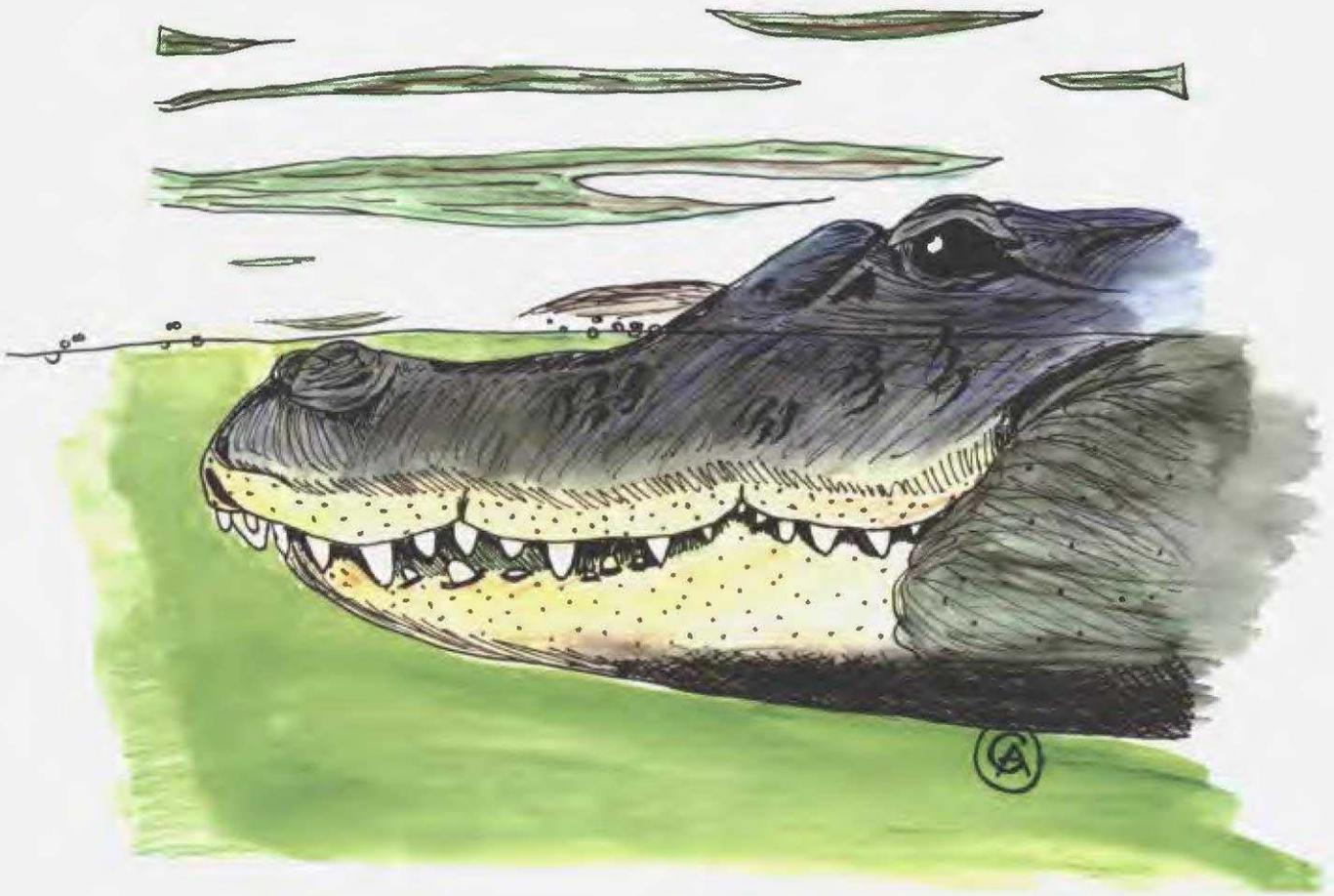


# COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the fiscal year ended  
June 30, 2018



**ST. TAMMANY PARISH SCHOOL BOARD**

**Covington, Louisiana**

FRONT COVER  
*"Simon on the Swamps"*

by Allyssa Jean Gaudet  
Lancaster Elementary School  
Ms. Meghan Garcia - Talented Art Teacher

**ST. TAMMANY PARISH  
SCHOOL BOARD**  
Covington, Louisiana

*COMPREHENSIVE*  
**ANNUAL FINANCIAL REPORT**  
For the Fiscal Year Ended  
June 30, 2018

Prepared by:  
**DEPARTMENT OF BUSINESS AFFAIRS**  
Terri Prevost, CPA, Director of Business Affairs



ST. TAMMANY

PARISH PUBLIC SCHOOLS

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W. L. "Trey" Foise, III  
Superintendent

Pete Jabbia  
Associate Superintendent

Michael Cossé  
Assistant Superintendent

Regina Sanford, Ph.D.  
Assistant Superintendent

District	Board Members
13	Robin P. Mullett, President
3	Michael J. Dirmann, Vice President
1	Neal M. Hennegan
2	Elizabeth B. Heintz
4	Stephen J. "Jack" Loup, III
5	Charles T. Harrell
6	Michael C. Nation
7	Willie B. Jeter
8	Peggy H. Seelay
9	Sharon Lo Drucker
10	Ronald "Ron" Bettencourt
11	Robert R. "Bob" Womack
12	Richard "Rickey" Hursey, Jr.
14	Dennis S. Cousin
15	Mary K. Bellisario

December 11, 2018

The Members of the  
St. Tammany Parish School Board  
and the Citizens of St. Tammany Parish  
Covington, Louisiana

The comprehensive annual financial report of the St. Tammany Parish School Board (the School Board) for the fiscal year ended June 30, 2018, is hereby submitted. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the School Board. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in an objective manner to present the financial position and results of operations of the School Board. All disclosures necessary to enable the reader to gain an understanding of the School Board's financial activities have been included.

LaPorte CPAs and Business Advisors has issued an unmodified (clean) opinion on the St. Tammany Parish School Board's financial statements for the fiscal year ended June 30, 2018. The independent auditor's report is located at the front of the financial section of the report. Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

The School Board is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act, as amended, 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). Information related to this single audit, and located in the Single Audit Section of this report, includes the schedule of expenditures of federal awards, schedule of findings and questioned costs, the 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*, the report on compliance for each major federal program, the report on internal control over compliance, and the report on schedule of expenditures of federal awards required by the Uniform Guidance.

*Learning to Last a Lifetime.®*

v

This report includes all funds and activities for which the School Board exercises financial accountability. The School Board is a legislative body authorized to govern the public education system of St. Tammany Parish, Louisiana (the Parish). A 15-member board governs the school system with each member serving a concurrent four-year term. The current board's term will expire in December 2018.

## **PROFILE OF SCHOOL BOARD**

It is the responsibility of the School Board to make public education available to the residents of the Parish, including instructional personnel, instructional facilities, administrative support, business services, operation and maintenance, and bus transportation. The School Board provides a full range of public education services appropriate to grade levels ranging from pre-kindergarten through grade 12. These include regular and enriched academic education, special education for qualifying students, and career/technical education. The school system has a current enrollment of 38,542 as of October 1, 2018, which includes 1,565 pre-kindergarten students.

The School Board is authorized to establish public schools as it deems necessary, provide adequate school facilities for the children of the Parish, determine the number of teachers to be employed, and determine the local supplement to their salaries. School Board members are elected by the public and are a policy making body with primary responsibilities for the hiring of the Superintendent, approving the budget, and final accountability for financial matters. The School Board is not included within any other governmental reporting entity. See footnote 1A for more information.

## **ECONOMIC CONDITION AND OUTLOOK**

St. Tammany Parish is one of the southeastern parishes (counties) of Louisiana and covers an area of 1,141 square miles. St. Tammany Parish is located directly north of New Orleans on the north shore of Lake Pontchartrain. The Parish's population and economic base continues to expand. The population of St. Tammany Parish is estimated at 256,327.

The economy of St. Tammany Parish is primarily residential, which has brought an influx of retail and service establishments, offices, and shopping centers. However, there is a unique blend of residents employed in a variety of diverse industries ranging from agriculture to space-aged technology. St. Tammany Parish's transportation accessibility, low business costs, availability of labor, low crime rate, and first-rate medical facilities encourage continued growth.

Using the latest data available, commercial building permits increased by an average of 28.0%, and employment increased by 1.1%, as compared to 2016-2017, while electric customer count, single-family building permits, and parish total sales were up by 0.4%, down by 0.9%, and up 4.4%, respectively, as compared to 2016-2017. The unemployment rate in the Parish of 4.7% is lower than the average of 5.7% for the state but higher than the national rate of 4.4%. New business incorporations decreased by 2.2% when compared to 2016-2017.

## **LONG-TERM FINANCIAL PLANNING**

Currently, the fund balance of the General Fund (26% of revenues and 27% of expenditures) exceeds the School Board policy maximum guideline of 19% of expenditures by approximately 6%.

The General Fund continues to be impacted by increased costs of employee health insurance benefits and other unfunded state mandates. The School Board continues to be negatively impacted by declines in state and federal funding.

The School Board has restructured expenditures to efficiently utilize existing federal and state funding. One example is by looking at the need for personnel adjustments due to retirements and attrition. This is effectively achieved through the continuous evaluation of employment duties. It should be noted that St. Tammany Parish continues to rank as one of the highest growth areas in Louisiana, and this impacts local revenues positively, and these revenues are expected to continue on an upward trend.

## **MAJOR INITIATIVES**

The School Board is constantly working to prepare *Every Child, Every Day for a Successful Tomorrow*. In 2013, the School Board spearheaded the St. Tammany Parish Early Childhood Community Network in order to provide a strong foundation for academic success for our youngest learners. The network continues to grow and receive the highest honors from the State of Louisiana. We continue to put technology in the hands of students and are in the midst of a successful Chromebook Pilot Program across grade levels at our schools. At the beginning of 2018-2019 school year, dedicated Mental Health Providers and School Resource Officers/law enforcement officers were added to all 55 of our campuses in order to provide another layer of safety and security for our students and employees. These initiatives are designed to continue moving our schools towards higher achievement and expand on safety and security in our schools. The cost of these programs is relatively low when compared to the positive impact that is expected from these programs.

The School Board continues to maintain an energy conservation effort throughout the Parish. Through a focused initiative with our employees educating themselves on the need to conserve energy and effective ways to impact conservation, the School Board has saved a significant amount of money spent on heating, cooling, and lighting. Thus far, the amount saved on utilities exceeds \$28.7 million. The school safety plan and technology initiative were funded by a bond issue approved by voters in March 2008 and May 2013. In the past five years, the School Board and schools received several distinguished awards and recognitions: 2010 Grand Prize Magna Award Winner for energy conservation, a Top 100 School Systems Recognition by *Money Magazine*, seven National Schools of Excellence by the U.S. Department of Education, *School Watch What Parents Want Award Winner*, 27 National Food Service Awards by U.S. Department of Agriculture and National Food Service Association, 14 Presidential Awards for Excellence in Mathematics and Science Teaching by National Science Foundation, Energy Milestone Award, 13 National Communications Awards, Crimestoppers Excellence in School Safety and Prevention Award, and Energy Star-Leader Certificate Recipient. Our school system earned a B letter grade by the Louisiana Department of Education as a result of our academic performance for the 2017-2018 school year, and our Superintendent was named the Louisiana Superintendent of the Year for the 2016-2017 school year.

The School Board continues to make progress on its major capital improvement programs of its existing school facilities. Existing facilities continue to be renovated and improved. All facilities are in excellent condition as a result of bond approvals by voters on average every five years. This capital improvement program started in 1990 and continues today. The School Board will have spent in excess of \$655 million on this initiative, and an additional \$55 million is planned for the next three years. Improvements to our facilities are resulting in efficient use of space and alignment with advances in construction.

New facilities and renovations as part of the major capital improvement program have enabled the School Board to reduce the student/teacher ratio for all classrooms. The majority of pre-kindergarten through third grade classrooms have, on average, a maximum class size of 20 students.

Student/teacher ratios are just one piece of the puzzle when it comes to achieving higher levels of success through student achievement. The School Board has become a magnet for attracting highly skilled, experienced, certified teachers and administrators. The School Board workforce includes 2,699 full-time, certificated teachers with 37.78% of teachers possessing an advanced degree. 60% of our teachers have more than 10 years teaching experience, and all of our principals and assistant principals minimally possess a master's degree and teacher certification.

Currently, the St. Tammany Parish School System maintains AdvancED certification for all of its 55 schools. The St. Tammany Parish School System became the first school district in Louisiana to earn "district-wide" accreditation in 2005. The School System received reaccreditation in 2010 and again in 2015.

The School Board's Parent Involvement Program is utilized in every school in the system. The goal of this program is to involve parents in the child's education in whatever capacity the parents offer (first aid assistant, library aide, classroom tutor, parenting workshop, etc.). Each year, our parent volunteers donate the equivalent of millions of dollars in volunteer hours. Our parents consistently make up more than 50% of the State of Louisiana's Parent Teacher Association (PTA).

On May 4, 2013, the School Board asked voters to consider a \$135 million bond renewal package for construction, technology, and school safety; a rededication of existing property tax millage of 3.30 mills to allow these funds to be used for salaries and benefits; and a new 3 mill property tax millage to provide additional support for the school system. All three of these proposals were passed by the voters of St. Tammany Parish. The support provided to our school system by the voters of St. Tammany Parish is crucial to its success.

## **FINANCIAL INFORMATION**

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

**Single Audit:** As a recipient of federal, state, and local financial assistance, the School Board also is responsible for ensuring that adequate internal controls are in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is subject to periodic evaluation by management.

As a part of the School Board's single audit, tests are made to determine the adequacy of internal controls, including that portion related to federal programs, as well as to determine that the School Board has complied with applicable laws and regulations. The results of the School Board's single audit for the fiscal year ended June 30, 2018, provided no instances of material weaknesses in internal controls. The report for this year is located on pages 150 - 161.

**Budgeting Controls:** In addition, the School Board maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with the annual appropriated budgets, including all subsequent amendments, approved by the School Board. Activities of the General Fund, Special Revenue Funds, Debt Service Funds, and Capital Projects Funds are included in the annual appropriated budget. The level of budgetary control (that is, the level at which expenditures cannot exceed the appropriated amount) is established at the function or project level within the individual funds. The School Board also maintains an encumbrance accounting system as one technique of accomplishing budgetary control throughout the year. Encumbered amounts in all funds lapse at year-end; however, encumbrances generally are re-appropriated as part of the next year's budget. As demonstrated by the statements and schedules included in the financial section of this report, the School Board continues to meet its responsibility for sound financial management.

**Debt Administration:** At June 30, 2018, the School Board had a number of debt issues outstanding, totaling \$256.3 million. Not included in the School Board's long-term debt are \$105.8 million in defeased debt. The Notes to Basic Financial Statements contain more detailed information on these bonds.

## OTHER INFORMATION

**Independent Audit:** State statutes require an annual audit by independent certified public accountants. The accounting and auditing firm of LaPorte CPAs and Business Advisors performed the fiscal year 2018 audit. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the federal Single Audit Act, as amended, and related Uniform Guidance. The independent auditor's report on the financial statements is included in the financial section of this report. The independent auditor's reports related specifically to the Single Audit Act are included in the Single Audit Section which begins on page 150.

**Awards:** The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the St. Tammany Parish School Board for its comprehensive annual financial report for the fiscal year ended June 30, 2017. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive financial report, whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

The St. Tammany Parish School Board was also awarded a Certificate of Excellence in Financial Reporting for its comprehensive annual financial report for the fiscal year ended June 30, 2017, by the Association of School Business Officials International (ASBO). The award certifies that the school system has presented its comprehensive annual financial report to the ASBO Panel of Review for critical review and evaluation and that the report was judged to have complied with the principles and practices of financial reporting recognized by ASBO. Receiving the award is recognition that the school system has met the highest standards of excellence in school financial reporting.

Both a Certificate of Achievement (GFOA) and a Certificate of Excellence (ASBO) are valid for a period of one year only. The St. Tammany Parish School Board has received both certificates for the last 30 consecutive years. We believe our current comprehensive annual financial report continues to conform to the program requirements of both organizations, and we are submitting it to GFOA and ASBO to determine its eligibility for each of the certificates.

**Acknowledgements:** The preparation of the comprehensive annual financial report on a timely basis was made possible by the dedicated service of the entire staff of the Business Affairs Department. Each member of the department has our sincere appreciation for the contributions made in the preparation of this report. In addition, our gratitude is extended to the Arts Department for their valuable assistance in the design of this report and to the student whose art is displayed on the cover of the report.

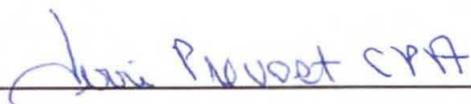
In closing, without the leadership and support of the Members of the School Board, both individually and collectively, preparation of this report would not have been possible.

Respectfully submitted,



---

William L. "Trey" Folse, III  
Superintendent



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Terri Prevost, CPA  
Director of Business Affairs



ST. TAMMANY

PARISH PUBLIC SCHOOLS



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**St. Tammany Parish School Board**  
**Louisiana**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2017**

*Christopher P. Morill*

Executive Director/CEO



**ASSOCIATION OF  
SCHOOL BUSINESS OFFICIALS  
INTERNATIONAL**

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

**St. Tammany Parish School Board**

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

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



A handwritten signature in black ink that reads 'Charles E. Peterson, Jr.'.

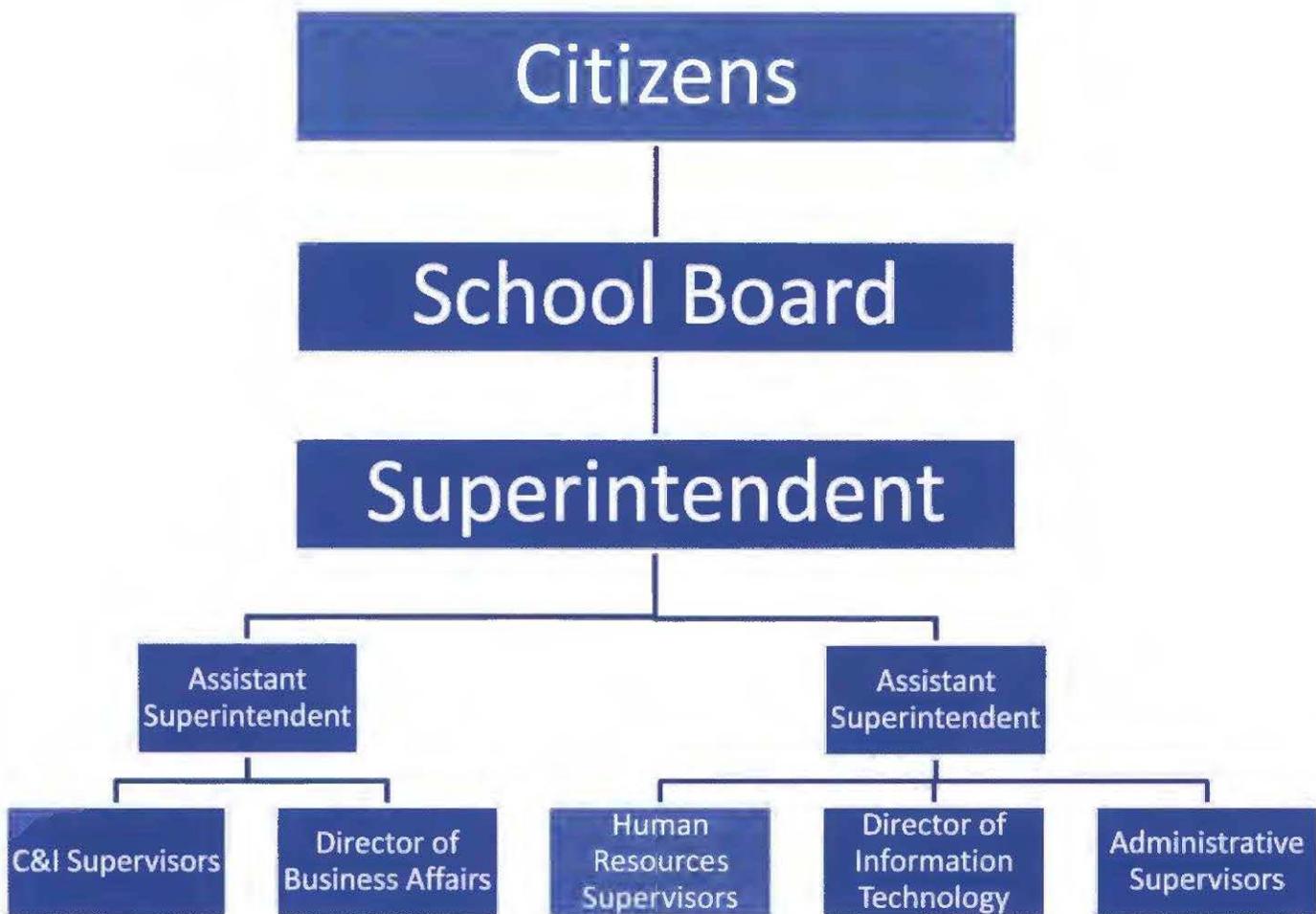
**Charles E. Peterson, Jr., SFO, RSBA, MBA**  
President

A handwritten signature in black ink that reads 'John D. Musso'.

**John D. Musso, CAE**  
Executive Director



**St. Tammany Parish Public School System**





ST. TAMMANY

PARISH PUBLIC SCHOOLS

# St. Tammany Parish School Board

## Principal Officials

### School Board Members

<b>Robin P. Mullett- <i>President</i></b>	<b>District 13</b>
<b>Michael J. Dirmann - <i>Vice-President</i></b>	<b>District 3</b>
<b>Neal M. Hennegan</b>	<b>District 1</b>
<b>Elizabeth B. Heintz</b>	<b>District 2</b>
<b>Stephen J. “Jack” Loup, III</b>	<b>District 4</b>
<b>Charles T. Harrell</b>	<b>District 5</b>
<b>Michael C. Nation</b>	<b>District 6</b>
<b>Willie B. Jeter</b>	<b>District 7</b>
<b>Peggy H. Seeley</b>	<b>District 8</b>
<b>Sharon Lo Drucker</b>	<b>District 9</b>
<b>Ronald “Ron” L. Bettencourt</b>	<b>District 10</b>
<b>Robert R. “Bob” Womack</b>	<b>District 11</b>
<b>Richard “Rickey” Hursey, Jr.</b>	<b>District 12</b>
<b>Dennis S. Cousin</b>	<b>District 14</b>
<b>Mary K. Bellisario</b>	<b>District 15</b>

## Administrative Officials

**William “Trey” Folsie, III, *Superintendent***  
**Peter J. Jabbia, *Assistant Superintendent***  
**Michael Cosse, *Assistant Superintendent***  
**Regina Sanford, *Assistant Superintendent***  
**Terri Prevost, CPA *Director of Business Affairs***  
**Louis Boullion, *Director of Information Technology***

## **Independent Auditor's Report**

To the Members of the  
St. Tammany Parish School Board  
Covington, LA

### **Report on the Financial Statements**

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

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

**Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the St. Tammany Parish School Board as of June 30, 2018, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**Other Matters***Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 to 14 and the budgetary comparison information, other postemployment benefits information, net pension liability information, and notes to required supplementary information on pages 75 to 82 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

*Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School Board's basic financial statements. The combining and individual non-major fund financial statements, the budgetary comparison schedules for the non-major funds, the fiduciary fund financial statements, the schedule of board members' compensation, and the schedule of compensation, benefits, and other payments to agency head are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The accompanying supplementary information referred to in the preceding paragraph is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual non-major fund financial statements, the budgetary comparison schedules for the non-major funds, the fiduciary fund financial statements, the schedule of board members' compensation, and the schedule of compensation, benefits, and other payments to agency head are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory section and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated December 11, 2018 on our consideration of the School Board's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School Board's internal control over financial reporting and compliance.

**Emphasis of a Matter**

As discussed in Notes 1T and 18 to the financial statements, the School Board adopted new accounting guidance, GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, for the year ended June 30, 2018. The adoption of GASB Statement No. 75 required the School Board to record its Net OPEB Liability and related OPEB expense and deferred outflows of resources and deferred inflows of resources related to the School Board's postemployment benefits. Adoption of this guidance required the School Board to restate beginning net position in its government-wide financial statements. Our opinion is not modified with respect to these matters.



A Professional Accounting Corporation

Covington, LA  
December 11, 2018

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

**REQUIRED SUPPLEMENTARY  
INFORMATION**

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

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

**Management's Discussion and Analysis**

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As management of the St. Tammany Parish School Board (the School Board), we offer readers of the St. Tammany Parish School Board's financial statements this narrative overview and analysis of the financial activities of the School Board for the fiscal year ended June 30, 2018. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages v - x, and the School Board's financial statements, which begin on page 15.

