) for the year ended June 30, 2019, is submitted herewith. This report has been prepared by the Finance Department personnel following the guidelines recommended by the Association of School Business Officials International and the Government Finance Officers Association of the United States of America and Canada.

The Webster Parish School Board is located in the northwest corner of the state and is a part of the economic "hub" for this region. Located in the middle of the population center of North America, 40 million people live within a 500-mile radius of Webster Parish. Major markets such as Dallas/Fort Worth, New Orleans, Little Rock, Memphis, and Jackson can be reached in little more than a half day's drive or less. The accessibility to several major thoroughfares such as Interstate 20 and Interstate 49 has contributed to numerous decisions to locate in Webster Parish.

A diversified economic base is reflective of the many natural resources of the area such as oil and natural gas production, forestry, agriculture, paper products and silica mining. A broad variety of manufacturing includes production of portable communication buildings, dump truck trailers, metal fabrication, fishing tackle, corrugated boxes, industrial air louvers and dampers, and farm machinery. The South Webster Industrial District Park is 320 acres of improved land, offering all utilities and on-site rail. The Shreveport Regional Airport and Port of Shreveport-Bossier are each just 40 minutes west of the industrial park.

From primary education to advanced training, numerous education and training opportunities abound for the people of Webster Parish. The public school system includes 9 elementary, 2 middle, and 4 high schools. Northwest Louisiana Technical College offers skill training and upgrading, and works closely with area business and industry to provide industry-specific training. Advanced education is easily attained through the nearby colleges and universities. Louisiana Tech University, Grambling State University, Bossier Parish Community College, Louisiana State University-Shreveport, Southern University-Shreveport/Bossier and Centenary College are less than an hour drive away.

The current number of students as of October 1, 2018 was 5,998. Projected enrollment for fiscal year end 2019-2020 is 5,929. Our current facilities range in age from 65 years to 1 year.

A. Management Responsibility Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the School Board. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the School Board. All disclosures necessary to enable the reader to gain an understanding of the School Board's financial activities have been included.

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

The School Board is required to undergo an annual single audit in conformity with the Single Audit Act Amendments of 1996 and Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Information related to this single audit includes the Schedule of Expenditures of Federal Awards, findings and recommendations, if applicable, and auditor's reports on the internal control and compliance with applicable laws and regulations. The single audit report is issued separately from this Comprehensive Annual Financial Report.

The School Board provides a full range of educational services appropriate to grade levels Pre-K through 12. These include providing instructional personnel, instructional materials, instructional facilities, food service facilities, administrative support, business services, systems operations, plant maintenance, and bus transportation. These basic services are supplemented by a wide variety of offerings in the fine arts and athletics.

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

The financial statements present the Webster Parish School Board. Based on the above criteria, there are no component units that should be included in the School Board's reporting entity.

C. Internal Control Management of the School Board is responsible for establishing and maintaining internal control designed to ensure that the assets of the School Board are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with accounting principles generally accepted in the United States of America. Internal control is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

We believe the School Board's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

As a recipient of federal, state and local financial assistance, the School Board also is responsible for ensuring that adequate internal control is in place to ensure compliance with applicable laws and regulations related to those programs.

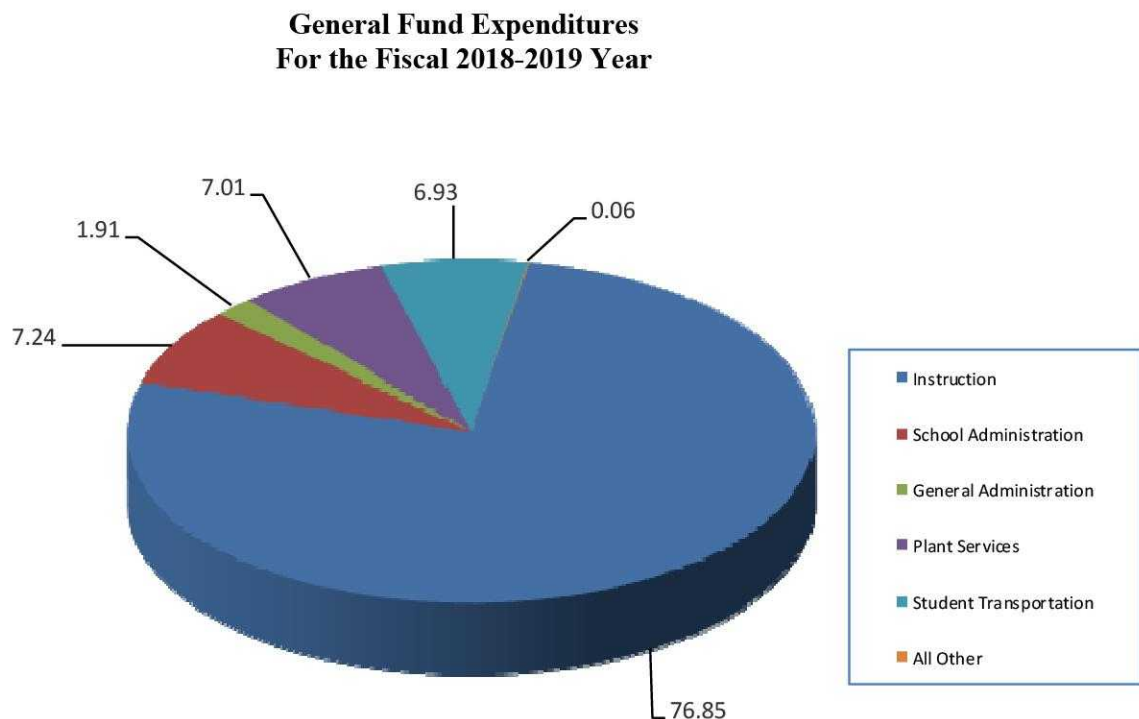
As a part of the School Board's single audit described earlier, tests are made to determine the adequacy of internal control, including that portion related to federal awards programs, as well as to determine that the School Board has complied with applicable state and local laws and regulations.

D. Budgetary Controls In addition, the School Board maintains budgetary controls to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the School Board. Activities of the General fund and special revenue funds are included in the annual appropriated budget. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established by function by fund. School Board policy provides that expenditures within a fund may not exceed appropriations by more than five percent. Revisions to the budget require School Board approval.

E. Long-term Financial Planning The Webster Parish School Board has several construction projects slated to begin in fiscal year 2019-2020. District #6, Minden area, has secured general obligation bonds to provide some renovations at Jones and Richardson Elementary and some additions at Minden High School. Consolidated District #3 will be using their maintenance funds to provide a new parking lot, driveway, storage building, and baseball field backstop for Lakeside Jr.-Sr. High School. Also, Central Elementary School will be using Consolidated District #3 Maintenance funds to provide some renovations to their gym. District #7 (Doyline) Maintenance funds will provide funds for renovations to their gym and parking lot. The estimated completion dates for our construction projects will be during the 2021-2022 fiscal year.

F. Major Initiatives The districts main focuses are 1) to improve our School Performance Scores; 2) to improve our technology opportunities for all students; and 3) update our facilities through either renovations or additions.

G. Service Efforts and Accomplishments Each year our school system ranks in the top 10% of all school districts in the state for the percentage of total General fund expenditures spent on instruction. We are proud to say that 76.85% of total General fund expenditures (as defined by the Louisiana Department of Education) for the 2018-2019 school year was for instruction. Few school districts in the state ranked higher. The following chart illustrates the percentage spent on instruction and other expenditure functions for the 2018-2019 school year:




H. Independent Audits The report of our independent certified public accountants, Allen, Green & Williamson, LLP, follows as an integral component of this report. Their audit of the basic financial statements and accompanying combining and individual fund statements and schedules was performed in accordance with auditing standards generally accepted in the United States of America and, accordingly, included a review of the School Board's system of budgetary and accounting controls. The single audit report, as discussed earlier in this transmittal letter, is issued separately from this Comprehensive Annual Financial Report.

I. Awards The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting and the Association of School Business Officials International (ASBO) awarded a Certificate of Excellence in Financial Reporting to the School Board for its Comprehensive Annual Financial Report for the year ended June 30, 1998 and each year since. To be awarded these certificates, a government unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, whose contents conform to program standards. Such reports must satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements. These certificates are valid for a period of one year only.

We believe our current report continues to conform to the certificate requirements, and we are submitting it to both GFOA and ASBO.

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


Johnny Rowland
Superintendent
Crevonne J. Odom
Director of Business & Finance



Government Finance Officers Association

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

Presented to

**Webster Parish School Board
Louisiana**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2018

Christopher P. Morill

Executive Director/CEO



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

Webster Parish School Board

**for its Comprehensive Annual Financial Report (CAFR)
for the Fiscal Year Ended June 30, 2018.**

The CAFR meets the criteria established for
ASBO International's Certificate of Excellence.



A handwritten signature in black ink, appearing to read 'Tom Wohlleber'.

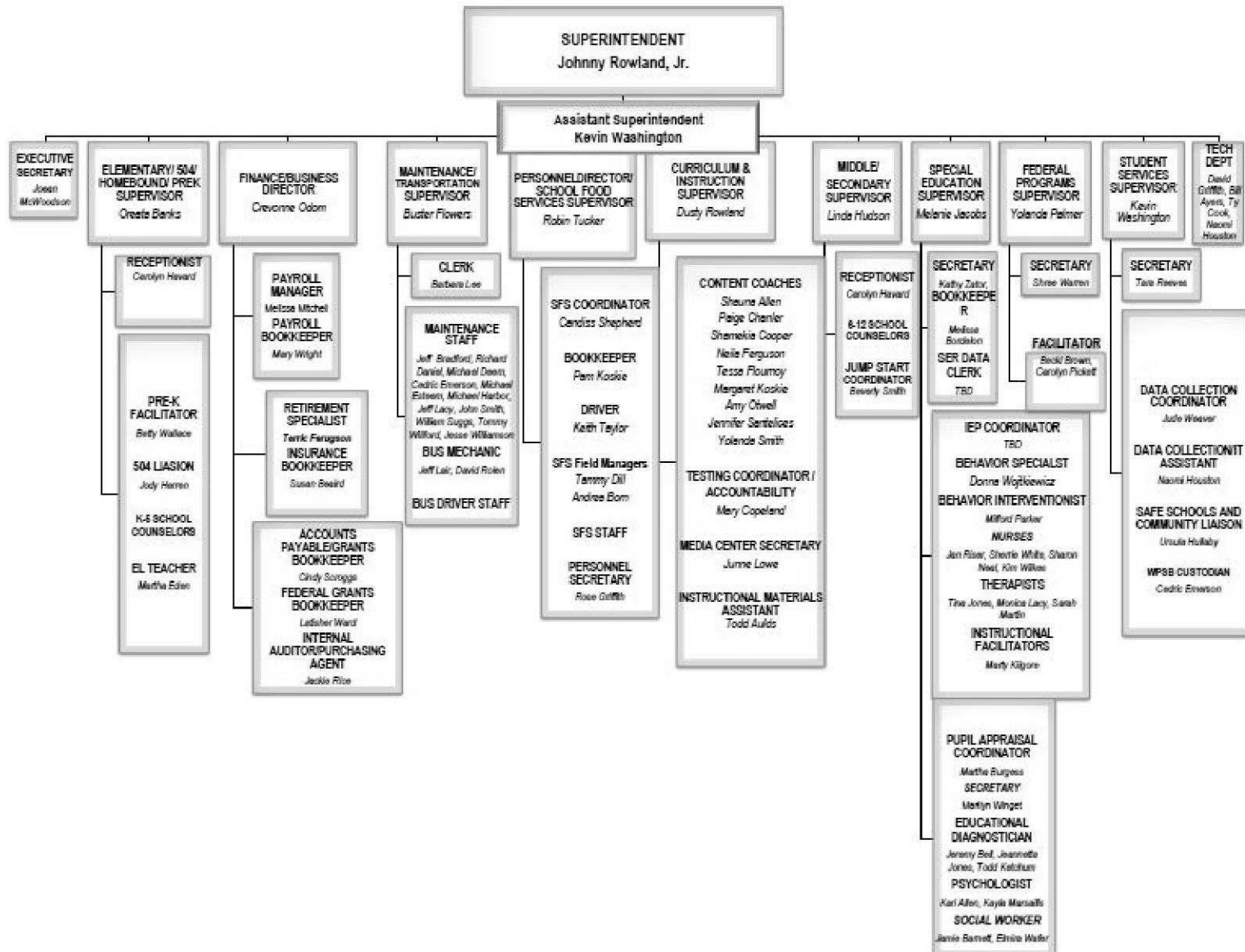
Tom Wohlleber, CSRM
President

A handwritten signature in black ink, appearing to read 'David J. Lewis'.

David J. Lewis
Executive Director

Webster Parish School Board

Organizational Chart June 30, 2019



Webster Parish School Board

Elected Officials June 30, 2019

| <u>Board Member</u> | <u>District</u> |
|--------------------------------|-----------------|
| Johnnye Kennon, President | 10 |
| Charles Strong, Vice President | 3 |
| Ronnie Broughton | 8 |
| Margaret Edens | 1 |
| Linda Kinsey | 7 |
| Penny Long | 12 |
| Jerry Lott | 11 |
| Fred Evans | 6 |
| Frankie Mitchell | 9 |
| Jeri O'Neal | 4 |
| Malachi Ridgel | 2 |
| Ronald Rhymes | 5 |

Webster Parish School Board

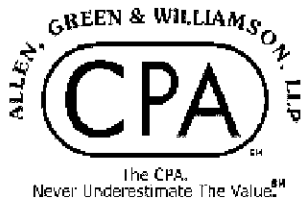
Selected Administrative Officials June 30, 2019

| | |
|--------------------------|--|
| Johnny Rowland | Superintendent |
| Kevin Washington | Assistant Superintendent Supervisor of Student Services |
| Linda Hudson | Supervisor of Secondary Education |
| Melanie Jacobs | Supervisor of Special Education |
| Oreata Banks | Supervisor of Elementary Education |
| Dusty Rowland | Supervisor of Curriculum and Instruction |
| Yolanda Palmer | Supervisor of Federal Programs |
| Crevonne Odom | Director of Business & Finance |
| Robin Tucker | Personnel Director Supervisor of School Food Services |
| Willard “Buster” Flowers | Supervisor of Maintenance & Transportation |
| David Griffith | Technology Coordinator |

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FINANCIAL SECTION

ALLEN, GREEN & WILLIAMSON, LLP



CERTIFIED PUBLIC ACCOUNTANTS

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Amy Tynes, CPA, CFE
Aimee Buchanan, CPA
Principal: Cindy Thomason, CPA

Jennie Henry, CPA, CFE
Austin Hogue, CPA
Crystal Patterson, CPA
Mallory Stone, CPA
Audit Manager: Margie Williamson, CPA

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

Independent Auditor's Report

Board Members
Webster Parish School Board
Minden, 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 Webster Parish School Board, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the School Board's basic financial statements 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 Webster Parish School Board, as of June 30, 2019, 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.

Emphasis of Matters

As disclosed in Note 7 to the financial statements, the net position liability for the School Board was \$65,276,603 at June 30, 2019, as determined by the Teachers' Retirement System, of Louisiana (TRSL), and Louisiana School Employees' Retirement System (LSERS). The related actuarial valuations were performed by TRSL's and LSERS's actuaries using various assumptions. Because actual experience may differ from the assumptions used, there is a risk that this amount at June 30, 2019, could be under or overstated. Our opinion is not modified with respect to this matter.

As discussed in Note 8 to the financial statements, the other post-employment benefits (OPEB) Liability for the School Board was \$83,896,598 at June 30, 2019 related to its participation in a single-employer other post-employment benefit plan. The related actuarial valuation was performed by the School Board's actuary using various assumptions. Because actual experience may differ from the assumptions used, there is a risk that this amount at June 30, 2019, could be under or overstated. Our opinion is not modified with respect to this matter.

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 Changes in the School Board's 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 Budgetary Comparison Schedules, and the notes to the required supplementary information, 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

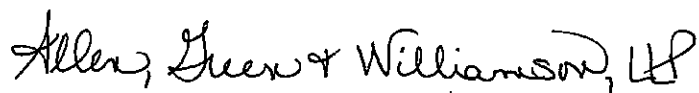
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Webster Parish School Board's basic financial statements. The accompanying supplementary information, as listed in the table of contents, and the other information, such as the introductory and statistical sections, 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, 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, under a separate cover, our report dated March 24, 2020 on our consideration of the Webster Parish 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 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.

A handwritten signature in black ink that reads "Allen, Green & Williamson, LLP". The signature is written in a cursive, flowing style.

ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana

March 24, 2020

Webster Parish School Board

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REQUIRED SUPPLEMENTARY INFORMATION

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

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

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

FINANCIAL HIGHLIGHTS Our financial statements provide these insights into the results of this year's operations:

The liabilities and deferred inflows of resources of the School Board exceeded its assets and deferred outflows of resources at the close of fiscal year 2019 by \$70.4 million (net position). Of this amount, a deficit of \$129.6 million represents unrestricted net position, which is the amount that the School Board may need to meet its ongoing obligations.

The School Board's increase in net position of \$8.5 million was mainly due to a decrease in the School Board's net pension liability and changes in deferred outflows of resources related to pensions and due to an overall reduction in operating expenses.

Total spending for all our governmental activities was \$66.3 million for the year. Most of the School Board's property and sales taxes were used to support the net cost (after deducting restricted grants and fees charged to users) of these five areas: regular programs \$22.5 million, special programs \$7.6 million, school administration \$3.6 million, plant services \$5.9 million, and student transportation \$3.8 million.

At June 30, 2019, the School Board's governmental funds reported a combined fund balances of \$46.9 million, an increase of \$2.6 million in comparison with prior year. \$7.4 million or 16% of the combined fund balance is available for spending at the government's discretion (unassigned fund balance). 100% of the unassigned fund balance is reported in the General fund.

At the end of the current year, unrestricted fund balance (the total of the committed, assigned and unassigned components of fund balance) for the General fund was \$8.1 million, or approximately 17% of total General fund expenditures.

During the 2019 fiscal year, the School Board paid \$4.3 million dollars in bond principal payments. The net outstanding debt was reduced by \$4.5 million for a net outstanding balance of \$65.9 million at the end of the current fiscal year.

USING THIS COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR)

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so that the reader can understand Webster Parish School Board as an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The Statement of Net Position and the Statement of Activities provide information about the activities of the School Board as a whole, presenting both an aggregate view of the School Board's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. These statements tell how services were financed in the short-term as well as what remains for future spending. Fund statements also may give some insights into the School Board's overall financial health. Fund financial statements 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 - such as the School Board's General fund, Sales Tax District 6 fund, 96 Sales Tax fund and Title I fund. 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.

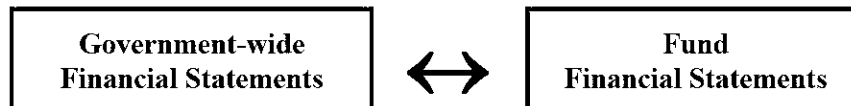
**Webster Parish School Board
Management's Discussion and Analysis (MD&A)
June 30, 2019**

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| Comprehensive Annual Financial Report |
| <u>Introductory Section</u> Transmittal Letter Awards for Excellence in Financial Reporting Organizational Chart Elected Officials and Selected Administrative Officers |
| <u>Financial Section</u> (Details outlined in the next chart) |
| <u>Statistical Section</u> Financial Trends Revenue Capacity Debt Capacity Demographic and Economic Information Operating Information |

| |
|---------------------------------|
| <u>Financial Section</u> |
|---------------------------------|

Required Supplementary Information
Management's Discussion & Analysis (MD&A)

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| Basic Financial Statements |
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| Notes to the Financial Statements |
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Required Supplementary Information
Schedule of Changes in the School Board's Total OPEB Liability and Related Ratios
Schedule of Employer's Proportionate Share of the Net Pension Liability
Schedule of Employer Contributions to Pension Plans
Budgetary Comparison Schedules

Other Supplementary Information
Nonmajor Funds Combining Statements & Budgetary Information
Agency Funds Statements/Schedules
Schedule of Compensation Paid Board Members
Schedule of Compensation, Benefits and Other Payments to Agency Head

Our auditor has provided assurance in the independent auditor's report, located immediately preceding this Management's Discussion and Analysis, that the Basic Financial Statements are fairly stated. The auditor has also provided varying degrees of assurance regarding the Required Supplementary Information and the Supplementary 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.

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

The School Board assumes full responsibility for the accuracy of the Introductory and Statistical Sections as they were prepared without the association of the independent auditors.

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, 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 nonfinancial 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 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 a reconciliation on Statements D and F.

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

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. All of the School Board's fiduciary activities are reported in the Statements of Fiduciary Assets and Liabilities. These activities are excluded 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 had a deficit net position of \$70.4 million at June 30, 2019 for governmental activities. Of this amount, the unrestricted net position had a deficit of \$129.6 million. Restricted net position is 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 change in net position (Table 2) of the School Board's governmental activities.

Table 1
Net Position
(in millions)
June 30,

| | Governmental Activities | | |
|----------------------------------|-------------------------|-----------|----------|
| | 2019 | 2018 | Variance |
| Other assets | \$ 54.0 | \$ 51.8 | \$ 2.2 |
| Capital assets | 83.1 | 85.1 | (2.0) |
| Total assets | 137.1 | 136.9 | 0.2 |
| Deferred outflows of resources | 26.6 | 14.8 | 11.8 |
| Other liabilities | 7.6 | 8.0 | (0.4) |
| Long-term liabilities | 217.5 | 215.0 | 2.5 |
| Total liabilities | 225.1 | 223.0 | 2.1 |
| Deferred inflows of resources | 9.0 | 7.6 | 1.4 |
| Net position | | | |
| Net investment in capital assets | 22.0 | 19.0 | 3.0 |
| Restricted | 37.2 | 35.5 | 1.7 |
| Unrestricted | (129.6) | (133.4) | 3.8 |
| Total net position | \$ (70.4) | \$ (78.9) | \$ 8.5 |

The largest portion of the School Boards net position (\$37.2 million) represents resources that are subject to external restrictions on how they may be used. The second largest (\$22.0 million) reflects its investment in capital assets (land, buildings, furniture and equipment), less accumulated depreciation and any related outstanding debt plus any unspent bond proceeds and deferred charges on refundings. Although the School Board's investment in capital assets is reported net of related debt, it should be noted that the resources used to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. The remaining deficit fund balance of \$129.6 million is unrestricted and represents the amount the School Board may need to meets its ongoing obligations.

During the current fiscal year, net position for governmental activities increased \$8.5 million from the prior fiscal year for an ending balance of \$(70.4) million. This increase is mainly due to a decrease in the School Board's net pension liability and changes in deferred outflows of resources related to pensions and due to an overall reduction in

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

operating expenses. The results of this year's operations for the School Board, as a whole, are reported in the Statement of Activities. Table 2 takes the information from that Statement, rounds off the numbers, and rearranges them slightly so you can see our total revenues for the year.

Table 2
Changes in Net Position
(in millions)
For the Years Ended June 30,

| | <u>2019</u> | <u>2018</u> | <u>Variance</u> |
|--|------------------|------------------|-----------------|
| Governmental Activities: | | | |
| Net Position – beginning | \$ (78.9) | \$ (34.9) | \$ (44.0) |
| Revenues: | | | |
| Program revenues | | | |
| Charges for services | 0.1 | 0.1 | - |
| Operating grants and contributions | 10.0 | 9.4 | 0.6 |
| Capital grants and contributions | 0.7 | 0.7 | - |
| General revenues | | | |
| Ad valorem taxes | 11.5 | 11.9 | (0.4) |
| Sales taxes | 13.9 | 14.6 | (0.7) |
| Minimum Foundation Program | 37.2 | 37.8 | (0.6) |
| Other general revenues | 1.4 | 1.0 | 0.4 |
| Total revenues | <u>74.8</u> | <u>75.5</u> | <u>(0.7)</u> |
| Functions/Program Expenses: | | | |
| Instruction | | | |
| Regular programs | 22.5 | 25.6 | (3.1) |
| Special programs | 8.9 | 9.5 | (0.6) |
| Other instructional programs | 5.5 | 5.4 | 0.1 |
| Support services | | | |
| Student services | 2.3 | 2.6 | (0.3) |
| Instructional staff support | 2.6 | 2.7 | (0.1) |
| General administration | 2.8 | 1.7 | 1.1 |
| School administration | 3.6 | 3.8 | (0.2) |
| Business services | 0.9 | 0.6 | 0.3 |
| Plant services | 6.6 | 4.9 | 1.7 |
| Student transportation services | 3.8 | 2.2 | 1.6 |
| Central services | 0.2 | 0.2 | - |
| Food Services | 4.6 | 4.9 | (0.3) |
| Interest on long-term debt | 2.0 | 2.1 | (0.1) |
| Total expenses | <u>66.3</u> | <u>66.2</u> | <u>0.1</u> |
| Increase (decrease) in net position | 8.5 | 9.3 | (0.8) |
| Prior period adjustment | <u>-</u> | <u>(53.3)</u> | <u>53.3</u> |
| Net Position – ending | <u>\$ (70.4)</u> | <u>\$ (78.9)</u> | <u>\$ 8.5</u> |

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

GOVERNMENTAL ACTIVITIES As reported in the Statement of Activities included later in the government-wide financial statements, the cost of all of our governmental activities this year was \$66.3 million. However, the amount that our taxpayers ultimately financed for these activities through School Board taxes and general revenues was only \$55.5 million because some of the cost was paid by those who benefited from the programs (\$0.1 million) or by other governments and organizations who subsidized certain programs with grants and contributions (\$10.7 million). We paid for the remaining "public benefit" portion of our governmental activities with \$37.2 million in state Minimum Foundation Program funds and \$18.3 million with taxes and our other revenues, like interest and general entitlements.

In the table below, we have presented the cost of each of the School Board's five largest functions - regular programs, special programs, other instructional programs, plant services, and food services, as well as each program's net cost (total cost less revenues generated by the activities).

As discussed above, net cost shows the financial burden that was placed on the School Board's taxpayers by each of these functions. Providing this information allows our citizens to consider the cost of each function in comparison to the benefits they believe are provided by that function.

Table 3
For the Years Ended June 30,
(in millions)

| | <u>2019</u> | | <u>2018</u> | |
|------------------------------|--------------------|--------------------|--------------------|--------------------|
| | <u>Total Cost</u> | <u>Net Cost</u> | <u>Total Cost</u> | <u>Net Cost</u> |
| | <u>of Services</u> | <u>of Services</u> | <u>of Services</u> | <u>of Services</u> |
| Regular programs | \$ 22.5 | \$ 22.5 | \$ 25.6 | \$ 25.6 |
| Special programs | 8.9 | 7.6 | 9.5 | 8.1 |
| Other instructional programs | 5.5 | 1.6 | 5.4 | 2.1 |
| Plant services | 6.6 | 5.9 | 4.9 | 4.3 |
| Food services | 4.6 | 1.1 | 4.9 | 1.4 |
| All others | 18.2 | 16.8 | 15.9 | 14.4 |
| Totals | <u>\$ 66.3</u> | <u>\$ 55.5</u> | <u>\$ 66.2</u> | <u>\$ 55.9</u> |

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.

As the School Board completed this year, our governmental funds reported a combined fund balance of \$46.9 million, an increase of \$2.6 million in comparison with prior year. Approximately 16% of the amount (\$7.4 million) constitutes unassigned fund balance, which is available for spending at the government's discretion. The remainder of the fund balance is either nonspendable, restricted, committed or assigned to indicate that it is 1) not in spendable form (\$238 thousand), 2) restricted for particular purposes (\$38.9 million), 3) committed for particular purposes (\$125 thousand), or 4) assigned for particular purposes (\$246 thousand).

The General fund is our principal operating fund. During the current fiscal year, unassigned fund balance of the General fund was \$8.0 million while the total fund balance increased to \$9.1 million. As a measure of the General fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total General fund expenditures. Unassigned fund balance represents approximately 17% of the total General fund expenditures, while total fund balance represents approximately 20% of that same amount.

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

The fund balance of the General fund increased by \$523 thousand during the current fiscal year. In comparison with prior year, General fund revenues decreased \$788 thousand mainly due a reduction in sales tax collections and in MFP funding. Expenses decreased \$556 thousand due to an overall reduction in expenses.

The Sales Tax District 6 fund balance increased \$1.4 million during the current fiscal year for an ending fund balance of \$8.5 million. Revenues decreased slightly (\$15 thousand) in comparison with prior year. Expenditures decreased by \$1.6 million due mainly to not having any capital outlay expenditures in the current fiscal year as opposed to the prior fiscal year's \$1.7 million.

The 96 Sales Tax fund balance increased \$625 thousand during the current fiscal year for an ending fund balance of \$10.9 million. Revenues decreased \$227 thousand mainly due to a decrease in sales tax collections. Expenses increased \$255 thousand due to the annual salary step increases.

The Title I fund balance neither increased nor decreased since it is a cost-reimbursement fund.

The Nonmajor Governmental fund balance decreased \$11 thousand to \$18.4 million. In the current fiscal year, the School Board transferred the residual fund balances, earned from the respective district's ad valorem tax levy for construction and/or maintenance, from the Sarepta, Cotton Valley, Doyline, and Dubberly Heflin Sibley capital project funds to the respective district's maintenance special revenue fund leaving the unspent bond proceeds in the in the district's capital project 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 major funds original and final budget amounts compared with actual amounts paid and received is provided later in this report as Required Supplementary Information. The budgeted amount is based on many different factors such as student count and known revenues and expenditures that can be reasonably predicted or have been planned for. The original budget is approved as per state statute by September 15 of each year. As the school year passes, the budget is revised to reflect the actual amounts that are received or spent during the year.

The General fund's original budgeted amounts available for appropriations was increased by \$149 thousand, mainly affected by an amendment to increase the original beginning fund balances for available for appropriations (\$1.7 million) offset by decreases in sales tax revenue (\$699 thousand), Minimum Foundation Program (\$621 thousand) and in other state sources (\$425 thousand).

The original budgeted charges to appropriations was decreased by \$953 thousand, mainly affected by an amendment to address the overall reduction in expenses.

In comparing the final budget to actual results, the actual amounts exceeded the budgeted amounts available for appropriations by \$208 thousand due to increase in the other state sources such as CDF and SCA funding. Actual charges to appropriations were \$657 thousand less than the budget, mostly due to the School Board's overall reduction in the expenditures. We take a conservative approach in our budgeting for revenues and expenditures.

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

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets At June 30, 2019, the School Board had \$83.1 million invested in a broad range of capital assets as shown below. This amount represents a net decrease (including additions, and deductions) of \$2.0 million, or 2% percent, from last year.

**Capital Assets at June 30,
(in millions)**

| | <u>Governmental Activities</u> | | |
|--------------------------|--------------------------------|----------------|-----------------|
| | 2019 | 2018 | Variance |
| Land | \$ 0.7 | \$ 0.7 | \$ - |
| Construction in progress | - | 0.5 | (0.5) |
| Buildings | 79.0 | 81.0 | (2.0) |
| Furniture and equipment | 0.6 | 0.7 | (0.1) |
| Transportation equipment | 2.8 | 2.2 | 0.6 |
| Totals | <u>\$ 83.1</u> | <u>\$ 85.1</u> | <u>\$ (2.0)</u> |

The School Board had \$2.3 million in capital asset additions during the current fiscal year. Major additions included \$481 thousand for construction in progress and \$947 thousand for transportation equipment. The School completed and placed into operations \$1.0 million in buildings from construction in progress. More detailed information about our capital assets is presented in Note 6 of the notes to the financial statements.

DEBT ADMINISTRATION At June 30, 2019, the School Board had \$52.6 million in general obligation debt outstanding with maturities from 2021 to 2036 with interest rates ranging from 1.0% to 5.0%.

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 as per LA Revised Statute 39:562(O). At June 30, 2019, the School Board's net bonded debt of \$53.6 million (total bonded debt, net of premiums of \$1.3 million less fund balance in debt service funds of \$3.7 million plus restricted fund balance associated with QSCB revenue bonds of \$3.4 million) was below the legal limit of \$153.3 million.

| | <u>Amount</u> | <u>Debt per Capita</u> |
|---|---------------|----------------------------|
| Net direct general obligation bonded debt, 2019 | \$53.6 | \$1,381 |
| Net direct general obligation bonded debt, 2018 | 57.0 | 1,449 |
| Net direct general obligation bonded debt, 2017 | 59.9 | 1,508 |

The School Board maintained an A bond rating from Standard and Poor's.

Other obligations include compensated absences, other post-employment benefits (OPEB) obligation, workers' compensation claims, and net pension liability. We present more detailed information concerning our long-term liabilities activity in Note 7, Note 8 and Note 12 of the notes to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES Our elected and appointed officials and citizens consider many factors when setting the School Board's fiscal year budget and tax rates. One of the most important factors affecting the budget is our student count. The 2019-2020 budgets were adopted on September 9, 2019 based on an estimate of students that will be enrolled on October 1. The October 1 student count affects our Minimum Foundation Program (MFP) funding from the State. Approximately 50% of total revenue is from the MFP.

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

We have projected for the 2019-2020 fiscal year with no major uncertainties anticipated for the future.

