

**ST. JOHN THE BAPTIST PARISH
SCHOOL BOARD
Reserve, Louisiana**

**Comprehensive Annual
Financial Report**



For the Fiscal Year Ended June 30, 2018

Prepared by

Mr. Felix K. Boughton
Executive Director of Finance

**St. John The Baptist Parish
School Board
Reserve, Louisiana**

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

For the Fiscal Year Ended June 30, 2018

Prepared by

Mr. Felix K. Boughton
Executive Director of Finance

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Introductory Section

ST. JOHN THE BAPTIST PARISH SCHOOL BOARD
Reserve, Louisiana

List of Principal Officials
June 30, 2018

BOARD OF EDUCATION

Ms. Charo Holden	Member, District No. 1
Mr. Albert Burl, III	President, District No. 2
Dr. Gerald J. Keller, Ph.D.	Member, District No. 3
Mr. Patrick H. Sanders	Vice President, District No. 4
Ms. Sherry DeFrancesch	Member, District No. 5
Mr. Keith Jones	Member, District No. 6
Mr. Phillip Johnson	Member, District No. 7
Mr. Russ Wise	Member, District No. 8
Mr. Shawn Wallace	Member, District No. 9
Ms. Nia Mitchell	Member, District No. 10
Mr. Clarence Triche	Member, District No. 11

CENTRAL ADMINISTRATION

Mr. Kevin George	Superintendent of Schools
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OFFICIAL PREPARING REPORT

Mr. Felix K. Boughton	Executive Director of Finance
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St. John the Baptist Parish School Board

Making **A+** Difference

Accountability Assessment Achievement

Keith A. Jones
Board President

Albert A. Burl, III
Vice-President

Kevin R. George
Superintendent

BOARD MEMBERS

Russell Jack
District No. 1
PO Box 75
Edgard, LA 70049
985-497-8395

Albert A. Burl, III
District No. 2
PO Box 593
Garyville, LA 70051
504-628-0010

Gerald J. Keller, Ph.D.
District No. 3
PO Box 347
Reserve, LA 70084
985-536-6570

Patrick H. Sanders
District No. 4
137 E. 31st Street
Reserve, LA 780084
504-628-0306

Sherry DeFrancesch
District No. 5
28 Holly Drive
LaPlace, LA 70068
504-628-2934

Keith A. Jones
District No. 6
PO Box 952
LaPlace, LA 70068
985-652-5170

Phillip Johnson
District No. 7
1117 Cinclair Loop
LaPlace, LA 70068
985-651-4290

Russ Wise
District No. 8
2131 Marion Drive
LaPlace, LA 70068
985-652-7211

Shawn Wallace
District No. 9
1604 Cambridge Drive
LaPlace, LA 70068
985-212-5360

Rodney B. Nicholas
District No. 10
2063 Lafitte Drive
LaPlace, LA 70068
504-818-8499

Clarence Triche
District No. 11
1614 Main Street
LaPlace, LA 70068
985-652-6193

December 21, 2018

Members, Board of Education
Citizens of St. John the Baptist Parish
St. John the Baptist Parish School Board
Reserve, Louisiana

The Comprehensive Annual Financial Report (CAFR) of the St. John the Baptist Parish School Board (School Board), Reserve, Louisiana for the fiscal year ended June 30, 2018 is presented herewith. The report was prepared by the School Board's Business Office. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the management of the School Board. We believe the data, as presented, is accurate in all material respects; that it is presented in a manner designed to fairly set forth the financial position and results of operations of the School Board as measured by the financial activity of its various funds; and that all disclosures necessary to enable the reader to gain the maximum understanding of the School Board's financial affairs have been included.

Reporting Standards

This report has been prepared following the guidelines recommended by the Government Finance Officers Association of the United States of America and Canada and the Association of School Board Officials. A Certificate of Achievement for Excellence in Financial Reporting is awarded by the Government Finance Officers Association to those governments whose financial reports are judged to conform substantially to high financial reporting standards. A Certificate of Excellence in Financial Reporting is awarded by the Association of School Board Officials International. Both of these evaluations include reporting in accordance with generally accepted accounting principles promulgated by the Governmental Accounting Standards Board.

The School Board is required to undergo an annual Single Audit in conformance with the provisions of 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, including the Schedule of Expenditures of Federal Awards, findings and recommendations, and independent auditors' reports on internal control and compliance, are included in a separately issued Single Audit report and is available upon request.

Management's Discussion and Analysis

The Management's Discussion and Analysis on page 4 provides an overall review of the School Board's activities for the year ended June 30, 2018. Included in this analysis are discussions on budget variances and modifications and the financial condition of the School Board.

Reporting Entity

This report includes all funds and accounts of the School Board. The School Board is a legislative body authorized to govern the public education system of St. John the Baptist Parish, Louisiana. The School Board provides a full range of public education services appropriate to grade levels ranging from pre-kindergarten through grade 12. The School Board operates 12 schools within the parish with a total enrollment of **6,100** pupils for the year ended June 30, 2018. Projected enrollment for the upcoming year is expected to approximate **6,150** pupils. The School Board is authorized to establish public schools as it deems necessary, to provide adequate school facilities, to determine the number of teachers to be employed and to determine the local supplement to their salaries. Accordingly, since the School Board members are elected by the public and have decision-making authority, the power to influence operations and primary accountability for financial matters, the School Board is not included in any other governmental reporting entity. Based on this criteria, the St. John the Baptist Parish School Board and all its individual schools constitute the School Board's reporting entity.

Services Provided

The St. John the Baptist Parish School Board is a legislative body authorized to govern the public education system of the Parish of St. John the Baptist, Louisiana. It is the responsibility of the School Board to make public education available to the residents of St. John the Baptist Parish by providing various services, including instruction, instructional materials, instructional facilities, administrative support, business services, system operations, plant maintenance and bus transportation.

Structure, Local Economic Condition and Outlook

The St. John the Baptist Parish School Board, established in 1876, is located in the southeastern part of Louisiana, which is a high industrial area for the state. The parish in which the School Board is located has a land area of 213 square miles and a population of 43,626. The School Board is empowered to levy a property tax on both real and personal property located within its boundaries. The School Board also levies a sales and use tax on the sale at retail, the use, the lease or rental, and the consumption of tangible personal property and upon sales of some services within its boundaries.

The School Board has operated under the board form of government. Policymaking is vested in the School Board, which consists of eleven members elected within their respective districts for a four-year term. The School Board is responsible, among other things, for passing local ordinances, adopting the budget, appointing committees, adhering to the Louisiana Board of Elementary and Secondary Education's requirements, and hiring the Superintendent and the School Board's attorney. The Superintendent is responsible for carrying out the policies and ordinances of the

School Board, for overseeing the day to day operations of the School Board, for informing the School Board of changes in the Louisiana Board of Elementary and Secondary Education requirements, and for making recommendations when these changes occur to ensure compliance.

The Parish has a manufacturing and industrial base on which the unemployment rate is somewhat dependent. The major industries with operations within the Parish consist mainly of oil and chemical manufacturers. The Parish also has a steel manufacturing company. For age of the School Buildings see the Statistical Table 20 starting on page 107.

Major Initiatives and Major Operational/Financial Concerns

The School Board has continued its parish-wide computer network called STEP (Schools Technology for Excellence Program). This program supplies all grade levels with computers. These computers allow all students to become computer literate while integrating technology into the curriculum. At Garyville-Mt. Airy Magnet School, students are participating in a 1:1 computer initiative; each student has a laptop computer in which he/she has access in all classes.

The School Board operates two specialty centers: a Redirection Center and a Connections Program. The Redirection Center focuses on students with disciplinary problems. These students are removed from the regular school setting and placed at this Center where they receive stricter discipline and individual counseling. The Connections Program concentrates on students that are two or more grade levels behind their peers. This Program allows these students to accelerate their advancement through the various grade levels.

Because of the increased emphasis on early childhood development, the School Board operates an early childhood center. This center focuses on 4-year old students through kindergarten and concentrates on developing skills that will aid these students throughout their scholastic career. The Early Childhood Director also serves as the network leader and chief observer/evaluator for many independent childcare providers in our parish.

The State of Louisiana is in a transitional year for high stakes testing. All students, grades three through eighth, were required to take standardized tests. Passing these tests were not required for advancement to the next grade level. However, the school and district performance scores/letter grades are based on student performance on these assessments. The School Board offers an after school assistance program during the year for students having problems with the skills necessary to pass these tests. In addition, the School Board offers a Summer School for many students who need additional assistance to advance to the next grade level.

The School Board operates two magnet schools: The Garyville/Mt. Airy Magnet School and the John L. Ory Magnet School. The Garyville/Mt. Airy Magnet School specializes in the math and science areas and provides advanced curriculum in these areas. The John L. Ory Magnet School specializes in communication arts, with a curriculum rich in communication skills.

In order to develop better teachers, the Board operates district grade level professional development. This training assists in developing grade level specific skills.

For the Future: The School Board has recovered financially from Hurricane Isaac. The financial future looks bright as several major industrial expansions will become subject to property taxes. This will provide funding sources to continue needed programs throughout the district.

Major Concerns: The Board has a financial/operational concern.

Although enrollment has increased slightly, it has not grown to the pre Hurricane Isaac levels. A levee system is in the planning stages that will protect the Parish from flooding and increase property values. This new levee system should increase the population of the Parish and help bring enrollment numbers back to pre -Hurricane Isaac levels.

Long Term Financial Planning:

The administration is preparing a long term education and facility plan to guide the Board through the educational process for the next several years. After adoption, the Board will begin implementing the various components of this plan.

FINANCIAL INFORMATION

Internal Control

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

Single Audit

As a recipient of federal, state and local financial assistance, the School Board is also responsible for ensuring that adequate internal control is in place to ensure and document compliance with applicable laws and regulations related to these programs. The internal control structure is subject to periodic evaluation by management.

As part of the School Board's Single Audit, tests are made of the School Board's internal control and of its compliance with applicable laws and regulations, including those related to federal award programs. The results of the audit for the year ended June 30, 2018, there were no areas of noncompliance.

Budgetary Controls

In addition, the School Board maintains budgetary controls. The objective of these controls is to ensure compliance with legal provisions embodied in the annual appropriated budget, and all subsequent amendments, approved by the School Board. Activities of the General Fund and Special Revenue Funds are included in the annual appropriated budget. Project-length budgets are prepared for the Capital Projects Funds. Budgetary control is maintained at the fund level. Variances with the budget at this level, as well as line item levels, are reported to the School Board's management monthly. The School Board also maintains an encumbrance accounting system for the General Fund as one technique of accomplishing budgetary control.

Debt Administration

The School Board's general obligation bonds and revenue bonds are rated by Moody's bond rating service and Standard & Poor's rating service. The latest rating by Standard & Poor's given in April 2015 was an A+.

Independent Audit

As required by Louisiana State Statute, the School Board has had an annual audit by independent certified public accountants, Carr, Riggs & Ingram, LLC. The independent auditors' report on the basic financial statements is an unmodified opinion. The audit meets the requirements of Louisiana State Law and Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). The independent auditors' report on the basic financial statements is included in the financial section of this report; the Single Audit reports are included in a separately issued document.

Awards

The Association of School Business Officials (ASBO) awarded a Certificate of Excellence in Financial Reporting to the St. John the Baptist School Board for its comprehensive annual financial report for the year ended June 30, 2017. This was the School Board's thirteenth year to receive this prestigious award for its report. The School Board also submitted its June 30, 2017 comprehensive annual financial report to the Government Finance Officers Association of the United States and Canada (GFOA) and was awarded the GFOA's Certificate of Achievement for Excellence in Financial Reporting for the twelfth year.

In order to be awarded a Certificate of Excellence and Certificate of Achievement, the School Board published an easily readable and organized comprehensive annual financial report. This report satisfied both generally accepted accounting principles and applicable legal requirements.

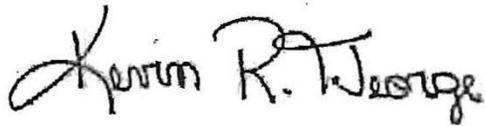
Both the Certificate of Excellence and Certificate of Achievement are valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Program requirements of both organizations and we are submitting it to the ASBO and GFOA to determine its eligibility for each of the certificates.

Acknowledgments

We believe that this report contains the necessary information and data, which will provide a better understanding of the operations of our school system. It is further hoped that this report has been designed in a manner to be used as an administrative tool and general source of information so as to enhance our accountability to the public.

We would like to take this opportunity to express our sincere appreciation to the accounting staff and other participating employees whose efforts contributed significantly in the timely preparation of this report.

Respectfully submitted,

Handwritten signature of Kevin R. George in cursive script.Handwritten signature of J. B. Boynton in cursive script.



ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

The Certificate of Excellence in Financial Reporting
is presented to

St. John the Baptist Parish School Board

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

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



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

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

A handwritten signature in black ink, reading 'John D. Musso'. The signature is written in a cursive style and is positioned above a horizontal line.

John D. Musso, CAE
Executive Director



Government Finance Officers Association

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

Presented to

**St. John the Baptist
Parish School Board, Louisiana**

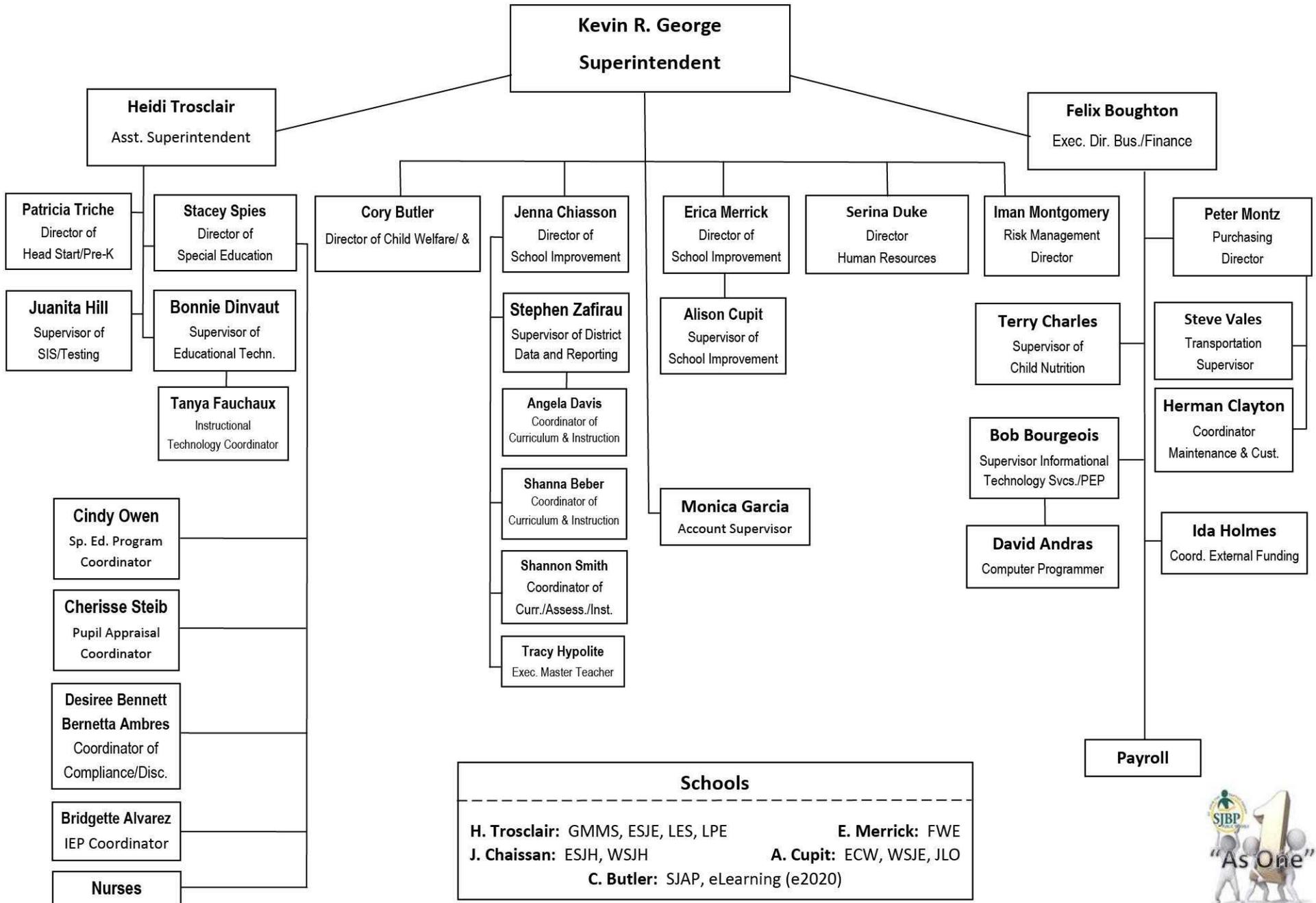
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2017

Christopher P. Morill

Executive Director/CEO

St. John the Baptist Parish Schools—Organizational Chart 2017-18





**Financial
Section**





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INDEPENDENT AUDITORS' REPORT

Members of the
St. John the Baptist Parish School Board
Reserve, Louisiana

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the St. John the Baptist Parish School Board (the "School Board"), as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the School Board's basic financial statements, 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.

Auditors' 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 auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the School Board'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 School Board'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 School Board as of June 30, 2018, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Emphasis of Matter

Adoption of New Accounting Pronouncement

As described in Note 17 to the financial statements, the School Board adopted Government Accounting Standards Board (GASB) Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other than Pensions, which resulted in a cumulative effect of change in accounting principle of (\$58,653,208) to the June 30, 2017 net position. Our opinions are 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, budgetary comparison information, the Changes in Net OPEB Liability and related ratios, and pension-related schedules on pages 4 through 14, and 69 through 74 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School Board's basic financial statements. The introductory section, combining and individual non-major fund financial statements and schedules, combining fiduciary statements, the Schedule of Compensation Paid to School Board Members, Schedule of

Compensation Paid to Superintendent, and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual non-major fund statements and schedules, combining fiduciary statements, the Schedule of Compensation Paid to School Board Members, and the Schedule of Compensation Paid to Superintendent are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual non-major fund statements and schedules, the Schedule of Compensation Paid to School Board Members, and Schedule of Compensation, Benefits, and Other Payments Paid to Superintendent are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Our Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 21, 2018, on our consideration of the School Board's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 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.

Carly Riggs & Ingram, L.L.C.

December 21, 2018



**Required Supplementary
Information (Part I)**

**St. John The Baptist Parish School Board
Management's Discussion And Analysis
June 30, 2018**

The Management's Discussion and Analysis (MD&A) of the St. John the Baptist Parish School Board ("School Board") financial performance provides an overall review and an objective, easily readable analysis of the School Board's financial activities for the fiscal year ended June 30, 2018. The intent of the MD&A is to review the School Board's overall financial performance and to assist readers in assessing the financial position as a result of the year's operations. Therefore, readers should read the MD&A in conjunction with the Comprehensive Annual Financial Report's (CAFR) Letter of Transmittal (Page ii) of the Introductory Section in the School Board's Financial Statements, and the Notes to the Financial Statements.

The MD&A is an element of the Required Supplementary Information specified in the Governmental Accounting Standards Board's (GASB) Statement No. 34 - *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*. Certain comparative information between the current year and the prior year is required to be presented in the Management's Discussion and Analysis to provide a more meaningful comparative analysis of the governmental data.

NEW ACCOUNTING STANDARDS

In June 2015, the GASB issued Statement No. 75 – Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions. This Statement replaces the requirements of Statement No. 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions, as amended, and No. 57, OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans, for OPEB. The accounting standard has been implemented for the year ending June 30, 2018.

In March 2017, the GASB issued Statement No. 85 – Omnibus 2017. The objective of this Statement is to address practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, and postemployment benefits (pensions and other postemployment benefits [OPEB]). The standard is effective for the year ending June 30, 2018 and the School Board is currently assessing its impact, if any.

**St. John The Baptist Parish School Board
Management's Discussion And Analysis (Continued)
June 30, 2018**

FINANCIAL HIGHLIGHTS

Key financial highlights for the years ended June 30, 2018 and 2017 include the following:

Net position amounted to \$(87,860,020) and \$(92,068,130), as restated, for the years ended June 30, 2018 and 2017, respectively. The net amounts were composed of the following elements:

	Net Position	
	2018	2017 (as restated)
Net investment in capital assets	\$ 45,215,880	\$ 44,515,830
Restricted for:		
General Fund	-	275,000
Child Nutrition	11,568	-
Debt Service	8,115,508	9,126,033
Unrestricted	<u>(142,384,290)</u>	<u>(145,984,993)</u>
Total Net Position	<u>\$ (89,041,334)</u>	<u>\$ (92,068,130)</u>

Net position increased from June 30, 2017 to June 30, 2018 by \$3,026,796. Although there are many factors that make up this increase, the largest factor relates to a decrease in net pension liability by approximately \$12 million.

The amount "Net investment in capital assets," represents the School Board's net book value of its capital assets reduced by the outstanding balances of debt that are attributable to the acquisition, construction, or improvement of those assets. It is the accumulation of years of investments in capital projects. The net position restricted for debt service represents accumulation of excess revenues over bond payments and can only be used for the retirement of debt. Net position restricted related to the general fund is primarily related to investments for future retirement obligations and required pledged collateral for workers compensation insurance.

**St. John The Baptist Parish School Board
Management's Discussion And Analysis (Continued)
June 30, 2018**

As of June 30, 2018 and 2017, total assets amounted to \$170,290,172 and \$169,238,554, respectively, as listed below:

	2018	2017
Cash and cash equivalents	\$ 29,312,275	\$ 44,795,628
Investments	3,464,738	3,041,219
Due from other governments	15,662,165	10,455,217
Other receivables	2,065,750	2,132,314
Inventory	91,402	86,104
Other assets	643,930	531,119
Capital assets (net of accumulated depreciation)	118,817,409	108,196,953
TOTAL ASSETS	170,057,669	169,238,554
Deferred amounts related to pension liability	12,195,972	18,248,633
Deferred amounts related to OPEB liability	2,105,878	-
Deferred loss on debt refunding	1,862,764	2,040,014
TOTAL DEFERRED OUTFLOWS	16,164,614	20,288,647
TOTAL ASSETS AND DEFERRED OUTFLOWS	\$ 186,222,283	\$ 189,527,201

The School Board has maintained strong cash and investment positions. Throughout the year, funds are continually transferred between cash and investments to maximize investment earnings. The account due from other governments represents federal and state grant monies due at year end. Capital assets represent the investment in capital projects, net of accumulated depreciation, over the history of the School Board. The approximate \$1 million increase in total assets is primarily due to increase receivables related to federal funds. The decrease in deferred outflows is due to deferral amounts related to pension liability.

As of June 30, 2018 and 2017, as restated, total liabilities amounted to \$265,290,600 and \$275,880,695, respectively, as listed below:

	2018	2017 (as restated)
Accounts, salaries, and other payables	\$ 12,978,068	\$ 11,833,452
Interest payable	680,205	675,181
Non-current liabilities due within one year	6,555,458	6,452,679
Non-current liabilities due in more than one year	245,076,869	256,919,383
TOTAL LIABILITIES	265,290,600	275,880,695
Deferred amounts related to pension liability	6,682,002	5,714,636
Deferred amounts related to OPEB liability	3,291,015	-
TOTAL DEFERRED INFLOWS	9,973,017	5,714,636
TOTAL LIABILITIES AND DEFERRED INFLOWS	\$ 275,263,617	\$ 281,595,331

**St. John The Baptist Parish School Board
Management's Discussion And Analysis (Continued)
June 30, 2018**

Accounts, salaries, and other payables represent normal year end payables and the accrued summer payroll. Non-current liabilities due within one year represent the current portion due of the bonded debt, compensated absences, and claims payable. Non-current liabilities due in more than one year represent the long term portion of bonded debt, compensated absences, claims payable, other Post-employment benefits, and net pension liability. The approximate \$10.6 million decrease in total liabilities in the current year is primarily due to the decrease in net pension liability. The increase deferred inflows is related to deferred amounts of net pension liability.

As of June 30, 2018 and 2017, total revenues amounted to \$87,750,857 and \$95,691,594, respectively, as listed below:

	<u>2018</u>	<u>2017</u>
General Revenues:		
Minimum Foundation Program	\$ 27,236,453	\$ 26,685,527
Sales Taxes	24,772,288	23,127,578
Ad Valorem Taxes	15,717,775	16,217,477
All Other Sources	1,516,816	1,233,464
Program Revenues:		
Capital Grants	3,384,159	6,312,346
Operating Grants	15,014,359	22,004,629
Charges for services	<u>109,007</u>	<u>110,573</u>
TOTAL REVENUES	<u><u>\$ 87,750,857</u></u>	<u><u>\$ 95,691,594</u></u>

The largest single revenue source continues to be the Minimum Foundation Program (MFP) distribution from the State of Louisiana, amounting to \$27,236,453. This MFP formula establishes a standard of local support for each school system based on the state average local support relative to the school system's capacity to raise local funds.

