

***SPECIAL EDUCATION DISTRICT #1  
OF THE PARISH OF LAFOURCHE  
Annual Financial Report  
June 30, 2025***

**SPECIAL EDUCATION DISTRICT #1  
OF THE PARISH OF LAFOURCHE**  
*Annual Financial Report  
June 30, 2025*

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**SPECIAL EDUCATION DISTRICT # 1  
OF THE PARISH OF LAFOURCHE  
MANAGEMENT’S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2025**

Our discussion and analysis of the Special Education District #1’s (The Center) financial performance provides an overview of financial activities for the fiscal year ended June 30, 2025. Please read it in conjunction with the basic financial statements and the accompanying notes to the financial statements, which follow this section.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

This annual report consists of a series of financial statements. The *Government-Wide Financial Statements* (GWFS) – The Statement of Net Position and the Statement of Activities provide information about the financial activities as a whole and present a longer-term view of finances. *Fund Financial Statements* (FFS) – The Balance Sheet and the Statement of Revenues, Expenditures and Changes in Fund Balances tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report operations in more detail than the government-wide statements by providing information about the most significant funds.

Our auditor has provided assurance in the *INDEPENDENT AUDITOR’S REPORT*, located immediately following this MD&A, that the Basic Financial Statements are fairly stated. The auditor, regarding the Required Supplemental Information is providing varying degrees of assurance. 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.

**Government-Wide Financial Statements**

The Statement of Net Position and the Statement of Activities report information about The Center as a whole. These statements include all assets and liabilities using the accrual basis of accounting, which is like the accounting used by most private-sector companies. All the current year’s revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report net position and changes in it. You can think of net position—the difference between assets and deferred outflows and liabilities and deferred inflows—as one way to measure financial health, or financial position. Over time, increases or decreases in net position are one indicator of whether its financial health is improving or deteriorating.

**SPECIAL EDUCATION DISTRICT # 1  
OF THE PARISH OF LAFOURCHE  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2025**

***Fund Financial Statements***

The Fund Financial Statements provide detailed information about the most significant funds—not The Center as a whole. Some funds are required to be established by State laws or bond covenants.

The Center uses the governmental type of fund with the following accounting approach. Most of the basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds 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 general government operations and the basic services it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance 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 reconciliations following the fund financial statements.

***FINANCIAL HIGHLIGHTS***

The basic financial statements provide these insights into the results of this year's operations:

- Net position of our governmental activities decreased by over \$230,000 or 4.2% as a result of this year's operations.
- Total expenses for program activities were \$3 million for the year, which was almost \$1.3 million more than generated from charges for services and the grants and contributions received for these activities. General revenues were \$1.1 million to cover the shortfall from net programs.
- The governmental funds reported a total ending fund equity of \$4.5 million. Fund balance for governmental activities decreased by \$417,248 or 8% from the prior year ending fund balance.

**SPECIAL EDUCATION DISTRICT # 1  
OF THE PARISH OF LAFOURCHE  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2025**

**FINANCIAL ANALYSIS OF THE CENTER AS A WHOLE (GWFS)**

The Statement of Net Position and the Statement of Activities report all activity as governmental activities. All the basic instructional and support services are reported as this type. General ad valorem taxes, operating grants and contributions, and fees charged to community homes finance most of these activities. Our analysis below focuses on the net position of the governmental-type activities:

	2025	2024	Dollar Change
Current and Other Assets	\$ 4,542,702	\$ 4,955,056	\$ (412,354)
Capital Assets	1,958,167	1,817,119	141,048
<b>Total Assets</b>	6,500,869	6,772,175	(271,306)
<b>Deferred outflows of resources</b>	452,867	485,844	(32,977)
Current Liabilities	50,647	42,781	7,866
Long Term Liabilities	1,555,394	1,620,110	(64,716)
<b>Total Liabilities</b>	1,606,041	1,662,891	(56,850)
<b>Deferred inflows of resources</b>	60,833	77,880	(17,047)
Net Investment in Capital Assets	1,958,167	1,817,119	141,048
Unrestricted	3,328,695	3,700,129	(371,434)
<b>Total Net Position</b>	<b>\$ 5,286,862</b>	<b>\$ 5,517,248</b>	<b>\$ (230,386)</b>

Net position decreased by \$230,386 or 4.2% as a result of this year's operations. The overall financial position decreased during the year. Significant increases and decreases are as follows:

- Current assets decreased by 8.3% (mostly cash and investments) for normal operations and payments in excess of revenue received.
- Capital assets and the net invested in capital assets increased due to the addition of assets capitalized during the year.
- Deferred outflows and inflows of resources changed in relation to calculations reflected in the large decrease in the pension liability.

**SPECIAL EDUCATION DISTRICT # 1  
OF THE PARISH OF LAFOURCHE  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2025**

	2025	2024	Dollar Change
<b>Program Revenues:</b>			
Charges for Services	\$ 1,528,635	\$1,351,078	177,557
Operating Grants and Contributions	135,783	506,080	(370,297)
<b>Total program revenues</b>	1,664,418	1,857,158	(192,740)
<b>Program Expenses-current</b>	3,007,907	2,833,732	174,175
<b>Net program income</b>	(1,343,489)	(976,574)	366,915
General revenues	1,113,103	1,135,848	(22,745)
<b>Change in Net Position</b>	(230,386)	159,274	(389,660)
<b>Net Position:</b>			
Beginning of the year	5,517,248	5,357,974	159,274
End of the year	\$ 5,286,862	\$5,517,248	\$ (230,386)

Total revenues received for the year were \$2,777,521 (\$1,528,635 in program revenues – including charges for services and donations for programs and \$1,113,103 in general revenues – including ad valorem taxes, state revenue sharing, interest and miscellaneous revenue). This reflected a decrease of 7.2% from the prior year. The total cost of all instructional and support services increased by \$174,174 or 6% from the prior year.

**FINANCIAL ANALYSIS OF FUNDS (FUND FINANCIAL STATEMENTS)**

As noted earlier, The Center uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. The focus of the governmental funds is to provide information on near term inflows, outflows and balances of spendable resources. Such information is useful in assessing the financing requirements. Unreserved fund balance may serve as a useful measure of a government's net resources available for funding future operational needs.

Governmental funds reported an ending fund balance of \$4,515,198, all considered unassigned and available to meet future needs of the Center. This reflected a decrease of \$417,248 or 8%. This decrease is primarily the result of the events and programs described within the analysis of its government-wide activities.

As a measure of the General Fund's liquidity, it may be useful to compare fund balance to total fund expenditures. General Fund expenditures totaled \$3,194,769– a decrease from the prior year. Unassigned fund balance equaled 141% of total General Fund expenditures.

**SPECIAL EDUCATION DISTRICT # 1  
OF THE PARISH OF LAFOURCHE  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2025**

**GENERAL FUND BUDGETARY HIGHLIGHTS**

The original budget for the General Fund was revised during the year as required by State law. All variances were in compliance with the Local Government Budget Act (R.S. 39:1301-15) R.S. 39:33, or R.S. 39:1331-1342, as applicable. More information on the current year budget can be found in the General Fund Budgetary Comparison Schedule.

**CAPITAL ASSETS**

The investment in capital assets, net of accumulated depreciation, for governmental activities is as follows:

	2024	2025
Land	\$ 93,612	\$ 93,612
Buildings and Improvements	4,795,002	5,038,816
Furniture and Equipment	371,155	359,852
Buses and Vans	974,281	1,129,946
Total Cost	6,140,438	6,622,226
Accumulated Depreciation	4,416,931	4,664,059
Net Capital Assets	\$ 1,817,119	\$ 1,958,167
Depreciation Expense	\$ 204,662	\$ 281,734

This year there was \$423,876 of additions, and \$35,700 of assets disposed, reflecting the net increase in capital assets before depreciation.

More detailed information about the capital assets is presented in Note 6 to the basic financial statements.

**LONG-TERM DEBT**

The Center has long-term debt recorded for compensated absences in the amount of \$26,870 and Net Pension Liability of \$1,551,667. More detailed information about the long-term debt is presented in Note 7 and Note 8 to the basic financial statements.

