

ST. MARY PARISH SCHOOL BOARD

Centerville, Louisiana

FINANCIAL REPORT

Year Ended June 30, 2025

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OTHER LOCATIONS:

Eunice Morgan City Abbeville

INDEPENDENT AUDITOR'S REPORT

Dr. Buffy S. Fegenbush, Superintendent,
and Members of the St. Mary Parish School Board
Centerville, Louisiana

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the St. Mary Parish School Board, as of and for the year ended June 30, 2025, 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.

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 St. Mary Parish School Board as of June 30, 2025, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the St. Mary Parish School Board and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the St. Mary Parish School Board's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the St. Mary Parish School Board's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis (pages 4 through 11), budgetary comparison information (pages 69 through 70), the schedule of changes in the total OPEB liability and related ratios (page 71), the schedule of proportionate share of net pension liability (page 72), and the schedule of contributions (page 73) be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the St. Mary Parish School Board's basic financial statements. The accompanying combining and individual non-major fund financial statements, the combining and individual fiduciary fund financial statements, and schedule of expenditures of federal awards, as required by Title 2 U. S. *Code of Federal Regulations* Part 200, *Uniform Administration Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are 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 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual non-major fund financial statements, the combining and individual fiduciary fund financial statements, and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the financial report. The other information comprises the Annual Report for Tax Year 2024 and the schedules required by state law, as listed in the table of contents, but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 30, 2025, on our consideration of the St. Mary Parish School Board's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the St. Mary Parish School Board's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the St. Mary Parish School Board's internal control over financial reporting and compliance.

Darnall, Sikes & Frederick

(A Corporation of Certified Public Accountants)

Lafayette, Louisiana
December 30, 2025

MANAGEMENT'S DISCUSSION AND ANALYSIS

St. Mary Parish School Board

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2025

The Management's Discussion and Analysis (MD&A) of the St. Mary Parish School Board's (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, 2025. The intent of the MD&A is to look at 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 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* issued in June 1999. Certain comparative information between the current year (2024-2025) and the prior year (2023-2024) is required to be presented in the MD&A.

FINANCIAL HIGHLIGHTS

The following represents key totals from the Statement of Net Position:

	<u>2025</u>	<u>2024</u>
ASSETS		
Current assets	\$ 80,329,734	\$ 84,057,342
Capital assets	183,767,658	171,040,401
Less accumulated depreciation and amortization	<u>(94,331,625)</u>	<u>(89,624,544)</u>
Capital assets, net of depreciation and amortization	<u>89,436,033</u>	<u>81,415,857</u>
Total assets	169,765,767	165,473,199
DEFERRED OUTFLOWS OF RESOURCES	<u>71,034,715</u>	<u>31,078,903</u>
Total assets and deferred outflows of resources	<u>\$ 240,800,482</u>	<u>\$ 196,552,102</u>
LIABILITIES		
Current liabilities	14,880,587	15,368,002
Long-term liabilities	<u>245,509,901</u>	<u>218,185,080</u>
Total liabilities	260,390,488	233,553,082
DEFERRED INFLOWS OF RESOURCES	34,015,060	30,690,367
NET POSITION		
Net investment in capital assets	67,917,465	56,939,273
Restricted	17,536,519	19,451,069
Unrestricted	<u>(139,059,050)</u>	<u>(144,081,689)</u>
Total net position	<u>(53,605,066)</u>	<u>(67,691,347)</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 240,800,482</u>	<u>\$ 196,552,102</u>

St. Mary Parish School Board

MANAGEMENT'S DISCUSSION AND ANALYSIS June 30, 2025

Net position increased by \$14,914,317 for the year ended June 30, 2025 as compared to an increase of \$34,346,550 for the year ended June 30, 2024. These net increases were composed of the following elements:

	2025	2024
Net investment in capital assets	\$ 10,978,192	\$ 13,060,280
Restricted for:		
Debt Service	304,954	808,249
Capital Projects	(36)	71
Maintenance	(48,130)	569,941
Other Purposes	(2,171,338)	1,860,000
Unrestricted	5,850,675	18,048,009
Net Increase	\$ 14,914,317	\$ 34,346,550

Total assets and deferred outflows increased \$44,248,380 for the year ended June 30, 2025 as compared to an increase of \$10,595,596 for the year ended June 30, 2024 attributed to the following elements:

	2025	2024
Cash and cash equivalents	\$ (4,312,490)	\$ 10,769,638
Investments at fair value	500,711	384,865
Other receivables	794,490	18,252
Due from other governmental units	(140,478)	(4,544,429)
Prepaid items	(620,734)	494,680
Inventory, at cost	(49,107)	27,006
Capital assets, net of accumulated depreciation	8,020,176	11,095,224
Deferred outflows related to pensions	(1,202,638)	1,354,749
Deferred outflows related to OPEB	41,158,450	(9,004,389)
Net increase	\$ 44,248,380	\$ 10,595,596

Total liabilities and deferred inflows increased \$29,334,063 and decreased \$23,750,954 for the years ended June 30, 2025 and 2024, respectively, attributed to the following elements:

	2025	2024
Accounts payable and other current liabilities	\$ (803,158)	\$ 2,020,816
Due to other governmental units	-	(916,882)
Accrued liabilities	(512,293)	1,389,615
Long term liabilities	27,324,821	(7,112,432)
Deferred inflows	3,324,693	(19,132,071)
Net increase (decrease)	\$ 29,334,063	\$ (23,750,954)

The increase in total liabilities for 2025 is due to the increase in long-term liabilities related to other post-employment benefit and pension obligations.

Sales and use taxes are collected for and remitted to the St. Mary Parish School Board by the St. Mary Parish Sales and Use Tax Department. These revenues increased by approximately \$2,617,480 since the prior year.

St. Mary Parish School Board

MANAGEMENT'S DISCUSSION AND ANALYSIS June 30, 2025

Ad valorem taxes parish wide and districts are based on property values of businesses and homesteads in the parish. These revenues increased by \$363,978 from the prior year. The total millage levied by the School Board was 90.33, which decreased from 94.33 mills in the prior year. However, only 20.65 mills were levied parish wide, with the remainder levied in special taxing districts.

The largest single revenue source continues to be the Minimum Foundation Program (MFP) distribution from the state, amounting to \$47,391,024, which is a decrease of \$1.8 million from the prior year. This MFP formula establishes a standard of local support for each school system based on the State average local support relative to the system's capacity to raise local funds.

Non-payroll related expenditures remained consistent with the prior year. Payroll related expenditures reflect the annual salary step increase afforded all employees as is customary, in addition to current year stipends from federal stipends.

USING THE ANNUAL FINANCIAL REPORT (AFR)

The School Board's AFR 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 operation 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 13-15) provide consolidated financial information, and render a government-wide perspective of the School Board's financial condition. The Fund Financial Statements (pages 17-21) 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 District 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 2024-2025 fiscal year?" These statements include all assets and liabilities 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 those assets. 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. Indirect 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.

St. Mary Parish School Board

MANAGEMENT'S DISCUSSION AND ANALYSIS June 30, 2025

Reporting the School District's Most Significant Funds

Fund Financial Statements

The analysis of the School Board's governmental 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.

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 GASB Statement No. 34.

Governmental Funds – Most of the School District'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 Net Position – 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 15, the cost of the School Board's governmental activities for the year ended June 30, 2025 was \$125.2 million as compared to \$106.0 million for the prior year. The Statement of Activities shows the cost of program services and the charges and grants offsetting some of those services. Grants and contributions of \$28.3 million subsidized certain programs, and charges for services, such as fees for school lunches, e-rate receipts, tuition from other LEA's, extended day tuition, summer school tuition. Student activity funds were the major contributors of charges for services totaling \$5.2 million. The remaining amount was financed by the taxpayers in the parish through ad valorem and sales and use taxes, as well as other local revenues totaling \$56.9 million.

The Minimum Foundation Program (MFP) from the State of Louisiana funded \$47.3 million and other general revenues contributed the remainder. In Table I below, 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 readers 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 provided by the function.

St. Mary Parish School Board

**MANAGEMENT’S DISCUSSION AND ANALYSIS
June 30, 2025**

**Table I
Total and Net Cost of Governmental Activities
Years Ended June 30, 2025 and 2024**

	2025		2024	
	Total Cost of Services	Net Cost of Services	Total Cost of Services	Net Cost of Services
Instruction:				
Regular programs	\$ 36,407,822	\$ 30,863,035	\$ 27,467,849	\$ 21,456,469
Special education programs	11,318,172	9,804,972	10,156,435	8,833,113
Vocational education programs	3,470,574	2,746,361	3,184,560	2,897,902
Other instructional programs	4,815,626	4,383,466	4,474,938	3,545,232
Special programs	5,306,252	445,960	3,948,909	(998,292)
Adult and continuing education	15,716	15,716	-	(92,786)
Support services:				
Pupil support services	7,321,020	4,728,492	5,764,094	3,864,666
Instructional staff services	6,883,206	4,965,694	5,395,635	3,097,838
General administration	3,424,245	3,357,572	4,724,493	4,666,155
School administration	6,793,638	5,875,834	5,614,412	5,452,037
Business services	4,801,675	4,735,956	4,153,854	4,097,036
Operation and maintenance of plant	17,636,583	16,240,029	15,670,227	14,970,740
Student transportation services	5,794,734	5,674,187	4,583,759	4,457,397
Central services	2,523,454	2,199,768	2,900,275	2,590,911
Non-instructional services:				
Food services	7,383,951	1,202,386	6,883,383	167,931
Community service programs	24,765	24,765	24,765	24,765
Facilities acquisition and expansion	-	(6,936,212)	-	(11,824,058)
Other	805,037	805,037	390,019	390,019
Interest and bank charges	467,549	467,549	719,363	719,363
 Total Governmental Activities	 <u>\$ 125,194,019</u>	 <u>\$ 91,600,567</u>	 <u>\$ 106,056,970</u>	 <u>\$ 68,316,438</u>

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, 2025, its combined fund balance was \$65.3 million, as compared to a combined fund balance of \$68.5 million as of June 30, 2024. The fund financial statements begin on page 17 of the audit report.

St. Mary Parish School Board

**MANAGEMENT’S DISCUSSION AND ANALYSIS
June 30, 2025**

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 September 12, 2024. It was not necessary to amend the general fund budget.

A statement showing the School Board’s original budget compared with actual operating results for the General Fund is provided beginning on page 69. The School Board’s year-end actual results were above the amounts that had been budgeted, as conservative budgetary practices are customary. Revenues are forecast conservatively and expenditures are budgeted in anticipation of all possible costs and projects.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At June 30, 2025, the School Board had approximately \$89.4 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 and amortization to date. Increases during the year represent additions to those categories, while decreases represent retirements and sale of assets during the year and depreciation of depreciable assets for the year. Table II below shows the net book value of capital assets at the end of the 2025 and 2024 fiscal years.

**Table II
Capital Assets at
June 30, 2025 and 2024**

	<u>2025</u>	<u>2024</u>
Land	\$ 4,067,185	\$ 4,067,185
Building and improvements	70,369,871	53,905,680
Furniture and equipment	12,795,022	11,371,583
Construction in progress	1,421,277	10,568,185
Right to use lease - equipment	<u>782,678</u>	<u>2,473,232</u>
Totals	<u>\$ 89,436,033</u>	<u>\$ 82,385,865</u>

During the year ended June 30, 2025, additions of \$13.7 million of fixed assets were capitalized while assets totaling \$2 million were disposed. Depreciation and amortization for the year ended June 30, 2025 was \$6,067,233. For the year ended June 30, 2024, additions of \$20.1 million of fixed assets were capitalized while assets totaling \$193,134 were disposed. Depreciation for the year ended June 30, 2024 was \$3,567,441 for buildings and improvements, \$154,529 for furniture and equipment, and \$1,455,504 for right-to-use lease equipment. Construction in progress decreased by \$9.1 million due to the net effect of new projects and placing other projects in service.

St. Mary Parish School Board

**MANAGEMENT’S DISCUSSION AND ANALYSIS
June 30, 2025**

Debt Administration

	<u>2025</u>	<u>2024</u>
Bonded debt	\$ 20,865,622	\$ 23,036,247
Other Post Employment Benefits	140,182,519	106,993,508
Net Pension Liability	78,572,482	81,653,429
Lease liability	739,568	1,536,584
Compensated absences	<u>4,947,732</u>	<u>4,763,334</u>
Totals	<u>\$ 245,307,923</u>	<u>\$ 217,983,102</u>

The bonded debt is scheduled for repayment by 2034 and was issued for the construction of a new school as well as the renovation of an existing school. See Note 13 for further explanation on the Other Post-Employment Benefits liability and Note 12 for further explanation of the Net Pension Liability.

2025/2026 BUDGET

The General Fund, which is the St. Mary Parish School Board’s largest fund, will have a projected deficit of revenues over expenditures in the amount of \$(1,841,640) for the 2025-2026 budget year. This budget reflects a decrease in MFP revenue due to a loss of students. The parish enrollment for 2025-2026 is 6,989. Budgeted expenditures include a decrease in the employer required contributions to teachers’ retirement expenses, include the annual step afforded to all employees and include the annual step afforded to all employees.

CONTACTING THE SCHOOL BOARD’S FINANCIAL MANAGEMENT

While this AFR 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 Becky Voisin, Chief Financial Officer, St. Mary Parish School Board, P.O. Box 170, Centerville, LA 70522, or by calling (337) 836-9661 during regular office hours, Monday through Friday, 8:00 am to 4:00 pm, Central Time or e-mail bvoisin@stmary.k12.la.us.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

ST. MARY PARISH SCHOOL BOARD

Statement of Net Position
June 30, 2025

ASSETS

Cash and interest bearing deposits	\$ 58,878,653
Investments, at fair value	10,476,837
Other receivables	3,218,637
Due from other governmental units	4,517,913
Due from schools	100,000
Prepaid items	2,542,691
Inventory, at cost	<u>595,003</u>
	80,329,734
Capital assets:	
Land	4,067,185
Buildings and improvements	147,054,075
Furniture and equipment	26,122,486
Construction in progress	1,421,277
Right to use lease - equipment	5,102,635
Less: accumulated depreciation and amortization	<u>(94,331,625)</u>
Total capital assets, net of depreciation and amortization	<u>89,436,033</u>
 Total assets	 169,765,767
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows related to pensions	24,885,246
Deferred outflows related to OPEB	<u>46,149,469</u>
Total deferred outflows of resources	<u>71,034,715</u>
 Total assets and deferred outflows of resources	 <u>\$ 240,800,482</u>

The accompanying notes are an integral part of this statement.

ST. MARY PARISH SCHOOL BOARD

Statement of Net Position
June 30, 2025

LIABILITIES

Accounts payable and other current liabilities	\$ 4,123,906
Due to other governmental units	66,965
Accrued liabilities	9,177,937
Other liabilities	1,511,779
Long-term liabilities:	
Portion due or payable within one year:	
Bonds	2,251,000
Accrued interest	201,978
Finance lease liability	594,652
Compensated absences	2,695,475
Portion due or payable after one year:	
Bonds	18,614,622
Finance lease liability	144,916
Compensated absences	2,252,257
Other post employment benefit obligations	140,182,519
Net pension liability	<u>78,572,482</u>
Total liabilities	260,390,488

DEFERRED INFLOWS OF RESOURCES

Deferred inflows related to pensions	2,588,938
Deferred inflows related to OPEB	31,259,494
Other deferrals	<u>166,628</u>
Total deferred inflows of resources	34,015,060

NET POSITION

Net investment in capital assets	67,917,465
Restricted for:	
Debt service	3,813,094
Capital projects	206,758
Maintenance	4,752,926
Other purposes	8,763,741
Unrestricted	<u>(139,059,050)</u>
Total net position	<u>(53,605,066)</u>
 Total liabilities, deferred inflows of resources and net position	 <u><u>\$ 240,800,482</u></u>

The accompanying notes are an integral part of this statement.

ST. MARY PARISH SCHOOL BOARD

Statement of Activities
For the Year Ended June 30, 2025

Functions/Programs	Expenses	Program Revenues			Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Governmental Activities:					
Instruction:					
Regular programs	\$ 36,407,822	\$ 3,782,536	\$ 1,762,251	\$ -	\$ (30,863,035)
Special education programs	11,318,172	-	1,513,200	-	(9,804,972)
Vocational education programs	3,470,574	-	724,213	-	(2,746,361)
Other instructional programs	4,815,626	114,318	317,842	-	(4,383,466)
Special programs	5,306,252	-	4,860,292	-	(445,960)
Adult and continuing education	15,716	-	-	-	(15,716)
Support services:					
Pupil support services	7,321,020	949,897	1,642,631	-	(4,728,492)
Instructional staff services	6,883,206	-	1,917,512	-	(4,965,694)
General administration	3,424,245	58,028	8,645	-	(3,357,572)
School administration	6,793,638	-	917,804	-	(5,875,834)
Business services	4,801,675	-	65,719	-	(4,735,956)
Operation and maintenance of plant	17,636,583	1,388	1,395,166	-	(16,240,029)
Student transportation services	5,794,734	-	120,547	-	(5,674,187)
Central services	2,523,454	252,171	71,515	-	(2,199,768)
Non-instructional services:					
Food services	7,383,951	49,728	6,131,837	-	(1,202,386)
Community service programs	24,765	-	-	-	(24,765)
Facilities acquisition and expansion	-	-	6,936,212	-	6,936,212
Other	805,037	-	-	-	(805,037)
Interest and bank charges	<u>467,549</u>	-	-	-	<u>(467,549)</u>
Total Governmental Activities	125,194,019	5,208,066	28,385,386	-	(91,600,567)
General Revenues:					
<u>Local Sources:</u>					
Taxes -					
Property taxes, levied for general purposes					24,921,691
Sales taxes					27,376,471
Rentals, leases, and royalties					175,994
Interest and investment earnings					2,665,398
Other local					1,793,614
<u>State Sources:</u>					
Minimum Foundation Program					47,391,024
State revenue sharing					341,124
Other state grants					1,417,850
Pension revenue					431,718
Total general revenues and special items					<u>106,514,884</u>
Change in net position					14,914,317
Net Position-- beginning, as restated					<u>(68,519,383)</u>
Net Position--ending					<u>\$ (53,605,066)</u>

The accompanying notes are an integral part of this statement.

FUND FINANCIAL STATEMENTS

ST. MARY PARISH SCHOOL BOARD

Balance Sheet - Governmental Funds
June 30, 2025

ASSETS	General Fund	Other Governmental	Total
Cash and interest-bearing deposits	\$ 37,112,983	\$ 21,765,670	\$ 58,878,653
Investments, at fair value	10,476,837	-	10,476,837
Receivables:			
Accounts	3,025,416	22,100	3,047,516
Accrued interest	171,121	-	171,121
Due from other governmental units	1,506,793	3,011,120	4,517,913
Due from other funds	353,845	25,104,993	25,458,838
Due from schools	100,000	-	100,000
Prepaid items	2,542,691	-	2,542,691
Inventory, at cost	<u>218,498</u>	<u>376,505</u>	<u>595,003</u>
Total assets	<u>\$ 55,508,184</u>	<u>\$ 50,280,388</u>	<u>\$ 105,788,572</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 3,506,793	\$ 617,113	\$ 4,123,906
Accrued liabilities	9,133,529	44,408	9,177,937
Due to other governmental units	-	66,965	66,965
Due to other funds	-	25,458,838	25,458,838
Other liabilities	<u>1,511,779</u>	<u>-</u>	<u>1,511,779</u>
Total liabilities	14,152,101	26,187,324	40,339,425
Deferred inflows of resources:	166,628	-	166,628
Fund balances:			
Non Spendable	2,927,817	-	2,927,817
Restricted	158,753	8,566,020	8,724,773
Committed	35,411,364	9,110,020	44,521,384
Assigned	2,691,521	6,417,024	9,108,545
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balances	<u>41,189,455</u>	<u>24,093,064</u>	<u>65,282,519</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 55,508,184</u>	<u>\$ 50,280,388</u>	<u>\$ 105,788,572</u>

The accompanying notes are an integral part of this statement.

ST. MARY PARISH SCHOOL BOARD

Reconciliation of the Governmental Funds Balance Sheet
To the Statement of Net Position
June 30, 2025

Total fund balances - Governmental Funds		\$ 65,282,519
Cost of capital assets at June 30, 2025	183,767,658	
Less: Accumulated depreciation as of June 30, 2025:		
Right to use lease - equipment	(4,319,957)	
Buildings and improvements	(76,684,204)	
Furniture and equipment	<u>(13,327,464)</u>	
		89,436,033
Elimination of interfund assets and liabilities:		
Due from other funds	25,458,838	
Due to other funds	<u>(25,458,838)</u>	
		-
Long-term liabilities at June 30, 2025:		
Bonded debt payable	(20,865,622)	
Lease liability	(739,568)	
Compensated absences payable	(4,947,732)	
OPEB obligations	(140,182,519)	
Net pension liability	<u>(78,572,482)</u>	
		(245,307,923)
Deferred outflows and inflows of resources at June 30, 2025:		
Deferred outflows of resources related to pensions	24,885,246	
Deferred inflows of resources related to pensions	(2,588,938)	
Deferred outflows of resources related to OPEB	46,149,469	
Deferred inflows of resources related to OPEB	<u>(31,259,494)</u>	
		37,186,283
Accrued interest payable		<u>(201,978)</u>
Total net position - Governmental Activities		<u>\$ (53,605,066)</u>

The accompanying notes are an integral part of this statement.