Total revenues decreased by approximately \$8 million. The decrease is primarily due to \$9 million decrease in grant revenue. Title I, FEMA, and Child Nutrition are the largest federally funded programs with \$2,521,469, \$3,384,159, and \$4,011,955 in grant revenue, respectively.

As of June 30, 2018 and 2017, total expenses amounted to \$84,724,061 and \$83,109,473, respectively, as listed below:

	<u>2018</u>	<u>2017</u>
Instruction related expenses	\$ 49,067,004	\$ 46,641,554
Support services	33,273,570	33,871,155
Interest on debt	<u>2,383,487</u>	<u>2,596,764</u>
TOTAL EXPENSES	<u><u>\$ 84,724,061</u></u>	<u><u>\$ 83,109,473</u></u>

**St. John The Baptist Parish School Board
Management's Discussion And Analysis (Continued)
June 30, 2018**

Expenses have increased by approximately \$1.6 million in the current year primarily due to increases in expenditures related to ongoing capital projects and OPEB liabilities.

Table I provides a detail of the changes in net position for the years ended June 30, 2018 and 2017.

	2018	2017
Table I Changes in Net Position		
Revenues:		
Program revenues:		
Charges for services	\$ 109,007	\$ 110,573
Operating grants and contributions	15,014,359	22,004,629
Capital grants and contributions	3,384,159	6,312,346
General Revenues:		
Property taxes, levied for general purposes	11,853,082	12,219,070
Property taxes, levied for debt service	3,864,693	3,998,407
Sales and use taxes, levied for general purposes	21,462,287	19,698,896
Sales and use taxes, levied for public improvement	3,310,001	3,428,682
State revenue sharing	183,132	182,322
Minimum Foundation Program	27,236,453	26,685,527
Other	1,030,412	822,851
Interest and investment earnings	303,272	228,291
Total revenues	87,750,857	95,691,594
Expenses:		
General government		
Instruction	49,067,004	46,641,554
Support services	33,273,570	33,871,155
Interest on long-term debt	2,383,487	2,596,764
Total expenses	84,724,061	83,109,473
Increase (Decrease) in net position	3,026,796	12,582,121
Net position - Beginning	(92,068,130)	(45,997,043)
Net position - Ending	\$ (89,041,334)	\$ (33,414,922)

St. John The Baptist Parish School Board
Management's Discussion And Analysis (Continued)
June 30, 2018

USING THE COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR)

The School Board's CAFR consists of a series of financial statements and the associated notes to those statements. These statements are organized so the reader can understand the operations of the School Board as a financial whole, i.e., an entire operating entity, its funds, and its fiduciary responsibilities. The "Basic Financial Statements" Section, consisting of the Statement of Net Position and the Statement of Activities (pages 15 and 16) provide highly consolidated financial information, and render a government-wide perspective of the School Board's financial condition. The Fund Financial Statements (pages 17 and 19) provide the next level of detail and look at the School Board's most significant funds and a total of all other non-major funds.

Reporting the School Board as a Whole

Statement of Net Position and the Statement of Activities

The Statement of Net Position and the Statement of Activities present an aggregate view of the School Board's finances and a longer-term view of those finances. These statements seek to answer the question, "How did the School Board do financially during the 2017-2018 fiscal year?" These statements include *all assets, deferred outflows of resources, liabilities, and deferred inflows of resources* using the *accrual basis* of accounting used by most private-sector enterprises. The *accrual basis* takes into account all of the Board's current year revenues and expenses regardless of when paid or received.

These two statements report the School Board's net position and changes in the net position. By showing the change in net position for the year, the reader may ascertain whether the School Board's financial condition has improved or deteriorated. The causes of the change may be the result of many factors, both financial and non-financial in nature. Non-financial factors which may have an impact on the School Board's financial condition include the School Board's property and sales tax base, student enrollment, facility conditions, required educational programs for which little or no funding is provided, or other external factors.

Reporting the School Board's Most Significant Funds

Fund Financial Statements

The analysis of the School Board's major funds begins on page 17. Fund Financial Statements provide more in-depth reporting of the School Board's financial position and the results of operations. Fund basis financial information is presented in the "Fund Financial Statements" Section. The School Board uses many funds to account for the numerous funding sources provided annually. However, the Fund Financial Statements look at the School Board's most significant funds with all non-major funds presented in total in one column. These statements report governmental activities on a more current basis rather than a long-term basis, indicating sources and uses of funding and resources available for spending in future periods.

**St. John The Baptist Parish School Board
Management's Discussion And Analysis (Continued)
June 30, 2018**

Fund Financial Statements provide more in-depth data on the School Board's most significant funds, such as its General Fund. This fund is considered a "major fund" under criteria established by GASB Statement No. 34. The Other Federal Programs Fund and Sinking III Fund are major funds, because of the School Board's focus on their operations.

Governmental Funds - Most of the School Board's activities are reported in governmental funds, which focus on how money flows in and out of those funds, the balances that are left at year-end and the amount available for spending in future periods.

These funds are reported using the modified accrual basis of accounting, which measures cash and all other financial assets that can readily be converted to cash. The relationship between governmental activities reported in the Basic Financial Statements and the governmental funds reported in the Fund Financial Statements are reconciled in the financial statements.

Statement of Fiduciary Assets and Liabilities - This statement presents financial information relative to assets held by the School Board on behalf of students and others in a position of trust.

Governmental Activities

As reported in the Statement of Activities on page 16, the cost of the School Board's governmental activities for the year ended June 30, 2018 was \$83,538,924. The Statement of Activities shows the cost of program services and the charges and grants offsetting some of those services. Grants and contributions of \$18,634,844 subsidized certain programs, and charges for services for school lunches were the only contributor of charges for services totaling \$109,007. The remaining amount was financed by the taxpayers in the parish through ad valorem and sales and use taxes totaling \$40,490,063 and \$183,132 in State Revenue Sharing. The Minimum Foundation Program (MFP) from the State of Louisiana funded \$27,236,453 and other general revenues contributed the remainder. In Table II, which follows, the cost of the School Board's largest categories of expenses are presented as well as each program's net cost (total cost less revenues generated by the activities). This "net cost" presentation allows the Parish taxpayers to determine the remaining cost of the various categories, and also allows them the opportunity to assess the cost of each function in comparison to the benefits they believe are provided by the function. The net cost also reflects the amount needed to finance these functions from general sources such as taxes and MFP.

Table II
Total and Net Cost of Governmental Activities

	Total Cost of Services	Net Cost of Services
Governmental activities:		
Instruction	\$ 49,067,004	\$ (34,837,784)
Support services	33,273,570	(28,995,265)
Interest on long-term debt	2,383,487	(2,383,487)
 Total Governmental Activities	 \$ 84,724,061	 \$ (66,216,536)

**St. John The Baptist Parish School Board
Management's Discussion And Analysis (Continued)
June 30, 2018**

The School Board's Funds

The School Board uses funds to control and permit measurement in the short term of the revenues and expenditures of a particular activity or purpose (e.g., dedicated taxes and grant programs). The Fund Financial Statements allow the School Board to demonstrate its stewardship over and accountability for resources provided by taxpayers and other entities. These statements also allow the reader to obtain more insight into the financial management of the School Board and assess further the School Board's overall financial stability.

As the School Board completed the fiscal year ended June 30, 2018, its combined fund balance was \$28,081,536 as compared to a combined fund balance of \$39,772,281 as of June 30, 2017.

- The General Fund is the primary operational fund of the School Board. At the end of the current fiscal year, fund balance of the General Fund was \$13,994,414 compared with \$17,270,878 in the 2017 fiscal year. The majority of this \$3 million decrease was due to an increase in instructional expenses.
- Total revenues of the Other Federal Programs Fund were \$9,691,002 and \$14,096,628 for the fiscal years ended June 30, 2018 and 2017, respectively. The revenues are federally-funded and are expenditure-driven. The decrease of approximately \$5 million is mainly related to CDBG funding for hurricane recovery projects that was received in 2017 as compared to 2018
- The Sinking III Fund is used to account for ad valorem tax revenue dedicated to the repayment of principal and interest on outstanding debt. At the end of the current fiscal year, fund balance of the Sinking III Fund was \$8,107,291 compared with \$7,969,302 in the 2017 fiscal year. The majority of this increase is related to the increase in cash on-hand due to an increase in debt service.

**St. John The Baptist Parish School Board
Management's Discussion And Analysis (Continued)
June 30, 2018**

General Fund Budgetary Highlights

The School Board's budget is prepared according to Louisiana law. During the course of the year, the School Board revises its budget to take into consideration significant changes in revenues or expenditures. Louisiana Revised Statute 39:1311 requires a budget amendment if either expected revenues are less or anticipated expenditures are in excess of budgetary goals by five percent (5%) or more. The original budget for the School Board was adopted on May 25, 2017 and the final revised budget was adopted on May 24, 2018.

A schedule showing the School Board's original and final budget compared with actual operating results is provided in this CAFR beginning on page 69. Revenues are forecast conservatively and expenditures are budgeted in anticipation of all possible costs and projects. The General Fund's actual revenues were more than projected revenues by \$2,806,223. Total expenditures were less than projected by \$2,818,506.

A comparison of actual results as of June 30, 2018 and the original budget for the General Fund are as follows:

Table III
Original Budget Comparison
June 30, 2018

	Final Budget	Actual	Difference
Total Revenues	\$ 59,895,440	\$ 62,701,663	\$ 2,806,223
Total Expenditures	(68,724,446)	(65,905,940)	2,818,506
Other Financing Sources	1,486,000	(190,340)	(1,676,340)
Net Change in Fund Balance	<u>\$ (7,343,006)</u>	<u>\$ (3,394,617)</u>	<u>\$ 3,948,389</u>

Significant variations between the original budget and the final amended budget are as follows:

Table IV
Original and Final Amended Budget Comparison
June 30, 2018

	Original Budget	Final Budget	Difference
Total Revenues	\$ 62,447,438	\$ 59,895,440	\$ 2,551,998
Total Expenditures	(67,911,365)	(68,724,446)	(813,081)
Other Financing Sources	1,545,389	1,486,000	59,389
Net Change in Fund Balance	<u>\$ (3,918,538)</u>	<u>\$ (7,343,006)</u>	<u>\$ 3,424,468</u>

The revenue variances were a combination of a decrease in grant revenue. The decrease in grant revenues was due to large federal grant received in 2017 that did not occur in 2018.

**St. John The Baptist Parish School Board
Management's Discussion And Analysis (Continued)
June 30, 2018**

The expenditure variances were primarily due to an increase in regular education and maintenance expenditures.

Capital Asset and Debt Administration

Capital Assets

At June 30, 2018, the School Board had approximately \$118 million invested in a broad range of capital assets, including land, buildings, furniture, vehicles, computers, and other equipment. This amount is net of accumulated depreciation to date. Table V below shows the net book value of capital assets at June 30, 2018.

Table V
Capital Assets

	June 30, 2018	June 30, 2017
Land	\$ 3,425,339	\$ 3,425,339
Buildings	100,387,883	76,063,730
Furniture and Equipment	2,457,802	3,101,353
Construction in Progress	12,546,385	25,606,530
Totals	\$ 118,817,409	\$ 108,196,952

During the current year, additions of \$29,075,748 of capital assets were capitalized, including approximately \$28 million in completed Construction in Progress. Depreciation for the year ended June 30, 2018 was \$4,677,710 for buildings and improvements and \$717,637 for furniture and equipment. More detailed information on capital assets is included in Note 5 on page 39 of the basic financial statements.

Long-Term Debt

At June 30, 2018, the School Board had outstanding indebtedness of \$82,420,318. In accordance with LSA-R.S.39:562 (L), the School Board is legally restricted from incurring long-term bonded debt in excess of 35 percent of the assessed value of the taxable property (including homestead exempt and nonexempt property) within the parish. At June 30, 2018, the statutory limit was \$175,721,471. Other long-term obligations consisting of accrued sick and annual leave of \$2,505,195, other post-employment benefits of \$83,924,744, claims payable of \$1,802,161, and net pension liability of \$80,979,910 at June 30, 2018. More detailed information on long term obligations and debt is included in Note 8 on page 45 of the basic financial statements.

**St. John The Baptist Parish School Board
Management's Discussion And Analysis (Continued)
June 30, 2018**

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The financial well-being of the School Board is tied in large measure to the state funding formula and its tax base. The School Board has experienced several years of increased sales tax collections, due to significant growth in local retail sales and industrial construction activity over the same time period. This growth may not continue.

CONTACTING THE SCHOOL BOARD'S FINANCIAL MANAGEMENT

While this CAFR is designed to provide full and complete disclosure of the financial condition and operations of the School Board, citizens groups, taxpayers, parents, students, other parish officials, investors or creditors may need further details. To obtain such details, please contact St. John the Baptist Parish School Board, Post Office Box AL, Reserve, LA 70068, or call (985) 536-1106 during regular office hours, Monday through Friday, 8:00 a.m. to 4:30 p.m., Central Standard Time, or e-mail at Fboughton@stjohn.k12.la.us.



Basic Financial Statements

St. John the Baptist Parish School Board
Statement of Net Position
June 30, 2018

	Governmental Activities
ASSETS	
Cash and cash equivalents	\$ 29,312,275
Investments	3,464,738
Due from other governments	15,375,608
Other receivables	2,352,307
Inventory	91,402
Other assets	643,930
Capital assets not being depreciated	15,971,724
Capital assets being depreciated, net	102,845,685
TOTAL ASSETS	170,057,669
DEFERRED OUTFLOWS OF RESOURCES	
Deferred amounts related to pension liability	12,195,972
Deferred amounts related to OPEB liability	2,105,878
Deferred loss debt refunding	1,862,764
TOTAL DEFERRED OUTFLOWS	16,164,614
LIABILITIES	
Accounts, salaries, and other payables	12,978,068
Interest payable	680,205
Non-current liabilities:	
Due within one year	6,863,150
Due in more than one year	244,769,177
TOTAL LIABILITIES	265,290,600
DEFERRED INFLOWS OF RESOURCES	
Deferred amounts related to pension liability	6,682,002
Deferred amounts related to OPEB liability	3,291,015
TOTAL DEFERRED INFLOWS	9,973,017
NET POSITION	
Net investment in capital assets	45,215,880
Restricted for:	
Child Nutrition	11,568
Debt service	8,115,508
Unrestricted	(142,384,290)
TOTAL NET POSITION	\$ (89,041,334)

The notes to the basic financial statements are an integral part of this statement.

St. John the Baptist Parish School Board
Statement of Activities
For the Year Ended June 30, 2018

FUNCTIONS/PROGRAMS	Expenses	Program Revenues		Net (Expense) Revenue And Changes In Net Position	
	Charges for Services	Operating Grants and Contributions	Capital Grants And Contributions		
Governmental activities:					
Instruction	\$ 49,067,004	\$ -	\$ 10,845,061	\$ 3,384,159	\$ (34,837,784)
Support services	33,273,570	109,007	4,169,298	-	(28,995,265)
Interest on long-term debt	2,383,487	-	-	-	(2,383,487)
Total Governmental Activities	\$ 84,724,061	\$ 109,007	\$ 15,014,359	\$ 3,384,159	(66,216,536)
General Revenues:					
Taxes:					
Property taxes, levied for general purposes					11,853,082
Property taxes, levied for debt service					3,864,693
Sales and use taxes, levied for general purposes					21,462,287
Sales and use taxes, levied for public improvement					3,310,001
Grants and contributions not restricted to specific purposes:					
Minimum Foundation Program					27,236,453
Other					1,030,412
State revenue sharing, general purpose					183,132
Interest and investment earnings					303,272
Total general revenues					69,243,332
Change in net position					3,026,796
Net position - beginning					(33,414,922)
Cumulative effect of change in account principal (Note 1)					(58,653,208)
Net position - beginning (as restated)					(92,068,130)
Net position - ending					\$ (89,041,334)

The notes to the basic financial statements are an integral part of this statement.

St. John the Baptist Parish School Board

Balance Sheet
Governmental Funds
June 30, 2018

	General Fund	Other Federal Programs Fund	Sinking III Fund	Other Governmental Funds	TOTAL
ASSETS					
Cash and cash equivalents	\$ 12,141,991	\$ 166,275	\$ 6,950,005	\$ 10,054,004	\$ 29,312,275
Investments	3,464,738	-	-	-	3,464,738
Interfund receivables	6,102,547	-	1,156,731	1,416,661	8,675,939
Due from other governments	84,756	13,417,549	-	1,873,303	15,375,608
Other receivables	2,065,195	-	555	286,557	2,352,307
Inventory	-	-	-	91,402	91,402
Other assets	643,930	-	-	-	643,930
TOTAL ASSETS	\$ 24,503,157	\$ 13,583,824	\$ 8,107,291	\$ 13,721,927	\$ 59,916,199
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES					
Liabilities:					
Accounts, salaries, and other payables	\$ 9,305,608	\$ 743,576	\$ -	\$ 2,928,884	\$ 12,978,068
Interfund payables	1,321,298	2,563,899	-	4,790,742	8,675,939
Total Liabilities	10,626,906	3,307,475	-	7,719,626	21,654,007
Deferred inflows:					
Unavailable revenue	-	10,416,982	-	-	10,416,982
Total Deferred Inflows	-	10,416,982	-	-	10,416,982
Fund balances:					
Nonspendable	643,930	-	-	91,402	735,332
Restricted	-	-	8,107,291	5,910,899	14,018,190
Assigned	5,739,738	-	-	-	5,739,738
Unassigned	7,492,583	(140,633)	-	-	7,351,950
Total Fund Balances	13,876,251	(140,633)	8,107,291	6,002,301	27,845,210
TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES	\$ 24,503,157	\$ 13,583,824	\$ 8,107,291	\$ 13,721,927	\$ 59,916,199

The notes to the basic financial statements are an integral part of this statement.

St. John the Baptist Parish School Board
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position
June 30, 2018

Total Fund Balances at June 30, 2018 - Governmental Funds		\$ 27,845,210
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Cost of capital assets at June 30, 2018	\$ 185,183,173	
Less - accumulated depreciation as of June 30, 2018:		
Buildings	(61,034,023)	
Movable property	<u>(5,331,741)</u>	118,817,409
Contributions to the pension plan in the current fiscal year and other pension related deferrals are deferred outflows of resources on the Statement of Net Position		
	12,195,972	
OPEB related deferrals	2,105,878	
Deferred loss on refunding	<u>1,862,764</u>	16,164,614
Long-term liabilities at June 30, 2018:		
Compensated absences	(2,505,195)	
Claims payable	(1,802,160)	
Capitalized bond premiums	(845,318)	
Bonds payable	(81,575,000)	
Net pension liability	(80,979,910)	
Net post employment benefit obligation (OPEB)	<u>(83,924,744)</u>	(251,632,327)
Pension related deferrals are deferred inflows of resources on the Statement of Net Position		
	(6,682,002)	
OPEB related deferrals	<u>(3,291,015)</u>	(9,973,017)
Accrued interest payable		(680,205)
Difference in revenue recognition on the modified accrual basis as reported in the fund statements versus revenue recognition on the full accrual basis		<u>10,416,982</u>
Net Position at June 30, 2018:		<u><u>\$ (89,041,334)</u></u>

The notes to the basic financial statements are an integral part of this statement.

St. John the Baptist Parish School Board
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2018

	General Fund	Other Federal Programs Fund	Sinking III Fund	Other Governmental Funds	Total
REVENUES					
Local sources:					
Taxes:					
Ad valorem	\$ 11,853,082	\$ -	\$ 3,864,693	\$ -	\$ 15,717,775
Sales and use	21,462,287	-	-	3,310,001	24,772,288
Interest earnings	101,522	-	117,977	83,772	303,271
Charges for services	-	-	-	109,007	109,007
Other	730,756	-	22,870	-	753,626
Total Local Sources	<u>34,147,647</u>	<u>-</u>	<u>4,005,540</u>	<u>3,502,780</u>	<u>41,655,967</u>
State sources:					
Minimum Foundation Program	27,177,906	-	-	58,547	27,236,453
State revenue sharing	183,132	-	-	-	183,132
Other	689,628	-	-	-	689,628
Total State Sources	<u>28,050,666</u>	<u>-</u>	<u>-</u>	<u>58,547</u>	<u>28,109,213</u>
Federal sources	503,350	9,691,002	-	6,533,424	16,727,776
TOTAL REVENUES	<u>62,701,663</u>	<u>9,691,002</u>	<u>4,005,540</u>	<u>10,094,751</u>	<u>86,492,956</u>
EXPENDITURES					
Current:					
Instruction	40,288,240	5,375,427	-	2,085,218	47,748,885
Support services	25,562,610	226,650	-	6,590,462	32,379,722
Capital outlay	47,250	2,922,366	-	13,046,188	16,015,804
Debt service:					
Principal retirement	-	-	3,320,000	685,000	4,005,000
Interest and bank charges	7,850	-	1,704,282	558,484	2,270,616
Total expenditures	<u>65,905,950</u>	<u>8,524,443</u>	<u>5,024,282</u>	<u>22,965,352</u>	<u>102,420,027</u>
EXCESS (DEFICIENCY)					
OF REVENUES OVER EXPENDITURES	<u>(3,204,287)</u>	<u>1,166,559</u>	<u>(1,018,742)</u>	<u>(12,870,601)</u>	<u>(15,927,071)</u>
OTHER FINANCING SOURCES (USES):					
Debt issuance	-	-	-	4,000,000	4,000,000
Payments to bond escrow agent	-	-	-	-	-
Transfers in	1,130,958	-	1,156,731	2,484,254	4,771,943
Transfers out	(1,321,298)	(90,673)	-	(3,359,972)	(4,771,943)
Total other financing sources (uses)	<u>(190,340)</u>	<u>(90,673)</u>	<u>1,156,731</u>	<u>3,124,282</u>	<u>4,000,000</u>
NET CHANGE IN FUND BALANCES	<u>(3,394,627)</u>	<u>1,075,886</u>	<u>137,989</u>	<u>(9,746,319)</u>	<u>(11,927,071)</u>
FUND BALANCES - BEGINNING	17,270,878	(1,216,519)	7,969,302	15,748,620	39,772,281
FUND BALANCES - ENDING	<u>\$ 13,876,251</u>	<u>\$ (140,633)</u>	<u>\$ 8,107,291</u>	<u>\$ 6,002,301</u>	<u>\$ 27,845,210</u>

The notes to the basic financial statements are an integral part of this statement.

St. John the Baptist Parish School Board
 Reconciliation of the Governmental Funds
 Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities
 For the Year Ended June 30, 2018

Total net change in fund balances - governmental funds \$ (11,927,071)

Amounts reported for governmental activities in the Statement of Activities are different because:

Capital assets:

Capital outlays capitalized	\$ 16,015,804	
Depreciation expense	<u>(5,395,347)</u>	10,620,457

Excess of interest accrued over interest paid (5,024)

Change in unavailable revenue 981,114

In the Statement of Activities, certain OPEB and pension-related inflows and outflows of resources are recognized in the current year, while others are deferred. The net effect of these pension-related transactions are as follows:

Current year pension (expense) per the retirement system	(6,498,817)	
Current year amortization of certain deferred inflows and outflows	627,832	
Deferral of current year pension contributions made by employer	10,565,291	
Recognition of on-behalf payments made to pension plan by non-employer entities	276,790	
Current year OPEB (expense)	(1,693,953)	

Long-term debt:

Principal portion of debt service payments	4,005,000	
Change in claims payable	153,887	
Change in compensated absences	29,137	
Amortization of deferred loss	(177,250)	
Amortization of bond premium	69,403	
Debt issuance	<u>(4,000,000)</u>	<u>80,177</u>

Change in net position of governmental activities \$ 3,026,796

The notes to the basic financial statements are an integral part of this statement.

St. John the Baptist Parish School Board
Statement of Fiduciary Assets and Liabilities
Agency Funds
June 30, 2018

	AGENCY FUNDS
ASSETS	
Cash and cash equivalents	\$ 2,976,706
TOTAL ASSETS	\$ 2,976,706
LIABILITIES	
Accounts payable	\$ 2,540,112
Due to other governments	14,783
Due to Sheriff	3,298
Due to St. John the Baptist Parish Council	14,847
Amounts held for school activities	403,666
TOTAL LIABILITIES	\$ 2,976,706

The notes to the basic financial statements are an integral part of this statement.