**SPECIAL EDUCATION DISTRICT # 1  
OF THE PARISH OF LAFOURCHE  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2025**

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGET**

Certain significant aspects of the budget are detailed below:

Beginning Fund Balance	\$ 4,414,743
Projected Revenue	3,503,954
Projected Expenditures	<u>(3,397,292)</u>
Ending Fund Balance	<u>\$ 4,521,405</u>

The Board approved the recommendation of the Finance Committee and adopted the budget on May 22, 2025. The 2025-2026 Budget included a 4 mill ad valorem tax levy and 3% wage adjustment.

**CONTACTING FINANCIAL MANAGEMENT**

This annual report is designed to provide our citizens, taxpayers, and customers with a general overview of The Center finances and to demonstrate its accountability for the money it receives. If you have questions about this report or need additional financial information, contact:

Torie T. Lee, Executive Director,  
P.O. Box 405,  
Cut Off, Louisiana 70345  
985-632-5671



# STAGNI & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

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## **INDEPENDENT AUDITOR'S REPORT**

To the Board of Commissioners  
Special Education District #1 of the Parish of Lafourche  
Cut Off, Louisiana

### **Report on the Audit of the Financial Statements**

#### **Opinions**

We have audited the accompanying financial statements of the governmental activities and each major fund of the Special Education District #1, (the Center) as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the basic financial statements as listed in the table of contents.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities and each major fund, as of and for the year ended June 30, 2025, 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.

#### **Basis for Opinions**

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Center, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### **Responsibilities of Management's 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 statement that are free of material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

***Auditor’s Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, amount other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the Management’s Discussion and Analysis and the Required Supplementary Information as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not 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 sufficient evidence to express an opinion or provide any assurance.

***Other Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The Schedule of Compensation, Benefits and Other Payments to Agency Head as listed in the table of contents as other supplementary information is presented for the purpose of additional analysis and are not a required part of the basic financial statements. This schedule is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the 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 schedule is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated November 18, 2025, on our consideration of the 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 testing, and not to provide an opinion on the 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 internal control over financial reporting and compliance.

*Stagni & Company*

November 18, 2025  
Thibodaux, Louisiana



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STAGNI & COMPANY, LLC

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**SPECIAL EDUCATION DISTRICT # 1  
OF THE PARISH OF LAFOURCHE**

Statement of Net Position

June 30, 2025

	GOVERNMENTAL ACTIVITIES
<b>ASSETS</b>	
Cash	\$ 2,777,119
Investments	1,602,651
Receivables:	
Due from other agencies	130,486
Accounts	2,414
Inventory	30,032
Capital Assets, Net of Accumulated Depreciation	1,958,167
TOTAL ASSETS	6,500,869
<b>DEFERRED OUTFLOWS OF RESOURCES:</b>	
Deferred outflows of resources - contributions	226,982
Deferred outflows of resources - other	225,885
TOTAL DEFERRED OUTFLOWS OF RESOURCES	452,867
<b>LIABILITIES</b>	
Accounts, salaries, and other payables	27,504
Compensated absences payable - current	23,143
TOTAL CURRENT LIABILITIES	50,647
Compensated absences payable - long term	3,727
Net pension liability	1,551,667
TOTAL LIABILITIES	1,606,041
<b>DEFERRED INFLOWS OF RESOURCES:</b>	
Deferred inflows of resources	60,833
<b>NET POSITION</b>	
Net Invested in capital assets	1,958,167
Unrestricted	3,328,695
TOTAL NET POSITION	\$ 5,286,862

See notes to financial statements.

**SPECIAL EDUCATION DISTRICT #1  
OF THE PARISH OF LAFOURCHE**

Statement of Activities

For the Year Ended June 30, 2025

	<b>Program Revenues:</b>				Net (Expenses)/ Revenue
	Expenses	Charges for Services	Capital Grants and Contributions	Operating Grants and Contributions	
<b>Governmental Activities:</b>					
Adult Instruction	\$ 854,457	\$ 902,703	\$ -	\$ 1,600	\$49,846
Administrative	697,327	-	-	134,183	(563,144)
Maintenance	483,404	-	-	-	(483,404)
Cafeteria	260,331	18,043	-	-	(242,288)
Transportation	325,344	170,265	-	-	(155,079)
Residential	340,136	427,624	-	-	87,488
Community Services	46,908	10,000	-	-	(36,908)
<b>Total Governmental Activities</b>	<b>\$ 3,007,907</b>	<b>\$ 1,528,635</b>	<b>\$ -</b>	<b>\$ 135,783</b>	<b>(1,343,489)</b>
<b>General Revenues:</b>					
Ad Valorem Taxes					822,099
State Revenue Sharing					50,476
Interest and Dividends					220,028
Miscellaneous					20,500
					<u>1,113,103</u>
					<b>(230,386)</b>
<b>Net Position:</b>					
Beginning of year					5,517,248
End of year					<u>\$ 5,286,862</u>

See notes to financial statements.

**SPECIAL EDUCATION DISTRICT #1  
OF THE PARISH OF LAFOURCHE**  
Balance Sheet - Governmental Funds  
June 30, 2025

	<b>General Fund</b>
<b>ASSETS</b>	
Cash	\$ 2,777,119
Investments	1,602,651
Receivables:	
Due from other agencies	130,486
Accounts	2,414
Inventory	30,032
TOTAL ASSETS	\$ 4,542,702
<b>LIABILITIES</b>	
Accounts payable and accrued liabilities	\$ 27,504
TOTAL LIABILITIES	27,504
<b>FUND EQUITY</b>	
Unassigned	4,515,198
TOTAL FUND EQUITY	4,515,198
TOTAL LIABILITIES AND FUND EQUITY	\$ 4,542,702
 <b>Reconciliation of Governmental Funds Balance Sheet to the Statement of Net Position</b>	
<b>Total fund balances - governmental funds</b>	\$ 4,515,198
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds:	
Cost of Assets	\$ 6,622,226
Accumulated Depreciation	(4,664,059)
	1,958,167
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds. Those liabilities consist of:	
Compensated absences - current	(23,143)
Compensated absences - long-term	(3,727)
Net pension liability	(1,551,667)
	(1,578,537)
Deferred outflows and inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the funds:	
Deferred outflows of resources - contributions	226,982
Deferred outflows of resources - other	225,885
Deferred inflows of resources related to pensions	(60,833)
	392,034
<b>Net position of governmental activities</b>	<b>\$ 5,286,862</b>

See notes to financial statements.

**SPECIAL EDUCATION DISTRICT #1  
OF THE PARISH OF LAFOURCHE**

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

For the Year Ended June 30, 2025

	<b>General Fund</b>
<b>REVENUES</b>	
Ad Valorem Taxes	\$ 822,099
Intergovernmental:	
State Revenue Sharing	50,476
Federal DOTD 53-10 Grant	134,183
Adult Services Income	902,703
Residential Services	427,624
Cafeteria Services	18,043
Transportation Services	170,265
Community Services	10,000
Donations-Restricted	1,600
Interest and Dividends	220,028
Income from Sale of Fixed Assets	5,878
Miscellaneous	14,622
	<b>2,777,521</b>
<b>EXPENDITURES</b>	
Current:	
Administrative	729,351
Maintenance	354,911
Adult Instruction	849,899
Cafeteria	254,454
Transportation	195,234
Residential	340,136
Community Services	46,908
<b>Total Current</b>	<b>2,770,893</b>
Capital Outlay	423,876
<b>Total Expenditures</b>	<b>3,194,769</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>(417,248)</b>
<b>FUND BALANCE</b>	
Beginning of year	4,932,446
End of year	<b>\$ 4,515,198</b>

See notes to financial statements.

**SPECIAL EDUCATION DISTRICT # 1  
OF THE PARISH OF LAFOURCHE**

Reconciliation of the Statement of Revenues, Expenditures,  
and Changes in Fund Balances of Governmental Funds to the Statement of Activities  
For the Year Ended June 30, 2025

**Net change in fund balances - governmental funds** \$ (417,248)

Amounts reported for *governmental activities* in the Statement of Activities  
(government-wide financial statements) are different because:

Governmental funds report capital outlays as expenditures. However, in the  
Statement of Activities the cost of those assets are allocated over their useful  
lives and reported as depreciation expense.