On July 31, 2019, Minden District No. 6 of the Webster Parish School Board issued \$16.0 million in general obligation bonds to fund various capital projects within District #6. The bonds were issued at a premium of \$1.2 million, with interest rates ranging from 2% to 5% and will be payable over the next 20 years with final payment due on March 1, 2039.

CONTACTING THE SCHOOL BOARD'S FINANCIAL MANAGEMENT Our financial report is designed to provide our citizens, taxpayers, parents, students, and investors and creditors with an overall review of the School Board's financial activities for the fiscal year ended June 30, 2019. The intent of this discussion and analysis is to look at the School Board's financial performance as a whole; readers should also review the letter of transmittal, notes to the financial statements and financial statements to enhance their understanding of the School Board's financial performance.

For further information, contact Crevonne J. Odom, Director of Business and Finance, P. O. Box 520, Minden, LA 71058-0520, or by telephone at (318) 377-7052.

BASIC FINANCIAL STATEMENTS

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

WEBSTER PARISH SCHOOL BOARD

STATEMENT OF NET POSITION

June 30, 2019

| | Statement A |
|---|----------------------------|
| | GOVERNMENTAL ACTIVITIES |
| ASSETS | |
| Cash and cash equivalents | \$ 47,112,026 |
| Investments | 3,528,720 |
| Receivables | 3,051,645 |
| Inventory | 129,383 |
| Prepaid items | 190,180 |
| Capital assets: | |
| Land and construction in progress | 727,337 |
| Depreciable capital assets, net of depreciation | 82,420,065 |
| TOTAL ASSETS | 137,159,356 |
| DEFERRED OUTFLOWS OF RESOURCES | |
| Deferred charges on refundings | 3,589,120 |
| Deferred outflows related to OPEB | 9,667,523 |
| Deferred outflows related to pensions | 13,331,371 |
| TOTAL DEFERRED OUTFLOWS OF RESOURCES | 26,588,014 |
| LIABILITIES | |
| Accounts, salaries and other payables | 6,992,070 |
| Unearned revenue | 113,717 |
| Interest payable | 538,644 |
| Long-term liabilities: | |
| Long-term debt due within one year | 5,051,893 |
| Long-term debt due in more than one year | 63,246,076 |
| OPEB liability | 83,896,598 |
| Net pension liability | 65,276,603 |
| TOTAL LIABILITIES | 225,115,601 |
| DEFERRED INFLOWS OF RESOURCES | |
| Deferred inflows related to pensions | 9,008,289 |
| TOTAL DEFERRED INFLOWS OF RESOURCES | 9,008,289 |
| NET POSITION | |
| Net investment in capital assets | 22,033,208 |
| Restricted for: | |
| Protested taxes | 44,939 |
| Workers' compensation | 275,000 |
| Salaries, benefits and retirees insurance | 10,120,826 |
| Technology, utilities, buses and air conditioning | 1,325,346 |
| Debt service | 3,746,527 |
| Capital projects | 82,879 |
| Facility improvements | 20,814,604 |
| Grant funds | 801,218 |
| Unrestricted | (129,621,067) |
| TOTAL NET POSITION | \$ (70,376,520) |

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

WEBSTER PARISH SCHOOL BOARD

STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2019

Statement B

| FUNCTIONS/PROGRAMS | PROGRAM REVENUES | | | | NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION |
|--|------------------|-------------------------|--|--|--|
| | EXPENSES | CHARGES FOR SERVICES | OPERATING GRANTS AND CONTRIBUTIONS | CAPITAL GRANTS AND CONTRIBUTIONS | |
| Governmental activities: | | | | | |
| Instruction: | | | | | |
| Regular programs | \$ 22,524,103 | \$ - | \$ 13,252 | \$ - | \$ (22,510,851) |
| Special programs | 8,856,742 | - | 1,303,540 | - | (7,553,202) |
| Other instructional programs | 5,520,269 | - | 3,956,679 | - | (1,563,590) |
| Support services: | | | | | |
| Student services | 2,317,240 | - | 153,404 | - | (2,163,836) |
| Instructional staff support | 2,568,986 | - | 741,381 | - | (1,827,605) |
| General administration | 2,821,391 | - | 450,479 | - | (2,370,912) |
| School administration | 3,615,802 | - | - | - | (3,615,802) |
| Business services | 847,833 | - | - | - | (847,833) |
| Plant services | 6,620,037 | - | - | 723,124 | (5,896,913) |
| Student transportation services | 3,766,083 | - | - | - | (3,766,083) |
| Central services | 185,150 | - | - | - | (185,150) |
| Food services | 4,567,093 | 100,504 | 3,355,167 | - | (1,111,422) |
| Community service programs | 20,000 | - | - | - | (20,000) |
| Interest on long-term debt | 2,022,568 | - | - | - | (2,022,568) |
| Total Governmental Activities | \$ 66,253,297 | \$ 100,504 | \$ 9,973,902 | \$ 723,124 | (55,455,767) |
| General revenues: | | | | | |
| Taxes: | | | | | |
| Property taxes, levied for general purposes | | | | | 2,846,778 |
| Property taxes, levied for construction & maintenance | | | | | 3,265,463 |
| Property taxes, levied for debt services | | | | | 5,428,791 |
| Sales taxes | | | | | 13,859,959 |
| Grants and contributions not restricted to specific programs | | | | | |
| State revenue sharing | | | | | 281,596 |
| Minimum Foundation Program | | | | | 37,157,276 |
| Other grants and contributions | | | | | 20,786 |
| Interest and investment earnings | | | | | 492,589 |
| Miscellaneous | | | | | 670,856 |
| Total general revenues | | | | | 64,024,094 |
| Changes in net position | | | | | 8,568,327 |
| Net position - beginning | | | | | (78,944,847) |
| Net position - ending | | | | | \$ (70,376,520) |

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

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BASIC FINANCIAL STATEMENTS
FUND FINANCIAL STATEMENTS (FFS)

WEBSTER PARISH SCHOOL BOARD

**GOVERNMENTAL FUNDS
Balance Sheet
June 30, 2019**

| | GENERAL | SALES TAX DISTRICT 6 | 96 SALES TAX |
|--|----------------------|---------------------------------|----------------------|
| ASSETS | | | |
| Cash and cash equivalents | \$ 11,623,084 | \$ 8,365,640 | \$ 10,746,367 |
| Investments | 99,925 | - | - |
| Receivables | 743,262 | 146,213 | 505,024 |
| Interfund receivables | 2,284,140 | - | - |
| Inventory | - | - | - |
| Prepaid items | 190,180 | - | - |
| TOTAL ASSETS | 14,940,591 | 8,511,853 | 11,251,391 |
| LIABILITIES AND FUND BALANCES | | | |
| Liabilities: | | | |
| Accounts, salaries and other payables | 5,784,850 | 59,948 | 352,685 |
| Interfund payables | 13,767 | - | - |
| Unearned revenue | - | - | - |
| TOTAL LIABILITIES | 5,798,617 | 59,948 | 352,685 |
| Fund Balances: | | | |
| Nonspendable | 190,180 | - | - |
| Restricted | 852,584 | 8,451,905 | 10,898,706 |
| Committed | 124,898 | - | - |
| Assigned | - | - | - |
| Unassigned | 7,974,312 | - | - |
| TOTAL FUND BALANCES | 9,141,974 | 8,451,905 | 10,898,706 |
| TOTAL LIABILITIES AND FUND BALANCES | \$ 14,940,591 | \$ 8,511,853 | \$ 11,251,391 |

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

Statement C

| TITLE I | NONMAJOR GOVERNMENTAL | TOTAL |
|-------------------|----------------------------------|----------------------|
| \$ - | \$ 16,376,935 | \$ 47,112,026 |
| - | 3,428,795 | 3,528,720 |
| 978,452 | 678,694 | 3,051,645 |
| - | 13,767 | 2,297,907 |
| - | 129,383 | 129,383 |
| - | - | 190,180 |
| <u>978,452</u> | <u>20,627,574</u> | <u>56,309,861</u> |
| 266,149 | 528,438 | 6,992,070 |
| 711,900 | 1,572,240 | 2,297,907 |
| 403 | 113,314 | 113,717 |
| <u>978,452</u> | <u>2,213,992</u> | <u>9,403,694</u> |
| - | 47,693 | 237,873 |
| - | 18,703,994 | 38,907,189 |
| - | - | 124,898 |
| - | 246,062 | 246,062 |
| - | (584,167) | 7,390,145 |
| <u>-</u> | <u>18,413,582</u> | <u>46,906,167</u> |
| <u>\$ 978,452</u> | <u>\$ 20,627,574</u> | <u>\$ 56,309,861</u> |

Webster Parish School Board

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WEBSTER PARISH SCHOOL BOARD

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

| | | Statement D |
|--|---------------------|-------------------------------|
| Total fund balances - governmental funds | | \$ 46,906,167 |
| 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 | \$ 141,784,783 | |
| Accumulated depreciation | <u>(58,637,381)</u> | |
| | | 83,147,402 |
| Deferred outflows of resources are not available to pay current period expenditures and, therefore, are not reported in the governmental funds. | | 26,588,014 |
| Deferred inflows of resources are not due and payable in the current period and accordingly are not reported in the fund financial statements. | | (9,008,289) |
| 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, 2019 are: | | |
| Long-term liabilities | | |
| General obligation bonds | (52,560,000) | |
| Revenue bonds | (12,000,000) | |
| Bond premiums | (1,300,520) | |
| Workers' compensation claims | (231,394) | |
| Compensated absences | (2,206,055) | |
| OPEB liability | (83,896,598) | |
| Net pension liability | (65,276,603) | |
| Interest payable | <u>(538,644)</u> | |
| | | <u>(218,009,814)</u> |
| Net Position - Governmental Activities | | <u><u>\$ (70,376,520)</u></u> |

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

WEBSTER PARISH SCHOOL BOARD

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

| REVENUES | GENERAL | SALES TAX DISTRICT 6 | 96 SALES TAX |
|--|---------------------|-------------------------|---------------------|
| Local sources: | | | |
| Taxes: | | | |
| Ad valorem | \$ 2,846,778 | \$ - | \$ - |
| Sales and use | 5,595,472 | 1,701,197 | 6,079,381 |
| Interest earnings | 113,020 | 73,012 | 100,030 |
| Food service | - | - | - |
| Other | 573,528 | - | - |
| State sources: | | | |
| Equalization | 36,394,249 | - | - |
| Other | 565,067 | - | - |
| Federal sources | 66,706 | 723,124 | - |
| TOTAL REVENUES | 46,154,820 | 2,497,333 | 6,179,411 |
| EXPENDITURES | | | |
| Current: | | | |
| Instruction: | | | |
| Regular programs | 21,497,529 | 28,174 | 1,680,556 |
| Special programs | 7,076,406 | - | 535,127 |
| Other instructional programs | 2,105,351 | - | 79,857 |
| Support services: | | | |
| Student services | 2,066,185 | - | 135,999 |
| Instructional staff support | 1,756,856 | - | 139,352 |
| General administration | 346,461 | 26,518 | 119,021 |
| School administration | 3,604,556 | 984 | 233,782 |
| Business services | 616,618 | 2,484 | 40,470 |
| Plant services | 3,910,458 | 307,160 | 158,160 |
| Student transportation services | 3,497,534 | - | 1,068,252 |
| Central services | 207,509 | - | 13,277 |
| Food services | 14 | 6,125 | 221,132 |
| Community service programs | 20,000 | - | - |
| Capital outlay | - | - | - |
| Debt service: | | | |
| Principal retirement | - | - | - |
| Interest and bank charges | - | - | - |
| TOTAL EXPENDITURES | 46,705,477 | 371,445 | 4,424,985 |
| EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES | \$ (550,657) | \$ 2,125,888 | \$ 1,754,426 |

Statement E

| TITLE I | NONMAJOR GOVERNMENTAL | TOTAL |
|----------------|----------------------------------|---------------|
| \$ - | \$ 8,694,254 | \$ 11,541,032 |
| - | 483,909 | 13,859,959 |
| - | 206,527 | 492,589 |
| - | 100,504 | 100,504 |
| - | 81,264 | 654,792 |
| - | 763,027 | 37,157,276 |
| - | 184,583 | 749,650 |
| 3,377,523 | 6,082,405 | 10,249,758 |
| 3,377,523 | 16,596,473 | 74,805,560 |
| - | 78,752 | 23,285,011 |
| - | 1,303,540 | 8,915,073 |
| 3,115,502 | 477,504 | 5,778,214 |
| - | 153,404 | 2,355,588 |
| - | 786,792 | 2,683,000 |
| 262,021 | 526,110 | 1,280,131 |
| - | 12,618 | 3,851,940 |
| - | 125 | 659,697 |
| - | 2,366,760 | 6,742,538 |
| - | - | 4,565,786 |
| - | 1,986 | 222,772 |
| - | 4,409,277 | 4,636,548 |
| - | - | 20,000 |
| - | 1,121,206 | 1,121,206 |
| - | 4,335,000 | 4,335,000 |
| - | 1,834,249 | 1,834,249 |
| 3,377,523 | 17,407,323 | 72,286,753 |
| \$ - | \$ (810,850) | \$ 2,518,807 |

(CONTINUED)

WEBSTER PARISH SCHOOL BOARD

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

| | GENERAL | SALES TAX DISTRICT 6 | 96 SALES TAX |
|---|---------------------|---------------------------------|----------------------|
| OTHER FINANCING SOURCES (USES) | | | |
| Transfers in | \$ 1,073,696 | \$ - | \$ - |
| Transfers out | - | (692,187) | (1,129,361) |
| Insurance proceeds | - | - | - |
| | | | |
| TOTAL OTHER FINANCING SOURCES (USES) | <u>1,073,696</u> | <u>(692,187)</u> | <u>(1,129,361)</u> |
| | | | |
| Net Change in Fund Balances | 523,039 | 1,433,701 | 625,065 |
| | | | |
| FUND BALANCES - BEGINNING | <u>8,618,935</u> | <u>7,018,204</u> | <u>10,273,641</u> |
| | | | |
| FUND BALANCES - ENDING | <u>\$ 9,141,974</u> | <u>\$ 8,451,905</u> | <u>\$ 10,898,706</u> |

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

Statement E

| TITLE I | | NONMAJOR GOVERNMENTAL | TOTAL |
|----------------|---|----------------------------------|---------------|
| \$ | - | \$ 10,939,115 | \$ 12,012,811 |
| | - | (10,191,263) | (12,012,811) |
| | - | 51,867 | 51,867 |
| | - | 799,719 | 51,867 |
| | - | (11,131) | 2,570,674 |
| | - | 18,424,713 | 44,335,493 |
| \$ | - | \$ 18,413,582 | \$ 46,906,167 |

(CONCLUDED)

WEBSTER 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, 2019

Statement F

| | | |
|--|----|-----------|
| Total net change in fund balances - governmental funds | \$ | 2,570,674 |
|--|----|-----------|

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 depreciation expense exceeds capital outlays in the period:

| | | | |
|------------------------------|----|-------------|-------------|
| Capital outlays | \$ | 2,273,954 | |
| Depreciation expense | | (4,211,011) | |
| Capital asset disposals, net | | (35,803) | |
| | | | (1,972,860) |

| | | |
|--|--|-----------|
| 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. | | 4,510,538 |
|--|--|-----------|

| | | |
|--|--|-----------|
| Repayment of the principal of long-term debt consumes the current financial resources of governmental funds, but reduces long-term liabilities in the Statement of Net Position. | | 4,335,000 |
|--|--|-----------|

| | | |
|---|--|---------|
| Bond premiums are reported as financing sources in the governmental funds and thus contribute to the change in fund balance. In the Statement of Net Position, however, bond premiums increase long-term debt and are amortized over the life of the bonds. | | 115,992 |
|---|--|---------|

| | | |
|---|--|-----------|
| Deferred charges are reported in governmental funds as expenditures when debt is issued, whereas these amounts are deferred and amortized in the Statement of Activities. | | (339,787) |
|---|--|-----------|

| | | |
|---|--|--------|
| In the Statement of Activities, 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). | | 33,448 |
|---|--|--------|

| | | |
|--|--|-----------|
| Other post employment benefits are reported on a pay-as-you-go basis in the fund financial statements and are reported on the accrual basis in the government-wide statements. | | (585,683) |
|--|--|-----------|

| | | |
|---|--|--------|
| Interest on long-term debt in the Statement of Activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the Statement of Activities, however, interest expense is recognized as the interest accrues, regardless of when it is due. | | 35,476 |
|---|--|--------|

Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds:

| | | | |
|------------------------------|--|-----------|--|
| Worker's compensation claims | | (134,471) | |
|------------------------------|--|-----------|--|

| | | |
|---|----|-----------|
| Change in net position of governmental activities | \$ | 8,568,327 |
|---|----|-----------|

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

WEBSTER PARISH SCHOOL BOARD

FIDUCIARY FUND

Statement of Fiduciary Assets and Liabilities

June 30, 2019

Statement G

**AGENCY
FUND**

ASSETS

Cash and cash equivalents

\$ 908,431

TOTAL ASSETS

908,431

LIABILITIES

Deposits due others

908,431

TOTAL LIABILITIES

\$ 908,431

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

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

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES The accompanying financial statements of the Webster 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 Webster Parish School Board was created by Louisiana Revised Statute LSA-R.S. 17:51 to provide public education for the children within Webster Parish. The School Board is authorized by LSA-R.S. 17:81 to establish policies and regulations for its own government consistent with the laws of the State of Louisiana and the regulations of the Louisiana Board of Elementary and Secondary Education. The School Board is comprised of twelve members who are elected from twelve districts for terms of four years.

The School Board operates 15 schools within the parish with a total MFP enrollment of approximately 5,943 pupils, and total enrollment of 5,998 including PreK. In conjunction with the regular educational programs, some of these schools offer special education and/or adult education programs. In addition, the School Board provides transportation and school food services for the students.

GASB Statements establishes criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of these Statements, the School Board is considered a *primary government*, since it is a special purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments. Fiscally independent means that the School Board may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges, and issue bonded debt. The School Board also has no *component units*, defined by the GASB Statements as other legally separate organizations for which the elected School Board members are financially accountable. There are no other primary governments with which the School Board has a significant relationship.

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

The funds of the School Board are classified into two categories: governmental and fiduciary.

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

General fund - This fund is the primary operating fund of the School Board. It accounts for all financial resources of the School Board, except those required to be accounted for in another fund.

Sales Tax District 6 - This fund accounts for the proceeds of a one-half percent sales and use tax passed by the voters of District 6 effective April 1, 2004. The proceeds are to be used for facility improvements in District 6 schools.

96 Sales Tax - This fund accounts for the proceeds of a one percent sales tax to be used for salaries and benefits, retirees insurance, school supplies, technology and operation of schools.

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

Title I – This fund accounts for the federal revenues used to improve the teaching and learning of children who are at risk of not meeting challenging academic standards and who reside in areas with high concentrations of children from low-income families.

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

Agency funds are custodial in nature (assets equal liabilities) and do not present results of operations or have a measurement focus. These funds are prepared on an accrual basis and are used to account for assets that the government holds for others in an agency capacity. The School Board reports the following agency fund:

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

C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

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

The Statement of Net Position and the Statement of Activities were prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, liabilities and deferred outflows/inflows resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets, liabilities and deferred outflows/inflows 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 charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

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

Fund Financial Statements (FFS)

Governmental Funds The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting revenues are recognized when susceptible to accrual (i.e., when they are "measurable and available.") "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The government considers all revenues available if they are collected within 60 days after year-end.

Expenditures are recorded in the period in which the School Board incurs the liability, except for debt service payments on long-term debt, including capital leases, which are recognized when due. Compensated absences and claims and judgments are reported in a governmental fund only if the claims are due and payable.

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

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 underlying exchange transaction occurs and the resources are available.

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

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

Expenditures

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

Other financing sources (uses) Transfers between funds that are not expected to be repaid, capital lease transactions, 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.

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

E. INVESTMENTS The School Board's policy limits investments to direct U.S. Treasury obligations, bond, debentures, notes issued by or guaranteed by federal agencies; bonds, debentures, notes, or other evidence of indebtedness issued by the State of Louisiana or any other state in the United States, or any of the political subdivisions of any state, or by any domestic U.S. corporation, with limited exceptions noted in LRS 33:2955, or certificates, or time deposits in any bank domiciled or having a branch office in Louisiana or any other federally insured investment.

If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are less than 90 days, they are classified as cash equivalents.

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

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.

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

Definitions:

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

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. Interfund services provided or used are not eliminated in the process of consolidation.

H. INVENTORY AND PREPAID ITEMS Inventory is accounted for using the consumption method, where expenditures are recognized as inventory is used.

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. All inventory items are recorded as expenditures when consumed. Unused commodities at June 30 are reported as unearned revenue. All purchased inventory items are valued at cost (first-in, first-out) and commodities are assigned values based on information provided by the United States Department of Agriculture.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

The consumption method is used to record prepaid expenses, whereby expenditures are recognized as time lapses and the prepaids are recognized as expenses.

I. CAPITAL ASSETS Capital assets are recorded at historical cost and depreciated over their estimated useful lives (excluding salvage value). The capitalization threshold is \$50,000 for buildings, building improvements, land improvements and intangibles; \$5,000 for vehicles; and \$3,000 for all other assets. Donated capital assets are recorded at their acquisition value at the date of donation. Estimated useful life is management's estimate of how long the asset is expected to meet service demands. Vehicles and trailers are assigned a salvage value of five percent of historical costs.

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

| | |
|--------------------------|---------------|
| Buildings | 10 - 40 years |
| Furniture and equipment | 3 - 10 years |
| Transportation equipment | 15 years |

Land and construction in progress are not depreciated.

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

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

K. COMPENSATED ABSENCES The School Board has the following policy relating to vacation and sick leave:

All 12-month employees earn from 10 to 15 days of vacation leave each year. A maximum of 30 vacation days may be accrued, fifteen of which may be prior to an employee's most recent anniversary date and up to fifteen after the most recent anniversary date. Employees receive payment upon termination.

All School Board employees earn from 10 to 13 days of sick leave each year, depending on their length of employment with the School Board. Upon retirement or death, unused accumulated sick leave of up to 25 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:

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

- A. The employees' right to receive compensation is 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.

The School Board estimates 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.

L. LONG-TERM LIABILITIES Bond premiums and discounts, as well as issuance costs, are recognized in the period the bonds are issued. Bond proceeds are reported as an other financing source. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures. Deferred gains on refundings are capitalized and amortized over the shorter of the life of the refunded bonds or the new bonds in the GWFS.

The School Board provides certain continuing medical, dental, vision and life insurance benefits for its retired employees. The OPEB Plan is a single employer defined benefit "substantive plan" as understood by past practices of the School Board.

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 accrual basis, 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.

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

M. 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 or resources (expense/expenditure) until then. The School Board has three types of items that qualify for reporting in this category. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its acquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. Deferred charges on refundings is a component of net investment in capital assets on the Statement of Net Position. The School Board also reports deferred outflows related to pensions and deferred outflows related to OPEB. Deferred outflows related to pensions and OPEB are reported as components of unrestricted net position.

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 has two types of items that qualifies for reporting in this category. The School Board reports deferred inflows related to OPEB and deferred inflows related to pensions. Deferred inflows related to pensions and OPEB are reported as a component of unrestricted net position.

N. RESTRICTED NET POSITION For the government-wide Statement of Net Position, net position is reported as restricted if either of the following conditions exist:

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

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 \$37,211,339 of restricted net position reported in the Statement of Net Position, \$32,981,326 is restricted through enabling legislation.

O. FUNDEQUITY OF FUND FINANCIAL STATEMENTS GASB 54 requires the fund balance amounts to be reported within the fund balance categories as follows:

Nonspendable: 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 of the School Board that can, by adoption of a 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. Assigned 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 assign the funds, which is removed or changed by a board motion.

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

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

Minimum fund balance: The School Board has a policy to maintain a minimum fund balance in the General fund of 10-15% of total expenditures.

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. 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.

P. SALES TAXES On July 1, 1969, the voters of Webster Parish approved for an indefinite period, a one percent parish-wide sales tax with the net proceeds of the tax to be used as follows:

| | |
|--|--------|
| I. Professional salaries | |
| a. Instructional personnel | 65.22% |
| b. Adjustment 1 st and 2 nd year teachers' salaries | 1.07% |
| c. Sabbatical leave and substitute teachers | 3.71% |
| II. Non-Professional salaries | |
| a. Lunchroom workers, managers, janitors, maintenance personnel, school secretaries and bus mechanics | 13.14% |
| b. Bus driver | 1.84% |
| III. General fund, Non Salary Items | 15.02% |

The voters approved a one percent parish-wide sales tax for an indefinite period, effective July 1, 1996, with the net proceeds of the tax to be used to pay salaries and benefits for all school employees, retired school employees' hospitalization premiums, instructional programs and materials and purchasing computer software and equipment. Any annual increase in the total revenues of the tax collected after the June 30, 1997, fiscal year shall be used to pay energy costs, maintain air conditioning equipment and systems and purchase school buses. Any annual increase in the total revenues of the tax collected after the June 30, 2002 fiscal year shall be used to pay additional salaries and benefits for school employees; and any annual increase in the total revenues of the tax collected after the June 30, 2007 fiscal year and for each five-year period thereafter shall be alternately dedicated for energy costs, maintain air conditioning equipment and systems and purchase school buses and additional salaries and benefits for school employees.

The voters of District 6 approved a one-half percent sales and use tax for a period of twenty-five years, effective April 1, 2004, to be used for constructing, acquiring, improving, equipping, furnishing and/or maintaining schools and school related facilities in District 6.

Q. 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.

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NOTE 2 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

- A. Excess of Expenditures Over Appropriations in Individual Funds** The following individual funds had actual expenditures over budgeted expenditures for the year ended June 30, 2019.

| <u>Fund</u> | <u>Budget</u> | <u>Actual</u> | <u>Variance</u> |
|-----------------------------|---------------|---------------|-----------------|
| School Food Service | \$ 3,851,121 | \$ 4,409,277 | \$ (558,156) |
| Education Excellence | 106,094 | 187,476 | (81,382) |
| Comprehensive School Reform | 46,049 | 47,050 | (1,001) |

These variances were the result of unanticipated expenditures after the last budget revision.

- B. Deficit Fund Balances** The following fund had a deficit fund balance at June 30, 2019:

| <u>Fund</u> | <u>Deficit Amount</u> |
|---------------------------|-----------------------|
| Doyline Debt Service fund | \$ 584,167 |

The School Board plans to raise the Doyline ad valorem bond millage to eliminate the deficit fund balance.

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

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

Property Tax Calendar

| | |
|--|-------------------------------------|
| Board levy date | August 6, 2018 |
| Tax bills mailed | November 15, 2018 |
| Due date | December 31, 2018 |
| Collection dates | December 2018 through February 2019 |
| Penalty and interest accrues | January 1, 2019 |
| Lien date | January 1, 2019 |
| Tax sale date – 2018 delinquent property | May 15, 2019 |

Assessed values are established by the Webster 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 roll of January 1, 2016. Total assessed value was \$306,690,140 in calendar year 2018. Louisiana state law exempts the first \$75,000 of assessed value of a taxpayer's primary residence from parish property taxes. This homestead exemption was \$54,971,152 of the assessed value in calendar year 2018.

State law requires the sheriff to collect property taxes in the calendar year in which the assessment is made. Property taxes become delinquent January 1 of the following year. If taxes are not paid by the due date, taxes bear interest at

Webster Parish School Board
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the rate of 1.25% per month until the taxes are paid. After notice is given to the delinquent taxpayers, the sheriff is required by the Constitution of the State of Louisiana to sell the least quantity of property necessary to settle the taxes and interest owed.

The calendar year tax roll is prepared by the parish tax assessor in November of each year. The amount of property taxes to be collected occurs in December 2018 and January and February 2019. All property taxes are recorded in the general, special revenue, debt service, and capital projects funds. The School Board considers the lien date (January 1, 2019) as the date an enforceable legal claim occurs for 2018 property taxes. Property tax revenue is recognized in the period for which the taxes are levied (budgeted).

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

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

| | Adjusted Maximum <u>Millage</u> | Levied <u>Millage</u> | Expiration <u>Date</u> |
|--|---------------------------------------|--------------------------|---------------------------|
| Parish-wide taxes: | | | |
| Constitutional | 4.23 | 4.23 | Statutory |
| Special Maintenance & Operations | 6.15 | 6.15 | 2027 |
| Building Maintenance | 2.82 | 2.82 | 2025 |
| Building Maintenance | 2.64 | 2.64 | 2027 |
| District taxes-Maintenance Taxes: | | | |
| Dubberly Heflin Sibley Consolidated District No. 3 | 26.42 | 26.42 | 2027 |
| Doyline District No. 7 | 5.56 | 5.56 | 2020 |
| Springhill District No. 8 | 7.74 | 7.74 | 2024 |
| Cotton Valley District No. 12 | 5.00 | 5.00 | 2026 |
| Sarepta District No. 35 | 25.41 | 25.41 | 2027 |
| District taxes-Sinking Funds: | | | |
| Shongaloo Evergreen Consolidated District No. 1 | Variable | 10.00 | 2027 |
| Minden District No. 6 | Variable | 32.00 | 2028 |
| Doyline District No. 7 | Variable | 25.00 | 2030 |
| Springhill District No. 8 | Variable | 34.00 | 2029 |
| Cotton Valley District No. 12 | Variable | 9.00 | 2020 |
| Sarepta District No. 35 | Variable | 35.00 | 2027 |

NOTE 4 - DEPOSITS AND INVESTMENTS

DEPOSITS At year-end, the School Board's carrying amount of deposits was \$48,120,382. These deposits are reported as follows: Statement A-cash and cash equivalents, \$47,112,026; Statement A-investments, \$99,925 (time deposits), and Statement G-cash and cash equivalents, \$908,431.

Deposits are stated at cost, which approximates fair value. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank.

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

Custodial credit risk - Deposits: This is the risk that in the event of a bank failure, the government's deposit may not be returned to it. As of June 30, 2019, the School Board had a bank balance of \$48,533,264 in which \$1,151,473 was covered by federal depository insurance. The remaining balance of \$47,381,791 was collateralized with securities held by the pledging financial institution's trust department or agent but not in the School Board's name. Even though the pledged securities are considered uncollateralized under provisions of GASB, 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.

Interest rate risk - Deposits: The School Board's policy does not address interest rate risk.

Credit rate risk - Deposits: The School Board's policy does not address credit rate risk.

INVESTMENTS Investments are measured at fair value on a recurring basis. Recurring fair value measurements are those that Governmental Accounting Standards Board (GASB) Statements require or permit in the Statement of Net Position at the end of each reporting period. Fair value measurements are categorized based on the valuation inputs used to measure an asset's fair value. Level 1 inputs are quoted prices in the active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

At June 30, 2019, the School Board had the following investments:

| | <u>Fair Value</u> | <u>Weighted Average Maturity</u> |
|------------------------|---------------------|--------------------------------------|
| Certificate of deposit | \$ 99,925 | < 1 year |
| U.S. Treasury SLGS | <u>3,428,795</u> | 5.5 years |
| Total investments | <u>\$ 3,528,720</u> | |

The recurring fair value measurement for the U.S. Treasury SLGS totaling \$3,428,795 was determined using quoted prices in active markets for identical assets (Level 1). The nonnegotiable certificate of deposit is measured at cost. The School Board's investments in U.S. Treasuries are to be used exclusively for the QSCB 2009 series maturity payment due in 2025 and the QSCB 2011 series maturity payment due in 2026.

Interest rate risk - Investments: The School Board's investment policy does not address interest rate risk.

Custodial credit risk - Investments: For an investment, this is the risk that, in the event of failure of the counter party, the School Board will not be able to recover the value of its investments. The School Board's investment of \$3,428,795 in U.S. Treasuries are registered in the School Board's name and held by the Trust department of a financial institution. The School Board's investment policy does not address custodial credit risk.

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NOTE 5 - RECEIVABLES The balance of receivables at June 30, 2019 is as follows:

| | General | Sales Tax District 6 | 96 Sales Tax | Title I | Nonmajor Governmental | Total |
|-----------------------------|-------------------|-------------------------|-------------------|-------------------|--------------------------|---------------------|
| Taxes: | | | | | | |
| Ad valorem tax | \$ 3,277 | \$ - | \$ - | \$ - | \$ 1,731 | \$ 5,008 |
| Sales tax | 505,025 | 139,435 | 505,024 | - | - | 1,149,484 |
| Intergovernmental - grants: | | | | | | |
| Federal | 5,620 | - | - | 977,120 | 674,022 | 1,656,762 |
| State | 221,013 | - | - | - | - | 221,013 |
| Local accounts | | | | | | |
| Other | 8,327 | 6,778 | - | 1,332 | 2,941 | 19,378 |
| Total | <u>\$ 743,262</u> | <u>\$ 146,213</u> | <u>\$ 505,024</u> | <u>\$ 978,452</u> | <u>\$ 678,694</u> | <u>\$ 3,051,645</u> |

The School Board expects to collect the full amount; therefore, no allowance for doubtful accounts has been established.