ST. MARY PARISH SCHOOL BOARD

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

	General Fund	Other Governmental	Total
Revenues:			
Local sources:			
Ad valorem tax	\$ 13,837,957	\$ 11,083,734	\$ 24,921,691
Sales tax	27,376,471	-	27,376,471
Tuition	129,373	-	129,373
Interest earnings	2,589,333	76,065	2,665,398
Leases and royalties	175,994	-	175,994
Food service	-	49,728	49,728
Other	3,055,098	3,713,814	6,768,912
State sources:			
Unrestricted grants-in-aid	47,210,294	548,963	47,759,257
Restricted grants-in-aid	4,843,192	-	4,843,192
Federal sources:			
Restricted	10,111	24,578,517	24,588,628
Other - commodities	-	397,974	397,974
Total revenues	<u>99,227,823</u>	<u>40,448,795</u>	<u>139,676,618</u>
Expenditures:			
Current -			
Instruction:			
Regular programs	33,889,259	4,558,821	38,448,080
Special education programs	10,916,988	1,076,604	11,993,592
Vocational education programs	2,997,559	633,081	3,630,640
Other instructional programs	4,699,330	341,652	5,040,982
Special programs	1,989,422	3,608,340	5,597,762
Adult and continuing education programs	36,004	-	36,004
Support services:			
Pupil support services	6,351,402	1,353,066	7,704,468
Instructional staff services	5,649,680	1,575,414	7,225,094
General administration	3,040,111	391,659	3,431,770
School administration	6,539,584	697,065	7,236,649
Business services	911,813	163,185	1,074,998
Operation and maintenance of plant services	12,598,023	9,143,396	21,741,419
Student transportation services	5,417,557	29,143	5,446,700
Central services	2,356,663	259,653	2,616,316
Non-instructional services:			
Food services	555,678	7,019,472	7,575,150
Community service programs	24,765	-	24,765

The accompanying notes are an integral part of this statement.

ST. MARY PARISH SCHOOL BOARD

Statement of Revenues, Expenditures, and Changes in Fund Balances -
 Governmental Funds (Continued)
 For the Year Ended June 30, 2025

	<u>General Fund</u>	<u>Other Governmental</u>	<u>Total</u>
Facilities acquisition, expansion and rehabilitation	175,486	9,644,577	9,820,063
Other	637,393	12,500	649,893
Debt service -			
Principal retirement	-	2,161,000	2,161,000
Interest and fiscal charges	-	<u>606,632</u>	<u>606,632</u>
Total expenditures	<u>98,786,717</u>	<u>43,275,260</u>	<u>142,061,977</u>
Excess (deficiency) of revenues over (under) expenditures	441,106	(2,826,465)	(2,385,359)
Other financing sources (uses):			
Operating transfers in	646,829	4,749,000	5,395,829
Operating transfers out	<u>(4,500,000)</u>	<u>(895,829)</u>	<u>(5,395,829)</u>
Total other financing sources (uses)	<u>(3,853,171)</u>	<u>3,853,171</u>	<u>-</u>
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	(3,412,065)	1,026,706	(2,385,359)
Fund balances, beginning, as restated	<u>44,601,520</u>	<u>23,066,358</u>	<u>67,667,878</u>
Fund balances, ending	<u>\$ 41,189,455</u>	<u>\$ 24,093,064</u>	<u>\$ 65,282,519</u>

The accompanying notes are an integral part of this statement.

ST. MARY PARISH SCHOOL BOARD

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

Total Net Changes in Fund Balance - Governmental Funds		\$ (2,385,359)
Capital Assets:		
Capital outlay	13,717,456	
Lease expense in excess of interest expense on right to use lease asset	1,143,558	
Depreciation and amortization expense for the year ended June 30, 2025	<u>(6,067,233)</u>	8,793,781
Long-Term Debt:		
Principal portion of debt service payments	2,161,000	
Bond premium amortization	9,625	
Excess of interest accrued over interest paid	23,417	
Compensated absences expense	(184,398)	
OPEB benefit	1,913,971	
Governmental funds report pension contributions as expenditures; however, in the statement of activities, the cost of pension benefits earned net of employee contributions is reported as pension expense:		
Pension contributions subsequent to the measurement date	12,400,160	
Cost of benefits earned net of employee contributions	(8,549,959)	
Amortization of excess contributions during the measurement period	300,361	
Some revenues reported in the statement of activities do not provide current financial resources in governmental funds:		
Non employer pension contributions	<u>431,718</u>	
		<u>8,505,895</u>
Change in Net Position - Governmental Activities		<u>\$ 14,914,317</u>

The accompanying notes are an integral part of this statement.

ST. MARY PARISH SCHOOL BOARD

Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2025

	<u>Private Purpose Trust Funds</u>
ASSETS	
Cash and interest bearing deposits	<u>\$ 10,884</u>
LIABILITIES	
Accounts payable	<u>\$ -</u>
Total liabilities	<u>-</u>
NET POSITION	
Unrestricted	<u>\$ 10,884</u>

The accompanying notes are an integral part of this statement.

ST. MARY PARISH SCHOOL BOARD

Statement of Changes in Fiduciary Net Position
 Private Purpose Trust Funds
 For the Year Ended June 30, 2025

	<u>Private Purpose Trust Funds</u>
<u>Additions</u>	
Local sources -	
Interest earnings	\$ -
<u>Subtractions</u>	
Expenditures	<u>-</u>
Change in net position	-
Net position, beginning	<u>10,884</u>
Net position, ending	<u>\$ 10,884</u>

The accompanying notes are an integral part of this statement.

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

Notes to Financial Statements

INTRODUCTION

The St. Mary Parish School Board (School Board) was created by Louisiana Revised Statute (LSA-R.S.) 17:51 to provide public education for the children within St. Mary 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 for terms of four years.

The School Board operates twenty-two schools within the parish with a total enrollment of 7,326 pupils for the 2024-2025 year. In conjunction with the regular education 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.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying financial statements of the St. Mary Parish School Board have been prepared in conformity with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretation).

This 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, issued in June 1999.

Reporting Entity

For financial reporting purposes, the School Board includes all funds, activities, et cetera, that are within the oversight responsibility of the School Board. Because the School Board members are independently elected and are solely accountable for fiscal matters, which include (1) budget authority, (2) responsibility for funding deficits and operating deficiencies, and (3) fiscal management for controlling the collection and disbursement of funds, and because of the scope of public service provided by the School Board, the School Board is a separate governmental reporting entity (primary government).

Certain units of local government over which the School Board exercises no oversight responsibility, such as the parish council, other independently elected parish officials, and municipalities within the parish, are excluded from the accompanying financial statements. These units of government are considered separate reporting entities and issue financial statements separate from those of the School Board. The School Board is not a component unit of any other entity and does not have any component units which require inclusion in the financial statements of the School Board.

ST. MARY PARISH SCHOOL BOARD

Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Accounting

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

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

Governmental Fund Types

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

General Fund

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

Special Revenue Funds

Special Revenue Funds account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. These funds account for the revenues and expenditures related to federal, state and local grant and entitlement programs.

Debt Service Funds

Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

Capital Projects Funds

Capital Projects Funds are used to account for financial resources received and used to acquire, construct, or improve capital facilities not reported in other governmental funds.

ST. MARY PARISH SCHOOL BOARD

Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fiduciary Fund Types

Fiduciary funds account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the School Board. The following are the School Board's fiduciary fund types:

Private Purpose Trust Funds

Private purpose trust funds are trusts which exist to benefit individuals, private organizations, or other governments. The resources, including both principal and revenues earned on that principal may be expended for purposes designated by the trust agreement (e.g., donations received for specific expendable purposes).

Basis of Accounting/Measurement Focus

Government-Wide Financial Statements

The government-wide financial statements (statement of net position and the statement of activities) display information about the reporting government as a whole. These statements include all financial activities of the School Board, except for the fiduciary funds. The fiduciary funds are only reported in the statement of fiduciary net position and the statement of changes in fiduciary net position at the fund financial statement level.

The government-wide financial statements and private purpose trust funds 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).

Program Revenues

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include 1) charges to those who purchase, use, or directly benefit from goods, services, or privileges provided by a function and 2) requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

ST. MARY PARISH SCHOOL BOARD

Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Allocation of Indirect Expense

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 assigned to the "General Administration" function due to the fact that school buildings serve many purposes. Interest on general long-term debt is considered an indirect expense and is reported separately on the statement of activities.

Fund Financial Statements

Governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities 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 for governmental funds.

The modified accrual basis of accounting is used by all governmental fund types. 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 that can be determined and "available" means collectible within the current period or soon enough thereafter to be used 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. The following practices in recording revenues and expenditures have been used for the governmental funds.

Revenues

Federal and state entitlements (unrestricted grants-in-aid, which include state equalization and state revenue sharing) are recorded when available and measurable. Federal and state grants which are restricted as to the purpose of the expenditures are recorded when the reimbursable expenditures have been made.

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

ST. MARY PARISH SCHOOL BOARD

Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenues (continued)

Ad valorem taxes are recorded in the year the taxes are due and payable. Ad valorem taxes are assessed in November by the Parish Assessor based on the assessed value, become due on December 31 of each year, and become delinquent on January 1. An enforceable lien attaches to the property as of January 1. The taxes are generally collected in December, January, and February of the fiscal year. Property tax revenues are accrued at fiscal year end to the extent that they have been collected and are unremitted by the St. Mary Parish Tax Collector's Office. Such amounts are measurable and available to finance current operations.

Interest income on time deposits and revenues from rentals, leases, and royalties are recorded when earned, if collected within 60 days of the fiscal year end.

Sales and use tax revenues are recorded in the month collected by the St. Mary Parish Tax Collector.

Substantially all other revenues are recorded when received.

Expenditures

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

Salaries are recorded as expenditures when incurred. Nine-month employee salaries are incurred over a nine-month period but paid over a twelve month period.

Compensated absences are recognized as expenditures when leave is actually taken or when employees (or heirs) are paid for accrued leave upon retirement or death, while the cost of earned leave privileges not requiring current resources is recognized only when due.

Commitments under construction contracts are recognized as expenditures when earned by the contractor.

Principal and interest on general long-term obligations are not recognized until due.

Other Financing Sources (Uses)

Transfers between funds that are not expected to be repaid (or any other type, such as right-of-use or finance purchase lease transactions, debt extinguishment, long-term debt proceeds, et cetera) are accounted for as other financing sources (uses). These other financing sources (uses) are recognized at the time the underlying events occur.

ST. MARY PARISH SCHOOL BOARD

Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash and interest-bearing deposits

Cash and interest-bearing deposits include interest-bearing demand deposits, money market accounts and certificates of deposit with original maturities of three months or less.

In addition, local governments in Louisiana are authorized to deposit funds with the Louisiana Asset Management Pool (LAMP), a nonprofit corporation formed by the State Treasurer and organized under the laws of the State of Louisiana, which operates a local government investment pool.

Investments

Under state law, the School Board may invest funds with a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the union, or the laws of the United States. The School Board may invest in United States bonds, treasury notes or certificates, and time deposits of State banks organized under Louisiana law and national banks having principal offices in Louisiana.

These investments are reported at fair value. Fair value is based on quoted market prices. If quoted market prices are not available, fair value is estimated based on similar securities.

Short-term Interfund Receivables/Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds" on the balance sheet.

Inventories

Inventory of the School Lunch Fund consists of food purchased by the School Board and commodities granted by the United States Department of Agriculture through the Louisiana Department of Agriculture and Forestry. The commodities are recorded as revenues when received; however, all inventory items are recorded as expenditures when consumed. All purchased inventory items are valued at the lower of cost (first-in, first-out) or market, and commodities are assigned values based on information provided by the United States Department of Agriculture.

Inventory of the General Fund consists of office supplies, custodial supplies, and textbooks maintained in the central warehouse for use in all departments and schools.

ST. MARY PARISH SCHOOL BOARD

Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital and Right-of-Use Assets

All capital assets are capitalized at historical cost, or estimated historical cost for assets where actual historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The School Board maintains a threshold level of \$5,000 or more for capitalizing capital assets for financial statement presentation.

Right-of-use assets are recorded for leases and contracts for information technology subscriptions in accordance with GASB Statement No. 87 and 96, respectively. The right-of-use asset is initially measured at the initial amount of the lease or contract liability, adjusted for payments made at or before the commencement of the lease or contract date, plus certain indirect costs. Subsequently, the right-of-use asset is amortized on a straight-line basis over its contract or lease term. The School Board has set a capitalization threshold of \$250,000 for GASB 96 *Subscription-Based Information Technology Arrangements (SBITAs)*.

Capital assets are recorded in the government-wide financial statements but not reported in the fund financial statements. All capital assets are depreciated using the straight-line method over their estimated useful lives. 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. Useful lives are as follows:

Buildings	25-40 years
Furniture and Equipment	5-12 years

Compensated Absences

All 12-month employees earn from 10 to 19 days of vacation leave each year, depending on their length of service with the School Board. Unused vacation leave at the end of each fiscal year can be carried forward to the succeeding fiscal year to a maximum of ten days. In accordance with the provisions of Statement No. 101, of the GASB, *Compensated Absences*, no liability is recorded for non-vesting accumulating rights to receive vacation pay; however, a liability has been recorded for vesting accumulating rights to receive vacation pay.

Sabbatical leave may be granted for medical leave with doctor's certification and for professional and cultural improvement. Any employee with a teaching 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. At no time during the school year shall the number of persons on sabbatical leave exceed 5% of the total number of certificated personnel employed by the school district.

Due to its restrictive nature, sabbatical leave benefits are recorded as expenditures in the period taken and no liability is recorded in advance of the sabbatical.

ST. MARY PARISH SCHOOL BOARD

Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Vested or accumulated sick leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it. A liability has been recorded for up to 25 days of accumulated sick leave for all eligible employees.

Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in governmental activities. Bond premiums and discounts are amortized over the life of the bonds using the straight line method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Debt issuance costs are reported as an expenditure.

Equity Classifications

Government-wide Financial Statements:

Net position represents the difference between assets and liabilities. Net position is reported in three categories, as follows:

- a. Net investment in capital assets – consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position – consists of net position items with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position – consists of the net amount of assets and liabilities that do not meet the definition of the above two components and is available for general use by the School Board.

Fund Financial Statements:

The School Board applies GASB Statement No. 54, “Fund Balance Reporting and Governmental Fund Type Definitions”. This statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government’s fund balances more transparent. See Note 16 for further explanation.

ST. MARY PARISH SCHOOL BOARD

Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Interfund Transactions

Transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed. Nonrecurring or nonroutine permanent transfers of equity are reported as residual equity transfers. All other interfund transactions are reported as transfers. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the School Board's management to make estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenditures or expenses, as appropriate. Accordingly, actual results may differ from those estimates.

Net Other Post-Employment Benefit Obligations

The School Board applies GASB Statement No. 75, "*Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions.*" This pronouncement requires the School Board to calculate and recognize a net other post-employment benefit (OPEB) obligation at June 30, 2025. See Note 13 for further details.

Pensions

The School Board applies the provisions of GASB Statement No. 68, "*Accounting and Financial Reporting for Pensions.*" This pronouncement requires the School Board to calculate and recognize a net pension liability at June 30, 2025. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position and changes in fiduciary net position of the defined benefit pension plans in which the School Board participates have been determined on the same basis as they are reported by the respective defined benefit pension plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. See Note 12 for further details.

Deferred Outflows of Resources and Deferred Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The School Board reported deferred outflows of resources related to pensions and other post employment benefits (OPEB).

ST. MARY PARISH SCHOOL BOARD

Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deferred Outflows of Resources and Deferred Inflows of Resources (Continued)

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until then. The School Board reported deferred inflows of resources related to pensions and other post employment benefits (OPEB).

See Note 12 and 13 for additional information related to deferred outflows of resources and deferred inflows of resources related to pensions.

New Accounting Pronouncements

The School Board adopted GASB Statement No. 101, *Compensated Absences* (Statement 101), for the year ended June 30, 2025. This standard replaces GASB Statement No. 16, *Accounting for Compensated Absences* and revised the accounting and reporting guidance for compensated absences. The adoption of this standard had no effect on the School Board, as existing policies already accounted for these accruals.

Subsequent Events

The School Board has evaluated subsequent events through December 30, 2025, the date the financial statements were available to be issued.

NOTE 2 CASH AND INTEREST-BEARING DEPOSITS

Under state law, the School Board may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The School Board may invest in direct obligations of the United States government, bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by federal agencies and/or the United States government, and time certificates of deposit of state banks organized under Louisiana law and national banks having principal offices in Louisiana. At June 30, 2025, the School Board had cash and interest-bearing deposits (book balances) totaling \$58,889,537 as follows:

	Governmental Activities	Fiduciary Activities	Total
Louisiana Asset Management Pool (LAMP)	\$ 49,132,803	\$ 10,884	\$ 49,143,687
Demand deposits	8,628,439	-	8,628,439
Money market	1,117,411	-	1,117,411
Total	<u>\$ 58,878,653</u>	<u>\$ 10,884</u>	<u>\$ 58,889,537</u>

ST. MARY PARISH SCHOOL BOARD

Notes to Financial Statements

NOTE 2 CASH AND INTEREST-BEARING DEPOSITS (CONTINUED)

Custodial credit risk is the risk that in the event of the failure of a depository financial institution, the School Board’s deposits may not be recovered or the collateral securities that are in the possession of an outside party will not be recovered. These deposits are stated at cost, which approximates fair value. Under state law, deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. The deposit balances were fully secured at June 30, 2025.

NOTE 3 INVESTMENTS

Under Louisiana R.S. 33:2955, as amended, the School Board may invest in obligations of the U.S. Treasury, U.S. Agencies and instrumentalities, repurchase agreements, certificates of deposit and other investments as provided in the statute. Investments at June 30, 2025 were as follows:

Investment Type	Fair Value	Less Than One Year	One - Five Years
Governmental Activities:			
Certificates of deposit	\$10,476,837	\$ -	\$10,476,837
Total investments	<u>\$10,476,837</u>	<u>\$ -</u>	<u>\$10,476,837</u>

Concentration of Credit Risk – Concentration of credit risk is the risk of a loss attributed to the magnitude of a government’s investment in a single issuer. The School Board Places no limit on the amount that the entity may invest in any one issuer. More than 5% of the School Board’s investments are in certificates of deposit at a local financial institution. These investments are 100% of the School Board’s total investments.

Interest Rate Risk – Interest rate risk is defined as the risk that changes in interest rates will adversely affect the fair value of an investment. The School Board’s investment policy conforms to state law, which does not have a policy that limits maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Custodial Credit Risk – For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the School Board will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The U.S. Securities and certificates of deposit investments are registered in the School Board’s name and are held in the custodial bank’s trust account at its custodial agent. During the year ended June 30, 2025, there were no uninsured and unregistered investments held by the counterparty, or its trust department or agent, which were not in the School Board’s name. Accordingly, the School Board had no custodial credit risk related to its investments at June 30, 2025.

Louisiana R.S. 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the School Board that the fiscal agent has failed to pay deposited funds upon demand.

ST. MARY PARISH SCHOOL BOARD

Notes to Financial Statements

NOTE 3 INVESTMENTS (CONTINUED)

The School Board categorizes the fair value measurements of its investments based on the hierarchy established by GASB Statement No, 72. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The School Board had recurring investments at June 30, 2025, as follows:

Investment Type	Amount	Fair Value Hierarchy		
		Quoted Prices in Active Markets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Governmental Activities:				
Certificates of deposit	<u>\$10,476,837</u>	<u>\$ -</u>	<u>\$10,476,837</u>	<u>\$ -</u>
Total investments at fair value level	<u>\$10,476,837</u>	<u>\$ -</u>	<u>\$10,476,837</u>	<u>\$ -</u>

NOTE 4 AD VALOREM TAXES

Ad valorem taxes attach as an enforceable lien on property as of January 1 of each year. Taxes are levied by the School Board in September or October and are actually billed to taxpayers in December. Billed taxes become delinquent on January 1 of the following year.

The St. Mary Parish Sheriff bills and collects the property taxes for the School Board. Property tax revenues are recognized when levied to the extent that they result in current receivables.

For the year ended June 30, 2025, there were no property taxes held under protest in escrow with the St. Mary Parish Sheriff on behalf of the St. Mary Parish School Board.

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ST. MARY PARISH SCHOOL BOARD

Notes to Financial Statements

NOTE 4 AD VALOREM TAXES (CONTINUED)

For the year ended June 30, 2025 ad valorem taxes totaling 90.33 mills were levied on property and dedicated as follows:

	2025	
	Net Assessed Valuations	Mills
<u>Parish wide taxes:</u>		
Constitutional	639,628,287	8.83
Consolidated school district No. 5	639,628,287	11.82
<u>District taxes:</u>		
<u>Maintenance taxes -</u>		
Consolidated school district No. 3 (School maintenance district No. 1)	246,288,967	12.42
Consolidated school district No. 2 (School maintenance district No. 2)	170,069,128	12.73
Sixth Ward special school district No. 3 (School maintenance district No. 3)	221,403,022	12.53
<u>Bond and interest taxes -</u>		
Consolidated school district No. 1	154,091,928	8.00
Fourth Ward special school district	92,197,039	4.00
Fifth Ward special school district	78,052,109	20.00

The taxes levied were \$24,366,028 for the year ended June 30, 2025.