Capital outlay	\$ 423,876	
Depreciation expense:		
Adult Instruction	(4,558)	
General & Administrative	(12,696)	
Plant Maintenance & Operations	(128,493)	
Cafeteria Services	(5,877)	
Transportation Services	(130,110)	
	(281,734)	142,142

Some expenditures 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:

(Increase) Decrease in pension liability	66,313	
Increase (Decrease) in deferred outflows	(34,071)	
(Increase) Decrease in deferred inflows	17,047	
	49,289	49,289

For governmental funds, the incurrance of long-term debt provides current  
financial resources and the repayment of long-term obligations consumes current  
financial resources. Neither transaction has any effect on net assets.

(Increase) Decrease in compensated absences - current & long-term	(4,569)	(4,569)
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**Change in net position of governmental activities** **\$ (230,386)**

**SPECIAL EDUCATION DISTRICT #1  
OF THE PARISH OF LAFOURCHE**  
Notes to the Financial Statements  
June 30, 2025

Special Education District #1 of the Parish of Lafourche (The Center) was formed by the Louisiana Legislature in 1976 as a political subdivision of the State of Louisiana to purchase, contract, acquire, manage, and administer an education and training institution for mentally retarded, handicapped, and other health impaired children and adults. The Center has the power to levy property taxes, incur debt, and perform all other lawful acts necessary to accomplish the above. The Center is governed by a Board of Commissioners; three appointed by the Lafourche Parish Council, and four appointed by the Lafourche Parish School Board.

**Note 1      *Summary of Significant Accounting Policies***

The accounting and reporting policies of The Center conform to generally accepted accounting principles as applicable to governments. The following is a summary of certain significant accounting policies:

**A.      *Reporting Entity***

For financial reporting purposes, the accompanying financial statements include all of the operations over which the Center is financially accountable. The Center is financially accountable for organizations that make up its legal entity, as well as legally separate organizations that meet certain criteria. The Governmental Accounting Standards Board has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of an organization's governing body, and (1) the ability to impose its will on the organization or (2) the potential for the organization to provide specific financial benefits to or to impose specific financial burdens on the Center.

Applying this definition, it has been determined that The Center is independent of and is not financially accountable for other governmental units or civic entities, these financial statements represent the operations of the Center, as well as all of the funds of the Center as a governmental unit.

**B.      *Measurement Focus and Financial Statement Presentation***

**Government-wide Financial Statements**

The government-wide financial statements GWFS (i.e., the statement of net position and the statement of activities) display information about the Center as a whole. These statements are prepared using the economic resources measurement focus.

**SPECIAL EDUCATION DISTRICT #1  
OF THE PARISH OF LAFOURCHE**  
Notes to the Financial Statements  
June 30, 2025

**Note 1      Summary of Significant Accounting Policies (Continued)**

**B.      Measurement Focus and Financial Statement Presentation (Continued)**

The statement of activities presents a comparison between direct expenses and program revenues for each function or program of the governmental activities. Direct expenses are specifically associated with a service, program, or department and are therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues which are not classified as program revenues are presented as general revenues. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues.

The following is a description of the programs offered by The Center to its clients:

**Adult Instruction** - Adult Instruction is the day program for citizens of the community who are developmentally disabled. This program offers janitorial and recycling services performed by its clients to area business, assembles and sells plastic eating utensil packets and recycles, packages and sells Mardi Gras beads. Adult Instruction also operates a retail gift shop and operates vending machines in local businesses.

**Residential Services** - Residential Services provides the following services:

**Respite Services** - Respite Services provides direct care workers to the developmentally disabled client in their home allowing their parents/guardians to leave them for short periods of time.

**Personal Care Assistance** - The Personal Care Assistance program provides direct care workers to the developmentally disabled client on a "one on one" basis therefore allowing the client some personal time in the community. This program is administered completely out of the clients' homes.

**Community Services** – Searches for jobs and provides follow along support to those clients who qualify as outlined by Louisiana Rehabilitation Services.

**Transportation Services** - Transportation services is a billable service for some clients who are under the Medicaid NOW Waiver. Everyone who needs transportation is provided transportation to and from the facility whether it is billable to Medicaid or not.

**SPECIAL EDUCATION DISTRICT #1  
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**Note 1**      **Summary of Significant Accounting Policies (Continued)**

*B. Measurement Focus and Financial Statement Presentation (continued)*

**Fund Financial Statements**

Fund financial statements FFS report detailed information about the Center. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is reported in a separate column.

The Governmental Funds are accounted for on the “flow of current financial resources” measurement focus. This measurement focus is based on the concept of accountability, which includes measuring inter-period equity whether current year revenues were sufficient to pay for current year services.

**Governmental Funds**

Governmental funds are those through which most functions are financed. The acquisition use and balances of the expendable financial resources and the related liabilities are accounted for through Governmental Funds. The measurement focus is upon determination of changes in financial resources rather than upon determination of net income.

*C. Basis of Accounting*

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. GWFS are prepared using the accrual basis of accounting. FFS use the modified accrual basis of accounting.

**Modified Accrual**

Under the modified accrual basis, revenues are recognized in the accounting period in which they become susceptible to accrual, i.e., both measurable and available. “Measurable” means the amount of the transaction can be determined and “available” means they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Significant revenues susceptible to accrual include ad valorem taxes, reimbursable-type grants and interest on investments.

**SPECIAL EDUCATION DISTRICT #1  
OF THE PARISH OF LAFOURCHE**

Notes to the Financial Statements

June 30, 2025

**Note 1      Summary of Significant Accounting Policies (Continued)**

*C. Basis of Accounting (Continued)*

For this purpose, the government considers revenues (except for the expenditure-driven grants) to be available if they are collected within 60 days of the end of the current fiscal period. The expenditure-driven grants are considered available if received within one year from the balance sheet date. Currently property tax revenue is recognized when taxes are received, except a year end when revenue is recognized for taxes received within sixty (60) days after fiscal year end. Expenditures are recognized in the accounting period in which the liability is incurred. However, exceptions include the amount of un-matured principal and interest on general long-term debt, compensated absences, claims and judgments and certain prepaid expenditures which are recognized when due/paid.

In applying the susceptible to accrual concept to revenues from Federal and State sources, the legal contractual requirements of the numerous individual programs are used as guidance. Revenue from grants and entitlements is recognized when all eligibility requirements have been satisfied. There are, however, two types of these revenues. In one, monies must be expended for the specific purpose or project before receiving any amounts; therefore, revenues are recognized based upon the occurrence of expenditures. In the other type, monies are virtually unrestricted as to purpose of expenditure and are usually revocable only for failure to comply with prescribed legal and contractual requirements. These resources are reflected as revenues at the time of receipt or earlier if the susceptible to accrual criteria are met. In all cases, monies received before the revenue recognition criteria have been met are reported as unearned revenue.

**Accrual**

Under the accrual basis of accounting, revenues are recognized in the period earned and expenses are recognized in the period incurred.

When both restricted and unrestricted resources are available for use, it is the Center's policy to use restricted resources first, and then unrestricted resources as they are needed.

**SPECIAL EDUCATION DISTRICT #1  
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June 30, 2025

**Note 1      Summary of Significant Accounting Policies (Continued)**

*D.      Deposits and Investments*

Deposits are cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. State law and The Center's investment policy allow the entity to invest in collateralized certificates of deposits, government backed securities, commercial paper, the state sponsored investment pool, and mutual funds consisting solely of government backed securities.

The state investment pool (LAMP) operates in accordance with state laws and regulations. The reported value of the pool is the same as the fair value of the pool shares.