St. John the Baptist Parish School Board
Notes to the Financial Statements
June 30, 2018

NOTE 1: GENERAL INFORMATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The St. John the Baptist Parish School Board (the "School Board") was created by Louisiana Revised Statute (LSA-R.S.) 17:51 to provide public education for the children within St. John the Baptist 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 eleven members who are elected from eleven districts for concurrent terms of four years.

The School Board operates 12 schools within the Parish with a total enrollment of 6,046 pupils for the year ended June 30, 2018. 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.

The accompanying financial statements of the School Board have been prepared in conformity with generally accepted accounting principles ("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.

The financial report has been prepared in conformity with GASB Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*.

Reporting Entity

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 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.

Funds

The School Board uses funds to maintain its financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain School Board functions and activities. A fund is defined as a separate fiscal and accounting entity with a self-balancing set of accounts.

St. John the Baptist Parish School Board
Notes to the Financial Statements
June 30, 2018

NOTE 1: GENERAL INFORMATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)

Funds of the School Board are classified into two categories: governmental and fiduciary, as follows:

Governmental Fund Types

Governmental funds account for all or most of the School Board's general activities. These funds focus on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may be used. Current liabilities are assigned to the fund from which they will be paid. The difference in a governmental fund's assets, deferred outflows of resources, liabilities, and deferred inflows of resources is reported as fund balance. In general, fund balance represents the accumulated expendable resources which may be used to finance future period programs or operations of the School Board. The following are the School Board's primary governmental funds:

General Fund

The General Fund is the general operating fund of the School Board. The General Fund receives most of the resources derived by the School Board from local sources (principally ad valorem and sales taxes) and state sources (principally the Minimum Foundation Program). General Fund expenditures represent the cost of general school system operations and individual functional categories of instructional and support services. It is used to account for and report all financial resources except those required to be accounted for in another fund. The General Fund is available for any purpose provided it is expended or transferred in accordance with state and federal laws and according to School Board policy.

Special Revenue Funds

Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. Of the special revenue funds, the Other Federal Programs Fund is considered a major fund.

Other Federal Programs Fund

Other Federal Programs Fund is a used to account for all federal programs except for the Child Nutrition Program, Title I and Title II. The main revenue sources are the Federal Emergency Management Agency, Individuals with Disabilities Education Act, IDEA Preschool, and Headstart.

St. John the Baptist Parish School Board
Notes to the Financial Statements
June 30, 2018

NOTE 1: GENERAL INFORMATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)

Capital Projects Funds

Capital Projects Funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. Capital project funds exclude those types of capital-related outflows financed by proprietary funds or for assets that will be held in trust for individual, private organizations, or other governments. Separate capital project funds are maintained to account for the proceeds of major general obligation bonds and other financing proceeds.

Debt Service Funds

The Debt Service Funds are used to account and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest payments on long term debt. Debt service funds should be used to report resources if legally mandated. Financial resources that are being accumulated for principal and interest maturing in future years also should be reported in debt service funds. Of the Debt Service Funds, the Sinking III Fund is considered a major fund.

Sinking III Fund -This fund was established to meet the requirements of the bond ordinances and is used to account for the accumulation of resources for the payment of general long-term debt principal, interest, and related costs.

Fiduciary Fund Type

The Fiduciary Funds are used to account for assets held by the School Board in a trustee or agency capacity. The School Board maintains two fiduciary fund type agency funds: the School Activity Agency Fund and the Sales Tax Fund, both of which account for assets held by the Board in a custodial capacity. An agency fund is custodial in nature and does not present results of operations

St. John the Baptist Parish School Board
Notes to the Financial Statements
June 30, 2018

**NOTE 1: GENERAL INFORMATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

or have a measurement focus. Agency funds are accounted for using the accrual basis of accounting.

Sales Tax Fund - The Sales Tax Fund accounts for the collection and distribution of St. John the Baptist Parish's five percent sales and use tax. Two and one-quarter percent is dedicated to the St. John the Baptist Parish School Board, two and one-quarter percent is dedicated to the St. John the Baptist Parish Council and one-half percent is dedicated to the St. John the Baptist Parish Sheriff's Department.

School Activity Fund - The activities of the various individual school accounts are accounted for in the School Activity Fund. While the fund is under the supervision of the School Board, these monies belong to the individual schools or their student bodies and are not available for use by the School Board.

Measurement Focus/Basis of Accounting

Government-Wide Financial Statements ("GWFS")

The Statement of Net Position and the Statement of Activities display information about the reporting government as a whole. These statements include all the financial activities of the School Board, except for the Fiduciary funds. Fiduciary funds are reported only in the Statement of Fiduciary Assets and Liabilities.

The GWFS were prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets, and liabilities resulting from non-exchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Non-exchange Transactions*. Revenues from non-exchange transactions include sales taxes, ad valorem taxes, and grants from federal, state, and local sources. The accounting policies for revenue recognition pertaining to these non-exchange transactions are described in the remainder of this footnote.

Program Revenues

Program revenues included in the Statement of Activities derive directly from parties outside the School Board's taxpayers or citizenry, as a whole; program revenues reduce the cost of the function to be financed from the School Board's general revenues.

St. John the Baptist Parish School Board
Notes to the Financial Statements
June 30, 2018

NOTE 1: GENERAL INFORMATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)

Internal Activities

All internal activities and interfund transactions, except interfund services provided and used, are eliminated in the Government-Wide Financial Statements.

Allocation of Indirect Expenses

The School Board reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Indirect expenses of other functions are not allocated to those functions but are reported separately in the Statement of Activities. Depreciation expense, which can be specifically identified by function, is included in the direct expenses of each function. Depreciation on buildings is allocated to "Instruction" or "Support" functions based on total expenditures due to the fact that school buildings serve multiple purposes. Interest on general long-term debt is considered an interest expense and is reported separately in the Statement of Activities.

Fund Financial Statements ("FFS")

Governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets, deferred outflows of resources, current liabilities, and deferred inflows of resources are generally included on the balance sheet. The Statement of Revenues, Expenditures, and Changes in Fund Balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

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

Governmental funds use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both 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 School Board considers all revenues available if they are collected within 60 days after the fiscal year end. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Costs of

St. John the Baptist Parish School Board
Notes to the Financial Statements
June 30, 2018

NOTE 1: GENERAL INFORMATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)

accumulated unpaid vacation, sick leave and other employee benefit amounts are recognized as expenditures when the benefit earned by the employee has matured, and general long-term obligations principal and interest payments are recognized only when due. The governmental funds use the following practices in recording revenues and expenditures:

Revenues

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

Ad valorem taxes are recorded in the year the taxes are due and payable. Ad valorem taxes are assessed on a calendar year basis, based on the assessed value on January 1, become due on November 15 of each year, and become delinquent on December 31. An enforceable lien attaches to the property as of January 1. The taxes to be levied were approved by the School Board. However, before the taxes can be collected, the tax rolls are submitted to the State Tax Commission for approval. The taxes are generally collected in November, December, January, and February of the fiscal year. Property tax revenues are accrued at fiscal year end to the extent that they have been collected and are unremitted by the St. John the Baptist Parish Tax Assessor's Office. Such amounts are measurable and available to finance current operations.

Sales taxes, tuition, rent, and miscellaneous other revenues (except investment earnings) are recorded as revenues when received in cash because they are generally not measurable until actually received. Investment earnings are recorded as earned since they are measurable and available.

Expenditures

Expenditures are recognized in the accounting period in which the related fund liability is incurred, if measurable, except for the following: (1) costs of accumulated unpaid vacation, sick leave and other employee benefit amounts are reported in the period due and payable rather than the period earned by employees; (2) general long-term obligations principal and interest payments are recognized when due. Commitments under construction contracts are recognized as expenditures when earned by the contractor. Compensated absences are recognized as expenditures when leave is actually taken or when employees (or heirs) are paid for accrued leave upon retirement or death, while the cost of earned leave privileges not requiring current resources is recorded as a long-term liability in the GWFS.

St. John the Baptist Parish School Board
Notes to the Financial Statements
June 30, 2018

**NOTE 1: GENERAL INFORMATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

Other Financial Sources (Uses)

Transfers between funds that are not expected to be repaid (or any other types, such as capital lease transactions, sale of capital assets, debt extinguishments, or 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.

Budgetary Data

The General Fund and the Special Revenue Funds are the only fund types with legally required annual budgets. Budgets are prepared on a modified accrual basis, consistent with the basis of accounting for comparability of budgeted and actual revenues and expenditures. Formal budget accounts are integrated into the accounting system during the year as a management control device, excluding the recording of encumbrances. Budgetary data for the Capital Projects Funds have not been presented in the accompanying financial statements as such funds are budgeted over the life of the respective project and not on an annual basis.

The Debt Service Fund complies with bond covenant provisions and is, therefore, not budgeted.

Prior to September 15th of each year, the Superintendent submits to the School Board a proposed annual appropriated budget for the General Fund for the fiscal year commencing the prior July 1st. The operating budgets include proposed expenditures and the means of financing them. Public hearings are conducted to obtain taxpayer comments. Prior to September 15th, the General Fund budget is legally enacted through adoption by the School Board.

Special Revenue Funds' budgets that are not grant-oriented have annual appropriated budgets adopted prior to September 15th by the School Board. Grant funds are included in Special Revenue Funds and their budgets are adopted at the time the grant applications are approved by the grantor. Unencumbered appropriations of grant-oriented Special Revenue Funds are re-appropriated at the beginning of the following fiscal year. Unencumbered appropriations of certain non-grant-oriented Special Revenue Funds lapse at the end of the fiscal year and are included in the next year's budget with funds appropriated in that year to finance them.

The Superintendent and/or the Executive Director of Finance are authorized to transfer amounts between line items within any fund. When actual total revenues within the General Fund or Special Revenue Fund fail to meet budgeted total revenues by five percent or more and/or actual total expenditures within the General Fund or a Special Revenue Fund fails to meet budgeted total expenditures by five percent or more, a budget amendment to reflect such change is adopted by the School Board in an open meeting. The Budgetary Comparison Schedules (see pages 68-70) and the Non-major Special Revenue Fund Schedules of Revenues, Expenditures, and Changes in Fund

St. John the Baptist Parish School Board
Notes to the Financial Statements
June 30, 2018

NOTE 1: GENERAL INFORMATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)

Balance (see pages 79 to 80) include the effect of such budget amendments, none of a significant nature.

Cash, Cash Equivalents and Investments

Cash includes amounts in demand deposits, interest-bearing demand deposits, and money market accounts with original maturities of three months or less from the date of acquisition. Cash equivalents include time deposits.

Louisiana Revised Statutes, at LSA-R.S. 33:2955, authorize the School Board to invest in (1) direct obligations of the United States treasury, the principal and interest of which are fully guaranteed by the federal government; (2) bonds, debentures, notes, or other evidence of indebtedness issued or guaranteed by federal agencies or U.S. Government instrumentalities; (3) direct security repurchase agreements of any federal book-entry-only securities; (4) time certificates of deposit of state banks organized under the laws of Louisiana and national banks having their principal offices in the State of Louisiana; (5) savings accounts or shares of savings and loan associations in mutual or trust fund institutions which are registered with the Securities and Exchange Commission under the Securities Act of 1933 and the Investment Act of 1940, and which have underlying investments consisting solely of and limited to securities of the U.S. Government or its agencies; or (6) guaranteed investment contracts issued by a bank, financial institution, insurance company, or other entity having one of the two highest short-term rating categories of either Standard & Poor's Corporation or Moody's Investors Service, provided that no such investment may be made except in connection with a financing program approved by the State Bond Commission.

In addition, local governments in Louisiana are authorized to invest in the Louisiana Asset Management Pool, Inc. ("LAMP"), a non-profit corporation organized under the laws of the State of Louisiana. These investments are reported at fair value. Fair value is based on quoted market prices. If quoted prices are not available, fair value is estimated based on similar securities.

Due from Other Governments

Due from Other Governments consist of receivables for reimbursement of expenditures under various state and federal programs and grants. All amounts are expected to be collected within the next twelve months.

Interfund Transactions

During the normal course of operations, numerous transactions occur between funds for goods provided or services rendered. These receivables and payables, as well as short-term interfund loans, are classified as interfund receivable or interfund payable on the balance sheet.

St. John the Baptist Parish School Board
Notes to the Financial Statements
June 30, 2018

**NOTE 1: GENERAL INFORMATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

Inventory

All purchased inventories are valued at cost (first-in, first-out); commodities are assigned values based on information provided by the U.S. Department of Agriculture. Inventories in the School Lunch/Breakfast Special Revenue Fund consisted of food and supplies. The commodities are recorded in revenues and expenditures when consumed.

Use of Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets, deferred outflows of resources, liabilities, and deferred inflows of resources, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could vary from the estimates that were used.

Capital Assets

Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their acquisition value at the date of donation. The School Board maintains a threshold level of \$5,000 or more for capitalizing capital assets.

Capital assets are recorded in the GWFS, but are not reported in the FFS. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public school purposes by the School Board, no salvage value is taken into consideration for depreciation purposes.

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 Improvements	15-30 years
Furniture and Equipment	5-10 years

Prepays

Prepays are reported under the consumption method, under which purchases are debited to a prepaid asset account and are recorded as expenditures or expenses when used.

**NOTE 1: GENERAL INFORMATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

Accrued Liabilities and Long-term Obligations

All payables, accrued liabilities, and long-term obligations are reported in the GWFS. In general, payables and accrued liabilities that will be paid from governmental funds are reported on the governmental fund financial statements regardless of whether they will be liquidated with current resources. Bonds and other long-term obligations that will be paid from governmental funds are not recognized as a liability in the FFS.

Deferred Outflows and Inflows of Resources

In addition to assets, the statement of financial 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 and so will not be recognized as an expense or expenditure until then. The School Board has three items that meet the criterion for this category, pension-related deferrals, OPEB-related deferrals and deferred loss on debt refunding. In addition to liabilities, the statement of financial 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 and so will not be recognized as revenue until then. The School Board has two items that meet the criterion for this category on the Statement of Net Position, pension-related deferrals and OPEB-related deferrals. The School Board has one item that meets the criterion for this category on the Balance Sheet – Governmental Funds, unavailable revenue, which represents all revenues not collected within 60 days after the fiscal year end.

Compensated Absences

All 12-month employees earn from 10 to 20 days of vacation leave each year, depending on their length of service with the School Board. Employees may carry over up to 10 unused vacation days from one fiscal year to the next. An employee can only accumulate 25 vacation days. Upon severance of employment these 25 days will be paid to the employee as severance pay.

Teachers and other 9-month employees earn 10 days of sick leave each year. All 12-month employees earn from 10 to 18 days sick leave each year, depending on their length of service with the School Board. Sick leave can be accumulated without limitation. Upon retirement, unused sick leave up to 25 days is paid to employees (or their heirs) at the employee's current rate of pay. Under the Louisiana Teachers' Retirement System, the total unused accumulated sick leave, including the 25 days paid, is used in the retirement benefit computation as earned service for leave earned prior to July 1, 1988. Under the Louisiana School Employees' Retirement System, all unpaid sick leave excluding the 25 days paid, is used in the retirement benefit computation as earned service.

**NOTE 1: GENERAL INFORMATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

Sabbatical leave may be granted for medical leave and for professional and cultural improvement. An employee with a teacher's certificate is entitled, subject to approval by the School Board, to one semester of sabbatical leave after six semesters of continuous service or two semesters of sabbatical leave after twelve or more semesters of continuous service. Sabbatical leave benefits are recorded as expenditures in the period paid.

Compensated absences are recognized as current year expenditures in the General Fund when leave is actually taken, or when employees are paid for accrued leave upon retirement or death (liquidated). A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

Restricted Net Position

For the GWFS Statement of Net Position, net position is reported as restricted when constraints placed on net position used is either:

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

Fund Balance

In the fund financial statements, fund balance for governmental funds is reported in classifications that comprise a hierarchy based primarily on the extent to which the School Board is bound to honor constraints on the specific purpose for which amounts in the funds can be spent. Fund balance is reported in five components – nonspendable, restricted, committed, assigned and unassigned.

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

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

St. John the Baptist Parish School Board
Notes to the Financial Statements
June 30, 2018

NOTE 1: GENERAL INFORMATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)

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

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

Unassigned – This classification represents amounts that have not been restricted, committed, or assigned to specific purposes within the general fund. When both restricted and unrestricted resources are available for use, it is the School Board’s policy to use restricted resources first, then unrestricted resources (committed, assigned, and unassigned) as they are needed. When unrestricted resources (committed, assigned, and unassigned) are available for use it is the School Board’s policy to use committed resources first, then assigned, and then unassigned as they are needed. The general fund is the only fund that reports a positive unassigned fund balance amount.

Claims and Judgments

Losses resulting from claims and judgments, including related expenditures, salvage, and subrogation, are estimated by utilizing a case by case review of all claims, based on data provided by legal counsel and third-party administrators. The liability for such losses is recorded in the GWFS. Incurred but not reported claims as of June 30, 2018 have been considered in determining the accrued liability.

Pensions

The School Board participates in two pension plans administered by other governmental entities which cover substantially all employees who meet certain length of service requirements. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net positions of the Teachers’ Retirement System of Louisiana (“TRSL”) and Louisiana School Employee Retirement System (“LSERS”) and additions to/deductions from TRSL’s and LSERS’ fiduciary net positions have been determined on the same basis as they are reported by TRSL and LSERS. 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.

St. John the Baptist Parish School Board
Notes to the Financial Statements
June 30, 2018

NOTE 1: GENERAL INFORMATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)

Sales Taxes

The School Board collects five percent (5%) in sales and use tax. The sales and use tax is collected by an independent contractor, who is contracted through the School Board and serves as the sales tax department. Two and one-quarter percent (2¼%) of the taxes collected are remitted to the Parish Council. One-half a percent (.5%) of the taxes collected are remitted to the Sheriff's Department. The School Board's costs of collecting the funds are shared proportionally by the Parish Council, Sheriff's Department and the School Board.

The School Board retains the remaining two and one-half percent (2½%) of the taxes collected and allocates them as follows:

General Fund:	
General Support Service	1%
Regular Instruction Programs	1/3%
Repairs and Maintenance of Plant and Facilities	1/3%
Capital Projects Fund	1/3%
Teacher Salaries	<u>1/2%</u>
	<u>2½%</u>

Recent Accounting Pronouncements

In June 2015, the GASB issued Statement No. 75 – Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions. This Statement replaces the requirements of Statement No. 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions, as amended, and No. 57, OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans, for OPEB. The standard was adopted for the year ended June 30, 2018 resulting in a cumulative change in accounting principal as described in Note 17.

In March 2017, the GASB issued Statement No. 85 – Omnibus 2017. The objective of this Statement is to address practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, and postemployment benefits (pensions and other postemployment benefits). The standard is effective for the year ending June 30, 2018 and the School Board is currently assessing their impact.

St. John the Baptist Parish School Board
Notes to the Financial Statements
June 30, 2018

NOTE 2: CASH, CASH EQUIVALENTS AND INVESTMENTS

Cash and Cash Equivalents

At June 30, 2018, the School Board had cash and cash equivalents as follows:

Bank accounts per Balance Sheet \$29,312,275

Under state law, the bank balances of these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The fair value of the pledged securities plus the federal deposit insurance must at all times equal or exceed the amount on deposit with the fiscal agent.

Louisiana Statutes require that all School Board deposits be protected by insurance or collateral. The market value of collateral pledged must equal 100% of the deposits not covered by insurance.

At year-end, the bank balance deposits totaled: \$ 31,635,202

The bank balance is collateralized as follows:

Amount insured by the FDIC	250,000
Amount collateralized with securities held by the School Board's agent in the School Board's name:	<u>31,385,202</u>
Total	<u>\$ 31,635,202</u>

The School Board does not have a deposit policy for custodial credit risk.

Investments

The School Board maintains an investment pool with an investment broker for all funds. Each fund's portion of the cash and investment pool is included in that fund's cash and cash equivalent account and/or that fund's investment account. Interest earned on pooled cash and investments is allocated to the participating funds based upon their combined participating balances.

Investments in the Louisiana Asset Management Pool, Inc., a local government investment pool (see Summary of Significant Accounting Policies) consisted of \$3,464,738 at June 30, 2018. The fair value of the School Board's position is the same as the fair value of its share of the pooled assets. The investment is being held for future OPEB obligations.

St. John the Baptist Parish School Board
Notes to the Financial Statements
June 30, 2018

NOTE 2: CASH, CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

In addition, the School Board maintains a \$275,000 certificate of deposit, with a maturity of less than one year, pledged as collateral for workers' compensation insurance, which is included in cash and cash equivalents on the Statement of Net Position.

Custodial Credit Risk

Investments can be exposed to custodial credit risk if the securities underlying the investment are uninsured, not registered in the name of the entity, and are either held by the counterparty or the counterparty's trust department or agent but not in the entity's name.

The School Board's investment policy limits the School Board's investments to U.S. Treasury Bills and Notes, certificates of deposit, time deposits with domestic banks and investments in LAMP.

The School Board's investments in LAMP are not exposed to custodial credit risk because their existence is not evidenced by securities that exist in physical or book entry form. LAMP is administered by LAMP, Inc. a non-profit corporation organized under the laws of the State of Louisiana. Only local governments having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in the short-term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest. Accordingly, LAMP investments are restricted to securities issued, guaranteed, or backed by the U.S. Treasury, the U.S. Government, or one of its agencies, enterprises, or instrumentalities, as well as repurchase agreements collateralized by those securities and any other investments allowed by state statute. The Standard & Poor's fund rating is AAA+ indicating a superior capacity to maintain principal value and limit exposure to losses. LAMP issues a publically available financial report that can be obtained at www.lamppool.com.

Credit Risk, Concentration of Credit Risk and Interest Rate Risk Disclosures

Credit Risk of Debt Investments

The School Board does not maintain any debt investments and is, therefore, not exposed to credit risk of debt investments.

Concentration of Credit Risk

The School Board's investments in LAMP are investments in an external investment pool and are, therefore, not exposed to a concentration of credit risk. Accordingly, the School Board does not have a policy regarding credit risk on investments.

St. John the Baptist Parish School Board
Notes to the Financial Statements
June 30, 2018

NOTE 2: CASH, CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

Interest Rate Risk

As of June 30, 2018, the School Board had the following investments:

Investment	<u>Maturity</u>	<u>Fair Value</u>
LAMP	90 day average	<u>\$ 3,464,738</u>
Total		<u>\$ 3,464,738</u>

In accordance with its investment policy, the School Board manages its exposure to declines in fair values by limiting the weighted average of its maturity of its investment portfolio to less than one year.

NOTE 3 - AD VALOREM TAXES

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

All taxable property in Louisiana is required by law to be assessed annually at a percentage of its fair market value. Fair market value is determined by the elected assessor of the parish on all property subject to taxation except public service properties, which is valued by the Louisiana Tax Commission (LRS 47:1957).

The 1974 Louisiana Constitution (Article 7 Section 18) provided that land and improvement for residential purposes be assessed at 10% of fair market value; other property and electric cooperative properties, excluding land, are to be assessed at 15% of fair market value and public service properties, excluding land, are to be assessed at 25% of fair market value. The correctness of assessments by the assessor is subject to review and rectification by the Louisiana Tax Commission. The Assessor is required to reappraise all property subject to taxation at intervals of not more than four years.

Ad valorem taxes are attached as an enforceable lien of property as of January 1 of each year. Taxes are levied by the Parish Assessor during the year and are billed to taxpayers in November. Billed taxes become delinquent on December 31. Revenues from ad valorem taxes are budgeted in the year billed and recognized as revenue when billed. The Parish Assessor bills and the Sheriff collects the property taxes.

St. John the Baptist Parish School Board
Notes to the Financial Statements
June 30, 2018

NOTE 3 - AD VALOREM TAXES (CONTINUED)

The following is a summary of authorized and levied ad valorem taxes for the fiscal year ended June 30, 2018 (calendar year 2017 assessments):

	Millage Authorized	Millage Levied
Parish-wide Taxes		
Constitutional	3.65	3.65
Maintenance and operations	4.33	4.33
Health	10.12	10.12
Salaries and Benefits	8.23	8.23
Improvement	2.98	2.98
Bonded debt	10.00	10.00
	39.31	39.31

The School Board is permitted by state law to levy taxes up to \$48 per \$1,000 of assessed valuation. For the year ended June 30, 2018, taxes of 39.31 mills were levied on property with assessed valuations totaling \$417,380,640. Total taxes levied were \$15,717,775.