NOTE 6 - CAPITAL ASSETS Capital asset balances and activity for the year ended June 30, 2019, is as follows:

| | Balance Beginning | Additions | Deletions | Balance Ending |
|---|----------------------|---------------------|---------------------|----------------------|
| Governmental activities: | | | | |
| Non-depreciable capital assets | | | | |
| Land | \$ 727,337 | \$ - | \$ - | \$ 727,337 |
| Construction in progress | 541,601 | 481,399 | 1,023,000 | - |
| Total non-depreciable capital assets | <u>1,268,938</u> | <u>481,399</u> | <u>1,023,000</u> | <u>727,337</u> |
| Depreciable capital assets | | | | |
| Buildings | 128,259,547 | 1,646,891 | - | 129,906,438 |
| Furniture and equipment | 4,277,608 | 221,910 | 300,126 | 4,199,392 |
| Transportation equipment | 6,161,233 | 946,754 | 156,371 | 6,951,616 |
| Total depreciable capital assets | <u>138,698,388</u> | <u>2,815,555</u> | <u>456,497</u> | <u>141,057,446</u> |
| Less accumulated depreciation | | | | |
| Buildings | 47,253,117 | 3,685,251 | - | 50,938,368 |
| Furniture and equipment | 3,566,873 | 259,514 | 275,241 | 3,551,146 |
| Transportation equipment | 4,027,074 | 266,246 | 145,453 | 4,147,867 |
| Total accumulated depreciation | <u>54,847,064</u> | <u>4,211,011</u> | <u>420,694</u> | <u>58,637,381</u> |
| Total capital assets being depreciated, net | <u>83,851,324</u> | <u>(1,395,456)</u> | <u>35,803</u> | <u>82,420,065</u> |
| Governmental activities | | | | |
| Capital assets, net | <u>\$ 85,120,262</u> | <u>\$ (914,057)</u> | <u>\$ 1,058,803</u> | <u>\$ 83,147,402</u> |

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Depreciation expense was charged to governmental activities as follows:

| | |
|---------------------------------|---------------------------|
| Regular programs | S 1,064,557 |
| Special programs | 571,479 |
| Other instructional programs | 127,119 |
| Student services | 127,680 |
| Instructional staff support | 43,961 |
| General administration | 1,562,148 |
| School administration | 22,120 |
| Business services | 232,857 |
| Plant services | 145,600 |
| Student transportation services | 189,560 |
| Food services | 123,930 |
| Total depreciation expense | <u><u>S 4,211,011</u></u> |

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.lsers.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.

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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. Statutory changes closed existing sub-plans and created new sub-plans for members hired on or after January 1, 2011 and July 1, 2015. The age and years of creditable service required for a member to receive retirement benefits are established by R.S. 11:761 and vary depending on the member's hire date. The computation for retirement benefits is defined in R.S. 11:768.

Members hired prior to January 1, 2011, are eligible to receive retirement benefits (1) at the age of 60 with five 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. Members hired between January 1, 2011, and June 30, 2015, are eligible to retire at age 60 with five years of service. Members hired on or after July 1, 2015, are eligible to retire at age 62 with five years of service. All regular plan members are eligible to retire at any age with 20 years of service and a reduced benefit. Retirement benefits for regular plan members are calculated by applying a percentage ranging from 2% to 2.5% of final average compensation multiplied by years of creditable service. Average compensation is defined in R.S. 11:701 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 on or 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 five years of service, or if employed on or after January 1, 2011, and attained at least ten years of service. Members employed prior to January 1, 2011, receive disability benefits equal to 2.5% 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.

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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 20 years of service regardless of when earned in order for a benefit to be paid to a minor or handicapped child. The minimum service credit requirement is ten years for a surviving spouse with no minor children. Surviving spouse 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 2.5% regardless of years of service or age, or \$600 per month, whichever is greater. Benefits are payable to an unmarried child until age 21, or age 23 if the child remains a full-time student. Benefits are paid for life to 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. The projected benefit payments do not include provisions for potential future increases not yet authorized by the Board of Trustees as these ad hoc COLAs were deemed not 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 2019 were \$750,528, with active member contributions ranging from 7.5% to 8%, and employer contributions of 28.0%. Employer defined benefit plan contributions to TRSL for fiscal year 2019 were \$7,492,513, with active member contributions of 8%, and employer contributions of 26.7%. Non-employer contributions to TRSL, which are comprised of \$262,361 from ad valorem taxes and revenue sharing funds and \$3,922 from the State for PIP salaries, totaled \$266,283 for fiscal year 2019. These non-employer contributions were recorded as revenue and were used as employer contributions.

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

At June 30, 2019, the School Board reported liabilities of \$6,437,918 and \$58,838,685 under LSERS and TRSL, respectively, for its proportionate share of the Net Pension Liability (NPL). The NPL will be liquidated through contributions to the pension plans from the governmental fund in which the related salary was paid. The NPL for LSERS and TRSL was measured as of June 30, 2018, 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, 2018, the most recent measurement date, the School Board's proportions and the changes in proportion from the prior measurement date were .9635620%, or an increase of 0.001196% for LSERS and 0.59868% or a decrease of 0.00660% for TRSL.

For the year ended June 30, 2019, the School Board recognized a total pension expense of \$3,732,502, or \$478,714 and \$3,253,788 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 | \$ - | \$ - | \$ - | \$ 177,657 | \$ 1,938,267 | \$ 2,115,924 |
| Changes of assumptions | 271,218 | 3,780,578 | 4,051,796 | - | - | - |
| Net difference between projected and actual earnings on pension plan investments | 127,843 | - | 127,843 | - | 3,792,043 | 3,792,043 |
| Changes in proportion and differences between employer contributions and proportionate share of contributions | 5,274 | 903,417 | 908,691 | 125,980 | 2,974,342 | 3,100,322 |
| Employer contributions subsequent to the measurement date | 750,528 | 7,492,513 | 8,243,041 | - | - | - |
| Total | <u>\$ 1,154,863</u> | <u>\$ 12,176,508</u> | <u>\$ 13,331,371</u> | <u>\$ 303,637</u> | <u>\$ 8,704,652</u> | <u>\$ 9,008,289</u> |

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, 2020. 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 |
|------|------------|-------------|-------------|
| 2020 | \$ 143,907 | \$ 6,765 | \$ 150,672 |
| 2021 | 121,257 | (1,441,836) | (1,320,579) |
| 2022 | (194,407) | (2,373,159) | (2,567,566) |
| 2023 | 29,941 | (212,427) | (182,486) |

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Actuarial Assumptions

The total pension liabilities for LSERS and TRSL in the June 30, 2018 actuarial valuations were determined using the following actuarial assumptions, applied to all periods included in the measurements:

| | LSERS | TRSL |
|-------------------------------------|--------------------------------------|---|
| Valuation Date | June 30, 2018 | June 30, 2018 |
| Actuarial Cost Method | Entry Age Normal | Entry Age Normal |
| Expected Remaining Service Lives | 3 years, closed period | 5 years, closed period |
| Investment Rate of Return | 7.0625% per annum | 7.65%, net of investment expenses |
| Inflation Rate | 2.50% per annum | 2.5% per annum |
| Mortality - Non-disabled Active | RP-2014 Sex Distinct Employee Tables | RP-2014 White Collar Employee tables, adjusted by 1.010 for males and by 0.997 for females |
| Mortality - Non-disabled Retiree | RP-2014 Healthy Annuitant Tables | RP-2014 White Collar Healthy Annuitant tables, adjusted by 1.366 for males and by 1.189 for females |
| Mortality - Disabled | RP-2014 Sex Distinct Disabled Tables | RP-2014 Disability tables, adjusted by 1.111 for males and by 1.134 for females |
| Termination, Disability, Retirement | 2013-2017 experience study | 2012-2017 experience study |
| Salary Increases | 3.25% | 3.3% to 4.8% varies depending on duration of service |
| Cost of Living Adjustments | Non substantively automatic | Non substantively automatic |

Changes of assumptions. For LSERS, the current year actuarial assumptions were reset based on a plan experience study performed in 2018 using plan data for the period July 1, 2012, through June 30, 2017. The June 30, 2018, actuarial valuation reflects the following changes to actuarial methodologies and assumptions:

- As a result of the experience study, the LSERS Board of Trustees approved a reduction in the discount rate to 7.0% over the next two years. As a result, the discount rate decreased from 7.125% as of June 30, 2017 valuation, to 7.0625% as of June 30, 2018.
- The inflation rate decreased from 2.625% annum as of June 30, 2017, to 2.50% annum as of June 30, 2018.
- The mortality assumption was updated to reflect the results of the new experience study and was based on the RP-2014 Healthy Annuitant, Sex Distinct Employee, and Sex Distinct Disabled Lives mortality tables with generational projections using the full generational scale MP2017. The previous valuation set mortality from the RP-2000 Combined Healthy Sex Distinct and Disabled Lives mortality tables with no projection scale.
- The salary increase assumption was updated to 3.25% as of June 30, 2018, to reflect the results of the new experience study and change to the inflation rate. The previous valuation included a range of 3.075% to 5.375%.

The TRSL discount rate used in the June 30, 2018 net pension liability valuation was decreased from the 7.70% used in the June 30, 2017 valuation to 7.65%. 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 2019.

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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, of 2% and an adjustment for the effect of rebalancing/diversification. The resulting expected long-term rate of return was 7.76% for 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 resulting expected long-term rate of return was 8.07% for 2018.

Best estimates of arithmetic real rates of return for each major asset class are summarized for each plan in the following table:

| | | <u>Target Allocation</u> | <u>Long-Term Expected Real Rate of Return</u> |
|---------------------------|----------------------------|--------------------------|---|
| LSERS (arithmetic) | | | |
| Fixed income | Core Fixed Income | 8.00% | 1.68% |
| | High Yield | 5.00% | 4.13% |
| | Emerging Markets Debt | 7.00% | 4.42% |
| | Global Fixed Income | 10.00% | 1.63% |
| Equity | US Equity | 20.00% | 6.15% |
| | Developed Equity | 18.00% | 7.11% |
| | Emerging Markets Equity | 10.00% | 9.41% |
| | Global REIT's | 3.00% | 5.77% |
| Alternative Investments | Private Equity | 5.00% | 10.28% |
| | Hedge Fund of Funds | 3.00% | 3.94% |
| | Real Estate | 5.00% | 4.90% |
| Real Assets | Timber | 2.00% | 5.67% |
| | Oil & Gas | 2.00% | 10.57% |
| | Infrastructure | 2.00% | 6.25% |
| Total | | <u>100.00%</u> | |
| TRSL (arithmetic) | | | |
| | Domestic equity | 27.00% | 4.01% |
| | International equity | 19.00% | 4.90% |
| | Domestic fixed income | 13.00% | 1.36% |
| | International fixed income | 5.50% | 2.35% |
| | Private equity | 25.50% | 8.39% |
| | Other private assets | 10.00% | 3.57% |
| Total | | <u>100.00%</u> | |

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Discount Rate. The discount rate used to measure the total pension liability was 7.0625% for LSERS and 7.65% 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 actuarially determined rates approved by the Public Employees' Retirement Systems Actuarial Committee taking into consideration the recommendation of the System's actuary. 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.

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 | \$ 8,837,736 | \$ 6,437,918 | \$ 4,386,553 |
| TRSL | 77,947,013 | 58,838,685 | 42,719,814 |

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, 2019, the School Board had \$171,912 and \$2,634,928 in payables to LSERS and TRSL, respectively, for the June 2019 employee and employer legally required contributions.

Optional Retirement Plan

TRSL administers an optional retirement plan (ORP), which was created by R.S. 11:921-931 for academic and administrative employees of public institutions of higher education. The purpose of the optional retirement plan is to provide retirement and death benefits to the participants while affording the maximum portability of these benefits to the participants. The optional retirement plan is a defined contribution plan that provides for full and immediate vesting of all contributions remitted to the participating companies on behalf of the participants. Eligible employees make an irrevocable election to participate in the optional retirement plan rather than the TRSL and purchase retirement and death benefits through contracts provided by designated companies. Benefits payable to participants are not the obligation of the State of Louisiana or the TRSL. Such benefits and other rights of the ORP are the liability and responsibility solely of the designated company or companies to whom contributions have been made.

R.S. 11:927 sets the contribution requirements of the ORP plan members and the employer. Employer ORP contributions to TRSL for fiscal year 2019 totaled \$40,558, which represents pension expense for the School Board. Employee contributions totaled \$11,588. The active member and employer contribution rates were 8% and 6.2%, respectively, with an additional employer contribution of 21.8% made to the TRSL defined benefit plan described above.

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. 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

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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 contribute 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.

Life insurance coverage under the OGB program is available to retirees by election based on the blended rate (active and retired). The employer pays 50% of the "cost" of the retiree life insurance but based on this blended rate. Insurance coverage amounts are reduced at age 65 and again at age 70 according to the OGB plan provisions.

Employees Covered by Benefit Terms – In the July 1, 2017, the following employees were covered by the benefit terms:

| | |
|--|--------------|
| Inactive employees or beneficiaries currently receiving benefit payments | 630 |
| Inactive employees entitled to but not yet receiving benefit payments | - |
| Active employees | 550 |
| Total | <u>1,180</u> |

Total OPEB Liability – The School Board's total OPEB liability of \$83,896,598 was measured as of June 30, 2019 and was determined by an actuarial valuation as of July 1, 2017. The OPEB liability will be liquidated by the General fund.

Actuarial Assumptions and Other Inputs – The total OPEB liability as of June 30, 2019, the actuarial measurement date, was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

| | |
|-----------------------------|---|
| Inflation | 2.50% |
| Salary increases | 4.0% annually, including inflation |
| Discount rate | 3.50% based on the Bond Buyers 20 year general obligation municipal index rate as June 30, 2019 |
| Healthcare cost trend rates | Level 5.50% annual trend rate |
| Actuarial method | Individual entry age normal cost - Level percentage of projected salary |
| Mortality | RP-2000 Table without projection, with 50%/50% unisex blend |
| Turnover | Range from 14% at age 18 to 4% at age 55 and over |
| Retirement rates | 4 years after the later of attainment of 30 years of service at any age; or attainment of age 55 and 25 years of service; or attainment of age 60 and 5 years of service; employees hired on and after January 1, 2011 are not able to retire or enter DROP until age 60 without actuarial reduction in benefits. |

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No experience studies were conducted. The School Board contributed \$4,821,115 utilizing the pay-as-you-go basis.

Changes of assumptions: The discount rate used in the June 30, 2018 measurement was decreased from 3.75% to 3.50%. This change is due to the decrease in the Bond Buyers 20 year general obligation municipal index rate.

Changes in the Total OPEB Liability:

| | Total OPEB Liability |
|--|-------------------------|
| Balance at June 30, 2018 | \$ 74,153,111 |
| Changes for the year: | |
| Service cost | 1,238,884 |
| Interest | 2,776,437 |
| Differences between expected and actual experience | 6,185,137 |
| Changes of assumptions | 4,364,144 |
| Benefit payments | (4,821,115) |
| Net changes | 9,743,487 |
| Balance at June 30, 2019 | \$ 83,896,598 |

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 (2.50%) | Discount Rate (3.50%) | 1% Increase (4.50%) |
|----------------------|------------------------|--------------------------|------------------------|
| Total OPEB liability | \$ 97,659,300 | \$ 83,896,598 | \$ 72,584,408 |

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 and one percentage point higher than the current healthcare cost trend rates.

| | 1% Decrease (4.50%) | Discount Rate (5.50%) | 1% Increase (6.50%) |
|----------------------|------------------------|--------------------------|------------------------|
| Total OPEB liability | \$ 72,726,719 | \$ 83,896,598 | \$ 97,656,523 |

OPEB Expense – For the year ended June 30, 2019, the School Board recognized OPEB expense of \$5,406,798. At June 30, 2019, the School Board reported deferred outflows and inflows of resources related to OPEB from the following sources.

| | Deferred Outflows of Resources |
|--|--------------------------------------|
| Differences between expected and actual experience | \$ 5,848,897 |
| Changes in assumptions | 3,818,626 |
| Total deferred outflows | \$ 9,667,523 |

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

| | |
|------------|--------------|
| 2020 | \$ 1,391,477 |
| 2021 | 1,391,477 |
| 2022 | 1,391,477 |
| 2023 | 1,391,477 |
| 2024 | 1,391,477 |
| Thereafter | 2,710,138 |

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

| | General | Sales Tax District 6 | 96 Sales Tax | Title I | Nonmajor Governmental | Total |
|----------|---------------------|-------------------------|-------------------|-------------------|--------------------------|---------------------|
| Salaries | \$ 3,431,309 | \$ - | \$ 345,710 | \$ 208,260 | \$ 397,661 | \$ 4,382,940 |
| Accounts | 2,353,541 | 59,948 | 6,975 | 57,889 | 130,777 | 2,609,130 |
| Total | <u>\$ 5,784,850</u> | <u>\$ 59,948</u> | <u>\$ 352,685</u> | <u>\$ 266,149</u> | <u>\$ 528,438</u> | <u>\$ 6,992,070</u> |

NOTE 10 - COMPENSATED ABSENCES At June 30, 2019, employees of the School Board have accumulated and vested \$2,206,055 of employee leave benefits, including \$31,531 of salary-related benefits. These employee leave benefits were 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 | \$ 788,059 | \$ 3,499,822 | \$ 3,379,450 | \$ 908,431 |

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

| | Beginning Balance | Additions | Deletions | Ending balance | Amounts Due Within One Year |
|-------------------------------------|----------------------|-------------------|---------------------|----------------------|-----------------------------------|
| Governmental Activities | | | | | |
| Bonds Payable - Public Offerings: | | | | | |
| General obligation bonds | \$ 42,760,000 | \$ - | \$ 2,940,000 | \$ 39,820,000 | \$ 2,985,000 |
| Bonds Payable - Private Placements: | | | | | |
| General obligation bonds | 13,570,000 | - | 830,000 | 12,740,000 | 875,000 |
| Revenue bonds | 12,565,000 | - | 565,000 | 12,000,000 | 580,000 |
| Bond premiums | 1,416,512 | - | 115,992 | 1,300,520 | - |
| Worker's compensation claims | 96,923 | 483,394 | 348,923 | 231,394 | 231,394 |
| Compensated absences | 2,239,503 | 347,051 | 380,499 | 2,206,055 | 380,499 |
| Governmental Activities | | | | | |
| Long-term obligations | <u>\$ 72,647,938</u> | <u>\$ 830,445</u> | <u>\$ 5,180,414</u> | <u>\$ 68,297,969</u> | <u>\$ 5,051,893</u> |

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The School Board issues debt to acquire and/or improve lands for building sites and playgrounds including construction of necessary sidewalks and streets adjacent thereto; purchasing, erecting and/or improving school buildings and other school related facilities within the school district. 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.

Compensated absences are paid from the fund in which the salaries are paid. Compensated absences primarily have been paid from the General fund, Maintenance fund, and School Food Service. Bonded debt payments are paid from the debt service funds. The net pension liability is paid from the fund in which the salaries are paid. The workers' compensation claims payable are paid by the General fund.

The individual bond issues are as follows:

| | Original Issue | Interest Rates | Final Due | Interest to Maturity | Principal Outstanding | Amounts Due Within One Year |
|--------------------------------------|-------------------|-------------------|--------------|-------------------------|--------------------------|-----------------------------------|
| General Obligation Bonds: | | | | | | |
| <u>Public Offerings:</u> | | | | | | |
| Webster Parish District No. 6 | | | | | | |
| June 28, 2012 - Refunding | \$ 9,240,000 | 2.0-3.75 | 2029 | \$ 1,610,537 | \$ 8,235,000 | \$ 710,000 |
| January 22, 2013 - Refunding | 7,835,000 | 1.0-3.0 | 2030 | 1,005,505 | 5,935,000 | 450,000 |
| June 24, 2014 - Refunding | 7,085,000 | 2.0-4.0 | 2031 | 1,544,224 | 5,960,000 | 385,000 |
| March 23, 2016 | 7,000,000 | 2.0-3.125 | 2036 | 2,186,730 | 6,955,000 | 50,000 |
| Doyline School District No. 7 | | | | | | |
| August 1, 2011 | 10,000,000 | 2.0-5.0 | 2031 | 73,750 | 975,000 | 475,000 |
| Springhill School (District No. 8) | | | | | | |
| October 2, 2012 - Refunding | 7,370,000 | 2.0-4.0 | 2030 | 1,247,703 | 5,620,000 | 430,000 |
| May 9, 2013 - Refunding | 7,840,000 | 2.0-3.75 | 2030 | 1,139,231 | 6,140,000 | 485,000 |
| <u>Private Placement:</u> | | | | | | |
| Consolidated (District No. 1) | | | | | | |
| June 15, 2016 - Refunding | 2,780,000 | 2.29 | 2028 | 296,095 | 2,485,000 | 245,000 |
| Doyline School District No. 7 | | | | | | |
| December 15, 2017 - Refunding | 7,370,000 | 2.58 | 2031 | 1,406,616 | 7,155,000 | 85,000 |
| Cotton Valley (District No. 12) | | | | | | |
| March 1, 2011 | 2,635,000 | 2.95 | 2021 | 26,844 | 605,000 | 300,000 |
| Sarepta (District No. 35) | | | | | | |
| June 15, 2016 - Refunding | 2,795,000 | 2.29 | 2028 | 297,701 | 2,495,000 | 245,000 |
| Revenue Bonds: | | | | | | |
| <u>Private Placement:</u> | | | | | | |
| Taxable QSCB | | | | | | |
| December 16, 2009 | 3,000,000 | 1.0 | 2025 | 165,000 | 3,000,000 | - |
| March 15, 2011 | 3,000,000 | 1.0 | 2026 | 202,500 | 3,000,000 | - |
| District No. 6 Sales Tax School Bond | | | | | | |
| December 1, 2015 - Refunding | 6,685,000 | 2.025-2.325 | 2028 | 640,108 | 6,000,000 | 580,000 |
| Total | | | | <u>\$ 11,842,544</u> | <u>\$ 64,560,000</u> | <u>\$ 4,440,000</u> |

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Future bond requirements for payment of principal and interest are due as follows:

| Year Ending June 30, | Bonds - Public Offering | | Bonds - Private Placement | |
|----------------------|-------------------------|----------------------|---------------------------|----------------------|
| | Principal Payments | Interest Payments | Principal Payments | Interest Payments |
| 2020 | \$ 2,985,000 | \$ 1,200,199 | \$ 1,455,000 | \$ 503,768 |
| 2021 | 3,085,000 | 1,117,374 | 1,495,000 | 468,983 |
| 2022 | 2,670,000 | 1,028,388 | 1,740,000 | 433,198 |
| 2023 | 2,990,000 | 956,680 | 1,805,000 | 392,096 |
| 2024 | 3,100,000 | 877,379 | 1,860,000 | 349,239 |
| 2025-2029 | 17,405,000 | 2,934,313 | 14,800,000 | 825,918 |
| 2030-2034 | 6,185,000 | 623,410 | 1,585,000 | 61,662 |
| 2035-2036 | 1,400,000 | 69,937 | - | - |
| Total | <u>\$ 39,820,000</u> | <u>\$ 8,807,680</u> | <u>\$ 24,740,000</u> | <u>\$ 3,034,864</u> |

In accordance with Louisiana Revised Statute 39:562(O), 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, 2019, the statutory limit is \$153,345,070 and outstanding net bonded debt totals \$53,588,311.

Defeasance of Debt

In prior years, the School Board defeased general obligation bonds by placing the proceeds of the new bonds in an irrevocable trust account to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the School Board's financial statement. At June 30, 2019, \$6,630,000 of defeased bonds remain outstanding.

Pledged Revenues

The School Board has pledged future collections of the 1/2% sales and use tax to repay the Webster Parish District No. 6 Sales Tax Refunding Bonds, Series 2015, original bond issuance of \$6,685,000. Proceeds from the sales tax revenue bonds provided financing for the purpose of constructing, acquiring, improving and maintaining public school and school related facilities. The revenue bonds are payable through fiscal year ending 2028. Total principal and interest remaining to be paid are \$6,640,108. For the year ended June 30, 2019, the School Board received \$1,701,197 from the collection of the 1/2% sales tax and paid \$704,230 in debt service payments. The annual principal and interest payments are estimated to be 43.4% of the tax revenues over the next nine years.

The School Board has pledged future collections of the ad valorem 4.23 millage constitutional tax to repay the QSCB Revenue Bonds, Series 2009 and Series 2011. The original bond issuances were \$3,000,000 and \$3,000,000, respectively. Proceeds from the bonds provided financing for the purpose of constructing, acquiring, improving and maintaining public school and school related facilities. These revenue bonds are payable in fiscal year 2025 for Series 2009 and fiscal year 2026 for Series 2011. Total debt service sinking fund and interest payments remaining to be paid on the QSCB bonds are \$2,571,205 and \$367,500, respectively. For the year ended June 30, 2019, the School Board received \$1,054,812 from the collection of the ad valorem 4.23 millage constitutional tax and paid \$361,849 to the sinking fund and \$60,000 in interest payments. The annual debt service sinking fund and interest payments are estimated to be 39.8% of the tax revenues over the next seven years.

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NOTE 13 - INTERFUND TRANSACTIONS (FFS LEVEL ONLY)

Interfund receivable/payable:

| <u>Receivable Fund</u> | <u>Amount</u> | <u>Payable Fund</u> | <u>Amount</u> |
|------------------------|---------------------|-----------------------|---------------------|
| General fund | \$ 711,900 | Title I | \$ 711,900 |
| General fund | 1,572,240 | Nonmajor Governmental | 1,572,240 |
| Nonmajor Governmental | 13,767 | General fund | 13,767 |
| Total | <u>\$ 2,297,907</u> | | <u>\$ 2,297,907</u> |

The purpose of interfund receivable/payables between the General fund and Title I and the Nonmajor Governmental funds is to cover expenditures on cost reimbursement programs until reimbursements are received from the Louisiana Department of Education.

Interfund transfers:

Transfers:

| <u>Transfers In</u> | <u>Amount</u> | <u>Transfers Out</u> | <u>Amount</u> |
|-----------------------|----------------------|-----------------------|----------------------|
| General fund | \$ 1,068,771 | 96 Sales Tax | \$ 1,068,771 |
| General fund | 4,925 | Nonmajor Governmental | 4,925 |
| Nonmajor Governmental | 692,187 | Sales Tax District 6 | 692,187 |
| Nonmajor Governmental | 60,590 | 96 Sales Tax | 60,590 |
| Nonmajor Governmental | 10,186,338 | Nonmajor Governmental | 10,186,338 |
| Total | <u>\$ 12,012,811</u> | | <u>\$ 12,012,811</u> |

The purpose of interfund transfers was mainly to transfer sales tax to General fund, cover expenditures for school food services and to transfer funds to debt service funds. The Nonmajor to the Nonmajor transfer was to transfer the residual fund balances, earned from the respective district's ad valorem tax levy for construction and/or maintenance, from the Sarepta, Cotton Valley, Doyline, and Dubberly Heflin Sibley capital project funds to the respective district's maintenance special revenue fund.

NOTE 14 - 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 parish tax collector makes retirement remittances to the teacher's retirement system of the State of Louisiana. 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 revenue and expenditure payments is the actual contribution made by the tax collector's office. For 2019, the tax collector paid the Teacher's Retirement System of Louisiana \$262,361. These amounts are recognized as ad valorem revenue and as employer contributions to the TRSL pension plan.

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 \$3,922. This amount was recognized as state revenue and as employer contributions to the TRSL pension plan.

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NOTE 15 - LITIGATION, CLAIMS AND COMMITMENTS

Litigation The School Board is a defendant in several lawsuits. Management and legal counsel for the School Board believe that the potential claims against the School Board not covered by insurance would not materially affect the School Board's combined financial position.

Grant Disallowance The School Board participates in a number of state and federally assisted grant programs. These programs are subject to compliance audits under the single audit approach. Such audits could lead to request for reimbursement by the grantor agency for expenditures disallowed under the 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 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 insurance was established by the School Board several years ago. Premiums are paid into the General fund by all other funds and are available to pay claims, claim reserves and administrative costs of the program. As of June 30, 2019 reimbursable expenditures did not exceed interfund premiums. Interfund premiums are based primarily upon the individual funds' payroll and are reported as expenditures in the individual funds.

An insurance policy covers individual claims in excess of \$400,000. Maximum retention exposure for aggregate claims amounts to \$1,000,000. Claims expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. These losses include an estimate of claims that have been incurred but not reported. This liability is the School Board's best estimate based on available information and does not include incremental costs. The liability for claims and judgments is recorded in the General fund in the fund financial statements when amounts are due and payable. The remaining liability is reported in the Statement of Net Position. The total liability June 30, 2019 was \$231,394.

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

| <u>Year Ended June 30,</u> | <u>Beginning of Fiscal Year Liability</u> | <u>Claims and Changes in Estimates</u> | <u>Benefit Payments</u> | <u>Ending of Fiscal Year Liability</u> |
|----------------------------|---|--|-----------------------------|--|
| 2017 | \$ 70,170 | \$ 54,136 | \$ 42,432 | \$ 81,874 |
| 2018 | 81,874 | 208,136 | 193,087 | 96,923 |
| 2019 | 96,923 | 483,394 | 348,923 | 231,394 |

The total liability of \$231,394 is reported in Statement A – Governmental Activities Statement of Net Position and is considered long term, of which \$231,394 is reported as due within one year.

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.

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NOTE 17 - FUND BALANCE CLASSIFICATION DETAILS The following are the details of the fund balance classifications for the year ended June 30, 2019:

| | General | Sales Tax District 6 | 96 Sales Tax | Nonmajor Governmental | Total |
|---------------------------------------|---------------------|-------------------------|----------------------|--------------------------|----------------------|
| Nonspendable: | | | | | |
| Prepays | \$ 190,180 | \$ - | \$ - | \$ - | \$ 190,180 |
| Inventory | - | - | - | 47,693 | 47,693 |
| Restricted: | | | | | |
| Protested taxes | 30,118 | - | - | 14,821 | 44,939 |
| Worker's compensation | 275,000 | - | - | - | 275,000 |
| Salaries and benefits | 547,466 | - | 9,426,291 | - | 9,973,757 |
| Retirees insurance | - | - | 147,069 | - | 147,069 |
| Technology | - | - | 400,000 | - | 400,000 |
| Utilities, buses and air conditioning | - | - | 925,346 | - | 925,346 |
| Debt service | - | - | - | 4,285,171 | 4,285,171 |
| School construction | - | - | - | 1,240,085 | 1,240,085 |
| Facility improvements | - | 8,451,905 | - | 12,362,699 | 20,814,604 |
| Grant funds | - | - | - | 801,218 | 801,218 |
| Committed: | | | | | |
| Fire insurance | 124,673 | - | - | - | 124,673 |
| Vocational education | 225 | - | - | - | 225 |
| Assigned: | | | | | |
| Facility improvements | - | - | - | 246,062 | 246,062 |
| Unassigned | 7,974,312 | - | - | (584,167) | 7,390,145 |
| Total | <u>\$ 9,141,974</u> | <u>\$ 8,451,905</u> | <u>\$ 10,898,706</u> | <u>\$ 18,413,582</u> | <u>\$ 46,906,167</u> |

NOTE 18 - JOINTLY GOVERNED ORGANIZATION The Webster Parish Sales and Use Tax Commission serves as the collector of sales and use taxes for the Parish. The Commission is comprised of nine members, one each from the City of Minden, the City of Springhill, the Town of Cotton Valley, the Town of Cullen, the Town of Sarepta, the Town of Sibley, the Village of Dixie Inn, the Webster Parish School Board, and the Webster Parish Police Jury in accordance with the joint agreement of the agencies. Sales taxes of \$13,859,959 were collected by the Commission and distributed to the School Board. The Tax Commission issues an audited annual financial report that can be obtained by contacting the Webster Parish Sales and Use Tax Commission.

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

NOTE 19 - TAX ABATEMENTS The School Board is subject to tax abatements granted by the Louisiana Department of Economic Development, Office of Commerce and Industry. Louisiana has a ten-year industrial exemption law that provides any manufacturing establishment entering Louisiana, or any manufacturing establishment expanding its Louisiana facilities, is to receive exemption on buildings and equipment from state, parish and local property taxes for a period of ten years. The exemption is for the “contract” value of buildings or equipment used by the business. When the exemption expires, the property is to be placed on the tax roll at 15% of its current market value. The amount of tax abatement under this program during the fiscal year ended June 30, 2019 by authorized millage is as follows:

| Tax Code | Millage | Assessed Valuate Lost to ITEP | Estimated Tax Dollar Lost to ITEP |
|--|----------------|--|--|
| Parish-wide taxes: | | | |
| Constitutional | 4.23 | \$ 21,457,075 | \$ 90,763 |
| Special Maintenance & Operations | 6.15 | 21,457,075 | 131,961 |
| Building Maintenance | 2.82 | 21,457,075 | 60,509 |
| Building Maintenance | 2.64 | 21,457,075 | 56,647 |
| District taxes-Maintenance Taxes: | | | |
| Dubberly Heflin Sibley Consolidated District No. 3 | 26.42 | 14,808,591 | 391,243 |
| Doyline District No. 7 | 5.56 | 543,948 | 3,024 |
| Springhill District No. 8 | 7.74 | 2,672,584 | 20,686 |
| Cotton Valley District No. 12 | 5.00 | 2,436,644 | 12,183 |
| District taxes-Sinking Funds: | | | |
| Minden District No. 6 | 32.00 | 995,309 | 31,850 |
| Doyline District No. 7 | 25.00 | 543,948 | 13,599 |
| Springhill District No. 8 | 34.00 | 2,672,584 | 90,868 |
| Cotton Valley District No. 12 | 9.00 | 2,436,644 | 21,930 |
| | | | <u>\$ 925,263</u> |

NOTE 20 - NEW GASB STANDARDS In fiscal year 2019, the School Board adopted the following new statement of financial accounting standard issued by the Governmental Accounting Standards Board:

Statement No. 88 – Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placement, issued by the Government Accounting Standards Board. This Statement defines debt for purposes of disclosure in notes to the financial statements; clarifies which liabilities governments should include when disclosing information related to debt; and requires that existing and additional information be provided for direct borrowings and direct placements of debt separately from other debt. The Statement also requires that additional essential information related to debt be disclosed in notes to financial statements, including unused lines of credit; assets pledged as collateral for the debt; and terms specified in debt agreements related to significant termination events with finance-related consequences and significant subjective acceleration clauses.