*E.      Ad Valorem Taxes*

Ad Valorem taxes of Lafourche Parish are levied around November 1 and are due and payable on that date. Ad Valorem taxes become delinquent on January 1 of the next year. Ad Valorem taxes are assessed by the Lafourche Parish Tax Assessor and are collected by the Lafourche Parish Sheriff and remitted monthly by the Sheriff to The Center. Tax revenues are recognized when they become available. Available includes those tax receivables that are expected to be collected. Delinquent taxes are considered fully collectible and therefore no allowance for uncollectible taxes is provided.

*F.      Inventories*

Inventories are valued at cost, which approximates market. Inventories include items purchased and sold in the gift shop and vending machines. Inventories are recorded as expenditures as consumed rather than when purchased.

*G.      Capital assets*

Purchased assets are recorded as expenditures in the fund financial statements and are capitalized at cost on the government-wide statement of net position. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The Center uses a threshold level of \$500 or more for capitalizing capital assets.

**SPECIAL EDUCATION DISTRICT #1  
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Notes to the Financial Statements

June 30, 2025

**Note 1      Summary of Significant Accounting Policies (Continued)**

**G.      Capital assets (continued)**

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Buildings and building improvements	7 - 40 years
Furniture, fixtures, and equipment	5 - 15 years
Vehicles	5 - 8 years

**H.      Compensated Absences**

Compensated absences are payments to employees for accumulated vacation leave. These amounts also include the related employer's share of applicable taxes and retirement contributions. The Center compensates substantially all full-time employees for unused vacation up to twelve days. Unused vacation is paid upon termination or retirement. Sick leave accumulates at the rate of twelve days for 240-Day Personnel. Sick leave is not paid upon termination or retirement. Compensation time is granted for approved extra hours of work in accordance with the Fair Labor Standards Act. Compensation time is paid upon termination or retirement. Compensated absences for vacation time is reported in the GWFS categorized in current (due within one year) and long-term.

**I.      Long-Term Obligations**

In the government-wide financial statements long-term debt and other long-term obligations are reported as liabilities in the statement of net position.

In the fund financial statements, governmental funds report the face amount of debt issued, as well as any premiums (discounts) as other financing sources (uses).

**SPECIAL EDUCATION DISTRICT #1  
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June 30, 2025

**Note 1      Summary of Significant Accounting Policies (Continued)**

**J.      Restricted Net Assets**

For the government-wide statement of net position, net position is reported in three components:

- Net investment in capital assets – consists of capital assets net of accumulated depreciation.
- Restricted – consists of net position with constraints placed the use by law through constitutional provisions, enabling legislation, or externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments; and
- Unrestricted - All other net position that do not meet the definition of “restricted” or “net investment in capital assets.”

**K.      Fund Equity**

In the fund financial statements, governmental funds report the following fund balance classifications:

- Non-spendable - amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.
- Restricted – amounts to be used for specific purposes as determined by enabling legislation or imposed by grantors or debt covenants.
- Committed – amounts to be used for specific purposes as determined by resolution.
- Assigned – amounts intended to be used for certain purposes as determined by resolution.
- Unassigned - residual balances in the general fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund.

The Center applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

**SPECIAL EDUCATION DISTRICT #1  
OF THE PARISH OF LAFOURCHE**  
Notes to the Financial Statements  
June 30, 2025

**Note 1      Summary of Significant Accounting Policies (Continued)**

*L.      Accounting Estimates*

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require 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 statements and the reported amounts of revenues, expenditures, and expenses during the reporting period. Actual results could differ from those estimates.

*M.      Pension Plans*

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

*N.      Deferred Outflows/Inflows of Resources*

In addition to assets, the statement of financial position includes a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Center has recognized deferred outflows of resources for pension contributions.

In addition to liabilities, the statement of financial position also reports a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Center has recognized deferred inflows of resources for pension liability based on actuarial valuation that was performed.

**SPECIAL EDUCATION DISTRICT #1  
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June 30, 2025

**Note 2      Stewardship, Compliance, and Accountability**

*The Center uses the following budget practices:*

- The Finance Committee of the Board of Commissioners prepares a balanced operating budget each year, which is then ratified by the full Board after an appropriate public hearing. The budget contains an appropriation resolution that authorizes the expenditures of funds up to the budgeted amount of the year.
- The budget may be amended during the year as conditions dictate so long as it remains in balance. One-half of the prior year's appropriation automatically renews each year without any formal Board approval.

**Note 3      Ad Valorem Taxes**

For the year ended June 30, 2025, taxes of 2.2 mills were levied on property valued as of January 1, 2025 located in Ward 10 of the Parish of Lafourche. For the year ending June 30, 2026, taxes of 4.98 mills were levied on property located in Ward 10 of the Parish of Lafourche. The assessor for the Parish is responsible for preparing the property tax rolls and collecting the millage on all property dedicated.

**Note 4      Deposits and Investments**

***Deposits***

Demand (deposits, interest bearing demand deposits and certificates of deposit) are recorded at cost, which approximates fair value. At June 30, 2025, the carrying amount of deposits was \$3,277,119 and the bank balance was \$3,385,814. The difference between the bank balance and the carrying amount represents outstanding checks and deposits in transit.

Custodial credit risk is the risk that in the event of a bank failure, the district's deposits may not be returned to it. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposits insurance or the pledge of securities owned by the fiscal agent bank. Of the total bank balance, \$2,885,814 is considered exposed to custodial credit risk.

The market values of the pledged securities plus the federal deposit insurance (FDIC) 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. FDIC and pledged securities valued at \$4,521,944 secure these deposits from risk.

**SPECIAL EDUCATION DISTRICT #1  
OF THE PARISH OF LAFOURCHE**  
Notes to the Financial Statements  
June 30, 2025

**Note 4      Deposits and Investments (Continued)**

The collateral must be held at the pledging bank's trust department or other bank, acting as the pledging bank's agent, in the Center's name.

Even though the pledged securities are considered uncollateralized under the provisions of GASB Statement 3, R.S. 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 entity that the fiscal agent has failed to pay deposited funds upon demand.

**Investments**

The Center's investments consist of \$1,102,651 invested in the Louisiana Asset Management Pool (LAMP), a state and local government investment pool. They have an average maturity of 60 days or less. LAMP is administered by LAMP, Inc., which is a nonprofit corporation organized under the laws of the State of Louisiana formed by an initiative of the State Treasurer in 1993. A board of directors consisting of the State Treasurer, representatives from various organizations of local government, the Government Finance Officers Association of Louisiana, and the Society of Louisiana CPA's governs the corporation. These approved investments are carried at cost, which approximate market and may be liquidated as needed.

This investment pool has not been assigned a risk category since The Center has not issued securities but rather owns an undivided beneficial interest in the assets of this pool. State law limits investments in collateralized certificates of deposits, government backed securities, commercial paper, the state sponsored investment pool, and mutual funds consisting solely of government backed securities. The state investment pool (LAMP) operates in accordance with state laws and regulations. It is the district's policy to limit its investments in these investment types. As of June 30, 2025, the investment in LAMP was rated AAAM by Standard & Poor's.

**Note 5      Revenue/Receivables from Other Agencies**

The Center receives federal, state, and individual funding on a per diem per client/unit basis. Federal and state matching funds from the Department of Health and Human Services, passed through the Louisiana Department of Health and Hospitals Office of Family Security, Medical Assistance Program – Medicaid/Title XIX are on a per diem basis. These payments, reported in the Adult Instruction and Residential Services, are considered a payment for service as opposed to a grant award.

**SPECIAL EDUCATION DISTRICT #1  
OF THE PARISH OF LAFOURCHE**

Notes to the Financial Statements

June 30, 2025

**Note 5 Revenue/Receivables from Other Agencies (continued)**

Receivables totaling \$120,572 from these types of payments are considered due from other agencies and consist of the following:

DUE FROM	Amount
Medicaid	\$114,906
OCDD	<u>15,580</u>
Totals	<u>\$130,486</u>

The financial statements contain no allowance for bad debts. Uncollectible receivables are recognized as bad debts at the time information becomes available which would indicate the uncollectible of the particular receivable.