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ST. MARY PARISH SCHOOL BOARD

Notes to Financial Statements

NOTE 5 INTERFUND TRANSFERS

Transfers funded from current revenues during the year ended June 30, 2025 consisted of:

	Transfers	
	In	Out
Major governmental:		
<u>General Fund:</u>		
Special Revenue Funds	\$ 646,829	\$ -
Capital Projects Funds	-	<u>4,500,000</u>
Total major governmental	<u>646,829</u>	<u>4,500,000</u>
Nonmajor governmental:		
<u>Special Revenue Funds:</u>		
General Fund	-	646,829
Capital Projects Funds	-	249,000
Capital Project Funds:		
<u>General Fund</u>	4,500,000	-
Special Revenue Funds	<u>249,000</u>	<u>-</u>
Total nonmajor governmental	<u>4,749,000</u>	<u>895,829</u>
Total interfund transfers	<u>\$ 5,395,829</u>	<u>\$ 5,395,829</u>

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

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ST. MARY PARISH SCHOOL BOARD

Notes to Financial Statements

NOTE 6 INTERFUND RECEIVABLES, PAYABLES

Interfund receivables and payables at June 30, 2025 consisted of:

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
Major governmental:		
<u>General Fund:</u>		
Special Revenue Funds	\$ 353,845	\$ -
Total major governmental	<u>353,845</u>	<u>-</u>
Nonmajor governmental:		
<u>Special Revenue Funds:</u>		
Special Revenue Funds	18,555,053	22,152,261
General Fund	-	353,845
<u>Capital Projects Funds:</u>		
General Fund	-	2,947,498
Special Revenue Funds	3,111,422	-
<u>Debt Service Funds:</u>		
General Fund	<u>3,438,518</u>	<u>5,234</u>
Total nonmajor governmental	<u>25,104,993</u>	<u>25,458,838</u>
 Total interfund receivables/payables	 <u>\$ 25,458,838</u>	 <u>\$ 25,458,838</u>

Due to/from general fund represents costs paid from the general fund bank account on behalf of individual funds that do not have checking accounts. These receivables and payables reverse in the normal course of operations. All remaining balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between the funds are made. Also included in interfund balances at June 30, 2025 is a \$3.2 million loan from the General Fund to the District II Capital Projects Fund to cover costs associated with two large capital projects. This loan is to be repaid over 15 years at an estimated \$249,000 per year with an interest rate of approximately 1.25 percent. This payment is based on anticipated annual savings from the consolidation of the four schools that were replaced by Raintree Elementary and allocated to the three maintenance districts by a special formula. A payment in the amount of \$249,000 was made on this debt during the fiscal year ending June 30, 2025.

NOTE 7 ACCOUNTS, SALARIES AND OTHER PAYABLES

The payables at June 30, 2025, are as follows:

	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Debt Service Funds</u>	<u>Capital Projects Funds</u>	<u>Total</u>
Accounts	\$ 3,506,793	\$ 586,738	\$ -	\$ 30,375	\$ 4,123,906
Salaries, withholdings, and other payables	<u>9,133,529</u>	<u>398,682</u>	<u>-</u>	<u>-</u>	<u>9,532,211</u>
Total	<u>\$ 12,640,322</u>	<u>\$ 985,420</u>	<u>\$ -</u>	<u>\$ 30,375</u>	<u>\$ 13,656,117</u>

ST. MARY PARISH SCHOOL BOARD

Notes to Financial Statements

NOTE 8 CAPITAL ASSETS

Capital assets and depreciation activity as of and for the year ended June 30, 2025 are as follows:

	Balance July 1, 2024	Additions	Deletions	Balance June 30, 2025
Governmental activities:				
Capital assets not being depreciated or amortized:				
Land	\$ 4,067,185	\$ -	\$ -	\$ 4,067,185
Construction in progress	<u>10,568,185</u>	<u>9,892,497</u>	<u>(19,039,405)</u>	<u>1,421,277</u>
Total capital assets not being depreciated	14,635,370	9,892,497	(19,039,405)	5,488,462
Capital assets being depreciated and amortized:				
Right to use lease - equipment	5,607,808	-	(505,173)	5,102,635
Buildings and improvements	127,433,803	19,620,272	-	147,054,075
Furniture and Equipment	<u>24,333,428</u>	<u>3,244,092</u>	<u>(1,455,034)</u>	<u>26,122,486</u>
Total capital assets being depreciated and amortized:	157,375,039	22,864,364	(1,960,207)	178,279,196
Less accumulated depreciation and amortization for:				
Right to use lease - equipment	(3,134,576)	(1,690,554)	505,173	(4,319,957)
Buildings and improvements	(73,528,123)	(3,156,081)	-	(76,684,204)
Furniture and Equipment	<u>(12,961,845)</u>	<u>(1,220,598)</u>	<u>854,979</u>	<u>(13,327,464)</u>
Total accumulated depreciation and amortization	<u>(89,624,544)</u>	<u>(6,067,233)</u>	<u>1,360,152</u>	<u>(94,331,625)</u>
Total capital assets, being depreciated and amortized, net	<u>67,750,495</u>	<u>16,797,131</u>	<u>(600,055)</u>	<u>83,947,571</u>
Capital assets, net	<u>\$ 82,385,865</u>	<u>\$ 26,689,628</u>	<u>\$ (19,639,460)</u>	<u>\$ 89,436,033</u>

Depreciation expense of \$4,376,679 and amortization expense of \$1,690,554 for the year ended June 30, 2025 were charged to the following:

	<u>Depreciation</u>	<u>Amortization</u>
Instruction:		
Regular programs	\$ 109,417	\$ -
Special Ed	21,883	-
Vocational	21,883	-
Other instructional programs	43,767	-
Support:		
Pupil Support	65,650	-
Instructional staff services	21,883	-
School Administration	43,767	-
Business services	43,767	-
General administration	3,785,829	-
Operation and maintenance of plant	131,300	-
Student transportation services	21,883	1,690,554
Food services	<u>65,650</u>	<u>-</u>
	<u>\$ 4,376,679</u>	<u>\$ 1,690,554</u>

ST. MARY PARISH SCHOOL BOARD

Notes to Financial Statements

NOTE 9 CHANGES IN GENERAL LONG-TERM DEBT

The following is a summary of the long-term obligation transactions of the St. Mary Parish School Board for the year ended June 30, 2025:

	Balance July 1, 2024	Additions	Deductions	Balance June 30, 2025	Due Within One Year
Bonds payable:					
General obligation bonds	\$ 22,940,000	\$ -	\$ (2,161,000)	\$ 20,779,000	\$ 2,251,000
Premium on bonds payable	<u>96,247</u>	-	<u>(9,625)</u>	<u>86,622</u>	-
Total bonds payable	23,036,247	-	(2,170,625)	20,865,622	2,251,000
Other liabilities:					
Finance lease payable	1,536,584	-	(797,016)	739,568	594,652
Compensated absences	4,763,334	2,772,646	(2,588,248)	4,947,732	2,695,475
Other postemployment benefits	106,993,508	66,713,329	(33,524,318)	140,182,519	-
Net pension liability	<u>81,653,429</u>	-	<u>(3,080,947)</u>	<u>78,572,482</u>	-
Total other liabilities	<u>194,946,855</u>	<u>69,485,975</u>	<u>(39,990,529)</u>	<u>224,442,301</u>	<u>3,290,127</u>
Total long-term obligations	<u>\$ 217,983,102</u>	<u>\$ 69,485,975</u>	<u>\$ (42,161,154)</u>	<u>\$ 245,307,923</u>	<u>\$ 5,541,127</u>

Compensated absences reported at June 30, 2025 of \$4,947,732 reflect amounts due to eligible employees, for unused sick leave, up to a maximum of 25 days and unused vacation leave.

See Note 12 for further explanation on net pension liability.

See Note 13 for further explanation on other post-employment benefits liability.

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ST. MARY PARISH SCHOOL BOARD

Notes to Financial Statements

NOTE 9 CHANGES IN GENERAL LONG-TERM DEBT (CONTINUED)

Bonds payable at June 30, 2025 is comprised of the following individual issues:

\$16,679,000 General Obligations School Refunding Bonds Series 2015 of Consolidated School District No. 1 (to defease \$17,675,000 of 2007 General Obligation Bonds) dated September 10, 2015, due in annual installments of \$167,000 to \$1,430,000, maturing March 1, 2032; interest variable from 1.2% to 2.9%; payable from annual levy and collection of ad valorem taxes. \$ 6,725,000

\$3,254,000 General Obligation School Refunding Bonds Series 2015 of Special School District No. 4 (to defease \$3,570,000 of 2007 General Obligation Bonds) dated September 10, 2015, due in annual installments of \$34,000 to \$286,000, maturing March 1, 2032; interest variable from 1.2% to 2.6%; payable from the annual levy and collection of ad valorem taxes. 1,284,000

\$21,000,000 General Obligation Bonds Series 2014 of Fifth Ward Special School District No. 1 (to acquire or improve land, building sites and other school related facilities and to purchase the necessary equipment and furnishings for the schools with the district) dated July 29, 2014, due in annual installments of \$715,000 to \$1,610,000, maturing March 1, 2028; interest variable from 2% to 4%; payable from the annual levy and collection of ad valorem taxes. 3,520,000

\$9,685,000 General Obligation School Refunding Bonds Series 2021 of Fifth Ward Special School District No. 1 (to defease \$7,530,000 of 2014 General Obligation Bonds) dated September 29, 2021, due in annual installments of \$105,000 to \$1,595,000, maturing March 1, 2034; interest variable from 0.47% to 2.4%; payable from the annual levy and collection of ad valorem taxes. 9,250,000

Total bonded debt \$ 20,779,000

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ST. MARY PARISH SCHOOL BOARD

Notes to Financial Statements

NOTE 9 CHANGES IN GENERAL LONG-TERM DEBT (CONTINUED)

The annual requirements to amortize all bonds outstanding at June 30, 2025, are as follows:

Year Ended June 30,	Consolidated School District No. 1		Special School District No. 4	
	Principal	Interest	Principal	Interest
2026	856,000	192,000	165,000	33,890
2027	888,000	168,434	172,000	29,674
2028	921,000	143,624	178,000	25,222
2029	957,000	117,570	183,000	20,559
2030	997,000	90,198	189,000	15,720
2031-2035	2,106,000	92,851	397,000	16,162
	<u>\$ 6,725,000</u>	<u>\$ 804,677</u>	<u>\$ 1,284,000</u>	<u>\$ 141,227</u>

Year Ended June 30,	Fifth Ward Special School District No. 1, Series 2014		Fifth Ward Special School District No. 1, Series 2021	
	Principal	Interest	Principal	Interest
2026	1,120,000	114,531	110,000	195,263
2027	1,175,000	79,531	110,000	193,877
2028	1,225,000	41,344	110,000	192,260
2029	-	-	1,385,000	190,368
2030	-	-	1,425,000	164,745
2031-2035	-	-	6,110,000	355,978
	<u>\$ 3,520,000</u>	<u>\$ 235,406</u>	<u>\$ 9,250,000</u>	<u>\$ 1,292,491</u>

No interest was capitalized during 2025. Interest incurred and charged to expense totaled \$605,932.

NOTE 10 LEASES

The following is a summary of the current lease agreements of the St. Mary Parish School Board for the year ended June 30, 2025:

	Commencement Date	Payment Terms	Payment Amount	Interest Rate	Original Lease Liability	Balance at June 30, 2025
Office equipment	Various	Various	\$ 44,547	2.68%	\$ 203,058	\$ 42,045
Buses	Various	Various	\$ 1,097,200	2.68%	4,899,578	697,523
Total lease agreements					<u>\$ 5,102,636</u>	<u>\$ 739,568</u>

ST. MARY PARISH SCHOOL BOARD

Notes to Financial Statements

NOTE 10 LEASES (CONTINUED)

The School Board is a party to several separate agreements with entities to lease certain copier/duplication equipment and certain buses. The term of each lease ranges from twelve (12) months to sixty (60) months beginning on various dates. The lease agreements provide that the School Board shall pay regular lease payments as provided for in the separate lease contracts. Each lease contains provisions allowing cancellation in the event the School Board does not appropriate funds in future periods to be paid and allows the equipment to be returned.

Annual requirements to amortize long-term obligations and related interest are as follows:

Year Ending June 30,	Principal	Interest	Total
2026	\$ 594,652	\$ 19,820	\$ 614,472
2027	<u>144,916</u>	<u>3,884</u>	<u>148,800</u>
	<u>\$ 739,568</u>	<u>\$ 23,704</u>	<u>\$ 763,272</u>

NOTE 11 SALES TAX

On December 7, 1965, the voters of the parish approved a one percent (1%) sales and use tax to be levied by the St. Mary Parish Council, of which 30 percent of the net proceeds is to be remitted to the St. Mary Parish School Board. The proceeds received by the School Board are dedicated to supplement the salaries of teachers and school employees and for general operations of the public schools of St. Mary Parish.

On August 14, 1975, the voters of the parish approved a one-fourth of one percent (1/4 %) sales and use tax to be levied by the School Board. The net proceeds of the tax are used to provide additional funds for the payment of salaries of teachers and other school board personnel and/or for other employee benefits.

On April 12, 1979, the voters of the parish approved a seven-tenths of one percent (7/10 %) sales and use tax to be levied by the School Board. The proceeds of the tax were used first for payment of debt service requirements on bonds issued for the purpose of financing the purchase, construction and acquisition of air conditioning facilities and equipment for parish schools. The net proceeds after satisfying the bond service requirements, which have been retired since February 1, 1995, are used each month in the following priority:

- Payment of the cost of utilities.
- An amount equal to 65 percent of the total net proceeds of this tax is set aside and used to supplement other funds for the payment of salaries and/or other employee benefits of teachers and other school board personnel.

ST. MARY PARISH SCHOOL BOARD

Notes to Financial Statements

NOTE 11 SALES TAX (CONTINUED)

- The remainder of the proceeds of this tax is used to construct, maintain, and acquire capital improvements and for other school purposes provided that such proceeds are not used to construct new classroom facilities.

On March 8, 1988, the voters of the parish approved a one-half of one percent (1/2 %) sales and use tax to be levied by the School Board. The net proceeds of the tax are used to provide additional support to public elementary and secondary schools by providing funds for salary obligations and educational management, advancement, and enrichment.

On July 1, 2021, the voters of the parish approved a point four five percent (.45%) sales and use tax to be levied by the School Board. The net proceeds of the tax are to be used to supplement salaries and benefits paid by the School Board for teachers and other personnel. The tax will be up for renewal on July 1, 2026.

Sales and use taxes are collected for and remitted to the School Board by the St. Mary Parish Sales and Use Tax Department.

For the year ended June 30, 2025, there were approximately \$28,845 of sales and use taxes held under protest in escrow at the St. Mary Parish Sales and Use Tax Department on behalf of the St. Mary Parish School Board. These funds are not included in the School Board's June 30, 2025 financial statements.

NOTE 12 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 of Louisiana (TRSL), Louisiana School Employees' Retirement System (LSERS), or Louisiana State Employees' Retirement System (LASERS). The authority to establish and amend the benefit terms of TRSL, LSERS, and LASERS was granted to the respective Board of Trustees and the Louisiana Legislature by Title 11 of the Louisiana Revised Statutes. TRSL, LSERS, and LASERS each issues publicly available financial reports that can be obtained at www.trsl.org, www.lasers.net, and www.lasersonline.org, respectively.

Benefits Provided

Teachers' Retirement System of Louisiana (TRSL)

Retirement Benefits

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

ST. MARY PARISH SCHOOL BOARD

Notes to Financial Statements

NOTE 12 PENSION PLANS (CONTINUED)

Members hired prior to July 1, 1999:

- 2.0% benefit factor:
 - At least age 60 with at least 5 years of service credit
 - Any age with at least 20 years of service credit
- 2.5% benefit factor:
 - At least age 65 with at least 20 years of service credit
 - At least age 55 with at least 25 years of service credit
 - Any age with at least 30 years of service credit

Members joining system between July 1, 1999 and December 31, 2010:

- 2.5% benefit factor:
 - At least age 60 with at least 5 years of service credit
 - At least age 55 with at least 25 years of service credit
 - Any age with at least 20 years of service credit (actuarially reduced)
 - Any age with at least 30 years of service credit

Members first eligible to join and hired between January 1, 2011 and June 30, 2015:

- 2.5% benefit factor:
 - At least age 60 with at least 5 years of service credit
 - Any age with at least 20 years of service credit (actuarially reduced)

Members first eligible to join and hired on or after July 1, 2015:

- 2.5% benefit factor:
 - At least age 62 with at least 5 years of service credit
 - Any age with at least 20 years of service credit (actuarially reduced)

All Plan A Members (Plan A is closed to new entrants):

- 3.0% benefit factor:
 - At least age 60 with at least 5 years of service credit
 - At least age 55 with at least 25 years of service credit
 - Any age with at least 30 years of service credit

Plan B Members hired before July 1, 2015:

- 2.0% benefit factor:
 - At least age 60 with at least 5 years of service credit
 - At least age 55 with at least 30 years of service credit

Plan B Members first eligible to join and hired on after July 1, 2015:

- 2.0% benefit factor:
 - At least age 62 with at least 5 years of service credit
 - At any age with at least 20 years of service credit (actuarially reduced)

ST. MARY PARISH SCHOOL BOARD

Notes to Financial Statements

NOTE 12 PENSION PLANS (CONTINUED)

Deferred Retirement Benefits

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 three years. A member has a 60 day window from his first eligible date to participate in the program in order to participate for the maximum number of years. Delayed participation reduces the three year participation period. During participation, benefits otherwise payable are fixed, and deposited in an individual DROP account. Upon termination of DROP participation, the member can continue employment and earn additional accruals to be added to the fixed pre-DROP benefit. Upon termination of employment, the member is entitled to the fixed benefit, an additional benefit based on post-DROP service (if any), and the individual DROP account balance which can be paid in a lump sum or an additional annuity based upon the account balance.

Disability Benefits

Active members of TRSL 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 to be disabled from performing their job. All other members must have at least 10 years of service to be eligible for a disability benefit. Calculation of the disability benefit as well as the availability of a minor child benefit is determined by the plan to which the member belongs and the date on which the member's first employment made them eligible for membership in a Louisiana state retirement system.

Survivor's Benefits

Provisions for TRSL survivor benefits are provided for in R.S. 11:762. A surviving spouse with minor children of an active member with at least five years of creditable service (two years immediately prior to death) 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 minor children are 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 children. Benefits for the minor children cease when they are no longer eligible. Each minor child (maximum of two) shall receive an amount equal to the greater of (a) 50% of the spouse's benefit or (b) \$300 (up to two eligible children). Benefits to minors cease at attainment of age 21, marriage, or age 23 if enrolled in an approved institution of higher education.

A surviving spouse without minor children of an active member with 10 years of creditable service (2 years immediately prior to death) or 20 years of creditable service is entitled to a benefit equal to the greater of (a) \$600 per month, or (b) the option 2 equivalent of the benefit calculated at the 2.5% benefit factor for all creditable service.

ST. MARY PARISH SCHOOL BOARD

Notes to Financial Statements

NOTE 12 PENSION PLANS (CONTINUED)

Permanent Benefit Increase/Cost-of-Living Adjustments

As fully described in Title 11 of the Louisiana Revised Statutes, TRSL 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.

Optional Retirement Plan (ORP)

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.

Louisiana School Employees' Retirement System (LSERS)

Retirement Benefits

LSERS provides retirement, deferred retirement option (DROP), and disability benefits.

Members hired prior to July 1, 2010:

- 3.33% benefit factor:
 - At least age 60 with at least 10 years of service credit
 - At least age 55 with at least 25 years of service credit
 - Any age with at least 20 years of service credit (actuarially reduced)
 - Any age with at least 30 years of service credit

Members hired between July 1, 2010 and June 30, 2015:

- 2.50% benefit factor:
 - At least age 60 with at least 5 years of service credit
 - Any age with at least 20 years of service credit (actuarially reduced)

Members hired after July 1, 2015:

- 2.50% benefit factor:
 - At least age 62 with at least 5 years of service credit
 - Any age with at least 20 years of service credit (actuarially reduced)

ST. MARY PARISH SCHOOL BOARD

Notes to Financial Statements

NOTE 12 PENSION PLANS (CONTINUED)

For members who joined LSERS prior to July 1, 2006, the maximum retirement benefit is an amount equal to 3.33% 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 LSERS on or after July 1, 2006 through June 30, 2010, 3.33% of the average compensation is used to calculate benefits; however, the calculation consists of the five highest consecutive years of membership service, subject to the 10% salary limitation.

For members who joined LSERS on or after July 1, 2010, 2.5% 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 LSERS on or after July 1, 1986. Effective January 1, 1992, the supplemental allowance was reinstated to all members whose service retirement became effective after July 1, 1971.

Deferred Retirement Option

Members of LSERS may elect to participate in the Deferred Retirement Option Plan (DROP) and defer the receipt of benefits. The election may be made only one time and the duration is limited to three years. Once an option has been selected, no change is permitted. Upon the effective date of the commencement of participation in the DROP 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 System. The monthly retirement benefits, that would have been payable had the person elected to cease employment and receive a service retirement allowance, are paid into the Deferred Retirement Option Plan Fund Account.

LSERS maintains subaccounts within this account reflecting the credits attributed to each participant in the DROP program. Interest credited and payments from the DROP account are made in accordance with Louisiana Revised Statutes 11:1152(F)(3). Upon termination of participation in both the DROP program and employment, a participant may receive his DROP monies either in a lump sum payment from the account or systematic disbursements.

LSERS 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.

ST. MARY PARISH SCHOOL BOARD

Notes to Financial Statements

NOTE 12 PENSION PLANS (CONTINUED)

Disability Benefits

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 vested person with 20 or more years of creditable service, who has withdrawn from active service prior to the age at which he is eligible for retirement benefits, is eligible for a disability benefit until normal retirement age. A member who joins the System on or after July 1, 2006, must have at least 10 years of service to qualify for disability benefits.