**FINANCIAL HIGHLIGHTS**

The financial highlights for the St. Tammany Parish School Board for fiscal year ended June 30, 2018, were:

- The School Board's General Fund expended \$410.3 million in fiscal year ended June 30, 2018 on education for St. Tammany Parish (the Parish). Over 77.4% of the expenditures was spent on instructional and support programs and 13.7% was spent on administration and operation/maintenance of schools.
- The School Board's General Fund revenues on a budgetary basis for fiscal year ended June 30, 2018, were approximately \$419.3 million. The largest single sources of non-federal funds were from the State of Louisiana Minimum Foundation Program (\$209.2 million), ad valorem taxes (\$99.8 million), and sales and use taxes (\$97.3 million).
- The liabilities and deferred inflows of the St. Tammany Parish School Board exceeded its assets and deferred outflows at the close of the fiscal year by \$471.0 million, a change of \$8.1 million from 2017 (restated).
- The St. Tammany Parish School Board's net position increased by \$8.0 million. There were increases in ad valorem taxes of \$2.3 million and increases in sales and use taxes of \$0.7 million. Operating grants revenue also increased \$3.0 million. There was a \$4.7 million decrease from the State of Louisiana through the Minimum Foundation Program and additional appropriations.
- The School Board's governmental funds reported combined ending fund balances of \$226.6 million, an increase of \$38.8 million in comparison to the prior year. In 2018, increases in property values in St. Tammany Parish resulted in increased ad valorem tax revenues. Sales taxes in the Parish also continued to increase with continued growth in the economy.
- The School Board expended approximately \$23.2 million on capital projects in 2017-2018. The majority of these expenditures were on construction of additional classrooms and renovations to existing schools and support facilities.
- The School Board's General Fund on a budgetary basis had an increase of \$3.1 million in fund balance.
- As of June 30, 2018, the School Board had \$256.3 million in bonds outstanding.

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

**Management's Discussion and Analysis**

---

**OVERVIEW OF THE FINANCIAL STATEMENTS**

This discussion and analysis is intended to serve as an introduction to the St. Tammany Parish School Board's basic financial statements. The St. Tammany Parish School Board's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements include the statement of net position (on pages 15 and 16) and the statement of activities (on page 17); they provide information about the financial position of the School Board as a whole and present a longer-term view of the School Board's finances. Fund financial statements start on page 18. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the School Board's operations in more detail than the government-wide statements by providing information about the School Board's most significant funds. The fiduciary fund statements provide financial information about activities for which the School Board acts solely as a trustee or agent for the benefit of those outside of the government.

Our auditor has provided assurance in its independent auditor's report, located immediately preceding this management's discussion and analysis (MD&A), that the basic financial statements are fairly stated. The auditor has also provided varying degrees of assurance regarding the required supplementary information and other supplementary information. A user of this report should read the independent auditor's report carefully to ascertain the level of assurance being provided for each of the other parts in the financial statements.

**Notes to Basic Financial Statements**

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to basic financial statements can be found on pages 26 - 74 of this report.

**Other Information**

The combining statements referred to earlier in connection with non-major governmental funds and internal service funds are presented following the notes to basic financial statements. Combining and individual fund statements and schedules can be found on pages 83 - 106 of this report.

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

**Management's Discussion and Analysis**

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**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

Our analysis of the School Board as a whole begins on page 15. One of the most important questions asked about the School Board's finances is, "Is the School Board as a whole better off or worse off as a result of the year's activities?" The statement of net position and the statement of activities report information about the School Board as a whole and about activities in a way that helps answer this question. These statements include *all* assets and deferred outflows and liabilities and deferred inflows using the *accrual basis of accounting*, which is similar to the accounting used by most private-sector companies. All of the year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the School Board's *net position* and changes in the net position. You can think of the School Board's net position (the difference between assets and deferred outflows and liabilities and deferred inflows) as one way to measure the School Board's financial health, or *financial position*. Over time, *increases or decreases* in the School Board's net position are indicators of whether its *financial health* is improving or deteriorating. You will need to consider other nonfinancial factors, however, such as changes in the School Board's property tax base and the condition of the schools, to assess the *overall financial health* of the School Board.

In 2017-2018, the School Board's financial position increased, with its net position increasing \$8.1 million from a \$479.1 deficit in 2016-2017 (restated) to a \$471.0 deficit in 2017-2018. \$45.3 million of the School Board's net position is restricted for debt service, operational purposes, and food service, leaving a deficit of \$803.4 million in unrestricted net position.

In the statement of net position and the statement of activities, the School Board can be divided into two kinds of activities:

**Governmental Activities** - Most of the School Board's basic services are reported here, including instruction, plant services, transportation, and food services. Property taxes, sales and use taxes, Minimum Foundation Program (MFP) funds, and state and federal grants finance most of these activities. In the internal service funds, the School Board charges fees to departments to help cover the costs of certain services it provides by being self-insured. The School Board's general liability and workers' compensation programs are accounted for here.

**Business-Type Activities** - Business-type activities are those activities which are conducted by the School Board whereby the fees/charges for those services provided are intended to be sufficient to realize a profit. The School Board did not have any such activities.

Our analysis below focuses on the net position (Table 1) and changes in net position (Table 2) of the School Board's governmental activities.

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

**Management's Discussion and Analysis**

**TABLE 1  
SUMMARY OF NET POSITION  
(in Thousands)**

	Governmental Activities	
	2018	2017
<b>Assets</b>		
Current and Other Assets	\$ 360,495	\$ 319,898
Capital Assets	441,842	439,201
<b>Total Assets</b>	<b>802,337</b>	<b>759,099</b>
<b>Deferred Outflows of Resources</b>	<b>83,432</b>	<b>116,335</b>
<b>Liabilities</b>		
Current Liabilities	92,488	90,136
Long-Term Liabilities	1,204,298	1,035,988
<b>Total Liabilities</b>	<b>1,296,786</b>	<b>1,126,124</b>
<b>Deferred Inflows of Resources</b>	<b>60,013</b>	<b>16,983</b>
<b>Net Position</b>		
Net Investment in Capital Assets	287,107	278,725
Restricted	45,278	46,432
Unrestricted	(803,415)	(592,830)
<b>Total Net Position</b>	<b>\$ (471,030)</b>	<b>\$ (267,673)</b>

The largest portion of the School Board's net position is an unrestricted deficit of \$803.4 million. The unrestricted deficit is primarily made up of the net pension liability of \$533.3 million and the other postemployment benefit liability of \$402.2 million. This deficit is not expected to consume the resources of the School Board in the next fiscal year since the net pension liability and other postemployment benefit liability are long-term in nature. Payments for these liabilities will be budgeted in the year that actual payments are expected to be made.

The School Board's net position also includes its investment in capital assets (e.g., land, buildings, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding. The School Board uses these capital assets to provide services to the public; consequently, these assets are not available for future spending. Although, the School Board's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The restricted net position (-9.6%) represents resources to be used to pay the remaining amount of outstanding debt, restricted resources for construction projects, and restricted resources for food service programs.

At June 30, 2018 and 2017, the School Board was not able to report positive balances in its unrestricted net position. Increases in the liability for postemployment benefits and net pension liability contributed to the deficit in unrestricted net position.

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

**Management's Discussion and Analysis**

**TABLE 2  
SUMMARY OF CHANGES IN NET POSITION  
(in Thousands)**

	Governmental Activities	
	2018	2017
<b>Revenues</b>		
Program Revenues:		
Charges for Services	\$ 5,666	\$ 5,360
Operating Grants and Contributions	50,329	47,307
Capital Grants and Contributions	953	170
General Revenues:		
Ad Valorem (Property) Taxes	133,607	131,361
Sales and Use Taxes	97,261	96,520
Minimum Foundation Program	214,079	217,614
Other General Revenues	4,091	5,124
<b>Total Revenues</b>	<b>505,986</b>	<b>503,456</b>
<b>Program Expenses</b>		
Regular Programs	176,464	175,753
Special Education Programs	82,624	82,805
Vocational Education Programs	6,628	6,748
Other Instructional Programs	10,000	9,947
Special Programs	14,705	14,273
Pupil Support	30,096	29,894
Instructional Staff Support	16,148	16,343
General Administration	9,262	9,686
School Administration	26,875	25,650
Business Administration	2,887	2,877
Operation and Maintenance of Plant	43,983	43,736
Pupil Transportation	35,573	35,492
Central Services	8,061	10,310
Food Service	24,228	24,952
Community Services Programs	1,432	1,435
Interest on Long-Term Debt	8,928	8,805
<b>Total Expenses</b>	<b>497,894</b>	<b>498,706</b>
<b>Change in Net Position</b>	<b>8,092</b>	<b>4,750</b>
<b>Beginning Net Position</b>	<b>(267,673)</b>	<b>(272,423)</b>
<b>Change in Accounting Principle - GASB 75</b>	<b>(211,449)</b>	<b>-</b>
<b>Beginning Net Position, Restated</b>	<b>(479,122)</b>	<b>(272,423)</b>
<b>Ending Net Position</b>	<b>\$ (471,030)</b>	<b>\$ (267,673)</b>

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

**Management's Discussion and Analysis**

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The School Board's net position increased by \$8.1 million. There were increases in ad valorem taxes of \$2.2 million and increases in sales and use taxes of \$0.7 million. Operating grants revenue also increased \$3.0 million. There was a \$4.7 million decrease from the State of Louisiana through the Minimum Foundation Program and additional appropriations.

Revenues increased by .5% or approximately \$2.5 million. Revenue increases in ad valorem taxes, sales tax, earnings on investments and other totaled \$7.2 million. These increases were mainly caused by continued Parish economic growth in property tax values and sales. Revenue from the State of Louisiana through the Minimum Foundation Program and other appropriations decreased \$4.7 million. This decrease was caused by a loss of state funding for other appropriations and a combination of decline in students and increase in local revenues.

Student enrollment had a decrease from 38,691 students in 2017 to 38,549 students in 2018. MFP funding decreased as a result of this decline.

Expenses decreased 0.2% or approximately \$0.8 million in 2018. Construction cost decreases account for nearly all of the decrease. The School Board is nearing the end of the 5-year Capital Improvement Plan; therefore, construction costs will continue to decline as the construction projects are completed.

**REPORTING THE SCHOOL BOARD'S MOST SIGNIFICANT FUNDS**

The School Board uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The fund financial statements begin on page 18 and provide detailed information about the most significant funds - not the School Board as a whole. Some funds are required to be established by state law or by bond covenants. However, the School Board establishes other funds to help it control and manage financial resources for particular purposes or to demonstrate that it is meeting legal responsibilities for using certain taxes, grants, and other money.

The School Board's three types of funds - governmental, proprietary, and fiduciary funds - use different accounting approaches.

**Governmental Funds** - Most of the School Board's basic services are reported in the governmental funds, which focus on how money flows into and out of these funds and the balances left at year-end that are available for spending. These funds are reported using modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the School Board's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the School Board's programs. We describe the relationship (or differences) between governmental activities (reported in the statement of net position and the statement of activities) and governmental funds in reconciliations on pages 19 and 21.

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

**Management's Discussion and Analysis**

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The School Board's governmental funds reported combined ending fund balances of \$226.6 million, an increase of \$38.8 million (see Statements C and E) in comparison with the prior year. The components of this increase are described below.

The fund balance for the General Fund was \$111.0 million, which was an increase of \$3.1 million from 2017. General Fund expenditures, before transfers and other financing uses, for 2018 increased by 2.6%, or \$10.6 million. Operating expenditures increased mainly due to the increase in salaries and related benefits.

General Fund revenue before transfers and other financing sources increased 1.0%, or \$3.9 million. Ad valorem taxes increased as a result of increased property values, and sales taxes increased as a result of improvements in the area's economy. Medicaid revenues owed to the district for prior years totaling approximately \$2.4 million were received in 2018 and caused a significant increase in the Medicaid revenue.

The 2008 Construction Fund accounts for the expenditures of the remaining \$25 million in general obligation bonds that was approved by voters to finance capital improvements for new construction and improvements to existing facilities in March 2008. Expenditures in this fund totaled \$0.5 million in fiscal year 2017-2018. These bond proceeds were drawn down in December 2017, so there were no expenditures relating to this bond issue in fiscal year 2016-2017. This is the final drawdown for the 2008 voter approved Capital Improvement Plan. These expenditures include construction projects for additional classrooms at Mandeville and Madisonville area schools.

The 2013 Construction Fund accounts for the expenditures of the \$135 million in general obligation bonds approved by voters to finance capital improvements for new construction and improvements to existing facilities. Expenditures in this fund decreased by \$23.4 million, or 45.2%. Decreases in expenditures were a result of a decrease in facility construction and improvements in 2018 as the District is nearing the end of its 5-year Capital Improvement Plan. These expenditures include construction projects for school improvements and school technology as outlined in the Capital Improvement Plan approved by voters in 2013. Many of the construction projects were completed in 2016-2017, causing a decrease in construction expenditures for 2017-2018.

The Debt Service Fund account was established to meet the requirements of bond ordinances, and is used to account for the accumulation of resources for, and the payment of long-term debt principal, interest, and related costs. Revenues in this fund decreased by \$0.7 million, or 2.0%, over 2017. This decrease was a result of a rollback of 1 mill in ad valorem millage for the Debt Service Fund. Expenditures in this fund increased by \$3.3 million, or 10.7%. Increases in expenditures were a result of an increase in principal and interest payments in 2018. Principal and interest payments have increased as all bonds proceeds have been drawn down by the District.

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

**Management's Discussion and Analysis**

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Proprietary Funds - When the School Board charges for the services it provides - whether to outside sources or to other units of the School Board - these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the statement of net position and statement of activities. The School Board maintains two internal service funds. An internal service fund accumulates and allocates costs internally among the School Board's various functions.

The School Board maintains separate internal service funds to account for the self-insured portion of its general liability and employee workers' compensation programs.

Because the services provided in these funds benefit governmental rather than business-type functions, they have been included as governmental activities in the government-wide financial statements.

Fiduciary Funds - The School Board is trustee, or fiduciary, for its student activity funds that are under the control and administration of the School Board. All of the School Board's fiduciary activities are reported in the statement of fiduciary assets and liabilities on page 25. These funds are not available to the School Board to finance its operations and, therefore, are not included in the government-wide financial statements. The School Board is responsible for ensuring that the assets reported by these funds are used for their intended purposes.

**General Fund Budgetary Highlights**

Differences between the original budget and the final amended budget can be briefly summarized as follows:

\$0.3 million decrease in projected revenues as follows:

- \$2.3 million decrease in Minimum Foundation Program.
- \$3.8 million increase in Medicaid revenues.
- \$2.1 million decrease in other revenue.
- \$0.3 million increase in earnings on investments

\$0.2 million decrease in projected expenditures as follows:

- \$0.2 million decrease in employee salaries and benefits.

Differences between the final amended budget and actual results can be briefly summarized as follows:

Expenditures - \$1.8 million positive variance with final budget as follows:

- Decrease in workers' compensation costs from 2017.
- Operation and maintenance expenditures were lower than anticipated for the last months of the fiscal year.

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

**Management's Discussion and Analysis**

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

**Capital Assets**

As of June 30, 2018, the School Board has invested in a broad range of capital assets, including land, school facilities, and equipment totaling \$515.7 million. (See Table 3 below.) There was a net increase in capital assets in 2018 of \$3.4 million. The School Board changed its capitalization policy effective July 1, 2009 from \$1,000 to \$5,000. This change was mandated by the Louisiana Department of Education. More detailed information of capital assets can be found in Note 5.

**TABLE 3  
CAPITAL ASSETS AT YEAR-END  
(Net of Depreciation, in Thousands)**

	Governmental Activities	
	2018	2017
Land	\$ 18,644	\$ 18,694
Land Improvements	9,607	9,684
Buildings and Improvements	426,993	423,503
Furniture and Equipment	5,242	6,014
Construction in Progress	55,243	54,459
<b>Total</b>	<b>\$ 515,729</b>	<b>\$ 512,354</b>

The construction projects for 2017-2018 were mainly for classroom additions and renovations throughout the Parish.

**Long-Term Debt**

As of June 30, 2018, the School Board had \$1.23 billion in long-term debt outstanding, an increase of \$168.5 million, or 15.8%, over the amount at June 30, 2017 - as shown in Table 4 below:

**TABLE 4  
OUTSTANDING DEBT AT YEAR-END  
(in Thousands)**

	Governmental Activities	
	2018	2017
General Obligation Bonds (Backed by the School Board), Net of Unamortized Premium (Discount)	\$ 277,826	\$ 245,875
Qualified School Construction Bonds	2,333	2,667
Capital Lease	1,109	1,253
Net Pension Liability	533,374	602,380
Other Postemployment Benefits	402,162	197,457
Compensated Absences	19,702	18,325
<b>Total</b>	<b>\$ 1,236,506</b>	<b>\$ 1,067,957</b>

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

**Management's Discussion and Analysis**

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The School Board continued to pay down its outstanding debt issues. The School Board's bond rating in 2017-2018 was AA by *Standard & Poor's*. The State constitution limits the amount of general obligation debt that the School Board can issue to 35% of the assessed value of all taxable property within the school district. The School Board's outstanding general obligation debt of \$254.0 million is significantly below the current \$885.2 million limit. Other postemployment retirement benefits increased by \$204.7 million. Net pension liability decreased by \$69.0 million.

The School Board initiated a risk management program for general liability, workers' compensation, and health insurance in prior years. The School Board purchases commercial insurance for claims in excess of coverage provided through its self-insurance funds. The School Board had \$13.2 million and \$12.9 million in claims and judgments outstanding for fiscal years ended June 30, 2018 and 2017, respectively. Other obligations include accrued vacation pay and sick leave. More detailed information about the School Board's long-term liabilities is presented in Notes 6, 7, and 8 to the financial statements.

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

The following are currently known St. Tammany Parish economic factors expected to impact the 2018-2019 fiscal year:

- Sales taxes rate of growth is projected to continue with modest growth. St. Tammany Parish remains one of the wealthiest parishes in the State of Louisiana.
- The School Board's student attendance is expected to continue to remain constant for the next couple of years. Enrollment as of October 1, 2018, was 38,542 for a decrease of 7 students over October 1, 2017.
- The retirement system contributions will increase effective July 1, 2018. The Teachers' Retirement System of Louisiana increased the employer contribution rate from 26.6% to 26.7%. The Louisiana School Employees' Retirement System increased the employer contribution rate from 27.6% to 28.0%. This proposed increase in employer contributions is expected to cost the School Board an additional \$664,000 for 2019.
- The School Board's fiscal year 2019 budget for capital projects is expected to decrease as the voters approved a new bond construction and technology referendum in May 2013 and these projects are reaching completion phases. The referendum was for \$15.0 million in technology and \$125.0 million in capital projects for new classrooms and various school and building renovations.
- Projected ad valorem taxes for 2018-2019 indicate increases of approximately \$1.0 million due to increases in property values based on final tax roll.
- Employees were given pay increases for the 2018-2019 school year. Highly effective certificated employees as rated by the Compass system were given \$500 one-time stipends.

All of these factors were considered in preparing the St. Tammany Parish School Board's budget for the 2018-2019 fiscal year.

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

**Management's Discussion and Analysis**

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**REQUESTS FOR INFORMATION**

This financial report is designed to provide citizens, taxpayers, investors, and creditors with a general overview of the School Board's finances and to show the School Board's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Mrs. Terri Prevost, Director of Business Affairs at the St. Tammany Parish School Board, P.O. Box 940, Covington, LA 70434-0940, or by calling (985) 898-3217 during regular business hours, Monday through Friday, from 8:30 a.m. to 4:30 p.m., Central Standard Time.



ST. TAMMANY

PARISH PUBLIC SCHOOLS

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

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

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

**Statement A**

**Statement of Net Position  
June 30, 2018**

	<b>Governmental Activities</b>
<b>Assets</b>	
Cash and Cash Equivalents	\$ 153,974,860
Investments	1,298,929
Receivables	
Taxes:	
Ad Valorem	1,418,627
Sales and Use	16,923,938
Intergovernmental:	
Federal	6,036,620
State	1,011,950
Other Receivables	3,164,600
Prepays	1,303,588
Inventory	339,539
Restricted Cash and Cash Equivalents	88,403,314
Restricted Investments	12,732,332
Capital Assets not Being Depreciated	
Land	18,643,989
Construction in Progress	55,242,922
Capital Assets, Net of Accumulated Depreciation	
Land Improvements	9,607,381
Buildings and Improvements	426,993,284
Furniture and Equipment	5,241,331
	<b>802,337,204</b>
<b>Deferred Outflows of Resources</b>	
Deferred Charges - Bond Refunding	5,194,860
Deferred Outflows - Pensions	78,236,685
	<b>83,431,545</b>

The accompanying notes are an integral part of these financial statements.

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

**Statement A**

**Statement of Net Position (Continued)  
June 30, 2018**

	<b>Governmental Activities</b>
<b>Liabilities</b>	
Salaries and Wages Payable	33,217,677
Accounts Payable	8,404,321
Accrued Interest Payable	3,470,207
Retainages Payable	1,739,111
Other Liabilities	254,454
Long-Term Liabilities	
Due within One Year	
Bonds Payable	19,548,334
Capital Lease Payable	147,779
Compensated Absences	14,712,801
Claims and Judgments	10,993,402
Due in More than One Year	
Bond Payable, Net of Unamortized Premium (Discount)	260,610,445
Capital Lease Payable	960,852
Compensated Absences	4,989,332
Claims and Judgments	2,201,275
Net Pension Liability	533,374,151
Other Postemployment Benefits	402,161,876
	<u>1,296,786,017</u>
<b>Total Liabilities</b>	<b>1,296,786,017</b>
<b>Deferred Inflows of Resources</b>	
Deferred Inflows - Pensions	32,912,220
Deferred Inflows - Other Postemployment Benefits	27,100,482
	<u>60,012,702</u>
<b>Total Deferred Inflows of Resources</b>	<b>60,012,702</b>
<b>Net Position</b>	
Net Investment in Capital Assets	287,107,377
Restricted for:	
Debt Service	26,131,878
Operational Purposes	16,668,011
Food Service	2,477,960
Unrestricted	(803,415,196)
	<u>\$ (471,029,970)</u>
<b>Total Net Position</b>	<b>\$ (471,029,970)</b>

The accompanying notes are an integral part of these financial statements.

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

**Statement B**

**Statement of Activities  
For the Year Ended June 30, 2018**

	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position
<b>Functions/Programs</b>					
<b>Instruction:</b>					
Regular Programs	\$ 176,463,724	\$ 750,336	\$ 18,163,322	\$ -	\$ (157,550,066)
Special Education Programs	82,624,452	-	8,504,493	-	(74,119,959)
Vocational Educational Programs	6,628,374	-	682,255	-	(5,946,119)
Other Instructional Programs	9,999,800	-	1,029,274	-	(8,970,526)
Special Programs	14,705,015	-	1,513,580	-	(13,191,435)
<b>Support Services:</b>					
Pupil Support	30,096,389	-	3,097,806	-	(26,998,583)
Instructional Staff Support	18,147,874	-	1,662,093	-	(14,485,781)
General Administration	9,262,301	-	953,364	-	(8,308,937)
School Administration	26,875,154	-	2,766,246	-	(24,108,908)
Business Administration	2,886,591	-	297,115	-	(2,589,476)
Operation and Maintenance of Plant	43,983,044	-	4,527,152	952,928	(38,502,964)
Pupil Transportation	35,572,668	-	3,661,476	-	(31,911,192)
Central Services	8,061,264	-	829,741	-	(7,231,523)
Food Services	24,227,820	3,710,602	2,493,757	-	(18,023,461)
Community Service Programs	1,431,830	1,205,095	147,377	-	(79,358.00)
Interest on Long-Term Debt	8,927,916	-	-	-	(8,927,916)
<b>Total Governmental Activities</b>	<b>\$ 497,894,216</b>	<b>\$ 5,666,033</b>	<b>\$ 50,329,051</b>	<b>\$ 952,928</b>	<b>(440,946,204)</b>
<b>General Revenues:</b>					
<b>Taxes:</b>					
Ad Valorem (Property) Taxes					133,607,159
Sales and Use Taxes					97,261,499
State Revenue Sharing					2,009,558
Grants and Contributions not Restricted to Specific Programs - Minimum Foundation Program					214,079,001
Earnings on Investments and Net Decrease in the Fair Value of Investments					1,616,221
Miscellaneous					464,640
<b>Total General Revenues</b>					<b>449,038,078</b>
<b>Change in Net Position</b>					<b>8,091,874</b>
<b>Net Position, Beginning of Year</b>					<b>(267,672,581)</b>
<b>Change in Accounting Principle - GASB 75</b>					<b>(211,449,263)</b>
<b>Net Position, Beginning (Restated)</b>					<b>(479,121,844)</b>
<b>Net Position, End of Year</b>					<b>\$ (471,029,970)</b>

The accompanying notes are an integral part of these financial statements.