**Note 6 Capital Assets**

Capital assets and depreciation activity is as follows:

GOVERNMENTAL ACTIVITIES	BEGINNING BALANCE	ADDITIONS	DELETIONS/ ADJUSTMENTS	ENDING BALANCE
<b>Capital Assets, not being depreciated</b>				
Land	\$93,612	\$ -	\$ -	\$93,612
Construction in Progress	-	-	-	-
<b>Total Capital Assets, not being depreciated</b>	<u>93,612</u>	<u>-</u>	<u>-</u>	<u>93,612</u>
<b>Capital Assets, being depreciated</b>				
Buildings and Improvements	4,795,002	255,433	(11,619)	5,038,816
Furniture and Equipment	371,155	12,778	(24,081)	359,852
Buses and Vans	974,281	155,665	-	1,129,946
Total capital assets, being depreciated	6,140,438	423,876	(35,700)	6,528,614
<b>Less Accumulated Depreciation:</b>				
Buildings and Improvements	3,565,423	128,493	(11,619)	3,682,296
Furniture and Equipment	312,203	23,132	(22,987)	312,348
Buses and Vans	539,305	130,109	-	669,415
<b>Total Accumulated Depreciation</b>	<u>4,416,931</u>	<u>281,734</u>	<u>(34,606)</u>	<u>4,664,059</u>
<b>Capital Assets, being depreciated, net</b>	<u>\$1,723,507</u>			<u>1,864,555</u>
<b>Total Net Capital Assets, net</b>	<u>\$1,817,119</u>			<u>\$1,958,167</u>

**SPECIAL EDUCATION DISTRICT #1  
OF THE PARISH OF LAFOURCHE**

Notes to the Financial Statements

June 30, 2025

**Note 6      Capital Assets (continued)**

Depreciation expense of \$281,734 was charged to the following governmental functions:

Adult instruction	\$ 4,558
Transportation services	130,110
Physical plant and insurance	128,493
General and administrative	12,696
Cafeteria services	<u>5,877</u>
Total	<u>\$281,734</u>

Total capital asset additions were \$423,876, including \$155,665 for new buses and there were dispositions of \$35,701 for the year.

**Note 7      Long-Term Obligations**

Changes in long-term obligations are summarized below:

	BALANCE JUNE 30, 2024	ADDITIONS	REDUCTIONS	BALANCE JUNE 30, 2025	CURRENT	LONG-TERM
Compensated absences	\$ 21,621	\$ 49,027	\$ (43,778)	\$ 26,870	\$ 23,143	\$ 3,727
Net Pension Liability (see Note 8)	\$1,617,980		\$(66,313)	\$1,551,667		\$1,551,667

**Note 8      Pension Plans**

The District adopted GASB Statement No. 68 *Accounting and Financial Reporting for Pensions*. That Statement requires governments providing defined benefit pensions to recognize their long-term obligation for pension benefits as a liability for the first time, and to more comprehensively and comparably measure the annual costs of pension benefits.

**Plan Description and Provisions**

Substantially all employees of The Center are members of one of two cost sharing, multi-employer retirement systems. In general, professional employees, such as teachers and principals, are members of the Teachers' Retirement System of Louisiana (TRS); and other employees, such as custodial personnel and bus drivers, are members of the Louisiana School Employees' Retirement System (LSERS).

**SPECIAL EDUCATION DISTRICT #1  
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**Note 8 Pension Plans (Continued)**

**General Information about the Plans:**

**TEACHER’S RETIREMENT SYSTEM OF LOUISIANA (TRSL)**

**Plan Description.** The TRS consists of three membership plans: Regular Plan, Plan A and Plan B. The Center participates in TRS Regular which requires mandatory enrollments for all employees that meet the legal definition of “teacher” in accordance with LRS 17:751(23)(a). The plan is a cost-sharing multiple-employer defined benefit plan administered by the Teachers’ Retirement System of Louisiana (TRSL). Chapter 2 of Title 11 of the Louisiana Revised Statutes (La. R.S. 11:401) grants to TRSL Board of Trustees and the Louisiana Legislature to review administration, benefit terms, investments, and funding of the plan. TRSL issues a publicly available financial report that can be obtained at [www.trsl.org](http://www.trsl.org).

**Benefits Provided.** The following is a description of the plan and its benefits and is provided for general informational purposes only. TRSL provides retirement, deferred retirement option (DROP), disability, and survivor’s benefits. Participants should refer to the appropriate statutes for more complete information.

Retirement Benefits (Regular Plan): 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% accrual rate after attaining age sixty-two with at least 5 years of service credit and are eligible for an actuarially reduced benefit with 20 years of service at any age. Members hired between January 1, 2011, and June 30, 2015, may retire with a 2.5% benefit factor after attaining age sixty with at least 5 years of service credit and are eligible for an actuarially reduced benefit with 20 years of service at any age.

All other members, if initially hired between July 1, 1999, and December 21, 2010, are eligible for a 2.5% benefit factor at the earliest of age 60 with 5 years of service, age 55 with 25 years of service, or at any age with 30 years of service. Members may retire with an actuarially reduced benefit with 20 years of service at any age. If hired before July 1, 1999, members are eligible for a 2% benefit factor at the earliest of age 60 with 5 years of service, or at any age with 20 years of service and are eligible for a 2.5% benefit factor at the earliest age 65 with 20 years of service, age 55 with 25 years of service, or at any age with 30 years of service.

**SPECIAL EDUCATION DISTRICT #1  
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**Note 8 Pension Plans (Continued)**

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

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

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

- **Deferred Retirement Option Program (DROP)**

In lieu of terminating employment and accepting a service retirement, an eligible member can begin participation in the Deferred Retirement Option Program (DROP) on the first retirement eligibility date for a period not to exceed the 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, the member can continue employment and earn additional accruals to be added to the fixed pre-DROP benefit.

Upon termination of employment, the member is entitled to the fixed benefit, an additional benefit based on post-DROP service (if any), and the individual DROP account balance which can be paid in a lump sum or an additional annuity based upon the account balance.

**SPECIAL EDUCATION DISTRICT #1  
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**Note 8 Pension Plans (Continued)**

• **Disability Benefits**

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

• **Survivor Benefits**

A surviving spouse with minor children of an active member with five years of creditable service (2 years immediately prior to death) or 20 years of creditable service is entitled to a benefit equal to the greater of (a) \$600 per month, or (b) 50% of the member's benefit calculated at the 2.5% accrual rate for all creditable service. When a minor is no longer eligible to receive survivor benefits, the spouse's benefit reverts to a survivor benefit in accordance with the provisions for a surviving spouse with no minor child(ren). Benefits for the minor child(ren) cease when he/she is no longer eligible.

Each minor child (maximum of 2) shall receive an amount equal to the greater of (a) 50% of the spouse's benefit, or (b) \$300 (up to 2 eligible children). Benefits to minors cease at attainment of age 21, marriage, or age 23 if enrolled in an approved institution of higher education. A surviving spouse without minor children of an active member with 10 years of creditable service (2 years immediately prior to death) or 20 years of creditable service is entitled to a benefit equal to the greater of (a) \$600 per month, or (b) the option 2 equivalent of the benefit calculated at the 2.5% accrual rate for all creditable service.

• **Permanent Benefit Increases/Cost-of-Living Adjustments**

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

**SPECIAL EDUCATION DISTRICT #1  
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Notes to the Financial Statements

June 30, 2025

**Note 8 Pension Plans (Continued)**

• **Contributions**

The employer contribution rate is established annually under La. R.S. 11:101-11:104 by the Public Retirement Systems' Actuarial Committee (PRSAC), taking into consideration the recommendation of the System's actuary. Each sub plan pays a separate actuarially determined employer contribution rate. However, all assets of TRSL are used for the payment of benefits for all classes of members, regardless of their plan. The rates in effect during the fiscal year ended June 30, 2024 are as follows:

	<u>Employee</u>	<u>Employer</u>
K-12 Regular Plan	8.0%	24.1%
Plan A	9.1%	24.1%
Optional Retirement Plan	8.0%	20.16%

The Center's contractually required composite contribution rate for the year ended June 30, 2024 was 24.1% of annual payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any Unfunded Actuarial Accrued Liability. Contributions to the pension plan totaled \$199,922 for the year ending June 30, 2025.