Survivor Benefits

Upon the death of a member with five or more years of creditable service, the System 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.

Initial Benefit Retirement Plan

Effective January 1, 1996, the state legislature authorized the System to establish an Initial Benefit Retirement Plan (IBRP) program. IBRP is available to members who have not participated in DROP and who select certain benefit options. 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 R.S. 11:1152(F)(3).

Permanent Benefit Increase/Cost-of-Living Adjustment

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.

Louisiana State Employees' Retirement System (LASERS)

Retirement Benefits

LASERS administers a plan to provide retirement, disability, and survivor benefits to eligible state employees and their beneficiaries as defined in R.S. 11:411-414. The age and years of creditable service (service) required in order for a member to receive retirement benefits are established by R.S. 11:441 and vary depending on the member's hire date, employer, and job classification. Act 992 of the 2010 Regular Session of the Louisiana Legislature closed existing sub-plans for members hired before January 1, 2011, and created new sub-plans for regular members, hazardous duty members, and judges. Act 226 of the 2014 Louisiana Regular Legislative Session established new retirement eligibility for members of LASERS hired on or after July 1, 2015, excluding hazardous duty plan members.

Eligibility for retirement benefits and the computation of retirement benefits are provided for in R.S. 11:444. All Louisiana Legislative Auditor's members are regular plan members.

ST. MARY PARISH SCHOOL BOARD

Notes to Financial Statements

NOTE 12 PENSION PLANS (CONTINUED)

Members hired prior to July 1, 2006:

- At age 55 with at least 25 years of service credit
- At least age 60 with at least 10 years of service credit
- Any age with at least 30 years of service credit

Members hired between July 1, 2006 and June 30, 2015:

- At least age 60 with at least 5 years of service credit

Members hired after June 30, 2015:

- At least age 62 with at least 5 years of service credit

Additionally, all regular plan members may choose to retire with 20 years of service at any age, with an actuarially reduced benefit. The basic annual retirement benefit for regular plan members is equal to 2.5% of average compensation multiplied by the number of years of creditable service, generally not to exceed 100% of average compensation. Average compensation is defined as the member's average annual earned compensation for the highest 36 consecutive months of employment for members employed before July 1, 2006, or highest 60 consecutive months of employment for members employed on or after that date.

A member leaving employment before attaining minimum retirement age, but after completing certain minimum service requirements, becomes eligible for a benefit provided the member lives to the minimum service retirement age and does not withdraw their accumulated contributions. The minimum service requirement for benefits varies depending upon the member's employer and service classification.

Deferred Retirement Benefits

The State Legislature authorized LASERS to establish a Deferred Retirement Option Plan (DROP). When a member enters DROP, their status changes from active member to retiree even though they continue to work and draw their salary for a period of up to three years. The election is irrevocable once participation begins. During DROP participation, accumulated retirement benefits that would have been paid to each retiree are separately tracked. For members who entered DROP prior to January 1, 2004, interest at a rate of one-half percent less than the System's realized return on its portfolio (not to be less than zero) will be credited to the retiree after participation ends. At that time, the member must choose among available alternatives for the distribution of benefits that have accumulated in the DROP account.

Members who enter DROP on or after January 1, 2004, are required to participate in LASERS Self-Directed Plan (SDP) which is administered by a third-party provider. The SDP allows DROP participants to choose from a menu of investment options for the allocation of their DROP balances. Participants may diversify their investments by choosing from an approved list of mutual funds with different holdings, management styles, and risk factors.

ST. MARY PARISH SCHOOL BOARD

Notes to Financial Statements

NOTE 12 PENSION PLANS (CONTINUED)

Members eligible to retire and who do not choose to participate in DROP may elect to receive at the time of retirement an initial benefit option (IBO) in an amount up to 36 months of benefits, with an actuarial reduction of their future benefits. For members who selected the IBO option prior to January 1, 2004, such amount may be withdrawn or remain in the IBO account earning interest at a rate of one-half percent less than the System's realized return on its portfolio (not to be less than zero). Those members who select the IBO on or after January 1, 2004, are required to enter the SDP as described above.

Disability Benefits

All members with 10 or more years of credited service who become disabled may receive a maximum disability retirement benefit equivalent to the regular retirement formula without reduction by reason of age. Upon reaching age 60, the disability retiree may receive a regular retirement benefit by making application to the Board of Trustees. For injuries sustained in the line of duty, members in the hazardous duty plan will receive a disability benefit equal to 75% of final average compensation.

Survivor's Benefits

Certain eligible surviving dependents receive benefits based on the deceased member's compensation and their relationship to the deceased. The deceased regular member hired before January 1, 2011 who was in state service at the time of death must have a minimum of five years of service credit, at least two of which were earned immediately prior to death, or who had a minimum of twenty years of service credit regardless of when earned in order for a benefit to be paid to a minor or handicapped child. Benefits are payable to an unmarried child until age 18, or age 23 if the child remains a full-time student. The aforementioned minimum service credit requirement is ten years for a surviving spouse with no minor children, and benefits are to be paid for life to the spouse or qualified handicapped child.

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

Permanent Benefit Increase/Cost-of-Living Adjustments

As fully described in Title 11 of the Louisiana Revised Statutes, LASERS 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.

ST. MARY PARISH SCHOOL BOARD

Notes to Financial Statements

NOTE 12 PENSION PLANS (CONTINUED)

Contributions

Teachers' Retirement System of Louisiana (TRSL)

Contribution requirements of active employees are governed by Section 101-104 of Title 11 of the Louisiana Revised Statutes (La. R.S. 11:101-11:104) and may be amended by the Louisiana Legislature.

Members participating in the TRSL Regular Plan are required by state statute to contribute 8.0% of their annual covered salaries and the School Board is required to make employer contributions based on an actuarially determined rate. The employer contribution rate for the fiscal year ended June 30, 2025 was 21.51% of annual covered payroll. The School Board's contributions paid to TRSL for the Regular Plan for the year ended June 30, 2025 was \$10,588,381.

Members participating in the TRSL Plan B are required by state statute to contribute 5.0% of their annual covered salaries and the School Board is required to make employer contributions based on an actuarially determined rate. The employer contribution rate for the fiscal year ended June 30, 2025 was 21.51% of annual covered payroll. The School Board's contributions paid to TRSL for the Plan B for the year ended June 30, 2025 was \$471,890.

There were no participants in the TRSL Plan A and Optional Plan for the year ended June 30, 2025.

Louisiana School Employees' Retirement System (LSERS)

Contribution requirements of active employees are governed by Act 81 of 1988 and may be amended by the Louisiana Legislature. Members are required by state statute to contribute 7.5% of their annual covered salaries if hired before July 1, 2010 (closed plan) and 8.0% of their annual covered salaries if hired on or after July 1, 2010, and the School Board is required to make employer contributions based on an actuarially determined rate. The employer contribution rate for the fiscal year ended June 30, 2025 was 25.8% of annual covered payroll. The School Board's contributions paid to LSERS for the year ended June 30, 2025 was \$1,275,827.

Louisiana State Employees' Retirement System (LASERS)

Contribution requirements of active employees are governed by Section 401 of Title 11 of the Louisiana Revised Statutes (La. R.S. 11:401) and may be amended by the Louisiana Legislature. Substantially all of the School Board employees participating in LASERS are included in the Regular Plan. Members are required by state statute to contribute 7.5% of their annual covered salaries if hired before July 1, 2006 (closed plan) and 8.0% of their annual covered salaries if hired after July 1, 2006, and the School Board is required to make employer contributions based on an actuarially determined rate. The employer contribution rate for the fiscal year ended June 30, 2025 was 34.74% of annual covered payroll. The School Board's contributions paid to LASERS for the year ended June 30, 2025 was \$64,062.

ST. MARY PARISH SCHOOL BOARD

Notes to Financial Statements

NOTE 12 PENSION PLANS (CONTINUED)

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

The following table reflects the School Board’s reported net pension liability, pension expense, proportion share of the net pension liability and changes in proportion as of June 30, 2025.

	<u>TRSL</u>	<u>LSERS</u>	<u>LASERS</u>	<u>Total</u>
Net Pension Liability	<u>\$71,799,985</u>	<u>\$ 6,382,142</u>	<u>\$390,355</u>	<u>\$ 78,572,482</u>
Pension Expense	<u>\$ 8,348,494</u>	<u>\$ 161,363</u>	<u>\$ 40,102</u>	<u>\$ 8,549,959</u>
Proportion of Net Pension Liability	0.8316%	1.2584%	0.0072%	
Change in Proportion Increase (Decrease)	0.02570%	-0.11271%	-0.00039%	

The net pension liabilities were measured as of June 30, 2024 for TRSL, LSRS and LASERS. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of these dates. The School Board’s proportion of the net pension liability for TRSL and LASERS was based on a projection of the School Board’s long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. The School Board’s proportion of the net pension liability of LSERS was based on the School Board’s historical contributions.

At June 30, 2025 , the School Board reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Deferred Outflows of Resources

	<u>TRSL</u>	<u>LSERS</u>	<u>LASERS</u>	<u>Total</u>
Differences between expected and actual experience	\$ 4,075,246	\$ 155,080	\$ 2,729	\$ 4,233,055
Changes in assumptions	1,921,882	-	-	1,921,882
Difference between projected and actual earnings on pension plan investments	5,454,525	-	-	5,454,525
Difference between employer contributions and proportionate share of contributions	888,482	-	(12,858)	875,624
Changes in proportion	-	-	-	-
Employer contributions subsequent to measurement date	11,060,271	1,275,827	64,062	12,400,160
Total	<u>\$ 23,400,406</u>	<u>\$1,430,907</u>	<u>\$ 53,933</u>	<u>\$24,885,246</u>

ST. MARY PARISH SCHOOL BOARD

Notes to Financial Statements

NOTE 12 PENSION PLANS (CONTINUED)

Deferred Inflows of Resources

	<u>TRSL</u>	<u>LSERS</u>	<u>LASERS</u>	<u>Total</u>
Differences between expected and actual experience	\$ -	\$ -	\$ 1,726	\$ 1,726
Changes in assumptions	1,838,441	272,733	-	2,111,174
Difference between projected and actual earnings on pension plan investments	-	608,887	46,542	655,429
Difference between employer contributions and proportionate share of contributions	(657,511)	8,278	(1,069)	(650,302)
Changes in proportion	-	470,911	-	470,911
Total	<u>\$ 1,180,930</u>	<u>\$1,360,809</u>	<u>\$ 47,199</u>	<u>\$ 2,588,938</u>

Deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of TRSL, LSERS, and LASERS net pension liability during the year ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense (benefit) as follows:

Year ended June 30:	<u>TRSL</u>	<u>LSERS</u>	<u>LASERS</u>	<u>Total</u>
2026	\$ (32,261)	\$ (926,184)	\$ (39,777)	\$ (998,222)
2027	8,632,079	(22,257)	12,025	8,621,847
2028	1,570,861	(142,154)	(17,938)	1,410,769
2029	988,526	(115,134)	(11,638)	861,754
Totals	<u>\$ 11,159,205</u>	<u>\$(1,205,729)</u>	<u>\$ (57,328)</u>	<u>\$ 9,896,148</u>

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ST. MARY PARISH SCHOOL BOARD

Notes to Financial Statements

NOTE 12 PENSION PLANS (CONTINUED)

Actuarial Assumptions

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

	TRSL	LSERS	LASERS
Valuation date	June 30, 2024	June 30, 2024	June 30, 2024
Actuarial cost method	Entry Age Normal	Entry Age Normal	Entry Age Normal
Actuarial Assumptions:			
Expected Remaining Service Lives	5 years	3 years	2 years
Investment Rate of Return	7.25%	6.80%	7.25%
Inflation Rate	2.4% per annum	2.5% per annum	2.4% per annum
Projected Salary Increases	2.41% - 4.85%	3.75%	2.4% - 15.3%
Cost-of-living adjustments	None	See plan description	See plan description
Dates of Experience Study	2018 - 2022	2018 - 2022	2019 - 2023
Mortality Rates	Pub2010T-Below Median Employee, Pub2010T-Below Median Retiree, Pub2010T-Disability, Pub 2010T-Below Median Contingent Survivor	Pub-2010 Median Healthy Retiree Tables, Pub-2010 General Below Median Sex Distinct Employee Table, Pub-2010 Non-Safety Disabled Retiree Sex Distinct Table	PubG-2010 Healthy Retiree Tables, RP-2000 Disabled Retiree Mortality Table

The long-term expected rate of return on pension plan investments of TRSL, LSERS, and LASERS were determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by 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. The target allocation and expected real rates of return for each major asset class of as of June 30, 2024 for TRSL, LSERS and LASERS are summarized in the following tables:

ST. MARY PARISH SCHOOL BOARD

Notes to Financial Statements

NOTE 12 PENSION PLANS (CONTINUED)

Teachers' Retirement System of Louisiana (TRSL):

Asset Class	Target Asset Allocation	Long-term Expected Portfolio Real Rate of Return
Domestic Equity	23%	4.45%
International Equity	11%	4.29%
Domestic Fixed Income	8%	2.79%
International Fixed Income	6%	1.66%
Private Equity	37%	8.24%
Other Private Assets	15%	4.51%
Total	100%	

Louisiana School Employees' Retirement System (LSERS):

Asset Class	Target Asset Allocation	Long-term Expected Portfolio Real Rate of Return
Fixed income	26%	0.97%
Equity	39%	2.66%
Alternative Investments	23%	1.81%
Real Estate	12%	0.60%
Total	100%	6.04%
Inflation		2.40%
Expected Arithmetic Nominal Return		8.44%

Louisiana State Employees' Retirement System (LASERS):

Asset Class	Long-term Expected Portfolio Real Rate of Return
Cash	0.76%
Domestic equity	4.29%
International equity	5.22%
Domestic Fixed Income	2.04%
International Fixed Income	5.24%
Alternative Investments	8.19%
Total	5.61%

ST. MARY PARISH SCHOOL BOARD

Notes to Financial Statements

NOTE 12 PENSION PLANS (CONTINUED)

Discount Rate

The discount rate used to measure the total pension liability of TRSL, LSERS, and LASERS was 7.25%, 6.80%, and 7.25%, respectively. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that employer contributions from participating employers will be made at contractually required rates, actuarially determined. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

The following presents the School Board’s proportionate share of the net pension liability of TRSL, LSERS and LASERS as of June 30, 2025 using the current discount rates of 7.25%, 6.80%, and 7.25%, respectively, 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>School Board's proportionate share of the net pension liability</u>		
	<u>1.0% Decrease</u>	<u>Current Discount Rate</u>	<u>1.0% Increase</u>
TRSL	\$ 104,054,170	\$ 71,799,985	\$ 44,682,522
LSERS	\$ 9,713,635	\$ 6,382,142	\$ 3,526,620
LASERS	\$ 539,070	\$ 390,355	\$ 263,982

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, 2025, the School Board recognized revenue as a result of support received from non-employer contributing entities of \$431,718 for its participation in TRSL. LSERS and LASERS do not receive support from non-employer contributing entities and as a result no revenue was recorded for the participation in LSERS or LASERS for the year ended June 30, 2025.

ST. MARY PARISH SCHOOL BOARD

Notes to Financial Statements

NOTE 12 PENSION PLANS (CONTINUED)

Pension Plan Fiduciary Net Position

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

Payables to the Pension Plans

At June 30, 2025, the School Board reported a payable of \$761,063 and \$79,042 for the outstanding amount of contributions due to TRSL and LSERS, respectively.

NOTE 13 OTHER POST EMPLOYMENT BENEFITS

Plan Description

The St. Mary Parish School Board provides certain continuing medical and life insurance benefits for its retired employees. The plan is a self-funded single employer plan administered by BlueCross BlueShield of Louisiana. The plan issues a separate financial report. The report may be obtained by writing to BlueCross BlueShield of Louisiana, P. O. Box 98029, Baton Rouge, Louisiana 70898-9029 or by calling (225) 295-3307. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

Benefits Provided

Requirements for eligibility for these benefits are that retirees at age 65 have not less than fifteen years with the St. Mary Parish School Board or twenty years total service with the last ten years of employment being with the St. Mary Parish School Board. At any age below 65 the retiree must have not less than 30 years of service with at least twenty years with the St. Mary Parish School Board. The monthly premiums of these benefits for retirees and similar benefits for active employees are paid jointly by the employee and the School Board.

The contribution requirements of plan members and the School Board are established and may be amended by the School Board. The School Board determines the required contribution based on projected pay-as-you-go financing. Current monthly contribution rates for medical insurance at July 1, 2024 were as follows:

	Plan 1		Plan 2	
	Pre-Medicare	Post-Medicare	Pre-Medicare	Post-Medicare
Retiree Only	\$ 223	\$ 90	\$ 120	\$ 90
Retiree and Spouse	481	180	310	180
Surviving Spouse	368	220	318	220

ST. MARY PARISH SCHOOL BOARD

Notes to Financial Statements

NOTE 13 OTHER POST EMPLOYMENT BENEFITS (CONTINUED)

Retirees eligible for Medicare are required to enroll in Part A which affects their monthly required premium amount. Employees are also eligible for Basic Life Insurance upon retirement. The School Board will pay one-half of the premium with the retiree being responsible for the other half of the premium. In addition, retirees may elect a Supplemental Life Insurance benefit equal to the minimum of (1) 1.5 times their salary at retirement and (2) \$40,000. The School Board will pay one-half of the premium with the retiree being responsible for the other half of the premium.

Plan Membership

Membership in the plan consisted of the following at July 1, 2024, the date of the last full actuarial valuation.

Active employees	1,121
Retirees	874
Beneficiaries	34
Spouses of current retirees	<u>241</u>
Total	<u><u>2,270</u></u>

Total OPEB Liability

The School Board total OPEB liability of \$140,182,519 was measured as of June 30, 2025, and was determined by an actuarial valuation as of July 1, 2024.

Actuarial Assumptions

The total OPEB liability in the July 1, 2024 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement:

Valuation date:	July 1, 2024
Measurement date:	June 30, 2025
Actuarial cost method:	Entry age normal
Inflation rate	2.30%
Salary scale	Based on years of service: 2.93%-4.85%
Discount rate	5.20%
Healthcare cost trend	3.70% - 6.30%
Mortality rates	PubG.H-2016 projected forward (fully generational) with MP-2021. Pub-2016 for disabled lives and contingent survivors.

The discount rate was based on the Bond Buyer's 20-year General Obligation Index.

The plan has not had a formal actuarial experience study performed.

ST. MARY PARISH SCHOOL BOARD

Notes to Financial Statements

NOTE 13 OTHER POST EMPLOYMENT BENEFITS (CONTINUED)

Changes in total OPEB Liability

	<u>Increase (Decrease) Total OPEB Liability</u>
Balance as of June 30, 2024	\$ 106,993,508
Changes for the year:	
Service cost	3,835,763
Interest on total OPEB liability	4,255,267
Effect of economic/demographic gains or losses	58,622,299
Effect of assumptions changes or inputs	(28,369,163)
Benefit payments	<u>(5,155,155)</u>
Net changes	<u>33,189,011</u>
Balance as of June 30, 2025	<u>\$ 140,182,519</u>

Sensitivity Analysis

The following presents the total OPEB liability of the School Board, calculated using the discount rate of 5.20%, 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 (4.20%) or 1 percentage point higher (6.20%) than the current rate.

	<u>1% Decrease 4.20%</u>	<u>Discount Rate 5.20%</u>	<u>1% Increase 6.20%</u>
Total OPEB liability	\$ 159,910,269	\$ 140,182,519	\$ 123,994,457

The following presents the total OPEB liability of the School Board, calculated using the current healthcare cost trend rates as well as what the School Board's total OPEB liability would be if it were calculated using trend rates that are 1 percentage point lower or 1 percentage point higher than the current trend rates.

	<u>1% Decrease</u>	<u>Current Trend Rate</u>	<u>1% Increase</u>
Total OPEB liability	\$ 122,433,116	\$ 140,182,519	\$ 161,986,880

ST. MARY PARISH SCHOOL BOARD

Notes to Financial Statements

NOTE 13 OTHER POST EMPLOYMENT BENEFITS (CONTINUED)

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

For the year ended June 30, 2025, the School Board recognized OPEB expense (benefit) of (\$1,913,971). At June 30, 2025, the School Board reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Inflows of Resources	Deferred Outflows of Resources
Differences between expected and actual experience	\$ (6,310,426)	\$ 46,149,469
Changes of assumptions	<u>(24,949,068)</u>	<u>-</u>
Total	<u>\$ (31,259,494)</u>	<u>\$ 46,149,469</u>

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

Year ending June 30:	
2026	\$ 1,048,046
2027	3,320,875
2028	6,015,270
2029	<u>4,505,784</u>
Total	<u>\$ 14,889,975</u>

NOTE 14 RISK MANAGEMENT

Workers' Compensation

The School Board replaced the limited risk management program for workers' compensation with a fully insured plan on May 1, 1999. Management Service, USA was hired by the School Board as administrator of this limited risk program. While under this limited risk plan, the School Board purchased commercial insurance for individual claims in excess of \$1,000,000. The School Board, unable to obtain reasonable worker's compensation insurance coverage, once again elected to participate in another limited risk management program, effective May 1, 2004. Claims Administrative Services, Inc. serves as the administrator of this plan. The School Board incurred \$657,371 in benefits and administrative costs under the limited risk plans during fiscal year 2025. Incurred but not paid claims have been accrued as a liability in the general fund.