NOTE 4 - DUE FROM OTHER GOVERNMENTS

At June 30, 2018, due from other governments consists of:

	General Fund	Other Federal Programs Fund	Other Governmental Funds	Total
Receivable:				
State	\$ 84,756	\$ -	\$ -	\$ 84,756
Federal	-	13,417,549	1,873,303	15,290,852
	\$ 84,756	\$ 13,417,549	\$ 1,873,303	\$ 15,375,608

St. John the Baptist Parish School Board
Notes to the Financial Statements
June 30, 2018

NOTE 5 - CAPITAL ASSETS

Capital assets and depreciation activity as of and for the year ended June 30, 2018, is as follows:

<u>Governmental Activities</u>	Balance July 1, 2017	Additions	Disposals	Balance June 30, 2018
Construction in Progress	\$ 25,606,530	\$ 15,225,722	\$ (28,285,867)	\$ 12,546,385
Land	3,425,339	-	-	3,425,339
 Total capital assets not being depreciated	 29,031,869	 15,225,722	 (28,285,867)	 15,971,724
Buildings and improvements	132,439,557	29,001,862	(19,513)	161,421,906
Furniture and equipment	8,192,443	74,086	(476,986)	7,789,543
Total capital assets being depreciated	140,632,000	29,075,948	(496,499)	169,211,449
 Less accumulated depreciation:				
Buildings and improvements	(56,375,826)	(4,677,710)	19,513	(61,034,023)
Furniture and equipment	(5,091,090)	(717,637)	476,986	(5,331,741)
Total accumulated depreciation	(61,466,916)	(5,395,347)	496,499	(66,365,764)
 Net capital assets being depreciated	 79,165,084	 23,680,601	 -	 102,845,685
 Capital assets, net	 \$ 108,196,953	 \$ 38,906,323	 \$(28,285,867)	 \$ 118,817,409

Depreciation expense for the year ended June 30, 2018, was charged to the following governmental functions:

Instruction	\$3,215,104
Support services	2,180,243
Total	<u>\$5,395,347</u>

St. John the Baptist Parish School Board
Notes to the Financial Statements
June 30, 2018

NOTE 5 - CAPITAL ASSETS (CONTINUED)

Construction in progress is related to damage to one (1) school incurred in 2016 during Hurricane Isaac. As of the date of this report, FEMA has obligated approximately \$53.5 million to fund Hurricane Isaac damage. The School Board is responsible for a 25% match (approximately \$13 million) for which they intend on funding primarily with general fund monies and General Obligation bonds issued and to be issued by the School Board. At June 30, 2018, approximately \$46 million of eligible expenses were incurred by the School Board and are eligible for reimbursement or have been reimbursed under obligated FEMA funding.

NOTE 6 – ACCOUNTS, SALARIES, AND OTHER PAYABLES

The following is a summary of accounts, salaries, and other payables as of June 30, 2018:

	General Fund	Other Federal Programs Fund	Other Governmental Funds	Total
Accounts payable	\$ 462,018	\$ 11,542	\$ 2,509,588	\$ 2,983,148
Accrued salaries and benefits	8,843,590	732,034	419,296	9,994,920
Total	\$9,305,608	\$ 743,576	\$ 2,928,884	\$ 12,978,068

St. John the Baptist Parish School Board
Notes to the Financial Statements
June 30, 2018

NOTE 7 – INTERFUND RECEIVABLES AND PAYABLES

Individual fund inter-fund receivables and payables balances at June 30, 2018 reported on the fund financial statements were as follows:

	Due to			Total
	General Fund	Sinking Fund III	Other Governmental Funds	
Due from Governmental Funds:				
General Fund	\$ -	\$ -	\$ 1,321,298	\$ 1,321,298
Other Federal Programs Fund	2,468,536	-	95,363	2,563,899
Other Governmental Funds	3,634,011	1,156,731	-	4,790,742
Total Governmental Funds	<u>\$ 6,102,547</u>	<u>\$ 1,156,731</u>	<u>\$ 1,416,661</u>	<u>\$ 8,675,939</u>

The above balances represent short-term receivables and payables incurred in the normal course of the School Board’s operations.

The purpose of the inter-fund receivables and payables is to meet current operational needs and are expected to be repaid within one year. Receivables and payables result from the General Fund payment for the expenditures of the other funds until they receive the federal grant money to reimburse the General Fund for those expenditures. These balances also result from activity related to Federally-funded Hurricane recovery projects, for which expenses are recorded in multiple funds.

NOTE 8 – LONG-TERM OBLIGATIONS

General obligation bonds are direct obligations and pledge the full faith and credit of the School Board. These bonds were issued over the years for the purpose of constructing and acquiring capital assets and are to be repaid by the levy of dedicated ad valorem taxes.

Sales tax bonds are direct obligations and pledge the full faith and credit of the School Board. These bonds were issued for the purpose of making capital improvements to the school board and are payable from the dedication of one-third (1/3) of the special one percent (1%) sales and use tax now being levied and collected in the Parish.

St. John the Baptist Parish School Board
Notes to the Financial Statements
June 30, 2018

NOTE 8 – LONG-TERM OBLIGATIONS (CONTINUED)

The following schedule shows the changes in general obligation bonds, sales tax bonds, and certificates of indebtedness, the outstanding balance of the bonds and certificates of indebtedness at June 30, 2018 and the total future interest due on the bonds:

<u>Bond Type</u>	<u>Date of Issuance</u>	<u>Authorized and Issued</u>	<u>Interest Rate %</u>	<u>Maturity Date</u>	<u>Principal Outstanding</u>	<u>Interest to Maturity</u>
<u>General Obligation Bonds</u>						
Series 2015	6/11/2015	\$10,380,000	3.00 – 4.00	3/01/2035	\$ 9,300,000	\$ 3,295,294
Series 2012	8/30/2012	3,800,000	1.98	3/01/2022	1,275,000	64,251
Series 2013	1/09/2013	11,600,000	5.00 – 2.00	3/01/2032	9,435,000	2,229,500
Series 2014	6/01/2014	10,180,000	2.00 – 4.00	3/01/2034	8,740,000	2,767,819
Series 2009	3/01/2009	10,000,000	7.00 – 3.50	3/01/2029	465,000	18,606
Series 2010	1/01/2010	18,000,000	2.00 – 4.25	3/01/2029	1,785,000	101,475
Series 2011	11/01/2011	8,000,000	2.00 – 3.38	3/01/2031	6,205,000	1,431,956
Series 2016	5/18/2016	6,845,000	2.08	3/01/2029	6,690,000	934,857
Series 2017	5/25/2017	11,515,000	2.40	3/01/2029	11,395,000	1,938,000
QSCB 2011	1/26/2011	10,000,000	1.10	1/26/2026	10,000,000	400,000
QZAB 2017	10/1/2017	4,000,000	0.00	9/16/2030	4,000,000	-
Total General Obligation Bonds					<u>\$69,290,000</u>	<u>\$13,181,759</u>
<u>Sales Tax Bonds</u>						
Series 2006	3/01/2009	\$18,000,000	7.00 – 3.50	3/01/2029	\$ 705,000	\$ 242,412
Series 2015	5/14/2015	12,905,000	5.75	4/01/2031	11,580,000	3,169,838
Total Sales Tax Bonds					<u>\$12,285,000</u>	<u>\$ 3,412,250</u>

St. John the Baptist Parish School Board
Notes to the Financial Statements
June 30, 2018

NOTE 8 – LONG-TERM OBLIGATIONS (CONTINUED)

Bond principal and interest payable in the next fiscal year are \$6,603,559. Interest paid and bank charges in the current fiscal year on general obligation bonds and sales tax bonds amounted to \$2,178,502.

At June 30, 2018, the School Board accumulated \$8,115,508 in the Debt Service Funds for the future retirement of General Obligation Bonds.

In accordance with LRS 39:562, the School Board is legally restricted from incurring long-term bonded debt in excess of 35 percent of the assessed value of taxable property. At June 30, 2018, the statutory limit is \$175,721,471 resulting in a legal debt margin of \$113,701,661.

The School Board is in compliance with all significant limitations and restrictions as set forth in the individual bond indentures.

Annual debt service to maturity is as follows:

<u>Fiscal Year</u>	<u>Principal and Interest</u>	<u>Interest</u>	<u>Principal</u>
2019	\$ 6,603,559	\$ 2,120,867	\$ 4,482,692
2020	6,662,843	1,980,151	4,682,692
2021	6,696,110	1,833,418	4,862,692
2022	6,746,854	1,694,162	5,052,692
2023	6,441,962	1,549,270	4,892,692
2024-2028	42,957,121	5,573,659	37,383,462
2029-2033	19,838,254	1,795,177	18,043,077
2034-2036	2,295,917	120,916	2,175,000
	<u>\$ 98,242,620</u>	<u>\$ 16,667,620</u>	<u>\$ 81,575,000</u>

Defeasance of Debt

On September 1, 2006, the School Board issued \$18,000,000 of Sales Tax School Bonds, Series 2006. The School Board issued the bonds to advance refund \$945,000 of the outstanding Sales Tax School Bonds, Series 2001 dated April 1, 2001, and maturing April 1, 2007 to April 1, 2021, with the remainder to fund capital improvements. \$945,000 of securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service on the refunded portion of the 2001 series bonds. As a result, that portion of the 2001 series bonds are considered defeased, and the School Board has removed the liability from its accounts. At June 30, 2018, the balance of the defeased portion of the bonds was \$330,000.

St. John the Baptist Parish School Board
Notes to the Financial Statements
June 30, 2018

NOTE 8 – LONG-TERM OBLIGATIONS (CONTINUED)

In 2012, the School Board issued \$3,800,000 of General Obligation School Refunding Bonds, Series 2012. The School Board issued the bonds to advance refund \$1,010,000 of the outstanding General Obligation School Refunding Bonds, Series 2001, maturing March 1, 2013 and March 1, 2014, and to refund \$3,350,000 of General Obligation School Bonds, Series 2002, maturing March 1, 2013 through March 1, 2022. The proceeds of the bonds were deposited in an irrevocable trust with an escrow agent to provide for all future debt service on the refunded portion of the 2001 and 2002 series bonds. As a result, that portion of the 2001 and 2002 series bonds are considered defeased, and the School Board has removed the liability from its accounts. At June 30, 2018, the balance of the defeased portion of the 2002 bonds was \$1,925,000. During the year ended June 30, 2014, the defeased 2001 bonds were paid in full.

In 2015, the School Board defeased \$12,905,000 of Sales Tax Bonds, Series 2006 by placing the proceeds of Sales Tax Refunding Bonds, Series 2015 in an irrevocable trust to provide for all future debt service payments of the defeased bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the School Board's financial statements. As a result, that portion of the 2006 series bonds are considered defeased, and the School Board has removed the liability from its accounts. At June 30, 2018, the balance of the defeased portion of the 2006 bonds was \$11,480,000.

In 2016, the School Board defeased \$6,845,000 of General Obligation School Bonds, Series 2009 by placing the proceeds of Sales Tax Refunding Bonds, Series 2016 in an irrevocable trust to provide for all future debt service payments of the defeased bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the School Board's financial statements. As a result, that portion of the 2009 series bonds are considered defeased, and the School Board has removed the liability from its accounts. At June 30, 2018, the balance of the defeased portion of the 2009 bonds was \$6,260,000.

In 2017, the School Board defeased \$10,640,000 of General Obligation School Bonds, Series 2010 by placing the proceeds of Sales Tax Refunding Bonds, Series 2017 in an irrevocable trust to provide for all future debt service payments of the defeased bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the School Board's financial statements. The difference between the cash flows required to service the new debt totaled \$771,068. An economic gain (difference between the present value of the old debt and new debt service payments) of \$657,522 resulted from the refunding. At June 30, 2018, the balance of the defeased portion of the 2010 bonds was \$10,640,000.

St. John the Baptist Parish School Board
Notes to the Financial Statements
June 30, 2018

NOTE 8 – LONG-TERM OBLIGATIONS (CONTINUED)

General Long-Term Obligations

The following is a summary of the changes to general long-term obligations for the year ended June 30, 2018:

	Balance as of <u>06/30/17</u> <u>(as restated)</u>	<u>Additions</u>	<u>Deletions</u>	Balance as of <u>06/30/18</u>	Due within <u>One Year</u>
General					
Obligation	\$ 68,610,000	\$ 4,000,000	\$ (3,320,000)	\$ 69,290,000	\$ 3,777,692
Sales Tax					
Bonds	12,970,000	-	(685,000)	12,285,000	705,000
Unamortized					
Bond Premium	914,721	-	(69,403)	845,318	-
Claims Payable	1,956,047	1,249,592	(1,403,479)	1,802,160	323,202
Compensated					
Absences	2,534,332	2,017,460	(2,046,597)	2,505,195	2,057,256
Net Pension					
Liability	92,971,033	-	(11,911,123)	80,979,910	-
Other Post-					
employment					
Benefits	83,415,928	508,816	-	83,924,744	-
Total	\$263,372,061	\$7,775,868	\$(19,515,602)	\$251,632,327	\$6,863,150

The deductions-payments and retirements are reflected in the Statement of Revenues, Expenditures and Changes in Fund Balances. The bond and note deductions totaling \$4,005,000 of principal payments are included under the caption "Principal Retirement." The reduction in compensated absences of \$2,046,597 is included in payroll which is allocated among all of the functions. The reduction in net pension liability of \$11,911,123 is allocated between instruction and support services expenditures in the statement of activities.

The current portion of the compensated absences is based on an average of amounts used in previous periods. Compensated absences and other post-employment benefits are liquidated by the General Fund and Special Revenue Funds.

St. John the Baptist Parish School Board
Notes to the Financial Statements
June 30, 2018

NOTE 9 - INTERFUND TRANSFERS

Fund Receiving Transfer	Amount Transferred In	Fund Making Transfer	Transferred Out
General Fund	\$ 1,130,958	General Fund	\$ 1,321,298
		Other Federal Projects Fund	90,673
Sinking III Fund	1,156,731		-
Non-major Funds	<u>2,484,254</u>	Non-major Funds	<u>3,359,972</u>
Totals	<u>\$ 4,771,943</u>		<u>\$ 4,771,943</u>

The Sinking III Fund is used to account for the accumulation of resources for the payment of general long-term debt principal, interest, and related costs. Transfers are also used to recapture indirect costs as well as to account for activity related to Federally-funded Hurricane recovery projects, for which expenses are recorded in multiple funds.

NOTE 10 – FUND BALANCE

The following illustrates the specific purposes of each classification of fund balance in the financial statements:

	General Fund	Other Federal Programs	Sinking III Fund	Other Govt. Funds	Total
Nonspendable:					
Inventory	\$ -	\$ -	\$ -	\$ 91,402	\$ 91,402
Prepays	643,930		-	-	643,930
Restricted:					
Debt service	-		8,107,291	8,217	8,115,508
Capital projects	-		-	5,891,114	5,891,114
Child nutrition	-	-	-	11,568	11,568
Assigned:					
Retiree obligations	3,464,738		-	-	3,464,738
Workers' compensation	275,000		-	-	275,000
Emergency reserve	2,000,000		-	-	2,000,000
Unassigned	7,492,583	(140,633)	-	-	7,351,950
Total	<u>\$13,876,251</u>	<u>\$(140,633)</u>	<u>\$8,107,291</u>	<u>\$6,002,301</u>	<u>\$27,845,210</u>

The deficit fund balance in the above Other Federal Programs Fund is primarily the result of unavailable revenues resulting from Federal receivables. The deficit in the Other Federal Programs Fund will be resolved when receivables are collected and revenues are recognized.

St. John the Baptist Parish School Board
Notes to the Financial Statements
June 30, 2018

NOTE 11 - 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 students; and natural disasters. The School Board established a self-insurance program recorded in the Government-wide Financial Statements to account for and finance its uninsured risk of loss as described below. No claim settlements in the past three years exceeded insurance coverage. Premiums are paid by the General Fund. Other funds are charged at the time of occurrence of the claim payment. The amounts of claim liabilities that are accrued are based on data as provided by a third party administrator.

Workers' Compensation Insurance

The School Board has a self-insurance program for workers' compensation whereby the School Board is exposed to losses relating to any potential claim for up to \$300,000 per occurrence and \$1,000,000 in the aggregate. The Statement of Net Position reports the claims expenditures and liabilities when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. The claims liability at June 30, 2018 totaled \$1,374,777.

The School Board has a certificate of deposit totaling \$275,000, which is held in trust at a local bank for the Office of Worker's Compensation as collateral for potential claims against the School Board. This certificate is included in cash equivalents.

General Liability and Automobile Insurance

As of June 30, 2018, the School Board is insured for up to \$3,000,000 or \$1,000,000 per occurrence. The amount of the insurance deductible is \$50,000 per occurrence with no limit in aggregate, for public entity general liability and automobile (fleet) liability. The claims liability at June 30, 2018 totaled \$427,383. The changes in claims liability amounts were as follows for the fiscal years ended June 30, 2016, 2017 and 2018:

	Beginning Fiscal Year Liability	Claims and Changes in Estimates	Benefit Payments and Claims	Balance at End of Fiscal Year
Workers' compensation:				
2016	\$ 863,951	\$ 414,146	\$(418,090)	\$860,007
2017	860,007	1,408,469	(706,262)	1,562,214
2018	1,562,214	1,212,517	(1,399,954)	1,374,777
Property damage and automotive liability:				
2016	\$ 452,136	\$ 15,005	\$(7,071)	\$460,070
2017	460,070	85,381	(151,618)	393,833
2018	393,833	37,076	(3,526)	427,383

St. John the Baptist Parish School Board
Notes to the Financial Statements
June 30, 2018

NOTE 11 - RISK MANAGEMENT (CONTINUED)

Total:				
2016	\$ 1,316,087	\$ 429,151	\$(425,161)	\$1,320,077
2017	1,320,077	1,493,850	(857,880)	1,956,047
2018	1,956,047	1,249,593	(1,403,480)	1,802,160

Changes in estimates are included in general administration expenditures. There were no significant reductions in insurance coverage during the 2018 fiscal year.

NOTE 12 - DEFINED BENEFIT PENSION PLANS

General Information about the Pension Plans

Plan Descriptions

Substantially all employees of the School Board are provided with pensions through cost-sharing multiple-employer defined benefit pension plans administered by the Teachers' Retirement System Louisiana or the Louisiana School Employees' Retirement System, both of which are administered on a statewide basis. The authority to establish and amend the benefit terms of TRSL and LSERS was granted to the respective Board of Trustees and the Louisiana Legislature by Title 11 of the Louisiana Revised Statutes. TRSL and LSERS each issue publicly available financial reports that can be obtained at www.trsl.org and www.lservers.net, respectively.

Benefits Provided

TRSL

TRSL provides retirement, deferred retirement option ("DROP"), disability, and survivor's benefits. Participants should refer to the appropriate statutes for more complete information. Regular Plan - Members whose first employment makes them eligible for membership in a Louisiana state retirement system on or after January 1, 2011 may retire with a 2.5% accrual rate after attaining age sixty with at least 5 years of service credit and are eligible for an actuarially reduced benefit with 20 years of service at any age. All other members, if initially hired on or after July 1, 1999, are eligible for a 2.5% accrual rate at the earliest of age 60 with 5 years of service, age 55 with 25 years of service, or at any age with 30 years of service. Members may retire with an actuarially reduced benefit with 20 years of service at any age. If hired before July 1, 1999, members are eligible for a 2% accrual rate at the earliest of age 60 with 5 years of service, or at any age with 20 years of service and are eligible for a 2.5% accrual rate at the earliest of age 65 with 20 years of service, age 55 with 25 years of service, or at any age with 30 years of service. Plan A - Members may retire with a 3.0% annual accrual rate at age 55 with 25 years of service, age 60 with 5 years of service or 30 years of service, regardless of age. Plan A is closed to new entrants. Plan B - Members may retire with a 2.0% annual accrual rate at age 55 with 30 years of service, or age 60 with 5 years of service.

St. John the Baptist Parish School Board
Notes to the Financial Statements
June 30, 2018

NOTE 12 - DEFINED BENEFIT PENSION PLANS (CONTINUED)

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

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

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

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 3rd anniversary of retirement eligibility. Delayed participation reduces the three year participation period. During participation, benefits otherwise payable are fixed, and deposited in an individual DROP account. Upon termination of DROP, the member can continue employment and earn additional accruals to be added to the fixed pre-DROP benefit. Upon termination of employment, the member is entitled to the fixed benefit, an additional benefit based on post -DROP service (if any), and the individual DROP account balance which can be paid in a lump sum or an additional annuity based on the account balance.

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.

St. John the Baptist Parish School Board
Notes to the Financial Statements
June 30, 2018

NOTE 12 - DEFINED BENEFIT PENSION PLANS (CONTINUED)

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

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.

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

LSERS

LSERS provides retirement, deferred retirement option, disability, and survivor's benefits. Membership is mandatory for all persons employed by a Louisiana Parish or City School Board or by the Lafourche Special Education District #1 who work more than twenty hours per week as a school bus driver, school janitor, school custodian, school maintenance employee, or school bus aide, a monitor or attendant, or any other regular school employee who actually works on a school bus helping with the transportation of school children. If a person is employed by and is eligible to be a member of more than one public agency within the state, he must be a member of each such

St. John the Baptist Parish School Board
Notes to the Financial Statements
June 30, 2018

NOTE 12 - DEFINED BENEFIT PENSION PLANS (CONTINUED)

retirement system. Members are vested after 10 years of service or 5 years if enrolled after June 30, 2010. All temporary, seasonal and part-time employees as defined in federal Regulations 26 CFR 31:3121(b)(7)-2 are not eligible for membership in the Plan. Any part-time employees who work 20 hours or less per week and who are not vested will be refunded their contributions.

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

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

Members of the Plan may elect to participate in the Deferred Retirement Option Plan, and defer the receipt of benefits. The election may be made only one time and the duration is limited to three years. Once an option has been selected, no change is permitted. Upon the effective date of the commencement of participation in the DROP Plan, active membership in the regular retirement plan of the system terminates. Average compensation and creditable service remain as they existed on the effective date of commencement of participation in the Plan. The monthly retirement benefits, that would have been payable had the person elected to cease employment and receive a

St. John the Baptist Parish School Board
Notes to the Financial Statements
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NOTE 12 - DEFINED BENEFIT PENSION PLANS (CONTINUED)

service retirement allowance, are paid into the Deferred Retirement Option Plan Fund Account. The Plan maintains subaccounts within this account reflecting the credits attributed to each participant in the Plan. Interest credited and payments from the DROP account are made in accordance with LA R.S. 11:1152(E)(3). Upon termination of participation in both the Plan and employment, a participant may receive his DROP monies either in a lump sum payment from the account or systematic disbursements. The Plan also provides for deferred benefits for vested members who terminate before being eligible for retirement. Once the member reaches the appropriate age for retirement, benefits become payable.

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

Contributions

TRSL

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, 2018 are as follows:

TRSL Sub Plan	Contribution Rates	
	School Board	Employees
K-12 Regular Plan	26.6%	8.0%
Plan A	26.6%	8.0%
Plan B	26.6%	5.0%

The School Board’s contractually required composite contribution rate for the year ended June 30, 2018 was 26.6% 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.

St. John the Baptist Parish School Board
Notes to the Financial Statements
June 30, 2018

NOTE 12 - DEFINED BENEFIT PENSION PLANS (CONTINUED)

Contributions to the pension plan from the School Board were \$9,597,292 for the year ended June 30, 2018.

LSERS

Contributions for members are established by state statute at 7.5% of their annual covered salary for members employed prior to July 1, 2010 and 8.0% for members employed subsequent to July 1, 2010. Contributions for all participating school boards are actuarially determined as required by Act 81 of 1988 but cannot be less than the rate required by the Constitution. The actuarial required contribution rate for June 30, 2018 was 27.6%. The actual employer rate for the year ended June 30, 2018 was 27.6%. A difference may exist due to the State Statute that requires the rate to be calculated in advance. Contributions to the pension plan from the School Board were \$967,999 for the year ended June 30, 2018.

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

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

The following table reflects the School Board's proportionate share of the Net Pension Liability for each of the pension plans, the proportion at June 30, 2017 and the change compared to the June 30, 2016 proportion.

	Net Pension Liability at June 30, 2018	Proportion at June 30, 2017	Increase (Decrease) to June 30, 2016 Proportion
TRSL	\$ 73,204,349	0.714060%	-0.002510%
LSERS	7,775,561	1.215070%	0.039576%
	<u>\$ 80,979,910</u>		

St. John the Baptist Parish School Board
Notes to the Financial Statements
June 30, 2018

NOTE 12 - DEFINED BENEFIT PENSION PLANS (CONTINUED)

The following table reflects the School Board's recognized pension expense plus the School Board's amortization of change in proportionate share and difference between employer contributions and proportionate share of contributions for each of the pension plans for the year ended June 30, 2018.