The adoption of this standard had no impact on the School Board’s governmental fund or government-wide financial statements.

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

NOTE 21 - SUBSEQUENT EVENT On July 31, 2019, District #6 of the Webster Parish School Board issued \$16.0 million in general obligation bonds to fund various capital projects within and for Minden District No. 6. The bonds were issued at a premium of \$1.2 million, with interest rates ranging from 2% to 5% and will be payable over the next 20 years with final payment due on March 1, 2039.

NOTE 22 - REPORTING RECLASSIFICATIONS Title I, a special revenue fund, was required to be reported as a major fund for fiscal year 2019 and as a nonmajor fund in fiscal year 2018. The Dubberly Heflin Sibley Consolidated Capital Project fund was required to be reported as a major fund in 2018 and as nonmajor fund in fiscal year 2019.

**REQUIRED SUPPLEMENTARY
INFORMATION**

Webster Parish School Board

**SCHEDULE OF CHANGES IN THE SCHOOL BOARD'S
TOTAL OPEB LIABILITY AND RELATED RATIOS**

Last Two Fiscal Years

EXHIBIT 1

| Total OPEB Liability | 2019 | 2018 |
|---|----------------------|----------------------|
| Service costs | \$ 1,238,884 | \$ 1,238,823 |
| Interest | 2,776,437 | 2,810,402 |
| Differences between expected and actual experience | 6,185,137 | 582,536 |
| Changes of assumptions | 4,364,144 | - |
| Benefit payments | (4,821,115) | (4,857,831) |
| Net change in total OPEB liability | 9,743,487 | (226,070) |
| Total OPEB liability - beginning | 74,153,111 | 74,379,181 |
| Total OPEB liability - ending | <u>\$ 83,896,598</u> | <u>\$ 74,153,111</u> |
| Covered payroll | 27,392,445 | 26,338,889 |
| Total OPEB liability as a percentage of covered payroll | 306.28% | 281.53% |

Notes to Schedule:

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:

| | |
|------|-------|
| 2019 | 3.50% |
| 2018 | 3.87% |

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

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.

Webster Parish School Board

SCHEDULE OF EMPLOYER'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

Last Five Fiscal Years

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 | 0.979260% | \$ 5,686,027 | \$ 2,740,876 | 207% | 76.18% |
| 2016 | 1.021735% | 6,479,099 | 2,934,161 | 221% | 74.49% |
| 2017 | 1.015131% | 7,657,613 | 2,885,301 | 265% | 70.09% |
| 2018 | 0.962366% | 6,158,440 | 2,754,933 | 224% | 75.03% |
| 2019 | 0.963562% | 6,437,918 | 2,779,428 | 232% | 74.44% |
| Teacher's Retirement System of Louisiana | | | | | |
| 2015 | 0.63484% | \$ 64,890,011 | \$ 28,542,650 | 227% | 63.70% |
| 2016 | 0.64667% | 69,531,430 | 29,470,814 | 236% | 62.50% |
| 2017 | 0.63080% | 74,037,030 | 29,260,653 | 253% | 59.90% |
| 2018 | 0.60528% | 62,052,972 | 27,463,774 | 226% | 65.60% |
| 2019 | 0.59868% | 58,838,685 | 28,018,723 | 210% | 68.20% |

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.

Webster Parish School Board

SCHEDULE OF EMPLOYER CONTRIBUTIONS TO PENSION PLANS

Last Five Fiscal Years

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 | \$ 968,274 | \$ 968,274 | \$ - | \$ 2,934,161 | 33.0% |
| 2016 | 871,361 | 871,361 | - | 2,885,301 | 30.2% |
| 2017 | 752,096 | 752,096 | - | 2,754,933 | 27.3% |
| 2018 | 767,122 | 767,122 | - | 2,779,428 | 27.6% |
| 2019 | 750,528 | 750,528 | - | 2,680,456 | 28.0% |
| Teacher's Retirement System of Louisiana | | | | | |
| 2015 | \$ 8,571,001 | \$ 8,571,001 | \$ - | \$ 29,470,814 | 29.1% |
| 2016 | 7,695,281 | 7,695,281 | - | 29,260,653 | 26.3% |
| 2017 | 7,003,262 | 7,003,262 | - | 27,463,774 | 25.5% |
| 2018 | 7,452,980 | 7,452,980 | - | 28,018,723 | 26.6% |
| 2019 | 7,492,513 | 7,492,513 | - | 28,061,848 | 26.7% |

Notes:

The amounts presented were determined as 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.

Webster Parish School Board
June 30, 2019

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION FOR PENSIONS

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 for 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.

For amounts reported for 2017, based on Act 94 of the 2016 Regular Session of the Legislature, the explicit cost of projected noninvestment related administrative expense were included in the calculation of the actuarially required contribution for the plan. With this change, the valuation of plan liabilities based on valuation interest rate set for 0.25% below 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.

For amounts reported for 2018, the actuarial assumptions were reset based on a plan experience study performed in 2018 using plan data for the period July 1, 2012, through June 30, 2017. The June 30, 2018, actuarial valuation reflects the following changes to actuarial methodologies and assumptions:

- As a result of the experience study, the LSERS Board of Trustees approved a reduction in the discount rate to 7.0% over the next two years. As a result, the discount rate decreased from 7.125% as of June 30, 2017 valuation, to 7.0625% as of June 30, 2018.
- The inflation rate decreased from 2.625% annum as of June 30, 2017, to 2.50% annum as of June 30, 2018.
- The mortality assumption was updated to reflect the results of the new experience study and was based on the RP-2014 Healthy Annuitant, Sex Distinct Employee, and Sex Distinct Disabled Lives mortality tables with generational projections using the full generational scale MP2017. The previous valuation set mortality from the RP-2000 Combined Healthy Sex Distinct and Disabled Lives mortality tables with no projection scale.
- The salary increase assumption was updated to 3.25% as of June 30, 2018, to reflect the results of the new experience study and change to the inflation rate. The previous valuation included a range of 3.075% to 5.375%.

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.

Changes in assumptions: Amounts reported in 2017 and earlier were valued using a discount rate of 7.75%. For 2018, the discount rate was decreased from 7.75% to 7.70%. For 2019, the discount rate was decreased from 7.70% to 7.65%.

**Webster Parish School Board
Budgetary Comparison Schedules**

General Fund and Any Major Special Revenue Funds With a Legally Adopted Annual Budget

GENERAL FUND The General fund is used to account for resources traditionally associated with government which are not required legally or by sound financial management to be accounted for in another fund.

SALES TAX DISTRICT 6 The Sales Tax District 6 fund accounts for the proceeds of a one-half percent sales and use tax passed by the voters of District 6 effective April 1, 2004. The proceeds are to be used for facilities improvements in District 6 schools.

96 SALES TAX The 96 Sales Tax fund accounts for proceeds of a one percent sales tax to be used for salaries and benefits, retirees insurance, school supplies, technology and operation of schools.

TITLE I The Title I fund accounts for the federal grant received to improve the 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. This is 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.

WEBSTER PARISH SCHOOL BOARD

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

Exhibit 3-1

| | BUDGETED AMOUNTS | | ACTUAL | VARIANCE WITH |
|--------------------------------------|-------------------------|--------------|----------------|----------------------|
| | ORIGINAL | FINAL | AMOUNTS | FINAL BUDGET |
| | | | | POSITIVE |
| | | | | (NEGATIVE) |
| BUDGETARY FUND BALANCES, BEGINNING | \$ 6,846,781 | \$ 8,618,935 | \$ 8,618,935 | \$ - |
| Resources (inflows) | | | | |
| Local sources: | | | | |
| Taxes: | | | | |
| Ad valorem | 2,812,286 | 2,927,553 | 2,846,778 | (80,775) |
| Sales and use | 6,351,318 | 5,652,673 | 5,595,472 | (57,201) |
| Interest earnings | 36,214 | 36,214 | 113,020 | 76,806 |
| Other | 382,667 | 450,847 | 573,528 | 122,681 |
| State sources: | | | | |
| Equalization | 36,974,855 | 36,354,073 | 36,394,249 | 40,176 |
| Other | 631,840 | 207,265 | 565,067 | 357,802 |
| Federal sources | 64,926 | 66,703 | 66,706 | 3 |
| Transfers from other funds | 1,389,792 | 1,325,227 | 1,073,696 | (251,531) |
| Amounts available for appropriations | 55,490,679 | 55,639,490 | 55,847,451 | 207,961 |
| Charges to appropriations (outflows) | | | | |
| Current: | | | | |
| Instruction: | | | | |
| Regular programs | 22,353,727 | 21,733,521 | 21,497,529 | 235,992 |
| Special programs | 7,269,491 | 7,313,084 | 7,076,406 | 236,678 |
| Other instructional programs | 2,450,613 | 2,159,971 | 2,105,351 | 54,620 |
| Support services: | | | | |
| Student services | 2,037,917 | 2,103,213 | 2,066,185 | 37,028 |
| Instructional staff support | 1,772,066 | 1,897,772 | 1,756,856 | 140,916 |
| General administration | 559,863 | 377,559 | 346,461 | 31,098 |
| School administration | 3,524,449 | 3,745,194 | 3,604,556 | 140,638 |
| Business services | 616,594 | 630,156 | 616,618 | 13,538 |
| Plant services | 3,879,132 | 3,605,623 | 3,910,458 | (304,835) |
| Student transportation services | 3,566,804 | 3,565,350 | 3,497,534 | 67,816 |
| Central services | 262,637 | 211,270 | 207,509 | 3,761 |
| Food services | 1,155 | 17 | 14 | 3 |
| Community service programs | 20,000 | 20,000 | 20,000 | - |
| Transfers to other funds | 1,365 | - | - | - |
| Total charges to appropriations | 48,315,813 | 47,362,730 | 46,705,477 | 657,253 |
| BUDGETARY FUND BALANCES, ENDING | \$ 7,174,866 | \$ 8,276,760 | \$ 9,141,974 | \$ 865,214 |

WEBSTER PARISH SCHOOL BOARD

**SALES TAX DISTRICT 6
Budgetary Comparison Schedule
For the Year Ended June 30, 2019**

Exhibit 3-2

| | BUDGETED AMOUNTS | | ACTUAL | VARIANCE WITH |
|--------------------------------------|-------------------------|--------------|----------------|----------------------|
| | ORIGINAL | FINAL | AMOUNTS | FINAL BUDGET |
| | | | | POSITIVE |
| | | | | (NEGATIVE) |
| BUDGETARY FUND BALANCES, BEGINNING | \$ 6,335,666 | \$ 7,018,204 | \$ 7,018,204 | \$ - |
| Resources (inflows) | | | | |
| Local sources: | | | | |
| Taxes: | | | | |
| Sales and use | 1,801,723 | 1,603,533 | 1,701,197 | 97,664 |
| Interest earnings | 19,725 | 39,450 | 73,012 | 33,562 |
| Federal sources | 815,082 | 722,436 | 723,124 | 688 |
| Amounts available for appropriations | 8,972,196 | 9,383,623 | 9,515,537 | 131,914 |
| Charges to appropriations (outflows) | | | | |
| Current: | | | | |
| Instruction: | | | | |
| Regular programs | 1,100 | 18,239 | 28,174 | (9,935) |
| Support services: | | | | |
| General administration | 31,144 | 29,898 | 26,518 | 3,380 |
| School administration | - | 4,961 | 984 | 3,977 |
| Business services | 4,151 | 4,151 | 2,484 | 1,667 |
| Plant services | 1,900,135 | 532,337 | 307,160 | 225,177 |
| Food services | - | 6,125 | 6,125 | - |
| Transfers to other funds | 700,000 | 750,000 | 692,187 | 57,813 |
| Total charges to appropriations | 2,636,530 | 1,345,711 | 1,063,632 | 282,079 |
| BUDGETARY FUND BALANCES, ENDING | \$ 6,335,666 | \$ 8,037,912 | \$ 8,451,905 | \$ 413,993 |

WEBSTER PARISH SCHOOL BOARD

**96 SALES TAX
Budgetary Comparison Schedule
For the Year Ended June 30, 2019**

Exhibit 3-3

| | BUDGETED AMOUNTS | | ACTUAL AMOUNTS | VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE) |
|--------------------------------------|-------------------------|---------------|---------------------------|---|
| | ORIGINAL | FINAL | | |
| BUDGETARY FUND BALANCES, BEGINNING | \$ - | \$ 10,273,641 | \$ 10,273,641 | \$ - |
| Resources (inflows) | | | | |
| Local sources: | | | | |
| Taxes: | | | | |
| Sales and use | 6,377,110 | 5,780,123 | 6,079,381 | 299,258 |
| Interest earnings | 29,345 | 85,269 | 100,030 | 14,761 |
| Transfers from other funds | 1,365 | 1,296 | - | (1,296) |
| Amounts available for appropriations | 6,407,820 | 16,140,329 | 16,453,052 | 312,723 |
| Charges to appropriations (outflows) | | | | |
| Current: | | | | |
| Instruction: | | | | |
| Regular programs | 1,620,866 | 1,705,163 | 1,680,556 | 24,607 |
| Special programs | 487,444 | 528,949 | 535,127 | (6,178) |
| Other instructional programs | 96,981 | 96,651 | 79,857 | 16,794 |
| Support services: | | | | |
| Student services | 122,322 | 139,611 | 135,999 | 3,612 |
| Instructional staff support | 125,140 | 133,935 | 139,352 | (5,417) |
| General administration | 176,776 | 159,947 | 119,021 | 40,926 |
| School administration | 204,636 | 236,538 | 233,782 | 2,756 |
| Business services | 48,685 | 49,547 | 40,470 | 9,077 |
| Plant services | 152,421 | 162,962 | 158,160 | 4,802 |
| Student transportation services | 437,007 | 1,077,636 | 1,068,252 | 9,384 |
| Central services | 12,746 | 12,457 | 13,277 | (820) |
| Food services | 207,055 | 224,816 | 221,132 | 3,684 |
| Transfers to other funds | 1,452,845 | 1,293,032 | 1,129,361 | 163,671 |
| Total charges to appropriations | 5,144,924 | 5,821,244 | 5,554,346 | 266,898 |
| BUDGETARY FUND BALANCES, ENDING | \$ 1,262,896 | \$ 10,319,085 | \$ 10,898,706 | \$ 579,621 |

WEBSTER PARISH SCHOOL BOARD

**TITLE I
Budgetary Comparison Schedule
For the Year Ended June 30, 2019**

Exhibit 3-4

| | BUDGETED AMOUNTS | | ACTUAL | VARIANCE WITH |
|--------------------------------------|-------------------------|--------------------|--------------------|----------------------|
| | ORIGINAL | FINAL | AMOUNTS | FINAL BUDGET |
| | | | | POSITIVE |
| | | | | (NEGATIVE) |
| BUDGETARY FUND BALANCES, BEGINNING | \$ - | \$ - | \$ - | \$ - |
| Resources (inflows) | | | | |
| Federal sources | <u>2,580,628</u> | <u>3,652,156</u> | <u>3,377,523</u> | <u>(274,633)</u> |
| Amounts available for appropriations | <u>2,580,628</u> | <u>3,652,156</u> | <u>3,377,523</u> | <u>(274,633)</u> |
| Charges to appropriations (outflows) | | | | |
| Current: | | | | |
| Instruction: | | | | |
| Other instructional programs | 2,372,747 | 3,368,674 | 3,115,502 | 253,172 |
| Support services: | | | | |
| General administration | <u>207,881</u> | <u>283,482</u> | <u>262,021</u> | <u>21,461</u> |
| Total charges to appropriations | <u>2,580,628</u> | <u>3,652,156</u> | <u>3,377,523</u> | <u>274,633</u> |
| BUDGETARY FUND BALANCES, ENDING | <u><u>\$ -</u></u> | <u><u>\$ -</u></u> | <u><u>\$ -</u></u> | <u><u>\$ -</u></u> |

Webster Parish School Board

Notes to Budgetary Comparison Schedule For the Year Ended June 30, 2019

Note A. 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 be adopted for the General fund and all special revenue funds.

Each year prior to September 15, 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 division, departmental or project level. Budget amounts included in the accompanying financial statements include the original adopted budget and all subsequent amendments. All budget revisions are approved by the Board.

Budget Basis of Accounting All governmental funds' budgets are prepared on the modified accrual basis of accounting. Budgeted amounts are as originally adopted or as amended by the 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.

Legal Level of Budgetary Control The School Board approves budgets at the function level and management can transfer amounts between line items within a function for the General fund. Budgets are approved for special revenue funds at the fund level.

WEBSTER PARISH SCHOOL BOARD

**Notes to Budgetary Comparison Schedule
For the Year Ended June 30, 2019**

Note B - Budget to GAAP Reconciliation - Explanation of differences between budgetary inflows and outflows and GAAP revenues and expenditures

| | GENERAL FUND | SALES TAX DISTRICT 6 | 96 SALES TAX | TITLE I |
|---|-------------------------|---------------------------------|-------------------------|---------------------|
| <u>Sources/inflows of resources:</u> | | | | |
| Actual amounts (budgetary basis) | | | | |
| "Amounts available for appropriation" from the Budgetary Comparison Schedule | \$ 55,847,451 | \$ 9,515,537 | \$ 16,453,052 | \$ 3,377,523 |
| The fund balance at the beginning of the year is a budgetary resource but is not a current year revenue for financial reporting purposes | (8,618,935) | (7,018,204) | (10,273,641) | - |
| Transfers from other funds are inflows of budgetary resources but are not revenues for financial reporting purposes | (1,073,696) | - | - | - |
| Total revenues as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds | <u>46,154,820</u> | <u>2,497,333</u> | <u>6,179,411</u> | <u>3,377,523</u> |
| <u>Uses/outflows of resources:</u> | | | | |
| Actual amounts (budgetary basis) "Total charges to appropriations" from the Budgetary Comparison Schedule | 46,705,477 | 1,063,632 | 5,554,346 | 3,377,523 |
| Transfers to other funds are outflows of budgetary resources but are not expenditures for financial reporting purposes | - | (692,187) | (1,129,361) | - |
| Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds | <u>\$ 46,705,477</u> | <u>\$ 371,445</u> | <u>\$ 4,424,985</u> | <u>\$ 3,377,523</u> |

SUPPLEMENTARY INFORMATION

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WEBSTER PARISH SCHOOL BOARD

NONMAJOR GOVERNMENTAL FUNDS

Combining Balance Sheet - By Fund Type

June 30, 2019

Exhibit 4

| | SPECIAL REVENUE | DEBT SERVICE | CAPITAL PROJECTS | TOTAL |
|--|----------------------------|-------------------------|-----------------------------|----------------------|
| ASSETS | | | | |
| Cash and cash equivalents | \$ 13,732,063 | \$ 1,403,837 | \$ 1,241,035 | \$ 16,376,935 |
| Investments | - | 3,428,795 | - | 3,428,795 |
| Receivables | 677,110 | 1,584 | - | 678,694 |
| Interfund receivables | - | 13,767 | - | 13,767 |
| Inventory | 129,383 | - | - | 129,383 |
| TOTAL ASSETS | 14,538,556 | 4,847,983 | 1,241,035 | 20,627,574 |
| LIABILITIES AND FUND BALANCES | | | | |
| Liabilities: | | | | |
| Accounts, salaries and other payables | 527,488 | - | 950 | 528,438 |
| Interfund payables | 425,261 | 1,146,979 | - | 1,572,240 |
| Unearned revenue | 113,314 | - | - | 113,314 |
| TOTAL LIABILITIES | 1,066,063 | 1,146,979 | 950 | 2,213,992 |
| Fund Balances: | | | | |
| Nonspendable | 47,693 | - | - | 47,693 |
| Restricted | 13,178,738 | 4,285,171 | 1,240,085 | 18,703,994 |
| Assigned | 246,062 | - | - | 246,062 |
| Unassigned | - | (584,167) | - | (584,167) |
| TOTAL FUND BALANCES | 13,472,493 | 3,701,004 | 1,240,085 | 18,413,582 |
| TOTAL LIABILITIES AND FUND BALANCES | \$ 14,538,556 | \$ 4,847,983 | \$ 1,241,035 | \$ 20,627,574 |

WEBSTER PARISH SCHOOL BOARD

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

Exhibit 5

| | <u>SPECIAL REVENUE</u> | <u>DEBT SERVICE</u> | <u>CAPITAL PROJECTS</u> | <u>TOTAL</u> |
|--|----------------------------|-------------------------|-----------------------------|-----------------------|
| REVENUES | | | | |
| Local sources: | | | | |
| Taxes: | | | | |
| Ad valorem | \$ 3,265,463 | \$ 5,428,791 | \$ - | \$ 8,694,254 |
| Sales and use | 483,909 | - | - | 483,909 |
| Interest earnings | 119,383 | 77,816 | 9,328 | 206,527 |
| Food service | 100,504 | - | - | 100,504 |
| Other | 49,032 | 31,832 | 400 | 81,264 |
| State sources: | | | | |
| Equalization | 763,027 | - | - | 763,027 |
| Other | 184,583 | - | - | 184,583 |
| Federal sources | 6,082,405 | - | - | 6,082,405 |
| TOTAL REVENUES | <u>11,048,306</u> | <u>5,538,439</u> | <u>9,728</u> | <u>16,596,473</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| Instruction: | | | | |
| Regular programs | 78,752 | - | - | 78,752 |
| Special programs | 1,303,540 | - | - | 1,303,540 |
| Other instructional programs | 477,504 | - | - | 477,504 |
| Support services: | | | | |
| Student services | 153,404 | - | - | 153,404 |
| Instructional staff support | 786,792 | - | - | 786,792 |
| General administration | 309,627 | 197,737 | 18,746 | 526,110 |
| School administration | 7,485 | - | 5,133 | 12,618 |
| Business services | 125 | - | - | 125 |
| Plant services | 2,338,127 | - | 28,633 | 2,366,760 |
| Central services | 1,986 | - | - | 1,986 |
| Food services | 4,409,277 | - | - | 4,409,277 |
| Capital outlay | 913,174 | - | 208,032 | 1,121,206 |
| Debt service: | | | | |
| Principal retirement | - | 4,335,000 | - | 4,335,000 |
| Interest and bank charges | - | 1,834,249 | - | 1,834,249 |
| TOTAL EXPENDITURES | <u>10,779,793</u> | <u>6,366,986</u> | <u>260,544</u> | <u>17,407,323</u> |
| EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES | <u>\$ 268,513</u> | <u>\$ (828,547)</u> | <u>\$ (250,816)</u> | <u>\$ (810,850)</u> |

(CONTINUED)

WEBSTER PARISH SCHOOL BOARD

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

Exhibit 5

| | <u>SPECIAL REVENUE</u> | <u>DEBT SERVICE</u> | <u>CAPITAL PROJECTS</u> | <u>TOTAL</u> |
|--------------------------------------|----------------------------|-------------------------|-----------------------------|----------------------|
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers in | \$ 10,146,058 | \$ 793,057 | \$ - | \$ 10,939,115 |
| Transfers out | (94,423) | - | (10,096,840) | (10,191,263) |
| Insurance proceeds | - | - | 51,867 | 51,867 |
| TOTAL OTHER FINANCING SOURCES (USES) | <u>10,051,635</u> | <u>793,057</u> | <u>(10,044,973)</u> | <u>799,719</u> |
| Net Change in Fund Balances | 10,320,148 | (35,490) | (10,295,789) | (11,131) |
| FUND BALANCES - BEGINNING | <u>3,152,345</u> | <u>3,736,494</u> | <u>11,535,874</u> | <u>18,424,713</u> |
| FUND BALANCES - ENDING | <u>\$ 13,472,493</u> | <u>\$ 3,701,004</u> | <u>\$ 1,240,085</u> | <u>\$ 18,413,582</u> |

(CONCLUDED)

**Webster Parish School Board
Nonmajor Special Revenue Funds**

MAINTENANCE FUNDS The following maintenance special revenues funds are used to account for the proceeds of an ad valorem tax dedicated for maintenance and upkeep of school facilities in the respective school districts.

Building Tax Maintenance
Springhill District Maintenance
Dubberly Heflin Sibley Maintenance
Doyline Maintenance
Sarepta Maintenance
Cotton Valley Maintenance

SCHOOL FOOD SERVICE To assist through cash grants and food donations in providing a nutritious breakfast and lunch service for school students and to encourage the domestic consumption of nutritious agricultural commodities.

SPECIAL EDUCATION

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

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

OTHER ESEA FUNDS

IMPROVING TEACHER QUALITY GRANTS To ensure that teachers, staff and administrators have access to sustained and intensive high-quality professional development. To challenge state content standards in core academic subjects.

STUDENT SUPPORT AND ACADEMIC ENRICHMENT To improve student's academic achievement by increasing the capacity of States, local education agencies, schools and local communities to: (1) provide all students with access to a well-rounded education; (2) improve school conditions for student learning; and (3) improve the use of technology in order to improve the academic achievement and digital literacy for all students

RURAL EDUCATION To provide financial assistance to rural districts to carry out activities to help improve the quality of teaching and learning in their schools

(Continued)

**Webster Parish School Board
Nonmajor Special Revenue Funds**

SPECIAL FEDERAL FUNDS

CAREER AND TECHNICAL EDUCATION - BASIC GRANTS TO STATES To develop more fully the academic, career, and technical skills of secondary and postsecondary students who elect to enroll in career and technical education programs.

TEMPORARY ASSISTANCE TO NEEDY FAMILIES (TANF) To make grants available to assist low-income families with childcare services. The purpose of the program is to increase the availability, affordability, and quality of childcare and to increase the availability of early childhood development and before - and after-school programs.

COMPREHENSIVE LITERACY DEVELOPMENT To advance literacy skills, including pre-literacy skills, reading and writing for students from birth through grade 12, including English learner and students with disabilities.

EDUCATION EXCELLENCE To account for the tobacco settlement money received from the state.

COMPREHENSIVE SCHOOL REFORM To provide funding to initiate and expand counseling programs in elementary and secondary schools.

DISTRICT LEASES To account for royalty payments from School Board owned land. These funds can be used for any area of educational improvement in the school district.

Dubberly Heflin Sibley
Springhill
Shongaloo
Minden
Cotton Valley
Sarepta

(Concluded)

WEBSTER PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUNDS
Combining Balance Sheet
June 30, 2019

| | BUILDING MAINTENANCE TAX | SPRINGHILL DISTRICT MAINTENANCE | DUBBERLY HEFLIN SIBLEY MAINTENANCE | DOYLINE MAINTENANCE |
|--|---|--|---|--------------------------------|
| ASSETS | | | | |
| Cash and cash equivalents | \$ 1,729,557 | \$ 488,358 | \$ 5,362,283 | \$ 2,580,495 |
| Receivables | 118 | 29 | - | - |
| Inventory | - | - | - | - |
| TOTAL ASSETS | <u>1,729,675</u> | <u>488,387</u> | <u>5,362,283</u> | <u>2,580,495</u> |
| LIABILITIES AND FUND BALANCES | | | | |
| Liabilities: | | | | |
| Accounts, salaries and other payables | 29,255 | - | 3,302 | 3,800 |
| Interfund payables | - | - | - | - |
| Unearned revenue | - | - | - | - |
| TOTAL LIABILITIES | <u>29,255</u> | <u>-</u> | <u>3,302</u> | <u>3,800</u> |
| Fund Balances: | | | | |
| Nonspendable | - | - | - | - |
| Restricted | 1,700,420 | 488,387 | 5,358,981 | 2,576,695 |
| Assigned | - | - | - | - |
| TOTAL FUND BALANCES | <u>1,700,420</u> | <u>488,387</u> | <u>5,358,981</u> | <u>2,576,695</u> |
| TOTAL LIABILITIES AND FUND BALANCES | <u><u>\$ 1,729,675</u></u> | <u><u>\$ 488,387</u></u> | <u><u>\$ 5,362,283</u></u> | <u><u>\$ 2,580,495</u></u> |

Exhibit 6

| SAREPTA MAINTENANCE | COTTON VALLEY MAINTENANCE | SCHOOL FOOD SERVICE | SPECIAL EDUCATION | OTHER ESEA FUNDS | SPECIAL FEDERAL FUNDS |
|------------------------|---------------------------------|---------------------------|----------------------|---------------------|-----------------------------|
| \$ 2,155,351 | \$ 97,686 | \$ 797,925 | \$ - | \$ - | \$ - |
| - | - | 11,858 | 275,750 | 182,382 | 203,508 |
| - | - | 129,383 | - | - | - |
| 2,155,351 | 97,686 | 939,166 | 275,750 | 182,382 | 203,508 |
| - | - | 216,721 | 117,589 | 65,048 | 66,373 |
| - | - | 11,329 | 158,161 | 117,334 | 137,135 |
| - | - | 81,690 | - | - | - |
| - | - | 309,740 | 275,750 | 182,382 | 203,508 |
| - | - | 47,693 | - | - | - |
| 2,155,351 | 97,686 | 581,733 | - | - | - |
| - | - | - | - | - | - |
| 2,155,351 | 97,686 | 629,426 | - | - | - |
| \$ 2,155,351 | \$ 97,686 | \$ 939,166 | \$ 275,750 | \$ 182,382 | \$ 203,508 |

(CONTINUED)

WEBSTER PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUNDS
Combining Balance Sheet
June 30, 2019

Exhibit 6

| | EDUCATION EXCELLENCE | COMPREHENSIVE SCHOOL REFORM | DISTRICT LEASES | TOTAL |
|--|-------------------------|-----------------------------------|--------------------|---------------|
| ASSETS | | | | |
| Cash and cash equivalents | \$ 239,472 | \$ 32,305 | \$ 248,631 | \$ 13,732,063 |
| Receivables | 1,623 | 621 | 1,221 | 677,110 |
| Inventory | - | - | - | 129,383 |
| TOTAL ASSETS | 241,095 | 32,926 | 249,852 | 14,538,556 |
| LIABILITIES AND FUND BALANCES | | | | |
| Liabilities: | | | | |
| Accounts, salaries and other payables | 21,610 | - | 3,790 | 527,488 |
| Interfund payables | - | 1,302 | - | 425,261 |
| Unearned revenue | - | 31,624 | - | 113,314 |
| TOTAL LIABILITIES | 21,610 | 32,926 | 3,790 | 1,066,063 |
| Fund Balances: | | | | |
| Nonspendable | - | - | - | 47,693 |
| Restricted | 219,485 | - | - | 13,178,738 |
| Assigned | - | - | 246,062 | 246,062 |
| TOTAL FUND BALANCES | 219,485 | - | 246,062 | 13,472,493 |
| TOTAL LIABILITIES AND FUND BALANCES | \$ 241,095 | \$ 32,926 | \$ 249,852 | \$ 14,538,556 |

(CONCLUDED)

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WEBSTER PARISH SCHOOL BOARD

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

| | BUILDING MAINTENANCE TAX | SPRINGHILL DISTRICT MAINTENANCE | DUBBERLY HEFLIN SIBLEY MAINTENANCE | DOYLINE MAINTENANCE |
|--|---|--|---|--------------------------------|
| REVENUES | | | | |
| Local sources: | | | | |
| Taxes: | | | | |
| Ad valorem | \$ 1,357,996 | \$ 293,896 | \$ 1,103,529 | \$ 117,046 |
| Sales and use | 66,085 | - | - | - |
| Interest earnings | 15,489 | 4,144 | 50,784 | 23,794 |
| Food service | - | - | - | - |
| Other | 11,314 | - | 4,990 | - |
| State sources: | | | | |
| Equalization | - | - | - | - |
| Other | 98,157 | - | - | - |
| Federal sources | - | - | - | - |
| TOTAL REVENUES | 1,549,041 | 298,040 | 1,159,303 | 140,840 |
| EXPENDITURES | | | | |
| Current: | | | | |
| Instruction: | | | | |
| Regular programs | - | - | 52,352 | 26,400 |
| Special programs | - | - | - | - |
| Other instructional programs | - | - | 11,921 | - |
| Support services: | | | | |
| Student services | - | - | - | - |
| Instructional staff support | - | - | - | - |
| General administration | 49,773 | 10,948 | 41,362 | 4,284 |
| School administration | - | - | 6,426 | 1,059 |
| Business services | - | - | - | - |
| Plant services | 1,700,935 | 117,030 | 324,429 | 99,506 |
| Central services | 1,986 | - | - | - |
| Food services | - | - | - | - |
| Capital outlay | - | - | 863,049 | - |
| TOTAL EXPENDITURES | 1,752,694 | 127,978 | 1,299,539 | 131,249 |
| EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES | \$ (203,653) | \$ 170,062 | \$ (140,236) | \$ 9,591 |