ST. MARY PARISH SCHOOL BOARD

Notes to Financial Statements

NOTE 14 RISK MANAGEMENT (CONTINUED)

Reconciliation of Claims Liabilities

Changes in the claims liability amounts for the risk management programs are as follows:

	<u>Beginning of Fiscal year Liability</u>	<u>Claims and Changes in Estimates</u>	<u>Benefit Payments and Claims</u>	<u>Balance at Fiscal Year - End</u>
Workers' Compensation	<u>\$ 1,117,483</u>	<u>\$ 1,051,667</u>	<u>\$ (657,371)</u>	<u>\$ 1,511,779</u>

Claims payable of \$1,511,779 for workers' compensation at June 30, 2025 was obtained from information provided by the third party administrator.

General Liability

The School Board, unable to obtain reasonable commercial insurance coverage, elected to participate in a self-insurance pool called LARMA (Louisiana Risk Management Agency), effective April 1, 2004. This pool consists of other school boards and is structured where a loss fund is established from actuarial numbers. Aggregate excess coverage of \$4 million is also provided to protect the fund. This fund covers general liability as well as automobile, board errors and omissions liability, and fidelity and forgery insurance. Building and contents coverage is still being provided by a commercial insurance carrier.

NOTE 15 PENDING LITIGATION

Contingencies

At June 30, 2025, the School Board was a defendant in lawsuits principally arising from the normal course of operations. The School Board's legal counsel has reviewed the School Board's claims and lawsuits in order to evaluate the likelihood of an unfavorable outcome to the School Board. It is the opinion of the School Board, after conferring with legal counsel, that the liabilities, if any, which might arise from these lawsuits could have a material adverse effect on the School Board's financial position in the amount of approximately \$2 million.

NOTE 16 FUND BALANCES

The School Board applies GASB Statement No. 54, which redefined how fund balances of the governmental funds are presented in the financial statements. Fund balances are classified as follows:

Nonspendable Fund Balance—amounts that are not in spendable form or are required to be maintained intact.

ST. MARY PARISH SCHOOL BOARD

Notes to Financial Statements

NOTE 16 FUND BALANCES (CONTINUED)

Restricted Fund Balance—amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.

Committed Fund Balance—amounts constrained to specific purposes by the School Board itself, using its highest level of decision-making authority. To be reported as committed, amounts cannot be used for any other purpose unless the School Board takes the same highest level action to remove or change the constraint.

Assigned Fund Balance—amounts the School Board intends to use for a specific purpose. Intent can be expressed by the School Board or by an official or body to which the School Board delegates the authority.

Unassigned Fund Balance—amounts that are available for any purpose.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the School Board considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the School Board considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the School Board has provided otherwise in its commitment or assignment actions.

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ST. MARY PARISH SCHOOL BOARD

Notes to Financial Statements

NOTE 16 FUND BALANCES (CONTINUED)

The following is a schedule of fund balances as of June 30, 2025:

	General Fund	Nonmajor Governmental Funds	Total Governmental Funds
Non Spendable:			
Inventory	\$ 218,498	\$ -	\$ 218,498
Prepaid Expenses	2,542,691	-	2,542,691
Truancy	166,628	-	166,628
Restricted:			
Education Excellence	158,753	-	158,753
Debt Service	-	3,813,094	3,813,094
Maintenance	-	4,752,926	4,752,926
Committed:			
Future Occurrences	23,542,757	-	23,542,757
Backflow Preventers	180,300	-	180,300
District II Construction Loan	952,000	-	952,000
Asbestos Abatement	50,000	-	50,000
Band Uniforms	35,000	-	35,000
Insurance Deductibles	1,000,000	-	1,000,000
Floor Tile	100,000	-	100,000
Self-funded insurance	3,000,000	-	3,000,000
Computer Software Programs	250,000	-	250,000
Worker's Comp. Self Ins. Loss	500,000	-	500,000
Technology	5,801,307	-	5,801,307
Construction	-	9,110,020	9,110,020
Assigned:			
Student Activity Funds	-	3,268,130	3,268,130
Technology	-	-	-
Federal Programs	2,691,521	-	2,691,521
Food Service	-	3,148,894	3,148,894
Total fund balances	<u>\$41,189,455</u>	<u>\$24,093,064</u>	<u>\$ 65,282,519</u>

ST. MARY PARISH SCHOOL BOARD

Notes to Financial Statements

NOTE 17 COMPENSATION OF BOARD MEMBERS

A detail of the compensation paid to individual board members for the year ending June 30, 2025 follows:

Alaina Black, President	\$ 9,600
Tammie Moore, Vice President	8,400
Andrew Mancuso	8,400
Chad Paradee	8,400
Debra Jones	8,400
Ginger Griffin	8,400
Lindsey Anslem	8,400
Marilyn LaSalle	8,400
Murphy Pontiff Jr.	1,800
Rhonda Dennis	8,400
Guienzy Brent	8,400
Lawrence Guillory	6,000
Total	<u>\$ 93,000</u>

NOTE 18 COMPENSATION, BENEFITS, AND OTHER PAYMENTS TO AGENCY HEAD

A detail of compensation, benefits, and other payments made to Superintendent Dr. Buffy Fegenbush for the year ended June 30, 2025 follows:

<u>Purpose</u>	<u>Dr. Fegenbush</u>
Salary	\$ 142,800
Benefits - insurance	11,298
Car allowance	12,000
Dues	1,485
Travel	644
Registration fees	6,775
Conference travel	8,181
Total	<u>\$ 183,183</u>

NOTE 19 OTHER DEFERRALS

Other deferred inflows of resources at June 30, 2025 consisted of the following:

Millennium Trust Funds	<u>\$ 166,628</u>
Total other deferred inflows of resources	<u>\$ 166,628</u>

ST. MARY PARISH SCHOOL BOARD

Notes to Financial Statements

NOTE 19 OTHER DEFERRALS (CONTINUED)

The Louisiana State Legislature created the Millennium Trust in 1999 to provide for the disposition of proceeds from the tobacco settlement. The same legislation that created the Millennium Trust, Louisiana Revised Statute (LRS): 39:98.1-98.5, also established the Education Excellence Fund as a component of the Millennium Trust. By legislative mandate, the Louisiana Department of Education has the responsibility of providing the appropriations and oversight of monies from the Education Excellence Fund with the specific purpose of ensuring that all expenditures are used to support “excellence in educational practice.” Funds are obtained by the submission of an approved Education Excellence Expenditure Plan to the Louisiana Department of Education. For further information the St. Mary Parish School Board maintains a copy of the Educational Excellence Expenditure Plan and can be viewed at the St. Mary Parish School Board’s central office at 474 Highway 317, Centerville, Louisiana 70538.

NOTE 20 GRANT AUDIT

The School Board receives grants for specific purposes that are subject to review and audit by governmental agencies. Such audits could result in a request for reimbursement by the grantor for expenditures disallowed under the terms and conditions of the appropriate agency. In the opinion of the School Board, such disallowances, if any, will not be significant.

NOTE 21 COVID-19 PANDEMIC

As a result of the COVID-19 pandemic, under the Elementary and Secondary School Emergency Relief Fund (ESSER Fund) and the Government Emergency Education Relief Fund (GEER Fund), the Department of Education has awarded grants to State Educational Agencies (SEAs) for the purpose of providing local educational agencies (LEAs), including charter schools that are LEAs, with emergency relief funds to address the impact that Novel Coronavirus Disease 2019 (COVID-19) has had, and continues to have, on elementary and secondary schools across the nation. LEAs must provide equitable services to students and teachers in non-public schools as required under the Coronavirus Aid, Relief, and Economic Security Act (CARES Act). The School Board was awarded \$43,868,688 under multiple CARES Act ESSERF and Achieve! grants. The award periods range from May 1, 2020 to December 16, 2024. As of June 30, 2025, the School Board had earned the full \$43,868,688.

NOTE 22 PRIOR PERIOD RESTATEMENT

During fiscal year 2025, the Louisiana Department of Education Statewide Monitoring performed an audit of 2024 contract compliance. As a result of the audit, the School Board was required to pay \$828,036 as a Davis-Bacon Federal Prevailing Wages Resolution Agreement/Settlement.

	General Fund
Fund balance June 30, 2024	\$ 45,429,556
Adjustments:	
Correction to prior year accounts payable	<u>(828,036)</u>
Fund balance June 30, 2024, restated	<u>\$ 44,601,520</u>

REQUIRED SUPPLEMENTARY INFORMATION – PART II

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

MAJOR FUND DESCRIPTIONS

GENERAL FUND

To account for resources traditionally associated with governments which are not required to be accounted for in other funds.

ST. MARY PARISH SCHOOL BOARD

Budgetary Comparison Schedule
 General Fund
 For the Year Ended June 30, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Local sources:				
Ad valorem tax	\$ 13,535,000	\$ 13,535,000	\$ 13,837,957	\$ 302,957
Sales taxes	24,700,000	24,700,000	27,376,471	2,676,471
Tuition	141,680	141,680	129,373	(12,307)
Interest earnings	2,605,000	2,605,000	2,589,333	(15,667)
Leases and royalties	300,000	300,000	175,994	(124,006)
Other	857,000	857,000	3,055,098	2,198,098
State sources:				
Unrestricted grants-in-aid	47,704,577	47,704,577	47,210,294	(494,283)
Restricted grants-in-aid	4,924,957	4,924,957	4,843,192	(81,765)
Federal sources:				
Restricted	87,500	87,500	10,111	(77,389)
Total revenues	94,855,714	94,855,714	99,227,823	4,372,109
Expenditures:				
Current -				
Instruction:				
Regular programs	33,189,555	33,189,555	33,889,259	(699,704)
Special education programs	11,251,659	11,251,659	10,916,988	334,671
Vocational education programs	3,775,200	3,775,200	2,997,559	777,641
Other instructional programs	4,305,366	4,305,366	4,699,330	(393,964)
Special programs	1,664,856	1,664,856	1,989,422	(324,566)
Adult and continuing education programs	36,700	36,700	36,004	696
Support services:				
Pupil support services	5,765,271	5,765,271	6,351,402	(586,131)
Instructional staff services	5,520,982	5,520,982	5,649,680	(128,698)
General administration	2,834,432	2,834,432	3,040,111	(205,679)
School administration	6,503,306	6,503,306	6,539,584	(36,278)
Business services	939,306	939,306	911,813	27,493
Operation and maintenance of plant services	11,112,737	11,112,737	12,598,023	(1,485,286)
Student transportation services	5,405,632	5,405,632	5,417,557	(11,925)
Central services	2,591,428	2,591,428	2,356,663	234,765
Non-instructional services:				
Food service operations	327,210	327,210	555,678	(228,468)
Community service programs	24,765	24,765	24,765	-

See accompanying notes to the required supplementary information.

ST. MARY PARISH SCHOOL BOARD

Budgetary Comparison Schedule
 General Fund
 For the Year Ended June 30, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Facilities acquisition, expansion and rehabilitation	\$ -	\$ -	\$ 175,486	\$ (175,486)
Other	412,776	412,776	637,393	(224,617)
Total expenditures	<u>95,661,181</u>	<u>95,661,181</u>	<u>98,786,717</u>	<u>(3,125,536)</u>
Excess of revenues over expenditures	(805,467)	(805,467)	441,106	1,246,573
Other financing sources:				
Operating transfers in	412,249	412,249	646,829	234,580
Operating transfers out	<u>(3,000,000)</u>	<u>(3,000,000)</u>	<u>(4,500,000)</u>	<u>(1,500,000)</u>
Total other financing sources	<u>(2,587,751)</u>	<u>(2,587,751)</u>	<u>(3,853,171)</u>	<u>(1,265,420)</u>
Excess of revenues and and other sources over (under) expenditures and other uses	(3,393,218)	(3,393,218)	(3,412,065)	(18,847)
FUND BALANCES				
Beginning of year, as restated	<u>44,601,520</u>	<u>44,601,520</u>	<u>44,601,520</u>	<u>-</u>
End of year	<u>\$ 41,208,302</u>	<u>\$ 41,208,302</u>	<u>\$ 41,189,455</u>	<u>\$ (18,847)</u>

See accompanying notes to the required supplementary information.

ST. MARY PARISH SCHOOL BOARD

Schedule of Changes in Total OPEB Liability and Related Ratios
For the Year Ended June 30, 2025

	2025	2024	2023	2022	2021
Total OPEB Liability					
Service cost	\$ 3,835,763	\$ 3,108,309	\$ 2,948,184	\$ 4,218,443	\$ 5,398,389
Interest on total OPEB liability	4,255,267	3,979,877	4,465,338	3,290,275	3,098,257
Effect of economic/demographic gains or losses	58,622,299	-	(18,931,276)	-	38,264,483
Effect of assumption changes or inputs	(28,369,163)	(3,794,100)	(1,524,190)	(28,259,851)	(29,316,949)
Benefit payments	<u>(5,155,155)</u>	<u>(4,420,322)</u>	<u>(4,024,218)</u>	<u>(4,321,048)</u>	<u>(3,939,119)</u>
Net change in total OPEB liability	33,189,011	(1,126,236)	(17,066,162)	(25,072,181)	13,505,061
Total OPEB liability, beginning	<u>106,993,508</u>	<u>108,119,744</u>	<u>125,185,906</u>	<u>150,258,087</u>	<u>136,753,026</u>
Total OPEB liability, ending	<u>\$ 140,182,519</u>	<u>\$ 106,993,508</u>	<u>\$ 108,119,744</u>	<u>\$ 125,185,906</u>	<u>\$ 150,258,087</u>
Covered payroll	\$ 51,321,407	\$ 51,052,079	\$ 49,339,982	\$ 46,514,130	\$ 45,930,809
Total OPEB liability as a % of covered payroll	273.15%	209.58%	219.13%	269.14%	327.14%
	2020	2019	2018		
Total OPEB Liability					
Service cost	\$ 3,688,049	\$ 3,689,869	\$ 8,223,941		
Interest on total OPEB liability	4,548,841	7,798,244	7,320,868		
Effect of economic/demographic gains or losses	-	(91,377,895)	-		
Effect of assumption changes or inputs	4,337,950	12,465,838	(9,435,325)		
Benefit payments	<u>(4,165,463)</u>	<u>(4,056,622)</u>	<u>(5,065,157)</u>		
Net change in total OPEB liability	8,409,377	(71,480,566)	1,044,327		
Total OPEB liability, beginning	<u>128,343,649</u>	<u>199,824,215</u>	<u>198,779,888</u>		
Total OPEB liability, ending	<u>\$ 136,753,026</u>	<u>\$ 128,343,649</u>	<u>\$ 199,824,215</u>		
Covered payroll	\$ 43,275,778	\$ 42,691,544	\$ 49,062,000		
Total OPEB liability as a % of covered payroll	316.00%	300.63%	407.29%		

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

ST. MARY PARISH SCHOOL BOARD

Schedule of Proportionate Share of Net Pension Liability
For the Year Ended June 30, 2025

Fiscal Year*	Proportion of the net pension liability (asset)	Proportionate share of the net pension liability (asset)	Covered-employee payroll	Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	Plan fiduciary net position as a percentage of the total pension liability
Teachers' Retirement System of Louisiana					
2025	0.83163%	\$ 71,799,985	\$ 51,419,205	139.64%	76.00%
2024	0.80593%	\$ 72,851,313	\$ 48,892,844	149.00%	74.30%
2023	0.79446%	\$ 75,849,196	\$ 44,837,130	169.17%	72.40%
2022	0.84732%	\$ 45,236,692	\$ 41,807,445	108.20%	83.90%
2021	0.83393%	\$ 92,763,012	\$ 42,266,440	219.47%	65.60%
2020	0.86840%	\$ 86,188,637	\$ 41,150,074	209.45%	68.60%
2019	0.91810%	\$ 90,230,560	\$ 41,500,969	217.42%	68.20%
2018	0.92645%	\$ 94,978,413	\$ 42,853,100	221.64%	65.60%
2017	0.97802%	\$ 114,789,726	\$ 43,709,773	262.62%	59.90%
2016	0.99793%	\$ 107,299,878	\$ 44,988,296	238.51%	62.50%
Louisiana School Employees' Retirement System					
2025	1.25843%	\$ 6,382,142	\$ 4,986,013	128.00%	82.10%
2024	1.37114%	\$ 8,295,215	\$ 4,757,396	174.36%	78.50%
2023	1.36594%	\$ 9,083,486	\$ 4,740,749	191.60%	76.31%
2022	1.43748%	\$ 6,832,595	\$ 4,425,686	154.38%	82.50%
2021	1.39281%	\$ 11,190,587	\$ 4,392,705	254.75%	69.67%
2020	1.45454%	\$ 10,182,706	\$ 4,191,444	242.94%	73.49%
2019	1.40207%	\$ 9,367,753	\$ 4,212,639	222.37%	-74.40%
2018	1.34481%	\$ 8,605,783	\$ 4,070,634	211.41%	-75.00%
2017	1.33999%	\$ 10,108,246	\$ 3,898,720	259.27%	-70.09%
2016	1.39067%	\$ 8,818,639	\$ 3,814,283	231.20%	74.49%
Louisiana State Employees' Retirement System					
2025	0.00718%	\$ 390,355	\$ 184,379	211.71%	74.60%
2024	0.00757%	\$ 506,901	\$ 178,537	283.92%	68.40%
2023	0.00739%	\$ 558,665	\$ 169,957	328.71%	63.70%
2022	0.00702%	\$ 386,214	\$ 150,702	256.28%	72.80%
2021	0.00644%	\$ 532,962	\$ 145,538	366.20%	58.00%
2020	0.00494%	\$ 358,189	\$ 122,267	292.96%	62.90%
2019	0.00724%	\$ 493,626	\$ 119,685	412.44%	64.30%
2018	0.00744%	\$ 523,407	\$ 139,367	375.56%	62.50%
2017	0.00730%	\$ 573,079	\$ 138,251	414.52%	57.70%
2016	0.00716%	\$ 486,648	\$ 137,114	354.92%	62.70%

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

This schedule is intended to show information for 10 years.

See accompanying notes to the required supplementary information.

ST. MARY PARISH SCHOOL BOARD

Schedule of Contributions
For the Year Ended June 30, 2025

Fiscal Year*	(a) Statutorily Required Contribution	(b) Contributions in relation to the statutorily required contribution	(a-b)		Covered-employee payroll	Contributions as a percentage of covered-employee payroll
			Contribution	Deficiency (Excess)		
Teachers' Retirement System of Louisiana						
2025	\$ 11,060,271	\$ 11,060,271	\$ -	\$	51,419,205	21.5%
2024	\$ 11,783,176	\$ 11,783,195	\$ (19)	\$	48,892,844	24.1%
2023	\$ 11,119,608	\$ 11,120,685	\$ (1,077)	\$	44,837,130	24.8%
2022	\$ 10,535,476	\$ 10,539,067	\$ (3,591)	\$	41,807,445	25.2%
2021	\$ 10,904,742	\$ 11,016,468	\$ (111,726)	\$	42,266,440	26.1%
2020	\$ 10,699,019	\$ 10,699,027	\$ (8)	\$	41,150,074	26.0%
2019	\$ 11,080,759	\$ 11,083,015	\$ (2,256)	\$	41,500,969	26.7%
2018	\$ 11,399,311	\$ 11,399,311	\$ -	\$	42,853,100	26.6%
2017	\$ 11,192,739	\$ 11,192,739	\$ -	\$	43,709,773	25.6%
2016	\$ 11,879,586	\$ 11,888,742	\$ (9,156)	\$	44,988,296	26.4%
Louisiana School Employees' Retirement System						
2025	\$ 1,286,391	\$ 1,275,827	\$ 10,564	\$	4,986,013	25.6%
2024	\$ 1,313,041	\$ 1,303,023	\$ 10,018	\$	4,757,396	27.4%
2023	\$ 1,308,447	\$ 1,313,304	\$ (4,857)	\$	4,740,749	27.7%
2022	\$ 1,270,172	\$ 1,270,449	\$ (277)	\$	4,425,686	28.7%
2021	\$ 1,260,706	\$ 1,272,709	\$ (12,003)	\$	4,392,705	29.0%
2020	\$ 1,232,285	\$ 1,232,296	\$ (11)	\$	4,191,444	29.4%
2019	\$ 1,179,539	\$ 1,179,539	\$ -	\$	4,212,639	28.0%
2018	\$ 1,123,496	\$ 1,123,496	\$ -	\$	4,070,634	27.6%
2017	\$ 1,064,352	\$ 1,064,352	\$ -	\$	3,898,720	27.3%
2016	\$ 1,151,914	\$ 1,151,914	\$ -	\$	3,814,283	30.2%
Louisiana State Employees' Retirement System						
2025	\$ 64,053	\$ 64,062	\$ (9)	\$	184,379	34.7%
2024	\$ 73,736	\$ 73,660	\$ 76	\$	178,537	41.3%
2023	\$ 68,663	\$ 68,616	\$ 47	\$	169,957	40.4%
2022	\$ 59,527	\$ 61,680	\$ (2,153)	\$	150,702	40.9%
2021	\$ 58,361	\$ 58,361	\$ -	\$	145,538	40.1%
2020	\$ 49,763	\$ 49,763	\$ -	\$	122,267	40.7%
2019	\$ 45,361	\$ 45,361	\$ -	\$	119,685	37.9%
2018	\$ 52,820	\$ 52,825	\$ (5)	\$	139,367	37.9%
2017	\$ 49,494	\$ 49,494	\$ -	\$	138,251	35.8%
2016	\$ 51,006	\$ 51,006	\$ -	\$	137,114	37.2%

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

This schedule is intended to show information for 10 years.

See accompanying notes to the required supplementary information.