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

**BASIC FINANCIAL STATEMENTS:  
FUND FINANCIAL STATEMENTS (FFS)**

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

**Statement C**

**Governmental Funds - Balance Sheet  
June 30, 2018**

	General	2008		2013		Non-Major Fund Types	
		Construction	Construction	Debt Service	Other Governmental	Total	
<b>Assets</b>							
Cash and Cash Equivalents	\$ 121,890,482	\$ -	\$ -	\$ -	\$ 21,711,956	\$ 143,602,438	
Receivables:							
Taxes:							
Ad Valorem	1,051,810	-	-	366,817	-	1,418,627	
Sales and Use	16,923,938	-	-	-	-	16,923,938	
Intergovernmental:							
Federal	83,379	-	-	-	5,953,241	6,036,620	
State	957,774	-	-	-	54,176	1,011,950	
Other	3,080,215	-	-	38,800	11,432	3,130,247	
Prepays	1,272,342	-	-	-	3,500	1,275,842	
Deposits	-	-	-	-	-	-	
Due from Other Funds	7,499,500	-	1,763	-	18,311	7,519,574	
Inventory	-	-	-	-	339,539	339,539	
Restricted Cash and Cash Equivalents	-	27,179,607	28,102,534	22,233,928	10,887,245	88,403,314	
Restricted Investments	-	-	-	6,962,740	5,769,592	12,732,332	
<b>Total Assets</b>	<b>\$ 152,759,440</b>	<b>\$ 27,179,607</b>	<b>\$ 28,104,297</b>	<b>\$ 29,602,085</b>	<b>\$ 44,748,992</b>	<b>\$ 282,394,421</b>	
<b>Liabilities and Fund Balances</b>							
<b>Liabilities</b>							
Salaries and Withholdings Payable	\$ 30,817,047	\$ -	\$ -	\$ -	\$ 2,400,630	\$ 33,217,677	
Accounts Payable	4,950,590	20,673	1,075,932	-	1,961,486	8,008,681	
Contracts and Retainage Payable	-	-	1,541,419	-	197,692	1,739,111	
Due to Other Funds	151,763	-	-	-	6,632,811	6,784,574	
Other Liabilities	21,159	-	-	-	233,295	254,454	
Claims Liabilities	5,778,020	-	-	-	-	5,778,020	
<b>Total Liabilities</b>	<b>41,718,579</b>	<b>20,673</b>	<b>2,617,351</b>	<b>-</b>	<b>11,425,914</b>	<b>55,782,517</b>	
<b>Fund Balances</b>							
Non-Spendable:							
Inventory	-	-	-	-	339,539	339,539	
Prepays	1,272,342	-	-	-	-	1,272,342	
Restricted for:							
Construction	-	27,158,934	25,486,946	-	-	52,645,880	
Debt Service	-	-	-	29,602,085	-	29,602,085	
Operational Purposes	-	-	-	-	16,668,011	16,668,011	
Food Service	-	-	-	-	2,477,980	2,477,980	
Committed for:							
Bond Rating	20,854,282	-	-	-	-	20,854,282	
Special Programs	-	-	-	-	12,372,847	12,372,847	
Assigned for:							
Construction	-	-	-	-	1,464,721	1,464,721	
Local Priorities	88,914,237	-	-	-	-	88,914,237	
<b>Total Fund Balances</b>	<b>111,040,861</b>	<b>27,158,934</b>	<b>25,486,946</b>	<b>29,602,085</b>	<b>33,323,076</b>	<b>226,611,904</b>	
<b>Total Liabilities and Fund Balances</b>	<b>\$ 152,759,440</b>	<b>\$ 27,179,607</b>	<b>\$ 28,104,297</b>	<b>\$ 29,602,085</b>	<b>\$ 44,748,992</b>	<b>\$ 282,394,421</b>	

The accompanying notes are an integral part of these financial statements.

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

For the Year Ended June 30, 2018 \$ 226,611,904

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

Cost of Capital Assets	\$ 922,826,540	
Accumulated Depreciation	<u>(407,097,633)</u>	515,728,907

Deferred outflows of resources represent consumption of net position applicable to future periods and are, therefore, not reported in the funds.

Pensions	78,236,685	
Bond Refunding	<u>5,194,860</u>	83,431,545

**Elimination of Interfund Assets and Liabilities**

Interfund Assets	(7,519,574)	
Interfund Liabilities	<u>6,784,574</u>	(735,000)

Net position of the internal service funds is reported as proprietary fund type in the fund financial statements but included as governmental activities in the government-wide financial statements less interfund balances eliminated in the consolidation into the governmental activities.

Total Net Position	3,186,153	
Interfund Balances	<u>735,000</u>	3,921,153

Deferred inflows of resources represent acquisition of net position applicable to future periods and are, therefore, not reported in the funds.

Pensions	(32,912,220)	
Other Postemployment Benefits	<u>(27,100,482)</u>	(60,012,702)

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

**Balances at June 30, 2018, are:**

Accrued Interest Payable	(3,470,207)	
Bonds Payable	(256,343,334)	
Capital Lease	(1,108,631)	
Unamortized Bond Premium	(24,458,961)	
Unamortized Bond Discount	643,516	
Other Postemployment Benefits	(402,161,876)	
Pension Liability	(533,374,151)	
Compensated Absences	<u>(19,702,133)</u>	<u>(1,239,975,777)</u>

<b>Net Position - Governmental Activities</b>		<b>\$ (471,029,970)</b>
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The accompanying notes are an integral part of these financial statements.

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

**Statement E**

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

		2008	2013		Non-Major Fund Types	
	General	Construction Fund	Construction Fund	Debt Service	Other Governmental	Total
<b>Revenues</b>						
Local Sources:						
Taxes:						
Ad Valorem	\$ 99,778,451	\$ -	\$ -	\$ 33,828,708	\$ -	\$ 133,607,159
Sales and Use	97,261,499	-	-	-	-	97,261,499
Tuition	1,821,856	-	-	-	133,575	1,955,431
Earnings on Investments	754,820	111,803	240,916	248,253	281,176	1,636,968
Net Increase (Decrease) in the Fair Value of Investments						
Value of Investments	-	-	3,841	(22,063)	(2,525)	(20,747)
Food Service	-	-	-	-	3,710,602	3,710,602
Other	7,564,394	-	-	-	302,072	7,866,466
State Sources:						
Minimum Foundation Program	209,191,501	-	-	-	4,887,500	214,079,001
Contributions to Teachers' Retirement	15,011	-	-	-	-	15,011
Revenue Sharing	2,009,558	-	-	-	-	2,009,558
Professional Improvement Program	58,858	-	-	-	-	58,858
Other	185,328	-	-	-	2,999,569	3,184,897
Federal Sources	649,316	-	-	-	38,163,823	38,813,139
<b>Total Revenues</b>	<b>419,290,592</b>	<b>111,803</b>	<b>244,757</b>	<b>34,054,896</b>	<b>50,475,792</b>	<b>504,177,842</b>
<b>Expenditures</b>						
Current:						
Instruction:						
Regular Education Programs	166,225,122	-	-	-	1,158,506	167,383,628
Special Education Programs	71,624,777	-	-	-	6,748,157	78,372,934
Vocational Education Programs	6,024,218	-	-	-	263,088	6,287,306
Other Instructional Programs	9,011,075	-	-	-	474,178	9,485,251
Special Programs	2,728,986	-	-	-	11,219,369	13,948,355
Support Services:						
Pupil Support	26,145,311	-	-	-	2,402,440	28,547,751
Instructional Staff Support	10,229,252	-	-	-	5,087,719	15,316,971
General Administration	7,650,670	-	5,956	1,122,428	6,447	8,785,701
School Administration	25,486,202	-	-	-	6,065	25,492,267
Business Administration	2,674,292	-	-	-	63,767	2,738,059
Operation and Maintenance of Plant	38,363,868	-	3,091,600	-	264,388	41,719,856
Pupil Transportation	33,890,085	-	-	-	52,159	33,742,244
Central Services	7,646,464	-	-	-	-	7,646,464
Food Service	-	-	-	-	22,981,155	22,981,155
Community Service Programs	1,358,154	-	-	-	-	1,358,154
Facilities Acquisition and Construction	920,661	376,760	16,086,430	-	5,826,652	23,210,503
Debt Service:						
Bond Issuance Costs	7,029	64,047	99,037	6,600	-	196,713
Principal Retirement	477,790	-	-	23,440,000	-	23,917,790
Interest and Bond Charges	84,821	-	-	9,849,323	-	9,934,144
<b>Total Expenditures</b>	<b>410,348,977</b>	<b>460,807</b>	<b>19,283,023</b>	<b>34,418,351</b>	<b>56,554,088</b>	<b>521,065,246</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>8,941,615</b>	<b>(349,004)</b>	<b>(19,038,266)</b>	<b>(363,453)</b>	<b>(6,078,296)</b>	<b>(16,887,404)</b>
<b>Other Financing Sources (Uses)</b>						
Transfers In	1,336,786	-	-	-	7,138,000	8,474,786
Transfers Out	(7,138,000)	-	-	-	(1,336,786)	(8,474,786)
Premium Received on Bonds Issued	-	2,657,938	3,509,213	2,832,820	-	8,999,971
Discount on Bonds Issued	-	(150,000)	(150,000)	(127,980)	-	(427,980)
Bonds Issued	-	25,000,000	25,000,000	21,330,000	-	71,330,000
Payment to Refunded Bonds Escrow Agent	-	-	-	(24,256,617)	-	(24,256,617)
<b>Total Other Financing Sources (Uses)</b>	<b>(5,801,214)</b>	<b>27,507,938</b>	<b>28,359,213</b>	<b>(221,977)</b>	<b>5,801,214</b>	<b>55,645,174</b>
<b>Net Change in Fund Balances</b>	<b>3,140,401</b>	<b>27,158,934</b>	<b>9,320,947</b>	<b>(585,430)</b>	<b>(277,082)</b>	<b>38,757,770</b>
<b>Fund Balances, Beginning of Year</b>	<b>107,900,460</b>	<b>-</b>	<b>16,165,999</b>	<b>30,187,515</b>	<b>33,600,160</b>	<b>187,854,134</b>
<b>Fund Balances, End of Year</b>	<b>\$ 111,040,861</b>	<b>\$ 27,158,934</b>	<b>\$ 25,486,946</b>	<b>\$ 29,602,085</b>	<b>\$ 33,323,078</b>	<b>\$ 226,611,904</b>

The accompanying notes are an integral part of these financial statements.

**Reconciliation of the Governmental Funds Statement of  
Revenues, Expenditures, and Changes in Fund Balances to the  
Statement of Activities  
For the Year Ended June 30, 2018**

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Total Net Change in Fund Balances - Governmental Funds		\$ 38,757,770
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Amounts reported for governmental activities in the statement of activities are different because:

Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceed depreciation:

Capital Outlays	\$ 27,456,097	
Depreciation Expense	<u>(24,081,507)</u>	3,374,590

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.

Bonded Debt Repayments	45,768,333	
Bond Proceeds (Including Refunding Bonds)	(71,330,000)	
Capital Lease Repayments	144,457	
Bond Premium	(6,435,515)	
Bond Discount	380,246	
Accrued Interest	(351,269)	
Deferred Charge on Bond Refunding	<u>1,102,592</u>	(30,721,156)

Revenues for pension contributions in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	1,808,248
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In the statement of activities, compensated absences are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid).	(1,377,278)
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In the statement of activities, postemployment benefits are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid).

Other Postemployment Benefits	(20,355,698)	
Pensions	<u>17,261,886</u>	(3,093,812)

All revenues, expenses, and changes in net position of the internal service funds are reported as proprietary fund type in the fund financial statements, but included as governmental activities in the government-wide financial statements.	<u>(656,488)</u>
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<b>Change in Net Position of Governmental Activities</b>	<b><u>\$ 8,091,874</u></b>
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The accompanying notes are an integral part of these financial statements.



ST. TAMMANY

PARISH PUBLIC SCHOOLS

Proprietary Fund Type - Internal Service Funds  
 Statement of Net Position  
 June 30, 2018

<b>Current Assets</b>	
Cash and Cash Equivalents	\$ 10,372,422
Investments	1,298,929
Accounts Receivable	34,353
Prepays	<u>27,746</u>
<b>Total Assets</b>	<b><u>\$ 11,733,450</u></b>
<b>Liabilities and Net Position</b>	
<b>Current Liabilities</b>	
Accounts Payable	\$ 395,640
Due to Other Funds	735,000
Benefit Claims Payable	4,588,384
Claims Liability	<u>626,998</u>
<b>Total Current Liabilities</b>	<b><u>6,346,022</u></b>
<b>Long-Term Liabilities</b>	
Benefit Claims Payable	1,304,040
Claims Liability	<u>897,235</u>
<b>Total Long-Term Liabilities</b>	<b><u>2,201,275</u></b>
<b>Total Liabilities</b>	<b><u>8,547,297</u></b>
<b>Net Position</b>	
Restricted for Employee Benefits	369,359
Unrestricted	<u>2,816,794</u>
<b>Total Net Position</b>	<b><u>3,186,153</u></b>
<b>Total Liabilities and Net Position</b>	<b><u>\$ 11,733,450</u></b>

The accompanying notes are an integral part of these financial statements.

**Proprietary Fund Type - Internal Service Funds  
Statement of Revenues, Expenses, and  
Change in Net Position  
For the Year Ended June 30, 2018**

<b>Operating Revenues</b>	
Employer/Employee Contributions	\$ 5,246,868
Net Decrease in Incurred but not Reported (IBNR) Claims	<u>1,032,044</u>
<b>Total Operating Revenues</b>	<u>6,278,912</u>
<b>Operating Expenses</b>	
Administrative	201,665
Contractual Services	621,786
Premium Payments	1,274,176
Benefit Payments	4,290,161
Claims	<u>627,573</u>
<b>Total Operating Expenses</b>	<u>7,015,361</u>
<b>Operating Loss</b>	<u>(736,449)</u>
<b>Non-Operating Revenues</b>	
Earnings on Investments	78,838
Net Decrease in the Fair Value of Investments	<u>1,123</u>
<b>Total Non-Operating Revenues</b>	<u>79,961</u>
<b>Change in Net Position</b>	(656,488)
<b>Total Net Position, Beginning of Year</b>	<u>3,842,641</u>
<b>Total Net Position, End of Year</b>	<u>\$ 3,186,153</u>

The accompanying notes are an integral part of these financial statements.

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

**Statement I**

**Proprietary Fund Type - Internal Service Funds  
Statement of Cash Flows  
For the Year Ended June 30, 2018**

<b>Cash Flows from Operating Activities</b>	
Receipts from Employer and Employee Contributions	\$ 6,473,462
Payments for Benefits and Claims	(5,136,559)
Payments for Administrative and Contractual Services	<u>(823,451)</u>
<b>Net Cash Provided by Operating Activities</b>	<u>513,452</u>
<b>Cash Flows from Investing Activities</b>	
Sale of Investments	650,000
Earnings on Cash and Investments	<u>78,838</u>
<b>Net Cash Provided by Investing Activities</b>	<u>728,838</u>
<b>Net Increase in Cash and Cash Equivalents</b>	1,242,290
<b>Cash and Cash Equivalents, Beginning of Year</b>	<u>9,130,132</u>
<b>Cash and Cash Equivalents, End of Year</b>	<u>\$ 10,372,422</u>
<b>Reconciliation of Operating Loss to Net Cash Provided by Operating Activities</b>	
Operating Loss	\$ (736,449)
Adjustments to Reconcile Operating Loss to Net Cash Provided by Operating Activities	
Decrease in Incurred but not Reported (IBNR) Claims	(1,032,044)
Decrease in Receivables	1,226,594
Increase in Prepays	(27,746)
Increase in Payables	<u>1,083,097</u>
<b>Total Adjustments</b>	<u>1,249,901</u>
<b>Net Cash Provided by Operating Activities</b>	<u>\$ 513,452</u>
<b>Non-Cash Investing and Financing Activities</b>	
Net Decrease in the Fair Value of Investments	<u>\$ 1,123</u>

The accompanying notes are an integral part of these financial statements.

ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA

Statement J

Fiduciary/Agency Fund  
Statement of Fiduciary Assets and Liabilities -  
School Activity Fund  
June 30, 2018

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<b>Assets</b>	
Cash and Cash Equivalents	\$ 7,216,272
Investments	<u>420,984</u>
<b>Total Assets</b>	<b>\$ <u>7,637,256</u></b>
<b>Liabilities</b>	
Accounts Payable	\$ 36,052
Due to Schools	<u>7,601,204</u>
<b>Total Liabilities</b>	<b>\$ <u>7,637,256</u></b>

The accompanying notes are an integral part of these financial statements.

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

**Notes to Basic Financial Statements**

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

- A. Financial Reporting Entity
- B. Basis of Presentation - Fund Accounting
- C. Basis of Accounting - Measurement Focus
- D. Budget Practices
- E. Encumbrances
- F. Cash, Cash Equivalents, and Investments
- G. Receivables
- H. Short-Term Interfund Receivables/Payables
- I. Inventory
- J. Restricted Assets
- K. Capital Assets
- L. Long-Term Obligations
- M. Pensions
- N. Compensated Absences
- O. Sales and Use Taxes
- P. Net Position - Government-Wide Financial Statements
- Q. Deferred Outflows/Inflows of Resources
- R. Fund Equity - Fund Financial Statements
- S. Claims and Judgments
- T. Adoption of New Accounting Principles

**Note 2. Ad Valorem Taxes**

**Note 3. Cash, Cash Equivalents, and Investments**

**Note 4. Interfund Receivables, Payables, and Transfers**

**Note 5. Capital Assets**

**Note 6. Risk Management**

**Note 7. Changes in Long-Term Obligations**

**Note 8. Defeased Debt**

**Note 9. Tax Arbitrage Rebate**

**Note 10. Retirement Plans**

**Note 11. Changes in Agency Deposits Due to Others**

**Note 12. Litigation and Claims**

**Note 13. Excess of Expenditures Over Appropriations**

**Note 14. Hurricane Katrina**

**Note 15. Concentration of Revenue**

**Note 16. Operating Leases**

**Note 17. Fund Equity**

**Note 18. Other Postemployment Benefits**

**Note 19. Tax Abatement**

**Note 20. Impact of Recently Issued Accounting Pronouncements**

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

**Notes to Basic Financial Statements**

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

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

**A. Financial Reporting Entity**

The St. Tammany Parish School Board (the School Board) was created by Louisiana Revised Statute (LRS) 17:51 for the purpose of providing public education for the children within St. Tammany Parish, Louisiana (the Parish). The School Board is authorized by LRS 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 authorized to establish public schools, as it deems necessary, to provide adequate school facilities for the children of the Parish, to determine the number of teachers to employ, and to determine local supplement to their salaries. The School Board is comprised of 15 members who are elected from 15 districts for concurrent terms of four years expiring December 31, 2018.

The School Board operates 55 schools within the Parish with a total enrollment of 38,549 students. In conjunction with the regular educational programs, some of these schools offer special education programs. Additionally, the School Board provides transportation and school food services for the students.

For financial reporting purposes, the School Board includes all funds and activities for which the School Board exercises financial accountability. The School Board members are elected by the public, have decision-making authority, the power to designate management, the ability to significantly influence operations, and primary accountability for fiscal matters. Certain units of local government, over which the School Board exercises no financial accountability, such as the Parish Council, other independently elected parish officials, and municipalities within the Parish, are excluded from the financial statements. These units of government are considered separate reporting entities and issue financial statements separate from that of the School Board. The School Board is not a component unit of any other entity and does not have any component units that require inclusion in the financial statements.

**B. Basis of Presentation - Fund Accounting**

**Government-Wide Financial Statements (GWFS)**

The statement of net position and the statement of activities display information about the School Board as a whole. Fiduciary funds are not included in GWFS. Fiduciary funds are reported only in the statement of fiduciary assets and liabilities at the fund financial statement level. For the most part, the effect of interfund activity has been removed from these financial statements.

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

**Notes to Basic Financial Statements**

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

**B. Basis of Presentation - Fund Accounting (Continued)**

**Internal Activities**

The Workers' Compensation and Risk Management Funds provide services to the governmental funds. Accordingly, these funds were included in the governmental activities. Pursuant to GASB 34, the internal activities have been eliminated in order to avoid the "grossing-up" effect of a straight inclusion. Interfund services provided and used are not eliminated in the process of consolidation.

**Program Revenues**

Program revenues include: 1) charges for services provided, 2) operating grants and contributions, and 3) capital grants and contributions. Program revenues reduce the cost of the function to be financed from the School Board's general revenues. Charges for services are primarily derived from food sales and tuition. Operating grants and contributions consist of the many educational grants received from the federal and state governments.

**Allocation of Indirect Expenses**

The School Board reports all direct expenses by function in the statement of activities. Direct expenses are those that are clearly identifiable with a function. Depreciation expense is specifically identifiable by function and is included in the direct expense of each function. Interest on general long-term debt is considered an indirect expense and is reported separately in the statement of activities. Other indirect expenses, including compensated absences, pension, and other postemployment benefits (OPEB) adjustments, are allocated.

**Fund Financial Statements (FFS)**

Fund financial statements report detailed information about the School Board. The focus of the governmental and enterprise fund financial statements is on the major funds rather than reporting funds by type. Each major fund is presented in a separate column. The major funds reported by the School Board for the year ended June 30, 2018, are as follows:

- General Fund - Accounts for the day-to-day operations of the School Board.
- 2008 Construction Fund - Accounts for the expenditures of the \$167 million in general obligation bonds approved by the voters to finance \$15 million in technology, \$2.1 million in security cameras, and \$149.9 million in capital improvements for new construction and improvements to existing facilities.
- 2013 Construction Fund - Accounts for the expenditures of the \$135 million in general obligation bonds approved by the voters to finance capital improvements for new construction and improvements to existing facilities.
- Debt Service Funds - Established to meet requirements of bond ordinances and are used to account for the accumulation of resources for and the payment of long-term debt principal, interest, and related costs.

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

**Notes to Basic Financial Statements**

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

**B. Basis of Presentation - Fund Accounting (Continued)**

**Fund Financial Statements (FFS) (Continued)**

Non-major funds are aggregated and presented in a single column. The internal service funds are presented in a single column on the face of the proprietary funds statements.

**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 and special district funds established for various educational objectives.

**Capital Projects Funds**

Capital projects funds account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by the proprietary funds). Separate capital projects funds are maintained to account for the proceeds of general obligation bonds and other financing proceeds.

**Debt Service Funds**

Debt service funds account for transactions relating to resources retained and used for the payment of principal and interest on the general obligation bonds.

**Proprietary Funds**

Proprietary funds are used to account for the School Board's ongoing organizations and activities that are similar to those often found in the private sector. The measurement focus is upon determination of net income. The School Board's proprietary fund type is limited to internal service funds.

Internal service funds are used to account for the accumulation of resources for and the payment of benefits by the School Board's self-insurance programs. The School Board maintains the following self-insurance funds:

- Workers' Compensation Fund - Accounts for the payment of workers' compensation benefits.
- Risk Management Fund - Accounts for general liability, which is fully insured at the fiscal year ended June 30, 2018, with a deductible of \$250,000 per occurrence, and property damage, which is insured at the fiscal year ended June 30, 2018, with a deductible of 3% of the total values up to \$5,000,000 for a "named storm" and only \$500,000 for all other perils.

Fund revenues are derived from government allocations. These revenues are planned to match: (1) expenses of insurance premiums in excess of self-insurance amounts, (2) estimated claim losses resulting from self-insurance programs which include estimated liabilities for claims incurred but not yet reported at year-end, and (3) operating expenses. Non-operating income includes interest income.

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

**Notes to Basic Financial Statements**

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

**B. Basis of Presentation - Fund Accounting (Continued)**

**Fiduciary Funds**

Fiduciary funds are used to account for assets held by the School Board in a trustee capacity or as an agent on behalf of other funds within the School Board. The School Board maintains one fiduciary fund type, an agency fund. The agency fund is the School Activity Fund. The School Activity Fund accounts for assets held by the School Board as an agent for the individual schools and school organizations.

**C. Basis of Accounting - Measurement Focus**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property (ad valorem) taxes are recognized as revenue in the year they are levied, and grant revenues are recognized as soon as all eligibility requirements are met. Revenues not earned are reported as unearned revenue.

The governmental fund financial statements are reported using the current financial resources measurement focus and modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the School Board considers revenues to be available if they are collected within sixty days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when the payment is due.

The proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recognized when they are earned, and expenses are recognized when they are incurred. Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operations. The operating revenue of the proprietary funds is employer contributions and insurance premiums. The operating expenses for the proprietary funds include the cost of insurance premiums, claims, and administrative expenses. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The fiduciary fund financial statements have no measurement focus, but do employ the accrual basis of accounting.

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

**Notes to Basic Financial Statements**

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

**C. Basis of Accounting - Measurement Focus (Continued)**

The following practices in recording revenues and expenditures have been used for the governmental funds:

**Revenues**

Federal and state entitlements, which include state equalization and state revenue sharing, are recorded as unrestricted grants-in-aid when available and measurable. For this purpose, the School Board considers all revenues to be available if they are collected within sixty days of the end of the current fiscal period. Federal and state grants which are restricted as to the purpose of the expenditures are recorded when the reimbursable expenditures have been made. Ad valorem taxes are recorded in the year the taxes are due and payable. Ad valorem taxes are assessed on a calendar year basis, based on the assessed value on January 1st, become due on November 15th of each year, and become delinquent on December 31st. An enforceable lien attaches to the property as of November 15th. The taxes were levied by the School Board on May 18, 2017. However, before the taxes can be collected, the tax rolls must be submitted to the State Tax Commission for approval. 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. Tammany 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. Sales and use tax revenues are recorded in the month in which the School Board considers them available to finance current year obligations and are collected by the St. Tammany Parish Tax Collector. Substantially all other revenues are recorded when received.

**Expenditures**

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 generally, except in cases where the employee opted to be paid over nine months. Compensated absences are recognized as expenditures when leave is actually taken or when employees (or heirs) are paid for accrued leave upon retirement or death, while the cost of earned leave privileges not requiring current resources is recorded as a liability on the government-wide financial statements. 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. All other expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

**Prepays**

Prepaid expenditures are recorded in the year that the expenditure is accrued using the consumption method.

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

**Notes to Basic Financial Statements**

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

**D. Budget Practices**

The proposed budgets for fiscal year 2017-2018 were completed and made available for public inspection at the School Board office on August 3, 2017. A public hearing was held on August 24, 2017 for suggestions and comments from taxpayers. The proposed fiscal year 2017-2018 budgets were formally adopted by the School Board on September 14, 2017 and the final amendment was adopted on September 13, 2018. The budgets, which included proposed expenditures and the means of financing them, for the General, Special Revenue, Debt Service, and Capital Projects Funds, were published in the official journal ten (10) days prior to the public hearings. The budget and amendments are reported on the General Fund budgetary comparison schedule in the required supplementary information section of this report.

The budgets for all funds for the fiscal year 2017-2018 were prepared on a modified accrual basis, consistent with generally accepted accounting principles (GAAP).

Formal budgetary accounts are integrated into the accounting system during the year as a management control device, including the recording of encumbrances. Appropriations are valid only for the year in which they are made, and any part of such appropriation which is not encumbered or expensed lapses at the end of the year. Current year transactions which are directly related to the prior year's budget are not included in the budget for the current year.

The Superintendent is authorized to transfer budget amounts between individual budget lines in a fund; however, any supplemental appropriations that amend the total expenditures of any fund require Board approval.

As required by state law, when actual revenues within a fund are failing to meet estimated annual budgeted revenues by five percent or more, and/or actual expenditures within a fund are exceeding estimated budgeted expenditures by five percent or more, a budget amendment to reflect such changes is adopted by the School Board in an open meeting. Budgeted amounts included in the financial statements include the original adopted budget and all subsequent amendments.

Because the budgets are prepared on a modified accrual basis, no differences in budget basis and GAAP basis occurs. Additional information on the original and final budgets can be found in the budgetary comparison schedules in the required supplementary information and other supplementary information sections of this report.

**E. Encumbrances**

Encumbrance accounting, under which purchase orders, contracts, and other commitments are recorded, is employed by all funds during the year as a budgetary tool. Encumbrances outstanding at year-end are liquidated.

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

**Notes to Basic Financial Statements**

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

**F. Cash, Cash Equivalents, and Investments**

For purposes of the statement of cash flows, all highly liquid investments with a maturity of three months or less at date of acquisition are considered to be cash equivalents in the internal service funds. Investments are stated at cost or fair value, depending on the type of investment.

**G. Receivables**

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

Other receivables include all trade and other receivables considered to be receivable within one year. The balance in other receivables consists primarily of amounts billed to Medicaid, which total \$2,886,187 as of June 30, 2018. No allowance for uncollectible accounts has been established as all receivables are considered collectible.

**H. Short-Term Interfund Receivables/Payables**

During the normal course of operations, numerous transactions occur between funds for goods provided or services rendered. Activities between the funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/due from other funds" (i.e., the current portion) or "advances to/from other funds" (i.e., the non-current portion). These receivables and payables, as well as short-term interfund loans, are classified as due from other funds or due to other funds. Any residual balances outstanding between governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

**I. Inventory**

Inventory of the School Food Service Special Revenue Fund consists of food purchased by the School Board and commodities granted by the United States Department of Agriculture through the Louisiana Department of Education. The commodities are recorded as revenues and expenditures when consumed. The purchased food is recorded as expenditures when consumed on the government-wide financial statements and as expenditures when purchased on the fund financial statements. All inventory items purchased are valued at cost (first-in, first-out), and donated commodities are assigned values based on information provided by the United States Department of Agriculture.

**J. Restricted Assets**

Restricted assets represent cash held in separate bank accounts that is restricted according to applicable bond and loan indenture agreements or as required by Louisiana Revised Statutes for debt service funds.

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

**Notes to Basic Financial Statements**

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

**K. Capital Assets**

Purchases of land, land improvements, buildings and improvements, and furniture and equipment are recorded as expenditures in the governmental funds. In the government-wide financial statements, capital assets are recorded at historical cost or estimated historical cost, if actual historical cost is not available. Donated capital assets are valued at their acquisition value on the date of donation. Approximately 95% of capital assets are valued at historical cost, while the remaining 5% are valued at estimated cost, based on the historical cost of like items. Capital assets are defined by the School Board as assets with an initial individual cost of more than \$5,000.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized over the remaining useful lives of the assets.

In the government-wide financial statements, capital assets are depreciated over their estimated useful lives (excluding any applicable salvage value). Estimated useful life is management's estimate of how long the asset is expected to meet service demands. Straight-line depreciation is used based on the following estimated useful lives:

<b>Assets</b>	<b>Years</b>
Land	-
Land Improvements	20
<i>Buildings and Improvements:</i>	
Fixed Buildings and Improvements	30
Temporary Buildings (Portables)	20
<i>Furniture and Equipment:</i>	
Heavy Equipment	10
Office Equipment	5 - 10
Furniture and Fixtures	5

**L. Long-Term Obligations**

In the government-wide and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts, if material, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs, with the exception of prepaid insurance, are recognized as expenditures when the liability is incurred.

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

**Notes to Basic Financial Statements**

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

**M. Pensions**

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.

**N. Compensated Absences**

All 12-month non-school administrative employees earn from 10 to 20 days of vacation leave each year, depending on length of service with the School Board. A maximum of five days of vacation leave may be carried forward to the next calendar year. Upon termination, earned vacation leave is paid to the employee at the employee's current rate of pay.

All School Board employees earn from 10 to 13 days of sick leave each year, depending upon the number of months employed. Sick leave can be accumulated without limitation. Upon retirement, a maximum of 25 days of unused sick leave is paid to the employee at the employee's current rate of pay, and all unused sick leave is used in the retirement benefit computation as earned service.

Any employee with a teaching certificate is entitled, subject to approval by the School Board, to one semester of sabbatical leave after three years of continuous service or two semesters of sabbatical leave after six or more years of continuous service.

Leave may be granted for medical purposes and professional and cultural improvement. All employees are eligible for extended sick leave of up to ninety days in each six-year period of employment which may be used for personal illness or illness of an immediate family member providing that the employee has no remaining regular sick leave balance. The employee on extended sick leave is paid 65% of their salary at the time the extended sick leave begins.

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

At June 30, 2018, employees of the School Board have accumulated and vested \$19,702,133 of compensated absence benefits in salary and salary-related payments.

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

**Notes to Basic Financial Statements**

---

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

**O. Sales and Use Taxes**

On June 25, 1966, the voters of St. Tammany Parish approved a one percent sales and use tax which, after payment of necessary costs and expenses of collecting the tax, is dedicated for payments of salaries of teachers and other school personnel and for other operating expenses. This was a permanent tax. On September 18, 1976, the voters of St. Tammany Parish approved an additional one percent sales tax to be levied on behalf of the St. Tammany Parish School Board for a period of 15 years. The proceeds are dedicated for the purposes of capital improvements, maintenance, and operating expenses of the School Board. In April 2004, the voters of the Parish designated this additional sales tax as permanent. The sales and use taxes are collected by the St. Tammany Parish Tax Collector for a percentage of the monthly collections.

**P. Net Position - Government-Wide Financial Statements**

In the government-wide and proprietary fund statements, equity is classified as net position and displayed in three components.

- Net Investment in Capital Assets - Consists of the historical cost of capital assets, including any restricted capital assets, net of accumulated depreciation and capital-related borrowings.
- Restricted - Consists of assets that have constraints that are externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or constraints imposed by law through constitutional provisions or enabling legislation.
- Unrestricted - Consists of all other amounts included in net position.

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

**Q. Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of net position reports a separate section for deferred outflows of resources that represents a consumption of net position that applies to future period(s) and will not be recognized as an outflow of resources (expense) until then. The School Board has two items that meet this criterion - contributions made to the pension plan and an unamortized loss on a bond defeasance.

Unamortized amounts are reported as deferred outflows of resources and amortized amounts are reported as a component of interest expense.

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources that represents an acquisition of net position that applies to future period(s) and will not be recognized as inflow of resources (revenue) until that time. The School Board has two items that meet this criterion - deferrals related to pensions and to other postemployment benefits.

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

**Notes to Basic Financial Statements**

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

**R. Fund Equity - Fund Financial Statements**

The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

- **Nonspendable Fund Balance** - Amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.
- **Restricted Fund Balance** - Amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.
- **Committed Fund Balance** - Amounts that can be used only for specific purposes determined by a formal action of the School Board members. The Board is the highest level of decision-making authority for the School Board. Commitments may be established, modified, or rescinded only through resolutions approved by Board members.
- **Assigned Fund Balance** - Amounts that do not meet the criteria to be classified as restricted or committed, but that are intended to be used for specific purposes. Under the School Board's adopted policy, only Board members may assign amounts for specific purposes.
- **Unassigned Fund Balance** - All other spendable amounts. A negative unassigned fund balance may be reported in other governmental funds if expenditures incurred for specific purposes exceeded the amounts restricted, committed, or assigned to those purposes.

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 Board members have provided otherwise in their commitment or assignment actions. In the General Fund, the School Board maintains a committed fund balance in the amount of \$20,854,282 to maintain "AA" bond rating and for financial stability.

**S. Claims and Judgments**

The School Board provides for losses and anticipated expenses resulting from claims and judgments including claim adjustment expenses, salvage, and subrogation. Losses resulting from claims and judgments are estimated by utilizing a case-by-case review of all claims in accordance with Governmental Accounting Standards Board Codification Section C50. The liability for such losses is recorded in the internal service funds. Incurred but not reported claims as of June 30, 2018, have been considered in determining the accrued liability.

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

**Notes to Basic Financial Statements**

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

**T. Adoption of New Accounting Principles**

**Statement No. 75 of the Governmental Accounting Standards Board**

*Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions -* This Statement replaces the requirements of Statement 45 and requires governments to report a liability on the face of the financial statements for the OPEB that they provide. Statement 75 requires more extensive note disclosures and required supplementary information (RSI) about their OPEB liabilities. This Statement is effective for fiscal years beginning after June 15, 2017, and as a result, was adopted during the year ended June 30, 2018. A cumulative effect of the change in accounting principle in the amount of \$211,449,263 was recorded on July 1, 2017.

**Statement No. 85 of the Governmental Accounting Standards Board**

*Omnibus 2017 -* This Statement establishes accounting and financial reporting requirements for blending component units, goodwill, fair value measurement and application, and postemployment benefits (pensions and other postemployment benefits). The requirements of this Statement are effective for financial statements for periods beginning after June 15, 2017.

**Statement No. 86 of the Governmental Accounting Standards Board**

*Certain Debt Extinguishment Issues -* This Statement establishes standards of accounting and financial reporting for in-substance defeasance transactions in which cash and other monetary assets acquired with only existing resources - that is, resources other than the proceeds of refunding debt - are placed in an irrevocable trust for the purpose of extinguishing debt. This Statement also amends accounting and financial reporting requirements for prepaid insurance associated with debt that is extinguished. Finally, this Statement establishes an additional disclosure requirement related to debt that is defeased in substance. This Statement is effective for periods beginning after June 15, 2017.

**Note 2. Ad Valorem Taxes**

The following is a summary of authorized and levied parish wide ad valorem taxes for the fiscal year ended June 30, 2018:

	<b>Mills</b>	<b>Fiscal Year of Expiration</b>
Constitutional	3.65	N/A
Additional Support	7.53	2023
Construction, Maintenance, and Operations	3.30	2023
Improving, Maintaining, and Operating	34.03	2023
Bond and Interest - District No. 12	16.90	N/A
<b>Total Millage</b>	<b>65.41</b>	

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

**Notes to Basic Financial Statements**

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**Note 3. Cash, Cash Equivalents, and Investments**

**Deposits**

For reporting purposes, cash and cash equivalents include savings, demand deposits, time deposits, and certificates of deposit. Deposits in bank accounts are stated at cost, which approximates market. Further, the School Board may invest in time certificates of deposit in state banks organized under the laws of Louisiana, national banks having their principal office in the State of Louisiana, savings accounts or shares of savings and loan associations and savings banks, and share accounts and share certificate accounts of federally or state chartered credit unions. Cash balances of all funds are combined.

Interest earned on deposits is distributed to the individual funds based on the invested balances of the participating funds during the year. Interest is recorded when earned.

Under state law, the bank balances of these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal or exceed the amount on deposit with the fiscal agent. These pledged securities must be held in the name of the School Board or the pledging fiscal agent bank in a holding or custodial bank in the form of safekeeping receipts held by the state treasury.

At June 30, 2018, the School Board's carrying value of its deposits, excluding fiduciary cash balances and including restricted cash and cash equivalents, was \$242,378,174, and the bank balance was \$243,231,047. Of the bank balance, \$243,231,047 was covered by federal depository insurance or secured by bank owned securities specifically pledged to the School Board and held in joint custody by an independent custodian bank or trust department. Custodial risk is the risk that in the event of bank failure, the School Board's deposits may not be recovered. At June 30, 2018, none of the School Board's deposits were exposed to custodial credit risk as uninsured deposits were collateralized with securities held by a pledging bank's trust department, but not in the School Board's name.

Restricted cash and cash equivalents are reported on the statement of net position and governmental funds - balance sheet in the amount of \$88,403,314, for the year ended June 30, 2018. These restricted assets represent certain proceeds of bonds and loans including debt service funds of the School Board, and their use is limited by applicable bond/loan covenants and Louisiana Revised Statutes.

In addition, at June 30, 2018, the individual schools held cash, cash equivalents, and investments of \$7,637,256 in various accounts. The balances of these accounts are collateralized with either FDIC insurance and/or pledged securities in the School Board's name. Because these accounts are not assets of the School Board but are agency funds, the balances are not reflected in the fund financial statements or the government-wide financial statements, but are reported in the statement of fiduciary assets and liabilities.

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

**Notes to Basic Financial Statements**

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**Note 3. Cash, Cash Equivalents, and Investments (Continued)**

**Investments**

Cash balances of the School Board's funds are pooled and invested to the extent possible in authorized investments. Interest earned on invested cash is distributed to the various funds on the basis of actual invested cash balances of the participating funds during the year.

The School Board's investments in certificates of deposit are valued at cost, which closely approximates fair value. Investments in municipal bonds and treasuries are valued at fair value.

Under state law, the School Board may invest in United States bonds, treasury notes and bills, or certificates and time deposits of state banks organized under Louisiana law, and national banks having principal offices in Louisiana. In addition, local governments in Louisiana are authorized to invest in the Louisiana Asset Management Pool (LAMP), a non-profit corporation formed by the State Treasurer and organized under the laws of the State of Louisiana, which operates a local government investment pool rated "AAA". Investments are stated at cost, which approximates fair value, and is the same as the value of the pool shares.

Investments of \$1,298,929 in certificates of deposits and treasuries were held in the proprietary funds at June 30, 2018. Restricted investments were \$12,732,332 on the statement of net position and governmental funds - balance sheet for the year ended June 30, 2018.

At June 30, 2018, the School Board's investments were as follows:

	<b>Maturities in Years</b>			<b>Reported Amount/ Fair Value</b>
	<b>Less than One</b>	<b>One to Five</b>	<b>Five to Ten</b>	
Certificates of Deposits	\$ 950,000	\$ -	\$ -	\$ 950,000
Treasuries	10,316,353	2,764,908	-	13,081,261
<b>Total</b>	<b>\$ 11,266,353</b>	<b>\$ 2,764,908</b>	<b>\$ -</b>	<b>\$ 14,031,261</b>

*Interest Rate Risk.* Interest rate risk is the risk applicable to debt instruments with fair values that are sensitive to changes in interest rates. One indicator of the measurement of interest rate risk is the dispersion of maturity dates of debt instruments. The above table shows the School Board's investments and maturities in actively managed accounts at June 30, 2018. The School Board does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

**Notes to Basic Financial Statements**

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**Note 3. Cash, Cash Equivalents, and Investments (Continued)**

**Investments (Continued)**

*Custodial Credit Risk.* The School Board has no investments that are exposed to custodial credit risk.

*Credit Risk.* State law limits investments to the following:

1. Direct United States Treasury obligations
2. Bonds, debentures, notes, or other evidence of indebtedness issued or guaranteed by federal agencies and provided such obligations are backed by the full faith and credit of the United States of America
3. Bonds, debentures, notes, or other evidence of indebtedness issued or guaranteed by U.S. government instrumentalities, which are federally sponsored
4. Direct security repurchase agreements of any federal book-entry only securities
5. Time certificates of deposit of any bank domiciled or having a branch office in the State of Louisiana, savings accounts or shares of savings and loan associations and savings banks
6. Mutual or trust fund institutions which are registered with the Securities and Exchange Commission and which have underlying investments consisting solely of and limited to securities of the United States government or its agencies
7. Guaranteed investment contracts issued by a bank, financial or insurance company, or other entity having one of the highest short-term rating categories of either Standard & Poor's Corporation or Moody's Investors Service
8. Investment grade commercial paper of domestic United States corporations
9. LAMP

The School Board's investment policy complies with state law and does not further limit its investment choices.

*Concentration of Credit Risk.* The School Board places no limit on the amount the School Board may invest in any one issuer. All School Board investments are certificates of deposit, municipal bonds, or treasuries.

**Fair Value Measurement**

The School Board categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets that a government can access at the measurement date; Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for an asset, either directly or indirectly; and Level 3 inputs are unobservable inputs for an asset.

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

**Notes to Basic Financial Statements**

**Note 3. Cash, Cash Equivalents, and Investments (Continued)**

**Fair Value Measurement (Continued)**

The following table sets forth by level within the fair value hierarchy the School Board's assets at fair value as of June 30, 2018:

	June 30, 2018	Fair Value Measurement Using:		
		Level 1	Level 2	Level 3
Treasuries	\$ 13,081,261	\$ 2,447,186	\$ 10,634,075	\$ -
<b>Total</b>	<b>\$ 13,081,261</b>	<b>\$ 2,447,186</b>	<b>\$ 10,634,075</b>	<b>\$ -</b>

**Note 4. Interfund Receivables, Payables, and Transfers**

As of June 30, 2018, individual balances due to/due from other funds were as follows:

Payable Fund	Receivable Fund	Amount
Non-Major Governmental	General	\$ 6,632,811
General	Non-Major Governmental	151,763
<b>Total Governmental Funds</b>		<b>6,784,574</b>
Internal Service	General	735,000
<b>Total</b>		<b>\$ 7,519,574</b>

The School Board's lending/borrowing activities referred to as "due to/due from" are further explained in the Summary of Significant Accounting Policies (Note 1H).

The General Fund loaned money to various funds for the payment of expenditures prior to receipt of funds from federal, state, and local sources through reimbursement. All interfund lending was for normal operating activities.

For the year ended June 30, 2018, individual transfers were as follows:

Transfer Out	Transfer In		Total
	General*	Non-Major Governmental	
General*	\$ -	\$ 7,138,000	\$ 7,138,000
Non-Major Governmental	1,336,786	-	1,336,786
	<b>\$ 1,336,786</b>	<b>\$ 7,138,000</b>	<b>\$ 8,474,786</b>

\* Indicates major fund.

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

**Notes to Basic Financial Statements**

**Note 4. Interfund Receivables, Payables, and Transfers**

The School Board transfers funds between funds as part of the normal operating of fund activity throughout the year to account for payment of expenditures and receipt of revenues. The General Fund transfers Minimum Foundation Program (MFP) monies to the School Food Service Fund and general revenues to the capital projects funds and to various other funds throughout the year as the budget prescribes. All other transfers were for normal operating activities.

**Note 5. Capital Assets**

A summary of changes in capital assets is as follows:

<b>Governmental Activities</b>	<b>Balance June 30, 2017</b>	<b>Additions</b>	<b>Deletions</b>	<b>Balance June 30, 2018</b>
<b>Non-Depreciable Assets:</b>				
Land	\$ 18,693,989	\$ 1,600,000	\$ 1,650,000	\$ 18,643,989
Construction in Progress	54,459,177	26,676,242	25,892,497	55,242,922
<b>Depreciable Assets:</b>				
Land Improvements	17,352,959	730,992	374,547	17,709,404
Buildings and Improvements	780,266,871	25,385,729	1,009,130	804,643,470
Furniture and Equipment	29,007,557	926,195	3,346,997	26,586,755
<b>Total</b>	<b>899,780,553</b>	<b>55,319,158</b>	<b>32,273,171</b>	<b>922,826,540</b>
<b>Less Accumulated Depreciation:</b>				
Land Improvements	7,668,752	715,191	281,920	8,102,023
Buildings and Improvements	356,764,041	21,699,833	813,688	377,650,186
Furniture and Equipment	22,993,443	1,666,483	3,314,502	21,345,424
<b>Total Accumulated Depreciation</b>	<b>387,426,236</b>	<b>24,081,507</b>	<b>4,410,110</b>	<b>407,097,633</b>
<b>Governmental Activities Capital Assets, Net</b>	<b>\$ 512,354,317</b>	<b>\$ 31,237,651</b>	<b>\$ 27,863,061</b>	<b>\$ 515,728,907</b>

Depreciation expense was charged to governmental activities as follows:

Regular Programs	\$ 8,690,810
Special Education Programs	4,069,240
Vocational Educational Programs	326,446
Other Instructional and Special Programs	492,488
Special Programs	724,219
Pupil Support	1,482,242
Instructional Staff Support	795,280
General Administration	456,167
School Administration	1,323,597
Business Administration	142,164
Operation and Maintenance of Plant	2,166,157
Pupil Transportation	1,751,948
Central Services	397,016
Food Services	1,193,216
Community Service Programs	70,517
<b>Total</b>	<b>\$ 24,081,507</b>

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

**Notes to Basic Financial Statements**

**Note 5. Capital Assets (Continued)**

Construction in progress at June 30, 2018, was composed of the following:

<b>Project Location</b>	<b>Project Authorization</b>	<b>Incurred as of June 30, 2018</b>	<b>Committed</b>
Abney Elementary	\$ 287,774	\$ 243,420	\$ 44,354
Carolyn Park Middle	58,918	54,088	4,830
Clearwood Jr. High	172,055	71,179	100,876
Covington High	195,432	56,270	139,162
Creekside Jr. High	50,506	44,641	5,865
Florida Avenue Elementary	15,423	4,423	11,000
Fontainebleau Jr. High	14,088,534	13,472,492	616,042
Fontainebleau High	16,611	16,611	-
Lakeshore High	5,151	5,151	-
Lancaster Elementary	2,503,993	2,349,677	154,316
Madisonville Elementary	345,449	194,076	151,373
Madisonville Jr. High	15,919,959	436,320	15,483,639
Mandeville Elementary	225,792	188,234	37,558
Mandeville High	15,726,810	813,643	14,913,167
Mandeville Jr. High	3,375,489	3,188,276	187,213
Mayfield Elementary	10,678,949	10,605,082	73,867
New Pupil Appraisal Office	1,591,294	1,201,321	389,973
Northshore High	166,473	94,057	72,416
Pearl River High	17,247,244	16,505,775	741,469
Pineview Middle	123,333	67,336	55,997
Pontchartrain Elementary	118,831	107,639	11,192
Rise/Safe Haven	695,514	169,597	525,917
Salmen High	14,484	14,484	-
Schoen Administrative Complex	90,037	73,622	16,415
Slidell High	7,621,317	5,054,495	2,566,822
Treen Technology Center	40,535	37,273	3,262
Whispering Forest Elementary	364,191	173,740	190,451
<b>Total</b>	<b>\$ 91,740,098</b>	<b>\$ 55,242,922</b>	<b>\$ 36,497,176</b>

**Note 6. Risk Management**

**Workers' Compensation**

The School Board has had a risk management program for workers' compensation since 1988. Premiums are paid into the Workers' Compensation Internal Service Fund by all funds from which salaries are paid, and are available to pay claims, claim reserves, and administrative costs of the program. During fiscal year 2018, a total of \$4,905,563 was incurred in benefits and administrative costs. The School Board is self-insured for up to \$1,000,000 per claim. However, an excess coverage insurance policy covers individual claims in excess of \$1,000,000.