Exhibit 7

| SAREPTA MAINTENANCE | COTTON VALLEY MAINTENANCE | SCHOOL FOOD SERVICE | SPECIAL EDUCATION | OTHER ESEA FUNDS | SPECIAL FEDERAL FUNDS |
|------------------------|---------------------------------|---------------------------|----------------------|---------------------|-----------------------------|
| \$ 268,097 | \$ 124,899 | \$ - | \$ - | \$ - | \$ - |
| - | - | 417,824 | - | - | - |
| 18,723 | 758 | 1,027 | - | - | - |
| - | - | 100,504 | - | - | - |
| - | - | - | - | - | - |
| - | - | 763,027 | - | - | - |
| - | - | - | - | - | - |
| - | - | 3,355,167 | 1,406,334 | 675,436 | 581,481 |
| 286,820 | 125,657 | 4,637,549 | 1,406,334 | 675,436 | 581,481 |
| - | - | - | - | - | - |
| - | - | - | 1,303,540 | - | - |
| - | - | - | - | 61,341 | 317,980 |
| - | - | - | - | 107,656 | - |
| - | - | - | - | 456,664 | 227,612 |
| 9,834 | 4,758 | - | 102,794 | 49,775 | 35,889 |
| - | - | - | - | - | - |
| - | 125 | - | - | - | - |
| 10,996 | 79,631 | - | - | - | - |
| - | - | - | - | - | - |
| - | - | 4,409,277 | - | - | - |
| - | 50,125 | - | - | - | - |
| 20,830 | 134,639 | 4,409,277 | 1,406,334 | 675,436 | 581,481 |
| \$ 265,990 | \$ (8,982) | \$ 228,272 | \$ - | \$ - | \$ - |

(CONTINUED)

WEBSTER PARISH SCHOOL BOARD

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

| | BUILDING MAINTENANCE TAX | SPRINGHILL DISTRICT MAINTENANCE | DUBBERLY HEFLIN SIBLEY MAINTENANCE | DOYLINE MAINTENANCE |
|--------------------------------------|---|--|---|--------------------------------|
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers in | \$ 7,822 | \$ 11,574 | \$ 5,510,761 | \$ 2,567,104 |
| Transfers out | - | (82,879) | (11,544) | - |
| TOTAL OTHER FINANCING SOURCES (USES) | 7,822 | (71,305) | 5,499,217 | 2,567,104 |
| Net Change in Fund Balances | (195,831) | 98,757 | 5,358,981 | 2,576,695 |
| FUND BALANCES - BEGINNING | 1,896,251 | 389,630 | - | - |
| FUND BALANCES - ENDING | <u>\$ 1,700,420</u> | <u>\$ 488,387</u> | <u>\$ 5,358,981</u> | <u>\$ 2,576,695</u> |

Exhibit 7

| <u>SAREPTA MAINTENANCE</u> | <u>COTTON VALLEY MAINTENANCE</u> | <u>SCHOOL FOOD SERVICE</u> | <u>SPECIAL EDUCATION</u> | <u>OTHER ESEA FUNDS</u> | <u>SPECIAL FEDERAL FUNDS</u> |
|--------------------------------|--|------------------------------------|------------------------------|-----------------------------|--------------------------------------|
| \$ 1,889,361 | \$ 106,668 | \$ 52,768 | \$ - | \$ - | \$ - |
| - | - | - | - | - | - |
| 1,889,361 | 106,668 | 52,768 | - | - | - |
| 2,155,351 | 97,686 | 281,040 | - | - | - |
| - | - | 348,386 | - | - | - |
| <u>\$ 2,155,351</u> | <u>\$ 97,686</u> | <u>\$ 629,426</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

(CONTINUED)

WEBSTER PARISH SCHOOL BOARD

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

Exhibit 7

| | COMPREHENSIVE | | | |
|--|-------------------------|------------------|--------------------|-------------------|
| | EDUCATION EXCELLENCE | SCHOOL REFORM | DISTRICT LEASES | TOTAL |
| REVENUES | | | | |
| Local sources: | | | | |
| Taxes: | | | | |
| Ad valorem | \$ - | \$ - | \$ - | \$ 3,265,463 |
| Sales and use | - | - | - | 483,909 |
| Interest earnings | 2,491 | - | 2,173 | 119,383 |
| Food service | - | - | - | 100,504 |
| Other | - | - | 32,728 | 49,032 |
| State sources: | | | | |
| Equalization | - | - | - | 763,027 |
| Other | 86,426 | - | - | 184,583 |
| Federal sources | 16,937 | 47,050 | - | 6,082,405 |
| TOTAL REVENUES | 105,854 | 47,050 | 34,901 | 11,048,306 |
| EXPENDITURES | | | | |
| Current: | | | | |
| Instruction: | | | | |
| Regular programs | - | - | - | 78,752 |
| Special programs | - | - | - | 1,303,540 |
| Other instructional programs | 86,262 | - | - | 477,504 |
| Support services: | | | | |
| Student services | - | 45,748 | - | 153,404 |
| Instructional staff support | 101,214 | 1,302 | - | 786,792 |
| General administration | - | - | 210 | 309,627 |
| School administration | - | - | - | 7,485 |
| Business services | - | - | - | 125 |
| Plant services | - | - | 5,600 | 2,338,127 |
| Central services | - | - | - | 1,986 |
| Food services | - | - | - | 4,409,277 |
| Capital outlay | - | - | - | 913,174 |
| TOTAL EXPENDITURES | 187,476 | 47,050 | 5,810 | 10,779,793 |
| EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES | \$ (81,622) | \$ - | \$ 29,091 | \$ 268,513 |

(CONTINUED)

WEBSTER PARISH SCHOOL BOARD

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

Exhibit 7

| | EDUCATION EXCELLENCE | COMPREHENSIVE SCHOOL REFORM | DISTRICT LEASES | TOTAL |
|--------------------------------------|-------------------------|-----------------------------------|--------------------|----------------------|
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers in | \$ - | \$ - | \$ - | \$ 10,146,058 |
| Transfers out | - | - | - | (94,423) |
| TOTAL OTHER FINANCING SOURCES (USES) | - | - | - | 10,051,635 |
| Net Change in Fund Balances | (81,622) | - | 29,091 | 10,320,148 |
| FUND BALANCES - BEGINNING | 301,107 | - | 216,971 | 3,152,345 |
| FUND BALANCES - ENDING | <u>\$ 219,485</u> | <u>\$ -</u> | <u>\$ 246,062</u> | <u>\$ 13,472,493</u> |

(CONCLUDED)

WEBSTER PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND

Schedule of Revenues, Expenditures, and Changes

in Fund Balances - Budget (GAAP Basis) and Actual

For the Year Ended June 30, 2019

Exhibit 8-1

*****BUILDING MAINTENANCE TAX*****

| | <u>BUDGET</u> | <u>ACTUAL</u> | <u>VARIANCE POSITIVE (NEGATIVE)</u> |
|--|---------------------|---------------------|---|
| REVENUES | | | |
| Local sources: | | | |
| Taxes: | | | |
| Ad valorem | \$ 1,452,507 | \$ 1,357,996 | \$ (94,511) |
| Sales and use | 60,768 | 66,085 | 5,317 |
| Interest earnings | 10,907 | 15,489 | 4,582 |
| Other | 11,314 | 11,314 | - |
| State sources: | | | |
| Other | 98,157 | 98,157 | - |
| TOTAL REVENUES | <u>1,633,653</u> | <u>1,549,041</u> | <u>(84,612)</u> |
| EXPENDITURES | | | |
| Current: | | | |
| Support services: | | | |
| General administration | 49,773 | 49,773 | - |
| Plant services | 1,978,965 | 1,700,935 | 278,030 |
| Central services | - | 1,986 | (1,986) |
| TOTAL EXPENDITURES | <u>2,028,738</u> | <u>1,752,694</u> | <u>276,044</u> |
| EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES | <u>(395,085)</u> | <u>(203,653)</u> | <u>191,432</u> |
| OTHER FINANCING SOURCES (USES) | | | |
| Transfers in | 8,708 | 7,822 | (886) |
| TOTAL OTHER FINANCING SOURCES (USES) | <u>8,708</u> | <u>7,822</u> | <u>(886)</u> |
| Net Change in Fund Balances | (386,377) | (195,831) | 190,546 |
| FUND BALANCES - BEGINNING | <u>1,881,430</u> | <u>1,896,251</u> | <u>14,821</u> |
| FUND BALANCES - ENDING | <u>\$ 1,495,053</u> | <u>\$ 1,700,420</u> | <u>\$ 205,367</u> |

WEBSTER PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND

Schedule of Revenues, Expenditures, and Changes

in Fund Balances - Budget (GAAP Basis) and Actual

For the Year Ended June 30, 2019

Exhibit 8-2

*****SPRINGHILL DISTRICT MAINTENANCE*****

| | <u>BUDGET</u> | <u>ACTUAL</u> | <u>VARIANCE POSITIVE (NEGATIVE)</u> |
|--|-------------------|-------------------|---|
| REVENUES | | | |
| Local sources: | | | |
| Taxes: | | | |
| Ad valorem | \$ 294,937 | \$ 293,896 | \$ (1,041) |
| Interest earnings | 3,056 | 4,144 | 1,088 |
| | <u>297,993</u> | <u>298,040</u> | <u>47</u> |
| TOTAL REVENUES | | | |
| EXPENDITURES | | | |
| Current: | | | |
| Instruction: | | | |
| General administration | 10,948 | 10,948 | - |
| School administration | 9,207 | - | 9,207 |
| Plant services | 176,839 | 117,030 | 59,809 |
| | <u>196,994</u> | <u>127,978</u> | <u>69,016</u> |
| TOTAL EXPENDITURES | | | |
| EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES | <u>100,999</u> | <u>170,062</u> | <u>69,063</u> |
| OTHER FINANCING SOURCES (USES) | | | |
| Transfers in | 11,574 | 11,574 | - |
| Transfers out | (82,227) | (82,879) | (652) |
| | <u>(70,653)</u> | <u>(71,305)</u> | <u>(652)</u> |
| TOTAL OTHER FINANCING SOURCES (USES) | | | |
| Net Change in Fund Balances | 30,346 | 98,757 | 68,411 |
| FUND BALANCES - BEGINNING | <u>392,361</u> | <u>389,630</u> | <u>(2,731)</u> |
| FUND BALANCES - ENDING | <u>\$ 422,707</u> | <u>\$ 488,387</u> | <u>\$ 65,680</u> |

WEBSTER PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND

Schedule of Revenues, Expenditures, and Changes

in Fund Balances - Budget (GAAP Basis) and Actual

For the Year Ended June 30, 2019

Exhibit 8-3

*****DUBBERLY HEFLIN SIBLEY MAINTENANCE*****

| | <u>BUDGET</u> | <u>ACTUAL</u> | <u>VARIANCE POSITIVE (NEGATIVE)</u> |
|--|---------------------|---------------------|---|
| REVENUES | | | |
| Local sources: | | | |
| Taxes: | | | |
| Ad valorem | \$ 1,064,130 | \$ 1,103,529 | \$ 39,399 |
| Interest earnings | 43,270 | 50,784 | 7,514 |
| Other | 4,990 | 4,990 | - |
| TOTAL REVENUES | <u>1,112,390</u> | <u>1,159,303</u> | <u>46,913</u> |
| EXPENDITURES | | | |
| Current: | | | |
| Instruction: | | | |
| Regular programs | 52,352 | 52,352 | - |
| Other instructional programs | 11,921 | 11,921 | - |
| Support services: | | | |
| General administration | 41,362 | 41,362 | - |
| School administration | 9,178 | 6,426 | 2,752 |
| Plant services | 226,967 | 324,429 | (97,462) |
| Capital outlay | 1,053,875 | 863,049 | 190,826 |
| TOTAL EXPENDITURES | <u>1,395,655</u> | <u>1,299,539</u> | <u>96,116</u> |
| EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES | <u>(283,265)</u> | <u>(140,236)</u> | <u>143,029</u> |
| OTHER FINANCING SOURCES (USES) | | | |
| Transfers in | 5,561,702 | 5,510,761 | (50,941) |
| Transfers out | (11,544) | (11,544) | - |
| TOTAL OTHER FINANCING SOURCES (USES) | <u>5,550,158</u> | <u>5,499,217</u> | <u>(50,941)</u> |
| Net Change in Fund Balances | 5,266,893 | 5,358,981 | 92,088 |
| FUND BALANCES - BEGINNING | <u>-</u> | <u>-</u> | <u>-</u> |
| FUND BALANCES - ENDING | <u>\$ 5,266,893</u> | <u>\$ 5,358,981</u> | <u>\$ 92,088</u> |

WEBSTER PARISH SCHOOL BOARD

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

Exhibit 8-4

*****DOYLINE MAINTENANCE*****

| | <u>BUDGET</u> | <u>ACTUAL</u> | <u>VARIANCE POSITIVE (NEGATIVE)</u> |
|--|---------------------|---------------------|---|
| REVENUES | | | |
| Local sources: | | | |
| Taxes: | | | |
| Ad valorem | \$ 120,264 | \$ 117,046 | \$ (3,218) |
| Interest earnings | 20,682 | 23,794 | 3,112 |
| TOTAL REVENUES | <u>140,946</u> | <u>140,840</u> | <u>(106)</u> |
| EXPENDITURES | | | |
| Current: | | | |
| Instruction: | | | |
| Regular programs | 30,868 | 26,400 | 4,468 |
| General administration | 9,951 | 4,284 | 5,667 |
| School administration | 30,254 | 1,059 | 29,195 |
| Plant services | <u>201,506</u> | <u>99,506</u> | <u>102,000</u> |
| TOTAL EXPENDITURES | <u>272,579</u> | <u>131,249</u> | <u>141,330</u> |
| EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES | <u>(131,633)</u> | <u>9,591</u> | <u>141,224</u> |
| OTHER FINANCING SOURCES (USES) | | | |
| Transfers in | <u>2,567,104</u> | <u>2,567,104</u> | <u>-</u> |
| TOTAL OTHER FINANCING SOURCES (USES) | <u>2,567,104</u> | <u>2,567,104</u> | <u>-</u> |
| Net Change in Fund Balances | 2,435,471 | 2,576,695 | 141,224 |
| FUND BALANCES - BEGINNING | <u>-</u> | <u>-</u> | <u>-</u> |
| FUND BALANCES - ENDING | <u>\$ 2,435,471</u> | <u>\$ 2,576,695</u> | <u>\$ 141,224</u> |

WEBSTER PARISH SCHOOL BOARD

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

Exhibit 8-5

*****SAREPTA MAINTENANCE*****

| | <u>BUDGET</u> | <u>ACTUAL</u> | <u>VARIANCE POSITIVE (NEGATIVE)</u> |
|--|----------------------------|----------------------------|---|
| REVENUES | | | |
| Local sources: | | | |
| Taxes: | | | |
| Ad valorem | \$ 267,638 | \$ 268,097 | \$ 459 |
| Interest earnings | 15,340 | 18,723 | 3,383 |
| TOTAL REVENUES | <u>282,978</u> | <u>286,820</u> | <u>3,842</u> |
| EXPENDITURES | | | |
| Current: | | | |
| Support services: | | | |
| General administration | 9,834 | 9,834 | - |
| Plant services | <u>10,996</u> | <u>10,996</u> | <u>-</u> |
| TOTAL EXPENDITURES | <u>20,830</u> | <u>20,830</u> | <u>-</u> |
| EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES | <u>262,148</u> | <u>265,990</u> | <u>3,842</u> |
| OTHER FINANCING SOURCES (USES) | | | |
| Transfers in | <u>1,889,361</u> | <u>1,889,361</u> | <u>-</u> |
| TOTAL OTHER FINANCING SOURCES (USES) | <u>1,889,361</u> | <u>1,889,361</u> | <u>-</u> |
| Net Change in Fund Balances | 2,151,509 | 2,155,351 | 3,842 |
| FUND BALANCES - BEGINNING | <u>-</u> | <u>-</u> | <u>-</u> |
| FUND BALANCES - ENDING | <u><u>\$ 2,151,509</u></u> | <u><u>\$ 2,155,351</u></u> | <u><u>\$ 3,842</u></u> |

WEBSTER PARISH SCHOOL BOARD

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

Exhibit 8-6

*****COTTON VALLEY MAINTENANCE*****

| | <u>BUDGET</u> | <u>ACTUAL</u> | <u>VARIANCE POSITIVE (NEGATIVE)</u> |
|--|------------------|------------------|---|
| REVENUES | | | |
| Local sources: | | | |
| Taxes: | | | |
| Ad valorem | \$ 129,674 | \$ 124,899 | \$ (4,775) |
| Interest earnings | 174 | 758 | 584 |
| TOTAL REVENUES | <u>129,848</u> | <u>125,657</u> | <u>(4,191)</u> |
| EXPENDITURES | | | |
| Current: | | | |
| Support services: | | | |
| General administration | 14,911 | 4,758 | 10,153 |
| Business services | 125 | 125 | - |
| Plant services | 79,488 | 79,631 | (143) |
| Capital outlay | <u>50,270</u> | <u>50,125</u> | <u>145</u> |
| TOTAL EXPENDITURES | <u>144,794</u> | <u>134,639</u> | <u>10,155</u> |
| EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES | <u>(14,946)</u> | <u>(8,982)</u> | <u>5,964</u> |
| OTHER FINANCING SOURCES (USES) | | | |
| Transfers in | <u>106,669</u> | <u>106,668</u> | <u>(1)</u> |
| TOTAL OTHER FINANCING SOURCES (USES) | <u>106,669</u> | <u>106,668</u> | <u>(1)</u> |
| Net Change in Fund Balances | 91,723 | 97,686 | 5,963 |
| FUND BALANCES - BEGINNING | <u>-</u> | <u>-</u> | <u>-</u> |
| FUND BALANCES - ENDING | <u>\$ 91,723</u> | <u>\$ 97,686</u> | <u>\$ 5,963</u> |

WEBSTER PARISH SCHOOL BOARD

**NONMAJOR SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and Changes
in Fund Balances - Budget (GAAP Basis) and Actual
For the Year Ended June 30, 2019**

Exhibit 8-7

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

| | <u>BUDGET</u> | <u>ACTUAL</u> | <u>VARIANCE POSITIVE (NEGATIVE)</u> |
|--|--------------------------|--------------------------|---|
| REVENUES | | | |
| Local sources: | | | |
| Taxes: | | | |
| Sales and use | \$ 380,904 | \$ 417,824 | \$ 36,920 |
| Interest earnings | 380 | 1,027 | 647 |
| Food service | 83,503 | 100,504 | 17,001 |
| State sources: | | | |
| Equalization | 763,105 | 763,027 | (78) |
| Federal sources | <u>2,575,270</u> | <u>3,355,167</u> | <u>779,897</u> |
| TOTAL REVENUES | <u>3,803,162</u> | <u>4,637,549</u> | <u>834,387</u> |
| EXPENDITURES | | | |
| Current: | | | |
| Food services | <u>3,851,121</u> | <u>4,409,277</u> | <u>(558,156)</u> |
| TOTAL EXPENDITURES | <u>3,851,121</u> | <u>4,409,277</u> | <u>(558,156)</u> |
| EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES | <u>(47,959)</u> | <u>228,272</u> | <u>276,231</u> |
| OTHER FINANCING SOURCES (USES) | | | |
| Transfers in | <u>47,959</u> | <u>52,768</u> | <u>4,809</u> |
| TOTAL OTHER FINANCING SOURCES (USES) | <u>47,959</u> | <u>52,768</u> | <u>4,809</u> |
| Net Change in Fund Balances | - | 281,040 | 281,040 |
| FUND BALANCES - BEGINNING | <u>222,987</u> | <u>348,386</u> | <u>125,399</u> |
| FUND BALANCES - ENDING | <u><u>\$ 222,987</u></u> | <u><u>\$ 629,426</u></u> | <u><u>\$ 406,439</u></u> |

WEBSTER PARISH SCHOOL BOARD

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

Exhibit 8-8

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

| | <u>BUDGET</u> | <u>ACTUAL</u> | <u>VARIANCE POSITIVE (NEGATIVE)</u> |
|-----------------------------|------------------|------------------|---|
| REVENUES | | | |
| Local sources: | | | |
| Federal sources | \$ 1,676,774 | \$ 1,406,334 | \$ (270,440) |
| TOTAL REVENUES | <u>1,676,774</u> | <u>1,406,334</u> | <u>(270,440)</u> |
| EXPENDITURES | | | |
| Current: | | | |
| Instruction: | | | |
| Special programs | 1,545,797 | 1,303,540 | 242,257 |
| Support services: | | | |
| General administration | <u>130,977</u> | <u>102,794</u> | <u>28,183</u> |
| TOTAL EXPENDITURES | <u>1,676,774</u> | <u>1,406,334</u> | <u>270,440</u> |
| Net Change in Fund Balances | - | - | - |
| FUND BALANCES - BEGINNING | <u>-</u> | <u>-</u> | <u>-</u> |
| FUND BALANCES - ENDING | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

WEBSTER PARISH SCHOOL BOARD

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

Exhibit 8-9

*****OTHER ESEA FUNDS*****

| | <u>BUDGET</u> | <u>ACTUAL</u> | <u>VARIANCE POSITIVE (NEGATIVE)</u> |
|------------------------------|----------------|----------------|---|
| REVENUES | | | |
| Federal sources | \$ 996,431 | \$ 675,436 | \$ (320,995) |
| TOTAL REVENUES | <u>996,431</u> | <u>675,436</u> | <u>(320,995)</u> |
| EXPENDITURES | | | |
| Current: | | | |
| Instruction: | | | |
| Other instructional programs | 83,840 | 61,341 | 22,499 |
| Support services: | | | |
| Student services | 217,416 | 107,656 | 109,760 |
| Instructional staff support | 617,342 | 456,664 | 160,678 |
| General administration | <u>77,833</u> | <u>49,775</u> | <u>28,058</u> |
| TOTAL EXPENDITURES | <u>996,431</u> | <u>675,436</u> | <u>320,995</u> |
| Net Change in Fund Balances | - | - | - |
| FUND BALANCES - BEGINNING | <u>-</u> | <u>-</u> | <u>-</u> |
| FUND BALANCES - ENDING | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

WEBSTER PARISH SCHOOL BOARD

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

Exhibit 8-10

*******SPECIAL FEDERAL FUNDS*******

| | <u>BUDGET</u> | <u>ACTUAL</u> | <u>VARIANCE POSITIVE (NEGATIVE)</u> |
|------------------------------|----------------|----------------|---|
| REVENUES | | | |
| Federal sources | \$ 629,479 | \$ 581,481 | \$ (47,998) |
| TOTAL REVENUES | <u>629,479</u> | <u>581,481</u> | <u>(47,998)</u> |
| EXPENDITURES | | | |
| Current: | | | |
| Instruction: | | | |
| Other instructional programs | 331,754 | 317,980 | 13,774 |
| Support services: | | | |
| Instructional staff support | 261,223 | 227,612 | 33,611 |
| General administration | <u>36,502</u> | <u>35,889</u> | <u>613</u> |
| TOTAL EXPENDITURES | <u>629,479</u> | <u>581,481</u> | <u>47,998</u> |
| Net Change in Fund Balances | - | - | - |
| FUND BALANCES - BEGINNING | <u>-</u> | <u>-</u> | <u>-</u> |
| FUND BALANCES - ENDING | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

WEBSTER PARISH SCHOOL BOARD

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

Exhibit 8-11

*******EDUCATION EXCELLENCE*******

| | <u>BUDGET</u> | <u>ACTUAL</u> | <u>VARIANCE POSITIVE (NEGATIVE)</u> |
|------------------------------|-------------------|-------------------|---|
| REVENUES | | | |
| Local sources: | | | |
| Interest earnings | \$ 2,220 | \$ 2,491 | \$ 271 |
| State sources: | | | |
| Other | 86,426 | 86,426 | - |
| Federal sources | <u>19,668</u> | <u>16,937</u> | <u>(2,731)</u> |
| TOTAL REVENUES | <u>108,314</u> | <u>105,854</u> | <u>(2,460)</u> |
| EXPENDITURES | | | |
| Current: | | | |
| Instruction: | | | |
| Other instructional programs | 86,426 | 86,262 | 164 |
| Support services: | | | |
| Instructional staff support | <u>19,668</u> | <u>101,214</u> | <u>(81,546)</u> |
| TOTAL EXPENDITURES | <u>106,094</u> | <u>187,476</u> | <u>(81,382)</u> |
| Net Change in Fund Balances | 2,220 | (81,622) | (83,842) |
| FUND BALANCES - BEGINNING | <u>301,107</u> | <u>301,107</u> | <u>-</u> |
| FUND BALANCES - ENDING | <u>\$ 303,327</u> | <u>\$ 219,485</u> | <u>\$ (83,842)</u> |

WEBSTER PARISH SCHOOL BOARD

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

Exhibit 8-12

*******COMPREHENSIVE SCHOOL REFORM*******

| | <u>BUDGET</u> | <u>ACTUAL</u> | <u>VARIANCE POSITIVE (NEGATIVE)</u> |
|-----------------------------|------------------|---------------|---|
| REVENUES | | | |
| Federal sources | \$ 66,303 | \$ 47,050 | \$ (19,253) |
| TOTAL REVENUES | <u>66,303</u> | <u>47,050</u> | <u>(19,253)</u> |
| EXPENDITURES | | | |
| Current: | | | |
| Support services: | | | |
| Student services | 46,049 | 45,748 | 301 |
| Instructional staff support | <u>-</u> | <u>1,302</u> | <u>(1,302)</u> |
| TOTAL EXPENDITURES | <u>46,049</u> | <u>47,050</u> | <u>(1,001)</u> |
| Net Change in Fund Balances | 20,254 | - | (20,254) |
| FUND BALANCES - BEGINNING | <u>-</u> | <u>-</u> | <u>-</u> |
| FUND BALANCES - ENDING | <u>\$ 20,254</u> | <u>\$ -</u> | <u>\$ (20,254)</u> |

WEBSTER PARISH SCHOOL BOARD

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

Exhibit 8-13

*******DISTRICT LEASES*******

| | <u>BUDGET</u> | <u>ACTUAL</u> | <u>VARIANCE POSITIVE (NEGATIVE)</u> |
|--|-------------------|-------------------|---|
| REVENUES | | | |
| Local sources: | | | |
| Interest earnings | \$ 1,303 | \$ 2,173 | \$ 870 |
| Other | 33,985 | 32,728 | (1,257) |
| | <u>35,288</u> | <u>34,901</u> | <u>(387)</u> |
| TOTAL REVENUES | | | |
| EXPENDITURES | | | |
| Current: | | | |
| Support services: | | | |
| General administration | 210 | 210 | - |
| Plant services | 14,545 | 5,600 | 8,945 |
| | <u>14,755</u> | <u>5,810</u> | <u>8,945</u> |
| TOTAL EXPENDITURES | | | |
| EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES | <u>20,533</u> | <u>29,091</u> | <u>8,558</u> |
| Net Change in Fund Balances | 20,533 | 29,091 | 8,558 |
| FUND BALANCES - BEGINNING | <u>216,971</u> | <u>216,971</u> | <u>-</u> |
| FUND BALANCES - ENDING | <u>\$ 237,504</u> | <u>\$ 246,062</u> | <u>\$ 8,558</u> |

**Webster Parish School Board
Nonmajor Debt Service Funds**

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 districts. The School Board has the following debt service funds:

Shongaloo Evergreen Consolidated (District No. 1)

Dubberly Heflin Sibley Consolidated (District No. 3)

Minden (District No. 6)

Doyline (District No. 7)

Cotton Valley (District No. 12)

Sarepta (District No. 35)

Springhill (District No. 8)

WEBSTER PARISH SCHOOL BOARD

NONMAJOR DEBT SERVICE FUNDS
Combining Balance Sheet
June 30, 2019

| | SHONGALOO EVERGREEN CONSOLIDATED | DUBBERLY HEFLIN SIBLEY CONSOLIDATED | MINDEN | DOYLINE |
|--|--|---|--------------|-----------|
| ASSETS | | | | |
| Cash and cash equivalents | \$ 444,368 | \$ 16,525 | \$ - | \$ - |
| Investments | - | 92,468 | 2,635,707 | - |
| Receivables | 32 | - | 1,424 | - |
| Interfund receivables | - | 13,767 | - | - |
| TOTAL ASSETS | 444,400 | 122,760 | 2,637,131 | - |
| LIABILITIES AND FUND BALANCES | | | | |
| Liabilities: | | | | |
| Interfund payables | - | - | 562,812 | 584,167 |
| TOTAL LIABILITIES | - | - | 562,812 | 584,167 |
| Fund Balances: | | | | |
| Restricted | 444,400 | 122,760 | 2,074,319 | - |
| Unassigned | - | - | - | (584,167) |
| TOTAL FUND BALANCES | 444,400 | 122,760 | 2,074,319 | (584,167) |
| TOTAL LIABILITIES AND FUND BALANCES | \$ 444,400 | \$ 122,760 | \$ 2,637,131 | \$ - |

Exhibit 9

| COTTON VALLEY | SAREPTA | SPRINGHILL | TOTAL |
|------------------|------------|--------------|--------------|
| \$ 180,640 | \$ 80,386 | \$ 681,918 | \$ 1,403,837 |
| - | 48,210 | 652,410 | 3,428,795 |
| - | - | 128 | 1,584 |
| - | - | - | 13,767 |
| 180,640 | 128,596 | 1,334,456 | 4,847,983 |
| - | - | - | 1,146,979 |
| - | - | - | 1,146,979 |
| 180,640 | 128,596 | 1,334,456 | 4,285,171 |
| - | - | - | (584,167) |
| 180,640 | 128,596 | 1,334,456 | 3,701,004 |
| \$ 180,640 | \$ 128,596 | \$ 1,334,456 | \$ 4,847,983 |

WEBSTER PARISH SCHOOL BOARD

NONMAJOR DEBT SERVICE FUNDS
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended June 30, 2019

| | SHONGALOO EVERGREEN CONSOLIDATED | DUBBERLY HEFLIN SIBLEY CONSOLIDATED | MINDEN | DOYLINE |
|--|---|--|---------------------|---------------------|
| REVENUES | | | | |
| Local sources: | | | | |
| Taxes: | | | | |
| Ad valorem | \$ 243,575 | \$ 30 | \$ 2,773,551 | \$ 526,190 |
| Interest earnings | 4,326 | 1,832 | 50,471 | - |
| Other | - | - | - | 31,832 |
| TOTAL REVENUES | 247,901 | 1,862 | 2,824,022 | 558,022 |
| EXPENDITURES | | | | |
| Current: | | | | |
| Support services: | | | | |
| General administration | 9,163 | - | 100,656 | 19,264 |
| Debt service: | | | | |
| Principal retirement | 230,000 | - | 2,105,000 | 530,000 |
| Interest and bank charges | 65,248 | 1,726 | 1,027,073 | 258,606 |
| TOTAL EXPENDITURES | 304,411 | 1,726 | 3,232,729 | 807,870 |
| EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES | (56,510) | 136 | (408,707) | (249,848) |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers in | - | 11,994 | 692,187 | - |
| TOTAL OTHER FINANCING SOURCES (USES) | - | 11,994 | 692,187 | - |
| Net Change in Fund Balances | (56,510) | 12,130 | 283,480 | (249,848) |
| FUND BALANCES - BEGINNING | 500,910 | 110,630 | 1,790,839 | (334,319) |
| FUND BALANCES - ENDING | \$ 444,400 | \$ 122,760 | \$ 2,074,319 | \$ (584,167) |

Exhibit 10

| COTTON VALLEY | SAREPTA | SPRINGHILL | TOTAL |
|------------------|------------|--------------|--------------|
| \$ 224,863 | \$ 369,195 | \$ 1,291,387 | \$ 5,428,791 |
| 2,113 | 1,440 | 17,634 | 77,816 |
| - | - | - | 31,832 |
| 226,976 | 370,635 | 1,309,021 | 5,538,439 |
| 8,113 | 13,545 | 46,996 | 197,737 |
| 285,000 | 295,000 | 890,000 | 4,335,000 |
| 26,530 | 73,468 | 381,598 | 1,834,249 |
| 319,643 | 382,013 | 1,318,594 | 6,366,986 |
| (92,667) | (11,378) | (9,573) | (828,547) |
| - | 5,997 | 82,879 | 793,057 |
| - | 5,997 | 82,879 | 793,057 |
| (92,667) | (5,381) | 73,306 | (35,490) |
| 273,307 | 133,977 | 1,261,150 | 3,736,494 |
| \$ 180,640 | \$ 128,596 | \$ 1,334,456 | \$ 3,701,004 |

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**Webster Parish School Board
Nonmajor Capital Project Funds**

SCHOOL BUILDING FUNDS

Sarepta
Shongaloo
Cotton Valley
Doyline
Minden School Building
Dubberly Heflin Sibley Consolidated

The school building funds account for financial resources to be used to acquire, construct, or improve facilities within the respective districts.