	Pension Expense	Amortization	Total
TRSL	\$ 5,657,569	\$ 621,972	\$ 5,035,597
LSERS	841,245	5,860	835,385
	<u>\$ 6,498,814</u>	<u>\$ 627,832</u>	<u>\$ 5,870,982</u>

At June 30, 2018, the School Board reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<u>TRSL</u>	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 2,406,345
Changes in assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	1,118,794
Changes in proportion and differences between employer contributions and proportionate share of contributions	1,257,780	2,689,234
Employer contributions subsequent to the measurement date	9,597,292	-
Total TRSL	<u>\$ 10,855,072</u>	<u>\$ 6,214,373</u>

St. John the Baptist Parish School Board
Notes to the Financial Statements
June 30, 2018

NOTE 12 - DEFINED BENEFIT PENSION PLANS (CONTINUED)

<u>LSERS</u>	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 181,319
Changes in assumptions	163,038	121,131
Net difference between projected and actual earnings on pension plan investments	-	121,584
Changes in proportion and differences between employer contributions and proportionate share of contributions	209,863	43,595
Employer contributions subsequent to the measurement date	967,999	-
Total LSERS	\$ 1,340,900	\$ 467,629

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
TRSL	\$ 10,855,072	\$ 6,214,373
LSERS	1,340,900	467,629
	\$ 12,195,972	\$ 6,682,002

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 net pension liability in the year ending June 30, 2018. The following table lists the pension contributions made subsequent to the measurement period for each pension plan:

	Subsequent Contributions
TRSL	\$ 9,597,292
LSERS	967,999
	\$ 10,565,591

St. John the Baptist Parish School Board
Notes to the Financial Statements
June 30, 2018

NOTE 12 - DEFINED BENEFIT PENSION PLANS (CONTINUED)

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

Years ending June 30:	Amount of Amortization		
	TRSL	LSERS	Total
2019	\$ (2,404,302)	\$ (183,925)	\$ (2,588,227)
2020	148,927	320,852	469,779
2021	(814,693)	51,251	(763,442)
2022	(1,886,524)	(282,906)	(2,169,430)
	<u>\$ (4,956,592)</u>	<u>\$ (94,728)</u>	<u>\$ (5,051,320)</u>

Actuarial Assumptions

A summary of the actuarial methods and assumptions used in determining the total pension liability as of June 30, 2017 are as follows:

	TRSL	LSERS
Valuation Date	June 30, 2017	June 30, 2017
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Amortization Approach	Closed	
Actuarial Assumptions:		
Expected Remaining Service Lives	5 years	3 years
Investment Rate of Return	7.70% net of investment expenses	7.125% net of investment expenses
Inflation Rate	2.50% per annum.	2.625%
Salary Increases	3.5% - 10.0% varies depending on duration of service.	3.075% - 5.375%
Cost of Living Adjustments	None	The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost of living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees.

St. John the Baptist Parish School Board
Notes to the Financial Statements
June 30, 2018

NOTE 12 - DEFINED BENEFIT PENSION PLANS (CONTINUED)

Mortality	Mortality rates based on the RP-2000 Mortality Table with projection to 2025 using Scale AA.	Mortality rates based on the RP-2000 Sex Distinct Morality Table.
Termination, Disability, and Retirement	Termination, disability, and retirement assumptions were projected based on a five-year (2008-2012) experience study of the System's members.	Termination, disability, and retirement assumptions were projected based on a five-year (2008-2012) experience study of the System's members.

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

TRSL	LSERS
<p>The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation and an adjustment for the effect of rebalancing/diversification.</p>	<p>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.</p>

St. John the Baptist Parish School Board
Notes to the Financial Statements
June 30, 2018

NOTE 12 - DEFINED BENEFIT PENSION PLANS (CONTINUED)

The following table provides a summary of the best estimates of arithmetic real rates of return for each major asset class included in each of the pension plans' target asset allocation as of June 30, 2017:

Asset Class	Target Allocation		Long-Term Expected Portfolio Real Rate of Return	
	TRSL	LSERS	TRSL	LSERS
Domestic equity	27.0%	51.0%	4.28%	3.10%
International equity	19.0%	-	4.96%	-
Domestic fixed income	13.0%	30.0%	1.98%	1.82%
International fixed income	5.5%	-	2.75%	-
Alternative investments	-	13.0%	-	0.79%
Private Equity	25.5%	-	8.47%	
Other Private Assets	10.0%		3.51%	
Real assets	-	6.0%	-	0.36%
Total	100.0%	100.0%	n/a	6.07%
International fixed income				2.00%
Expected Arithmetic Nominal Return				8.07%

n/a – amount not provided by Retirement System

Discount Rate

The discount rates used to measure the total pension liability for TRSL and LSERS were 7.70% and 7.125%, respectively, for the year ended June 30, 2017.

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

St. John the Baptist Parish School Board
Notes to the Financial Statements
June 30, 2018

NOTE 12 - DEFINED BENEFIT PENSION PLANS (CONTINUED)

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

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

	<u>1.0% Decrease</u>	<u>Current Discount Rate</u>	<u>1.0% Increase</u>
TRSL			
Discount rate	6.70%	7.70%	8.70%
Share of NPL	\$ 94,325,474	\$ 73,204,349	\$ 55,237,118
LSERS			
Discount rate	6.125%	7.125%	8.125%
Share of NPL	\$ 10,659,380	\$ 7,775,561	\$ 5,299,036

Support of Non-employer Contributing Entities

Contributions received by a pension plan from non-employer contributing entities that are not in a special funding situation are recorded as revenue by the respective pension plan. The School Board recognizes revenue in an amount equal to their proportionate share of the total contributions to the pension plan from these non-employer contributing entities. During the year ended June 30, 2018, the School Board recognized revenue as a result of support received from non-employer contributing entities of \$276,790 for its participation in TRSL. LSERS does not receive support from non-employer contributing entities and, as a result, no revenue was recorded for LSERS for the year ended June 30, 2018.

Pension Plan Fiduciary Net Position

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

St. John the Baptist Parish School Board
Notes to the Financial Statements
June 30, 2018

NOTE 12 - DEFINED BENEFIT PENSION PLANS (CONTINUED)

Payables to the Pension Plan

As of June 30, 2018, the School Board had payables due to the pension plans totaling \$2,848,427. Payables are the School Board’s legally required contributions to the pension plans. Outstanding balances will be applied the School Board’s required monthly contributions. The balance due to each of the pension plans is as follows:

	<u>Payables</u>
TRSL	\$ 2,685,514
LSERS	162,913
	<u>\$ 2,848,427</u>

NOTE 13 – POSTEMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENEFITS

General Information about the OPEB Plan

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

Benefits Provided – Medical benefits are provided to employees upon actual retirement. Most employees are covered by the Teachers' Retirement System of Louisiana, whose retirement eligibility (DROP) provisions are as follows: 30 years of service at any age; age 55 and 25 years of service; or, age 60 and 5 years of service. Employees who become members of the system on and after January 1, 2011 must be at least age 60 at retirement (DROP) to receive an unreduced retirement benefit.

The basic life insurance amounts plus the supplemental amount can be continued after retirement. The employer pays for all of the basic and 50% of the supplemental insurance amounts, but based on blended rates. Life insurance amounts are reduced by 50% at age 70.

St. John the Baptist Parish School Board
Notes to the Financial Statements
June 30, 2018

NOTE 13 – POSTEMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENEFITS (CONTINUED)

Employees covered by benefit terms – At June 30, 2018, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	452
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	756
	1,208

Total OPEB Liability

The School Board’s total OPEB liability of \$83,924,744 was measured as of June 30, 2018 and was determined by an actuarial valuation as of that date.

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

Inflation	2.5%
Salary increases	4.0%, including inflation
Discount rate	3.58% annually (Beginning of Year to Determine ADC)
	3.87% annually (As of End of Year Measurement Date)
Healthcare cost trend rates	Flat 5.5% annually

The discount rate was based on the average of the Bond Buyers' 20 Year General Obligation municipal bond index as of June 30, 2018, the end of the applicable measurement period.

Mortality rates were based on the RP-2000 Table without projection with 50%/50% unisex blend.

The actuarial assumptions used in the June 30, 2018 valuation were based on the results of ongoing evaluations of the assumptions from July 1, 2009 to June 30, 2018.

St. John the Baptist Parish School Board
Notes to the Financial Statements
June 30, 2018

NOTE 13 – POSTEMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENEFITS (CONTINUED)

Changes in the Total OPEB Liability

Balance at June 30, 2017 (as restated)	\$ 83,415,928
Changes for the year:	
Service cost	1,674,311
Interest	2,936,205
Differences between expected and actual experience	2,316,466
Changes of assumptions	(3,620,116)
Benefit payments and net transfers	2,798,050
Net changes	508,816
Balance at June 30, 2018	<u>\$ 83,924,744</u>

Sensitivity of the total OPEB liability to changes in the discount rate – The following presents the total OPEB liability of the School Board, as well as what the School Board’s total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.87%) or 1-percentage-point higher (4.87%) than the current discount rate:

	1.0% Decrease (2.87%)	Current Discount Rate (3.87%)	1.0% Increase (4.87%)
Total OPEB liability	\$ 97,609,508	\$ 83,924,744	\$ 73,065,429

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 1-percentage-point lower (4.5%) or 1-percentage-point higher (6.5%) than the current healthcare trend rates:

	1.0% Decrease (4.5%)	Current Trend (5.5%)	1.0% Increase (6.5%)
Total OPEB liability	\$ 72,906,311	\$ 83,924,744	\$ 97,666,455

St. John the Baptist Parish School Board
Notes to the Financial Statements
June 30, 2018

NOTE 13 – POSTEMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENEFITS (CONTINUED)

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

For the year ended June 30, 2018, the School Board recognized OPEB expense of \$4,492,003. At June 30, 2018, the School Board reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 2,105,878	\$ -
Assumption changes	-	(3,291,015)
Total	\$ 2,105,878	\$ (3,291,015)

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

Years ending June 30:	
2019	(118,513)
2020	(118,513)
2021	(118,513)
2022	(118,513)
2023	(118,513)
Thereafter	(592,572)

NOTE 14 - COMMITMENTS AND CONTINGENCIES

At June 30, 2018, the School Board was a defendant in various lawsuits principally arising from the normal course of operations. The School Board’s legal counsel has reviewed the School Board’s claims and lawsuits, which are primarily personal injury claims, in order to evaluate the likelihood of an unfavorable outcome to the School Board and to arrive at the estimate, if any, of the amount or range of potential claims and lawsuits that have been categorized into “probable,” “reasonably possible”, or “remote,” as defined by the GASB Codification C50.

Amounts of claims classified as “probable” have been accrued as claims payable, as explained in Note 11. It is the opinion of the School Board, after conferring with legal counsel for the School Board, that several of the potential claims against the School Board, while not classified as “probable,” do have the reasonable possibility of an unfavorable outcome, with an estimated maximum possible liability to the School Board of \$597,360.

St. John the Baptist Parish School Board
Notes to the Financial Statements
June 30, 2018

NOTE 14 - COMMITMENTS AND CONTINGENCIES (CONTINUED)

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally by the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the School Board expects such amounts, if any, to be immaterial.

NOTE 15 – SALES TAX COLLECTIONS

The School Board collects five and a quarter percent (5.25%) in sales and use tax. The sales and use tax is collected by an independent contractor, who is contracted through the School Board and serves as its sales tax collector. The School Board's costs of collecting the funds are shared proportionally by the Parish Council, Sheriff's Department and the School Board. The sales and use tax distributed, on a cash basis, for the year ending June 30, 2018 is as follows:

	Tax Rate	Total Collections	Collection Fees	Final Distribution
School Board	2.50%	\$ 22,374,448	\$ 463,782	\$ 21,910,666
Parish Council	2.25%	21,573,509	403,361	21,170,148
Sheriff's Department	0.50%	4,952,317	92,730	4,859,587
Total		\$ 48,900,274	\$ 959,873	\$ 47,940,401

NOTE 16 - TAX ABATEMENTS

The Industrial Tax Exemption Program ("ITEP") is a full, 100 percent exemption from local ad valorem (property) taxes as authorized in the Louisiana Constitution of 1974, Article VII, Part 2, Section 21(F), as amended by the Governor's Executive Order No. JBE 2016-26. Participating companies are eligible to receive an initial five (5) year exemption, plus the opportunity for a five (5) year renewal, for a total often (10) years of full exemption from local property taxes. The program is available only to manufacturers. The exemption applies to all improvements to land, buildings, machinery, equipment, and any other property that is part of the manufacturing process. Maintenance capital (i.e., property replacements and refurbishments) is also eligible for the exemption. The land on which the manufacturing establishment is located is not eligible for the exemption. An advance notification of intent to apply for the tax exemption is filed with the Louisiana Office of Economic Development ("LED") Office of Business Development. The LED then presents the application to the Louisiana Board of Commerce and Industry for review and approval. The applicant files an annual report with the Parish Assessor listing the exempted property so that it may be separately listed on the tax rolls. While the ITEP program is still available and being used, the recent Governor's Executive Order has placed several limitations and new criteria on the ITEP program until the statute could be revisited.

St. John the Baptist Parish School Board
Notes to the Financial Statements
June 30, 2018

NOTE 16 - TAX ABATEMENTS (CONTINUED)

As of June 30, 2018, nine industrial companies located in St. John the Baptist Parish are currently under the Industrial Tax Exemption program. The typical term of these agreements are for ten years and provided Ad Valorem tax abatement during the year of 2018 in the amount of \$178,801.

The LED has not made any commitments as part of the agreements other than to reduce taxes. The School Board is not subject to any tax abatement agreements entered into by other governmental entities other than the LED.

NOTE 17 – CHANGE IN ACCOUNTING PRINCIPLE AND PRIOR PERIOD ADJUSTMENT

During the preparation of the financial statements for the year ended June 30, 2018, the School Board adopted GASB 75 related to post-employment benefits other than pension, as described in Note 1 as adoption of new financial accounting standards.

The adoption of GASB 75 had the following impact on the beginning Net Position at June 30, 2017:

	Governmental Activities
Net Position- June 30, 2017	\$(33,414,922)
Prior Period Adjustment:	
Cumulative effect of changes in accounting principle:	
GASB 75- Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions	(58,653,208)
Net Position- as restated – June 30, 2017	\$(87,623,694)

St. John the Baptist Parish School Board
Notes to the Financial Statements
June 30, 2018

NOTE 18 – FUTURE FINANCIAL ACCOUNTING STANDARDS

In June 2017, the GASB issued Statement No. 87 – Leases. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The standard is effective for the year ending June 31, 2021 and the School Board is currently assessing their impact.

In April 2018, the GASB issued Statement No. 88 - Certain Disclosures Related to Debt. The primary objective of this Statement is to improve the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements. It also clarifies which liabilities governments should include when disclosing information related to debt. This Statement defines debt for purposes of disclosure in notes to financial statements as a liability that arises from a contractual obligation to pay cash (or other assets that may be used in lieu of cash) in one or more payments to settle an amount that is fixed at the date the contractual obligation is established. This Statement 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 events of default with finance-related consequences, significant termination events with finance-related consequences, and significant subjective acceleration clauses. For notes to financial statements related to debt, this Statement also requires that existing and additional information be provided for direct borrowings and direct placements of debt separately from other debt. The standard is effective for the year ending June 31, 2019 and the School Board is currently assessing its impact.

In June 2018, the GASB issued Statement No. 89 - Accounting for Interest Cost Incurred before the End of a Construction Period. This Statement establishes accounting requirements for interest cost incurred before the end of a construction period. Such interest cost includes all interest that previously was accounted for in accordance with the requirements of paragraphs 5-22 of Statement No. 62, Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements, which are superseded by this Statement. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund. The standard is effective for the year ending June 31, 2021 and the School Board is currently assessing its impact.



**St. John the Baptist Parish School Board
Notes to the Financial Statements
June 30, 2018**

NOTE 19 – SUBSEQUENT EVENTS

The School Board has evaluated subsequent events through December 21, 2018, and did not identify any following subsequent event to be disclosed.



**Required Supplementary
Information (Part II)**

**St. John the Baptist Parish School Board
Budgetary Comparison Schedules
General Fund and Major Special Revenue Funds
With Legally Adopted Budgets
June 30, 2018**

GENERAL FUND

To account for and report all financial resources not accounted for and reported in another fund.

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

Other Federal Programs Fund

Other Federal Programs Fund is a used to account for all federal programs except for the Child Nutrition Program, Title I and Title II. The main revenue sources are the Federal Emergency Management Agency, Individuals with Disabilities Education Act, IDEA Preschool, and Headstart.

St. John the Baptist Parish School Board
Budgetary Comparison Schedule
General Fund
June 30, 2018

	Original Budget	Final Budget	Actual	Variance With final Budget- Over (Under)
REVENUES				
Local sources:				
Taxes:				
Ad valorem	\$ 12,043,692	\$ 11,813,961	\$ 11,853,082	\$ 39,121
Sales and use	21,661,958	18,564,547	21,462,287	2,897,740
Interest earnings	34,500	78,000	101,522	23,522
Other	324,250	654,250	730,756	76,506
Total Local Sources	<u>34,064,400</u>	<u>31,110,758</u>	<u>34,147,647</u>	<u>3,036,889</u>
State sources:				
Minimum Foundation Program	27,053,053	27,385,820	27,177,906	(207,914)
State revenue sharing	196,155	196,155	183,132	(13,023)
Other	787,330	856,207	689,628	(166,579)
Total State Sources	<u>28,036,538</u>	<u>28,438,182</u>	<u>28,050,666</u>	<u>(387,516)</u>
Federal sources	<u>346,500</u>	<u>346,500</u>	<u>503,350</u>	<u>156,850</u>
TOTAL REVENUES	<u>62,447,438</u>	<u>59,895,440</u>	<u>62,701,663</u>	<u>2,806,223</u>
EXPENDITURES				
Current:				
Instruction	39,878,111	41,163,485	40,288,230	(875,255)
Support services	27,885,756	27,427,979	25,562,610	(1,865,369)
Capital Outlay	138,017	123,063	47,250	(75,813)
Debt service:				
Interest and bank charges	9,481	9,919	7,850	(2,069)
Total expenditures	<u>67,911,365</u>	<u>68,724,446</u>	<u>65,905,940</u>	<u>(2,818,506)</u>
DEFICIENCY OF REVENUES OVER EXPENDITURES	<u>(5,463,927)</u>	<u>(8,829,006)</u>	<u>(3,204,277)</u>	<u>5,624,729</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	2,600,000	2,336,000	1,130,958	(1,205,042)
Transfers out	(1,054,611)	(850,000)	(1,321,298)	(471,298)
Total other financing sources (uses)	<u>1,545,389</u>	<u>1,486,000</u>	<u>(190,340)</u>	<u>(1,676,340)</u>
NET CHANGE IN FUND BALANCES	<u>(3,918,538)</u>	<u>(7,343,006)</u>	<u>(3,394,617)</u>	<u>3,948,389</u>
FUND BALANCES Beginning	<u>9,256,464</u>	<u>9,256,464</u>	<u>17,270,878</u>	<u>8,014,414</u>
FUND BALANCES - ENDING	<u>\$ 5,337,926</u>	<u>\$ 1,913,458</u>	<u>\$ 13,876,261</u>	<u>\$ 11,962,803</u>

St. John the Baptist Parish School Board
Budgetary Comparison Schedule
Other Federal Programs Special Revenue Fund
June 30, 2018

	Original Budget	Final Budget	Actual	Variance With final Budget- Over (Under)
REVENUES				
State sources:				
Other	\$ 92,745	\$ 204,800	\$ -	\$ (204,800)
Federal sources	9,552,045	11,824,724	9,691,002	(2,133,722)
TOTAL REVENUES	9,644,790	12,029,524	9,691,002	(2,338,522)
EXPENDITURES				
Instruction	4,263,350	6,686,676	5,375,427	(1,311,249)
Support services	160,184	168,489	226,650	58,161
Capital Outlay	5,210,606	4,718,800	2,922,366	(1,796,434)
Total expenditures	9,634,140	11,573,965	8,524,443	(3,049,522)
EXCESS OF REVENUES OVER EXPENDITURES	10,650	455,559	1,166,559	711,000
OTHER FINANCING SOURCES (USES):				
Transfers out	(9,989)	(23,908)	(90,673)	(66,765)
Total other financing sources (uses)	(9,989)	(23,908)	(90,673)	(66,765)
NET CHANGE IN FUND BALANCE	661	431,651	1,075,886	644,235
FUND BALANCES				
Beginning	-	-	-	-
FUND BALANCES - ENDING	\$ 661	\$ 431,651	\$ 1,075,886	\$ 644,235

St. John the Baptist Parish School Board
Notes to the Required Supplementary Information
June 30, 2018

NOTE 1: BUDGETARY BASIS OF ACCOUNTING

Budgets for the General Fund and Special Revenue Funds are legally adopted by the School Board on a basis consistent with generally accepted accounting principles.

NOTE 2: RETIREMENT SYSTEMS

Changes of Benefit Terms

Teachers' Retirement System of Louisiana - For the year ended June 30, 2016, 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 age 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.

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

Changes of Assumptions

Teachers' Retirement System of Louisiana – For the actuarial valuation for the year ended June 30, 2017, the investment rate of return decreased from 7.75% to 7.70%.

Louisiana School Employees' Retirement System – For the actuarial valuation for the year ended June 30, 2016, the discount rate was increased from 7.000% to 7.125%, inflation rate was decreased from 2.75% to 2.625% and salary increases were decreased from a range of 3.2% to 5.5% to a range of 3.075% to 5.375%.

St. John the Baptist Parish School Board
Schedule of Changes in Net OPEB Liability and Related Ratios
For the Year Ended June 30, 2018

Total OPEB Liability	
Service cost	\$ 1,674,311
Interest	2,936,205
Changes of benefit terms	-
Differences between expected and actual experience	2,316,466
Changes of assumptions	(3,620,116)
Benefit payments	2,798,050
Net change in total OPEB liability	<u>508,816</u>
Total OPEB liability - beginning	<u>83,415,928</u>
Total OPEB liability - ending	<u><u>\$ 83,924,744</u></u>
Covered-employee payroll	\$ 32,547,947
Net OPEB liability as a percentage of covered-employee payroll	257.85%

Notes to Schedule:

Benefit Changes. There were no changes of benefit terms for the year ended June 30, 2018.

Changes of Assumptions. There were no changes of assumptions for the year ended June 30, 2018.

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

St. John the Baptist Parish School Board
Schedule of Proportionate Share of Net Pension Liability for Retirement Systems
Last Four Fiscal Years

For the Year Ended June 30,	Agency's proportion of the net pension liability (asset)	Agency's proportionate share of the net pension liability (asset)	Agency's covered payroll	Agency's Proportionate share of the net pension liability (asset) as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total pension liability
Teachers' Retirement System of Louisiana					
2018	0.714060%	\$ 73,204,349	\$ 33,652,839	218.00%	65.60%
2017	0.716570%	\$ 84,103,727	\$ 33,637,627	250.00%	59.90%
2016	0.738248%	\$ 79,378,471	\$ 34,972,099	227.00%	62.50%
2015	0.756970%	\$ 77,373,190	\$ 34,577,664	224.00%	63.70%
Louisiana School Employees' Retirement System					
2018	1.215070%	\$ 7,775,561	\$ 3,473,701	224.00%	75.00%
2017	1.175494%	\$ 8,867,307	\$ 3,341,768	265.00%	70.09%
2016	1.178312%	\$ 7,471,995	\$ 3,327,727	225.00%	74.49%
2015	1.161828%	\$ 6,734,956	\$ 3,209,158	210.00%	76.18%

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

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

St. John the Baptist Parish School Board
Schedule of Employer Contributions to Retirement Systems
Last Five Fiscal Years

For the Year Ended June 30,	(a) Statutorily Required Contribution	(b) Contributions in relation to the statutorily required contribution	(a-b) Contribution Deficiency (Excess)	Agency's covered payroll	Contributions as a percentage of covered payroll
Teachers' Retirement System of Louisiana					
2018	\$ 9,597,292	\$ 9,597,292	\$ -	\$ 36,080,046	26.6%
2017	\$ 8,614,228	\$ 8,614,228	\$ -	\$ 33,653,839	25.6%
2016	\$ 8,875,031	\$ 8,875,031	\$ -	\$ 33,637,627	26.4%
2015	\$ 9,815,139	\$ 9,815,139	\$ -	\$ 34,972,099	28.1%
2014	\$ 9,405,124	\$ 9,405,124	\$ -	\$ 34,577,664	27.2%
Louisiana School Employees' Retirement System					
2018	\$ 967,999	\$ 967,999	\$ -	\$ 3,507,243	27.6%
2017	\$ 949,605	\$ 949,605	\$ -	\$ 3,473,701	27.3%
2016	\$ 1,009,214	\$ 1,009,214	\$ -	\$ 3,341,768	30.2%
2015	\$ 1,084,845	\$ 1,084,845	\$ -	\$ 3,287,409	33.0%
2014	\$ 1,036,558	\$ 1,036,558	\$ -	\$ 3,209,158	32.3%

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

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



**Other Supplementary
Information**

St. John the Baptist Parish School Board Non-Major Funds Descriptions

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

Improving America's Schools Act (Title I) Fund

Title I is a program to enable schools to provide opportunities for children served to acquire the knowledge and skills contained in the challenging state and local content standards and to meet the challenging state and local performance standards developed for all children.