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

**Notes to Basic Financial Statements**

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**Note 6. Risk Management (Continued)**

**Workers' Compensation (Continued)**

An amount for self-insurance losses of \$5,892,424 has been accrued as a liability based upon an actuary's estimate as of June 30, 2018. Interfund premiums are based primarily upon the individual funds' claims experience and are reported as expenditures in the individual funds. There were no significant reductions in insurance coverage from the prior year.

**Risk Management**

The School Board is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; and natural disasters. During fiscal year 1990, the School Board established a Risk Management Fund (an internal service fund) to account for and finance its uninsured risk of loss. Under this program, the Risk Management Fund provides coverage up to a maximum of \$250,000 for each general liability claim and \$1,000,000 for each property damage claim and \$5,000,000 for each property damage claim due to a named storm. The School Board purchases commercial insurance for claims in excess of coverage provided by the fund. In 2018, the School Board paid claims in excess of coverage of \$627,573 to claimants in excess of the \$250,000 maximum. The General Fund makes payments to the Risk Management Fund based on estimates of the amounts needed to pay claims and to accumulate funds for future catastrophic losses. At June 30, 2018, \$2,816,794 of fund equity was available for future catastrophic losses. Claim liabilities were \$1,524,233, based on an actuary's estimate at June 30, 2018. There were no significant reductions in insurance coverage from the prior year.

**Health/Life Insurance**

In 2007, the School Board became self-insured for health care benefits offered to its employees and retirees. The plan is managed by a third-party administrator and excess cost coverage is purchased by the School Board to limit its liability.

The Health/Life Insurance Fund was closed in fiscal year 2013. The claims activity is accounted for in the General Fund.

The School Board continues to carry commercial insurance for all other risks of loss, including employee health and accident insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years. There were no significant reductions in insurance coverage from the prior year.

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

**Notes to Basic Financial Statements**

**Note 6. Risk Management (Continued)**

**Claims**

Changes in the claims liability amount in the previous fiscal year and balances expected to be paid in the next year are as follows:

	<b>Beginning Balance</b>	<b>Claims and Changes in Estimates</b>	<b>Payments and Claims</b>	<b>Ending Balance</b>	<b>Due Within One Year</b>
<b>Workers' Compensation</b>					
2016-2017	\$ 8,522,875	\$ 2,403,768	\$ 3,946,470	\$ 6,980,173	
2017-2018	6,980,173	3,202,412	4,290,161	5,892,424	\$ 4,588,384
<b>Risk Management</b>					
2016-2017	\$ 1,968,159	\$ 1,208,386	\$ 1,708,017	\$ 1,468,528	
2017-2018	1,468,528	683,278	627,573	1,524,233	626,998
<b>Health/Life Insurance</b>					
2016-2017	\$ 4,301,182	\$72,357,610	\$72,185,831	\$ 4,472,961	
2017-2018	4,472,961	80,647,562	79,342,503	5,778,020	<u>5,778,020</u>
					<u>\$10,993,402</u>

**Note 7. Changes in Long-Term Obligations**

The following is a summary of the long-term obligation transactions for the year ended June 30, 2018:

	<b>Balance 6/30/2017</b>	<b>Additions</b>	<b>Deductions</b>	<b>Balance 6/30/2018</b>	<b>Due Within One Year</b>
General Obligation Bonds	\$ 228,115,000	\$ 71,330,000	\$ (45,435,000)	\$ 254,010,000	\$ 19,215,000
Capital Lease	1,253,088	-	(144,457)	1,108,631	147,779
Unamortized Premium	18,023,446	8,999,971	(2,564,456)	24,458,961	-
Unamortized Discount	(263,270)	(427,980)	47,734	(643,516)	-
Qualified School Construction Bonds	2,666,667	-	(333,333)	2,333,334	333,334
Compensated Absences	18,324,855	16,090,079	(14,712,801)	19,702,133	14,712,801
<b>Total Long-Term Liabilities</b>	<b>\$ 268,119,786</b>	<b>\$ 95,992,070</b>	<b>\$ (63,142,313)</b>	<b>\$ 300,969,543</b>	<b>\$ 34,408,914</b>

In July 2008, the School Board was authorized to issue \$67,000,000 in general obligation bonds with a final maturity date of March 1, 2028. These bonds were the first installment issue of the total \$167,000,000 approved by the citizens of St. Tammany Parish via the election on March 8, 2008. The bond proceeds were to be used to finance \$15,000,000 in technology, \$2,100,000 in security cameras, and \$149,900,000 in capital improvements for new construction and improvements to existing facilities. In June 2008, the School Board received a good faith deposit for this bond issue in the amount of \$670,000 which was included in bonds payable in the financial statements for the year ended June 30, 2008. The remaining bond proceeds of \$66,330,000 were received in July 2008.

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

**Notes to Basic Financial Statements**

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**Note 7. Changes in Long-Term Obligations (Continued)**

In February 2009, the School Board was authorized to issue \$20,000,000 in general obligation bonds with a final maturity date of March 1, 2029. These bonds are the second installment issue of the total \$167,000,000 issue. The bond proceeds were received in May 2009.

In December 2009, the School Board was authorized to issue \$25,000,000 in general obligation bonds with a final maturity date of March 1, 2030. These bonds are the third installment issue of the total \$167,000,000 issue. The bond proceeds were received in March 2010.

In December 2009, the School Board was authorized to issue \$5,000,000 in Qualified School Construction Bonds with a final maturity of December 16, 2024. The Department of Education gave the School Board a \$5,000,000 allocation of the national qualified school construction bonds. These bond proceeds will be used for construction, rehabilitation, and repair of schools.

In October 2010, the School Board was authorized to issue \$20,000,000 in general obligation bonds with a final maturity date of March 1, 2030. These bonds are the fourth installment issue of the total \$167,000,000 issue. The bond proceeds were received in January 2011.

In June 2011, the School Board was authorized to issue \$10,000,000 in general obligation bonds with a final maturity date of April 1, 2031. These bonds are the fifth installment issue of the total \$167,000,000 issue. The bond proceeds were received in August 2011.

In April 2012, the School Board approved the redemption of the 2002 bonds in the amount of \$8,345,000. Excess cash in the debt service fund was utilized for this redemption.

In April 2012, the School Board issued \$9,330,000 in general obligation bonds (2012 Issue) with a final maturity date of April 1, 2016. The bond proceeds less the issuance costs were deposited into an irrevocable trust to be used to refund the remainder of the 2002 bonds in the amount of \$9,345,000. The interest rate for the 2012 bonds ranges from 1.33% to 1.34%. The interest rate on the 2002 bonds ranged from 4.00% to 5.00%. The \$9,345,000 is considered defeased.

By redeeming \$8,345,000 and refunding \$9,345,000 of the 2002 bonds, the School Board will save approximately \$3.2 million in future interest and principal payments, resulting in an economic gain of approximately \$2.4 million.

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

**Notes to Basic Financial Statements**

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**Note 7. Changes in Long-Term Obligations (Continued)**

In May 2012, the School Board issued \$18,900,000 in general obligation bonds (2012A Issue) with a final maturity date of March 1, 2024. The bond proceeds less the issuance costs were deposited into an irrevocable trust to be used to refund the remainder of the 2004 bonds in the amount of \$18,975,000. The interest rate for the 2012A bonds ranges from 3.00% to 5.00%. The interest rate on the 2004 bonds ranged from 4.00% to 4.875%. The \$18,975,000 is considered defeased.

By refunding \$18,975,000 of the 2004 bonds, the School Board will save approximately \$1.2 million in future interest and principal payments, resulting in an economic gain of approximately \$1.0 million.

In March 2013, the School Board issued \$18,030,000 in general obligation bonds (2013 Issue) with a final maturity date of March 1, 2025. The bond proceeds less the issuance costs were deposited into an irrevocable trust to be used to refund \$18,850,000 of the 2005 bonds. Principal outstanding after the refunding was \$2,720,000. The interest rate for the 2013 bonds ranges from 3.0% to 5.0%. The interest rate on the 2005 bonds ranged from 3.25% to 5.0%. The \$18,850,000 is considered defeased.

By refunding \$18,850,000 of the 2005 bonds, the School Board will save approximately \$1.2 million in future interest and principal payments, resulting in an economic gain of approximately \$1.1 million.

On August 20, 2013, the School Board issued \$20,000,000 in general obligation bonds to fund various capital projects. The bonds are secured by and payable from ad valorem taxes. This 2013 Series is the first issue under the \$135,000,000 in general obligation bonds authorized at an election held in the Parish on May 4, 2013. The interest rate on the bonds varies from 3.0% to 5.0%, and the maturity date is April 1, 2033.

In March 2014, the School Board issued \$12,090,000 in refunding bonds (2014 Issue) with a final maturity date of March 1, 2026. The bond proceeds less the issuance costs were deposited into an irrevocable trust to be used to refund \$12,500,000 of the 2006 bonds. Principal outstanding after the refunding is \$2,500,000. The interest rate for the 2014 bonds ranges from 3.0% to 5.0%. The interest rate on the 2006 bonds ranged from 3.25% to 5.0%. The \$12,500,000 is considered defeased.

By refunding \$12,500,000 of the 2006 bonds, the School Board's net savings is approximately \$504,361. The present value of net savings is approximately \$424,618.

On November 25, 2014, the School Board issued \$30,000,000 in general obligation bonds to fund various capital projects. The bonds are secured by and payable from ad valorem taxes. This 2014 Series is the second issue under the \$135,000,000 in general obligation bonds authorized at an election held in the Parish on May 4, 2013. The interest rate on the bonds varies from 2.0% to 5.0%, and the maturity date is March 1, 2034.

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

**Notes to Basic Financial Statements**

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**Note 7. Changes in Long-Term Obligations (Continued)**

In March 2015, the School Board issued \$34,765,000 in refunding bonds (2015 Issue) with a final maturity date of March 1, 2028. The bond proceeds less the issuance costs were deposited into an irrevocable trust to be used to refund \$37,100,000 of the 2008 bonds. Principal outstanding after the refunding is \$8,105,000. The interest rate for the 2015 bonds ranges from 1.5% to 5.0%. The interest rate on the 2008 bonds ranged from 4.75% to 5.0%. The \$37,100,000 is considered defeased.

By refunding \$37,100,000 of the 2008 bonds, the School Board will save approximately \$2.9 million in future interest and principal payments, resulting in an economic gain of approximately \$2.7 million.

In March 2015, the School Board issued \$30,000,000 in general obligation bonds to fund various capital projects. The bonds are secured by and payable from ad valorem taxes. This 2015 Series is the third issue under the \$135,000,000 in general obligation bonds authorized at an election held in the Parish on May 4, 2013. The interest rate on the bonds varies from 2.0% to 4.5%, and the maturity date is March 1, 2035.

On August 10, 2016, the School Board issued \$9,890,000 in general obligation refunding bonds. The bond proceeds less the issuance costs were deposited into an irrevocable trust to be used to refund \$10,000,000 of the callable Series 2009 general obligation bonds maturing March 1, 2020 to March 1, 2029. The interest rate on the bonds varies from 2.00% to 4.00%, and the maturity date is March 1, 2029. The \$10,000,000 is considered defeased.

By refunding \$10,000,000 of the 2009 bonds, the School Board will save approximately \$870,000 in future interest and principal payments, resulting in an economic gain of approximately \$600,000.

On September 28, 2016, the School Board issued \$30,000,000 in general obligation bonds to fund various capital projects. The bonds are secured by and payable from ad valorem taxes. This 2016 Series is the fourth issue under the \$135,000,000 in general obligation bonds authorized at an election held in the Parish on May 4, 2013. The interest rate on the bonds varies from 2.25% to 5.00%, and the maturity date is March 1, 2036.

In July 2017, the School Board issued \$12,175,000 in general obligation refunding bonds. The bonds were issued for the purpose of refunding the callable maturities of the general obligation Series 2010 bonds dated May 1, 2010 and maturing March 1, 2021 to March 1, 2030. The interest rates on the bonds vary from 2.625% to 5.0%, and the maturity date is March 1, 2030.

By refunding \$12,500,000 of the 2010 bonds, the School Board will save approximately \$951,628. The present value of net savings is approximately \$806,660.

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

**Notes to Basic Financial Statements**

**Note 7. Changes in Long-Term Obligations (Continued)**

In August 2017, the School Board issued \$9,155,000 in general obligation refunding bonds. The bonds were issued for the purpose of refunding the callable maturities of the general obligation Series 2011 bonds dated January 1, 2011 and maturing March 1, 2022 to March 1, 2030. The interest rates on the bonds vary from 3.0% to 5.0%, and the maturity date is March 1, 2030.

By refunding \$9,495,000 of the 2011 bonds, the School Board will save approximately \$559,966. The present value of net savings is approximately \$463,295.

In August 2017, the School Board issued \$25,000,000 in general obligation bonds to fund various capital projects. The bonds are secured by and payable from ad valorem taxes. This 2017 Series is the fifth issue under the \$135,000,000 in general obligation bonds authorized at an election held in the Parish on May 4, 2013. The interest rates on the bonds vary from 2.0% to 5.0%, and the maturity date is March 1, 2037.

In November 2017, the School Board committed to issuing \$25,000,000 in general obligation bonds to fund various capital projects. The bonds are secured by and payable from ad valorem taxes. These bonds are the sixth installment issue of the total \$167,000,000 approved by the citizens of St. Tammany Parish via the election on March 8, 2008. The interest rates on the bonds vary from 2.0% to 5.0%, and the maturity date is March 1, 2037.

A schedule of the individual issues outstanding as of June 30, 2018, is as follows:

	Original Issue	Interest Rate	Payment Due	Interest to Maturity	Principal Outstanding
<b>General Obligation Bonds:</b>					
2009	\$ 20,000,000	3.25-4.25%	2008-2029	\$ 35,000	\$ 1,000,000
2010	25,000,000	4.117%	2009-2030	140,825	2,500,000
2011	20,000,000	2.0-4.75%	2011-2030	252,800	3,155,000
2011A	10,000,000	2.0-4.125%	2013-2031	1,907,063	6,850,000
2012A Refunding	18,900,000	3.0-4.50%	2014-2024	1,742,300	12,310,000
2013A	20,000,000	3.0-5.0%	2014-2033	5,090,750	15,000,000
2013 Refunding	18,030,000	3.0-5.0%	2013-2025	2,257,400	13,570,000
2014 Refunding	12,090,000	3.0-5.0%	2017-2026	1,875,575	9,665,000
2014	30,000,000	2.0-5.0%	2015-2034	7,528,125	24,000,000
2015 Refunding	34,765,000	1.5-5.0%	2019-2028	9,891,500	34,765,000
2015	30,000,000	2.0-5.0%	2016-2035	9,438,750	25,500,000
2016 Refunding	9,890,000	2.0-4.0%	2018-2029	2,187,150	9,865,000
2016	30,000,000	2.25-5.0%	2017-2036	8,223,750	27,000,000
2017 Refunding	12,175,000	2.625-5.0%	2021-2030	3,530,250	12,175,000
2017A Refunding	9,155,000	3.0-5.0%	2022-2030	3,210,100	9,155,000
2017	25,000,000	2.0-5.0%	2018-2037	10,884,375	23,750,000
2017A	25,000,000	2.0-5.0%	2018-2037	9,704,687	23,750,000
<b>Qualified School Construction Bonds:</b>					
2010	5,000,000	1.12%	2011-2024	392,000	2,333,334
<b>Total</b>	<b>\$ 355,005,000</b>			<b>\$ 78,292,000</b>	<b>\$ 256,343,334</b>

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

**Notes to Basic Financial Statements**

**Note 7. Changes in Long-Term Obligations (Continued)**

All principal and interest requirements on the general obligation bonds are funded in accordance with Louisiana law by the annual ad valorem tax levy on taxable property within the Parish. The Qualified School Construction Bonds are to be repaid from constitutional ad valorem tax revenues in the General Fund. At June 30, 2018, the School Board has accumulated \$29,602,085 in the General Obligation Bonds Debt Service Fund for future debt service requirements.

The general obligation and Qualified School Construction Bonds are due as follows:

Year Ending June 30,	Principal Payments	Interest Payments	Total
2019	\$ 19,548,334	\$ 10,524,438	\$ 30,072,772
2020	19,983,333	9,837,337	29,820,670
2021	20,268,333	9,033,188	29,301,521
2022	20,538,334	8,191,887	28,730,221
2023	20,883,333	7,318,388	28,201,721
2024-2028	89,176,667	23,434,087	112,610,754
2029-2033	46,945,000	8,462,050	55,407,050
2034-2037	19,000,000	1,490,625	20,490,625
<b>Total</b>	<b>\$ 256,343,334</b>	<b>\$ 78,292,000</b>	<b>\$ 334,635,334</b>

In accordance with Louisiana Revised Statute 39:562, the School Board is legally restricted from incurring long-term bonded debt funded solely by ad valorem taxes in excess of 35% of the assessed value of taxable property. At June 30, 2018, the statutory limit is \$885,192,171 and the legal debt margin is \$657,314,049. Outstanding bonded debt payable from ad valorem taxes at June 30, 2018, totaled \$254,010,000.

**Capital Lease**

In October 2015, the School Board leased 20 school buses for \$1,567,575 used in its operation under an agreement that is classified as a capital lease. The lease agreement expires on October 30, 2024. The interest rate on the lease is 2.3%. The following is an analysis of the leased buses under capital lease as of June 30, 2018:

Equipment Under Capital Lease	
Furniture and Equipment	\$ 1,567,575
Less: Accumulated Depreciation	<u>(862,183)</u>
<b>Net Equipment Under Capital Lease</b>	<b><u>\$ 705,392</u></b>

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

**Notes to Basic Financial Statements**

**Note 7. Changes in Long-Term Obligations (Continued)**

Future minimum lease payments for all capital lease obligations are as follows as of June 30, 2018:

Year Ending June 30,	Principal Payments	Interest Payments	Total
2019	\$ 147,779	\$ 25,499	\$ 173,278
2020	151,178	22,100	173,278
2021	154,655	18,623	173,278
2022	158,212	15,066	173,278
2023	161,851	11,427	173,278
2024-2025	334,956	11,600	346,556
<b>Total</b>	<b>\$ 1,108,631</b>	<b>\$ 104,315</b>	<b>\$ 1,212,946</b>

**Note 8. Defeased Debt**

The School Board defeased the general obligation bonds listed in the table below. An irrevocable trust fund was created for each defeasance. New debt was issued and the proceeds were used to purchase U.S. Government Securities that were placed in the trust funds. The investments and fixed earnings from the investments are sufficient to fully service the defeased debt until the debt is called or matures. For financial reporting purposes, the debt is considered defeased and, therefore, removed as a liability of the School Board.

As of June 30, 2018, the following outstanding bonds are considered defeased:

		Outstanding	Defeasance	Maturity Date
<b>General Obligation Bonds:</b>				
\$ 30,000,000	2004 Series	\$ 12,500,000	May 1, 2012	March 1, 2024
\$ 18,850,000	2005 Series	14,195,000	March 14, 2013	March 1, 2025
\$ 12,500,000	2006 Series	10,000,000	March 13, 2014	March 1, 2026
\$ 67,000,000	2008 Series	37,100,000	March 24, 2015	March 1, 2028
\$ 20,000,000	2009 Series	10,000,000	July 12, 2016	March 1, 2029
\$ 20,000,000	2010 Series	12,500,000	July 27, 2017	March 1, 2030
\$ 20,000,000	2011 Series	9,495,000	September 6, 2017	March 1, 2030
		<u>\$ 105,790,000</u>		

**ST. TAMMANY PARISH SCHOOL BOARD  
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**Note 9. Tax Arbitrage Rebate**

Under the Tax Reform Act of 1986, interest earned on debt proceeds in excess of interest expense prior to the disbursement of the proceeds must be rebated to the Internal Revenue Service (IRS). For fiscal year 2018, no arbitrage was due to the IRS.

**Note 10. Retirement 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 Boards of Trustees and the Louisiana Legislature by Title 11 of the Louisiana Revised Statute. TRSL, LSERS, and LASERS each issue publicly available financial reports that can be obtained at [www.trsl.org](http://www.trsl.org), [www.lasers.net](http://www.lasers.net), and [www.lasersonline.org](http://www.lasersonline.org), respectively.

**Benefits Provided**

**Teachers' Retirement System of Louisiana (TRSL)**

TRSL provides retirement, deferred retirement option (DROP), disability, and survivor benefits through three membership plans. Retirement benefits are determined as 2% or 2.5% (Regular Plan), 3% (Plan A), or 2% (Plan B) of final average salary for each year of credited service. Final average salary is based upon the member's highest successive 36 months of salary for members hired prior to January 1, 2011 or 60 months of salary for members hired on or after January 1, 2011. Employees hired prior to July 1, 1999 are eligible to retire at age 60 with 5 years of accredited service or 20 years of creditable teaching service regardless of age. Employees hired on or after July 1, 1999 and prior to January 1, 2011 are eligible to retire at age 60 with 5 years of accredited service, at age 55 with 25 years of accredited service, or at any age with 30 years of accredited service. Employees hired on or after January 1, 2011 and prior to July 1, 2015 are eligible to retire at age 60 with 5 years of accredited service or at any age with 20 years of service credit with a reduced benefit. Employees hired on or after July 1, 2015 are eligible to retire at age 62 with 5 years of accredited service or at any age with 20 years of service with a reduced benefit.

In lieu of terminating employment and accepting a service retirement, an eligible member can begin participation in the Deferred Retirement Option Program (DROP) on the first retirement eligibility date for a period not to exceed the third anniversary of retirement eligibility. Delayed participation reduces the three-year maximum participation period. During participation, benefits otherwise payable are fixed, and deposited in an individual DROP account. Upon termination of DROP, the member can continue employment and earn additional accruals to be added to the fixed pre-DROP benefit. Upon termination of employment, the member is entitled to the fixed benefit, an additional benefit based on post-DROP service (if any), and the individual DROP account balance which can be paid in a lump sum or an additional annuity based upon the account balance.

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

**Notes to Basic Financial Statements**

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**Note 10. Retirement Plans (Continued)**

**Benefits Provided Continued)**

*Teachers' Retirement System of Louisiana (TRSL) (Continued)*

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. Employees in eligible positions of higher education can make an irrevocable election to participate in the ORP rather than TRSL. Participant and employer contributions are pooled and invested by their designated ORP carrier in the investment options of their choosing.

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.

Disability benefits are available for active members whose first employment makes them eligible for membership in a Louisiana state retirement system before January 1, 2011, and who have 5 or more years of service credit are eligible for disability retirement benefits if certified by the State Medical Disability Board (SMDB) to be disabled from performing their job. All other members must have at least 10 years of service to be eligible for a disability benefit. Calculation of the disability benefit as well as the availability of a minor child benefit is determined by the plan to which the member belongs and the date on which the member's first employment made them eligible for membership in a Louisiana state retirement system.

Survivor benefits are available for a surviving spouse with minor children of an active member with 5 years of creditable service (2 years immediately prior to death) or 20 years of creditable service is entitled to a benefit equal to the greater of (a) \$600 per month, or (b) 50% of the member's benefit calculated at the 2.5% accrual rate for all creditable service. When a minor child(ren) is no longer eligible to receive survivor benefits, the spouse's benefit reverts to a survivor benefit in accordance with the provisions for a surviving spouse with no minor child(ren). Benefits for the minor child(ren) cease when he/she is no longer eligible.

Each minor child (maximum of 2) shall receive an amount equal to the greater of (a) 50% of the spouse's benefit, or (b) \$300 (up to 2 eligible children). Benefits to minors cease at attainment of age 21, marriage, or age 23 if enrolled in an approved institution of higher education.