MOORE FIRE INSURANCE The Moore Fire Insurance fund accounts for insurance proceeds from a fire loss at Jerry A. Moore School to be used to acquire, construct, or improve facilities.

LOCAL GOVERNMENT SUPPORT The local government support fund accounts for funds received from the Local Government Assistance Program of the State of Louisiana to be used to acquire, construct, or improve facilities.

SPRINGHILL SCHOOL BUILDING This fund accounts for financial resources to be used to acquire, construct or improve facilities within the Springhill district.

WEBSTER PARISH SCHOOL BOARD

NONMAJOR CAPITAL PROJECT FUNDS
Combining Balance Sheet
June 30, 2019

| | SAREPTA | SHONGALOO | COTTON VALLEY | DOYLINE |
|--|------------------|-------------------|------------------|-------------|
| ASSETS | | | | |
| Cash and cash equivalents | \$ 45,942 | \$ 663,117 | \$ - | \$ - |
| TOTAL ASSETS | <u>45,942</u> | <u>663,117</u> | <u>-</u> | <u>-</u> |
| LIABILITIES AND FUND BALANCES | | | | |
| Liabilities: | | | | |
| Accounts, salaries and other payables | - | - | - | - |
| TOTAL LIABILITIES | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Fund Balances: | | | | |
| Restricted | <u>45,942</u> | <u>663,117</u> | <u>-</u> | <u>-</u> |
| TOTAL FUND BALANCES | <u>45,942</u> | <u>663,117</u> | <u>-</u> | <u>-</u> |
| TOTAL LIABILITIES AND FUND BALANCES | <u>\$ 45,942</u> | <u>\$ 663,117</u> | <u>\$ -</u> | <u>\$ -</u> |

Exhibit 11

| MINDEN SCHOOL BUILDING | DUBBERLY HEFLIN SIBLEY CONSOLIDATED CAPITAL PROJECT | MOORE FIRE INSURANCE | LOCAL GOVERNMENT SUPPORT | SPRINGHILL SCHOOL BUILDING | TOTAL |
|---------------------------|--|----------------------------|--------------------------------|----------------------------------|---------------------|
| \$ 54,346 | \$ 394,751 | \$ 11,797 | \$ 37,560 | \$ 33,522 | \$ 1,241,035 |
| <u>54,346</u> | <u>394,751</u> | <u>11,797</u> | <u>37,560</u> | <u>33,522</u> | <u>1,241,035</u> |
| 950 | - | - | - | - | 950 |
| <u>950</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>950</u> |
| 53,396 | 394,751 | 11,797 | 37,560 | 33,522 | 1,240,085 |
| <u>53,396</u> | <u>394,751</u> | <u>11,797</u> | <u>37,560</u> | <u>33,522</u> | <u>1,240,085</u> |
| \$ 54,346 | \$ 394,751 | \$ 11,797 | \$ 37,560 | \$ 33,522 | \$ 1,241,035 |
| <u>\$ 54,346</u> | <u>\$ 394,751</u> | <u>\$ 11,797</u> | <u>\$ 37,560</u> | <u>\$ 33,522</u> | <u>\$ 1,241,035</u> |

WEBSTER PARISH SCHOOL BOARD

NONMAJOR CAPITAL PROJECT FUNDS
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended June 30, 2019

| | <u>SAREPTA</u> | <u>SHONGALOO</u> | <u>COTTON VALLEY</u> | <u>DOYLINE</u> |
|--|--------------------|------------------|--------------------------|--------------------|
| REVENUES | | | | |
| Local sources: | | | | |
| Interest earnings | \$ 72 | \$ 6,192 | \$ - | \$ - |
| Other | - | - | - | - |
| TOTAL REVENUES | 72 | 6,192 | - | - |
| EXPENDITURES | | | | |
| Current: | | | | |
| Support services: | | | | |
| General administration | - | - | - | - |
| School administration | - | - | - | - |
| Plant services | - | 9,908 | - | - |
| Capital outlay | - | - | - | - |
| TOTAL EXPENDITURES | - | 9,908 | - | - |
| EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES | 72 | (3,716) | - | - |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers out | (1,895,358) | - | (106,668) | (2,567,104) |
| Insurance proceeds | 51,867 | - | - | - |
| TOTAL OTHER FINANCING SOURCES (USES) | (1,843,491) | - | (106,668) | (2,567,104) |
| Net Change in Fund Balances | (1,843,419) | (3,716) | (106,668) | (2,567,104) |
| FUND BALANCES - BEGINNING | 1,889,361 | 666,833 | 106,668 | 2,567,104 |
| FUND BALANCES - ENDING | \$ 45,942 | \$ 663,117 | \$ - | \$ - |

Exhibit 12

| MINDEN SCHOOL BUILDING | DUBBERLY HEFLIN SIBLEY CONSOLIDATED CAPITAL PROJECT | MOORE FIRE INSURANCE | LOCAL GOVERNMENT SUPPORT | SPRINGHILL SCHOOL BUILDING | TOTAL |
|---------------------------|--|----------------------------|--------------------------------|----------------------------------|--------------|
| \$ 1,063 | \$ 1,235 | \$ 109 | \$ 348 | \$ 309 | \$ 9,328 |
| - | 400 | - | - | - | 400 |
| 1,063 | 1,635 | 109 | 348 | 309 | 9,728 |
| 18,746 | - | - | - | - | 18,746 |
| 5,133 | - | - | - | - | 5,133 |
| 18,725 | - | - | - | - | 28,633 |
| 208,032 | - | - | - | - | 208,032 |
| 250,636 | - | - | - | - | 260,544 |
| (249,573) | 1,635 | 109 | 348 | 309 | (250,816) |
| - | (5,506,320) | - | (21,390) | - | (10,096,840) |
| - | - | - | - | - | 51,867 |
| - | (5,506,320) | - | (21,390) | - | (10,044,973) |
| (249,573) | (5,504,685) | 109 | (21,042) | 309 | (10,295,789) |
| 302,969 | 5,899,436 | 11,688 | 58,602 | 33,213 | 11,535,874 |
| \$ 53,396 | \$ 394,751 | \$ 11,797 | \$ 37,560 | \$ 33,522 | \$ 1,240,085 |

**Webster Parish School Board
Agency Fund**

SCHOOL ACTIVITIES FUND The activities of the various individual school accounts are accounted for in the School Activities 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.

WEBSTER PARISH SCHOOL BOARD

SCHOOL ACTIVITIES AGENCY FUND
Statement of Changes in Assets and Liabilities
For the Year Ended June 30, 2019

Exhibit 13

| | Balance, Beginning | Additions | Deductions | Balance, Ending |
|---------------------------|-----------------------|---------------------|---------------------|--------------------|
| ASSETS | | | | |
| Cash and cash equivalents | \$ 788,059 | \$ 3,499,822 | \$ 3,379,450 | \$ 908,431 |
| TOTAL ASSETS | <u>788,059</u> | <u>3,499,822</u> | <u>3,379,450</u> | <u>908,431</u> |
| LIABILITIES | | | | |
| Deposits due others | <u>788,059</u> | <u>3,499,822</u> | <u>3,379,450</u> | <u>908,431</u> |
| TOTAL LIABILITIES | <u>\$ 788,059</u> | <u>\$ 3,499,822</u> | <u>\$ 3,379,450</u> | <u>\$ 908,431</u> |

WEBSTER PARISH SCHOOL BOARD

SCHOOL ACTIVITIES AGENCY FUND
Schedule of Changes in Deposits Due Others
For the Year Ended June 30, 2019

Exhibit 14

| <u>SCHOOL</u> | <u>Balance, Beginning</u> | <u>Additions</u> | <u>Deductions</u> | <u>Balance, Ending</u> |
|--------------------------------|-------------------------------|---------------------|---------------------|----------------------------|
| Brown Upper Elementary | \$ 5,199 | \$ 112,154 | \$ 94,959 | \$ 22,394 |
| Browning Elementary | 29,672 | 70,601 | 68,998 | 31,275 |
| Central Elementary | 43,543 | 151,517 | 147,450 | 47,610 |
| Doyline High | 50,631 | 189,564 | 229,334 | 10,861 |
| Harper Elementary | 26,509 | - | 26,509 | - |
| Jones Elementary | 36,076 | 108,618 | 116,827 | 27,867 |
| Lakeside Junior-Senior High | 81,400 | 442,894 | 448,279 | 76,015 |
| Minden High | 109,258 | 932,236 | 759,850 | 281,644 |
| North Webster High | 102,292 | 632,887 | 645,474 | 89,705 |
| North Webster Junior High | 64,894 | 216,145 | 217,586 | 63,453 |
| North Webster Lower Elementary | 93,160 | 36,331 | 33,964 | 95,527 |
| North Webster Upper Elementary | 43,712 | 50,330 | 49,473 | 44,569 |
| Phillips Middle | 32,700 | 85,537 | 109,553 | 8,684 |
| Richardson Elementary | 9,623 | 206,499 | 173,707 | 42,415 |
| Webster Junior High | 59,390 | 264,509 | 257,487 | 66,412 |
| Total | <u>\$ 788,059</u> | <u>\$ 3,499,822</u> | <u>\$ 3,379,450</u> | <u>\$ 908,431</u> |

Webster Parish School Board
Schedule of Compensation Paid Board Members
For the Year Ended June 30, 2019

Exhibit 15

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. Under this method, each member of the School Board receives \$600 per month and the President receives \$700 per month.

| <u>Board Member</u> | <u>Amount</u> |
|--------------------------------|------------------|
| Johnnye Kennon, President | \$ 8,400 |
| Charles Strong, Vice President | 7,200 |
| Ronnie Broughton | 7,200 |
| Margaret Edens | 7,200 |
| Linda Kinsey | 7,200 |
| Penny Long | 7,200 |
| Jerry Lott | 7,200 |
| Fred Evans | 7,200 |
| Frankie Mitchell | 7,200 |
| Jeri O'Neal | 7,200 |
| Malachi Ridgel | 7,200 |
| Ronald Rhymes | <u>7,200</u> |
| | <u>\$ 87,600</u> |

Webster Parish School Board

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

Exhibit 16

Agency Head Name: Johnny Rowland Jr., Superintendent

| Purpose | Amount |
|---------------------|---------------|
| Salary | S 122,656 |
| Benefits-insurance | 11,108 |
| Benefits-retirement | 34,351 |
| Car allowance | 6,000 |
| Cell phone | 300 |
| Dues | 525 |
| Travel | 662 |
| Registration fees | 845 |
| Conference travel | 664 |
| Special meals | 1,766 |

STATISTICAL SECTION

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

WEBSTER PARISH SCHOOL BOARD
Minden, Louisiana

Net Position by Component
Fiscal Years Ended June 30, 2010 through June 30, 2019
(Accrual Basis of Accounting)

| | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 (1) | 2016 | 2017 | 2018 (2) | 2019 |
|--|----------------------|----------------------|----------------------|----------------------|----------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
| Governmental Activities | | | | | | | | | | |
| Net investment in capital assets | \$ 25,437,330 | \$ 15,209,054 | \$ 15,817,694 | \$ 16,177,328 | \$ 14,274,091 | \$ 13,966,234 | \$ 12,589,785 | \$ 15,643,215 | \$ 19,040,626 | \$ 22,033,208 |
| Restricted | 14,236,090 | 22,962,812 | 24,814,922 | 26,638,167 | 30,496,108 | 31,854,433 | 34,467,684 | 34,746,377 | 35,466,747 | 37,211,339 |
| Unrestricted | (4,735,317) | (11,576,112) | (15,849,138) | (16,646,283) | (18,386,187) | (88,627,041) | (84,811,766) | (85,321,920) | (133,452,220) | (129,621,067) |
| Total governmental activities net position | <u>\$ 34,938,103</u> | <u>\$ 26,595,754</u> | <u>\$ 24,783,478</u> | <u>\$ 26,169,212</u> | <u>\$ 26,384,012</u> | <u>\$ (42,806,374)</u> | <u>\$ (37,754,297)</u> | <u>\$ (34,932,328)</u> | <u>\$ (78,944,847)</u> | <u>\$ (70,376,520)</u> |

Source: Comprehensive Annual Financial Report

Notes:

(1) GASB Statement No. 68 was implemented for the year ended 6/30/2015. Beginning net position was decreased by \$74,691,218 as a result of the implementation.

(2) GASB Statement No. 75 was implemented for the year ended 6/30/2018. Beginning net position was decreased by \$53,343,218 as a result of the implementation.

Table 2

WEBSTER PARISH SCHOOL BOARD
Minden, Louisiana

Changes in Net Position
Fiscal Years Ended June 30, 2010 through June 30, 2019
(Accrual Basis of Accounting)

| | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 |
|--|-----------------------|-----------------------|-----------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Expenses | | | | | | | | | | |
| Instruction: | | | | | | | | | | |
| Regular programs | \$ 28,614,311 | \$ 28,344,280 | \$ 26,986,177 | \$ 24,224,240 | \$ 26,803,783 | \$ 24,268,068 | \$ 24,682,243 | \$ 25,364,109 | \$ 25,631,496 | \$ 22,524,103 |
| Special programs | 15,211,543 | 15,264,827 | 13,033,335 | 11,683,580 | 11,843,363 | 11,010,082 | 11,450,559 | 12,090,408 | 9,484,954 | 8,856,742 |
| Other instructional programs | 3,992,660 | 3,378,934 | 3,193,725 | 3,095,730 | 3,160,600 | 2,607,249 | 2,723,529 | 2,940,861 | 5,377,918 | 5,520,269 |
| Support services: | | | | | | | | | | |
| Student support services | 2,940,142 | 3,271,866 | 3,034,383 | 2,569,647 | 2,411,454 | 2,227,713 | 2,558,519 | 2,569,016 | 2,584,251 | 2,317,240 |
| Instructional staff support | 3,545,520 | 3,377,665 | 3,351,315 | 2,737,366 | 2,637,071 | 2,590,126 | 2,541,126 | 2,691,035 | 2,665,810 | 2,568,986 |
| General administration | 1,450,474 | 1,177,405 | 1,236,676 | 2,183,427 | 1,719,274 | 1,484,844 | 1,606,039 | 1,360,419 | 1,703,277 | 2,821,391 |
| School administration | 4,596,677 | 4,068,993 | 4,017,945 | 3,911,314 | 4,047,638 | 3,689,695 | 3,455,558 | 3,696,855 | 3,820,343 | 3,615,802 |
| Business services | 657,644 | 590,054 | 758,300 | 881,508 | 722,648 | 644,832 | 603,377 | 571,558 | 604,802 | 847,833 |
| Plant services | 5,828,058 | 6,509,653 | 5,858,352 | 5,702,373 | 6,372,682 | 5,809,900 | 5,632,521 | 6,278,445 | 4,941,247 | 6,620,037 |
| Student transportation services | 3,710,391 | 3,889,295 | 3,953,923 | 3,817,173 | 3,976,834 | 4,024,158 | 3,745,468 | 4,037,606 | 2,175,065 | 3,766,083 |
| Central services | 308,871 | 267,280 | 255,647 | 278,559 | 271,343 | 187,272 | 205,324 | 204,735 | 205,181 | 185,150 |
| Food services | 6,179,790 | 5,069,107 | 5,489,517 | 5,194,980 | 5,256,191 | 5,091,749 | 5,120,696 | 5,052,817 | 4,903,372 | 4,567,093 |
| Community services | 102,092 | 31,238 | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 |
| Interest on long-term debt | 3,323,026 | 3,214,862 | 3,308,755 | 2,866,162 | 2,460,752 | 2,256,077 | 2,307,494 | 2,346,542 | 2,086,921 | 2,022,568 |
| Total expenses | 80,461,199 | 78,455,459 | 74,498,050 | 69,166,059 | 71,703,633 | 65,911,765 | 66,652,453 | 69,224,406 | 66,204,637 | 66,253,297 |
| Program Revenues | | | | | | | | | | |
| Charges for services: | | | | | | | | | | |
| Food Service Operations | 731,941 | 744,095 | 727,913 | 611,498 | 534,504 | 486,985 | 483,736 | 455,279 | 116,841 | 100,504 |
| Operating Grants and Contributions | 12,568,814 | 10,631,012 | 9,199,815 | 8,525,907 | 8,258,171 | 7,817,334 | 9,080,100 | 8,758,749 | 9,457,086 | 9,973,902 |
| Capital Grants and Contributions | - | - | - | - | - | - | - | - | 691,180 | 723,124 |
| Total program revenues | 13,300,755 | 11,375,107 | 9,927,728 | 9,137,405 | 8,792,675 | 8,304,319 | 9,563,836 | 9,214,028 | 10,265,107 | 10,797,530 |
| Net (Expense)/ Revenue | (67,160,444) | (67,080,352) | (64,570,322) | (60,028,654) | (62,910,958) | (57,607,446) | (57,088,617) | (60,010,378) | (55,939,530) | (55,455,767) |
| General Revenues and Other Changes in Net Position | | | | | | | | | | |
| Taxes | | | | | | | | | | |
| Property taxes levied for general purposes | 4,418,544 | 2,565,058 | 2,646,464 | 2,619,094 | 2,720,452 | 2,854,340 | 3,007,424 | 2,994,718 | 2,895,437 | 2,846,778 |
| Property Taxes levied for construction & maintenance | - | 2,696,460 | 2,837,535 | 2,792,610 | 2,980,897 | 2,398,469 | 3,284,813 | 5,908,115 | 3,299,134 | 3,265,463 |
| Property taxes levied for debt services | 6,566,578 | 6,288,274 | 6,162,811 | 6,260,775 | 6,459,640 | 5,685,081 | 5,162,713 | 3,260,236 | 5,709,771 | 5,428,791 |
| Sales taxes | 13,864,372 | 14,308,089 | 14,520,504 | 13,756,233 | 14,143,026 | 14,651,681 | 13,136,562 | 12,935,132 | 14,555,944 | 13,859,959 |
| Grants and contributions not restricted to specific programs | 38,238,972 | 38,104,927 | 35,913,584 | 35,393,690 | 36,332,623 | 37,690,484 | 36,982,877 | 37,075,404 | 38,156,342 | 37,459,658 |
| Interest and investment earnings | 155,857 | 177,762 | 153,160 | 129,532 | 121,910 | 180,812 | 182,892 | 204,779 | 206,663 | 492,589 |
| Miscellaneous | 507,398 | 373,683 | 523,988 | 462,456 | 367,207 | (352,589) | 383,413 | 453,963 | 446,938 | 670,856 |
| Total | 63,751,721 | 64,514,253 | 62,758,046 | 61,414,390 | 63,125,755 | 63,108,278 | 62,140,694 | 62,832,347 | 65,270,229 | 64,024,094 |
| Change in Net Position | \$ (3,408,723) | \$ (2,566,099) | \$ (1,812,276) | \$ 1,385,736 | \$ 214,797 | \$ 5,500,832 | \$ 5,052,077 | \$ 2,821,969 | \$ 9,330,699 | \$ 8,568,327 |

Source: Comprehensive Annual Financial Report

WEBSTER PARISH SCHOOL BOARD
Minden, Louisiana

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

| | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 |
|------------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| General fund | | | | | | | | | | |
| Reserved | \$ 765,002 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Unreserved | 9,606,958 | - | - | - | - | - | - | - | - | - |
| Nonspendable | - | 233,634 | 186,479 | 162,675 | 216,467 | 149,556 | 157,908 | 210,456 | 197,268 | 190,180 |
| Restricted | - | 940,003 | 897,151 | 837,914 | 1,007,759 | 856,607 | 819,150 | 951,718 | 951,950 | 852,584 |
| Committed | - | 124,898 | 124,898 | 124,898 | 124,898 | 124,898 | 124,898 | 124,898 | 124,898 | 124,898 |
| Assigned | - | - | - | - | - | - | - | - | - | - |
| Unassigned | - | 6,518,458 | 3,667,295 | 3,396,651 | 3,377,494 | 3,773,903 | 4,840,386 | 6,262,131 | 7,344,819 | 7,974,312 |
| Total General fund | <u>10,371,960</u> | <u>7,816,993</u> | <u>4,875,823</u> | <u>4,522,138</u> | <u>4,726,618</u> | <u>4,904,964</u> | <u>5,942,342</u> | <u>7,549,203</u> | <u>8,618,935</u> | <u>9,141,974</u> |
| All Other Governmental Funds | | | | | | | | | | |
| Reserved | 11,122,199 | - | - | - | - | - | - | - | - | - |
| Unreserved, reported in: | | | | | | | | | | |
| Special revenue funds | 4,820,554 | - | - | - | - | - | - | - | - | - |
| Capital projects funds | 5,856,052 | - | - | - | - | - | - | - | - | - |
| Nonspendable | - | 19,207 | 50,645 | 38,555 | 39,644 | 70,010 | 118,839 | 127,267 | 107,701 | 47,693 |
| Restricted | - | 27,540,707 | 34,175,783 | 33,365,287 | 33,182,958 | 34,042,861 | 41,306,126 | 36,977,490 | 35,391,886 | 38,054,605 |
| Committed | - | - | - | - | - | - | - | - | - | - |
| Assigned - Special revenue funds | - | 166,114 | 130,418 | 142,350 | 153,458 | 166,927 | 188,823 | 190,036 | 216,971 | 246,062 |
| Unassigned | - | (137,123) | - | - | - | - | - | - | - | (584,167) |
| Total all other governmental funds | <u>21,798,805</u> | <u>27,588,905</u> | <u>34,356,846</u> | <u>33,546,192</u> | <u>33,376,060</u> | <u>34,279,798</u> | <u>41,613,788</u> | <u>37,294,793</u> | <u>35,716,558</u> | <u>37,764,193</u> |
| Grand Total of funds | <u>\$ 32,170,765</u> | <u>\$ 35,405,898</u> | <u>\$ 39,232,669</u> | <u>\$ 38,068,330</u> | <u>\$ 38,102,678</u> | <u>\$ 39,184,762</u> | <u>\$ 47,556,130</u> | <u>\$ 44,843,996</u> | <u>\$ 44,335,493</u> | <u>\$ 46,906,167</u> |

Source: Comprehensive Annual Financial Report

(1) GASB Statement No. 54 was implemented for the year ended June 30, 2011.

(2) The reserved fund balance in the General Fund and all other governmental funds in prior years before the implementation of GASB 54 are reported as restricted after GASB 54.

Table 4

WEBSTER PARISH SCHOOL BOARD
Minden, Louisiana

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

| | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 |
|---|----------------|---------------|---------------|----------------|---------------|---------------|---------------|----------------|---------------|---------------|
| Revenues | | | | | | | | | | |
| Revenue from local sources: | | | | | | | | | | |
| Ad valorem taxes | \$ 10,985,122 | \$ 11,549,792 | \$ 11,646,810 | \$ 11,672,479 | \$ 12,160,989 | \$ 10,937,890 | \$ 11,454,950 | \$ 12,163,069 | \$ 11,904,342 | \$ 11,541,032 |
| Sales & use taxes | 13,864,372 | 14,308,089 | 14,520,504 | 13,756,233 | 14,143,026 | 14,651,681 | 13,136,562 | 12,935,132 | 14,555,944 | 13,859,959 |
| Interest earnings | 155,857 | 177,762 | 153,160 | 129,532 | 121,910 | 180,812 | 182,892 | 204,779 | 206,663 | 492,589 |
| Food services | 731,941 | 744,095 | 727,913 | 611,498 | 534,504 | 486,985 | 483,736 | 455,279 | 116,841 | 100,504 |
| Other | 479,274 | 473,355 | 550,899 | 571,892 | 595,174 | 422,300 | 341,351 | 412,829 | 446,938 | 654,792 |
| Total revenues from local sources | 26,216,566 | 27,253,093 | 27,599,286 | 26,741,634 | 27,555,603 | 26,679,668 | 25,599,491 | 26,171,088 | 27,230,728 | 26,648,876 |
| Revenue from state sources: | | | | | | | | | | |
| Equalization | 37,921,904 | 36,131,502 | 35,573,826 | 35,088,990 | 35,607,382 | 37,373,685 | 36,768,395 | 36,567,053 | 37,840,794 | 37,157,276 |
| Other | 1,692,723 | 994,789 | 770,770 | 752,543 | 1,723,183 | 920,925 | 1,128,539 | 999,370 | 795,051 | 749,650 |
| Total revenue from state sources | 39,614,627 | 37,126,291 | 36,344,596 | 35,841,533 | 37,330,565 | 38,294,610 | 37,896,934 | 37,566,423 | 38,635,845 | 37,906,926 |
| Revenue from federal sources | 11,193,159 | 11,609,648 | 8,768,803 | 8,078,064 | 7,260,229 | 7,213,208 | 8,166,043 | 8,267,730 | 9,668,763 | 10,749,758 |
| Total Revenues | 77,024,352 | 75,989,032 | 72,712,685 | 70,661,231 | 72,146,397 | 72,187,486 | 71,662,468 | 72,005,241 | 75,535,336 | 74,805,560 |
| Expenditures: | | | | | | | | | | |
| Current: | | | | | | | | | | |
| Instruction services | 42,720,748 | 43,552,599 | 39,766,023 | 36,329,876 | 38,243,536 | 38,010,272 | 38,174,502 | 36,768,742 | 38,635,837 | 37,978,298 |
| Student services | 2,414,442 | 3,035,981 | 2,767,092 | 2,352,471 | 2,115,610 | 2,214,825 | 2,506,199 | 2,269,022 | 2,468,386 | 2,355,588 |
| Instructional staff support | 3,090,800 | 3,140,302 | 3,175,897 | 2,519,676 | 2,363,528 | 2,556,075 | 2,466,009 | 2,422,647 | 2,534,020 | 2,683,000 |
| General administration | 1,239,943 | 1,112,521 | 1,168,072 | 1,445,846 | 1,320,607 | 1,222,710 | 1,345,320 | 1,284,942 | 1,506,864 | 1,280,131 |
| School administration | 4,203,747 | 3,792,335 | 3,714,538 | 3,651,422 | 3,722,383 | 3,703,527 | 3,386,495 | 3,364,283 | 3,667,146 | 3,851,940 |
| Business services | 596,089 | 551,961 | 715,193 | 843,502 | 675,950 | 640,404 | 593,555 | 522,171 | 582,986 | 659,697 |
| Plant services | 5,511,301 | 6,157,156 | 5,498,924 | 5,348,506 | 5,977,481 | 5,797,183 | 5,551,648 | 5,764,938 | 6,087,353 | 6,742,538 |
| Student transportation services | 3,400,904 | 3,644,291 | 3,688,254 | 3,580,883 | 3,690,634 | 4,207,468 | 4,042,862 | 3,861,762 | 3,901,185 | 4,565,786 |
| Central services | 291,143 | 262,974 | 250,240 | 276,216 | 264,423 | 200,598 | 215,324 | 196,921 | 208,985 | 222,772 |
| Food services | 5,177,154 | 4,761,280 | 5,157,674 | 4,895,365 | 4,902,190 | 5,024,637 | 5,004,585 | 4,681,623 | 4,715,642 | 4,636,548 |
| Community services | 102,092 | 31,238 | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 |
| Capital Outlay | 6,842,063 | 1,030,037 | 6,423,947 | 3,833,098 | 3,124,591 | 928,255 | 458,609 | 7,024,847 | 4,985,553 | 1,121,206 |
| Debt service: | | | | | | | | | | |
| Principal | 3,081,000 | 3,457,000 | 3,362,000 | 3,657,000 | 3,912,000 | 4,119,000 | 4,123,000 | 4,406,000 | 4,743,000 | 4,335,000 |
| Interest and charges | 3,375,030 | 3,325,683 | 3,475,203 | 2,957,927 | 2,679,312 | 2,460,448 | 2,296,240 | 2,170,611 | 1,967,707 | 1,834,249 |
| Bond issuance costs | - | - | - | 414,876 | 137,517 | - | 211,852 | - | 141,168 | - |
| Total Expenditures | 82,049,456 | 77,855,358 | 79,183,057 | 72,126,664 | 73,149,762 | 71,105,402 | 70,396,200 | 74,758,509 | 76,165,832 | 72,286,753 |
| Excess of revenues over (under) expenditures | (5,025,104) | (1,866,326) | (6,470,372) | (1,465,433) | (1,003,365) | 1,082,084 | 1,266,268 | (2,753,268) | (630,496) | 2,518,807 |
| Other Financing Sources (Uses) | | | | | | | | | | |
| Transfers in | 2,811,641 | 6,029,897 | 2,922,267 | 2,985,036 | 2,904,750 | 3,008,189 | 2,782,529 | 1,863,827 | 2,254,289 | 12,012,811 |
| Transfers out | (2,811,641) | (6,029,897) | (2,922,267) | (2,985,036) | (2,904,750) | (3,008,189) | (2,782,529) | (1,863,827) | (2,254,289) | (12,012,811) |
| Insurance proceeds | 43,945 | - | - | - | - | - | 42,062 | 41,134 | - | 51,867 |
| Bond premium | - | - | 643,669 | 911,868 | 424,927 | - | 59,151 | - | 7,370,000 | - |
| Proceeds from borrowing | 3,500,000 | 5,635,000 | 19,240,000 | 23,045,000 | 7,085,000 | - | 19,260,000 | - | - | - |
| Payments to escrow agent | - | (2,545,000) | (9,586,526) | (23,655,772) | (7,472,217) | - | (12,256,113) | - | (7,248,007) | - |
| Total other financing sources (uses) | 3,543,945 | 3,090,000 | 10,297,143 | 301,096 | 37,710 | - | 7,105,100 | 41,134 | 121,993 | 51,867 |
| Net change in fund balances | \$ (1,481,159) | \$ 1,223,674 | \$ 3,826,771 | \$ (1,164,337) | \$ (965,655) | \$ 1,082,084 | \$ 8,371,368 | \$ (2,712,134) | \$ (508,503) | \$ 2,570,674 |
| Debt service as a percentage of noncapital expenditures | 8.6% | 8.8% | 9.4% | 9.7% | 9.4% | 9.4% | 9.2% | 9.7% | 9.5% | 9.2% |

Source: Comprehensive Annual Financial Report

Table 5

WEBSTER PARISH SCHOOL BOARD
Minden, Louisiana

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

| Fiscal Year Ended June 30 | Real Property | | Personal Property | Less: Homestead Exempt Property | Total Taxable Assessed Value | Total Direct Tax Rate | Estimated Actual Taxable Value | Assessed Value as a Percentage of Actual Value |
|------------------------------------|-------------------------|------------------------|----------------------|---------------------------------------|------------------------------------|-----------------------------|---|---|
| | Residential Property | Commercial Property | | | | | | |
| 2010 | \$ 91,603,050 | \$ 104,981,890 | \$ 68,913,500 | \$ 51,541,028 | \$ 213,957,412 | 284.88 | \$ 1,891,563,767 | 14.04% |
| 2011 | 93,665,250 | 113,615,660 | 72,935,360 | 52,209,019 | 228,007,251 | 273.25 | 1,985,831,673 | 14.11% |
| 2012 | 95,626,040 | 122,659,500 | 68,655,630 | 52,467,769 | 234,473,401 | 263.25 | 2,048,612,920 | 14.01% |
| 2013 | 97,773,890 | 126,382,930 | 65,227,990 | 53,015,039 | 236,369,771 | 262.53 | 2,081,203,727 | 13.90% |
| 2014 | 99,645,569 | 132,456,880 | 66,362,390 | 53,123,426 | 245,341,413 | 266.02 | 2,144,951,117 | 13.91% |
| 2015 | 101,885,029 | 141,957,800 | 67,971,980 | 53,162,316 | 258,652,493 | 194.02 | 2,237,123,543 | 13.94% |
| 2016 | 103,896,620 | 140,779,940 | 77,663,260 | 53,536,337 | 268,803,483 | 193.02 | 2,387,370,327 | 13.50% |
| 2017 | 106,172,940 | 77,488,420 (4) | 133,208,250 (4) | 54,116,345 | 262,753,265 | 225.97 | 2,362,412,820 | 13.41% |
| 2018 | 108,180,360 | 78,320,160 | 124,972,200 | 54,546,194 | 256,926,526 | 229.97 | 2,334,353,060 | 13.34% |
| 2019 | 109,495,630 | 76,479,010 | 120,715,500 | 54,971,152 | 251,718,988 | 230.97 | 2,311,291,987 | 13.27% |

Source: Webster Parish Tax Assessor Agency

Notes:

- (1) Property in the parish is reassessed every four years.
- (2) Assessed values are established by the Assessor each year on a uniform basis at the following ratios of assessed value to actual value:
 - 10% land
 - 10% residential improvements
 - 15% industrial improvements
 - 15% machinery
 - 15% commercial improvements
 - 25% public service properties, excluding land
- (3) Tax rates are per \$1,000 of assessed value.
- (4) Some properties were previously listed in the commercial category, and are now listed as personal property which accounts for the differences from previous years listing.