School Lunch/Breakfast Fund

The School Lunch/Breakfast Fund accounts for the operation of the school food service programs in the parish school system during the regular school term. The basic goals of the school food service programs are to serve nutritionally adequate, attractive, and moderately-priced meals, to help children grow socially, and to provide learning experiences that will improve children's food habits with the ultimate goal of physically-fit adults.

CAPITAL PROJECTS FUNDS

Capital Projects Funds are used to account for and report financial resources that are restricted, committed or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. Capital project funds exclude those types of capital-related outflows financed by proprietary funds or for assets that will be held in trust for individual, private organizations, or other governments. Separate capital project funds are maintained to account for the proceeds of major general obligation bonds and other financing proceeds.

Capital Projects III Fund - Prior to July 18, 1992, this fund was used to account for the proceeds and use of a special property tax levy dedicated to capital acquisition and improvements. Subsequent to July 18, 1992, this fund is used to account for the proceeds and use of certain General Obligation Bonds being issued for the purpose of acquiring and/or improving land for building sites and playgrounds and acquiring the necessary equipment and furnishings.

Capital Projects II Fund - This fund is used to account for the proceeds and use of a one-third of the one percent sales and use tax dedicated to capital acquisition and improvements. It also accounts for the proceeds and use of a sales tax revenue bond dedicated for the purpose of making capital improvements to the School Board.



St. John the Baptist Parish School Board Non-Major Funds Descriptions

DEBT SERVICE FUNDS

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

Sinking II Fund

This fund was established to meet the requirements of the bond ordinances and is used to account for the accumulation of resources for the payment of general long-term debt principal, interest, and related costs.

St. John the Baptist Parish School Board
Combining Balance Sheet
NonMajor Governmental Funds
June 30, 2018

	Special Revenue		Debt	Construction Funds		Total Non-major Government Funds
	Improving America's Schools (Title I)	School Lunch/ Breakfast	Sinking Fund II	Construction Projects II Fund	Construction Projects III Fund	
ASSETS						
Cash and cash equivalents	\$ 10,248	\$ 60,019	\$ 1,164,948	\$ 3,419,067	\$ 5,399,722	\$ 10,054,004
Interfund receivables	118,163	-	-	1,203,134	95,364	1,416,661
Due from other governments	1,479,201	394,102	-	-	-	1,873,303
Other receivables	-	-	-	286,557	-	286,557
Inventory	-	91,402	-	-	-	91,402
TOTAL ASSETS	\$ 1,607,612	\$ 545,523	\$ 1,164,948	\$ 4,908,758	\$ 5,495,086	\$ 13,721,927
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts, salaries, and other payables	\$ 250,949	\$ 312,910	\$ -	\$ 985,448	\$ 1,379,577	\$ 2,928,884
Interfund payables	1,356,663	129,643	1,156,731	2,147,705	-	4,790,742
Total Liabilities	1,607,612	442,553	1,156,731	3,133,153	1,379,577	7,719,626
Fund balances:						
Nonspendable	-	91,402	-	-	-	91,402
Restricted	-	11,568	8,217	1,775,605	4,115,509	5,910,899
Unassigned	-	-	-	-	-	-
Total Fund Balances	-	102,970	8,217	1,775,605	4,115,509	6,002,301
TOTAL LIABILITIES AND FUND BALANCES	\$ 1,607,612	\$ 545,523	\$ 1,164,948	\$ 4,908,758	\$ 5,495,086	\$ 13,721,927

St. John the Baptist Parish School Board
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Non-Major Governmental Funds
For the Year Ended June 30, 2018

	Special Revenue		Debt	Construction Funds		Total Non-major Government Funds
	Improving America's Schools (Title I)	School Lunch/ Breakfast	Sinking II Fund	Construction Projects II Fund	Construction Projects III Fund	
REVENUES						
Local sources:						
Taxes:						
Sales and use	\$ -	\$ -	\$ -	\$ 3,310,001	\$ -	\$ 3,310,001
Interest earnings	-	2,748	8,745	35,761	36,518	83,772
Charges for services	-	109,007	-	-	-	109,007
Total local sources	-	111,755	8,745	3,345,762	36,518	3,502,780
State sources:						
Minimum Foundation Program	-	58,547	-	-	-	58,547
Total State Sources	-	58,547	-	-	-	58,547
Federal sources	2,521,469	4,011,955	-	-	-	6,533,424
TOTAL REVENUES	2,521,469	4,182,257	8,745	3,345,762	36,518	10,094,751
EXPENDITURES						
Instruction	2,085,218	-	-	-	-	2,085,218
Support services	393,838	3,946,343	-	1,600,828	649,453	6,590,462
Capital outlay	-	-	-	7,812,714	5,233,474	13,046,188
Debt service:						
Principal retirement	-	-	685,000	-	-	685,000
Interest and bank charges	-	-	478,484	-	80,000	558,484
TOTAL EXPENDITURES	2,479,056	3,946,343	1,163,484	9,413,542	5,962,927	22,965,352
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	42,413	235,914	(1,154,739)	(6,067,780)	(5,926,409)	(12,870,601)
OTHER FINANCING SOURCES (Uses)						
Debt proceeds	-	-	-	-	4,000,000	4,000,000
Payments to bond escrow agent	-	-	-	-	-	-
Transfers in	118,163	-	1,162,956	1,203,135	-	2,484,254
Transfers out	(160,576)	(256,117)	(1,156,731)	(1,786,548)	-	(3,359,972)
TOTAL OTHER FINANCING SOURCES (USES)	(42,413)	(256,117)	6,225	(583,413)	4,000,000	3,124,282
NET CHANGE IN FUND BALANCES	-	(20,203)	(1,148,514)	(6,651,193)	(1,926,409)	(9,746,319)
FUND BALANCE - BEGINNING	-	123,173	1,156,731	8,426,798	6,041,918	15,748,620
FUND BALANCE - ENDING	\$ -	\$ 102,970	\$ 8,217	\$ 1,775,605	\$ 4,115,509	\$ 6,002,301

St. John the Baptist Parish School Board
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Non-Major Special Revenue Fund
For the Year Ended June 30, 2018

Improving America's Schools Act (Title) Fund	Original Budget	Final Budget	Actual	Variance With final Budget- Over (Under)
REVENUES				
Federal sources	\$ 3,266,299	\$ 3,264,313	\$ 2,521,469	\$ (742,844)
TOTAL REVENUES	<u>3,266,299</u>	<u>3,264,313</u>	<u>2,521,469</u>	<u>(742,844)</u>
EXPENDITURES				
Instruction	2,711,105	2,569,140	2,085,218	(483,922)
Support services	372,465	361,984	393,838	31,854
Capital Outlay	-	-	-	-
Total expenditures	<u>3,083,570</u>	<u>2,931,124</u>	<u>2,479,056</u>	<u>(452,068)</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>182,729</u>	<u>333,189</u>	<u>42,413</u>	<u>(290,776)</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	118,163	118,163
Transfers out	(172,725)	(208,862)	(160,576)	(48,286)
Total other financing sources (uses)	<u>(172,725)</u>	<u>(208,862)</u>	<u>(42,413)</u>	<u>69,877</u>
NET CHANGE IN FUND BALANCES	10,004	124,327	-	(360,653)
FUND BALANCES				
Beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES, Ending	<u>\$ 10,004</u>	<u>\$ 124,327</u>	<u>\$ -</u>	<u>\$ (360,653)</u>

St. John the Baptist Parish School Board
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Non-Major Special Revenue Fund
For the Year Ended June 30, 2018

Lunch/Breakfast Special Revenue Fund

	Original Budget	Final Budget	Actual	Variance With final Budget- Over (Under)
REVENUES				
Local sources:				
Interest earnings	\$ 2,400	\$ 2,400	\$ 2,748	\$ 348
Charges for services	115,000	115,000	109,007	(5,993)
Total Local Sources	<u>117,400</u>	<u>117,400</u>	<u>111,755</u>	<u>(5,645)</u>
State sources:				
Minimum Foundation Program	58,906	58,906	58,547	(359)
Total State Sources	<u>58,906</u>	<u>58,906</u>	<u>58,547</u>	<u>(359)</u>
Federal sources	3,961,250	3,901,750	4,011,955	110,205
TOTAL REVENUES	<u>4,137,556</u>	<u>4,078,056</u>	<u>4,182,257</u>	<u>104,201</u>
EXPENDITURES				
Current:				
Support services	4,067,579	4,115,971	3,946,343	(169,628)
Capital Outlay	46,239	48,843	-	(48,843)
Total expenditures	<u>4,113,818</u>	<u>4,164,814</u>	<u>3,946,343</u>	<u>(218,471)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>23,738</u>	<u>(86,758)</u>	<u>235,914</u>	<u>322,672</u>
OTHER FINANCING SOURCES (USES):				
Transfers out	-	-	(256,117)	(256,117)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(256,117)</u>	<u>(256,117)</u>
NET CHANGE IN FUND BALANCES	23,738	(86,758)	(20,203)	66,555
FUND BALANCES				
Beginning	192,888	192,888	123,173	(69,715)
FUND BALANCES, Ending	<u>\$ 216,626</u>	<u>\$ 106,130</u>	<u>\$ 102,970</u>	<u>\$ (3,160)</u>



St. John the Baptist Parish School Board Fiduciary Type Funds - Agency Funds Descriptions

Agency Funds account for assets held by an entity as an agent for individuals, private organizations, other governments, and/or other entity's funds.

School Activity Fund

The activities of the various individual school accounts are accounted for in the School Activity Fund. While the fund is under the supervision of the School Board, these monies belong to the individual schools or their student bodies and are not available for use by the School Board.

Sales Tax Fund

The Sales Tax Fund accounts for the collection and distribution of St. John the Baptist Parish's five and a quarter percent sales and use tax. Two and one-half percent is dedicated to the St. John the Baptist School Board, two and one-quarter percent is dedicated to the St. John the Baptist Parish Council and one-half percent is dedicated to the St. John the Baptist Parish Sheriff's Department.

St. John the Baptist Parish School Board
Combining Statement of Fiduciary Assets and Liabilities
All Agency Funds
June 30, 2018

	School Activity Fund	Sales Tax Fund	Total
Assets			
Cash and cash equivalents	\$ 403,666	\$ 2,573,040	\$ 2,976,706
Total assets	\$ 403,666	\$ 2,573,040	\$ 2,976,706
Liabilities			
Accounts payable	\$ -	\$ 2,540,112	\$ 2,540,112
Due to other funds	-	14,783	14,783
Due to Sheriff	-	3,298	3,298
Due to St. John the Baptist Parish Council	-	14,847	14,847
Amounts held for school activities	403,666	-	403,666
Total liabilities	\$ 403,666	\$ 2,573,040	\$ 2,976,706

St. John the Baptist Parish School Board
Combining Statement of Changes in Assets and Liabilities
All Agency Funds
For the Year Ended June 30, 2018

	Balance June 30, 2017	Additions	Deductions	Balance June 30, 2018
School Activity Fund				
Assets:				
Cash and cash equivalents	\$ 379,615	\$ 1,618,749	\$ 1,594,698	\$ 403,666
Total assets	<u>\$ 379,615</u>	<u>\$ 1,618,749</u>	<u>\$ 1,594,698</u>	<u>\$ 403,666</u>
Liabilities:				
Amounts held for school activities	\$ 379,615	\$ 1,618,749	\$ 1,594,698	\$ 403,666
Total liabilities	<u>\$ 379,615</u>	<u>\$ 1,618,749</u>	<u>\$ 1,594,698</u>	<u>\$ 403,666</u>
Sales Tax Fund				
Assets:				
Cash and cash equivalents	\$ 4,660,971	\$ 53,822,680	\$ 55,910,611	\$ 2,573,040
Total assets	<u>\$ 4,660,971</u>	<u>\$ 53,822,680</u>	<u>\$ 55,910,611</u>	<u>\$ 2,573,040</u>
Liabilities:				
Accounts payable	\$ 4,650,085	\$ 101,036	\$ 2,211,009	\$ 2,540,112
Due to St. John School Board	4,908	24,617,826	24,607,951	14,783
Due to Sheriff	1,088	67,425	65,215	3,298
Due to St. John the Baptist Parish Council	4,890	22,435,732	22,425,775	14,847
Total liabilities	<u>\$ 4,660,971</u>	<u>\$ 47,222,019</u>	<u>\$ 49,309,950</u>	<u>\$ 2,573,040</u>
Total Agency Funds				
Assets:				
Cash and cash equivalents	\$ 5,040,586	\$ 55,441,429	\$ 57,505,309	\$ 2,976,706
Total assets	<u>\$ 5,040,586</u>	<u>\$ 55,441,429</u>	<u>\$ 57,505,309</u>	<u>\$ 2,976,706</u>
Liabilities:				
Accounts payable	\$ 4,650,085	\$ 101,036	\$ 2,211,009	\$ 2,540,112
Due to other funds	4,908	24,617,826	24,607,951	14,783
Due to Sheriff	1,088	67,425	65,215	3,298
Due to St. John the Baptist Parish Council	4,890	22,435,732	22,425,775	14,847
Amounts held for school activities	379,615	1,618,749	1,594,698	403,666
Total liabilities	<u>\$ 5,040,586</u>	<u>\$ 48,840,768</u>	<u>\$ 50,904,648</u>	<u>\$ 2,976,706</u>

St. John the Baptist Parish School Board
Schedule of Changes in Deposit Balances of Individual Schools
Agency Fund
For the Year Ended June 30, 2018

SCHOOL ACTIVITY AGENCY FUND

	BALANCE June 30, 2017	ADDITION	DEDUCTION	BALANCE June 30, 2018
East St. John High School	\$ 124,661	\$ 516,474	\$ 528,439	\$ 112,696
East St. John Elementary School	15,503	95,791	89,741	21,553
Emily C Watkins	35,408	50,065	48,962	36,511
Fifth Ward Elementary School	2,219	38,741	35,019	5,941
Garyville/Mt. Airy Magnet School	14,935	112,425	98,762	28,598
Lake Pontchartrain	62,845	68,085	62,393	68,537
John L. Ory School	12,406	192,426	186,382	18,450
LaPlace Elementary School	38,490	143,428	148,730	33,188
Leon Godchaux Junior High School	18,161	4,726	7,365	15,522
St. John Child Development Center	3,770	11,484	12,775	2,479
West St. John Elementary School	8,533	58,119	56,466	10,185
West St. John High School	42,684	326,985	319,663	50,005
Total	\$ 379,615	\$ 1,618,749	\$ 1,594,698	\$ 403,666

St. John the Baptist Parish School Board
Schedule of Compensation Paid to School Board Members
For the Year Ended June 30, 2018

<u>Board Member</u>	<u>Compensation</u>
Clarence G. Triche	\$ 9,600
Shawn Wallace	9,600
Sherry DeFrancesch	9,600
Gerald J. Keller	9,600
Albert Burl, III, President	10,800
Russ Wise	9,600
Russell Jack	5,600
Charo Holden	3,200
Rodney B. Nicholas	4,800
Nia Mitchell	4,800
Patrick Sanders, Vice President	9,600
Phillip Johnson	9,600
Keith Jones	9,600
	<hr/>
Total	\$ 106,000
	<hr/> <hr/>

St. John the Baptist Parish School Board
Schedule of Compensation, Benefits and Other Payments Paid to Superintendent
For the Year Ended June 30, 2018

The schedule of compensation paid to the Superintendent is presented in compliance with Act 706 of the 2014 Regular Session of the Louisiana Legislature (LSA-R.S. 24:513(A)(3)). The Act requires total compensation, reimbursements, and benefits of an agency head or political subdivision head or chief executive officer be reported.

Superintendent: Kevin R. George

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 162,399
Benefits - Retirement	42,419
Benefits - Insurance	19,050 *
Vehicle provided	8,860
Reimbursements	1,725
Conference travel	1,495
Continuing professional education fees	525
	<hr/>
Total	\$ 236,473
	<hr/> <hr/>

* Life, Health, and Dental



**Statistical
Section**

STATISTICAL SECTION

This part of the St. John the Baptist Parish School Board's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures and required supplementary information says about the School Board's overall financial health.

<u>Contents</u>	<u>Tables</u>
Financial Trends These schedules contain trend information to help the reader understand how the School Board's financial performance and well-being have changed over time.	1 - 4
Revenue Capacity These schedules contain information to help the reader assess the School Board's most significant local revenue source, the sales tax, as well as the property tax.	5 - 11
Debt Capacity These schedules present information to help the reader assess the affordability of the School Board's current levels of outstanding debt and the School Board's ability to issue additional debt in the future.	12 - 15
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the School Board's financial activities take place.	16 - 17
Operating Information These schedules contain service and infrastructure data to assist the reader in understanding how the information in the School Board's financial report relates to the service the School Board provides and the activities it performs.	18 - 20

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

ST. JOHN THE BAPTIST PARISH SCHOOL BOARD
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)
TABLE 1

	Fiscal Year									
	2009	2010	2011	2012	2013	2014 (as restated)	2015	2016	2017	2018
Governmental Activities										
Net investment in capital assets	\$ 18,158,959	\$ 18,745,132	\$ 18,009,214	\$ 15,631,656	\$ 10,752,025	\$ 24,438,795	\$ 30,387,143	\$ 36,920,748	\$ 44,515,830	\$ 45,215,880
Restricted	7,217,525	9,045,633	1,777,906	2,079,955	15,376,483	5,495,477	12,169,485	13,200,180	9,401,033	8,127,076
Unrestricted	8,420,988	3,192,584	2,538,424	4,000,139	(11,433,673)	(108,528,005)	(101,746,844)	(96,117,971)	(87,331,785)	(142,384,290)
Total governmental activities net position	<u>\$ 33,797,472</u>	<u>\$ 30,983,349</u>	<u>\$ 22,325,544</u>	<u>\$ 21,711,750</u>	<u>\$ 14,694,835</u>	<u>\$ (78,593,733)</u>	<u>\$ (59,190,216)</u>	<u>\$ (45,997,043)</u>	<u>\$ (33,414,922)</u>	<u>\$ (89,041,334)</u>

(1) GASB Nos. 68 and 71 were implemented during fiscal year ended June 30, 2015 with restatements made for the year ended June 30, 2014.

ST. JOHN THE BAPTIST PARISH SCHOOL BOARD
 CHANGES IN NET POSITION
 LAST TEN FISCAL YEARS
 (ACCRUAL BASIS OF ACCOUNTING)
 (UNAUDITED)
 TABLE 2

	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Expenses										
Governmental activities:										
Instruction	\$ 54,986,355	\$ 54,732,638	\$ 50,026,751	\$ 47,209,069	\$ 48,171,996	\$ 49,679,814	\$ 48,069,094	\$ 44,957,158	\$ 46,641,554	\$ 49,067,004
Support services	33,846,514	32,475,626	30,316,181	30,582,544	47,049,910	35,898,562	33,225,502	36,441,512	33,871,155	33,273,570
Interest on long-term debt	1,331,652	1,799,252	2,098,953	1,725,624	2,740,769	2,265,156	2,594,180	2,711,103	2,596,764	2,383,487
Total governmental activities expenses	<u>90,164,521</u>	<u>89,007,516</u>	<u>82,441,885</u>	<u>79,517,237</u>	<u>97,962,675</u>	<u>87,843,532</u>	<u>83,888,776</u>	<u>84,109,773</u>	<u>83,109,473</u>	<u>84,724,061</u>
Total primary government expenses	<u>\$ 90,164,521</u>	<u>\$ 89,007,516</u>	<u>\$ 82,441,885</u>	<u>\$ 79,517,237</u>	<u>\$ 97,962,675</u>	<u>\$ 87,843,532</u>	<u>\$ 83,888,776</u>	<u>\$ 84,109,773</u>	<u>\$ 83,109,473</u>	<u>\$ 84,724,061</u>
Program Revenues										
Governmental activities:										
Charges for services:	\$ 229,651	\$ 356,763	\$ 222,984	\$ 214,147	\$ 115,528	\$ 119,024	\$ 165,701	\$ 132,431	\$ 110,573	\$ 109,007
Operating grants and contributions:	12,351,326	14,144,249	14,184,840	12,757,245	17,426,380	11,769,863	14,950,842	13,724,529	22,004,629	15,014,359
Capital grants and contributions:	-	-	-	-	-	1,123,423	16,343,199	5,986,016	6,312,346	3,384,159
Total governmental activities program revenues	<u>12,580,977</u>	<u>14,501,012</u>	<u>14,407,824</u>	<u>12,971,392</u>	<u>17,541,908</u>	<u>13,012,310</u>	<u>31,459,742</u>	<u>19,842,976</u>	<u>28,427,548</u>	<u>18,507,525</u>
Total primary government program revenues	<u>\$ 12,580,977</u>	<u>\$ 14,501,012</u>	<u>\$ 14,407,824</u>	<u>\$ 12,971,392</u>	<u>\$ 17,541,908</u>	<u>\$ 13,012,310</u>	<u>\$ 31,459,742</u>	<u>\$ 19,842,976</u>	<u>\$ 28,427,548</u>	<u>\$ 18,507,525</u>

(continued)

ST. JOHN THE BAPTIST PARISH SCHOOL BOARD
 CHANGES IN NET POSITION (CONTINUED)
 LAST TEN FISCAL YEARS
 (ACCRUAL BASIS OF ACCOUNTING)
 (UNAUDITED)
 TABLE 2

	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Net (expense)/revenue										
Governmental activities	\$ (77,583,544)	\$ (74,506,504)	\$ (68,034,061)	\$ (66,545,845)	\$ (80,420,767)	\$ (74,831,222)	\$ (52,429,034)	\$ (64,266,797)	\$ (54,681,925)	\$ (66,216,536)
Total primary government net expense	\$ (77,583,544)	\$ (74,506,504)	\$ (68,034,061)	\$ (66,545,845)	\$ (80,420,767)	\$ (74,831,222)	\$ (52,429,034)	\$ (64,266,797)	\$ (54,681,925)	\$ (66,216,536)
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes:										
Property taxes, levied for general purposes	\$ 6,229,517	\$ 10,346,549	\$ 10,115,431	\$ 10,813,054	\$ 11,930,772	\$ 13,476,969	\$ 12,369,470	\$ 12,605,551	\$ 12,219,070	\$ 11,853,082
Property taxes, levied for debt services	5,218,306	3,390,230	3,314,373	3,538,702	3,910,567	4,413,396	4,219,832	4,305,287	3,998,407	3,864,693
Sales and use taxes, levied for general purposes	30,418,571	21,902,909	15,808,905	16,971,045	19,273,087	18,682,988	21,719,780	18,874,158	19,698,896	21,462,287
Sales and use taxes, levied for public improvement	5,230,700	3,810,481	2,753,130	2,957,401	3,353,670	3,245,659	4,987,626	3,189,868	3,428,682	3,310,001
State revenue sharing	211,155	208,172	207,451	198,953	196,023	193,159	190,028	176,090	182,322	183,132
Grants and contributions not restricted for specific purposes:										
Minimum Foundation Program	35,067,610	30,711,703	26,168,440	26,564,593	29,366,639	29,720,639	27,342,148	27,960,693	26,685,527	27,236,453
Other	1,531,716	655,078	1,010,206	541,827	5,572,755	487,493	868,002	3,689,417	822,851	1,030,412
Interest and investment earnings	278,138	117,371	80,827	74,299	101,075	121,213	135,665	184,374	228,291	303,272
Total governmental activities	84,185,713	71,142,493	59,458,763	61,659,874	73,704,588	70,341,516	71,832,551	70,985,438	67,264,046	69,243,332
Total primary government	\$ 84,185,713	\$ 71,142,493	\$ 59,458,763	\$ 61,659,874	\$ 73,704,588	\$ 70,341,516	\$ 71,832,551	\$ 70,985,438	\$ 67,264,046	\$ 69,243,332
Extraordinary items										
Insurance recoveries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 13,938,144	\$ -	\$ -
Total extraordinary items	-	-	-	-	-	-	-	13,938,144	-	-
Changes in Net Position										
Governmental activities	\$ 6,602,169	\$ (3,364,011)	\$ (8,575,298)	\$ (4,885,971)	\$ (6,716,179)	\$ (4,489,706)	\$ 19,403,517	\$ 20,656,785	\$ 12,582,121	\$ 3,026,796
Total primary government	\$ 6,602,169	\$ (3,364,011)	\$ (8,575,298)	\$ (4,885,971)	\$ (6,716,179)	\$ (4,489,706)	\$ 19,403,517	\$ 20,656,785	\$ 12,582,121	\$ 3,026,796

**ST. JOHN THE BAPTIST PARISH SCHOOL BOARD
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)
TABLE 3**

	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
General fund										
Nonspendable	\$ -	\$ -	\$ 566,700	\$ 798,412	\$ 896,540	\$ 750,885	\$ 667,495	\$ 639,617	\$ 531,119	\$ 643,930
Restricted	-	-	-	-	1,665,823	1,858,277	2,491,493	2,897,386	275,000	-
Committed	-	-	275,000	275,000	-	-	-	-	-	-
Assigned	-	-	4,385,238	2,938,363	-	-	1,000,000	1,000,000	5,041,219	5,739,738
Unassigned	-	-	307,962	493,892	8,554,291	6,647,302	6,698,616	9,244,005	11,423,540	7,492,583
Reserved (1)	400,972	326,313	-	-	-	-	-	-	-	-
Unreserved (1)	12,280,255	10,406,392	-	-	-	-	-	-	-	-
Total general fund	\$ 12,681,227	\$ 10,732,705	\$ 5,534,900	\$ 4,505,667	\$ 11,116,654	\$ 9,256,464	\$ 10,857,604	\$ 13,781,008	\$ 17,270,878	\$ 13,876,251
All other governmental funds										
Nonspendable	\$ -	\$ -	\$ 68,626	\$ 88,928	\$ 77,239	\$ 57,551	\$ 61,576	\$ 84,897	\$ 86,104	\$ 91,402
Restricted	-	-	1,502,906	2,079,955	13,710,660	19,805,364	30,836,234	36,938,819	23,594,749	14,018,190
Committed	-	-	6,271,557	1,500,385	-	-	-	-	-	-
Assigned	-	-	8,122,554	8,978,224	4,738,933	6,406,950	-	-	-	-
Unassigned	-	-	-	-	-	-	894,956	(25,367)	(1,179,450)	(140,633)
Reserved (1)	7,528,052	9,045,633	-	-	-	-	-	-	-	-
Unreserved, reported in:										
Special revenue funds (1)	(31,332)	165,965	-	-	-	-	-	-	-	-
Capital projects funds (1)	11,564,451	17,774,562	-	-	-	-	-	-	-	-
Total all other governmental funds	\$ 19,061,171	\$ 26,986,160	\$ 15,965,643	\$ 12,647,492	\$ 18,526,832	\$ 26,269,855	\$ 31,792,766	\$ 36,998,349	\$ 22,501,403	\$ 13,968,959

(1) GASB 54 was implemented during fiscal year ended June 30, 2011. This significantly changed fund balance classifications. Years prior to implementation are not comparable to current year.