ST. MARY PARISH SCHOOL BOARD

Notes to the Required Supplementary Information

NOTE 1 BASIS OF ACCOUNTING

The budgetary basis is in accordance with generally accepted accounting principles (GAAP).

NOTE 2 BUDGETARY PRACTICES

Budgetary Information

Proposed budgets are prepared on a basis consistent with generally accepted accounting principles (GAAP) and are presented to the School Board by the Superintendent prior to the commencement of each fiscal year. After public hearings, the proposed budgets, after any amendments deemed necessary, are adopted by the Board. Budgetary amendments are processed in the same manner. Budgets are prepared only for the General Fund and all Special Revenue Funds.

All appropriations lapse at the end of each fiscal year.

Appropriations and Budgeted Expenditures

For the year ended June 30, 2025, actual expenditures were more than appropriations in the General Fund but did not exceed the 5%.

NOTE 3 OTHER POSTEMPLOYMENT BENEFITS

Changes of benefit terms. There were no changes of benefit terms for the OPEB Plan during the year presented.

Changes of assumptions. The discount rate changed from 3.93% to 5.20% during the June 30, 2025 fiscal year.

NOTE 4 PENSION PLANS - CHANGES OF BENEFIT TERMS

Teachers' Retirement System of Louisiana (TRSL)

There were no changes of benefit terms for measurement period ended June 30, 2024.

Louisiana School Employees' Retirement System (LSERS)

There were no changes of benefit terms for measurement period ended June 30, 2024.

Louisiana State Employees' Retirement System (LASERS)

There were no changes of benefit terms for measurement period ended June 30, 2024.

ST. MARY PARISH SCHOOL BOARD

Notes to the Required Supplementary Information

NOTE 5 PENSION PLANS - CHANGES OF ASSUMPTIONS

Teachers' Retirement System of Louisiana (TRSL)

Amounts reported in the actuary valuation dated June 30, 2024 and 2023:

Valuation date:	<u>June 30, 2024</u>	<u>June 30, 2023</u>
Discount rate	7.25%	7.25%
Inflation rate	2.4%	2.4%
Projected salary increases	2.41% - 4.85%	2.41% - 4.85%
Experience study	2018-2022	2018-2022
Mortality rates	Pub-2010 Tables	Pub-2010 Tables

Louisiana School Employees' Retirement System (LSERS)

Amounts reported in the actuary valuation dated June 30, 2024 and 2023:

Valuation date:	<u>June 30, 2024</u>	<u>June 30, 2023</u>
Discount rate	6.8%	6.8%
Inflation rate	2.5%	2.5%
Projected salary increases	3.75%	3.75%
Experience study	2018-2022	2018-2022
Mortality rates	Pub-2010 Tables	Pub-2010 Tables

Louisiana State Employees' Retirement System (LASERS)

Amounts reported in the actuary valuation dated June 30, 2024 and 2023:

Valuation date:	<u>June 30, 2024</u>	<u>June 30, 2023</u>
Discount rate	7.25%	7.25%
Inflation rate	2.4%	2.3%
Projected salary increases	2.4%-15.3%	3.0%-12.8%
Experience study	2019-2023	2014-2018
Mortality rates	Pub-2010 Tables	RP-2014 Mortality Tables

SUPPLEMENTAL INFORMATION

ST. MARY PARISH SCHOOL BOARD

NON-MAJOR FUND DESCRIPTIONS

SPECIAL REVENUE FUNDS

Elementary and Secondary Education Act - As Amended by the No Child Left Behind Act of 2001

Title I of the No Child Left Behind Act of 2001, including ARRA funding, is a program for economically and educationally disadvantaged school children that is federally financed, state-administered, and locally operated by the School Board. Title I services are provided through various projects that are designed to meet the special needs of educationally disadvantaged children. The activities supplement, rather than replace, state and locally mandated activities. Title I Migrant is a program for children of migrant parents that is federally financed, state-administered, and locally operated by the School Board. This service is supplementary and is designed to meet the special needs of migratory children.

Title I Grants to Local Educational Agencies, American Recovery and Reinvestment Act of 2009 (ARRA) is a program to help local educational agencies and schools improve the teaching and learning of children failing, or most at-risk of failing, to meet challenging State academic achievement standards.

Title II of the No Child Left Behind Act of 2001 is a program by which the federal government provides funds to the School Board for projects that are designed to improve the skills of teachers in the areas of mathematics, science, computer learning, and foreign languages and to increase the accessibility of such instruction to all students.

Title III of the No Child Left Behind Act of 2001 is a federal grant that focuses on assisting school districts in teaching English to Limited English Proficiency students in an effort to meet the challenges of state standards required of all students.

Title IV Safe and Drug-Free Schools and Communities Fund of the No Child Left Behind Act of 2001 is a program by which the federal government provides funds to the School Board for drug abuse education and prevention that is coordinated with related community efforts and resources.

Temporary Assistance for Needy Families

Title IV Temporary Assistance for Needy Families of the Social Security Act is comprised of several programs by which the federal government provides funds to the School Board to assist needy families with children so that children can be cared for in their own homes; reduce dependency by promoting job preparation, work and marriage; to reduce and prevent out-of-wedlock pregnancies; and to encourage the formation and maintenance of two-parent families.

Rural Education Achievement Program

The Rural Education Achievement Program is a program to provide financial assistance to rural districts to carry out activities to help improve the quality of teaching and learning in their schools.

Individuals with Disabilities Education Act

Preschool Incentive Fund, including ARRA funding, is a program for expanding educational services to children with disabilities ages three through five years, and at a State's discretion, to two year old children with disabilities who will reach age three during the school year.

ST. MARY PARISH SCHOOL BOARD

NON-MAJOR FUND DESCRIPTIONS

Individuals with Disabilities Education Act (Continued)

Special education funds, including ARRA funding, are programs used to help provide the special education and related services needed to make a free appropriate public education available to eligible children and, in some cases, to provide early intervening services.

School Districts Maintenance Funds

The School Districts Maintenance Fund accounts for the purchases of new equipment, for repairs and renovation of existing buildings and equipment and for the maintenance of the grounds for School Districts I, II and III. Financing is provided primarily by a special property tax levy on property within each district and by the related state revenue sharing. Individual fund balances of the School Districts Maintenance Funds at June 30, 2025, are as follows:

District I	\$ 1,158,510
District II	725,342
District III	<u>2,869,074</u>
Total fund equity	<u>\$ 4,752,926</u>

School Lunch Fund

The School Lunch Fund is a program that provides nourishing morning and noon meals for students in all grades. This fund is supplemented by both federal and state funds that are based on reimbursement and participation.

Vocational/Adult Education

This is made up of the Carl D. Perkins Vocational Fund, Adult Education Workplace Literacy Funds, and Adult Education Funds. These provide funding for the instructional needs of vocational and adult education in St. Mary Parish.

Redesign Planning Grant

The Redesign Planning Grant is a program that provides for the planning and redesign of schools.

Direct Student Services

The Direct Student Services Grant is to ensure school systems support students in gaining access to academic courses, credentials, and services that are not otherwise available at their schools.

Reserve Officers' Training Corps

The Reserve Officers' Training Corps is a leadership course that instills the values of citizenship, national and community service, personal responsibility, and a sense of accomplishment in high school students.

ST. MARY PARISH SCHOOL BOARD

NON-MAJOR FUND DESCRIPTIONS

Comprehensive Literacy State Development

The Comprehensive Literacy State Development (CLSD) program is authorized under Sections 2222-2225 of the ESEA. The purpose of the CLSD discretionary grants is to create a comprehensive literacy program to advance literacy skills, including pre- literacy skills, reading, and writing, for children from birth through grade 12, with an emphasis on disadvantaged children, including children living in poverty, English learners, and children with disabilities.

Elementary and Secondary School Emergency Relief Fund (ESSERF)

The Elementary & Secondary School Emergency Relief Fund (ESSERF) was established as part of the Education Stabilization Fund (ESF) in the CARES Act, State educational agencies (SEAs) awarded subgrants to local educational agencies (LEAs) to address the impact that the Novel Coronavirus Disease 2019 (COVID-19) has had, and continues to have, on elementary and secondary schools across the Nation.

School Activity

The school activity agency fund is custodial in nature and accounts for activities within all twenty-two schools comprising the system. Monies accumulated within the student activity agency fund are under the supervision of the School Board; however, the monies are the properties of the respective schools and student bodies and are not available for use by the School Board.

DEBT SERVICE FUNDS

Consolidated School District No. 1, Special School District No. 4, Fifth Ward Special School District No 1, and Sixth Ward Special School District No. 3.

The school district debt service funds accumulate monies to retire the outstanding bond issues of the respective school districts. The bond issues are financed by a special tax levy on property within the territorial limits of the various school districts.

The bond issue for Sixth Ward Special District No. 3 has been retired. Remaining assets represent collections of prior year ad valorem taxes and are reserved for school district expenditures.

CAPITAL PROJECTS FUNDS

District Capital Project Funds

The board appropriates funds to provide for construction and major repair projects at each District.

Consolidated School District No. 1 Fund

Consolidated School District No. 1 Fund is used to acquire or improve land, building sites and other school-related facilities within the district. In addition, it is used to purchase the necessary equipment and furnishings for the schools. Funding has been provided by the proceeds of the \$24,000,000 bond issue dated May 1, 2007.

ST. MARY PARISH SCHOOL BOARD

NON-MAJOR FUND DESCRIPTIONS

Special School District No. 1 Fund

Special School District No. 1 Fund is used to acquire or improve land, building sites and other school – related facilities within the district. In addition, it is used to purchase the necessary equipment and furnishings for the schools. Funding is provided by the proceeds of the \$21,000,000 bond issue dated July 29, 2014.

Special School District No. 4 Fund

Special School District No. 4 Fund is used to acquire or improve land, building sites and other school – related facilities within the district. In addition, it is used to purchase the necessary equipment and furnishings for the schools. Funding has been provided by the proceeds of the \$4,700,000 bond issue dated May 1, 2007.

ST. MARY PARISH SCHOOL BOARD

Combined Balance Sheet
 Non-Major Governmental Funds
 By Fund Type
 June 30, 2025

ASSETS	Special Revenue	Debt Service	Capital Projects	Total
Cash and interest-bearing deposits	\$ 12,413,736	\$ 375,463	\$ 8,976,471	\$ 21,765,670
Receivables:				
Accounts	17,753	4,347	-	22,100
Due from other governmental units	3,011,120	-	-	3,011,120
Due from other funds	18,555,053	3,438,518	3,111,422	25,104,993
Inventory, at cost	<u>376,505</u>	<u>-</u>	<u>-</u>	<u>376,505</u>
 Total assets	 <u>\$ 34,374,167</u>	 <u>\$ 3,818,328</u>	 <u>\$ 12,087,893</u>	 <u>\$ 50,280,388</u>
 LIABILITIES AND FUND EQUITY				
Liabilities:				
Accounts payable	\$ 586,738	\$ -	\$ 30,375	\$ 617,113
Accrued liabilities	398,682	-	-	398,682
Due to other funds	<u>22,151,832</u>	<u>5,234</u>	<u>2,947,498</u>	<u>25,104,564</u>
Total liabilities	<u>23,204,217</u>	<u>5,234</u>	<u>2,977,873</u>	<u>26,187,324</u>
Fund balances:				
Restricted for debt service	-	3,813,094	-	3,813,094
Restricted for maintenance	4,752,926	-	-	4,752,926
Assigned for food service	6,417,024	-	-	6,417,024
Committed for construction	<u>-</u>	<u>-</u>	<u>9,110,020</u>	<u>9,110,020</u>
Total fund balances	<u>11,169,950</u>	<u>3,813,094</u>	<u>9,110,020</u>	<u>24,093,064</u>
 Total liabilities and fund balances	 <u>\$ 34,374,167</u>	 <u>\$ 3,818,328</u>	 <u>\$ 12,087,893</u>	 <u>\$ 50,280,388</u>

ST. MARY PARISH SCHOOL BOARD
Special Revenue Funds

Combining Balance Sheet
June 30, 2025

	No Child Left Behind Act			
	Title I	Title II	Title III	Title IV
ASSETS				
Cash and interest-bearing deposits	\$ -	\$ -	\$ -	\$ -
Receivables:				
Accounts	-	-	-	-
Due from other governmental units	1,487,876	282,426	-	63,270
Due from other funds	13,499,123	34,359	-	1,439
Inventory, at cost	-	-	-	-
 Total assets	 \$ 14,986,999	 \$ 316,785	 \$ -	 \$ 64,709
LIABILITIES AND FUND EQUITY				
Liabilities:				
Accounts payable	\$ 238,175	\$ 53,235	\$ -	\$ 2,245
Accrued liabilities	149,988	17,288	-	4,057
Due to other governmental units	-	-	-	-
Due to other funds	14,598,836	246,262	-	58,407
Total liabilities	14,986,999	316,785	-	64,709
Fund balances:				
Restricted for maintenance	-	-	-	-
Assigned	-	-	-	-
Total fund balances	-	-	-	-
 Total liabilities and fund balances	 \$ 14,986,999	 \$ 316,785	 \$ -	 \$ 64,709

ST. MARY PARISH SCHOOL BOARD
Special Revenue Funds

Combining Balance Sheet (Continued)
June 30, 2025

Rural Education Achievement Program	Individuals with Disabilities Education Act		School Districts Maintenance	School Lunch
	Preschool Incentive	Special Education		
\$ -	\$ -	\$ -	\$ 5,280,453	\$ 3,865,153
-	-	-	17,753	-
85,609	12,195	751,945	-	-
-	-	290,987	194,714	92,463
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>376,505</u>
<u>\$ 85,609</u>	<u>\$ 12,195</u>	<u>\$ 1,042,932</u>	<u>\$ 5,492,920</u>	<u>\$ 4,334,121</u>
\$ -	\$ -	\$ 5,877	273,198	\$ 5,077
10,400	3,718	43,586	1,824	146,941
-	-	-	-	-
<u>75,209</u>	<u>8,477</u>	<u>993,469</u>	<u>464,972</u>	<u>1,033,209</u>
<u>85,609</u>	<u>12,195</u>	<u>1,042,932</u>	<u>739,994</u>	<u>1,185,227</u>
-	-	-	4,752,926	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,148,894</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>4,752,926</u>	<u>3,148,894</u>
<u>\$ 85,609</u>	<u>\$ 12,195</u>	<u>\$ 1,042,932</u>	<u>\$ 5,492,920</u>	<u>\$ 4,334,121</u>

ST. MARY PARISH SCHOOL BOARD
Special Revenue Funds

Combining Balance Sheet (Continued)
June 30, 2025

	Vocational/ Adult Education	School Nurses Behavioral Grant	Redesign Planning Grant	Direct Student Services	Reserve Officers' Training Corps
ASSETS					
Cash and interest-bearing deposits	\$ -	\$ -	\$ -	\$ -	\$ -
Receivables:					
Accounts	-	-	-	-	-
Due from other governmental units	237,857	-	29,890	-	-
Due from other funds	303,069	1,786	5,169.00	61,605	-
Inventory, at cost	-	-	-	-	-
Total assets	\$ 540,926	\$ 1,786	\$ 35,059	\$ 61,605	\$ -
LIABILITIES AND FUND EQUITY					
Liabilities:					
Accounts payable	\$ -	\$ -	-	\$ -	\$ -
Accrued liabilities	13,763	-	-	-	-
Due to other governmental units	-	-	-	-	-
Due to other funds	527,163	1,786	35,059	61,605	-
Total liabilities	540,926	1,786	35,059	61,605	-
Fund balances:					
Restricted for maintenance	-	-	-	-	-
Assigned	-	-	-	-	-
Total fund balances	-	-	-	-	-
Total liabilities and fund balances	\$ 540,926	\$ 1,786	\$ 35,059	\$ 61,605	\$ -

ST. MARY PARISH SCHOOL BOARD
Special Revenue Funds

Combining Balance Sheet (Continued)
June 30, 2025

Elementary & Secondary School Emergency Relief Fund (ESSERF)	Comprehensive Literacy State Development	School Activities Fund	Total
\$ -	\$ -	\$ 3,268,130	\$ 12,413,736
-	-	-	17,753
-	60,052	-	3,011,120
3,938,565	131,774	-	18,555,053
<u>-</u>	<u>-</u>	<u>-</u>	<u>376,505</u>
<u>\$ 3,938,565</u>	<u>\$ 191,826</u>	<u>\$ 3,268,130</u>	<u>\$ 34,374,167</u>
\$ -	\$ 8,931	\$ -	\$ 586,738
-	7,117	-	398,682
66,965	-	-	66,965
<u>3,871,600</u>	<u>175,778</u>	<u>-</u>	<u>22,151,832</u>
<u>3,938,565</u>	<u>191,826</u>	<u>-</u>	<u>23,204,217</u>
-	-	-	4,752,926
<u>-</u>	<u>-</u>	<u>3,268,130</u>	<u>6,417,024</u>
<u>-</u>	<u>-</u>	<u>3,268,130</u>	<u>11,169,950</u>
<u>\$ 3,938,565</u>	<u>\$ 191,826</u>	<u>\$ 3,268,130</u>	<u>\$ 34,374,167</u>

ST. MARY PARISH SCHOOL BOARD

Debt Service Funds
Combining Balance Sheet
June 30, 2025

	Consolidated District No. 1	Special School District No. 4	Special School District No. 1	Special School District No. 3	Total
ASSETS					
Cash and interest-bearing deposits	\$ 130,739	\$ 61,202	\$ 183,522	\$ -	\$ 375,463
Accounts receivable	195	6	4,146	-	4,347
Due from other funds	<u>1,571,710</u>	<u>1,035,825</u>	<u>821,221</u>	<u>9,762</u>	<u>3,438,518</u>
Total assets	<u>\$ 1,702,644</u>	<u>\$ 1,097,033</u>	<u>\$ 1,008,889</u>	<u>\$ 9,762</u>	<u>\$ 3,818,328</u>
LIABILITIES AND FUND EQUITY					
Liabilities:					
Due to other funds	<u>\$ 1,966</u>	<u>\$ 395</u>	<u>\$ 2,873</u>	<u>\$ -</u>	<u>\$ 5,234</u>
Total liabilities	1,966	395	2,873	-	5,234
Fund balances:					
Restricted for debt service	<u>\$ 1,700,678</u>	<u>\$ 1,096,638</u>	<u>\$ 1,006,016</u>	<u>\$ 9,762</u>	<u>\$ 3,813,094</u>
Total liabilities and fund balances	<u>\$ 1,702,644</u>	<u>\$ 1,097,033</u>	<u>\$ 1,008,889</u>	<u>\$ 9,762</u>	<u>\$ 3,818,328</u>

ST. MARY PARISH SCHOOL BOARD

Capital Projects Funds
Combining Balance Sheet
June 30, 2025

	District Capital Projects	Consolidated District No. 1	Special School District No. 1	Special School District No. 4	Totals
ASSETS					
Cash and interest-bearing deposits	\$ 8,273,077	\$ 207,682	\$ 442,214	\$ 53,498	\$ 8,976,471
Due from other funds	<u>3,111,422</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,111,422</u>
Total assets	<u>\$ 11,384,499</u>	<u>\$ 207,682</u>	<u>\$ 442,214</u>	<u>\$ 53,498</u>	<u>\$ 12,087,893</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 30,375	\$ -	\$ -	\$ -	\$ 30,375
Due to other funds	<u>2,450,862</u>	<u>14,638</u>	<u>439,681</u>	<u>42,317</u>	<u>2,947,498</u>
Total liabilities	<u>2,481,237</u>	<u>14,638</u>	<u>439,681</u>	<u>42,317</u>	<u>2,977,873</u>
Fund balances:					
Committed for Construction	<u>8,903,262</u>	<u>193,044</u>	<u>2,533</u>	<u>11,181</u>	<u>9,110,020</u>
Total liabilities and fund balances	<u>\$ 11,384,499</u>	<u>\$ 207,682</u>	<u>\$ 442,214</u>	<u>\$ 53,498</u>	<u>\$ 12,087,893</u>

ST. MARY PARISH SCHOOL BOARD

Combined Statement of Revenues, Expenditures,
And Changes in Fund Balances
Non-Major Governmental Funds by Fund Type
Year Ended June 30, 2025

	Special Revenue	Debt Service	Capital Projects	Total
Revenues:				
Local sources -				
Ad valorem taxes	\$ 7,954,818	\$ 3,128,916	\$ -	\$ 11,083,734
Interest earnings	28,676	47,319	70	76,065
Food service	49,728	-	-	49,728
Other	3,713,814	-	-	3,713,814
State sources -				
Unrestricted grants-in-aid	548,963	-	-	548,963
Federal sources -				
Restricted grants-in-aid	24,578,517	-	-	24,578,517
Other - commodities	397,974	-	-	397,974
Total revenues	<u>37,272,490</u>	<u>3,176,235</u>	<u>70</u>	<u>40,448,795</u>
Expenditures:				
Current -				
Instruction:				
Regular programs	4,504,871	-	53,950	4,558,821
Special education programs	1,076,604	-	-	1,076,604
Vocational education programs	632,621	-	460	633,081
Other instructional programs	297,238	-	44,414	341,652
Special programs	3,608,340	-	-	3,608,340
Support services:				
Pupil support services	1,353,066	-	-	1,353,066
Instructional staff services	1,575,414	-	-	1,575,414
General administration	273,078	112,612	5,969	391,659
School administration	697,065	-	-	697,065
Business services	162,385	800	-	163,185
Operation and maintenance of plant	8,593,728	-	549,668	9,143,396
Student transportation services	29,143	-	-	29,143
Central services	259,653	-	-	259,653
Non-instructional services -				
Food service operations	7,019,472	-	-	7,019,472
Facilities acquisition, expansion and rehabilitation				
	6,947,019	-	2,697,558	9,644,577
Other	-	-	12,500	12,500
Debt service -				
Principal retirement	-	2,161,000	-	2,161,000
Interest and fiscal charges	-	606,632	-	606,632
Total expenditures	<u>37,029,697</u>	<u>2,881,044</u>	<u>3,364,519</u>	<u>43,275,260</u>
Excess (deficiency) of revenues over (under) expenditures	<u>242,793</u>	<u>295,191</u>	<u>(3,364,449)</u>	<u>(2,826,465)</u>
Other financing sources (uses)				
Operating transfers in	-	-	4,749,000	4,749,000
Operating transfers out	(895,829)	-	-	(895,829)
Total other financing sources (uses)	<u>(895,829)</u>	<u>-</u>	<u>4,749,000</u>	<u>3,853,171</u>
Excess (deficiency) of revenues and other sources over (under) expenditures and other	(653,036)	295,191	1,384,551	1,026,706
Fund balances, beginning	11,822,986	3,517,903	7,725,469	23,066,358
Fund balances, ending	<u>\$ 11,169,950</u>	<u>\$ 3,813,094</u>	<u>\$ 9,110,020</u>	<u>\$ 24,093,064</u>