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

**Plan Description.** Eligible employees of the Center are provided with pensions through a cost-sharing multiple-employer defined benefit plan administered by the Louisiana School Employees' Retirement System (LSERS). Louisiana Revised Statutes (La. R.S. 11:1001) grants to LSERS Board of Trustees and the Louisiana Legislature the authority to review administration, benefit terms, investments, and funding of the plan. LSERS issues a publicly available financial report that can be obtained at [www.lasers.net](http://www.lasers.net).

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

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**Note 8 Pension Plans (Continued)**

Retirement

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

For members who joined the system prior to July 1, 2006, the maximum retirement benefit is an amount equal to 3 1/3% of the average compensation for the three highest consecutive years of membership service, subject to a 10% salary limitation, multiplied by the number of years of service limited to 100% of final average compensation plus a supplementary allowance of \$2 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 a 10% salary limitation. For members who join the System on or after July 1, 2010, 2 1/2 % of the average compensation is used to calculate benefits and consists of the five highest consecutive years' average salary subject to a 15% salary limitation. The supplemental allowance was eliminated for members entering the System 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.

• **Deferred Retirement Option Plan (DROP)**

Members of the System may elect to participate in DROP and defer the receipt of benefits. The election may be made only once and the duration is limited to three years. Once an option has been selected, no change is permitted. Upon the effective date of the commencement of participation in DROP, active membership in the regular retirement plan of the System terminates. Average compensation and creditable service remain as they existed on the effective date of commencement of participation in DROP. The monthly retirement benefits that would have been payable had the member elected to cease employment, are paid into the DROP fund account. The System maintains subaccounts within this account reflecting the credits attributed to each participant in the DROP program. Interest credited and payments from the DROP account are made in accordance with Louisiana Revised Statutes 11:1152(F)(3). Upon termination of participation in both the DROP program and employment, a participant may elect a lump sum payment or systematic distributions.

**SPECIAL EDUCATION DISTRICT #1  
OF THE PARISH OF LAFOURCHE**

Notes to the Financial Statements

June 30, 2025

**Note 8 Pension Plans (Continued)**

• **Initial Benefit Retirement Plan (IBRP)**

Effective January 1, 1996, the state legislature authorized the System to establish an IBRP program. Members electing to participate in IBRP are ineligible for DROP. The IBRP program provides a one-time single sum payment of up to 36 months of a regular monthly retirement benefit, plus a reduced monthly retirement benefit for life. Interest credited and payments from IBRP account are made in accordance with Louisiana Revised Statutes 11:1152(F)(3).

• **Permanent Benefit Increases/Cost-of-Living Adjustments**

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

• **Contributions**

Contributions for all participating schools are actuarially determined as required by Act 81 of 1988 but cannot be less than the rate required by the Constitution. For the year ended June 30, 2024, the employer contribution rate contribution rate was 27.6%, and the employee contribution rate was 2.49%, based on initial participation date. Contributions to the pension plan were \$27,060 for the year ended June 30, 2025.

**Pension liabilities, pension expense and deferred outflows of resources and deferred inflows of resources:**

As of June 30, 2024 the Center reported the proportionate shares of the net pension liability of the Plans, as follows:

<u>Plan</u>	<b>Proportionate share of net <u>pension liability</u></b>
TRSL	\$ 1,391,920
LSERS	159,747
Total	<u>\$ 1,551,667</u>

**SPECIAL EDUCATION DISTRICT #1  
OF THE PARISH OF LAFOURCHE**

Notes to the Financial Statements

June 30, 2025

**Note 8 Pension Plans (Continued)**

The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Center's proportion of the net pension liability was based on a projection of the Center's long-term contributions to the plans relative to the projected contributions of all participating employers, actuarially determined. The proportions of each plan were as follows:

<u>Plan</u>	<u>Proportionate share</u>	
	<u>6/30/24</u>	<u>6/30/25</u>
TRSL	.015740%	.016120%
LSERS	.032247%	.031499%

For the year ended June 30, 2025, the pension expense was recognized as follows:

<u>Plan</u>	<u>Pension expense</u>
TRSL	\$ 161,844
LSERS	<u>13,317</u>
Total	<u>\$ 175,161</u>

The Center reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b>Deferred Outflows</b>	<b>Deferred Inflows</b>
TEACHERS RETIREMENT SYSTEM:		
Difference between Expected and Actual Experience	\$ 79,003	\$ -
Investment Earnings	105,742	-
Changes in Assumptions	37,258	(35,640)
Change in Proportions	-	-
Contributions after the measurement period	199,922	-
	\$ 444,971	\$ (35,640)

**SPECIAL EDUCATION DISTRICT #1  
OF THE PARISH OF LAFOURCHE**  
Notes to the Financial Statements  
June 30, 2025

**Note 8 Pension Plans (Continued)**

SCHOOL EMPLOYEES RETIREMENT SYSTEM	Deferred Outflows	Deferred Inflows
Difference between Expected and Actual Experience	\$ 3,882	\$ (15,241)
Investment Earnings	-	-
Changes in Assumptions	-	(6,827)
Change in Proportions	-	(3,125)
Contributions after the measurement period	27,060	-
	\$ 30,942	\$ (25,193)

ALL RETIREMENT SYSTEMS	Deferred Outflows	Deferred Inflows
Difference between Expected and Actual Experience	\$ 82,885	\$ (15,885)
Investment Earnings	105,742	-
Changes in Assumptions	37,258	(42,467)
Change in Proportions	-	(3,125)
Contributions after the measurement period	226,982	-
	\$ 452,867	\$ (60,833)

The deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2025	\$ (25,315)
2026	\$ 171,822
2027	\$ 12,017
2028	\$ 6,527

**SPECIAL EDUCATION DISTRICT #1  
OF THE PARISH OF LAFOURCHE**

Notes to the Financial Statements

June 30, 2025

**Note 8 Pension Plans (Continued)**

Actuarial assumptions:

The total pension liabilities in the June 30, 2024 actuarial valuations were determined using the following actuarial assumptions, applied to all periods included in the measurements:

Plan	TRSL	LSERS
Inflation	2.40%	2.50%
Discount rate used To measure pension liability	7.25%	6.80%
Salary increases	2.41%-4.85%, varies by duration of service	Varies based on years of service
Investment rate of return	7.25% net of investment expense	6.80% net of investment expense
Actuarial cost method	Entry age normal	Entry age normal
Amortization approach	Closed	Closed
Expected remaining service lives	5 years	3 years
Cost of Living Adjustment	none	none

Mortality rates for TRSL active members were based on the Pub2010T-below Median Employee (amount weighted) tables for males and females, adjusted by 0.965 for males and by 0.942 for females.

For TRSL, the long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.3% and an adjustment for the effect of rebalancing/diversification. The resulting expected long-term rate of return was 8.68% for 2024. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2024 are summarized in the following table:

**SPECIAL EDUCATION DISTRICT #1  
OF THE PARISH OF LAFOURCHE**

Notes to the Financial Statements

June 30, 2025

**Note 8 Pension Plans (Continued)**

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
TRSL:		
Domestic equity	22.5%	4.45%
International equity	11.5%	4.29%
Domestic fixed income	8.0%	2.79%
International fixed income	6.0%	1.66%
Private Equity	37.0%	8.24%
Other Private Assets	15.0%	4.51%

Mortality rates for LSERS were based on the Pub-2010 Median Healthy Retiree Tables, Pub-2010 General Below Median Sex Distinct Employee Table, Pub-2010 non-Safety disabled Retiree Sex Distinct Table.

For LSERS, the long-term expected rates 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. There 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.