ST. JOHN THE BAPTIST PARISH SCHOOL BOARD
CHANGES IN FUNDS BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)
TABLE 4

	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Revenues										
Ad valorem taxes	\$ 11,447,823	\$ 13,736,779	\$ 13,429,804	\$ 14,351,756	\$15,841,339	\$17,890,365	\$16,589,302	\$16,910,838	\$16,217,477	\$ 15,717,775
Sales and use taxes	35,649,271	25,713,390	18,562,035	19,928,446	22,626,757	21,928,647	26,707,406	22,064,026	23,127,578	24,772,288
Interest earnings	278,138	119,396	82,852	76,324	101,075	121,213	135,664	184,373	228,290	303,271
Charges for services	229,651	356,763	222,984	214,147	115,528	119,024	165,701	132,431	110,573	109,007
Settlements	-	-	-	-	-	-	-	-	-	-
Other	432,992	1,119,324	1,472,246	966,265	4,787,128	553,096	609,106	3,415,751	549,173	753,626
Minimum Foundation Program	35,067,610	29,769,662	26,168,440	26,564,593	29,366,639	29,720,639	27,342,148	27,960,693	26,685,527	27,236,453
Other state sources	1,928,714	2,007,617	207,451	1,674,598	883,524	1,837,294	915,415	1,141,890	724,967	872,760
Federal Grants	11,921,665	13,370,462	13,638,268	11,056,255	16,399,713	11,157,659	26,747,740	16,835,101	21,144,325	16,727,776
Total revenues	96,955,864	86,193,393	73,784,080	74,832,384	90,121,703	83,327,937	99,212,482	88,645,103	88,787,910	86,492,956
Expenditures										
Current:										
Instruction	52,656,991	52,117,797	45,916,911	44,631,962	44,643,004	45,169,407	45,712,093	43,295,495	41,968,473	47,748,885
Support services	36,598,276	30,481,394	28,141,971	28,005,196	38,443,314	31,143,417	31,596,334	35,031,075	30,475,245	32,379,722
Capital outlay	914,082	11,589,616	21,416,976	11,973,878	2,601,975	6,011,019	19,785,638	10,194,440	21,011,096	16,015,804
Debt service:										
Bond Issuance Costs	-	-	-	43,377	80,472	-	-	-	-	-
Principal	4,625,000	2,375,000	2,403,150	2,161,000	2,518,000	3,030,000	2,940,000	3,490,000	3,710,000	4,005,000
Interest	1,233,537	1,597,788	2,063,759	2,086,237	2,052,868	2,378,063	2,615,429	2,638,284	2,670,525	2,270,616
Total expenditures	96,027,886	98,161,595	99,942,767	88,901,650	90,339,633	87,731,906	102,649,494	94,649,294	99,835,339	102,420,027
Excess of revenues over (under) expenditures	\$ 927,978	\$ (11,968,202)	\$ (26,158,687)	\$ (14,069,266)	\$ (217,930)	\$ (4,403,969)	\$ (3,437,012)	\$ (6,004,191)	\$ (11,047,429)	\$ (15,927,071)
Other financing sources (uses)										
Transfers in	\$ 2,726,187	\$ 4,945,625	\$ 3,448,733	\$ 3,379,392	\$ 8,799,226	\$ 5,697,029	\$ 7,131,758	\$ 2,826,639	\$ 11,208,950	\$ 4,771,943
Transfers out	(2,726,187)	(4,945,625)	(3,448,733)	(3,379,392)	(8,799,226)	(5,697,029)	(7,131,758)	(2,826,639)	(11,208,950)	(4,771,943)
Proceeds from the sale of capital assets	-	-	-	-	261,515	-	-	-	-	-
Premium on bonds sold	-	-	-	-	-	106,812	834,975	-	-	-
Discount on bonds sold	-	-	-	-	(4,449,575)	-	(103,240)	-	-	-
Payments to refunded bond escrow agent	-	-	-	-	15,400,000	-	(13,455,682)	(6,844,418)	(11,474,247)	-
Issuance of debt	10,227,150	18,000,000	10,000,000	8,000,000	8,000,000	10,180,000	23,285,000	6,845,000	11,515,000	4,000,000
Total other financing sources (uses)	10,227,150	18,000,000	10,000,000	8,000,000	19,211,940	10,286,812	10,561,053	582	40,753	4,000,000
Extraordinary items										
Insurance recoveries	-	-	-	-	-	-	-	14,485,672	-	-
Total extraordinary items	-	-	-	-	-	-	-	14,485,672	-	-
Net change in fund balances	\$ 11,155,128	\$ 6,031,798	\$ (16,158,687)	\$ (6,069,266)	\$ 18,994,010	\$ 5,882,843	\$ 7,124,041	\$ 8,482,063	\$ (11,006,676)	\$ (11,927,071)
Debt service as a percentage of noncapital expenditures	6.16%	4.59%	5.69%	5.52%	5.21%	6.62%	6.70%	7.26%	8.09%	7.26%

ST. JOHN THE BAPTIST PARISH SCHOOL BOARD
 GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE
 LAST TEN FISCAL YEARS
 (ACCRUAL BASIS OF ACCOUNTING)
 (UNAUDITED)
 TABLE 5

Fiscal Year	Ad Valorem Tax	Sales and Use Tax	Total
2009	\$ 11,447,823	\$ 35,649,271	\$ 47,097,094
2010	13,736,779	25,713,390	39,450,169
2011	13,429,804	18,562,035	31,991,839
2012	14,351,756	19,928,446	34,280,202
2013	15,841,339	22,626,757	38,468,096
2014	17,890,365	21,928,647	39,819,012
2015	16,589,302	26,707,406	43,296,708
2016	16,910,838	22,064,026	38,974,864
2017	16,217,477	23,127,578	39,974,864
2018	15,717,775	24,772,288	40,490,063

ST. JOHN THE BAPTIST PARISH SCHOOL BOARD
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS
(UNAUDITED)
TABLE 6

Fiscal Year	Real Property Assessed Value	Other Property Assessed Value	Total Assessed Value	Amount of Homestead Exemption	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
2009	36,513,826	346,273,001	382,786,827	83,574,781	299,212,046	39.49	2,639,909,152	14.50%
2010	174,857,996	260,387,742	435,245,738	83,892,520	351,353,218	39.31	3,001,694,745	14.50%
2011	176,606,576	262,991,619	439,598,195	90,802,704	348,795,491	39.49	3,031,711,690	14.50%
2012	186,573,102	268,914,623	455,487,725	86,298,781	369,188,944	39.31	3,141,294,655	14.50%
2013	165,833,403	329,181,981	495,015,384	85,421,449	409,593,935	39.31	3,413,899,200	14.50%
2014	187,963,803	348,320,707	536,284,510	84,560,433	451,724,077	39.31	3,698,513,862	14.50%
2015	190,057,599	341,282,054	531,339,653	84,560,433	446,779,220	38.76	3,697,561,955	14.37%
2016	190,634,898	344,669,376	535,304,274	84,172,237	451,132,037	38.76	3,691,753,614	14.50%
2017	193,176,606	318,270,255	511,446,861	84,200,102	427,246,759	38.76	3,527,219,731	14.50%
2018	193,777,652	308,283,695	502,061,347	84,680,707	417,380,640	45.76	3,462,492,048	14.50%

Source: St. John the Baptist Parish CAFR

**ST. JOHN THE BAPTIST PARISH SCHOOL BOARD
PROPERTY TAX RATES
DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS
(UNAUDITED)
TABLE 7**

Fiscal Year	St. John the Baptist Parish School Board			Overlapping Rates			Total Direct & Overlapping Rates
	Operating Millage	Debt Service Millage	Total Millage	Operating Millage	Debt Service Millage	Total Parish Millage	
2009	21.49	18.00	39.49	38.89	-	38.89	78.38
2010	29.31	10.00	39.31	41.80	-	41.80	81.11
2011	29.49	10.00	39.49	41.80	-	41.80	81.29
2012	29.31	10.00	39.31	39.49	-	39.49	78.80
2013	29.31	10.00	39.31	38.76	-	38.76	78.07
2014	29.31	10.00	39.31	38.76	-	38.76	78.07
2015	29.31	10.00	39.31	38.76	-	38.76	78.07
2016	29.31	10.00	39.31	38.76	-	38.76	78.07
2017	29.31	10.00	39.31	38.76	-	38.76	78.07
2018	29.31	10.00	39.31	38.76	-	38.76	78.07

Source: St. John the Baptist School Board Finance Department

ST. JOHN THE BAPTIST PARISH SCHOOL BOARD
PRINCIPAL PROPERTY TAXPAYERS
Current Year and 10 Years Ago
June 30, 2018
(UNAUDITED)
TABLE 8

Taxpayer	2018			2009		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Marathon Ashland LLC	\$ 174,599,668	1	41.83%	\$ 105,305,124	1	27.51%
Crowley Blue Water Par	11,290,240	2	2.71%	*	*	*
Entergy Louisiana, Inc	10,690,940	3	2.56%	5,451,240	7	1.42%
Louisiana Machinery Co. I	10,210,809	4	2.45%	7,769,694	3	2.03%
Nalco Chemical Company	9,501,380	5	2.28%	5,471,945	6	1.43%
Arcelormittal Laplace	8,828,387	6	2.12%	*	*	*
Evonik Materials Corp	6,560,918	7	1.57%	*	*	*
Cargill Incorporated	6,000,273	8	1.44%	*	*	*
Atmos Energy Corporation	5,448,900	9	1.31%	*	*	*
Bengal Pipeline Company	5,423,420	10	1.30%	*	*	*
TOTALS	<u>\$ 248,554,935</u>		<u>59.55%</u>	<u>\$ 156,866,107</u>		<u>40.98%</u>

Source of data - St. John the Baptist Parish Assessor's Office

**ST. JOHN THE BAPTIST PARISH SCHOOL BOARD
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(UNAUDITED)
TABLE 9**

Fiscal Year	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy		Collections for Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2009	11,815,884	11,638,645	98%	-	11,638,645	98%
2010	13,320,247	12,920,640	97%	-	12,920,640	97%
2011	13,057,564	13,018,061	99%	-	13,018,061	99%
2012	13,936,240	13,930,389	99%	-	13,930,389	99%
2013	15,559,008	15,557,957	99%	-	15,557,957	99%
2014	17,757,273	17,348,054	97%	-	17,348,054	97%
2015	17,586,172	17,283,262	98%	-	17,283,262	98%
2016	17,734,012	17,617,002	99%	-	17,617,002	99%
2017	16,373,020	16,362,741	99%	-	16,362,741	99%
2018	16,407,223	15,843,634	96%	-	15,843,634	96%

Source: St. John the Baptist Parish Sheriff's Office

ST. JOHN THE BAPTIST PARISH SCHOOL BOARD
SALES TAX REVENUES
LAST TEN FISCAL YEARS
(UNAUDITED)
TABLE 10

	1% General Support Services	1/3% Regular Instruction Programs	1/3% Repairs and Maintenance of Plant and Facilities	1/3% Capital Projects Fund	1/4% Teachers Salaries	1/4% School Board 2017	Total
2018	\$ 9,938,049	\$ 3,308,548	\$ 3,308,548	\$ 3,310,001	\$ 2,481,904	\$ 2,425,599	\$ 24,772,649
2017	10,278,213	3,425,610	3,425,609	3,428,682	2,569,464	-	23,127,578
2016	9,568,248	3,189,932	3,189,996	3,189,868	2,390,823	-	21,528,867
2015	11,055,731	3,685,232	3,685,151	3,687,626	2,758,267	-	24,872,007
2014	9,747,311	3,251,611	3,251,518	3,245,659	2,432,548	-	21,928,647
2013	10,054,877	3,354,143	3,354,143	3,353,670	2,509,924	-	22,626,757
2012	8,857,087	2,952,362	2,952,362	2,952,362	2,214,272	-	19,928,446
2011	8,249,793	2,749,931	2,749,931	2,749,931	2,062,448	-	18,562,035
2010	11,428,173	3,809,391	3,809,391	3,809,391	2,857,043	-	25,713,390
2009	15,844,120	5,281,373	5,281,373	5,281,373	3,961,030	-	35,649,271

The following is a summary of taxable sales for the last ten fiscal years.

	Total Taxable Sales
2018	\$ 990,891,510
2017	\$ 1,025,051,244
2016	639,428,113
2015	1,093,747,955
2014	928,517,600
2013	1,005,633,644
2012	885,708,711
2011	824,979,333
2010	1,142,817,333
2009	1,584,412,044

ST. JOHN THE BAPTIST PARISH SCHOOL BOARD
 TOTAL PRINCIPAL SALES TAX PAYERS BY AMOUNTS REMITTED
 CURRENT YEAR AND TEN YEARS AGO
 (UNAUDITED)
 TABLE 11

<u>Remittance Range</u>	<u>2017-18</u>	<u>2008-09</u>
	<u>Total Principal Remitters</u>	<u>Total Principal Remitters</u>
5,000,001 - above	1	3
1,000,001 - 5,000,000	4	7
500,001 - 1,000,000	4	3
100,001 - 500,000	46	61
50,001 - 100,000	85	77
0 - 50,000	4,853	4,895

* Due to the proprietary nature of company sales, individual companies can not be named.
 Source: St. John the Baptist Parish School Board Finance Department

ST. JOHN THE BAPTIST PARISH SCHOOL BOARD
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(UNAUDITED)
TABLE 12

Fiscal Year	Governmental Activities			Total Primary Government	Percentage of personal Income	Per Capita
	General Obligation Bonds	Sales Tax Revenue Bonds	Certificate of Indebtedness			
2009	17,015,000	16,960,000	927,150	34,902,150	2.68%	4,339
2010	33,420,000	16,530,000	577,150	50,527,150	3.15%	5,272
2011	41,870,000	16,080,000	174,000	58,124,000	4.56%	7,841
2012	48,240,000	15,605,000	118,000	63,963,000	6.05%	9,174
2013	57,576,803	15,105,000	60,000	72,741,803	6.66%	10,111
2014	65,404,017	14,580,000	60,000	80,044,017	6.66%	10,111
2015	74,103,527	14,270,000	-	88,373,527	9.47%	14,717
2016	71,774,124	13,625,000	-	85,399,124	8.59%	14,007
2017	69,524,721	12,970,000	-	82,494,721	8.34%	13,524
2018	70,135,318	12,285,000	-	82,420,318	8.33%	13,904

**ST. JOHN THE BAPTIST PARISH SCHOOL BOARD
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
(UNAUDITED)
TABLE 13**

Fiscal Year	General Obligation Bonds *	Less: Amounts Available in Debt Service Fund **	Total	Percentage of Estimated Actual Taxable Value of Property	Per Capita ***
2009	17,015,000	6,772,478	10,242,522	0.42%	218
2010	41,870,000	9,045,633	32,824,367	1.24%	697
2011	41,870,000	1,406,050	40,463,950	1.35%	881
2012	48,240,000	2,079,955	46,160,045	1.52%	1,005
2013	57,576,803	2,957,830	54,618,973	1.74%	1,215
2014	65,404,017	3,637,200	61,766,817	1.81%	1,411
2015	74,103,527	9,677,992	64,425,535	1.74%	1,449
2016	71,774,124	10,302,794	61,471,330	1.66%	1,409
2017	69,524,721	10,302,794	59,221,927	1.60%	1,409
2018	70,135,318	8,115,508	62,019,810	1.76%	1,428

* Amount does not include special assessment, sales tax or revenue bonds.

** Amount available for repayment of general obligation bonds.

*** Source: St. John the Baptist Parish Council Comprehensive Annual Financial Report

ST. JOHN THE BAPTIST PARISH SCHOOL BOARD
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
As of June 30, 2018
(UNAUDITED)
TABLE 14

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Overlapping: (1)			
St. John the Baptist Parish Council	<u>\$ 77,740,756</u>	100%	<u>\$ 77,740,756</u>
Subtotal, overlapping debt	77,740,756		77,740,756
Direct:			
St. John the Baptist Parish School Board	<u>82,420,318</u>	100%	<u>82,420,318</u>
Total direct and overlapping debt	<u>\$ 160,161,074</u>		<u>\$ 160,161,074</u>

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the Parish. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of St. John the Baptist Parish. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt of each overlapping government.

(1) Source: St. John the Baptist Parish Council Comprehensive Annual Financial Report

ST. JOHN THE BAPTIST PARISH SCHOOL BOARD
 LEGAL DEBT MARGIN INFORMATION
 LAST TEN FISCAL YEARS
 (UNAUDITED)
 TABLE 15

	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Debt limit	\$ 133,975,389	\$ 152,336,008	\$ 153,859,368	\$ 159,420,704	\$ 173,255,384	\$ 187,699,579	\$ 185,968,879	\$ 187,356,496	\$ 179,006,401	\$ 175,721,471
Total net debt applicable to limit	<u>(17,015,000)</u>	<u>(33,420,000)</u>	<u>(40,463,950)</u>	<u>(46,160,045)</u>	<u>(54,362,170)</u>	<u>(61,766,817)</u>	<u>(63,372,008)</u>	<u>(61,471,330)</u>	<u>(60,398,688)</u>	<u>(62,019,810)</u>
Legal debt margin	<u>\$ 116,960,389</u>	<u>\$ 118,916,008</u>	<u>\$ 113,395,418</u>	<u>\$ 113,260,659</u>	<u>\$ 118,893,214</u>	<u>\$ 125,932,762</u>	<u>\$ 122,596,871</u>	<u>\$ 125,885,166</u>	<u>\$ 118,607,713</u>	<u>\$ 113,701,661</u>
Total net debt applicable to the limit as a percentage of debt limit	<u>12.70%</u>	<u>21.94%</u>	<u>26.30%</u>	<u>28.95%</u>	<u>31.38%</u>	<u>32.91%</u>	<u>34.08%</u>	<u>32.81%</u>	<u>33.74%</u>	<u>35.29%</u>

Legal Debt Margin Calculation for Fiscal Year 2018

Assessed value	\$ 502,061,347
(1) Debt Limit - 35% of \$502,061,347	175,721,471
Deduct - Amount of debt applicable to debt limit Bonded debt	<u>(62,019,810)</u>
Legal Debt Margin	\$ <u>113,701,661</u>

(1) State law allows a maximum of 35% of assessed valuation for total bonded general obligation debt.