ST. MARY PARISH SCHOOL BOARD

Special Revenue Funds
 Combining Statement of Revenues, Expenditures,
 And Changes in Fund Balances (Continued)
 Year Ended June 30, 2025

	No Child Left Behind Act			
	Title I	Title II	Title III	Title IV
Revenues:				
Local sources -				
Ad valorem taxes	\$ -	\$ -	\$ -	\$ -
Interest earnings	-	-	-	-
Food service	-	-	-	-
Other	-	-	-	-
State sources -				
Unrestricted grants-in-aid	-	-	-	-
Federal sources -				
Restricted grants-in-aid	4,783,918	632,354	74,755	257,299
Other - commodities	-	-	-	-
Total revenues	<u>4,783,918</u>	<u>632,354</u>	<u>74,755</u>	<u>257,299</u>
Expenditures:				
Current -				
Instruction:				
Regular programs	28,954	2,500	-	-
Special education programs	477,729	-	-	-
Vocational education programs	-	-	-	-
Other instructional programs	92,980	-	-	-
Special programs	2,917,088	340,536	64,958	47,538
Support services:				
Pupil support services	258,738	-	328	-
Instructional staff services	422,510	248,716	4,000	7,580
General administration	-	-	-	-
School administration	234,074	-	-	184,898
Business services	-	-	-	-
Operation and maintenance of plant services	-	-	-	-
Student transportation services	1,254	-	-	-
Central services	38,328	-	-	-
Non-instructional services -				
Food service operations	-	-	-	-
Facilities acquisition, expansion and rehabilitation	-	-	-	-
Total expenditures	<u>4,471,655</u>	<u>591,752</u>	<u>69,286</u>	<u>240,016</u>
Excess revenues over expenditures	<u>312,263</u>	<u>40,602</u>	<u>5,469</u>	<u>17,283</u>
Other financing sources (uses)				
Operating transfers out	<u>(312,263)</u>	<u>(40,602)</u>	<u>(5,469)</u>	<u>(17,283)</u>
Total other financing sources (uses)	<u>(312,263)</u>	<u>(40,602)</u>	<u>(5,469)</u>	<u>(17,283)</u>
Excess (deficiency) of revenues and other uses over (under) expenditures and other uses	-	-	-	-
Fund balances, beginning	-	-	-	-
Fund balances, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

ST. MARY PARISH SCHOOL BOARD

Special Revenue Funds
 Combining Statement of Revenues, Expenditures,
 And Changes in Fund Balances (Continued)
 Year Ended June 30, 2025

Rural Education Achievement Program	Individuals with Disabilities Education Act		School Districts Maintenance	School Lunch
	Preschool Incentive	Special Education		
\$ -	\$ -	\$ -	\$ 7,954,818	\$ -
-	-	-	15,570	13,106
-	-	-	-	49,728
-	-	-	-	36,231
-	-	-	188,200	360,763
255,676	79,509	2,908,736	-	5,560,254
-	-	-	-	397,974
<u>255,676</u>	<u>79,509</u>	<u>2,908,736</u>	<u>8,158,588</u>	<u>6,418,056</u>
-	244	2,000	2,200	-
-	64,657	534,218	-	-
-	-	68,220	-	-
-	-	(18,450)	21,869	-
238,220	-	-	-	-
-	-	1,093,977	-	-
-	9,388	689,322	-	-
-	-	-	273,078	-
-	-	278,093	-	-
-	-	41,694	120,691	-
-	-	7,206	7,301,627	31,764
-	-	20,439	6,624	-
-	-	87	221,238	-
-	-	-	-	7,019,472
-	-	-	10,398	-
<u>238,220</u>	<u>74,289</u>	<u>2,716,806</u>	<u>7,957,725</u>	<u>7,051,236</u>
<u>17,456</u>	<u>5,220</u>	<u>191,930</u>	<u>200,863</u>	<u>(633,180)</u>
<u>(17,456)</u>	<u>(5,220)</u>	<u>(191,930)</u>	<u>(249,000)</u>	<u>-</u>
<u>(17,456)</u>	<u>(5,220)</u>	<u>(191,930)</u>	<u>(249,000)</u>	<u>-</u>
-	-	-	(48,137)	(633,180)
-	-	-	4,801,063	3,782,074
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,752,926</u>	<u>\$ 3,148,894</u>

ST. MARY PARISH SCHOOL BOARD

Special Revenue Funds
 Combining Statement of Revenue, Expenditures,
 And Changes in Fund Balances (Continued)
 Year Ended June 30, 2025

	Vocational/ Adult Education	School Nurses Behavioral Grant	Redesign Planning Grant	Direct Student Services	Reserve Officers' Training Corps
Revenues:					
Local sources -					
Ad valorem taxes	\$ -	\$ -	-	\$ -	\$ -
Interest earnings	-	-	-	-	-
Food service	-	-	-	-	-
Other	-	-	-	-	-
State sources -					
Unrestricted grants-in-aid	-	-	-	-	-
Federal sources -					
Restricted grants-in-aid	548,150	-	288,101	-	89,898
Other - commodities	-	-	-	-	-
Total revenues	<u>548,150</u>	<u>-</u>	<u>288,101</u>	<u>-</u>	<u>89,898</u>
Expenditures:					
Current -					
Instruction:					
Regular programs	2,832	-	152,158	-	-
Special education programs	-	-	-	-	-
Vocational education programs	545,318	-	-	-	-
Other instructional programs	-	-	-	-	89,898
Special programs	-	-	-	-	-
Support services:					
Pupil support services	-	-	-	-	-
Instructional staff services	-	-	118,398	-	-
General administration	-	-	-	-	-
School administration	-	-	-	-	-
Business services	-	-	-	-	-
Operation and maintenance of plant services	-	-	-	-	-
Student transportation services	-	-	-	-	-
Central services	-	-	-	-	-
Non-instructional services -					
Food service operations	-	-	-	-	-
Facilities acquisition expansion and rehabilitation					
Total expenditures	<u>548,150</u>	<u>-</u>	<u>270,556</u>	<u>-</u>	<u>89,898</u>
Excess revenues over expenditures	<u>-</u>	<u>-</u>	<u>17,545</u>	<u>-</u>	<u>-</u>
Other financing sources (uses)					
Operating transfers out	-	-	(17,545)	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(17,545)</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	-	-	-	-	-
Fund balances, beginning	-	-	-	-	-
Fund balances, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

ST. MARY PARISH SCHOOL BOARD

Special Revenue Funds
 Combining Statement of Revenue, Expenditures,
 And Changes in Fund Balances (Continued)
 Year Ended June 30, 2025

Elementary & Secondary School Emergency Relief Fund (ESSERF)	Comprehensive Literacy State Development	School Activities Fund	Total
\$ -	\$ -	\$ -	\$ 7,954,818
-	-	-	28,676
-	-	-	49,728
-	-	3,677,583	3,713,814
-	-	-	548,963
8,852,021	247,846	-	24,578,517
<u>-</u>	<u>-</u>	<u>-</u>	<u>397,974</u>
<u>8,852,021</u>	<u>247,846</u>	<u>3,677,583</u>	<u>37,272,490</u>
556,750	107,931	3,649,302	4,504,871
-	-	-	1,076,604
-	19,083	-	632,621
-	110,941	-	297,238
-	-	-	3,608,340
-	23	-	1,353,066
75,500	-	-	1,575,414
-	-	-	273,078
-	-	-	697,065
-	-	-	162,385
1,253,131	-	-	8,593,728
826	-	-	29,143
-	-	-	259,653
-	-	-	7,019,472
<u>6,936,621</u>	<u>-</u>	<u>-</u>	<u>6,947,019</u>
<u>8,822,828</u>	<u>237,978</u>	<u>3,649,302</u>	<u>37,029,697</u>
<u>29,193</u>	<u>9,868</u>	<u>28,281</u>	<u>242,793</u>
<u>(29,193)</u>	<u>(9,868)</u>	<u>-</u>	<u>(895,829)</u>
<u>(29,193)</u>	<u>(9,868)</u>	<u>-</u>	<u>(895,829)</u>
-	-	28,281	(653,036)
-	-	<u>3,239,849</u>	<u>11,822,986</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,268,130</u>	<u>\$ 11,169,950</u>

ST. MARY PARISH SCHOOL BOARD

Debt Service Funds
 Combining Statement of Revenues, Expenditures,
 And Changes in Fund Balances
 Year Ended June 30, 2025

	Consolidated School District No. 1	Special School District No. 4	Fifth Ward Special School District No. 1	Sixth Ward Special School District No. 3	Total
Revenues:					
Local sources -					
Ad valorem taxes	\$ 1,248,963	\$ 368,528	\$ 1,511,425	\$ -	\$ 3,128,916
Interest earnings	1,318	61	45,940	-	47,319
State sources -					
Other	-	-	-	-	-
Total revenues	<u>1,250,281</u>	<u>368,589</u>	<u>1,557,365</u>	<u>-</u>	<u>3,176,235</u>
Expenditures:					
Current -					
Support services:					
General administration	43,730	13,674	55,208	-	112,612
Business services	-	-	800	-	800
Debt service -					
Principal retirement	827,000	159,000	1,175,000	-	2,161,000
Interest and fiscal charges	<u>214,388</u>	<u>37,890</u>	<u>354,354</u>	<u>-</u>	<u>606,632</u>
Total expenditures	<u>1,085,118</u>	<u>210,564</u>	<u>1,585,362</u>	<u>-</u>	<u>2,881,044</u>
Excess (deficiency) of revenues over expenditures	165,163	158,025	(27,997)	-	295,191
Excess (deficiency) of revenues and other sources over expenditures	165,163	158,025	(27,997)	-	295,191
Fund balances, beginning	<u>1,535,514</u>	<u>938,613</u>	<u>1,034,014</u>	<u>9,762</u>	<u>3,517,903</u>
Fund balances, ending	<u>\$ 1,700,678</u>	<u>\$ 1,096,638</u>	<u>\$ 1,006,016</u>	<u>\$ 9,762</u>	<u>\$ 3,813,094</u>

ST. MARY PARISH SCHOOL BOARD

Capital Projects Funds
 Combining Statement of Revenues, Expenditures,
 And Changes in Fund Balances
 Year Ended June 30, 2025

	District Capital Projects	Consolidated District No. 1	Special School District No. 1	Special School District No. 4	Total
Revenues:					
Local sources -					
Interest earnings	\$ -	\$ 21	\$ 44	\$ 5	\$ 70
Other	-	-	-	-	-
Total revenues	<u>-</u>	<u>21</u>	<u>44</u>	<u>5</u>	<u>70</u>
Expenditures:					
Current -					
Instruction:					
Regular	53,950	-	-	-	53,950
Vocational	460	-	-	-	460
Other instructional programs	44,414	-	-	-	44,414
Support services:					
General administration	5,969	-	-	-	5,969
Maintenance of plant	549,668	-	-	-	549,668
Facilities acquisition, expansion and rehabilitation	2,697,558	-	-	-	2,697,558
Other - interest	<u>12,500</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>12,500</u>
Total expenditures	<u>3,364,519</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,364,519</u>
Excess (deficiency) of revenues over expenditures	(3,364,519)	21	44	5	(3,364,449)
Other financing sources					
Operating transfers in	<u>4,749,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,749,000</u>
Total other financing sources	<u>4,749,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,749,000</u>
Excess of revenues and other sources over expenditures	1,384,481	21	44	5	1,384,551
Fund balances, beginning	<u>7,518,781</u>	<u>193,023</u>	<u>2,489</u>	<u>11,176</u>	<u>7,725,469</u>
Fund balances, ending	<u>\$ 8,903,262</u>	<u>\$ 193,044</u>	<u>\$ 2,533</u>	<u>\$ 11,181</u>	<u>\$ 9,110,020</u>

ST. MARY PARISH SCHOOL BOARD

FIDUCIARY FUNDS

PRIVATE PURPOSE TRUST FUNDS:

Ann Dangerfield Scholarship, J. J. Hebert Memorial, C. J. Peltier Scholarship

The private purpose trust funds invest donated monies in a trustee capacity and expend the funds in accordance with the wishes of the donors.

ST. MARY PARISH SCHOOL BOARD
Fiduciary Funds - Private Purpose Trust Funds

Combining Balance Sheet
June 30, 2025

	Private Purpose Trust Funds			
	Ann			
	Dangerfield	J. J. Hebert	C. J. Peltier, Jr.	
	Scholarship	Memorial	Scholarship	Total
ASSETS				
Cash and interest-bearing deposits	\$ 10,270	\$ 380	\$ 234	\$ 10,884
Total assets	<u>\$ 10,270</u>	<u>\$ 380</u>	<u>\$ 234</u>	<u>\$ 10,884</u>
 LIABILITIES AND FUND BALANCES				
Fund balances:				
Unreserved - undesignated	<u>10,270</u>	<u>380</u>	<u>234</u>	<u>10,884</u>
Total liabilities and fund balances	<u>\$ 10,270</u>	<u>\$ 380</u>	<u>\$ 234</u>	<u>\$ 10,884</u>

ST. MARY PARISH SCHOOL BOARD
Fiduciary Funds - Private Purpose Trust Funds

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Year Ended June 30, 2025

	<u>Ann Dangerfield Scholarship</u>	<u>J. J. Hebert Memorial</u>	<u>C. J. Peltier, Jr. Scholarship</u>	<u>Total</u>
Revenues:				
Local sources -				
Interest earnings	\$ -	\$ -	\$ -	\$ -
Total revenues	-	-	-	-
Expenditures	-	-	-	-
Deficiency of revenues over expenditures	-	-	-	-
Fund balances, beginning	<u>10,270</u>	<u>380</u>	<u>234</u>	<u>10,884</u>
Fund balances, ending	<u>\$ 10,270</u>	<u>\$ 380</u>	<u>\$ 234</u>	<u>\$ 10,884</u>

**INTERNAL CONTROL, COMPLIANCE
& OTHER INFORMATION**



OTHER LOCATIONS:

Eunice Morgan City Abbeville

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

Dr. Buffy S. Fegenbush, Superintendent
and Members of the St. Mary Parish School Board
Centerville, 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 the St. Mary Parish School Board as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the St. Mary Parish School Board's basic financial statements, and have issued our report thereon dated December 30, 2025.

Report on Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as item 2025-001 that we consider to be a material weakness.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the St. Mary Parish 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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

St. Mary Parish School Board's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the St. Mary Parish School Board's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The School Board's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response

Purpose of this Report

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

Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document; therefore, its distribution is not limited.

Darnall, Sikes & Frederick

(A Corporation of Certified Public Accountants)

Lafayette, Louisiana
December 30, 2025

Independent Auditor's Report on Compliance for Each Major Program
and on Internal Control over Compliance Required by Uniform Guidance

Dr. Buffy S. Fegenbush, Superintendent
and Members of the St. Mary Parish School Board
Centerville, Louisiana

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the St. Mary Parish School Board's compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the St. Mary Parish School Board's major federal programs for the year ended June 30, 2025. The St. Mary Parish School Board's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the St. Mary Parish School Board complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2025.

Basis for Opinion on Each Major Federal Program

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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the St. Mary Parish School Board and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the St. Mary Parish School Board's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the St. Mary Parish School Board's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the St. Mary Parish School Board's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about St. Mary Parish School Board's compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the St. Mary Parish School Board's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the St. Mary Parish School Board's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 the St. Mary Parish School Board's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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.

Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document; therefore, its distribution is not limited.

Darnall, Sikes & Frederick

(A Corporation of Certified Public Accountants)

Lafayette, Louisiana
December 30, 2025

ST. MARY PARISH SCHOOL BOARD

Schedule of Expenditures of Federal Awards
Year Ended June 30, 2025

Federal Grantor/Pass-through Grantor/Program Title	Assistance Listing Number	Entity Identifying Number	Federal Expenditures
U.S. Department of Agriculture:			
Passed through the:			
Child Nutrition Cluster:			
Louisiana Department of Agriculture:			
National School Lunch Program - Non-cash Assistance (Note 3)	10.555	N/A	\$ 397,974
Louisiana Department of Education:			
School Breakfast Program	10.553	N/A	1,522,859
Food Service - FNS State Admin Expense (SAE)	10.560	FNS-525	16,649
National School Lunch Program	10.555	N/A	<u>4,037,395</u>
Subtotal Louisiana Department of Education pass-through programs			<u>5,576,903</u>
Total Child Nutrition Cluster			5,974,877
U.S. Department of Education:			
Passed through the Louisiana Department of Education:			
Title I, Part A Cluster			
Title I Grants to Local Educational Agencies (Redesign 1003a)	84.010A	28-25-RD-19-51	288,100
Title I Grants to Local Educational Agencies (Part A)	84.010A	28-24-T1-51C	1,330,987
Title I Grants to Local Educational Agencies (Part A)	84.010A	28-25-T1-51	<u>3,452,930</u>
Total Title I, Part A Cluster			5,072,017
Special Education Cluster (IDEA)			
Special Education - Grants to States (IDEA, Part B)	84.027A	28-24-B1-51C	929,728
Special Education - Grants to States (IDEA, Part B)	84.027A	28-25-B1-51	1,893,907
Special Education - Grants to States (JAG Aim High)	84.027A	28-25-JP-51	50,000
Special Education - Grants to States (IDEA, Set Aside)	84.027A	28-25-IISA-51	35,101
Total Special Education - Grants to States			2,908,736
Special Education - Preschool Grants (IDEA Preschool)	84.173A	28-25-P1-51	69,509
Special Education - Preschool Grants (IDEA, Set Aside)	84.173A	28-25-I9SA-51	<u>10,000</u>
Total Special Education - Preschool Grants			<u>79,509</u>
Total Special Education Cluster			2,988,245
Career and Technical Education - Basic Grants to States	84.048A	28-24-02-51C	16,959
Career and Technical Education - Basic Grants to States	84.048A	28-25-02-51	<u>122,371</u>
Total Career and Technical Education - Basic Grants to States			139,330
Title VI - Rural and Low-Income Schools	84.358B	28-24-RLIS-51C	15,811
Title VI - Rural and Low-Income Schools	84.358B	28-25-RLIS-51	<u>239,865</u>
Total Title VI - Rural and Low-Income Schools			255,676

ST. MARY PARISH SCHOOL BOARD

Schedule of Expenditures of Federal Awards (Continued)
Year Ended June 30, 2025

Federal Grantor/Pass-through Grantor/Program Title	Federal Assistance Listing Number	Pass-through Entity Identifying Number	Federal Expenditures
Title III - English Language Acquisition	84.365A	28-24-60-51C	41,308
Title III - English Language Acquisition	84.365A	28-25-60-51	22,060
Title III - English Language Acquisition	84.365A	28-24-S3-51C	11,386
Total Title III - English Language Acquisition			74,754
Title II - Improving Teacher Quality State Grants	84.367A	28-24-50-51C	515,444
Title II - Improving Teacher Quality State Grants	84.367	28-25-50-51	116,910
Total Title II - Improving Teacher Quality State Grants			632,354
Comprehensive Literacy Development (UIN K-5)	84.371C	CLSD UIN--CLSD UIN K-5	148,846
Comprehensive Literacy Development (9-12)	84.371C	CLSD CIRUIR--CLSD 9-12	99,000
Total Comprehensive Literacy Development			247,846
Title IV - Student Support & Academic Enrichment	84.424A	28-24-71-51C	80,445
Title IV - Student Support & Academic Enrichment	84.424A	28-25-71-51	176,854
Total Title IV - Student Support & Academic Enrichment			257,299
Education Stabilization Fund			
ESSERF III Interventions	84.425U	28-21-ESEB-51C	532,537
ESSERF III Formula	84.425U	28-21-ES3F-51C	8,060,258
ESSERF III Incentive	84.425U	28-21-ES3I-51C	259,226
Total Education Stabilization Fund			8,852,021
Total Louisiana Department of Education pass-through programs			18,519,542
Total U.S. Department of Education			18,519,542
U.S. Department of Health and Human Services:			
Passed through the Louisiana Department of Education:			
477 Cluster			
Temporary Assistance for Needy Families (JAG)	93.558	28-25-JS-51	408,820
Total 477 Cluster			408,820
U.S. Department of Defense			
Direct programs:			
Army ROTC	12.357	N/A	89,898
Total expenditures of federal awards			\$ 24,993,137

ST. MARY PARISH SCHOOL BOARD

Schedule of Expenditures of Federal Awards (Continued)
Year Ended June 30, 2025

NOTE 1 BASIS OF PRESENTATION

The above schedule of expenditures of federal awards includes the federal grant activity of the St. Mary Parish School Board under programs of the federal government for the year ended June 30, 2025. The information in this schedule is presented in accordance with the requirements of *OMB Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the schedule presents only a selected portion of the operations of the St. Mary Parish School Board, it is not intended to and does not present the financial position or changes in net assets of the Entity.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available.