The best estimates of real rates of return for each major asset class included in the pension plans' target asset allocation, as of June 30, 2024, are summarized in the following tables:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
LSERS:		
Fixed income	26.0%	.97%
Equity	39.0%	2.66%
Alternatives	23.0%	1.81%
Real estate	12.0%	.60%
	100.0%	6.04%
Inflation		2.40%
Expected Arithmetic Nominal Return		8.44%

**SPECIAL EDUCATION DISTRICT #1  
OF THE PARISH OF LAFOURCHE**

Notes to the Financial Statements

June 30, 2025

**Note 8 Pension Plans (Continued)**

Rates of return are presented as arithmetic means for TRSL and for LSERS. The investment rates of return were determined based on expected cash flows which assume that contributions from plan members will be made at current contribution rates and that contributions from the participating employers will be made at the actuarially determined rates approved by the Louisiana Public Retirement Systems' Actuarial Committee, taking into consideration the recommendation of the System's actuary. Based on these assumptions, the Plans' fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the investment rate of return on plan investments was applied as the discount rate to all periods of projected benefit payments to determine the total pension liability.

**Sensitivity of the of the School Board's proportionate share of the net pension liabilities to changes in the discount rate:**

The following presents the proportionate shares of the net pension liabilities of the plans, calculated using the discount rates as shown above, as well as what the proportionate shares of the net pension liabilities would be if they were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	<b>1% Decrease</b>	<b>Current Discount Rate</b>	<b>1% Increase</b>
TRSL (current rate 7.25%)	\$2,017,202	\$1,391,920	\$866,219
LSERS (current rate 6.80%)	\$243,136	\$159,747	\$88,272

**Pension plan fiduciary net position:**

Detailed information about the Plans' fiduciary net position is available in the separate issued financial statements of the Plans.

**Support of Non-employer contributing entities:**

Contributions received by a pension plan from non-employer contributing entities that are not in a special funding situation are recorded as revenue by the respective pension plan. The Center recognizes revenue in an amount equal to their proportionate share of the total contributions to the pension plan from these non-employer contributing entities. During the year ended June 30, 2025, the Center recognized revenue as a result of support received from non-employer contributing entities of \$8,369 for its participation in TRSL.

**SPECIAL EDUCATION DISTRICT #1  
OF THE PARISH OF LAFOURCHE**

Notes to the Financial Statements

June 30, 2025

**Note 9            Commitments and Contingencies**

Intergovernmental awards and interagency fees received are subject to audit and adjustment by the funding agency or its representative. If grant revenues are received for expenditures that are subsequently disallowed, those revenues may be required to be repaid to the funding agency. In the opinion of management, liabilities resulting from such disallowed expenditures, if any, will not be material to the accompanying financial statements.

**Note 10           Risk Management**

**LIABILITY INSURANCE:**

The Center is exposed to various risks of loss related to tort, theft of, damage to, and destruction of assets; injury to employees; and natural disasters. The Center purchased commercial insurance policies for any and all claims relating to the above types of risks and is only liable for the payment of the deductible associated with the above types of risks.

**HEALTH INSURANCE**

The Center provides health and life insurance to employees by funding 80% of the employee's cost of medical and life insurance premiums and 55% of the dependent coverage. The remainder is paid by withholding allowances from the employees' paycheck. The Center has no further liabilities on any health or life insurance claims except for paying their portion of the premiums. Settlements have not exceeded insurance coverage in any of the three proceeding years.

**Note 11           Schedule of Per Diem and Compensation of Board of Commissioners**

Board members were not paid per diem or mileage during the year.

**SPECIAL EDUCATION DISTRICT #1  
OF THE PARISH OF LAFOURCHE**  
Budget Comparison Schedule - General Fund  
For the Year Ended June 30, 2025

	Budgeted Amounts		Actual	Variance -
	Original	Final		Favorable (Unfavorable)
<b>REVENUES:</b>				
Ad Valorem Taxes	\$ 823,348	\$ 781,018	\$ 822,099	\$ 41,081.00
Intergovernmental:				
State Revenue Sharing	51,000	50,476	50,476	-
Federal DOTD 53-10 Grant	119,362	134,183	134,183	-
Adult Services Income	985,000	908,500	902,703	(5,797)
Cafeteria Services	25,000	18,000	18,043	43
Transportation Services	230,000	170,580	170,265	(315)
Residential Services	444,000	434,000	427,624	(6,376)
Community Services	5,000	10,000	10,000	-
Donations-Restricted	1,000	1,600	1,600	-
Interest and Dividends	250,000	220,000	220,028	28
Income from Sale of Fixed Assets	-	-	5,878	5,878.00
Miscellaneous	5,100	20,925	14,622	(6,303)
<b>Total Revenues</b>	<u>2,938,810</u>	<u>2,749,282</u>	<u>2,777,521</u>	<u>28,239</u>
<b>EXPENDITURES:</b>				
Current:				
Administrative	746,824	689,711	729,351	(39,640)
Maintenance	771,932	616,336	354,911	261,425
Adult Instruction	898,436	864,348	849,899	14,449
School Lunch Program	259,293	238,464	254,454	(15,990)
Transportation Services	347,866	347,576	195,234	152,342
Residential Services	383,639	338,197	340,136	(1,939)
Community Services	48,523	46,874	46,908	-
<b>Total Current</b>	<u>3,456,513</u>	<u>3,141,506</u>	<u>2,770,893</u>	<u>370,613</u>
Capital Outlay	-	-	423,876	(423,876)
<b>Total Expenditures</b>	<u>3,456,513</u>	<u>3,141,506</u>	<u>3,194,769</u>	<u>(53,263)</u>
<b>NET CHANGE IN FUND BALANCE</b>	(517,703)	(392,224)	(417,248)	(25,024)
<b>FUND BALANCE:</b>				
Beginning of year	4,310,782	4,310,782	4,932,446	621,664
End of year	<u>\$ 3,793,079</u>	<u>\$ 3,918,558</u>	<u>\$ 4,515,198</u>	<u>\$ 596,640</u>

**SPECIAL EDUCATION DISTRICT # 1  
OF THE PARISH OF LAFOURCHE  
Teacher's Retirement System of Louisiana**

**Last Ten Fiscal Years\***

For fiscal year ended  
Measurement Date

**SCHEDULE OF THE PROPORTIONATE**

**SHARE OF THE NET PENSION LIABILITY:**

	June 30, 2015	June 30, 2016	June 30, 2017	June 30, 2018	June 30, 2019	June 30, 2020	June 30, 2021	June 30, 2022	June 30, 2023	June 30, 2024	June 30, 2025
	June 30, 2014	June 30, 2015	June 30, 2016	June 30, 2017	June 30, 2018	June 30, 2019	June 30, 2020	June 30, 2021	June 30, 2022	June 30, 2023	June 30, 2024
Proportion of the net pension liability	0.022150%	0.020690%	0.019890%	0.019460%	0.019750%	0.017710%	0.017100%	0.015120%	0.016630%	0.015740%	0.016120%
Proportionate share of the net pension liability	\$ 2,264,354	\$ 2,224,646	\$ 2,334,369	\$ 1,994,913	\$ 1,941,230	\$ 1,757,655	\$ 1,901,908	\$ 807,276	\$ 1,587,330	\$ 1,422,890	\$ 1,391,920
Covered employee payroll	\$ 913,862	\$ 912,146	\$ 883,345	\$ 847,915	\$ 800,014	\$ 855,810	\$ 818,933	\$ 764,068	\$ 810,706	\$ 872,689	\$ 876,692

Proportionate share of the net pension liability as a percentage of its covered employee payroll	247.78%	243.89%	264.26%	235.27%	242.65%	205.38%	232.24%	105.65%	195.80%	163.05%	158.77%
Plan fiduciary net position as a percentage of the total pension liability	63.7%	62.5%	59.9%	65.6%	68.6%	68.6%	65.6%	83.9%	72.4%	74.3%	76.0%

**SCHEDULE OF CONTRIBUTIONS:**

Contractually required contribution	\$ 254,281	\$ 234,998	\$ 214,455	\$ 226,850	\$ 225,853	\$ 211,598	\$ 209,284	\$ 184,088	\$ 207,449	\$ 206,255	\$ 218,923
Contributions paid	(254,281)	(234,998)	(214,455)	(226,850)	(225,853)	(211,625)	(209,284)	(197,396)	(204,669)	(216,656)	(216,572)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (27)	\$ -	\$ (13,308)	\$ 2,780	\$ (10,401)	\$ 2,351
Covered employee payroll	913,862	912,146	883,345	847,915	800,014	855,810	818,933	764,068	810,706	872,689	876,692
Contribution as a percentage of covered employee payroll	26.30%	26.30%	24.28%	26.75%	28.23%	24.72%	25.56%	24.09%	25.59%	23.63%	24.97%

\*Note: Initial Year of GASB 68 Implementation, Schedule is intended to show information for 10 years. Additional Years will be displayed as they become available.