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

**Notes to Basic Financial Statements**

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**Note 10. Retirement Plans (Continued)**

**Benefits Provided Continued)**

Teachers' Retirement System of Louisiana (TRSL) (Continued)

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.

TRSL allows for the payment of ad hoc permanent benefit increases, also known as cost-of-living adjustments (COLAs) that are funded through investment earnings when recommended by the Board of Trustees and approved by the State Legislature.

Louisiana School Employees' Retirement System (LSERS)

LSERS provides retirement, deferred retirement option (DROP), disability benefits, and survivor's benefits. A member who joined LSERS on or before June 30, 2010 is eligible for normal retirement if he has at least 30 years of creditable service regardless of age, 25 years of creditable service and is at least age 55, 20 years of creditable service regardless of age with an actuarially reduced benefit, or 10 years of creditable service and is at least age 60. A member who joined LSERS on or after July 1, 2010 and prior to July 1, 2015 is eligible for normal retirement if he has at least 5 years of creditable service and is at least age 60, or 20 years of creditable service regardless of age with an actuarially reduced benefit. A member who joined LSERS on or after July 1, 2015 is eligible for normal retirement if he has at least 5 years of creditable service and is at least age 62, or 20 years of creditable service regardless of age with an actuarially reduced benefit.

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

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

**Notes to Basic Financial Statements**

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**Note 10. Retirement Plans (Continued)**

**Benefits Provided Continued)**

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

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 in a manner approved by the board.

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.

A member is eligible to retire and receive disability benefits if he has at least 5 years of creditable service, is not eligible for normal retirement and has become totally and permanently disabled and is certified as disabled by the Medical Board. A vested person with 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 LSERS on or after July 1, 2006, must have at least 10 years of service to qualify for disability benefits.

Upon the death of a member with 5 or more years of creditable service, LSERS 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.

Cost-of-living adjustments may be granted from the LSERS Experience Account provided there are sufficient funds needed to offset the increase in the actuarial liability and the plan has met the criteria and eligibility requirements outlined by Act 399 of 2014.

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

**Notes to Basic Financial Statements**

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**Note 10. Retirement Plans (Continued)**

**Benefits Provided Continued)**

Louisiana State Employees' Retirement System (LASERS)

LASERS provides retirement, deferred retirement option (DROP), disability, and survivor's benefits. The age and years of creditable service required in order for a member to retire with full benefits vary depending on the member's hire date, employer, and job classification. The substantial majority of members may retire with full benefits at any age upon completing 30 years of creditable service and at age 60 upon completing 10 years of creditable service. Those members hired between July 1, 2006 and June 30, 2015, may retire at age 60 upon completing 5 years of creditable service and those hired on or after July 1, 2015 may retire at age 62 upon completing 5 years of creditable service. The basic annual retirement benefit for members is equal to 2.5% to 3.5% of average compensation multiplied by the number of years of creditable service. Additionally, members may choose to retire with 20 years of service at any age, with an actuarially reduced benefit.

Average compensation is defined as the member's average annual earned compensation for the highest 36 consecutive months of employment for members employed prior to July 1, 2006. For members hired July 1, 2006 or later, average compensation is based on the member's average annual earned compensation for the highest 60 consecutive months of employment. The maximum annual retirement benefit cannot exceed the lesser of 100% of average compensation or a certain specified dollar amount of actuarially determined monetary limits, which vary depending upon the member's age at retirement. Judges, court officers, and certain elected officials receive an additional annual retirement benefit equal to 1.0% of average compensation multiplied by the number of years of creditable service in their respective capacity. As an alternative to the basic retirement benefits, a member may elect to receive their retirement throughout their life, with certain benefits being paid to their designated beneficiary after their death.

Act 992 of the 2010 Louisiana Regular Legislative Session, changed the benefit structure for LASERS members hired on or after January 1, 2011. This resulted in three new plans: regular, hazardous duty, and judges. The new regular plan includes regular members and those members who were formerly eligible to participate in specialty plans, excluding hazardous duty and judges. Regular members and judges are eligible to retire at age 60 after 5 years of creditable service and, may also retire at any age, with a reduced benefit, after 20 years of creditable service. Hazardous duty members are eligible to retire with 20 years of creditable service at age 55, 25 years of creditable service at any age, or with a reduced benefit after 20 years of creditable service. Average compensation will be based on the member's average annual earned compensation for the highest 60 consecutive months of employment for all three new plans. Members in the regular plan will receive a 2.5% accrual rate, hazardous duty plan a 3.33% accrual rate, and judges a 3.5% accrual rate. The extra 1.0% accrual rate for each year of service for court officers, the governor, lieutenant governor, legislators, House clerk, sergeant at arms, or Senate secretary, employed after January 1, 2011, was eliminated by Act 992. Specialty plan and regular members, hired prior to January 1, 2011, who are hazardous duty employees have the option to transition to the hazardous duty plan.

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

**Notes to Basic Financial Statements**

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**Note 10. Retirement Plans (Continued)**

**Benefits Provided Continued)**

Louisiana State Employees' Retirement System (LASERS) (Continued)

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. Regular members and judges under the new plan are eligible to retire at age 62 after 5 years of Louisiana State Employees' Retirement System 28 creditable service and, may also retire at any age, with a reduced benefit, after 20 years of creditable service. Average compensation will be based on the member's average annual earned compensation for the highest 60 consecutive months of employment. Members in the regular plan will receive a 2.5% accrual rate, and judges a 3.5% accrual rate, with the extra 1.0% accrual rate based on all years of service as a judge.

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.

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.

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.

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

**Notes to Basic Financial Statements**

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**Note 10. Retirement Plans (Continued)**

**Benefits Provided Continued)**

Louisiana State Employees' Retirement System (LASERS) (Continued)

Certain eligible surviving dependents receive benefits based on the deceased member's compensation and their relationship to the deceased. The deceased member who was in state service at the time of death must have a minimum of 5 years of service credit, at least 2 of which were earned immediately prior to death, or who had a minimum of 20 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 10 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 5 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.

LASERS allows for the payment of ad hoc permanent benefit increases, also known as cost-of-living adjustments (COLAs) that are funded through investment earnings when recommended by the Board of Trustees and approved by the State Legislature.

**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 (LRS 11:101-11:104) and may be amended by the Louisiana Legislature. Substantially all of the School Board employees participating in TRSL are included in the Regular Plan. Members 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, 2018 was 26.6% of annual covered payroll. The School Board's contributions paid to TRSL for the year ended June 30, 2018, was \$54,549,478.

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, 2018 was 27.6% of annual covered payroll. The School Board's contributions paid to LSERS for the year ended June 30, 2018, was \$6,755,005.

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

**Notes to Basic Financial Statements**

**Note 10. Retirement Plans (Continued)**

**Contributions (Continued)**

Louisiana State Employees' Retirement System (LASERS)

Contribution requirements of active employees are governed by Section 401 of Title 11 of the Louisiana Revised Statutes (LRS 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, 2018 was 37.9% of annual covered payroll. The School Board's contributions paid to LASERS for the year ended June 30, 2018, was \$178,784.

**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, 2018:

	TRSL	LSERS	LASERS	Total
Net Pension Liability	\$ 478,238,381	\$ 53,514,939	\$ 1,620,831	\$ 533,374,151
Pension Expense	\$ 38,453,300	\$ 5,636,353	\$ 131,728	\$ 44,221,381
Proportion of Net Pension Liability	4.66%	8.36%	0.02%	
Change in Proportion Increase (Decrease)	0.06%	0.29%	0.00%	

The net pension liabilities were measured as of June 30, 2017 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The School Board's proportion of the net pension liability for TRSL 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.

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

**Notes to Basic Financial Statements**

**Note 10. Retirement Plans (Continued)**

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)**

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

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between Expected and Actual Experience	\$ -	\$ 15,720,466
Changes of Assumptions	5,043,035	-
Net Difference between Projected and Actual Earnings on Pension Plan Investments	-	12,352,034
Changes in Proportion and Differences between Employer and Non-Employer Contributions and Proportionate Share of Contributions	9,077,238	1,759,125
Employer Contributions Subsequent to the Measurement Date	<u>54,549,478</u>	-
<b>Total</b>	<u>\$ 68,669,751</u>	<u>\$ 29,831,625</u>

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

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between Expected and Actual Experience	\$ -	\$ 1,247,919
Changes of Assumptions	1,122,099	833,675
Net Difference between Projected and Actual Earnings on Pension Plan Investments	-	836,795
Changes in Proportion and Differences between Employer Contributions and Proportionate Share of Contributions	1,397,172	51,558
Employer Contributions Subsequent to the Measurement Date	<u>6,755,005</u>	-
<b>Total</b>	<u>\$ 9,274,276</u>	<u>\$ 2,969,947</u>

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

**Notes to Basic Financial Statements**

**Note 10. Retirement Plans (Continued)**

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)**

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

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between Expected and Actual Experience	\$ -	\$ 29,740
Changes of Assumptions	6,403	-
Net Difference between Projected and Actual Earnings on Pension Plan Investments	52,706	-
Changes in Proportion and Differences between Employer Contributions and Proportionate Share of Contributions	54,765	80,908
Employer Contributions Subsequent to the Measurement Date	178,784	-
<b>Total</b>	<b>\$ 292,658</b>	<b>\$ 110,648</b>

Deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date for TRSL, LSERS, and LASERS of \$54,549,478, \$6,755,005, and \$178,784, respectively, will be recognized as a reduction of the net pension liability during the year ending June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense (benefit) as follows:

<b>Year Ending June 30,</b>	<b>TRSL</b>	<b>LSERS</b>	<b>LASERS</b>
2019	\$ (10,150,986)	\$ (1,120,233)	\$ (60,033)
2020	6,613,046	2,263,902	74,799
2021	(771,142)	352,732	21,092
2022	(11,402,270)	(1,947,077)	(32,632)
<b>Total</b>	<b>\$ (15,711,352)</b>	<b>\$ (450,676)</b>	<b>\$ 3,226</b>

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

**Notes to Basic Financial Statements**

**Note 10. Retirement Plans (Continued)**

**Actuarial Assumptions**

The total pension liability in the June 30, 2017 actuarial valuations for TRSL, LSERS, and LASERS were determined using the following actuarial assumptions, applied to all periods included in the measurement:

<b>Actuarial Assumptions</b>	<b>TRSL</b>	<b>LSERS</b>	<b>LASERS</b>
Inflation	2.50%	2.625%	2.75%
Salary Increases	3.5% - 10.0%	3.075% - 5.375%	2.8% - 14.3%
Investment Rate of Return	7.70%	7.125%	7.70%
Dates of Experience Study	2008 - 2012	2008 - 2012	2009 - 2013
Mortality Rates	RP-2000 Mortality Table	RP-2000 Sex Distinct Mortality Table RP-2000 Disabled Lives Mortality Table	RP-2000 Combined Healthy Mortality Table RP-2000 Disabled Retiree Table

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

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

**Notes to Basic Financial Statements**

**Note 10. Retirement Plans (Continued)**

**Actuarial Assumptions (Continued)**

The target allocation and expected real rates of return of TRSL, LSERS, and LASERS for each major asset class of as of June 30, 2017 are summarized in the following tables:

Teachers' Retirement System of Louisiana (TRSL)

<b>Asset Class</b>	<b>Target Allocation</b>	<b>Long-Term Expected Real Rate of Return (Arithmetic)</b>
Domestic Fixed Income	27.0%	4.28%
International Fixed Income	19.0%	4.96%
Domestic Equity	13.0%	1.98%
International Equity	5.5%	2.75%
Alternative Investments	25.5%	8.47%
Other Private Assets	10.0%	3.51%
<b>Total</b>	<b>100.0%</b>	

Louisiana School Employees' Retirement System (LSERS)

<b>Asset Class</b>	<b>Target Allocation</b>	<b>Long-Term Expected Real Rate of Return (Geometric)</b>
Core Fixed Income	8.0%	2.00%
High Yield	5.0%	4.43%
Emerging Markets Debt	7.0%	4.71%
Global Fixed Income	10.0%	1.38%
U.S. Equity	20.0%	6.44%
Developed Equity	18.0%	7.40%
Emerging Markets Equity	10.0%	9.42%
Global REITs	3.0%	5.77%
Private Equity	5.0%	10.47%
Hedge Fund of Funds	3.0%	3.75%
Real Estate	5.0%	5.00%
Timber	2.0%	5.67%
Oil and Gas	2.0%	10.57%
Infrastructure	2.0%	6.25%
<b>Total</b>	<b>100.0%</b>	

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

**Notes to Basic Financial Statements**

**Note 10. Retirement Plans (Continued)**

**Actuarial Assumptions (Continued)**

Louisiana State Employees' Retirement System (LASERS)

<b>Asset Class</b>	<b>Target Allocation</b>	<b>Long-Term Expected Real Rate of Return (Geometric)</b>
Cash	0.0%	-0.24%
Domestic Equity	25.0%	4.31%
International Equity	32.0%	5.35%
Domestic Fixed Income	8.0%	1.73%
International Fixed Income	6.0%	2.49%
Alternative Investments	22.0%	7.41%
Global Asset Allocation	7.0%	2.84%
<b>Total</b>	<b>100.0%</b>	

**Discount Rate**

The discount rate used to measure the total pension liability of TRSL, LSERS, and LASERS was 7.70%, 7.125%, and 7.70%, 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 active and inactive 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, 2018 using the current discount rate of 7.70%, 7.125%, and 7.70%, 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:

	<b>1.0% Decrease</b>	<b>Current Discount Rate</b>	<b>1.0% Increase</b>
Teachers' Retirement System of Louisiana	\$ 616,221,069	\$ 478,238,381	\$ 360,859,844
Louisiana School Employees' Retirement System	73,362,690	53,514,939	36,470,370
Louisiana State Employees' Retirement System	2,034,770	1,620,831	1,268,885

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

**Notes to Basic Financial Statements**

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**Note 10. Retirement Plans (Continued)**

**Support of Non-Employer Contributing Entities**

Contributions received by a pension plan from non-employer contributing entities that are not in a special funding situation are recorded as revenue by the respective pension plan. The School Board recognizes revenue in an amount equal to their proportionate share of the total contributions to the pension plan from these non-employer contributing entities. During the year ended June 30, 2018, the School Board recognized revenue as a result of support received from non-employer contributing entities of \$1,808,248 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, 2018.

**Pension Plan Fiduciary Net Position**

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

**Payables to the Pension Plans**

At June 30, 2018, the School Board reported a payable of \$11,819,766, \$1,087,261, and \$26,453 for the outstanding amount of contributions due to TRSL, LSERS, and LASERS, respectively.

**Note 11. Changes in Agency Deposits Due to Others**

A summary of changes in the School Activity Agency Fund's deposits due to others is as follows:

Balance, Beginning of Year	\$ 7,447,867
Additions	12,464,659
Deductions	<u>(12,311,322)</u>
<b>Balance, End of Year</b>	<b><u>\$ 7,601,204</u></b>

**Note 12. Litigation and Claims**

At June 30, 2018, 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, which are primarily personal injury claims, in order to evaluate the likelihood of an unfavorable outcome to the School Board and to arrive at an estimate, if any, of the amount or range of potential loss to the School Board.

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

**Notes to Basic Financial Statements**

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**Note 12. Litigation and Claims (Continued)**

As a result of the review, the various claims and lawsuits have been categorized into "probable," "reasonably possible," or "remote," as defined by the Governmental Accounting Standards Board.

Amounts of claims classified as "probable" have been accrued in the claims liability and the liability for self-insurance losses, as explained in Note 6. It is the opinion of the School Board, after conferring with legal counsel, that the liability, if any, which might arise from these lawsuits, except for amounts accrued in the financial statements, would not have a material adverse effect on the School Board's financial position.

The School Board participates in a number of federal financial assistance programs. Although the grant programs have been audited in accordance with the Single Audit Act through June 30, 2018, these programs are still subject to financial and compliance audits and resolution of previously identified questioned costs. The amount, if any, of expenditures that may be disallowed by the granting agencies cannot be determined at this time, although the School Board expects such amounts, if any, to be immaterial.

**Note 13. Excess of Expenditures Over Appropriations**

For those funds for which a budget-to-actual comparison was made that are not major funds, actual expenditures exceeded budgeted expenditures on a line item basis as follows:

	<b>Expenditures</b>		<b>Variance</b>
	<b>Budget</b>	<b>Actual</b>	
School Food Service Special Revenue Fund			
Food Service	\$ 22,978,552	\$ 22,978,553	\$ 1

**Note 14. Hurricane Katrina**

On August 29, 2005, Hurricane Katrina devastated the Gulf Coast area. The hurricane significantly damaged much of the Parish's taxable property, particularly in the southeastern quadrant. The School Board also received damage in excess of \$120 million to its facilities.

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

**Notes to Basic Financial Statements**

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**Note 14. Hurricane Katrina (Continued)**

The School Board continues to work with FEMA and the Department of Housing and Urban Development to recover funds needed to repair and rebuild its damaged facilities. As of June 30, 2018, the School Board spent in excess of \$139 million on repair costs. Most of the repairs have been substantially completed including the rebuilding of Salmen High School and the Brooks Curriculum Center. There are sufficient funds available to cover all losses.

**Note 15. Concentration of Revenue**

For the year ended June 30, 2018, the School Board received 48.8% of its revenue from local sources, 43.5% of its revenue from the State of Louisiana, and 7.7% of its revenue from the federal government. Ad valorem tax revenue accounts for 55% of the total local source revenue. Ad valorem millages will expire on December 31, 2022, as discussed in Note 2.

**Note 16. Operating Leases**

The School Board leases buildings and other equipment under non-cancelable operating leases. Total costs for such leases were \$865,950, for the year ended June 30, 2018.

The future minimum lease payments for these leases are as follows:

<b>Year Ending June 30,</b>	<b>Amount</b>
2019	\$ 832,109
2020	817,670
2021	283,144
2022	207,190
2023	204,307
Thereafter	<u>817,229</u>
<b>Total</b>	<b><u>\$ 3,161,649</u></b>

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

**Notes to Basic Financial Statements**

**Note 17. Fund Equity**

At June 30, 2018, the governmental fund equities are classified as follows:

	General Fund	2008 Construction Fund	2013 Construction Fund	Debt Service Fund	Other Governmental Funds	Total
<b>Nonspendable for:</b>						
Inventory	\$ -	\$ -	\$ -	\$ -	\$ 339,539	\$ 339,539
Prepays	1,272,342	-	-	-	-	1,272,342
<b>Total Nonspendable</b>	<b>1,272,342</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>339,539</b>	<b>1,611,881</b>
<b>Restricted for:</b>						
Construction	-	27,158,934	25,486,946	-	-	52,645,880
Debt Service	-	-	-	29,602,085	-	29,602,085
Operational Purposes	-	-	-	-	16,668,011	16,668,011
Food Service	-	-	-	-	2,477,960	2,477,960
<b>Total Restricted</b>	<b>-</b>	<b>27,158,934</b>	<b>25,486,946</b>	<b>29,602,085</b>	<b>19,145,971</b>	<b>101,393,936</b>
<b>Committed for:</b>						
Bond Rating	20,854,282	-	-	-	-	20,854,282
Special Programs	-	-	-	-	12,372,847	12,372,847
<b>Total Committed</b>	<b>20,854,282</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12,372,847</b>	<b>33,227,129</b>
<b>Assigned to:</b>						
Construction	-	-	-	-	1,464,721	1,464,721
Local Priorities	88,914,237	-	-	-	-	88,914,237
<b>Total Assigned</b>	<b>88,914,237</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,464,721</b>	<b>90,378,958</b>
<b>Total Fund Balance</b>	<b>\$ 111,040,861</b>	<b>\$ 27,158,934</b>	<b>\$ 25,486,946</b>	<b>\$ 29,602,085</b>	<b>\$ 33,323,078</b>	<b>\$ 226,611,904</b>

The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

- **Nonspendable Fund Balance** - Amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.
- **Restricted Fund Balance** - Amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.
- **Committed Fund Balance** - Amounts that can be used only for specific purposes determined by a formal action of the School Board members. The Board is the highest level of decision-making authority for the School Board. Commitments may be established, modified, or rescinded only through resolutions approved by Board members. In the General Fund, the School Board maintains a committed fund balance in the amount of \$20,854,282 to maintain "AA" bond rating and for financial stability.

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

**Notes to Basic Financial Statements**

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**Note 17. Fund Equity (Continued)**

- **Assigned Fund Balance** - Amounts that do not meet the criteria to be classified as restricted or committed, but that are intended to be used for specific purposes. Under the School Board's adopted policy, only Board members may assign amounts for specific purposes. In the General Fund, the School Board has assigned fund balance in the amount of \$88,914,237 for local priorities, which is defined as salaries and benefits and other instructional purposes.
- **Unassigned Fund Balance** - All other spendable amounts. A negative unassigned fund balance may be reported in other governmental funds if expenditures incurred for specific purposes exceeded the amounts restricted, committed, or assigned to those purposes.

**Note 18. Other Postemployment Benefits (OPEB)**

**General Information about the OPEB Plan**

*Plan Description* - The St. Tammany Parish School Board (the School Board) provides certain continuing health care and life insurance benefits for its retired employees. The St. Tammany Parish School Board's OPEB Plan (the OPEB Plan) is a single-employer defined benefit OPEB plan administered by the School Board. The authority to establish and/or amend the obligation of the employer, employees, and retirees rests with the School Board. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Governmental Accounting Standards Board (GASB) Statement No. 75.

*Benefits Provided* - Medical benefits are provided to employees upon actual retirement. Most employees are covered by the Teachers' Retirement System of Louisiana (TRSL), whose retirement eligibility (DROP entry) provisions as follows: 30 years of service at any age; age 55 and 25 years of service; or, age 60 and 5 years of service. Employees hired on and after January 1, 2011 may not retire prior to age 60 without actuarial reduction in benefits. The remainder of employees are covered by the Louisiana School Employees' Retirement System (LSERS) whose retirement (DROP entry) eligibility provisions are the same as TRSL except that they are also eligible to retire at age 60 and 10 years of service.

Since we were not provided with the system identification in the census data, the TRSL eligibility provisions were used.

Basic and supplemental life insurance coverage is provided to retirees according to three schedules based on age brackets and on the annual earnings at time of retirement. The three age brackets are below age 65, age 65 through age 69, and greater than or equal to age 70. Basic life amounts are \$5,000, \$4,000, and \$3,000, respectively, for the three age brackets, and the salary-related schedules have maximum amounts of Basic plus Supplemental coverage of \$50,000, \$38,000, and \$25,000, respectively. AD&D coverage ceases at age 70.

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

**Notes to Basic Financial Statements**

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**Note 18. Other Postemployment Benefits (Continued)**

**General Information about the OPEB Plan (Continued)**

The current rate schedule is partially "blended" by age. Since GASB 75 requires the use of "unblended" rates, we have used the 95GAR mortality table described below to unblend the rates so as to reproduce the same composite blended rate overall as the rate structure to calculate the actuarial valuation results for life insurance. All of the assumptions used for the valuation of the medical benefits have been used except for the trend assumption; zero trend was used for life insurance.

*Employees Covered by Benefit Terms* - At July 1, 2017, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries Currently	
Receiving Benefit Payments	2,560
Inactive Employees Entitled to but Not Yet	
Receiving Benefit Payments	-
Active Employees	<u>4,588</u>
<b>Total</b>	<b><u>7,148</u></b>

**Total OPEB Liability**

The School Board's total OPEB liability of \$402,161,876 was measured as of July 1, 2017 and was determined by an actuarial valuation as of that date.

*Actuarial Assumptions and Other Inputs* - The total OPEB liability in the July 1, 2017 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.5%
Salary Increases	4.0%, Including Inflation
Discount Rate	3.5%, Net of OPEB Plan Investment Expense, Including Inflation
Healthcare Cost Trend Rates	Flat 5.5% Annually

The discount rate was based on the average of the Bond Buyers' 20 Year General Obligation municipal bond index over the 52 weeks immediately preceding the applicable measurement dates.

Mortality rates were based on the 1994 Group Annuity Reserving (94GAR) table, projected to 2002, based on a fixed blend of 50% of the unloaded male mortality rates and 50% of the unloaded female mortality rates.

The actuarial assumptions used in the July 1, 2017 valuation were based on the results of ongoing evaluations of the assumptions from July 1, 2007 to June 30, 2018.