NOTE 3 NATIONAL SCHOOL LUNCH PROGRAM – NON-CASH ASSISTANCE

Non-cash assistance is reported in the schedule at the fair market value of the USDA commodities received and disbursed.

NOTE 4 INDIRECT COST RATE

The School Board has elected not to use the de minimis indirect cost rate allowed under the Uniform Guidance. Indirect costs, if applicable, are allocated in accordance with the entity's cost allocation plan or as specified by the terms of the federal award.

ST. MARY PARISH SCHOOL BOARD

Summary Schedule of Prior Year Findings
Year Ended June 30, 2025

Section I Internal Control and Compliance Material to the Financial Statements

2024-001 Misappropriation of Student Activity Funds by an Employee

Condition:

It was found that Lisa Powell, Bookkeeper at Patterson High School, was diverting Student Activity Funds (cash) intended for the school for personal use. Specifically, she failed to deposit cash receipts into the school's bank account and instead took the money for personal gain. Documentation showed multiple instances of discrepancies between the recorded receipts and actual deposits, amounting to a total of over \$102,400 from 2020 to 2024.

Recommendation:

It is recommended that the School Board take the following actions to prevent further incidents of theft and to improve internal controls:

- Implement stronger oversight procedures, including regular reconciliations of receipts and deposits by independent personnel.
- Ensure that there is adequate segregation of duties to prevent any single employee from having control over all aspects of cash handling and reporting.
- Conduct background checks and regular training for employees on ethical standards and internal controls.
- Increase the frequency of internal audits of financial records and transactions to detect potential fraud or irregularities in a timely manner.

Status:

This finding has been resolved.

Section II Internal Control and Compliance Material to Federal Awards

This section is not applicable for the fiscal year ended June 30, 2025 as there were no findings for the year ended June 30, 2024 related to federal awards.

Section III Management Letter

A management letter was not issued for the year ended June 30, 2024.

ST. MARY PARISH SCHOOL BOARD

Schedule of Findings and Questioned Costs
Year Ended June 30, 2025

Section I Summary of Audit Results

FINANCIAL STATEMENTS

Auditor's Report

An unmodified opinion has been issued on the St. Mary Parish School Board's financial statements as of and for the year ended June 30, 2025.

Internal Control Deficiencies - Financial Reporting

There was one material weakness in internal control over financial reporting noted during the audit of the financial statements as of and for the year ended June 30, 2025. This is shown as item 2025-001.

Noncompliance - Financial Reporting

The results of our tests disclosed no instances of noncompliance which are required to be reported under *Government Auditing Standards*.

Management Letter

A management letter was not issued for the year ended June 30, 2025.

FEDERAL AWARDS

Auditor's Report – Major Programs

An unmodified opinion has been issued on the St. Mary Parish School Board's compliance with the requirements of its major programs as of and for the year ended June 30, 2025.

Major Programs – Identification

The St. Mary Parish School Board, at June 30, 2025, had the following major programs:

Education Stabilization Fund	Assistance Listing No. - 84.425
Title I, Part A Cluster	Assistance Listing No. - 84.010

Program Type Determination

The dollar threshold to distinguish between Type A and Type B programs was \$750,000 for the fiscal year ended June 30, 2025.

ST. MARY PARISH SCHOOL BOARD

Schedule of Findings and Questioned Costs (Continued)
Year Ended June 30, 2025

Section I Summary of Audit Results (Continued)

FEDERAL AWARDS (Continued)

Deficiencies in Internal Control – Major Programs

Our consideration of internal control over major programs disclosed no instances of internal control deficiencies.

Noncompliance – Major Programs

The results of our tests on compliance for each major program disclosed no instances of noncompliance.

Risk Consideration

For the fiscal year ended June 30, 2025, the St. Mary Parish School Board was not considered a low-risk auditee.

Section II Findings Relating to an Audit in Accordance with *Government Auditing Standards*

2025-001 Misappropriation of Funds by an Employee

Criteria:

In accordance with the School Board's policies and procedures, employees are required to handle funds in accordance with the district's internal controls, which include proper documentation of all receipts and disbursements, and ensuring that funds are deposited promptly and accurately. Theft of funds by employees is prohibited under Louisiana law and the School Board's employee conduct policies.

Condition:

A former employee of the St. Mary Parish School Board was arrested following allegations of misuse and/or misappropriation of School Board funds. After the employee left her position for other employment, the School Board attempted to obtain outstanding supporting documentation for items allegedly purchased on behalf of the School Board prior to her departure. During this process, concerns arose regarding the validity of certain purchases and the authenticity of the receipts provided to support those transactions.

The School Board's accounting staff determined that Dinah Richard, Administrative Assistant to the Superintendent, used the School Board's Visa and Walmart credit cards for personal purposes. Specifically, she failed to provide receipts in a timely manner, and documentation revealed multiple discrepancies occurring between May 3, 2024, and December 3, 2024, totaling \$19,463. Additionally, when receipts were ultimately submitted, they were found to have been altered and to contain forged signatures.

ST. MARY PARISH SCHOOL BOARD

Schedule of Findings and Questioned Costs (Continued)
Year Ended June 30, 2025

Section II Findings Relating to an Audit in Accordance with *Government Auditing Standards* (Continued)

Cause:

The misappropriation occurred due to intentional forgery and deceptive actions by the employee, combined with weaknesses in internal controls related to the timely submission and verification of receipts for credit card purchases. Although the School Board's controls ultimately enabled the accounting department to detect irregularities when the employee failed to provide required receipts, the existing controls were not sufficient to prevent the unauthorized use of School Board credit cards from occurring.

Effect:

The effect of the theft was a loss of \$19,463 in the general fund.

Upon suspicion and identification of the theft, the School Board notified the St. Mary Parish District Attorney, St. Mary Parish Sheriff's Office, the Louisiana Legislative Auditor, and its auditing CPA firm.

Dinah Richard is no longer employed with St. Mary Parish School Board. St. Mary Parish Sheriff's Office conducted an investigation of the activity and provided an Affidavit of Loss to the District Attorney's office totaling \$15,994. Charges were filed by the School Board and Dinah Richard was arrested in December 2024 at the conclusion of the SMPSO's investigation.

No restitution has been made. However, a trial has been set by the District Attorney for April 27, 2026 to request full restitution.

Recommendation:

It is recommended that the School Board take the following actions to prevent further incidents of theft and to improve internal controls:

- Implement stronger oversight procedures, including regular reconciliations of monthly Visa bills.
- Conduct background checks and regular training for employees on ethical standards and internal controls.

Section III Findings and Questioned Costs Relating to Federal Programs

This section is not applicable for the year ended June 30, 2025.

ST. MARY PARISH SCHOOL BOARD

Management's Corrective Action Plan for Current Year Findings
Year Ended June 30, 2025

Response to finding 2025-001 Misappropriation of Funds by an Employee

The previous Regions Visa and district office Walmart Credit Cards have been cancelled. Regions has issued a traceable, real-time transaction Visa card that the School Board monitors daily to ensure all purchases have proper approval. Receipts are required immediately after each transaction.

The Human Resources Department continues to conduct background checks prior to employment, and all employees are required to complete state-mandated ethics training annually. The Chief Financial Officer (CFO) is responsible for ensuring proper onboarding and training for any new employee who has purchasing authority.

As of March 28, 2025, and in accordance with best practices, the only individuals who received copies of the new Regions Visa credit card are the Administrative Assistants for District Supervisors (one per department). Those individuals were instructed not to share this information or the credit card number with anyone. Employees were also instructed to e-mail the CFO's Administrative Assistant prior to making any transaction, providing the vendor's name and the estimated dollar amount.

The district has strengthened its system of checks and balances to ensure robust internal controls.

ST. MARY PARISH SCHOOL BOARD

Special District No. 4, Consolidated School District No. 1 and Fifth Ward Special School District No. 1
Centerville, Louisiana

Annual Report for Tax Year 2024

Audited Financial Statements

Special School District No. 4, Consolidated School District No. 1 and Fifth Ward Special School District No. 1 (the “Issuers”) operate on a fiscal year ending June 30. The Financial Statements of the St. Mary Parish School Board (the “Governing Authority”) and notes thereto for the fiscal year ended June 30, 2025, audited by Darnall, Sikes & Frederick, a Corporation of Certified Public Accountants, Lafayette, Louisiana, and their report dated as of December 30, 2025, is a supplement to this Annual Report. Included in the notes is a description of the basis of accounting used by the Issuers in reporting their financial statements.

Debt of the Issuers

The Issuers have no short-term indebtedness, other than normal accounts payable or as otherwise stated in this Annual Report or its supplement. The Issuers have never defaulted in the payment of their outstanding bonds or obligations. The total amount of debt the Issuers issued follows:

Special School District No. 4

Besides the general obligation bonds for which the Official Statement was prepared, no debt has been authorized or issued by the Issuer since the date of the Official Statement. Of the \$4,700,000 of bonds issued, \$1,284,000 was outstanding as of June 30, 2025.

Consolidated School District No. 1

Besides the general obligation bonds for which the Official Statement was prepared, no debt has been authorized or issued by the Issuer since the date of the Official Statement. Of the \$24,000,000 of bonds issued, \$6,725,000 was outstanding as of June 30, 2025.

Fifth Ward Special School District No. 1

Besides the general obligation bonds for which the Official Statement was prepared, no debt has been authorized or issued by the Issuer since the date of the Official Statement. Of the \$21,000,000 of bonds issued, \$12,770,000 is still outstanding as of June 30, 2025.

Assessment Procedures

The assessment procedures and homestead exemption as authorized by law are the same as those in effect for the tax years reported in the Official Statement.

ST. MARY PARISH SCHOOL BOARD

Special District No. 4, Consolidated School District No. 1 and Fifth Ward Special School District No. 1
Centerville, Louisiana

Annual Report for Tax Year 2024

▪ **Assessed Valuation of Property in the Issuers**

The 2024 assessed valuations of property in the Issues follows:

Special School District No. 4

Taxable Assessed Valuation	\$ 92,197,039
Homestead Exemptions	<u>4,452,697</u>
Total Assessed Valuation	<u>\$ 96,649,736</u>

Consolidated School District No. 1

Taxable Assessed Valuation	\$ 154,091,928
Homestead Exemptions	<u>24,271,353</u>
Total Assessed Valuation	<u>\$ 178,363,281</u>

Fifth Ward Special School District No. 1

Taxable Assessed Valuation	\$ 78,052,109
Homestead Exemptions	<u>15,662,996</u>
Total Assessed Valuation	<u>\$ 93,715,105</u>

Source: St. Mary Parish Assessor's Office

ST. MARY PARISH SCHOOL BOARD

Special District No. 4, Consolidated School District No. 1 and Fifth Ward Special School District No. 1
Centerville, Louisiana

Annual Report for Tax Year 2024

▪ **Assessed Valuation of Property in the Issuers – By Classification**

A breakdown of the 2024 assessed valuations of property in the Issuers by classification follows:

Special School District No. 4

<i>Classification</i>	<i>Assessed Valuation</i>
Real Estate	\$ 13,952,746
Personal Property	65,964,585
Public Service Property	<u>16,732,405</u>
Total	<u>\$ 96,649,736</u>

Consolidated School District No. 1

<i>Classification</i>	<i>Assessed Valuation</i>
Real Estate	\$ 76,187,988
Personal Property	67,070,338
Public Service Property	<u>35,104,955</u>
Total	<u>\$ 178,363,281</u>

Fifth Ward Special School District No. 1.

<i>Classification</i>	<i>Assessed Valuation</i>
Real Estate	\$ 49,241,154
Personal Property	25,071,030
Public Service Property	<u>19,402,921</u>
Total	<u>\$ 93,715,105</u>

Source: St. Mary Parish Assessor's Office

ST. MARY PARISH SCHOOL BOARD

Special District No. 4, Consolidated School District No. 1 and Fifth Ward Special School District No. 1
Centerville, Louisiana

Annual Report for Tax Year 2024

▪ **Tax Collection Records of the Issuers**

The 2024 ad valorem tax levies and collections for each of the issuers follows:

Tax Collector Records					
<i>Amount of Taxes Levied (a)</i>	<i>Deductions For Pensions (b)</i>	<i>Net Taxes Levied</i>	<i>Net Taxes Collected (c)</i>	<i>Percentage Collected</i>	<i>Millage Rates</i>
Special School District No. 4					
\$ 368,783	\$ (11,928)	\$ 356,855	368,528 *	103%	4.00
Consolidated School District No. 1					
\$ 1,232,731	\$ (40,265)	\$ 1,192,466	1,248,963 *	105%	8.00
Fifth Ward Special School District No. 1					
\$ 1,561,040	\$ (51,185)	\$ 1,509,855	1,511,425 *	100%	20.00

*Includes prior year collections

Sources: (a) St. Mary Parish Assessor’s Office, (b) St. Mary Parish Sheriff’s Office, (c) St. Mary Parish School Board

ST. MARY PARISH SCHOOL BOARD

Special District No. 4, Consolidated School District No. 1 and Fifth Ward Special School District No. 1
Centerville, Louisiana

Annual Report for Tax Year 2024

▪ **Leading Taxpayers**

The ten largest property taxpayers for 2024 of the Issuers and their assessed valuations follow:

Special School District No. 4

Taxpayer	Type of Business	Assessed Valuation
1. Birla Carbon USA, Inc.	Carbon Black Mfg.	\$ 30,517,037
2. Cabot Corporation	Carbon Black Mfg.	21,172,743
3. Enterprise Gas Processing	Oil & Gas	12,267,415
4. Southern Natural Gas	Oil & Gas	3,003,122
5. Columbia Gulf Transmission	Oil & Gas	2,257,090
6. Cleco Power	Power Generation	2,176,100
7. Gulf South Pipeline Company LP	Oil & Gas	1,644,060
8. Texas Petroleum Investment Co.	Oil & Gas	1,565,783
9. Enbridge Nautilus Pipeline Co	Oil & Gas	1,416,190
10. Trunkline Gas, LLC	Oil & Gas	1,185,709
		<u>\$ 77,205,249</u> *

*Approximately 79.9% of the 2024 taxable assessed valuation of Special School District No. 4.

Consolidated School District No. 1

Taxpayer	Type of Business	Assessed Valuation
1. Cleco Power Company	Power Generation	\$ 19,441,673
2. Orion Engineered Carbons	Chemicals	17,196,382
3. Carey Salt Company	Salt Production	14,944,319
4. Sterling Sugars LLC	Sugar Production	7,801,341
5. St. Mary Sugar Co Op Inc.	Sugar Production	5,647,481
6. DTE Energy Services	Oil & Gas	3,221,414
7. Zydeco Pipeline Company LLC	Oil & Gas	2,432,965
8. BNSF Railway Co.	Freight Network	1,831,320
9. Twin Brothers Marine LLC	Fabrication	1,812,540
10. Acadian Gas Pipeline	Oil & Gas	1,616,390
		<u>\$ 75,945,825</u> *

*Approximately 42.6% of the 2024 taxable assessed valuation of Consolidated School District No. 1.

ST. MARY PARISH SCHOOL BOARD

Special District No. 4, Consolidated School District No. 1 and Fifth Ward Special School District No. 1
Centerville, Louisiana

Annual Report for Tax Year 2024

▪ **Leading Taxpayers (continued)**

Fifth Ward Special School District No. 1

<u>Taxpayer</u>	<u>Type of Business</u>	<u>Assessed Valuation</u>
1. Cleco Power LLC	Power Generation	\$ 5,700,840
2. ANR Pipeline Company	Gas Transmission	5,615,756
3. Cameron International Corp	Oil & Gas Manufacturing	3,659,490
4. Texas Petroleum Investment Co.	Oil & Gas Exploration	3,583,613
5. Patterson State Bank	Financial Institution	2,118,740
6. Enlink Pelican, LLC	Gas Transmission	1,948,337
7. Trunkline Gas	Gas Transmission	1,753,501
8. Kinetica Deepwater Express LLC	Gas Transmission	1,686,190
9. Plains Gas Solutions	Gas Transmission	1,367,118
10. Walmart Real Estate Business Trust	Gas Transmission	1,250,197
		<u>\$ 28,683,782</u> *

*Approximately 30.6% of the 2024 taxable assessed valuation of Fifth Ward Special School District No. 1.

Source: St. Mary Parish Assessor's Office

**SCHEDULES REQUIRED BY STATE LAW
(R.S. 24:514 – PERFORMANCE AND STATISTICAL DATA)**

OTHER LOCATIONS:

Eunice Morgan City Abbeville

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Members of the
St. Mary Parish School Board
Centerville, Louisiana

We have performed the procedures enumerated below on the performance and statistical data accompanying the annual financial statements of the St. Mary Parish School Board for the fiscal year ended June 30, 2025; and to determine whether the specified schedules are free of obvious errors and omissions, in compliance with Louisiana Revised Statute 24:514 I. Management of the St. Mary Parish School Board is responsible for its performance and statistical data.

The St. Mary Parish School Board has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the performance and statistical data accompanying the annual financial statements. Additionally, the Louisiana Department of Education and the Louisiana Legislative Auditor have agreed to and acknowledged that the procedures performed are appropriate for their purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

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

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

No differences were noted for this procedure.

Class Size Characteristics (Schedule 2)

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

No differences were noted for this procedure.

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

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

During our testing over experience levels, we noted one (1) exception when comparing years of experience noted in the Profile of Educational Personnel (PEP) file to the related employee's personnel file for 25 teachers selected.

Public School Staff Data: Average Salaries (No Schedule)

4. We obtained June 30 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).

No differences were noted for this procedure.

We were engaged by the St. Mary Parish School Board to perform this agreed-upon procedures engagement and conducted our engagement 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 engagement, 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 are required to be independent of the St. Mary Parish School Board and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely to describe the scope of testing performed on the performance and statistical data accompanying the annual financial statements of St. Mary Parish School Board, as required by Louisiana Revised Statute 24:514.1, 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.

Darnall, Sikes & Frederick

(A Corporation of Certified Public Accountants)

Lafayette, Louisiana

December 30, 2025

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

Schedule 1 - General Fund Instructional and Support Expenditures
and Certain Local Revenue Sources
Year Ended June 30, 2025

General Fund Instructional and Equipment Expenditures:

General Fund Instructional Expenditures:

Teacher and Student Interaction Activities:

Classroom Teacher Salaries	\$ 27,913,635	
Other Instructional Staff Salaries	6,122,994	
Instructional Staff Employee Benefits	14,557,143	
Purchased Professional and Technical Services	309,320	
Instructional Materials and Supplies	5,100,647	
Instructional Equipment	-	
Total Teacher and Student Interaction Activities	-	\$ 54,003,739

Other Instructional Activities 673,017

Pupil Support Activities	6,302,770	
Less: Equipment for Pupil Support Activities	-	
Net Pupil Support Activities	-	6,302,770

Instructional Staff Services	5,639,337	
Less: Equipment for Instructional Staff Services	-	
Net Instructional Staff Services	-	5,639,337

School Administration	6,536,162	
Less: Equipment for School Administration	-	
Net School Administration	-	6,536,162

Total General Fund Instructional Expenditures \$ 73,155,025

Total General Fund Equipment Expenditures \$ 2,743,005

Certain Local Revenue Sources:

Local Taxation Revenue:

Constitutional Ad Valorem Taxes	\$ 5,618,798
Renewable Ad Valorem Taxes	15,475,333
Debt Service Ad Valorem Taxes	3,128,915
Up to 1% of Collections by the Sheriff on Taxes Other than School Taxes	658,886
Sales and Use Taxes	<u>27,376,472</u>
Total Local Taxation Revenue	<u>\$ 52,258,404</u>

Local Earnings on Investment in Real Property:

Earnings from 16th Section Property	\$ 175,994
Earnings from Other Real Property	-
Total Local Earnings on Investment in Real Property	<u>\$ 175,994</u>

State Revenue in Lieu of Taxes:

Revenue Sharing - Constitutional Tax	\$ 341,124
Revenue Sharing - Other Taxes	-
Revenue Sharing - Excess Portion	-
Other Revenue in Lieu of Taxes	-
Total State Revenue in Lieu of Taxes	<u>\$ 341,124</u>

Nonpublic Textbook Revenue \$ 20,186

Nonpublic Transportation Revenue \$ -

ST. MARY PARISH SCHOOL BOARD
 Centerville, Louisiana
 Schedule 2 - Class Size Characteristics
 As of October 1, 2024

School Type	Class Size Range							
	1 - 20		21 - 26		27 - 33		34 +	
	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Elementary	89.1%	995	10.9%	122	0.0%	-	0.0%	-
Elementary Activity Classes	87.6%	211	11.2%	27	0.8%	2	0.4%	1
Middle / Jr. High	75.9%	426	20.0%	112	3.6%	20	0.5%	3
Middle / Jr. High Activity Classes	94.4%	201	2.8%	6	2.3%	5	0.5%	1
High	64.4%	667	24.9%	258	10.1%	105	0.5%	5
High Activity Classes	78.4%	134	9.9%	17	7.6%	13	4.1%	7
Combination	88.9%	177	9.5%	19	1.0%	2	0.5%	1
Combination Activity Classes	94.3%	33	5.7%	2	0.0%	-	0.0%	-