Table 6

WEBSTER PARISH SCHOOL BOARD
Minden, 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 | Webster Parish Police Jury | City of Minden | |
| 2010 | 47.88 | 237.00 | 284.88 | 28.44 | 5.83 | 319.15 |
| 2011 | 48.25 | 225.00 | 273.25 | 28.44 | 5.83 | 307.52 |
| 2012 | 48.25 | 215.00 | 263.25 | 28.44 | 5.83 | 297.52 |
| 2013 | 46.53 | 216.00 | 262.53 | 26.41 | 5.83 | 294.77 |
| 2014 | 52.02 | 214.00 | 266.02 | 25.76 | 7.61 | 299.39 |
| 2015 | 77.02 | 117.00 | 194.02 | 26.41 | 7.61 | 228.04 |
| 2016 | 77.02 | 116.00 | 193.02 | 25.41 | 7.61 | 226.04 |
| 2017 | 80.97 | 145.00 | 225.97 | 28.48 | 7.61 | 262.06 |
| 2018 | 85.97 | 144.00 | 229.97 | 28.22 | 7.67 | 265.86 |
| 2019 | 85.97 | 145.00 | 230.97 | 28.17 | 7.67 | 266.81 |

Source: Webster 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 Webster Parish. Not all overlapping rates apply to all property owners.
- (4) The operating millage includes district maintenance taxes.

Table 7

WEBSTER PARISH SCHOOL BOARD
Minden, Louisiana

Principal Property Taxpayers
June 30, 2019 and Nine Years Ago

| Taxpayer | Fiscal Year 2019 | | | Fiscal Year 2010 | | |
|-------------------------------|------------------------------|------|---|------------------------------|------|---|
| | Taxable Assessed Value | Rank | Percentage of Total Taxable Assessed Value | Taxable Assessed Value | Rank | Percentage of Total Taxable Assessed Value |
| XTO ENERGY | \$ 14,136,170 | 1 | 5.62 % | | | |
| ETC FIELD SERVICES-MINDEN | 10,164,800 | 2 | 4.04 | | | |
| FIBREBOND CORP | 6,970,840 | 3 | 2.77 | \$ 3,197,090 | 8 | 1.49 % |
| ENTERGY LOUISIANA LLC | 6,390,000 | 4 | 2.54 | 6,065,240 | 4 | 2.83 |
| GULF PIPELINE CROSSING | 6,179,950 | 5 | 2.46 | 7,624,490 | 3 | 3.56 |
| MIDCONTINENT EXPRESS | 5,765,360 | 6 | 2.29 | 8,216,440 | 2 | 3.84 |
| CALUMET LUBRICANTS CO | 5,316,080 | 7 | 2.11 | 4,332,190 | 6 | 2.02 |
| REGENCY INTRASATE | 4,229,550 | 8 | 1.68 | 2,851,180 | 10 | 1.33 |
| COVENANT TESTING TECHNOLOGIES | 3,984,590 | 9 | 1.58 | | | |
| KANSIS CITY SOUTHERN RR CO. | 3,833,290 | 10 | 1.52 | | | |
| DPC MIDSTREAM | | | | 8,619,510 | 1 | 4.03 |
| CENTERPOINT ENERGY GAS | | | | 4,949,920 | 5 | 2.31 |
| CONOCOPHILLIPS CO | | | | 3,293,050 | 7 | 1.54 |
| SUMMIT OILFIELD SERVICES | | | | 2,948,340 | 9 | 1.38 |
| <u>Totals</u> | \$ <u>66,970,630</u> | | <u>26.61 %</u> | \$ <u>52,097,450</u> | | <u>24.35 %</u> |

Source: Webster Parish Tax Assessor Agency

Table 8

WEBSTER PARISH SCHOOL BOARD
Minden, 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 |
| 2010 | \$ 10,888,416 | \$ 10,749,834 | 98.73% | \$ 5,561 | \$ 10,755,395 | 98.78% |
| 2011 | 11,388,985 | 11,308,730 | 99.30% | 15,010 | 11,323,740 | 99.43% |
| 2012 | 11,441,527 | 11,399,427 | 99.63% | 2,658 | 11,402,085 | 99.66% |
| 2013 | 11,438,920 | 11,429,274 | 99.92% | 3,953 | 11,433,227 | 99.95% |
| 2014 | 11,853,291 | 11,841,438 | 99.90% | 4,313 | 11,845,751 | 99.94% |
| 2015 | 10,677,872 | 10,621,537 | 99.47% | 4,561 | 10,626,098 | 99.52% |
| 2016 | 11,119,965 | 11,074,733 | 99.59% | 4,239 | 11,078,972 | 99.63% |
| 2017 | 11,913,347 | 11,886,516 | 99.77% | 12,119 | 11,898,635 | 99.88% |
| 2018 | 11,904,342 | 11,891,387 | 99.89% | 10,772 | 11,902,159 | 99.98% |
| 2019 | 11,127,361 | 11,126,197 | 99.99% | N/A | 11,126,197 | 99.99% |

N/A - Information is not yet available.

Table 9

WEBSTER PARISH SCHOOL BOARD
Minden, Louisiana

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

| Calendar Year | Sales and Use Tax Rates | | | | | | | | Tax Collections | | | | | | |
|------------------|-------------------------|-------------|-------------------------|----------------------|---------------|----------------|-----------------|--------|-----------------|--------------|-------------------|----------------|--------------|---------------|----------------------|
| | Parishwide | | | School District 6 | | Municipalities | | | Parishwide | | | Municipalities | | | Total Collections |
| | School Board | Police Jury | Law | School District 6 | Total Rate | Minden | Minden | | School Board | Police Jury | Sheriff Office | Minden | Other | | |
| | | | Enforcement District | | | | EDD #1#2#3#4 | Other | | | | | | | |
| 2009 | 2.00% | 0.50% | 0.50% | 0.50% | 3.50% | 2.00% | | 11.00% | \$ 14,527,789 | \$ 3,216,883 | \$ 3,204,465 | \$ 5,475,942 | \$ 2,937,858 | \$ 29,362,937 | |
| 2010 | 2.00% | 0.50% | 0.50% | 0.50% | 3.50% | 2.00% | | 11.50% | 14,053,124 | 3,115,419 | 3,104,543 | 5,388,220 | 4,317,083 | 29,978,389 | |
| 2011 | 2.00% | 0.50% | 0.50% | 0.50% | 3.50% | 2.00% | | 11.50% | 14,041,970 | 3,104,558 | 3,103,392 | 5,597,339 | 3,416,974 | 29,264,233 | |
| 2012 | 2.00% | 0.50% | 0.50% | 0.50% | 3.50% | 2.00% | | 11.50% | 14,653,967 | 3,226,991 | 3,224,195 | 6,186,900 | 3,479,195 | 30,771,248 | |
| 2013 | 2.00% | 0.50% | 0.50% | 0.50% | 3.50% | 2.00% | | 11.50% | 13,736,045 | 3,024,921 | 3,021,211 | 5,787,803 | 3,410,239 | 28,980,219 | |
| 2014 | 2.00% | 0.50% | 0.50% | 0.50% | 3.50% | 2.00% | | 11.50% | 14,566,092 | 3,224,168 | 3,222,951 | 5,854,030 | 3,587,852 | 30,455,093 | |
| 2015 | 2.00% | 0.50% | 0.50% | 0.50% | 3.50% | 2.00% | | 12.50% | 14,384,304 | 3,192,636 | 3,184,681 | 5,793,673 | 3,659,989 | 30,215,283 | |
| 2016 | 2.00% | 0.50% | 0.50% | 0.50% | 3.50% | 2.00% | | 12.50% | 12,622,206 | 2,771,907 | 2,770,782 | 5,450,380 | 3,451,485 | 27,066,760 | |
| 2017 | 2.00% | 0.50% | 0.50% | 0.50% | 3.50% | 2.00% | 2.00% | 12.50% | 13,825,788 | 3,043,116 | 3,043,396 | 5,943,709 | 3,480,841 | 29,336,850 | |
| 2018 | 2.00% | 0.50% | 0.50% | 0.50% | 3.50% | 2.00% | 2.00% | 12.50% | 14,442,078 | 3,158,527 | 3,158,336 | 6,552,381 | 3,679,104 | 30,990,426 | |

Notes:

- (1) Information provided by Webster 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 1% each for Cotton Valley, Sarepta and Doyline, 2% for Dixie Inn, 2.5% each for Sibley, Cullen and Springhill.
- (4) Sales tax collections reported by the Webster Sales and Use Tax Agency are on the cash basis.
- (5) Minden Economic Development District includes 2.00% each District #1, #2, #3 & #4 - Effective 1/1/2017

Table 10

WEBSTER PARISH SCHOOL BOARD
Minden, Louisiana

Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

| <u>Fiscal Year Ended June 30</u> | <u>General Obligation Bonds (1)</u> | <u>QSCB Debt</u> | <u>Revenue Bonds</u> | <u>Total Bonds Outstanding</u> | <u>Percentage of Personal Income</u> | <u>Per Capita</u> |
|--|---|----------------------|--------------------------|--|--|-----------------------|
| 2010 | \$ 63,144,000 | \$ 3,000,000 | \$ 9,385,000 | \$ 75,529,000 | 5.87% | \$ 1,863 |
| 2011 | 60,312,000 | 6,000,000 | 9,050,000 | 75,362,000 | 5.36% | 1,829 |
| 2012 | 68,705,585 | 6,000,000 | 8,700,000 | 83,405,585 | 6.22% | 2,020 |
| 2013 | 68,554,445 | 6,000,000 | 8,335,000 | 82,889,445 | 5.90% | 2,025 |
| 2014 | 65,524,406 | 6,000,000 | 7,950,000 | 79,474,406 | 5.47% | 1,954 |
| 2015 | 61,697,338 | 6,000,000 | 7,545,000 | 75,242,338 | 5.14% | 1,866 |
| 2016 | 65,352,497 | 6,000,000 | 7,600,000 | 78,952,497 | 5.48% | 1,973 |
| 2017 | 61,325,505 | 6,000,000 | 7,105,000 | 74,430,505 | 5.21% | 1,544 |
| 2018 | 57,746,512 | 6,000,000 | 6,565,000 | 70,311,512 | 4.87% | 1,466 |
| 2019 | 53,860,520 | 6,000,000 | 6,000,000 | 65,860,520 | 4.57% | 1,698 |

Notes:

- (1) Presented net of original issuance discounts and premiums.
- (2) Details regarding the School Board's outstanding debt can be found in the notes to the financial statements.
- (3) See the Schedule of Demographic and Economic Statistics (Table 15) for personal income and population data.

Table 11

WEBSTER PARISH SCHOOL BOARD
Minden, Louisiana

Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years

| Fiscal Year Ended June 30 | General Obligation Bonds (1) | Less: Amounts Available in Debt Service Funds (6) | Total | Percentage of Estimated Actual Taxable Value of Property | Per Capita |
|---------------------------------|------------------------------------|---|---------------|--|---------------|
| 2010 | \$ 63,144,000 | \$ 4,377,452 | \$ 58,766,548 | 3.11% | \$ 1,449 |
| 2011 | 60,312,000 | 4,388,608 | 55,923,392 | 2.82% | 1,357 |
| 2012 | 68,705,585 | 4,382,127 | 64,323,458 | 3.14% | 1,558 |
| 2013 | 68,554,445 | 4,572,812 | 63,981,633 | 3.07% | 1,563 |
| 2014 | 65,524,406 | 4,617,627 | 60,906,779 | 2.84% | 1,497 |
| 2015 | 61,697,338 | 3,336,451 | 58,360,887 | 2.61% | 1,447 |
| 2016 | 65,352,497 | 2,224,292 | 63,128,205 | 2.64% | 1,577 |
| 2017 | 61,325,505 | 1,456,583 | 59,868,922 | 2.53% | 1,508 |
| 2018 | 57,746,512 | 700,127 | 57,046,385 | 2.44% | 1,449 |
| 2019 | 53,860,520 | 272,209 | 53,588,311 | 2.32% | 1,381 |

Notes:

- (1) Presented net of original issuance discounts and premiums
- (2) Details regarding the School Board's outstanding debt can be found in the notes to the financial statements.
- (3) General Obligation Bonds column excludes QSCB and revenue bonds.
- (4) See the Schedule of Demographic and Economic Statistics (Table 15) for population data.
- (5) See Schedule of Assessed Value and Estimated Actual Value of Taxable Property (Table 5) for property value data.
- (6) Amounts available in debt service funds excludes the QSCB sinking fund investments which are restricted for payment of the QSCB revenue bonds when they become due.

Table 12

WEBSTER PARISH SCHOOL BOARD
Minden, Louisiana

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

| <u>Governmental Unit</u> | <u>Debt Outstanding</u> | <u>Estimated Percentage Applicable</u> | <u>Estimated Share of Overlapping Debt</u> |
|--|-----------------------------|--|--|
| Debt repaid with property taxes | | | |
| Webster Parish Police Jury | \$ 1,600 | 100.00% | \$ 1,600 |
| City of Minden | 1,010,000 | 100.00% | 1,010,000 |
| Subtotal, overlapping debt | | | <u>1,011,600</u> |
| Webster Parish School Board Direct Debt | 65,860,520 | 100.00% | <u>65,860,520</u> |
| Total direct and overlapping debt | | | <u><u>\$ 66,872,120</u></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 Webster 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.

Table 13

WEBSTER PARISH SCHOOL BOARD
Minden, Louisiana

Legal Debt Margin Information
Last Ten Fiscal Years

| | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Debt Limit | \$ 132,749,220 | \$ 140,108,135 | \$ 143,470,585 | \$ 144,692,405 | \$ 149,232,420 | \$ 155,907,405 | \$ 161,169,910 | \$ 161,169,910 | \$ 155,736,360 | \$ 153,345,070 |
| Total net debt applicable to limit | <u>58,766,548</u> | <u>55,923,392</u> | <u>64,323,458</u> | <u>63,981,633</u> | <u>60,906,779</u> | <u>58,360,887</u> | <u>62,016,045</u> | <u>63,128,205</u> | <u>57,046,385</u> | <u>53,588,311</u> |
| Legal debt margin | <u>\$ 73,982,672</u> | <u>\$ 84,184,743</u> | <u>\$ 79,147,127</u> | <u>\$ 80,710,772</u> | <u>\$ 88,325,641</u> | <u>\$ 97,546,518</u> | <u>\$ 99,153,865</u> | <u>\$ 98,041,705</u> | <u>\$ 98,689,975</u> | <u>\$ 99,756,759</u> |
| Total net debt applicable to the limit as a percentage of debt limit | 44.27% | 39.91% | 44.83% | 44.22% | 40.81% | 37.43% | 38.48% | 39.17% | 36.63% | 34.95% |

Legal Debt Margin Calculation

| | |
|--|----------------------|
| Assessed value | \$ 251,718,988 |
| Add back: exempt real property | <u>54,971,152</u> |
| Total assessed value | <u>306,690,140</u> |
| Debt limit (50% of total assessed value) | <u>153,345,070</u> |
| Debt applicable to limit: | |
| General Obligation bonds, net | 53,860,520 |
| Less: Amount set aside for repayment of general obligation debt (2) | <u>272,209</u> |
| Total net debt applicable to limit | <u>53,588,311</u> |
| Legal debt margin | <u>\$ 99,756,759</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 of 1980 Regular Session of the Louisiana Legislature R.S. 39:562 (C).
- (2) Amounts available in debt service funds excludes the QSCB sinking fund investments which are restricted for payment of the QSCB revenue bonds when they become due.

Table 14

WEBSTER PARISH SCHOOL BOARD
Minden, Louisiana

Pledged Revenue Coverage
For the Fiscal Years Ended June 30, 2010 through June 30, 2019

| Sales Tax Revenue Bond | | | | | | | |
|------------------------------|--------------------------|-----------------------------|--------------------------|--------------|------------|------------|----------|
| Fiscal Year Ended June 30 | Sales Tax Collections | Less: Operating Expenses | Net Available Revenue | Debt Service | | | |
| | | | | Principal | Interest | Total | Coverage |
| 2010 | \$ 1,572,096 | \$ 392,709 | \$ 1,179,387 | \$ 315,000 | \$ 436,612 | \$ 751,612 | 1.57 |
| 2011 | 1,619,050 | 354,462 | 1,264,588 | 335,000 | 417,112 | 752,112 | 1.68 |
| 2012 | 1,747,687 | 629,040 | 1,118,647 | 350,000 | 396,562 | 746,562 | 1.50 |
| 2013 | 1,638,969 | 405,244 | 1,233,725 | 365,000 | 375,113 | 740,113 | 1.67 |
| 2014 | 1,665,705 | 354,121 | 1,311,584 | 385,000 | 353,094 | 738,094 | 1.78 |
| 2015 | 1,620,903 | 453,926 | 1,166,977 | 405,000 | 330,381 | 735,381 | 1.59 |
| 2016 | 1,591,482 | 380,048 | 1,211,434 | 425,000 | 214,555 | 639,555 | 1.89 |
| 2017 | 1,562,382 | 384,517 | 1,177,865 | 495,000 | 174,734 | 669,734 | 1.76 |
| 2018 | 1,801,724 | 254,934 | 1,546,790 | 540,000 | 155,211 | 695,211 | 2.22 |
| 2019 | 1,701,197 | 371,445 | 1,329,752 | 565,000 | 139,230 | 704,230 | 1.89 |

| QSCB Revenue Bonds | | | | | | | |
|------------------------------|--------------------------------------|-------------------------------|--------------------------|----------------------------|-----------|------------|----------|
| Fiscal Year Ended June 30 | Constitutional Tax Collections | Add: Interest Earnings (1) | Net Available Revenue | Debt Service | | | |
| | | | | Sinking Fund Payment | Interest | Total | Coverage |
| 2011 | \$ 947,380 | \$ - | \$ 947,380 | \$ 200,000 | \$ 30,000 | \$ 230,000 | 4.12 |
| 2012 | 976,862 | - | 976,862 | 400,000 | 60,000 | 460,000 | 2.12 |
| 2013 | 962,441 | - | 962,441 | 400,000 | 60,000 | 460,000 | 2.09 |
| 2014 | 1,004,242 | - | 1,004,242 | 400,000 | 60,000 | 460,000 | 2.18 |
| 2015 | 1,059,937 | 70,280 | 1,130,217 | 374,791 | 60,000 | 434,791 | 2.60 |
| 2016 | 1,118,939 | 43,891 | 1,162,830 | 400,000 | 60,000 | 460,000 | 2.53 |
| 2017 | 1,109,461 | 50,714 | 1,160,175 | 397,344 | 60,000 | 457,344 | 2.54 |
| 2018 | 1,071,695 | 59,691 | 1,131,386 | 380,751 | 60,000 | 440,751 | 2.57 |
| 2019 | 1,054,812 | 68,192 | 1,123,004 | 361,849 | 60,000 | 421,849 | 2.66 |

Source: Webster Parish School System

Note:

(1) This is the amount of the QSCB's sinking fund's interest earnings that was used to meet the sinking fund and interest payable requirements.

Table 15

WEBSTER PARISH SCHOOL BOARD
Minden, Louisiana

Demographic and Economic Statistics
Last Ten Fiscal Years

| <u>Fiscal Year Ended June 30</u> | <u>Population</u> | <u>Personal Income</u> | <u>Per Capita Personal Income</u> | <u>School Enrollment</u> | <u>Percentage on Free & Reduced Meals</u> | <u>Unemployment Rate</u> |
|--|-------------------|----------------------------|---|------------------------------|---|------------------------------|
| 2010 | 40,544 | \$ 1,286,501,664 | \$ 31,731 | 6,901 | 63.52 % | 7.9 |
| 2011 | 41,207 | 1,405,694,391 | 34,113 | 6,833 | 61.20 | 8.8 |
| 2012 | 41,288 | 1,340,580,072 | 32,469 | 6,753 | 60.60 | 7.9 |
| 2013 | 40,940 | 1,403,914,480 | 34,292 | 6,716 | 60.70 | 7.2 |
| 2014 | 40,678 | 1,452,285,956 | 35,702 | 6,520 | 69.70 | 7.1 |
| 2015 | 40,333 | 1,464,410,564 | 36,308 | 6,332 | 71.11 | 8.4 |
| 2016 | 40,021 | 1,440,195,706 | 35,986 | 6,207 | 70.53 | 8.7 |
| 2017 | 39,710 | 1,427,336,240 | 35,944 | 6,162 | 75.40 | 8.6 |
| 2018 | 39,378 | 1,444,306,284 | 36,678 | 6,088 | 66.71 | 6.9 |
| 2019 | 38,798 | 1,442,470,842 | 37,179 | 5,998 | 68.21 | 7.5 |

Sources:

- (1) Population data & Personal Income data obtained from www.stats.indiana.edu.
- (2) School enrollment and free and reduced meals obtained from Louisiana Department of Education.
- (3) Unemployment rate obtained from U. S. Department of Labor.

Table 16

WEBSTER PARISH SCHOOL BOARD
Minden, Louisiana

Principal Employers
Current Year and 2010 Fiscal Year

| | Fiscal Year 2019 | | | Fiscal Year 2010 | | |
|------------------------------------|------------------------|------|--------------------------|------------------------|------|--------------------------|
| | Number of Employees | Rank | % of Total Employment | Number of Employees | Rank | % of Total Employment |
| Webster Parish School Board | 785 | 1 | 5.67% | 985 | 1 | 8.34% |
| Calumet Lubricants Co. LTD P | 713 | 2 | 5.15% | | | |
| Wal-Mart/Sam's | 605 | 3 | 4.37% | 415 | 3 | 3.51% |
| Fibrebond Corporation | 550 | 4 | 3.97% | | | |
| Minden Medical Center | 390 | 5 | 2.82% | 513 | 2 | 4.34% |
| State of Louisiana Civil Service | 312 | 6 | 2.25% | | | |
| Springhill Medical Center | 225 | 7 | 1.62% | 232 | 7 | 1.96% |
| City of Minden | 220 | 8 | 1.59% | 213 | 8 | 1.80% |
| Continental Structural Plastics | 180 | 9 | 1.30% | | | |
| CW&W Contractors | 170 | 10 | 1.23% | | | |
| Kenyan Enterprises | | | | 408 | 4 | 3.45% |
| Fleming Subway Restaurants | | | | 325 | 5 | 2.75% |
| Trane Company | | | | 260 | 6 | 2.20% |
| International Paper-container div/ | | | | 161 | 9 | 1.36% |
| McInnis Construction | | | | 160 | 10 | 1.35% |

Source: NLEP Employer surveys; Louisiana Economic Development 2016, Webster Parish School Board CAFR 2010 report

Notes:

(1) Employment data obtained from U.S. Department of Labor.

Table 17

WEBSTER PARISH SCHOOL BOARD
Minden, Louisiana

School Personnel
Fiscal Years Ended June 30, 2010 through June 30, 2019

| | <u>2010</u> | <u>2011</u> | <u>2012</u> | <u>2013</u> | <u>2014</u> | <u>2015</u> | <u>2016</u> | <u>2017</u> | <u>2018</u> | <u>2019</u> |
|------------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Teachers | | | | | | | | | | |
| Less than a Bachelor's degree | 1 | 1 | 1 | 2 | 1 | 1 | 1 | 1 | 1 | 2 |
| Bachelor | 310 | 298 | 273 | 242 | 234 | 242 | 241 | 246 | 245 | 251 |
| Master | 107 | 96 | 93 | 91 | 94 | 90 | 92 | 85 | 82 | 83 |
| Master +30 | 59 | 58 | 49 | 42 | 40 | 38 | 36 | 36 | 29 | 26 |
| Specialist in Education | 5 | 3 | 4 | 1 | 0 | 0 | 1 | 0 | 0 | 0 |
| Ph.D or Ed.D | <u>1</u> | <u>1</u> | <u>2</u> | <u>3</u> | <u>2</u> | <u>1</u> | <u>2</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| Total | 483 | 457 | 422 | 381 | 371 | 372 | 373 | 368 | 357 | 362 |
| Principals & Assistants | | | | | | | | | | |
| Bachelor | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 11 | 1 |
| Master | 5 | 6 | 6 | 5 | 5 | 5 | 7 | 10 | 13 | 14 |
| Master +30 | 18 | 20 | 18 | 18 | 17 | 16 | 15 | 12 | 0 | 15 |
| Specialist in Education | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Ph.D or Ed.D | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>1</u> | <u>1</u> | <u>1</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| Total | 24 | 26 | 24 | 23 | 23 | 22 | 23 | 22 | 24 | 30 |

Source:

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

2018 - 2019 Webster Parish School Board

Note: This table only includes teachers, principals and assistant principals of the School Board

Table 18

WEBSTER PARISH SCHOOL BOARD
Minden, Louisiana

School Building Information
June 30, 2019

| <u>Instructional Sites</u> | <u>Date Constructed</u> | <u>Enrollment</u> | <u>Grades Taught</u> |
|--------------------------------|-----------------------------|-------------------|----------------------|
| High Schools: | | | |
| Doyline | 1973 | 482 | 6-12 |
| Lakeside | 2001 | 584 | 7-12 |
| Minden | 2009 | 818 | 8-12 |
| North Webster High | 2008 | 550 | 9-12 |
| Middle Schools: | | | |
| Webster Junior High | 2009 | 582 | 7-8 |
| North Webster Jr. High | 2010 | 425 | 6-8 |
| Elementary Schools: | | | |
| Brown | 1951 | 259 | 5-6 |
| Browning | 1964 | 301 | Pre K-2 |
| Central | 1967 | 431 | Pre K-6 |
| E. S. Richardson | 1964 | 411 | K-5 |
| J. A. Phillips | 1972 | 428 | Pre K & 6 |
| J. E. Harper | 1975 | | K-5 |
| J. L. Jones | 1961 | 416 | Pre K-5 |
| North Webster Upper Elementary | 1976 | 162 | 3-5 |
| North Webster Lower Elementary | 1962 | 149 | K-2 |
| Total | | <u>5,998</u> | |

Sources:

- (1) Agreed upon procedures report on performance and statistical data accompanying the annual financial statements.
- (2) Webster Parish School Board - LDOE

Table 19

WEBSTER PARISH SCHOOL BOARD
Minden, Louisiana

Operating Statistics
For the Fiscal Years Ended June 30, 2010 through June 30, 2019

| <u>Fiscal Year Ended June 30</u> | <u>Expenses (1)</u> | <u>Enrollment (2)</u> | <u>Cost Per Pupil</u> | <u>Percentage Change</u> | <u>Teaching Staff (3)</u> | <u>Pupil/ Teacher Ratio</u> |
|--|---------------------|-----------------------|---------------------------|------------------------------|-------------------------------|-------------------------------------|
| 2010 | \$ 80,461,199 | 6,901 | \$ 11,659 | 0.18% | 483 | 14.29 |
| 2011 | 78,455,459 | 6,833 | 11,482 | -1.52% | 457 | 14.95 |
| 2012 | 74,498,050 | 6,753 | 11,032 | -3.92% | 422 | 16.00 |
| 2013 | 69,166,059 | 6,716 | 10,299 | -6.65% | 381 | 17.63 |
| 2014 | 71,703,633 | 6,520 | 10,997 | 6.79% | 371 | 17.57 |
| 2015 | 65,911,765 | 6,332 | 10,409 | -5.35% | 372 | 17.02 |
| 2016 | 66,652,453 | 6,207 | 10,738 | 3.16% | 373 | 16.64 |
| 2017 | 69,224,406 | 6,162 | 11,234 | 4.62% | 368 | 16.74 |
| 2018 | 66,204,637 | 6,088 | 10,875 | -3.20% | 357 | 17.05 |
| 2019 | 66,253,297 | 5,998 | 11,046 | 1.58% | 362 | 16.57 |

Notes:

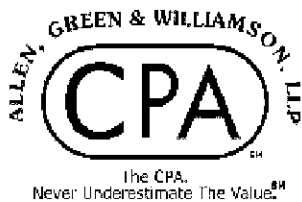
- (1) Expenses are on full accrual and is extracted from Table 2, Changes in Net Position.
- (2) Enrollment is extracted from Table 18, School Building Information.
- (3) Teaching staff is extracted from Table 17, School Personnel.

**Webster Parish School Board
Minden, Louisiana**

**Single Audit Report
and Other Information
For the Year Ended June 30, 2019**

**Webster 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
Webster Parish School Board
Minden, 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 Webster Parish School Board as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the School Board's basic financial statements, and have issued our report thereon dated March 24, 2020.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the School Board's internal control over financial reporting (internal control) 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 and therefore, material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in the accompanying Schedule of Findings and Questioned Costs as items 2019-01, 2019-02, and 2019-03 that we consider to be significant deficiencies.

Compliance and Other Matters

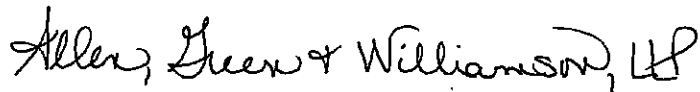
As part of obtaining reasonable assurance about whether the School Board's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying Schedule of Findings and Questioned Costs as items 2019-01, 2019-02 and 2019-04.

The School Board's Response to Findings

The School Board's response to the findings identified in our audit are described in the accompanying Schedule of Findings and Questioned Costs and 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 the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result 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 this report is limited, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana
March 24, 2020



ALLEN, GREEN & WILLIAMSON, LLP

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(Retired) 1963 - 2000/2000

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

Independent Auditor's Report

Board Members
Webster Parish School Board
Minden, Louisiana

Report on Compliance for Each Major Federal Program

We have audited Webster 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, 2019. 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 the federal statutes, regulations, and the terms and conditions 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, 2019.

Report on Internal Control Over Compliance

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

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

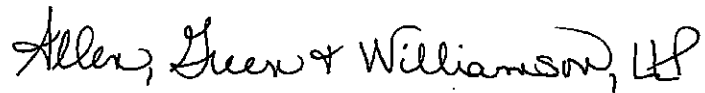
Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any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

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 this report is limited, under Louisiana Revised Statute 24:513, this report is distributed by the 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 Webster Parish School Board as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the School Board's basic financial statements. We issued our report thereon dated March 24, 2020, 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.

A handwritten signature in black ink that reads "Allen, Green & Williamson, LLP". The signature is written in a cursive, flowing style.

ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana
March 24, 2020

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

| <u>FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/PROGRAM NAME</u> | <u>CFDA Number</u> | <u>Pass Through Grantor No.</u> | <u>Expenditures</u> |
|---|------------------------|--|---------------------|
| United States Department of Agriculture | | | |
| Passed Through Louisiana Department of Education: | | | |
| Child Nutrition Cluster: | | | |
| Non-cash Assistance: | | | |
| Food Distribution Program (Commodities) | 10.555 | 60 | \$ 241,666 |
| Cash Assistance: | | | |
| National School Lunch Program | 10.555 | 60 | 2,732,146 |
| School Breakfast Program | 10.553 | 60 | 381,355 |
| Total Child Nutrition Cluster | | | <u>\$ 3,355,167</u> |
| Total United States Department of Agriculture | | | <u>3,355,167</u> |
| United States Department of Education | | | |
| Passed through Louisiana Department of Education: | | | |
| Title I Grants to Local Educational Agencies | 84.010A | 28-19-T1-60 28-19-DSS-60 28-18-RD18-60 | 3,686,807 |
| Special Education Cluster (IDEA): | | | |
| Special Education Grants to States | 84.027A | 28-19-B1-60 28-19-PA-60 28-19-BPT6-60 | 1,379,904 |
| Special Education Preschool Grants | 84.173A | 28-19-P1-60 28-18-CY-60 | 26,430 |
| Total Special Education Cluster (IDEA) | | | <u>1,406,334</u> |
| Career and Technical Education - Basic Grants to States | 84.048A | 28-19-02-60 | 72,494 |
| Supporting Effective Instruction State Grants | 84.367A | 28-19-50-60 | 342,348 |
| Striving Readers/Comprehensive Literacy Development | 84.371C | 28-18-SR03-60 | 29,107 |
| Rural Education | 84.358B | 28-19-RE-60 | 149,777 |
| Student Support and Academic Enrichment Program | 84.424A | 28-19-71-60 | 116,771 |
| Total United States Department of Education | | | <u>5,803,638</u> |
| United States Department of Health and Human Services | | | |
| Passed Through Louisiana Department of Education: | | | |
| TANF Cluster: | | | |
| Temporary Assistance for Needy Families (TANF) | 93.558 | 28-19-36-60 | 237,136 |
| Total TANF Cluster | | | <u>237,136</u> |
| CCDF Cluster: | | | |
| Child Care and Development Block Grant | 93.575 | 28-19-CO-60 28-18-CO-60 | 16,937 |
| Total CCDF Cluster | | | <u>16,937</u> |
| Passed Through Louisiana Department Health and Human Services - Office of Addictive Disorders: | | | |
| Prevention and Treatment of Substance Abuse | 93.959 | 676631 | 47,050 |
| Total Department of Health and Human Services | | | <u>\$ 301,123</u> |

(Continued)

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

| <u>FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/PROGRAM NAME</u> | <u>CFDA Number</u> | <u>Pass Through Grantor No.</u> | <u>Expenditures</u> |
|--|------------------------|-------------------------------------|----------------------|
| United States Department of Homeland Security Passed Through Louisiana Department of Homeland Security and Emergency Preparedness: Disaster Grants - Public Assistance (Presidentially Declared Disasters) | 97.036 | PW420 PW912 PW913 | \$ 723,124 |
| Total United States Department of Homeland Security | | | <u>723,124</u> |
| United States Department of Defense Direct Programs: Flood Control Projects JROTC | 12.106 12.609 | | 89 66,617 |
| Total United States Department of Defense | | | <u>66,706</u> |
| TOTAL FEDERAL AWARDS | | | <u>\$ 10,249,758</u> |
| | | | (Concluded) |

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THIS SCHEDULE.