**Notes to Required Supplementary Information**

*Changes of Benefit Terms include:*

A 1.5 Cola, Effective July 1, 2014 provided by ACT 204 of the 2014 Louisiana Regular Legislative Session  
*Changes of Assumptions*

	no change	no change	no change	no change	no change	no change	no change	no change	no change	no change	no change
Actuarial cost method	Entry Age Normal 5 years	Entry Age Normal 5 years	Entry Age Normal 5 years	Entry Age Normal 5 years	Entry Age Normal 5 years	Entry Age Normal 5 years	Entry Age Normal 5 years	Entry Age Normal 5 years	Entry Age Normal 5 years	Entry Age Normal 5 years	Entry Age Normal 5 years
Expected Remaining Service Lives	7.75% net of investment expense	7.75% net of investment expense	7.75% net of investment expense	7.70% net of investment expense	7.70% net of investment expense	7.55% net of investment expense	7.45% net of investment expense	7.4% net of investment expense	7.25% net of investment expense	7.25% net of investment expense	7.25% net of investment expense
Investment rate of return-Discount rate	2.500%	2.500%	2.500%	2.5% per annum	2.5% per annum	2.5% per annum	2.3% per annum	2.3% per annum	2.3% per annum	2.4% per annum	2.4% per annum
Inflation rate	3.50%-10.0%	3.50%-10.0%	3.50%-10.0%	3.50%-10.0%	3.50%-10.0%	3.3%-4.8%	3.1%-4.6%	3.1%-4.6%	3.1%-4.6%	2.41%-4.85%	2.41%-4.85%
Projected salary increases	varies depending on duration of service	varies depending on duration of service	varies depending on duration of service	varies depending on duration of service	varies depending on duration of service	varies depending on duration of service	varies depending on duration of service	varies depending on duration of service	varies depending on duration of service	varies depending on duration of service	varies depending on duration of service
Cost-of-living adjustments	None	None	None	None	None	None	None	None	None	None	None

**SPECIAL EDUCATION DISTRICT # 1  
OF THE PARISH OF LAFOURCHE  
Last Ten Fiscal Years\*  
Louisiana School Employee's Retirement System**

For fiscal year ended Measurement Date	June 30, 2015 June 30, 2014	June 30, 2016 June 30, 2015	June 30, 2017 June 30, 2016	June 30, 2018 June 30, 2017	June 30, 2019 June 30, 2018	June 30, 2020 June 30, 2019	June 30, 2021 June 30, 2020	June 30, 2022 June 30, 2021	June 30, 2023 June 30, 2022	June 30, 2024 June 30, 2023	June 30, 2025 June 30, 2024
<b>SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY:</b>											
Proportion of the net pension liability	0.022300%	0.028320%	0.038823%	3.729100%	0.041163%	0.041733%	0.039349%	0.039274%	0.033820%	0.032247%	0.031499%
Proportionate share of the net pension liability	\$ 129,536	\$ 179,585	\$ 292,860	\$ 238,635	\$ 275,025	\$ 292,157	\$ 316,152	\$ 186,676	\$ 221,989	\$ 195,090	\$ 159,747
Covered employee payroll	\$ 62,685	\$ 83,318	\$ 110,271	\$ 105,863	\$ 109,284	\$ 112,525	\$ 211,598	\$ 115,514	\$ 102,811	\$ 105,770	\$ 105,770
Proportionate share of the net pension liability as a percentage of its covered employee payroll	206.65%	215.54%	265.58%	225.42%	251.66%	259.64%	149.41%	161.60%	215.92%	184.45%	151.03%
Plan fiduciary net position as a percentage of the total pension liability	76.18%	74.49%	70.09%	74.44%	73.49%	73.49%	69.67%	82.51%	76.31%	78.48%	82.04%
<b>SCHEDULE OF CONTRIBUTIONS:</b>											
Contractually required contribution	\$ 27,495	\$ 33,301	\$ 29,143	\$ 29,143	\$ 32,771	\$ 33,997	\$ 34,599	\$ 34,665	\$ 30,914	\$ 30,856	\$ 32,637
Contributions paid	(27,495)	(33,301)	(29,143)	(29,143)	(32,771)	(33,997)	(34,599)	(34,665)	(30,914)	(30,856)	(32,637)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered employee payroll	\$ 62,685	\$ 83,318	\$ 110,271	\$ 105,863	\$ 109,284	\$ 112,525	\$ 211,598	\$ 115,514	\$ 102,811	\$ 105,770	\$ 105,770
Contribution as a percentage of covered employee payroll	43.86%	39.97%	26.43%	27.53%	29.99%	30.21%	16.35%	30.01%	30.07%	29.17%	30.86%

\*Note: Initial Year of GASB 68 Implementation, Schedule is intended to show information for 10 years. Additional Years will be displayed as they become available.

**Notes to Required Supplementary Information**

*Changes of Benefit Terms include:*

A 1.5 Cola, Effective July 1, 2014 provided by ACT 204 of the 2014 Louisiana Regular Legislative Session

no change      no change      no change      no change      no change      no change      no change      no change      no change      no change      no change

*Changes of Assumptions*

Actuarial cost method	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal
Expected Remaining Service Lives	3 years	3 years	3 years	3 years	3 years	3 years	3 years	3 years	3 years	3 years	3 years
Investment rate of return-Discount rate	7.25%	7.00%	7.13%	7.13%	7.00%	7.00%	7.00%	6.90%	6.80%	6.80%	6.80%
Inflation rate	3.00%	2.75%	2.625%	2.625% per annum	2.5% per annum	2.5% per annum	2.5% per annum	2.5% per annum	2.5% per annum	2.5% per annum	2.5% per annum
Projected salary increases	varies based on years of service	varies based on years of service	varies based on years of service	3.075% to 5.375%	3.25%	3.25%	3.25%	3.25%	3.25%	3.75%	3.75%
Cost-of-living adjustments	None	None	None	None	None	None	None	None	None	None	None

## Special Education District No. 1

Schedule of Compensation, Benefits and Other Payments to Agency Head  
For the Year Ended June 30, 2025

**Agency Head Name: Torie T. Lee, Executive Director**

Purpose	Amount
Salary (state, parish & local)	\$100,191
Benefits - insurance	\$218
Benefits - retirement	\$21,551
Car Allowance	\$0
Vehicle provided by government	\$0
Per Diem	\$0
Reimbursements	\$0
Travel	\$0
Registration fees	\$218
Conference travel	\$494
Continuing professional education fees	\$0
Housing	\$0
Unvouchered expenses	\$0
Special meals	\$0
Fuel	\$0
Dues	\$0
Cell Phone	\$0
Other - flu shot	\$0
Other - auto maintenance	\$0
Other	\$0

**This form is used to satisfy the supplemental reporting requirement of R.S. 24:513(A)(3)**



# STAGNI & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

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

To the Board of Commissioners  
Special Education District #1 of the Parish of Lafourche  
Cut Off, 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 and each major fund of the Special Education District #1 of the Parish of Lafourche, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise Special Education District #1's basic financial statements, and have issued our report thereon dated November 18, 2025.

## **Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the internal control over financial reporting 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 internal control. Accordingly we do not express an opinion on the effectiveness of the internal controls.

*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 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.

To the Board of Commissioners  
Special Education District #1 of the Parish of Lafourche  
Page 2 of 2

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 the internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### **Compliance and Other Matters**

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

### **Purpose of this report**

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

*Stagni & Company*

Thibodaux, Louisiana  
November 18, 2025



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STAGNI & COMPANY, LLC

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