**ST. JOHN THE BAPTIST PARISH SCHOOL BOARD
 DEMOGRAPHIC AND ECONOMIC STATISTICS
 LAST TEN FISCAL YEARS
 (UNAUDITED)
 TABLE 16**

<u>Fiscal Year</u>	<u>Parish Population</u>	<u>Parish Total Personal Income</u>	<u>Parish Per Capita Personal Income</u>	<u>Unemployment Rate</u>	<u>School Enrollment</u>
2009	46,994	1,106,614,712	23,548	8.3%	6,620
2010	47,086	1,108,781,128	23,548	6.5%	6,444
2011	45,924	960,776,004	20,921	10.0%	6,336
2012	45,924	960,776,004	20,921	6.8%	6,326
2013	44,758	960,776,004	21,466	7.8%	6,083
2014	43,761	945,412,644	21,604	6.1%	6,092
2015	43,745	933,299,575	21,335	7.6%	6,005
2016	43,626	994,018,410	22,785	6.7%	6,097
2017	43,631	988,678,460	22,660	6.7%	6,100
2018	43,441	989,368,775	22,775	6.1%	5,928

Source: St. John the Baptist Parish Council Comprehensive Annual Report

**ST. JOHN THE BAPTIST PARISH SCHOOL BOARD
PRINCIPAL EMPLOYERS
CURRENT YEAR AND TEN YEARS AGO
(UNAUDITED)
TABLE 17**

Employer	Location	2018			2009		
		Employees	Rank	% of Total St. John Parish Employment	Employees	Rank	% of Total St. John Parish Employment
Marathon Oil	Garyville	985	1	5.22%	744	2	4.16%
St. John Parish School Board	Reserve	900	2	4.77%	1,041	1	5.82%
Denka	Laplace	509	3	2.70%	*	*	*
Bayou Steal	Laplace	400	4	2.12%	498	5	2.78%
St. John Parish	Laplace	310	5	1.22%	*	*	*
Nalco Champion	Garyville	231	6	1.11%	212	7	1.18%
Cargill	Reserve	162	7	0.86%	111	11	0.62%
Louisiana Machinery	Reserve	156	8	0.83%	202	8	1.13%
Dredging Supply	Reserve	130	9	0.69%	*	*	*
Pinnacle Polymers	Garyville	120	10	0.64%	*	*	*
TOTAL		3,903		20.16%	4,687		*

Source: St. John the Baptist Parish Council Comprehensive Annual Financial Report
* Information unavailable

ST. JOHN THE BAPTIST PARISH SCHOOL BOARD
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES
BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
(Unaudited)
TABLE 18

<u>Function/Program</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Regular Instruction	385	384	350	340	345	340	345	335	345	362
Special Instruction	215	216	205	200	195	195	195	190	193	200
Student Services	76	77	77	75	75	77	77	77	77	77
Instructional Staff	12	14	12	11	11	13	13	13	14	16
General Administration	14	16	15	15	15	16	17	17	17	17
School Administration	55	56	35	35	36	37	37	37	37	39
Business Services	7	7	7	7	7	7	8	8	8	6
Plant Services	71	71	65	65	65	65	65	65	65	65
Student Transportation	80	81	78	78	76	77	80	80	80	80
Central Services	8	9	9	9	9	9	9	9	9	9
Food Services	62	64	58	58	59	59	59	60	60	60
Total	985	995	911	893	893	895	905	891	905	931

Source:

St. John the Baptist Parish School Board Finance Department

**ST. JOHN THE BAPTIST PARISH SCHOOL BOARD
OPERATING STATISTICS
LAST TEN FISCAL YEARS
(UNAUDITED)
TABLE 19**

<u>Fiscal Year</u>	<u>Enrollment</u>	<u>Operating Expenses</u>	<u>Cost Per Pupil</u>	<u>Percent Change</u>	<u>Teaching Staff</u>	<u>Average Daily Enrollment</u>	<u>Average Daily Attendance</u>	<u>Percent Change Enrollment</u>	<u>Student Attendance Percentage</u>
2009	6,620	81,567,052	12,321	9.75%	520	6,379	5,885	-2.04%	-3.30%
2010	6,336	89,007,516	14,048	14.01%	525	6,378	5,784	-0.02%	-1.72%
2011	6,336	82,441,885	13,012	-7.38%	480	6,271	6,181	-1.68%	6.86%
2012	6,479	79,517,237	12,273	-5.68%	475	6,289	6,205	0.29%	0.39%
2013	6,083	92,394,989	15,189	23.76%	551	5,929	5,899	-5.72%	-4.93%
2014	6,092	87,843,532	14,419	-5.07%	548	5,937	5,750	0.13%	-2.53%
2015	6,005	83,888,776	13,970	-3.12%	553	5,852	5,588	-1.43%	-2.82%
2016	6,097	84,109,773	13,795	-1.25%	538	5,941	5,742	1.52%	2.76%
2017	6,100	83,109,473	13,625	-1.24%	538	6,056	5,856	1.94%	1.99%
2018	5,928	84,724,061	14,292	4.90%	562	5,868	5,690	-3.10%	-2.83%

Source:
St. John the Baptist Parish School Board Finance Department

ST. JOHN THE BAPTIST PARISH SCHOOL BOARD
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS
(UNAUDITED)
TABLE 20

<u>District Building</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Early Childhood Facility										
Child Development Center - 1963										
Square Feet	25,191	25,191	25,191	25,191	25,191	25,191	25,191	25,191	25,191	25,191
Capacity	255	255	255	255	255	255	255	255	255	255
Enrollment	110	107	106	120	118	116	108	118	111	111
K-8 Facilities										
East St John Elementary - 1986										
Square Feet	92,643	92,643	92,643	92,643	92,643	92,643	92,643	92,643	92,643	62,022
Capacity	855	855	855	855	855	855	855	855	855	450
Enrollment	738	718	715	675	616	639	649	638	630	437
Fifth Ward Elementary - 1990										
Square Feet	64,326	64,326	64,326	64,326	64,326	64,326	64,326	64,326	64,326	64,326
Capacity	610	610	610	610	610	610	610	610	610	610
Enrollment	511	497	497	497	460	489	437	426	398	512
Garyville Magnet - 1995										
Square Feet	82,042	82,042	82,042	82,042	82,042	82,042	82,042	82,042	82,042	82,042
Capacity	625	625	625	625	625	625	625	625	625	625
Enrollment	470	458	458	385	366	331	317	307	325	380
John L Ory - 1935										
Square Feet	47,417	47,417	47,417	47,417	47,417	47,417	47,417	47,417	47,417	47,417
Capacity	435	435	435	435	435	435	435	435	435	435
Enrollment	424	413	412	447	421	440	453	459	460	443
Lake Ponchartrain - 1988										
Square Feet	136,663	136,663	136,663	136,663	136,663	136,663	136,663	136,663	136,663	110,605
Capacity	1,155	1,155	1,155	1,155	1,155	1,155	1,155	1,155	1,155	820
Enrollment	1,060	1,032	1,032	767	607	583	605	617	622	680
Laplace Elementary - 1968										
Square Feet	78,090	78,090	78,090	78,090	78,090	78,090	78,090	78,090	78,090	78,090
Capacity	1,115	1,115	1,115	1,115	1,115	1,115	1,115	1,115	1,115	1,115
Enrollment	1,040	1,012	1,011	1,001	998	1,019	1,062	1,061	1,058	1,039
Emily C Watkins - 2011										
Square Feet	-	-	71,960	71,960	71,960	71,960	71,960	71,960	71,960	71,960
Capacity	-	-	700	700	700	700	700	700	700	700
Enrollment	-	-	565	576	542	514	458	472	484	499

**ST. JOHN THE BAPTIST PARISH SCHOOL BOARD
SCHOOL BUILDING INFORMATION (CONTINUED)
LAST TEN FISCAL YEARS
(UNAUDITED)
TABLE 20**

Leon Godchaux Accelerated Program - 1908										
Square Feet	75,611	75,611	75,611	75,611	75,611	75,611	75,611	75,611	75,611	75,611
Capacity	244	244	244	244	244	244	244	244	244	244
Enrollment	150	146	146	61	83	123	98	51	26	56
West St. John Elementary - 1952										
Square Feet	76,623	76,623	76,623	76,623	76,623	76,623	76,623	76,623	76,623	76,623
Capacity	645	645	645	645	645	645	645	645	645	645
Enrollment	384	374	374	318	310	305	295	289	294	303
High Schools										
East St John High - 1978										
Square Feet	206,189	206,189	206,189	206,189	206,189	206,189	206,189	206,189	206,189	206,189
Capacity	2,032	2,032	2,032	2,032	2,032	2,032	2,032	2,032	2,032	2,032
Enrollment	1,400	1,363	1,361	1,381	1,306	1,238	1,317	1,348	1,432	1,386
St. John Redirection Center - 1965										
Square Feet	13,520	13,520	13,520	13,520	13,520	13,520	13,520	13,520	13,520	13,520
Capacity	130	130	130	130	130	130	130	130	130	130
Enrollment	25	24	24	41	46	103	-	7	7	7
West St. John High - 1984										
Square Feet	86,100	86,100	86,100	86,100	86,100	86,100	86,100	86,100	86,100	86,100
Capacity	430	430	430	430	430	430	430	430	430	430
Enrollment	230	224	224	210	210	192	206	212	188	193
Other Facilities										
Central Office - 1968										
Square Feet	22,270	22,270	22,270	22,270	22,270	22,270	22,270	22,270	22,270	22,270
Special Ed Center - 1968										
Square Feet	8,817	8,817	8,817	8,817	8,817	8,817	8,817	8,817	8,817	8,817

Source:

St. John the Baptist Parish School Board Finance Department



**Schedules Required by State Law
(R.S. 24:514 - Performance and
Statistical Data)**



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**INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING
AGREED-UPON PROCEDURES**

Members of the
St. John the Baptist Parish School Board
Reserve, Louisiana

We have performed the procedures included in the Louisiana Governmental Audit Guide and enumerated below, which were agreed to by the management of St. John the Baptist Parish School Board ("the School Board") and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about the performance and statistical data accompanying the annual financial statements of the School Board and to determine whether the specified schedules are free of obvious errors and omissions as provided by the Board of Elementary and Secondary Education ("BESE") Bulletin. The School Board is responsible for the performance and statistical data. This agreed-upon procedures engagement was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings are as follows:

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

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

Results: No exceptions were found as a result of applying the 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, 2017 roll books for those classes and observed that the class was properly classified on the schedule.

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

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

3. We obtained October 1, 2017 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 property classified on the PEP data or equivalent listing prepared by management.

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

Public School Staff Data: Average Salaries (No Schedule)

4. We obtained June 30, 2018 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).

Results: We noted one (1) instance in which the employees' total salary did not match the actual salary paid during the year.

This agreed-upon procedures engagement was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants, and the standards applicable to attestation engagements contained in *Government Auditing Standards*, issued by the United States Comptroller General. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the performance and statistical data. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We were not engaged to and did not perform an examination, the objective of which would be the expression of an opinion or conclusion, respectively on the performance and statistical data accompanying the annual financial statements of the St. John the Baptist Parish School Board. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

The purpose of this report is solely to describe the scope of testing performed on the performance and statistical data accompanying the annual combined financial statements of the St. John the Baptist Parish School Board, as required by Louisiana Revised Statute 24:514.I, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

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

December 21, 2018

ST. JOHN THE BAPTIST PARISH SCHOOL BOARD
General Fund Instructional and Support Expenditures
and Certain Local Revenue Sources
For the Year Ended June 30, 2018

General Fund Instructional and Equipment Expenditures

General Fund Instructional Expenditures:

Teacher and Student Interaction Activities:

Classroom Teacher Salaries	\$ 21,595,149	
Other Instructional Staff Activities	2,577,014	
Employee Benefits	13,414,951	
Purchased Professional and Technical Services	78,926	
Instructional Materials and Supplies	1,685,638	
Instructional Equipment	-	
Total Teacher and Student Interaction Activities	-	\$ 39,351,678

Other Instructional Activities 46,091

Pupil Support Activities	4,916,215	
Less: Equipment for Pupil Support Activities	-	
Net Pupil Support Activities	-	4,916,215

Instructional Staff Services	791,908	
Less: Equipment for Instructional Staff Services	-	
Net Instructional Staff Services	-	791,908

School Administration	5,559,326	
Less: Equipment for School Administration	-	
Net School Administration	-	5,559,326

Total General Fund Instructional Expenditures 50,665,218

Total General Fund Equipment Expenditures -

Total General Fund Instructional
and Equipment Expenditures \$ 50,665,218

Certain Local Revenue Sources

Local Taxation Revenue:

Constitutional Ad Valorem Taxes	\$ 1,410,546	
Renewable Ad Valorem Tax	9,916,503	
Debt Service Ad Valorem Tax	-	
Up to 1% of Collections by the Sheriff on Taxes Other than School Taxes	525,029	
Sales and Use Taxes	21,462,287	
Total Local Taxation Revenue	-	\$ 33,314,365

Local Earnings on Investment in Real Property:

Earnings from 16th Section Property	3,500	
Earnings from Other Real Property	-	
Total Local Earnings on Investment in Real Property	-	\$ 3,500

State Revenue in Lieu of Taxes:

Revenue Sharing - Constitutional Tax	\$ 59,469	
Revenue Sharing - Other Taxes	123,663	
Revenue Sharing - Excess Portion	-	
Other Revenue in Lieu of Taxes	67,031	
Total State Revenue in Lieu of Taxes	-	\$ 250,163

Nonpublic Textbook Revenue \$ 45,611

Nonpublic Transportation Revenue \$ -

ST. JOHN THE BAPTIST PARISH SCHOOL BOARD
Class Size Characteristics
As of October 1, 2017

School Type	Class Size Range							
	1 - 20		21 - 26		27 - 33		34+	
	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Elementary	51.9%	802	39.4%	608	8.3%	129	0.4%	6
Elementary Activity Classes	37.5%	147	46.9%	184	15.1%	59	0.5%	2
Middle/Jr. High	0.0%	-	0.0%	-	0.0%	-	0.0%	-
Middle/Jr. High Activity Classes	0.0%	-	0.0%	-	0.0%	-	0.0%	-
High	71.8%	652	14.6%	133	13.2%	120	0.3%	3
High Activity Classes	76.1%	70	5.4%	5	12.0%	11	6.5%	6
Combination	0.0%	-	0.0%	-	0.0%	-	0.0%	-
Combination Activity Classes	0.0%	-	0.0%	-	0.0%	-	0.0%	-

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

**ST. JOHN THE BAPTIST PARISH
SCHOOL BOARD
Reserve, Louisiana**

**REPORTS AND INFORMATION REQUIRED
GOVERNMENT AUDITING STANDARDS AND
THE UNIFORM GUIDANCE**

For the Year Ended June 30, 2018



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**St. John the Baptist Parish School Board
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June 30, 2018**

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

Members of the
St. John the Baptist Parish School Board
Reserve, 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 St. John the Baptist Parish School Board (the "School Board"), as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the School Board's basic financial statements and have issued our report thereon dated December 21, 2018.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the School Board's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness 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 School Board's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School Board's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School Board's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Cam, Riggs & Ingram, L.L.C.

December 21, 2018



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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Members of the
St. John the Baptist Parish School Board
Reserve, Louisiana

Report on Compliance for Each Major Federal Program

We have audited St. John the Baptist Parish School Board's (the "School Board") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the School Board's major federal programs for the year ended June 30, 2018. The School Board's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the School Board's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the School Board's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the School Board's compliance.

Opinion on Each Major Federal Program

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

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.

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

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the School Board, as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the School Board's basic financial statements. We issued our report thereon dated December 21, 2018, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented

for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

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.

Cam Riggs & Ingram, L.L.C.

December 21, 2018

St. John the Baptist Parish School Board
Reserve, Louisiana
Schedule of Expenditures of Federal Awards
For The Year Ended June 30, 2018

Federal Grantor/Pass-Through or Grantor/Program or Cluster Title	Federal Pass- Through Number	CFDA Number	Passed-Through to Subrecipients	Federal Expenditures
United States Department of Agriculture				
Passed through Louisiana Department of Education:				
Child Nutrition Cluster:				
National School Lunch Program		10.555	-	\$ 306,550
National Breakfast Program		10.553	-	1,038,020
National School Lunch Program (Sections II & IV)		10.555	-	2,666,874
Total Child Nutrition Cluster				<u>4,011,444</u>
Total United States Department of Agriculture				<u>\$ 4,011,444</u>
United States Department of Health and Human Services				
Direct Program- Administration for Children, Youth and Families-				
Head Start		93.600	-	\$ 1,223,526
				<u>1,223,526</u>
Passed through Louisiana Department of Education:				
Child Care and Development Block Grant	28-17-Z2-48	93.575	-	7,660
				<u>7,660</u>
Medicaid Cluster:				
Medical Assistance Program		93.778	-	503,350
Total Medicaid Cluster				<u>503,350</u>
Passed through Louisiana Department of Family Support:				
TANF Cluster:				
Temporary Assistance for Needy Families	28-17-36-48-344	93.558	-	137,239
Total TANF Cluster				<u>137,239</u>
Total United States Department of Health and Human Services				<u>\$ 1,871,775</u>
United States Department of Education				
Passed Through Louisiana Department of Education:				
Career and Technical Education - Basic Grants to States	28-16-02-48-344	84.048	-	\$ 5,023
Career and Technical Education - Basic Grants to States	28-17-02-48-344	84.048	-	82,111
				<u>87,134</u>
Special Education Cluster:				
Special Education Grants to States	28-17-B1-48-344	84.027	-	623,482
Special Education Grants to States	28-18-B1-48-344	84.027	-	1,065,185
Special Education Preschool Grants	28-17-P1-48-344	84.173	-	24,471
Special Education Preschool Grants	28-18-P1-48-344	84.173	-	44,793
Special Education Grants to States	28-17-RH-48-344	84.027	-	17,455
Total Special Education Cluster				<u>1,775,386</u>
Improving America's School Act				
Title I Grants to Local Educational Agencies	28-17-T1-48-344	84.010	-	265,475
Title I Grants to Local Educational Agencies	28-18-T1-48-344	84.010	-	1,981,086
				<u>2,246,561</u>
Supporting Effective Instruction State Grants	28-17-50-48-344	84.367	-	49,007
Supporting Effective Instruction State Grants	28-18-50-48-344	84.367	-	374,646
				<u>423,653</u>
English Language Acquisition State Grants	28-15-60-48-344	84.365	-	1,382
English Language Acquisition State Grants	28-17-60-48-344	84.365	-	14,670
English Language Acquisition State Grants	28-18-60-48-344	84.365	-	3,628
				<u>19,680</u>

St. John the Baptist Parish School Board
Reserve, Louisiana
Schedule of Expenditures of Federal Awards
For The Year Ended June 30, 2018

Federal Grantor/Pass-Through or Grantor/Program or Cluster Title	Federal Pass- Through Number	CFDA Number	Passed-Through to Subrecipients	Federal Expenditures
United States Department of Education (continued)				
Passed Through Louisiana Department of Education (continued):				
RTT - Early Learning Challenge				
Preschool Development Grants		84.419	-	207,400
Preschool Development Grants		84.419	-	64,716
				<u>272,116</u>
Student Support and Academic Enrichment Program	28-18-71-48	84.424	-	30,104
				<u>30,104</u>
Education for Homeless Children and Youth	28-18-H1-48	84.196	-	3,995
				<u>3,995</u>
Passed- through National Institute of Excellence in Teaching:				
Teacher and School Leader Incentive Funds	U374A160022	84.374A	-	\$ 2,211,916
				<u>2,211,916</u>
Total United States Department of Education				<u>\$ 7,070,545</u>
United States Department of Homeland Security				
Passed-through Louisiana Governor's Office of Homeland Security and Emergency Preparedness:				
Disaster Grants - Public Assistance (Presidentially Declared Disasters)		97.036	-	\$ 4,840,186
Total United States Department of Homeland Security				<u>\$ 4,840,186</u>
Department of Housing and Urban Development				
Passed-through State of Louisiana Office of Community Development Disaster Recovery Unit:				
CDBG - Disaster Recovery Grants - Pub. L. No. 113-2 Cluster:				
Hurricane Sandy Community Development Block Grant				
Disasater Recovery Grants (CDBG-DR)		14.269	-	\$ 5,000,000
Total CDBG - Disaster Recovery Grants - Pub. L. No. 113-2 Cluster				<u>\$ 5,000,000</u>
Total Department of Housing and Urban Development				<u>\$ 5,000,000</u>
Total Expenditures of Federal Awards				<u>\$ 22,793,950</u>

St. John the Baptist Parish School Board
Reserve, Louisiana
Notes to Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2018

NOTE 1: GENERAL

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal financial assistance programs of the St. John the Baptist Parish School Board (the "School Board"). The School Board reporting entity is defined in Note 1 to the basic financial statements for the year ended June 30, 2018. All federal financial assistance received directly from federal agencies is included on the schedule, as well as federal financial assistance passed-through other government agencies. The School Board has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

NOTE 2: BASIS OF ACCOUNTING

The accompanying Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting, which is described in Note 1 to the School Board's basic financial statements for the year ended June 30, 2018. The value of noncash assistance is the fair value of the noncash items used during the year. Any received but unused commodities are reflected as deferred revenue until used.

NOTE 3: ACCRUED REIMBURSEMENT

Various reimbursement procedures are used for federal awards received by the School Board. Consequently, timing differences between expenditures and program reimbursements may exist at the end of the year, resulting in differences between the expenditures reported on the Schedule of Expenditures of Federal Awards and the amount of revenues reported under "Federal sources" on the Statement of Revenues, Expenditures, and Changes in Fund Balances.

NOTE 4: COMMUNITY DEVELOPMENT BLOCK GRANT AWARD

In August 2016, the Office of Community Development – Disaster Recovery Unit (OCD-DRU) awarded \$5,000,000 to the School Board as part of a Cost Share program funded by a U.S. Department of Housing and Urban Development Community Development Block Grant. The funds were omitted from the June 30, 2017 Schedule of Expenditures of Federal Awards (SEFA) as the expenditures were incurred in prior years. The prior year expenditures were also included in the testing of the 97.036 Public Assistance Grant major program in prior years. The OCD-DRU requested these expenditures be included on the current year SEFA.

NOTE 5 - LOANS

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



**St. John the Baptist Parish School Board
Reserve, Louisiana
Notes to Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2018**

NOTE 6 – FEDERALLY FUNDED INSURANCE

The School Board has no federally funded insurance.

NOTE 7 – NONCASH ASSISTANCE

The School Board received \$306,550 of federal noncash assistance in the form of U.S. Department of Agriculture commodities for the National School Lunch Program passed through the Louisiana Department of Education for the fiscal year ended June 30, 2018.

**St. John the Baptist Parish School Board
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2018**

A. SUMMARY OF AUDITORS' RESULTS

1. The auditors' report expressed an unmodified opinion on the financial statements of the St. John the Baptist Parish School Board (the "School Board").
2. No material weaknesses or significant deficiencies in internal control over financials reporting are reported in the *Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards*.
3. No instances of noncompliance material to the financial statements of the School Board were reported in the *Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards*.
4. No material weaknesses or significant deficiencies relating to the audit of the major federal award programs were reported in the *Independent Auditors' Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance*.
5. The *Independent Auditors' Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance* for the School Board expresses an unmodified opinion on all major federal programs.
6. The *Independent Auditors' Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance* disclosed no findings that are required to be reported in accordance with Section 200.516 of the Uniform Guidance.
7. The following programs were identified as major programs:

<u>Name of Federal Program (or Cluster)</u>	<u>CFDA No.</u>
Title 1 Grants to Local Education Agencies	84.010
Child Nutrition Cluster	10.553, 10.555
Teacher & School Leader Incentive Grants	84.374

8. The threshold for distinguishing Type A and Type B programs was \$750,000.
9. The School Board qualified as a low-risk auditee.

**St. John the Baptist Parish School Board
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2018**

B. FINDINGS - FINANCIAL STATEMENTS AUDIT

There were no findings reported in this section.

C. FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAMS

There were no findings reported in this section.

D. OTHER MATTERS

2018-001: Misappropriation of Public Funds

The Board engaged the Board's contracted external auditor, Carr, Riggs & Ingram, LLC ("CPAs"), to perform a forensic examination of the accounts of West St. John High School, including the school's student activity funds. The forensic examination report, which was issued on March 28, 2018, lists numerous fundraiser events where cash deposits were short of cash collected, not deposited at all and/or simply unaccounted for. Discrepancies between cash receipts and deposits totaled \$7,516. The responsible employee has been placed on leave pending further investigation. The School Board has formally referred the matter to the St. John the Baptist Parish Sheriff's Office and District Attorney's Office for further investigation of possible misappropriation of School Board funds. No restitution has been made nor has any insurance claim been filed at this time.



**St. John the Baptist Parish School Board
Summary Schedule of Prior Audit Findings
For the Year Ended June 30, 2018**

SECTION I- FINDINGS RELATED TO FINANCIAL STATEMENT AUDIT

There were no findings related to financial statement audit in the prior year.

SECTION II- FINDINGS AND QUESTIONED COSTS RELATED TO MAJOR FEDERAL AWARD PROGRAMS

There were no findings related to major federal award programs in the prior year.



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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Members of
St. John the Baptist Parish School Board
Reserve, Louisiana

We have performed the procedures enumerated below, which were agreed to by the members of St. John the Baptist Parish School Board (the "School Board") and the Louisiana Legislative Auditor ("LLA") on the control and compliance ("C/C") areas identified in the LLA's Statewide Agreed-Upon Procedures ("SAUPs") for the fiscal period July 1, 2017 through June 30, 2018. The School Board is responsible for those C/C areas identified in the SAUPs.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of Government Auditing Standards. The sufficiency of these procedures is solely the responsibility of the specified users of this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures and associated findings are as follows:

Written Policies and Procedures

1. Obtain and inspect the School Board's written policies and procedures and observe that they address each of the following categories and subcategories:

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

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

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

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

- c) *Disbursements*, including processing, reviewing, and approving.

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

- d) *Receipts/Collections*, including receiving, recording, and preparing deposit. Also. Policies and procedures should include management's actions to determine completeness of all collections for each type of revenue or agency fund additions.

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

- e) *Payroll/Personnel*, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked.

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

- 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.

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

- 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, and (5) monitoring card usage.

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

- h) *Travel and expense reimbursement*, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.

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

- i) *Ethics*, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirement that all employees, including elected officials, annually attest through signature verification that they have read the School Board's ethics policy.

Results: We noted that the ethics policy did not include actions to be taken if an ethics violation takes place, a system to monitor ethics violations or a requirement that all employees annually attest through signature verification that they have read the School Board's ethics policy.

Board (or Finance Committee, if applicable)

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.

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

- 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.

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

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

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

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. 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);

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

- 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

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

- 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.

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

Collections

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

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

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, obtain and inspect written policies and procedures relating to employee 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.

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

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

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

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

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

- 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.

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

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

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

7. Select the entity's main operating account and randomly select 4 additional accounts. Randomly select two deposit dates for each of the 5 bank accounts selected. Obtain supporting documentation for each of the 10 deposits and:

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

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

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

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

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

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

- d) 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).

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

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

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

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

- 8. 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.

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

Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtain supporting documentation, and:

- a) Observe that there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) was reviewed and approved, in writing, by someone other than the authorized card holder.

Results: For twelve (12) of the twenty (20) items selected for this procedure, there was no approval signature of someone other than the authorized card holder, despite management's notification to the cardholders regarding the missing approvals.

- b) Observe that finance charges and late fees were not assessed on the selected statements.

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

- 9. Using the monthly statements or combined statements selected under #8 above, 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).

Results: For six (6) of the twenty (20) items selected for this procedures, there was not adequate support included with the credit card statement, despite management's notification to the cardholder regarding the missing support.

Ethics

10. 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 and 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.

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

- 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.

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

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

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

Carri Riggs & Ingram, L.L.C.

December 21, 2018