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

**Notes to Basic Financial Statements**

**Note 18. Other Postemployment Benefits (Continued)**

**Changes in the Total OPEB Liability**

A summary of changes in the Total OPEB Liability is as follows:

Balance, Beginning of Year	\$ 408,906,660
Changes for the Year	
Service Cost	8,507,645
Interest	14,311,733
Differences Between Expected and Actual Experience	<u>(29,564,162)</u>
Net Changes	<u>(6,744,784)</u>
<b>Balance, End of Year</b>	<b><u>\$ 402,161,876</u></b>

*Sensitivity of the Total OPEB Liability to Changes in the Discount Rate* - The following presents the total OPEB liability of the School Board, as well as what the School Board's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage-point lower (2.5%) or 1 percentage-point higher (4.5%) than the current discount rate:

	1.0% Decrease (2.5%)	Current Discount Rate (3.5%)	1.0% Increase (4.5%)
Total OPEB Liability	<u>\$ 468,600,447</u>	<u>\$ 402,161,876</u>	<u>\$ 348,915,655</u>

*Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates* - The following presents the total OPEB liability of the School Board, as well as what the School Board's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (4.5%) or 1-percentage-point higher (6.5%) than the current healthcare trend rates:

	1.0% Decrease (4.5%)	Current Trend Rate (5.5%)	1.0% Increase (6.5%)
Total OPEB Liability	<u>\$ 348,231,311</u>	<u>\$ 402,161,876</u>	<u>\$ 468,830,064</u>

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

**Notes to Basic Financial Statements**

**Note 18. Other Postemployment Benefits (Continued)**

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

For the year ended June 30, 2018, the School Board recognized OPEB expense of \$20,355,698. At June 30, 2018, the School Board reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between Expected and Actual Experience	\$ -	\$ 27,100,482
<b>Total</b>	<b>\$ -</b>	<b>\$ 27,100,482</b>

**OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)**

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

<b>Year Ending June 30,</b>	<b>Amount</b>
2019	\$ (2,463,680)
2020	(2,463,680)
2021	(2,463,680)
2022	(2,463,680)
2023	(2,463,680)
Thereafter	<u>(14,782,082)</u>
<b>Total</b>	<b><u>\$ (27,100,482)</u></b>

**Note 19. Tax Abatement**

The St. Tammany Parish School Board is affected by the Louisiana Industrial Ad Valorem Tax Exemption Program (ITEP), which is an original state incentive program which offers an attractive tax incentive for manufacturers within the state. The program abates, up to ten years, local property taxes (ad valorem) on a manufacturer's new investment and annual capitalized additions related to the manufacturing site. This exemption is granted per contract with the Louisiana Department of Economic Development and will specify the buildings and/or personal property items covered under the exemption. For the year ended June 30, 2018, the School Board has forgone \$1,689,005 in ad valorem taxes due to this abatement program.

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

**Notes to Basic Financial Statements**

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**Note 20. Impact of Recently Issued Accounting Pronouncements**

**Statement No. 84 of the Governmental Accounting Standards Board**

*Fiduciary Activities* - The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. The requirements of this Statement are effective for reporting periods beginning after December 15, 2018.

**Statement No. 87 of the Governmental Accounting Standards Board**

*Leases* - The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. The requirements of this Statement are effective for financial statements for periods beginning after December 15, 2019.

**GASB Statement No. 88, Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements**

The primary objective of this Statement is to improve the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements. It also clarifies which liabilities governments should include when disclosing information related to debt. The requirements of this Statement are effective for reporting periods beginning after June 15, 2018.

**GASB Statement No. 89, Accounting for Interest Cost Incurred before the End of a Construction Period**

The objectives of this Statement are to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and to simplify accounting for interest cost incurred before the end of a construction period. This Statement establishes accounting requirements for interest cost incurred before the end of a construction period. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019.

Management is currently evaluating the effects of the new GASB pronouncements scheduled for implementation for fiscal year ending June 30, 2019.



ST. TAMMANY

PARISH PUBLIC SCHOOLS

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

**REQUIRED SUPPLEMENTARY  
INFORMATION OTHER THAN MD&A**

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

**Statement 1-1**

**General Fund  
Budgetary Comparison Schedule  
For the Year Ended June 30, 2018**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Budgetary Fund Balance, Beginning of Year</b>	\$ 105,130,026	\$ 107,900,460	\$ 107,900,460	\$ -
<b>Resources (Inflows)</b>				
<b>Local Sources:</b>				
Ad Valorem Taxes	100,137,900	99,778,452	99,778,451	(1)
Sales and Use Taxes	97,204,900	97,261,498	97,261,499	1
Tuition:				
Summer School/Drivers Education/Community Ed.	1,574,000	1,738,939	1,821,856	82,917
Earnings on Investments	471,000	754,820	754,820	-
Medical Services	1,500,000	5,328,757	5,328,757	-
Other	4,369,660	2,235,638	2,235,637	(1)
<b>Total Resources from Local Sources</b>	<b>205,257,460</b>	<b>207,098,104</b>	<b>207,181,020</b>	<b>82,916</b>
<b>State Sources:</b>				
Minimum Foundation Program	211,500,000	209,191,502	209,191,501	(1)
Restricted Appropriation	-	-	-	-
Contributions to Teachers' Retirement	18,615	15,011	15,011	-
Revenue Sharing	1,958,581	2,009,558	2,009,558	-
Professional Improvement Program	72,999	58,858	58,858	-
Non-Public Students	191,886	185,327	185,327	-
<b>Total Resources from State Sources</b>	<b>213,742,081</b>	<b>211,460,256</b>	<b>211,460,255</b>	<b>(1)</b>
<b>Federal Sources:</b>				
ROTC	499,491	582,008	582,008	-
FEMA	-	67,309	67,309	-
<b>Total Resources from Federal Sources</b>	<b>499,491</b>	<b>649,317</b>	<b>649,317</b>	<b>-</b>
<b>Total Resources</b>	<b>419,499,032</b>	<b>419,207,677</b>	<b>419,290,592</b>	<b>82,915</b>
<b>Other Financing Sources</b>				
Transfers In:				
Indirect Costs	1,324,699	1,336,786	1,336,786	-
<b>Total Other Financing Sources</b>	<b>1,324,699</b>	<b>1,336,786</b>	<b>1,336,786</b>	<b>-</b>
<b>Amounts Available for Appropriations</b>	<b>525,953,757</b>	<b>528,444,923</b>	<b>528,527,838</b>	<b>82,915</b>

See notes to required supplementary information and independent auditor's report.

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

**Statement 1-1**

**General Fund  
Budgetary Comparison Schedule (Continued)  
For the Year Ended June 30, 2018**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Charges to Appropriations (Outflows)</b>				
Current:				
Instruction:				
Regular Education Programs	169,906,740	167,051,555	166,225,122	826,433
Special Education Programs	70,984,376	71,923,823	71,624,777	299,046
Vocational Education Programs	6,195,838	6,047,975	6,024,218	23,757
Other Instructional Programs	8,873,091	9,049,684	9,011,075	38,609
Special Programs	3,072,295	2,741,346	2,728,986	12,360
Support Services:				
Pupil Support	25,873,565	26,238,695	26,145,311	93,384
Instructional Staff Support	10,061,345	10,263,474	10,229,252	34,222
General Administration	8,648,239	7,659,089	7,650,870	8,219
School Administration	24,050,675	25,620,158	25,486,202	133,956
Business Administration	2,722,700	2,684,986	2,674,292	10,694
Operation and Maintenance of Plant	38,463,290	38,695,776	38,363,868	331,908
Pupil Transportation	32,195,360	33,737,602	33,690,085	47,517
Central Services	8,237,515	7,664,279	7,646,464	17,815
Community Service Programs	1,338,665	1,282,364	1,358,154	(75,790)
Facilities Acquisition and Construction	1,106,323	921,980	920,661	1,319
Debt Service	597,987	569,640	569,640	-
Transfers Out	7,138,000	7,138,000	7,138,000	-
<b>Total Charges to Appropriations</b>	<b>419,466,004</b>	<b>419,290,426</b>	<b>417,486,977</b>	<b>1,803,449</b>
<b>Budgetary Fund Balance, End of Year</b>	<b>\$ 106,487,753</b>	<b>\$ 109,154,497</b>	<b>\$ 111,040,861</b>	<b>\$ 1,886,364</b>

See notes to required supplementary information and independent auditor's report.

**Schedule of Changes in the School Board's  
Net OPEB Liability and Related Ratios  
For the Year Ended June 30, 2018**

<b>Total OPEB Liability</b>	
Service Cost	\$ 8,507,645
Interest	14,311,733
Changes of Benefit Terms	-
Differences Between Expected and Actual Experience	(29,564,162)
Changes of Assumptions	-
Benefit Payments	-
<b>Net Change in Total OPEB Liability</b>	<u>(6,744,784)</u>
<b>Total OPEB Liability, Beginning</b>	<u>408,906,660</u>
<b>Total OPEB Liability, Ending (a)</b>	<u>\$ 402,161,876</u>
<b>Plan Fiduciary Net Position</b>	
Contributions - Employer	\$ -
Contributions - Member	-
Net Investment Income	-
Benefit Payments	-
Administrative Expense	-
<b>Net Change in Plan Fiduciary Net Position</b>	<u>-</u>
<b>Plan Fiduciary Net Position, Beginning</b>	<u>-</u>
<b>Plan Fiduciary Net Position, Ending (b)</b>	<u>\$ -</u>
<b>Net OPEB Liability, Ending (a) - (b)</b>	<u>\$ 402,161,876</u>
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	0.00%
Covered-Employee Payroll	\$ 200,848,293
Net OPEB Liability as a Percentage of Covered-Employee Payroll	200.23%

**Notes to Schedule:**

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

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

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

See notes to required supplementary information and independent auditor's report.

**Schedule of the School Board's Proportionate  
Share of the Net Pension Liability  
For the Years Ended June 30, 2015 through 2018**

	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
<b>Teachers' Retirement System of Louisiana:</b>				
School Board's Proportion of the Net Pension Liability	4.66%	4.60%	4.54%	4.56%
School Board's Proportionate Share of the Net Pension Liability	\$ 478,238,381	\$ 539,839,892	\$ 487,696,956	\$ 466,169,452
School Board's Covered Payroll	\$ 214,152,937	\$ 209,373,567	\$ 204,793,163	\$ 203,227,714
School Board's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	223.32%	257.84%	238.14%	229.38%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	65.60%	59.90%	62.50%	63.65%
<b>Louisiana School Employees' Retirement System:</b>				
School Board's Proportion of the Net Pension Liability	8.36%	8.07%	8.04%	8.05%
School Board's Proportionate Share of the Net Pension Liability	\$ 53,514,939	\$ 60,843,824	\$ 51,010,774	\$ 46,654,021
School Board's Covered Payroll	\$ 23,936,391	\$ 22,905,987	\$ 22,631,291	\$ 22,570,847
School Board's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	223.57%	265.62%	225.40%	206.70%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	75.03%	70.09%	74.49%	76.18%
<b>Louisiana State Employees' Retirement System:</b>				
School Board's Proportion of the Net Pension Liability	0.02%	0.02%	0.02%	0.02%
School Board's Proportionate Share of the Net Pension Liability	\$ 1,620,831	\$ 1,695,759	\$ 1,692,420	\$ 1,453,422
School Board's Covered Payroll	\$ 386,293	\$ 370,510	\$ 448,214	\$ 518,658
School Board's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	419.59%	457.68%	377.59%	280.23%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	62.50%	57.70%	62.70%	65.02%

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

See notes to required supplementary information and independent auditor's report.

**Schedule of School Board Contributions  
For the Years Ended June 30, 2015 through 2018**

	2018	2017	2016	2015
<b>Teachers' Retirement System of Louisiana:</b>				
Statutorily Required Contribution	\$ 57,410,852	\$ 54,577,644	\$ 55,037,976	\$ 57,305,886
Contributions in Relation to the Statutorily Required Contribution	<u>54,549,478</u>	<u>51,793,504</u>	<u>52,357,648</u>	<u>54,753,168</u>
Contribution Deficiency (Excess) *	<u>\$ 2,861,374</u>	<u>\$ 2,784,140</u>	<u>\$ 2,680,328</u>	<u>\$ 2,552,718</u>
School Board's Covered Payroll	\$ 215,771,660	\$ 214,152,937	\$ 209,373,567	\$ 204,793,163
Contributions as a Percentage of Covered Payroll	25.28%	24.19%	25.01%	26.74%
<b>Louisiana School Employees' Retirement System:</b>				
Statutorily Required Contribution	\$ 6,761,037	\$ 6,534,635	\$ 6,917,608	\$ 7,468,326
Contributions in Relation to the Statutorily Required Contribution	<u>6,755,005</u>	<u>6,535,483</u>	<u>6,918,642</u>	<u>7,469,108</u>
Contribution Deficiency (Excess)	<u>\$ 6,032</u>	<u>\$ (848)</u>	<u>\$ (1,034)</u>	<u>\$ (782)</u>
School Board's Covered Payroll	\$ 24,496,512	\$ 23,936,391	\$ 22,905,987	\$ 22,631,291
Contributions as a Percentage of Covered Payroll	27.58%	27.30%	30.20%	33.00%
<b>Louisiana State Employees' Retirement System:</b>				
Statutorily Required Contribution	\$ 178,823	\$ 138,293	\$ 137,830	\$ 165,839
Contributions in Relation to the Statutorily Required Contribution	<u>178,784</u>	<u>138,293</u>	<u>137,830</u>	<u>174,363</u>
Contribution Deficiency (Excess)	<u>\$ 39</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (8,524)</u>
School Board's Covered Payroll	\$ 471,829	\$ 386,293	\$ 370,510	\$ 448,214
Contributions as a Percentage of Covered Payroll	37.89%	35.80%	37.20%	38.90%

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

\* Contribution deficiency in Teachers' Retirement System of Louisiana resulted from contributions received from non-employer contributing entities during the years ended June 30, 2018, 2017, 2016 and 2015, of \$2,843,203, \$2,800,251, \$2,691,527, and \$2,587,300 respectively.

See notes to required supplementary information and independent auditor's report.

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

**Notes to Required Supplementary Information  
For the Year Ended June 30, 2018**

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**Note 1. Budgets**

**General Budget Practices**

The proposed budgets for fiscal year 2018 were completed and made available for public inspection at the School Board office on August 3, 2017. A public hearing was held on August 24, 2017, for suggestions and comments from taxpayers. The proposed fiscal year 2017-2018 budgets were formally adopted by the School Board on September 14, 2017, and final amendment was adopted on September 13, 2018. The budgets, which included proposed expenditures and the means of financing them, for the General, Special Revenue, Debt Service, and Capital Projects Funds, were published in the official journal ten days prior to the public hearings.

Formal budgetary accounts are integrated into the accounting system during the year as a management control device, including the recording of encumbrances. Appropriations are valid only for the year in which made, and any part of such appropriation which is not encumbered or expensed lapses at the end of the year. Current year transactions that are directly related to the prior year's budget are not re-budgeted in the current year.

The Superintendent is authorized to transfer budget amounts between budget lines in a fund; however, any supplemental appropriations that amend the total expenditures of any fund require Board approval. As required by state law, when actual revenues within a fund are failing to meet estimated annual budgeted revenues by five percent or more, and/or actual expenditures within a fund are exceeding estimated budgeted expenditures by five percent or more, a budget amendment to reflect such changes is adopted by the School Board in an open meeting. Budgeted amounts included in the financial statements include the original adopted budget and all subsequent amendments. Amendments to the budget reflect changes in revenue sources determined after the budget was initially approved. No other significant changes occurred.

**Budget Basis of Accounting**

The budgets for the General and Special Revenue Funds for fiscal year 2018 were prepared on the modified accrual basis of accounting, consistent with generally accepted accounting principles (GAAP).

**Encumbrances**

Encumbrance accounting, under which purchase orders, contracts, and other commitments are recorded, is employed by the General Fund and Capital Projects Funds.

Encumbrances outstanding at year-end lapse and are re-encumbered the following year.

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

**Notes to Required Supplementary Information (Continued)  
For the Year Ended June 30, 2018**

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**Note 2. Pension Plan**

**Changes of Benefit Terms**

A member joining TRSL, LSERS, or LASERS on or after July 1, 2015 is eligible for normal retirement if he has at least 5 years of creditable service and is at least age 62, or 20 years of creditable service regardless of age with an actuarially reduced benefit. The retirement age prior to the change in benefit terms was age 60.

During the reporting period 2015, a 1.5% Cost-of-Living Adjustment (COLA) was granted by TRSL and LASERS.

During the reporting period 2017, a Cost-of-Living Adjustment was granted by TRSL of 1.5% and LSERS of 1.9%.

There were no changes in benefit terms for any of the remaining years presented.

**Changes of Assumptions**

Amounts reported in the actuary valuation dated June 30, 2014 for LSERS reflect an adjustment in the discount rate used to measure the total pension liability. The discount rate for LSERS was reduced by 0.25% to 7.25% in 2014.

Amounts reported in the actuary valuation dated June 30, 2015 for LSERS reflect an adjustment in the discount rate used to measure the total pension liability. The discount rate for LSERS was reduced by 0.25% to 7.00% in 2015.

Amounts reported in the actuary valuation dated June 30, 2016 for LSERS reflect an adjustment in the discount rate used to measure the total pension liability. The discount rate for LSERS was increased by 0.125% to 7.125%. Other changes were as follows:

Valuation Date	June 30, 2016	June 30, 2015
Inflation Rate	2.625%	2.75%
Projected Salary	3.075% - 5.375%	3.20% - 5.50%

The total pension liability for LSERS reported in the actuary valuation dated June 30, 2017 has been changed to recognize that a portion of future investment gains will be used to fund the System's Experience Account. Since neither the existing funds in the account nor future deposits to the account may be used to pay for existing benefits, the liability was added for one future cost-of-living increase to the System's liabilities. However, since it will take an act of the legislature to pay a cost-of-living increase from the Experience Account, and such an act will be dependent upon a range of economic and political factors, no pattern of future increases can be forecast on a reliable basis. Hence, no liability for payments beyond that of one future COLA is included in the total pension liability.

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

**Notes to Required Supplementary Information (Continued)  
For the Year Ended June 30, 2018**

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**Note 2. Pension Plan (Continued)**

Amounts reported in the actuary valuation dated June 30, 2017 for TRSL reflect an adjustment in the discount rate used to measure the total pension liability. The discount rate for TRSL was reduced by 0.05% to 7.70% in 2017.

Amounts reported in the actuary valuation dated June 30, 2017 for LASERS reflect an adjustment in the discount rate, inflation rate, and projected salary increases used to measure the total pension liability. The discount rate for LASERS was reduced by 0.05% to 7.70% in 2017. Other changes were as follows:

Valuation Date	June 30, 2017	June 30, 2016
Inflation Rate	2.75%	3.00%
Projected Salary	3.80% - 14.30%	3.00% - 14.50%

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

**OTHER SUPPLEMENTARY INFORMATION**

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

**Description of Non-Major Funds**

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**Special Revenue Funds:**

**ESSA** - This fund is used to account for federal grants received and the program expenditures under the Every Student Succeeds Act.

**IDEA** - This fund is used to account for federal grants received and the program expenditures under the Individuals with Disabilities Education Act.

**TANF** - This fund is used to account for federal and state grants received and the program expenditures under the Temporary Assistance for Needy Families program.

**Vocational Education** - This fund is used to account for federal grants received and the related expenditures for vocational education.

**Miscellaneous Programs** - This fund is used to account for federal, state, and local grants received and the program expenditures related to various programs.

**8G** - This fund is used to account for state grants received and the program expenditures related to 8G Funding.

**School Food Service** - This fund is used to account for the revenue and expenditures related to the School Board's student lunch and breakfast programs.

**Katrina** - This fund accounts for the Federal Emergency Management Agency (FEMA) revenue and expenditures relating to the recovery from Hurricane Katrina.

**CDBG** - This fund is used to account for the revenue and expenditures related to the Community Development Block Grant. This grant was awarded to reimburse the School Board for disaster-related expenses that were not covered by the FEMA grants.

**Capital Projects Funds:**

**Re-Roofing Construction** - This fund is used to account for the capital expenditures for various roofing projects throughout the Parish.

**Parish Wide Construction** - This fund is used to account for the capital expenditures for various construction projects throughout the Parish not specifically funded through bond issues.

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

**Description of Non-Major Funds (Continued)**

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**Internal Service Funds:**

**Workers' Compensation** - This fund is used to account for the expenditures for workers' compensation claims for school board employees.

**Risk Management** - This fund is used to account for the expenditures for general and auto liability claims for the School Board.

**Fiduciary/Agency Fund:**

**School Activity** - This fund is used to account for the various individual schools' student activity funds.

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

**COMBINING  
NON-MAJOR GOVERNMENTAL FUNDS -  
BY FUND TYPE**

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

**Exhibit 1**

**Non-Major Governmental Funds  
Combining Balance Sheet - By Fund Type  
June 30, 2018**

	<b>Special Revenue</b>	<b>Capital Projects</b>	<b>Total</b>
<b>Assets</b>			
Cash and Cash Equivalents	\$ 18,445,749	\$ 3,266,207	\$ 21,711,956
Receivables			
Intergovernmental:			
Federal	5,953,241	-	5,953,241
State	54,176	-	54,176
Other	11,432	-	11,432
Prepaid	3,500	-	3,500
Due from Other Funds	18,311	-	18,311
Inventory	339,539	-	339,539
Restricted Cash and Cash Equivalents	10,887,245	-	10,887,245
Restricted Investments	5,769,592	-	5,769,592
<b>Total Assets</b>	<b>\$ 41,482,785</b>	<b>\$ 3,266,207</b>	<b>\$ 44,748,992</b>
<b>Liabilities and Fund Balances</b>			
<b>Liabilities</b>			
Salaries and Withholdings Payable	\$ 2,400,630	\$ -	\$ 2,400,630
Accounts Payable	357,692	1,603,794	1,961,486
Contracts and Retainage Payable	-	197,692	197,692
Due to Other Funds	6,632,811	-	6,632,811
Other Liabilities	233,295	-	233,295
<b>Total Liabilities</b>	<b>9,624,428</b>	<b>1,801,486</b>	<b>11,425,914</b>
<b>Fund Balances</b>			
Non-Spendable:			
Inventory	339,539	-	339,539
Restricted for:			
Operational Purposes	16,668,011	-	16,668,011
Food Service	2,477,960	-	2,477,960
Committed for:			
Special Programs	12,372,847	-	12,372,847
Assigned for:			
Construction	-	1,464,721	1,464,721
<b>Total Fund Balances</b>	<b>31,858,357</b>	<b>1,464,721</b>	<b>33,323,078</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 41,482,785</b>	<b>\$ 3,266,207</b>	<b>\$ 44,748,992</b>

See independent auditor's report.

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

**Exhibit 2**

**Non-Major Governmental Funds  
Combining Statement of Revenues, Expenditures, and  
Changes in Fund Balances - By Fund Type  
For the Year Ended June 30, 2018**

	Special Revenue	Capital Projects	Total
<b>Revenues</b>			
Local Sources:			
Tuition	\$ 133,575	\$ -	\$ 133,575
Earnings on Investments	254,519	26,657	281,176
Net Decrease in the Fair Value of Investments	(2,525)	-	(2,525)
Food Service	3,710,602	-	3,710,602
Other	301,454	618	302,072
State Sources:			
Minimum Foundation Program	4,887,500	-	4,887,500
Other	2,999,569	-	2,999,569
Federal Sources	38,163,823	-	38,163,823
<b>Total Revenues</b>	<b>50,448,517</b>	<b>27,275</b>	<b>50,475,792</b>
<b>Expenditures</b>			
Current:			
Instruction:			
Regular Education Programs	1,158,506	-	1,158,506
Special Education Programs	6,748,157	-	6,748,157
Vocational Education Programs	263,088	-	263,088
Other Instructional Programs	474,176	-	474,176
Special Programs	11,219,369	-	11,219,369
Support Services:			
Pupil Support	2,402,440	-	2,402,440
Instructional Staff Support	5,087,719	-	5,087,719
General Administration	6,447	-	6,447
School Administration	6,065	-	6,065
Operation and Maintenance of Plant	6,593	57,174	63,767
Pupil Transportation	264,388	-	264,388
Central Services	52,159	-	52,159
Food Service	22,981,155	-	22,981,155
Facilities Acquisition and Construction	885,619	4,941,033	5,826,652
<b>Total Expenditures</b>	<b>51,555,881</b>	<b>4,998,207</b>	<b>56,554,088</b>
<b>Deficiency of Revenues Over Expenditures</b>	<b>(1,107,364)</b>	<b>(4,970,932)</b>	<b>(6,078,296)</b>
<b>Other Financing Sources (Uses)</b>			
Transfers In	2,038,000	5,100,000	7,138,000
Transfers Out	(1,336,786)	-	(1,336,786)
<b>Total Other Financing Sources (Uses)</b>	<b>701,214</b>	<b>5,100,000</b>	<b>5,801,214</b>
<b>Net Change in Fund Balances</b>	<b>(406,150)</b>	<b>129,068</b>	<b>(277,082)</b>
<b>Fund Balances, Beginning of Year</b>	<b>32,264,507</b>	<b>1,335,653</b>	<b>33,600,160</b>
<b>Fund Balances, End of Year</b>	<b>\$ 31,858,357</b>	<b>\$ 1,464,721</b>	<b>\$ 33,323,078</b>

See independent auditor's report.