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

NOTE 1 – BASIS OF PRESENTATION The accompanying Schedule of Expenditures of Federal Awards (the “Schedule”) includes the federal award activity of Webster Parish School Board under programs of the federal government for the year ended June 30, 2019. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operation of the School Board, it is not intended to and does not present the financial position or changes in net position of the School Board.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES Expenditures reported on the Schedule are reported on the modified accrual basis of accounting which is described in Note 1 of the Notes to the Financial Statements of the School Board’s Comprehensive Annual Financial Report. 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:

| | Federal Sources |
|-----------------------------|----------------------|
| Major Funds: | |
| General Fund | \$ 66,706 |
| Sales Tax District 6 | 723,124 |
| Title I | 3,377,523 |
| Nonmajor Funds: | |
| School Food Service | 3,355,167 |
| Special Education | 1,406,334 |
| Other ESEA Funds | 675,436 |
| Special Federal Funds | 581,481 |
| Education Excellence | 16,937 |
| Comprehensive School Reform | 47,050 |
| Total | <u>\$ 10,249,758</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 The School Board has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

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

PART I – Summary of the Auditor’s Results

Financial Statement Audit

- i. The type of audit report issued was unmodified.
- ii. There were three significant deficiencies required to be disclosed by *Government Auditing Standards* issued by the Comptroller General of the United States of America. The significant deficiencies were not considered to be a material weakness.
- iii. There was three instances of noncompliance, as defined by *Government Auditing Standards*, to the financial statement.

Audit of Federal Awards

- iv. There were no significant deficiencies required to be disclosed by Uniform Guidance (2 CFR 200).
- v. The type of report the auditor issued on compliance for major programs was unmodified.
- vi. The audit disclosed no audit findings which the auditor is required to report in accordance with 2 CFR 200.516(a).
- vii. The major federal program is:

| | |
|--|--------------|
| Title I Grants to Local Educational Agencies | CFDA #84.010 |
|--|--------------|
- viii. The dollar threshold used to distinguish between Type A and Type B programs as described in Uniform Guidance was \$750,000.
- ix. The auditee does qualify as a low-risk auditee under the Uniform Guidance.

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

PART II – Findings related to the financial statements which are required to be reported in accordance with *Governmental auditing Standards* generally accepted in the United States of America.

Reference # and title: **2019-001** **State Compliance - Sinking Fund Requirements**

Entity-wide or program/department specific: This finding is specific to the debt service funds.

Criteria or specific requirement: Louisiana Revised Statute 39:569 states that the governing authority of a subdivision issuing bonds hereunder shall impose and collect annually, in excess of all other taxes, a tax on all property subject to taxation by the subdivision sufficient in amount to pay the interest annually or semiannually and the principal falling due each year, or such amount as may be required, for any sinking fund necessary to retire said bonds at maturity.

Condition found: In testing the debt service funds' ending fund balance, it was noted that the Shongaloo Evergreen Consolidated District #1 Debt Service Fund had a remaining excess fund balance of \$142,494 after the next year's principal and interest payments of \$301,906 were subtracted out. In addition, Doyline District #7 has a deficit fund balance of \$584,167 at June 30, 2019.

Context: The Shongaloo Evergreen Consolidated District #1 and Doyline District #7 tax is two of seven millages assessed for debt service.

Possible asserted effect (cause and effect):

Cause: The School Board did not consider each debt service fund's ending fund balance when assessing the 2018 millage.

Effect: Millages for two debt service funds were not set at rates sufficient to meet the annual debt service requirements.

Recommendation to prevent future occurrences: The School Board should consider each debt service fund's ending fund balance when setting millage rates.

Origination date and prior year reference (if applicable) This finding is first reported in the fiscal year ended June 30, 2017. The prior year finding reference was 2018-001.

View of responsible official: It has been very difficult to estimate the fund balance when millages are due before year end close is completed.

Reference # and title: **2019-002** **Five Percent Budget Variance**

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

Criteria or specific requirement: Louisiana Revised Statute 39:1311 requires the chief executive or administrative officer to advise the governing authority or independently elected official in writing when total expenditures and other uses for the remainder of the year, within a fund, are exceeding the total budgeted expenditures and other uses by five percent or more. The resulting budget amendment shall only be statutorily required for a special revenue fund with anticipated expenditures that equal or exceed five hundred thousand dollars and whose revenues are not expenditure driven.

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

PART II – Findings related to the financial statements which are required to be reported in accordance with *Governmental auditing Standards* generally accepted in the United States of America.

Condition found: Total actual expenditures exceeded budgeted expenditures by five percent or more in the following fund that was required to amend its budget:

| <u>Fund</u> | <u>Budget</u> | <u>Actual</u> | <u>Variance</u> |
|----------------------|---------------|---------------|-----------------|
| School Food Service | \$ 3,851,121 | \$ 4,409,227 | \$ (558,106) |
| Education Excellence | 106,094 | 187,476 | (81,382) |

Context: The budget to actual comparison was tested for the general fund and all special revenue funds legally required to amend its budget. This is considered an isolated instance.

Possible asserted effect (cause and effect):

Cause: The School Board did not amend the budget when actual expenditures exceeded the budget by 5% as required.

Effect: The School Board did not meet the requirements of the Louisiana State Budget Law.

Recommendation to prevent future occurrences: The School Board should continuously monitor expenditures and amend budgets as needed.

Origination date and prior year reference (if applicable) This finding originated in fiscal year ended June 30, 2019.

View of responsible official: The above referenced funds' revised budget didn't take into account some transactions. These transactions were discovered too late in the fiscal year. Time didn't allow for another budget revision.

Reference # and title: **2019-003** **Student Activity Funds Management**

Entity-wide or program/department specific: This finding is specific to student activity funds.

Criteria or specific requirement: Testing was performed at six schools within the parish. A sample of bank reconciliations, receipts and disbursements for all six schools were tested. A sample of deposits were tested to determine that amounts received per the general ledger for all sports events could be traced to proper supporting documentation, the total per receipt books were traced to deposits in the bank statement and the general ledger posting, and the game schedules were pulled and traced to the gate receipts. The fundraising procedures were reviewed and a sample was tested to ensure that procedures were followed. A sample of Booster Clubs at each school were tested to ensure the Club was in good standing under section 501(c)(3) of the Internal Revenue Code, if any school employees were authorized check signers, and if any school employees were officers.

Condition found: A summary of the results of the testing are as follows:

Bank Reconciliations:

- Two schools had exceptions where the outstanding checks could not be traced to subsequent clearing and were not being properly investigated.

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

PART II – Findings related to the financial statements which are required to be reported in accordance with *Governmental auditing Standards* generally accepted in the United States of America.

- One school had an exception due to the reconciliation was not mathematically performed correctly and therefore did not agree to the general ledger for the bank account

Gate Receipts:

- One school had an exception where the game receipts was not deposited timely.

Receipt Books:

- One school had three exceptions for not having proper documentation for concession stand money.
- One school had an exception for improper posting of t-shirt sale money to school fees.

Disbursements:

- Two schools had an exception where a check only had one signature
- Four schools had exceptions where the payments were not supported by proper documentation.
- Two schools had an exception where the total amount of the check did not match the total amount of the support.
- One school had two exceptions where the invoice was not paid timely.
- One school had an exception for payment of late fees
- Four schools had exceptions for payment of sales tax.
- Two schools had exceptions where the checks were posted to the wrong account.
- One school had an exception where a check was written to the principal which goes against the School Board's approved policy.

Fundraisers:

- One school had an exception where the fundraiser was not properly approved by the principal.
- Two schools had an exception for not numbering the fundraising activities as required in the School Board's approved policy.

Context: Six schools of the School Board's 15 schools were selected to test procedures over student activity funds.

Possible asserted effect (cause and effect):

Cause: Personnel at schools were unaware of proper procedures in some instances and not following proper procedures in other instances.

Effect: School Board policies and procedures for student activity funds were not always followed.

Recommendation to prevent future occurrences: As a result of findings from the agreed upon procedures engagement, meetings on students activity fund procedures should be held with school bookkeepers, principals, coaches and club and class sponsors. In addition, we recommend that central office personnel do site visits to ensure that the proper procedures are followed.

Origination date and prior year reference: This finding originated in fiscal year ended June 30, 2008. The prior year finding reference was 2018-002.

View of responsible official: Internal audit site visits are conducted on a rotating basis each year. The District's annual finance workshop is conducted each year in August for school secretaries, principals, coaches and sponsors.

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

PART II – Findings related to the financial statements which are required to be reported in accordance with *Governmental auditing Standards* generally accepted in the United States of America.

Reference # and title: 2019-004 Late Submission of Audit Report to the Legislative Auditor

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

Criteria or specific requirement: 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.

Condition found: The School Board's audit report for the fiscal year ending June 30, 2019 was not completed within the six month deadline as per R.S. 24:513 A (5)(a)(i).

Context: This finding is an isolated incident.

Possible asserted effect (cause and effect):

Cause: The School Board's auditor needed additional time because of significant turnover in key positions within the auditing firm.

Effect: The auditor was unable to submit the School Board's report within the six month deadline as required by R.S. 24:513 A (5)(a)(i).

Recommendations to prevent future occurrences: Management should meet with the auditor to ensure they will have adequate staff to prevent this from occurring in the future.

Origination date and prior year reference (if applicable): This finding originated fiscal year ended June 30, 2019.

View of responsible official: Management will meet with the auditor to ensure the auditor has adequate staff to prevent this from occurring in the future.

Webster Parish School Board

OTHER INFORMATION



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President

Charles Strong
Vice-President

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Johnny Rowland, Jr.
Superintendent

Kevin J. Washington
Assistant Superintendent

Status of Prior Year Audit Findings and Questioned Costs For Year Ended June 30, 2019

Reference # and title: 2018-001 State Compliance - Sinking Fund Requirements

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

Condition: Louisiana Revised Statute 39:569 states that the governing authority of a subdivision issuing bonds hereunder shall impose and collect annually, in excess of all other taxes, a tax on all property subject to taxation by the subdivision sufficient in amount to pay the interest annually or semiannually and the principal falling due each year, or such amount as may be required, for any sinking fund necessary to retire said bonds at maturity.

In testing the debt service funds' ending fund balance, it was noted that the Shongaloo Evergreen Consolidated District #1 Debt Service Fund had a remaining excess fund balance of \$208,735 after the next year's principal and interest payments of \$292,175 were subtracted out. In addition, Doyline District #7 has a deficit fund balance of \$343,319 at June 30, 2018.

Corrective action planned: See current year finding 2019-001.

Reference # and title: 2018-002 School Activity Funds Management

Entity-wide or program/department specific: This finding is specific to student activity funds.

Condition: Testing was performed at five schools within the parish. A sample of bank reconciliations, receipts and disbursements for all five schools were tested. A sample of deposits were tested to determine that amounts received per the general ledger for all sports events could be traced to proper supporting documentation, the total per receipt books were traced to deposits in the bank statement and the general ledger posting, and the game schedules were pulled and traced to the gate receipts. The fundraising procedures were reviewed and a sample was tested to ensure that procedures were followed. A sample of Booster Clubs at each school were tested to ensure the Club was in good standing under section 501(c)(3) of the Internal Revenue Code, if any school employees were authorized check signers, and if any school employees were officers.

Condition: A summary of the results of the testing are as follows:

Bank Reconciliations:

- Two of the five schools had exceptions where the outstanding checks could not be traced to subsequent clearing and were not being properly investigated.

Gate Receipts:

- One of the five schools had exceptions where game receipts were not deposited timely and reconciliations were not properly prepared.

Status of Prior Year Audit Findings and Questioned Costs (continued)
For Year Ended June 30, 2019.

Receipt Books:

- Three of the five schools had exceptions where deposits was not made timely.

Disbursements:

- Four of the five schools had exceptions where the payments were not supported by proper documentation.
- One of the five schools had exceptions where the expenditure was not in accordance with the School Board's financial policies, particularly the purchasing policy.
- One of the five schools had exceptions where the invoice was not paid timely.
- One of the five schools had exceptions where there was no evidence of receipt of goods or services.

Fundraisers:

- One of the five schools had an exception were the fundraiser was not properly approved by the principal.

Corrective action planned: See current year finding 2019-003.

Respectfully Submitted,


Crevonne J. Odom
Director of Business & Finance



Johnnye Kennon
President

Charles Strong
Vice-President

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Johnny Rowland, Jr.
Superintendent

Kevin J. Washington
Assistant Superintendent

Corrective Action Plan for Current Year Findings and Questioned Costs For Fiscal Year Ended June 30, 2019

Reference # and title: **2019-001** **State Compliance - Sinking Fund Requirements**

Entity-wide or program/department specific: This finding is specific to the debt service funds.

Condition: Louisiana Revised Statute 39:569 states that the governing authority of a subdivision issuing bonds hereunder shall impose and collect annually, in excess of all other taxes, a tax on all property subject to taxation by the subdivision sufficient in amount to pay the interest annually or semiannually and the principal falling due each year, or such amount as may be required, for any sinking fund necessary to retire said bonds at maturity.

In testing the debt service funds' ending fund balance, it was noted that the Shongaloo Evergreen Consolidated District #1 Debt Service Fund had a remaining excess fund balance of \$142,494 after the next year's principal and interest payments of \$301,906 were subtracted out. In addition, Doyline District #7 has a deficit fund balance of \$584,167 at June 30, 2019.

Corrective action planned: The District will adjust the millages until the issue is resolved.

Person responsible for corrective action:

Crevonne Odom, Business Manager
P. O. Box 520
Minden, LA 71058-0520

Telephone: 318-377-7052
Fax: 318-377-9492

Anticipated completion date: June 30, 2020

Reference # and title: **2019-002** **Five Percent Budget Variance**

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

Condition: Louisiana Revised Statute 39:1311 requires the chief executive or administrative officer to advise the governing authority or independently elected official in writing when total expenditures and other uses for the remainder of the year, within a fund, are exceeding the total budgeted expenditures and other uses by five percent or more. The resulting budget amendment shall only be statutorily required for a special revenue fund with anticipated expenditures that equal or exceed five hundred thousand dollars and whose revenues are not expenditure driven.

Corrective action Plan for Current Year Findings and Questioned Cost (continued)

Total actual expenditures exceeded budgeted expenditures by five percent or more in the following fund that was required to amend its budget:

| <u>Fund</u> | <u>Budget</u> | <u>Actual</u> | <u>Variance</u> |
|----------------------|---------------|---------------|-----------------|
| School Food Service | \$ 3,851,121 | \$ 4,409,227 | \$ (558,106) |
| Education Excellence | 106,094 | 187,476 | (81,382) |

Corrective action planned: We will attempt to communicate to the supervisors the importance of submitting all anticipated transactions in a timely manner for the budget revisions.

Person responsible for corrective action:

| | |
|---------------------------------|-------------------------|
| Crevonne Odom, Business Manager | Telephone: 318-377-7052 |
| P. O. Box 520 | Fax: 318-377-9492 |
| Minden, LA 71058-0520 | |

Anticipated completion date: June 30, 2020

Reference # and title: **2019-003** **Student Activity Funds Management**

Entity-wide or program/department specific: This finding is specific to student activity funds.

Condition: Testing was performed at six schools within the parish. A sample of bank reconciliations, receipts and disbursements for all six schools were tested. A sample of deposits were tested to determine that amounts received per the general ledger for all sports events could be traced to proper supporting documentation, the total per receipt books were traced to deposits in the bank statement and the general ledger posting, and the game schedules were pulled and traced to the gate receipts. The fundraising procedures were reviewed and a sample was tested to ensure that procedures were followed. A sample of Booster Clubs at each school were tested to ensure the Club was in good standing under section 501(c)(3) of the Internal Revenue Code, if any school employees were authorized check signers, and if any school employees were officers.

A summary of the results of the testing are as follows:

Bank Reconciliations:

- Two schools had exceptions where the outstanding checks could not be traced to subsequent clearing and were not being properly investigated.
- One school had an exception due to the reconciliation was not mathematically performed correctly and therefore did not agree to the general ledger for the bank account

Gate Receipts:

- One school had an exception where the game receipts was not deposited timely.

Receipt Books:

- One school had three exceptions for not having proper documentation for concession stand money.
- One school had an exception for improper posting of t-shirt sale money to school fees.

Disbursements:

- Two schools had an exception where a check only had one signature
- Four schools had exceptions where the payments were not supported by proper documentation.
- Two schools had an exception where the total amount of the check did not match the total amount of the support.

Corrective action Plan for Current Year Findings and Questioned Cost (continued)

- One school had two exceptions where the invoice was not paid timely.
- One school had an exception for payment of late fees
- Four schools had exceptions for payment of sales tax.
- Two schools had exceptions where the checks were posted to the wrong account.
- One school had an exception where a check was written to the principal which goes against the School Board's approved policy.

Fundraisers:

- One school had an exception where the fundraiser was not properly approved by the principal.
- Two schools had an exception for not numbering the fundraising activities as required in the School Board's approved policy.

Corrective action planned: Our annual finance workshop is now split into four sessions. Two sessions are for the high school and junior high school north and south end of the district. The other two sessions are for the north and south end of the district elementary schools.

Person responsible for corrective action:

Crevonne Odom, Business Manager
P. O. Box 520
Minden, LA 71058-0520

Telephone: 318-377-7052
Fax: 318-377-9492

Anticipated completion date: June 30, 2020

Reference # and title: **2019-004** **Late Submission of Audit Report to the 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, 2019 was not completed within the six month deadline as per R.S. 24:513 A (5)(a)(i).

Corrective action planned: Management will meet with the auditor to ensure the auditor has adequate staff to prevent this from occurring in the future.

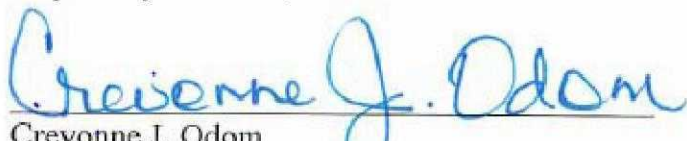
Person responsible for corrective action:

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P. O. Box 520
Minden, LA 71058-0520

Telephone: 318-377-7052
Fax: 318-377-9492

Anticipated completion date: June 30, 2020

Respectfully Submitted,


Crevonne J. Odom
Director of Business & Finance



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Crystal Patterson, CPA

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Audit Manager: Margie Williamson, CPA

Ernest L. Allen, CPA

(Retired) 1963 - 2000/2000

Management Letter

Board Members
Webster Parish School Board
Minden, Louisiana

In planning and performing our audit of financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Webster Parish School Board as of and for the year ended June 30, 2019, we considered the School Board's internal control to plan our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide assurance on the internal control.

However, during the performance of our procedures, we noted certain matters that are presented for your consideration. This letter does not affect our report dated March 24, 2020 on the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the School Board. We will review the status of this comment during our next audit engagement. Our comments and recommendations, all of which has been discussed with appropriate members of management, are intended to improve the internal control or result in other operating efficiencies. We will be pleased to discuss this comment in further detail at your convenience, to perform any additional study of this matter, or to assist you in implementing the recommendation. Our comment and management's response are summarized as follows:

2019-M1 **Financial Reporting**

Comment: Sound internal controls over financial reporting require that accounting records contain accurate, complete, and up-to-date information to ensure that the financial data can be relied upon to monitor the financial condition of the School Board. Additionally, the financial close process should ensure that accounting records are reviewed and balance sheet accounts are reconciled in a timely to manner to ensure that transactions are properly recorded and classified in the accounting records. When performing substantive audit work on the School Board's financial records, the following account variances were noted:

- Ending payroll liabilities were not reconciled. There were several accounts in which beginning balances are not valid and several liability accounts with a debit balance.
- Ending balance for accounts receivable were not adjusted to actual at year-end. The balance contains prior year balances that are not valid.
- The journal entries to record School Lunch commodities revenues were not made and an audit adjustment was required to correct.

Recommendation: The School Board should establish policies and procedures over the financial close process to ensure that ending balances are valid, complete and accurate for financial reporting.

Management's response: We continue to research the older transactions. All current year transactions are being reconciled. Other concerns are noted.

Comment: Good internal controls over capital assets require procedures to be implemented, to ensure additions and deletions are properly recorded on the capital asset listing per the School Board's capitalization policy. Due care should be taken when entering depreciation codes into the capital asset database. The School Board should have reliable report generating software so that the capital asset reports are accurate.

In the testing of the construction in progress for capital assets we noted the following differences:

- One building asset has a land depreciation code and therefore is not being depreciated.
- One current year asset addition was listed on the asset additions report but was not included on the depreciation schedule provided to the auditor.
- Several assets acquired in previous years were not listed on prior year's depreciation schedule but were included on the current year's depreciation schedule provided to the auditor.

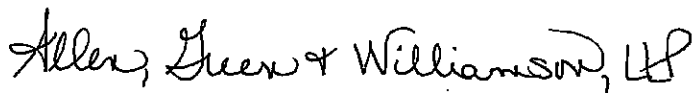
Recommendation: The School Board should establish policies and procedures to ensure that capital assets are depreciated at a reasonable useful life and that the software system provides the School Board with accurate reports.

Management's response: The School Board does have a reliable report generating software. However, human error does occur and sometimes are not discovered until after the previous years' audit report. I will speak to our CAMS programmer concerning the rounding of the acquisition cost. Prices are often negotiated based on the current threshold; therefore, the price is usually a penny under the threshold (i.e. \$4,999.99).

Our audit procedures are designed primarily to enable us to form our opinions on the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Webster Parish School Board as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the School Board's basic financial statements, and therefore, may not reveal all weaknesses in policies and procedures that may exist.

Also included are management's responses to our current year management letter item. We have performed no audit work to verify the content of the responses.

This report is intended solely for the information and use of the Board members, management, others within the entity, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Although the intended use of this report 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

Monroe, Louisiana
March 24, 2020

**Webster Parish School Board
Status of Prior Year Management Letter Items
For Year Ended June 30, 2019.**

2018-M1 **Financial Reporting**

Comment: Sound internal controls over financial reporting require that accounting records contain accurate, complete, and up-to-date information to ensure that the financial data can be relied upon to monitor the financial condition of the School Board. Additionally, the financial close process should ensure that accounting records are reviewed and balance sheet accounts are reconciled in a timely to manner to ensure that transactions are properly recorded and classified in the accounting records. When performing substantive audit work on the School Board's financial records, the following account variances were noted:

- Ending payroll liabilities were not reconciled. It was noted that multiple accounts have balances that continue to increase because the payment of the liability is posted to a different account than the one in which the liability was accrued. There were several accounts in which beginning balances are not valid.
- Ending balance for accounts receivable were not adjusted to actual at year-end. The balance contain prior year balances that are not valid.
- Prior year audit adjustments were recorded to wrong balance sheet accounts. An audit adjustment was required to correct.
- The bank reconciliation included a reconciling item for an entry that was posted to cash instead of accounts receivable. The entry to correct was not made.
- The journal entries to record School Lunch commodities revenues were not reviewed and an audit adjustment was required to correct.

Recommendation: The School Board should establish policies and procedures over the financial close process to ensure that ending balances are valid, complete and accurate for financial reporting.

Management's response: See 2019-M1.

2018-M2 **Capital Assets**

Comment: Good internal controls over capital assets require procedures to be implemented, to ensure additions and deletions are properly recorded on the capital asset listing per the School Board's capitalization policy. Due care should be taken when calculating the amounts to be included in the construction in progress accounts to ensure accurate and complete information is reported and to ensure that only valid construction expenses are included in the construction in progress information.

In the testing of the construction in progress for capital assets we noted the following differences;

- Bond issuance costs were included in construction in progress
- The purchase of furniture and equipment was included in the cost of the building and depreciated over 45 years. Five to seven years would be more of a reasonable useful life for furniture and equipment.
- Current year additions to construction in progress included expenses that incurred in the next fiscal year. An audit adjustment was made to remove from current year additions.

Recommendation: The School Board should establish policies and procedures to ensure that only valid construction expenses are capitalized and furniture and equipment depreciated at a more reasonable useful life.

Management's response: See 2019-M2.

AGREED-UPON PROCEDURES



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(Retired) 1963 - 2009

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

Board Members
Webster Parish School Board
Minden, Louisiana

We have performed the procedures enumerated below, which were agreed to by the management of Webster Parish School Board, 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, 2018 through March 31, 2019. The School Board's management is responsible for the control and compliance areas identified in these Statewide Agreed-Upon Procedures. 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 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.
- k) **Disaster Recovery/Business Continuity**, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.

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

- **Payroll/Personnel**, there were no policies or procedures to address (2) reviewing and approving time and attendance records, including leave and overtime worked.
- **Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)**, there were no policies or procedures to address (4) required approvers of statements, and (5) monitoring card usage.
- **Disaster Recovery/Business Continuity**, there were no policies or procedures to address: (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, and (5) timely application of all available system and software patches/updates.

Management's Response: Our written policies and procedures will be updated to reflect the Superintendent or Assistant Superintendent review of the attendance, leave and overtime via a monthly report. The updates will also reflect statement approvers and monitoring of card usage. We are currently working with the Technology department, our CAMS programmer, and others to develop policies and procedures for disaster recovery/business continuity.

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 unassigned fund balance in the general fund. If the general fund had a negative ending unassigned 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 unassigned fund balance in the general fund.

Comment: Exceptions noted due to budget to actual comparisons were not referenced in the minutes at every monthly meeting.

Management's Response: The Board started receiving monthly copies of the major funds budget-to-actual financial comparison. It is noted on the Board agenda in the announcement section. Board members are encouraged to call or email any questions or concerns they may have.

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: All five bank reconciliations tested were not completed within two months of the related statement closing date.

Management's Response: Noted.

Collections (excluding EFTs)

- 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 documentation to the deposit slip.
 - 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: 4 of the 5 collection locations tested were for cafeteria collections in which the employees share cash drawer/register and the person collecting the cash either made the deposit and/or recorded the transaction.

Management's Response: Due to our desire to be fiscally sound, we don't hire excess cafeteria staff. Therefore, the staff does have shared responsibilities. Also, due to the stringent identification requirements at our financial institutions to make deposits, only our cafeteria managers are assigned this duty.

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

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 (or electronically approved), 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). For missing receipts, the practitioner should describe the nature of the transaction and note whether management had a compensating control to address missing receipts, such as a “missing receipt statement” that is subject to increased scrutiny.

Comment: Exceptions were noted when testing credit card transactions. Six exceptions were noted where the transaction did not have an itemized receipt included as support. Nine exceptions were noted where the business purpose of the transaction was not noted on the receipt.

Management’s Response: Noted.

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

Payroll and Personnel

15. 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.
16. 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.
17. 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' cumulative leave records, and agree the pay rates to the employee/officials' authorized pay rates in the employee/officials' personnel files.
18. 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: Exceptions were noted when testing the leave and attendance of employees. Five exceptions were noted where employee attendance was not approved by a supervisor.

Management's Response: Noted.

Ethics

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

Debt Service (excluding nonprofits)

20. 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.
21. 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 (including contingency funds, short-lived asset funds, or other funds required by the debt covenants).

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

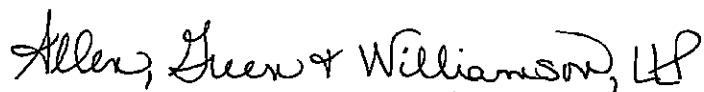
Other

22. 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.
23. 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: No exceptions were noted as a result of applying the 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* issued by the Comptroller General of the United States. 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. Although the intended use of this report is limited, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



Allen, Green & Williamson, LLP

Monroe, Louisiana
March 24, 2020



ALLEN, GREEN & WILLIAMSON, LLP

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

Board Members
Webster Parish School Board
Minden, Louisiana

We have performed the procedures enumerated below, which were agreed to by the management of the Webster Parish School Board, 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 Webster Parish School Board for the year ended June 30, 2019; 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 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:

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
Nonpublic Transportation Revenue

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

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

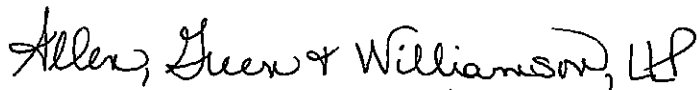
Public School Staff Data: Average Salaries (NO SCHEDULE)

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

Comment: No exceptions were noted as a result of applying the 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* 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 Webster 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. Although the intended use of this report is limited, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana
March 24, 2020

WEBSTER PARISH SCHOOL BOARD
Minden, Louisiana

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

Schedule 1

| | Column A | Column B |
|---|---------------|---------------|
| <u>General Fund Instructional and Equipment Expenditures</u> | | |
| General Fund Instructional Expenditures: | | |
| Teacher and Student Interaction Activities: | | |
| Classroom Teacher Salaries | \$ 16,965,620 | |
| Other Instructional Staff Activities | 1,823,993 | |
| Instructional Staff Employee Benefits | 10,331,463 | |
| Purchased Professional and Technical Services | 329,923 | |
| Instructional Materials and Supplies | 782,058 | |
| Instructional Equipment | - | |
| Total Teacher and Student Interaction Activities | | \$ 30,233,057 |
| Other Instructional Activities | | 234,625 |
| Pupil Support Activities | 2,240,551 | |
| Less: Equipment for Pupil Support Activities | - | |
| Net Pupil Support Activities | | 2,240,551 |
| Instructional Staff Services | 1,760,376 | |
| Less: Equipment for Instructional Staff Services | - | |
| Net Instructional Staff Services | | 1,760,376 |
| School Administration | 3,604,552 | |
| Less: Equipment for School Administration | - | |
| Net School Administration | | 3,604,552 |
| Total General Fund Instructional Expenditures (Total of Column B) | | 38,073,161 |
| Total General Fund Equipment Expenditures (Object 730; Function Series 1000-4000) | | - |
| <u>Certain Local Revenue Sources</u> | | |
| Local Taxation Revenue: | | |
| Constitutional Ad Valorem Taxes | | 1,054,812 |
| Renewable Ad Valorem Tax | | 4,795,069 |
| Debt Service Ad Valorem Tax | | 5,428,790 |
| Up to 1% of Collections by the Sheriff on Taxes Other than School Taxes | | 262,361 |
| Sales and Use Taxes | | 13,859,960 |
| Total Local Taxation Revenue | | 25,400,992 |
| Local Earnings on Investment in Real Property: | | |
| Earnings from 16th Section Property | | - |
| Earnings from Other Real Property | | 767 |
| Total Local Earnings on Investment in Real Property | | 767 |
| State Revenue in Lieu of Taxes: | | |
| Revenue Sharing - Constitutional Tax | | 79,513 |
| Revenue Sharing - Other Taxes | | 202,083 |
| Revenue Sharing - Excess Portion | | - |
| Other Revenue in Lieu of Taxes | | - |
| Total State Revenue in Lieu of Taxes | | 281,596 |
| Nonpublic Textbook Revenue | | 9,330 |
| Nonpublic Transportation Revenue | | \$ - |

WEBSTER PARISH SCHOOL BOARD
Minden, Louisiana

Class Size Characteristics
As of October 1, 2018

Schedule 2

| School Type | Class Size Range | | | | | | | |
|----------------------------------|------------------|--------|---------|--------|---------|--------|---------|--------|
| | 1 - 20 | | 21 - 26 | | 27 - 33 | | 34+ | |
| | Percent | Number | Percent | Number | Percent | Number | Percent | Number |
| Elementary | 34.54% | 354 | 55.71% | 571 | 9.66% | 99 | 0.10% | 1 |
| Elementary Activity Classes | 18.68% | 17 | 64.84% | 59 | 16.48% | 15 | 0.00% | 0 |
| Middle/Jr. High | 38.63% | 124 | 38.01% | 122 | 21.50% | 69 | 1.87% | 6 |
| Middle/Jr. High Activity Classes | 34.21% | 13 | 10.53% | 4 | 13.16% | 5 | 42.11% | 16 |
| High | 55.68% | 397 | 15.57% | 111 | 26.37% | 188 | 2.38% | 17 |
| High Activity Classes | 84.59% | 225 | 8.27% | 22 | 6.39% | 17 | 0.75% | 2 |
| Combination | 64.22% | 149 | 27.16% | 63 | 8.19% | 19 | 0.43% | 1 |
| Combination Activity Classes | 70.27% | 26 | 18.92% | 7 | 10.81% | 4 | 0.00% | 0 |

Note: The Board of Elementary and Secondary Education has set specific limits on the maximum size of classes at various grade levels. The maximum enrollment in grades K-3 is 26 students and 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.