ST. TAMMANY

PARISH PUBLIC SCHOOLS

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

**NON-MAJOR SPECIAL REVENUE FUNDS**

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

**Non-Major Special Revenue Funds  
Combining Balance Sheet  
June 30, 2018**

	ESSA	IDEA	TANF	Vocational Education
<b>Assets</b>				
Cash and Cash Equivalents	\$ 9,114	\$ 9,493	\$ 205,885	\$ 1,150
Receivables				
Intergovernmental:				
Federal	2,011,064	2,686,585	675,259	125,306
State	-	-	-	-
Other	-	-	-	-
Prepays	-	-	-	-
Due from Other Funds	-	-	-	-
Inventory	-	-	-	-
Restricted Cash and Cash Equivalents	-	-	-	-
Restricted Investments	-	-	-	-
<b>Total Assets</b>	<b>\$ 2,020,178</b>	<b>\$ 2,696,078</b>	<b>\$ 881,144</b>	<b>\$ 126,456</b>
<b>Liabilities and Fund Balances</b>				
<b>Liabilities</b>				
Salaries and Withholdings Payable	\$ 410,522	\$ 442,549	\$ 219,381	\$ -
Accounts Payable	-	-	-	-
Due to Other Funds	1,609,656	2,253,529	661,763	126,456
Other Liabilities	-	-	-	-
<b>Total Liabilities</b>	<b>2,020,178</b>	<b>2,696,078</b>	<b>881,144</b>	<b>126,456</b>
<b>Fund Balances</b>				
Non-Spendable:				
Inventory	-	-	-	-
Restricted for:				
Operational Purposes	-	-	-	-
Food Service	-	-	-	-
Committed for:				
Special Programs	-	-	-	-
<b>Total Fund Balances</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 2,020,178</b>	<b>\$ 2,696,078</b>	<b>\$ 881,144</b>	<b>\$ 126,456</b>

See independent auditor's report.

Exhibit 3

Miscellaneous Programs	8G	School Food Service	Katrina	CDBG	Total
\$ 12,430,298	\$ 1,878	\$ 5,692,709	\$ -	\$ 95,222	\$ 18,445,749
117,551	-	40,177	-	297,299	5,953,241
8,785	45,391	-	-	-	54,176
-	-	258	11,174	-	11,432
3,500	-	-	-	-	3,500
18,311	-	-	-	-	18,311
-	-	339,539	-	-	339,539
-	-	-	10,887,245	-	10,887,245
-	-	-	5,769,592	-	5,769,592
<b>\$ 12,578,445</b>	<b>\$ 47,269</b>	<b>\$ 6,072,683</b>	<b>\$ 16,668,011</b>	<b>\$ 392,521</b>	<b>\$ 41,482,785</b>
\$ 201,541	\$ 28,827	\$ 1,097,810	\$ -	\$ -	\$ 2,400,630
4,057	-	211,114	-	142,521	357,692
-	18,442	1,712,965	-	250,000	6,632,811
-	-	233,295	-	-	233,295
<b>205,598</b>	<b>47,269</b>	<b>3,255,184</b>	<b>-</b>	<b>392,521</b>	<b>9,624,428</b>
-	-	339,539	-	-	339,539
-	-	-	16,668,011	-	16,668,011
-	-	2,477,960	-	-	2,477,960
<b>12,372,847</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12,372,847</b>
<b>12,372,847</b>	<b>-</b>	<b>2,817,499</b>	<b>16,668,011</b>	<b>-</b>	<b>31,858,357</b>
<b>\$ 12,578,445</b>	<b>\$ 47,269</b>	<b>\$ 6,072,683</b>	<b>\$ 16,668,011</b>	<b>\$ 392,521</b>	<b>\$ 41,482,785</b>

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

**Non-Major Special Revenue Funds  
Combining Statement of Revenues, Expenditures,  
and Changes in Fund Balances  
For the Year Ended June 30, 2018**

	ESSA	IDEA	TANF	Vocational Education
<b>Revenues</b>				
Local Sources:				
Tuition	\$ -	\$ -	\$ -	\$ -
Earnings on Investments	-	-	-	-
Net Decrease in the Fair Value of Investments	-	-	-	-
Food Service	-	-	-	-
Other	-	-	-	-
State Sources:				
Minimum Foundation Program	-	-	-	-
Other	-	-	-	-
Federal Sources	10,448,100	11,669,937	2,502,557	410,595
<b>Total Revenues</b>	<b>10,448,100</b>	<b>11,669,937</b>	<b>2,502,557</b>	<b>410,595</b>
<b>Expenditures</b>				
Current:				
Instruction:				
Regular Education Programs	599,913	-	-	-
Special Education Programs	-	6,737,879	-	-
Vocational Education programs	-	-	-	263,088
Other Instructional Programs	-	-	108,588	-
Special Programs	6,182,180	3,237	2,393,969	-
Support Services:				
Pupil Support	375,136	1,841,056	-	147,507
Instructional Staff Support	2,580,564	2,179,573	-	-
General Administration	2,960	3,470	-	-
School Administration	6,065	-	-	-
Operation and Maintenance of Plant	3,900	492	-	-
Pupil Transportation	18,163	222,703	-	-
Central Services	52,159	-	-	-
Food Service	-	-	-	-
Facilities Acquisition and Construction	-	-	-	-
<b>Total Expenditures</b>	<b>9,821,040</b>	<b>10,988,410</b>	<b>2,502,557</b>	<b>410,595</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>627,060</b>	<b>681,527</b>	<b>-</b>	<b>-</b>
<b>Other Financing Sources (Uses)</b>				
Transfers In	-	-	-	-
Transfers Out	(627,060)	(681,527)	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>(627,060)</b>	<b>(681,527)</b>	<b>-</b>	<b>-</b>
<b>Net Changes in Fund Balances</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balances, Beginning of Year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balances, End of Year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

See independent auditor's report.

Exhibit 4

Miscellaneous Programs	8G	School Food Service	Katrina	CDBG	Total
\$ 133,575	\$ -	\$ -	\$ -	\$ -	\$ 133,575
80,282	-	30,351	143,886	-	254,519
-	-	-	(2,525)	-	(2,525)
-	-	3,710,602	-	-	3,710,602
185,946	-	115,508	-	-	301,454
-	-	4,887,500	-	-	4,887,500
2,609,596	389,973	-	-	-	2,999,569
547,922	-	11,699,093	-	885,619	38,163,823
3,557,321	389,973	20,443,054	141,361	885,619	50,448,517
558,593	-	-	-	-	1,158,506
10,278	-	-	-	-	6,748,157
-	-	-	-	-	263,088
365,588	-	-	-	-	474,176
2,281,005	358,978	-	-	-	11,219,369
38,741	-	-	-	-	2,402,440
296,587	30,995	-	-	-	5,087,719
-	-	17	-	-	6,447
-	-	-	-	-	6,065
2,201	-	-	-	-	6,593
23,522	-	-	-	-	264,388
-	-	-	-	-	52,159
2,602	-	22,978,553	-	-	22,981,155
-	-	-	-	885,619	885,619
3,579,117	389,973	22,978,570	-	885,619	51,555,881
(21,796)	-	(2,535,516)	141,361	-	(1,107,364)
-	-	2,038,000	-	-	2,038,000
(28,199)	-	-	-	-	(1,336,786)
(28,199)	-	2,038,000	-	-	701,214
(49,995)	-	(497,516)	141,361	-	(406,150)
12,422,842	-	3,315,015	16,526,650	-	32,264,507
\$ 12,372,847	\$ -	\$ 2,817,499	\$ 16,668,011	\$ -	\$ 31,858,357

**ESSA Special Revenue Fund  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Budget and Actual  
For the Year Ended June 30, 2018**

	<b>Budget</b>	<b>Actual</b>	<b>Variance from Budget</b>
<b>Revenues</b>			
Federal Sources	\$ 10,448,100	\$ 10,448,100	\$ -
<b>Total Revenues</b>	<b>10,448,100</b>	<b>10,448,100</b>	<b>-</b>
<b>Expenditures</b>			
Instruction:			
Regular Education Programs	599,913	599,913	-
Special Programs	6,182,180	6,182,180	-
Support Services:			
Pupil Support	375,136	375,136	-
Instructional Staff Support	2,580,564	2,580,564	-
General Administration	2,960	2,960	-
School Administration	6,065	6,065	-
Operation and Maintenance of Plant	3,900	3,900	-
Pupil Transportation	18,163	18,163	-
Central Services	52,159	52,159	-
<b>Total Expenditures</b>	<b>9,821,040</b>	<b>9,821,040</b>	<b>-</b>
<b>Excess of Revenues Over Expenditures</b>	<b>627,060</b>	<b>627,060</b>	<b>-</b>
<b>Other Financing Uses</b>			
Transfers Out	(627,060)	(627,060)	-
<b>Total Other Financing Uses</b>	<b>(627,060)</b>	<b>(627,060)</b>	<b>-</b>
<b>Net Change in Fund Balance</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balance, Beginning of Year</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balance, End of Year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

See independent auditor's report.

**IDEA Special Revenue Fund  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Budget and Actual  
For the Year Ended June 30, 2018**

	<b>Budget</b>	<b>Actual</b>	<b>Variance from Budget</b>
<b>Revenues</b>			
Federal Sources	\$ 11,669,937	\$ 11,669,937	\$ -
<b>Total Revenues</b>	<b>11,669,937</b>	<b>11,669,937</b>	<b>-</b>
<b>Expenditures</b>			
Instruction:			
Special Education Programs	6,737,879	6,737,879	-
Special Programs	3,237	3,237	-
Support Services:			
Pupil Support	1,841,056	1,841,056	-
Instructional Staff Support	2,179,573	2,179,573	-
General Administration	3,470	3,470	-
Operation and Maintenance of Plant	492	492	-
Pupil Transportation	222,703	222,703	-
<b>Total Expenditures</b>	<b>10,988,410</b>	<b>10,988,410</b>	<b>-</b>
<b>Excess of Revenues Over Expenditures</b>	<b>681,527</b>	<b>681,527</b>	<b>-</b>
<b>Other Financing Uses</b>			
Transfers Out	(681,527)	(681,527)	-
<b>Total Other Financing Uses</b>	<b>(681,527)</b>	<b>(681,527)</b>	<b>-</b>
<b>Net Change in Fund Balance</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balance, Beginning of Year</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balance, End of Year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

See independent auditor's report.

**TANF Special Revenue Fund  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Budget and Actual  
For the Year Ended June 30, 2018**

	<b>Budget</b>	<b>Actual</b>	<b>Variance from Budget</b>
<b>Revenues</b>			
Federal Sources	\$ 2,502,557	\$ 2,502,557	\$ -
<b>Total Revenues</b>	<b>2,502,557</b>	<b>2,502,557</b>	<b>-</b>
<b>Expenditures</b>			
Instruction:			
Other Instructional Programs	108,588	108,588	-
Special Programs	2,393,969	2,393,969	-
<b>Total Expenditures</b>	<b>2,502,557</b>	<b>2,502,557</b>	<b>-</b>
<b>Net Change in Fund Balance</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balance, Beginning of Year</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balance, End of Year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

See independent auditor's report.

**Vocational Education Special Revenue Fund  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Budget and Actual  
For the Year Ended June 30, 2018**

	<b>Budget</b>	<b>Actual</b>	<b>Variance from Budget</b>
<b>Revenues</b>			
Federal Sources	\$ 410,595	\$ 410,595	\$ -
<b>Total Revenues</b>	<b>410,595</b>	<b>410,595</b>	<b>-</b>
<b>Expenditures</b>			
Instruction:			
Vocational Education Programs	263,088	263,088	-
Support Services:			
Pupil Support	147,507	147,507	-
<b>Total Expenditures</b>	<b>410,595</b>	<b>410,595</b>	<b>-</b>
<b>Net Change in Fund Balance</b>	-	-	-
<b>Fund Balance, Beginning of Year</b>	-	-	-
<b>Fund Balance, End of Year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

See independent auditor's report.

**Miscellaneous Programs Special Revenue Fund  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Budget and Actual  
For the Year Ended June 30, 2018**

	Budget	Actual	Variance from Budget
<b>Revenues</b>			
Local Sources:			
Tuition	\$ 133,575	\$ 133,575	\$ -
Earnings on Investments	80,282	80,282	-
Other	185,946	185,946	-
State Sources - Other	2,609,596	2,609,596	-
Federal Sources	547,922	547,922	-
<b>Total Revenues</b>	<b>3,557,321</b>	<b>3,557,321</b>	<b>-</b>
<b>Expenditures</b>			
Instruction:			
Regular Education Programs	558,593	558,593	-
Special Education Programs	10,278	10,278	-
Other Instructional Programs	365,588	365,588	-
Special Programs	2,281,005	2,281,005	-
Support Services:			
Pupil Support	38,741	38,741	-
Instructional Staff Support	296,587	296,587	-
Operation and Maintenance of Plant	2,201	2,201	-
Pupil Transportation	23,522	23,522	-
Food Service	2,602	2,602	-
<b>Total Expenditures</b>	<b>3,579,117</b>	<b>3,579,117</b>	<b>-</b>
<b>Excess of Revenues Over Expenditures</b>	<b>(21,796)</b>	<b>(21,796)</b>	<b>-</b>
<b>Other Financing Uses</b>			
Transfers Out	(28,199)	(28,199)	-
<b>Total Other Financing Uses</b>	<b>(28,199)</b>	<b>(28,199)</b>	<b>-</b>
<b>Net Change in Fund Balance</b>	<b>(49,995)</b>	<b>(49,995)</b>	<b>-</b>
<b>Fund Balance, Beginning of Year</b>	<b>12,422,842</b>	<b>12,422,842</b>	<b>-</b>
<b>Fund Balance, End of Year</b>	<b>\$ 12,372,847</b>	<b>\$ 12,372,847</b>	<b>\$ -</b>

See independent auditor's report.

**8G Special Revenue Fund  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Budget and Actual  
For the Year Ended June 30, 2018**

	<b>Budget</b>	<b>Actual</b>	<b>Variance from Budget</b>
<b>Revenues</b>			
State Sources - Other	\$ 389,973	\$ 389,973	\$ -
<b>Total Revenues</b>	<b>389,973</b>	<b>389,973</b>	<b>-</b>
<b>Expenditures</b>			
Instruction:			
Special Programs	358,978	358,978	-
Instructional Staff Support	30,995	30,995	-
<b>Total Expenditures</b>	<b>389,973</b>	<b>389,973</b>	<b>-</b>
<b>Net Change in Fund Balance</b>	-	-	-
<b>Fund Balance, Beginning of Year</b>	-	-	-
<b>Fund Balance, End of Year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

See independent auditor's report.

**School Food Service Special Revenue Fund  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Budget and Actual  
For the Year Ended June 30, 2018**

	Budget	Actual	Variance from Budget
<b>Revenues</b>			
Local Sources:			
Earnings on Investments	\$ 30,351	\$ 30,351	\$ -
Food Service	3,710,602	3,710,602	-
Other	115,508	115,508	-
State Sources:			
Minimum Foundation Program	4,887,500	4,887,500	-
Federal Sources	11,699,093	11,699,093	-
<b>Total Revenues</b>	<b>20,443,054</b>	<b>20,443,054</b>	<b>-</b>
<b>Expenditures</b>			
General Administration	17	17	-
Food Service	22,978,552	22,978,553	(1)
<b>Total Expenditures</b>	<b>22,978,569</b>	<b>22,978,570</b>	<b>(1)</b>
<b>Deficiency of Revenues Over Expenditures</b>	<b>(2,535,515)</b>	<b>(2,535,516)</b>	<b>(1)</b>
<b>Other Financing Sources</b>			
Transfers In	2,038,000	2,038,000	-
<b>Total Other Financing Sources</b>	<b>2,038,000</b>	<b>2,038,000</b>	<b>-</b>
<b>Net Change in Fund Balance</b>	<b>(497,515)</b>	<b>(497,516)</b>	<b>(1)</b>
<b>Fund Balance, Beginning of Year</b>	<b>3,315,015</b>	<b>3,315,015</b>	<b>-</b>
<b>Fund Balance, End of Year</b>	<b>\$ 2,817,500</b>	<b>\$ 2,817,499</b>	<b>\$ (1)</b>

See independent auditor's report.

**Katrina Special Revenue Fund  
 Schedule of Revenues, Expenditures, and Changes  
 in Fund Balance - Budget and Actual  
 For the Year Ended June 30, 2018**

	Budget	Actual	Variance from Budget
<b>Revenues</b>			
Earnings on Investments	\$ 143,886	\$ 143,886	\$ -
Net Decrease in the Fair Value of Investments	(2,525)	(2,525)	-
<b>Total Revenues</b>	<b>141,361</b>	<b>141,361</b>	<b>-</b>
<b>Expenditures</b>			
Facilities Acquisition and Construction	-	-	-
<b>Total Expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Change in Fund Balance</b>	<b>141,361</b>	<b>141,361</b>	<b>-</b>
<b>Fund Balance, Beginning of Year</b>	<b>16,526,650</b>	<b>16,526,650</b>	<b>-</b>
<b>Fund Balance, End of Year</b>	<b>\$ 16,668,011</b>	<b>\$ 16,668,011</b>	<b>\$ -</b>

See independent auditor's report.

**Community Development Block Grant (CDBG) Special Revenue Fund  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual  
For the Year Ended June 30, 2018**

	<b>Budget</b>	<b>Actual</b>	<b>Variance from Budget</b>
<b>Revenues</b>			
Federal Sources	\$ 885,619	\$ 885,619	\$ -
<b>Total Revenues</b>	<b>885,619</b>	<b>885,619</b>	<b>-</b>
<b>Expenditures</b>			
Facilities Acquisition and Construction	885,619	885,619	-
<b>Total Expenditures</b>	<b>885,619</b>	<b>885,619</b>	<b>-</b>
<b>Net Change in Fund Balance</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balance, Beginning of Year</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balance, End of Year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

See independent auditor's report.

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

**NON-MAJOR CAPITAL PROJECTS FUNDS**

Non-Major Capital Projects Funds  
 Combining Balance Sheet  
 June 30, 2018

	Re-Roofing Construction	Parish Wide Construction	Total
<b>Assets</b>			
Cash and Cash Equivalents	\$ 2,140,139	\$ 1,126,068	\$ 3,266,207
<b>Total Assets</b>	<b>\$ 2,140,139</b>	<b>\$ 1,126,068</b>	<b>\$ 3,266,207</b>
<b>Liabilities and Fund Balances</b>			
<b>Liabilities</b>			
Accounts Payable	\$ 775,531	\$ 828,263	\$ 1,603,794
Contracts and Retainage Payable	95,427	102,265	197,692
<b>Total Liabilities</b>	<b>870,958</b>	<b>930,528</b>	<b>1,801,486</b>
<b>Fund Balances</b>			
Assigned for:			
Construction	1,269,181	195,540	1,464,721
<b>Total Fund Balances</b>	<b>1,269,181</b>	<b>195,540</b>	<b>1,464,721</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 2,140,139</b>	<b>\$ 1,126,068</b>	<b>\$ 3,266,207</b>

See independent auditor's report.

**Non-Major Capital Projects Funds  
Combining Statement of Revenues, Expenditures,  
and Changes in Fund Balances  
For the Year Ended June 30, 2018**

	Re-Roofing Construction	Parish Wide Construction	Total
<b>Revenues</b>			
Earnings on Investments	\$ 15,043	\$ 11,614	\$ 26,657
Other	-	618	618
<b>Total Revenues</b>	<b>15,043</b>	<b>12,232</b>	<b>27,275</b>
<b>Expenditures</b>			
Operation and Maintenance of Plant:			
Repairs and Maintenance	810	56,364	57,174
Facilities Acquisition and Construction:			
Architects and Engineers	117,503	409,690	527,193
Building and Site Improvements	1,416,677	2,988,214	4,404,891
Equipment	-	8,949	8,949
<b>Total Expenditures</b>	<b>1,534,990</b>	<b>3,463,217</b>	<b>4,998,207</b>
<b>Deficiency of Revenues Over Expenditures</b>	<b>(1,519,947)</b>	<b>(3,450,985)</b>	<b>(4,970,932)</b>
<b>Other Financing Sources</b>			
Transfers In	1,800,000	3,300,000	5,100,000
<b>Total Other Financing Sources</b>	<b>1,800,000</b>	<b>3,300,000</b>	<b>5,100,000</b>
<b>Net Change in Fund Balances</b>	<b>280,053</b>	<b>(150,985)</b>	<b>129,068</b>
<b>Fund Balances, Beginning of Year</b>	<b>989,128</b>	<b>346,525</b>	<b>1,335,653</b>
<b>Fund Balances, End of Year</b>	<b>\$ 1,269,181</b>	<b>\$ 195,540</b>	<b>\$ 1,464,721</b>

See independent auditor's report.

Re-Roofing Construction Capital Projects Fund  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual  
For the Year Ended June 30, 2018

	Budget	Actual	Variance from Budget
<b>Revenues</b>			
Earnings on Investments	\$ 15,043	\$ 15,043	\$ -
<b>Total Revenues</b>	<b>15,043</b>	<b>15,043</b>	<b>-</b>
<b>Expenditures</b>			
Operation and Maintenance of Plant:			
Repairs and Maintenance	20,000	810	19,190
Facilities Acquisition and Construction:			
Architects and Engineers	400,000	117,503	282,497
Building and Site Improvements	1,500,000	1,416,677	83,323
<b>Total Expenditures</b>	<b>1,920,000</b>	<b>1,534,990</b>	<b>385,010</b>
<b>Deficiency of Revenues Over Expenditures</b>	<b>(1,904,957)</b>	<b>(1,519,947)</b>	<b>385,010</b>
<b>Other Financing Sources</b>			
Transfers In	1,800,000	1,800,000	-
<b>Total Other Financing Sources</b>	<b>1,800,000</b>	<b>1,800,000</b>	<b>-</b>
<b>Net Change in Fund Balance</b>	<b>(104,957)</b>	<b>280,053</b>	<b>385,010</b>
<b>Fund Balance, Beginning of Year</b>	<b>989,128</b>	<b>989,128</b>	<b>-</b>
<b>Fund Balance, End of Year</b>	<b>\$ 884,171</b>	<b>\$ 1,269,181</b>	<b>\$ 385,010</b>

See independent auditor's report.

Parish Wide Construction Capital Projects Fund  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual  
For the Year Ended June 30, 2018

	Budget	Actual	Variance from Budget
<b>Revenues</b>			
Earnings on Investments	\$ 11,614	\$ 11,614	\$ -
Other	618	618	-
<b>Total Revenues</b>	<b>12,232</b>	<b>12,232</b>	<b>-</b>
<b>Expenditures</b>			
Operation and Maintenance of Plant:			
Repairs and Maintenance	56,364	56,364	-
Facilities Acquisition and Construction:			
Architects and Engineers	434,690	409,690	25,000
Building and Site Improvements	3,000,000	2,988,214	11,786
Equipment	8,949	8,949	-
<b>Total Expenditures</b>	<b>3,500,003</b>	<b>3,463,217</b>	<b>36,786</b>
<b>Deficiency of Revenues Over Expenditures</b>	<b>(3,487,771)</b>	<b>(3,450,985)</b>	<b>36,786</b>
<b>Other Financing Sources</b>			
Transfers In	3,300,000	3,300,000	-
<b>Total Other Financing Sources</b>	<b>3,300,000</b>	<b>3,300,000</b>	<b>-</b>
<b>Net Change in Fund Balance</b>	<b>(187,771)</b>	<b>(150,985)</b>	<b>36,786</b>
<b>Fund Balance, Beginning of Year</b>	<b>346,525</b>	<b>346,525</b>	<b>-</b>
<b>Fund Balance, End of Year</b>	<b>\$ 158,754</b>	<b>\$ 195,540</b>	<b>\$ 36,786</b>

See independent auditor's report.

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

**INTERNAL SERVICE FUNDS**

Internal Service Funds  
Combining Statement of Net Position  
June 30, 2018

	Workers' Compensation	Risk Management	Total
<b>Current Assets</b>			
Cash and Cash Equivalents	\$ 6,001,972	\$ 4,370,450	\$ 10,372,422
Investments	1,298,929	-	1,298,929
Accounts Receivable	34,353	-	34,353
Prepays	19,526	8,220	27,746
<b>Total Assets</b>	<b>\$ 7,354,780</b>	<b>\$ 4,378,670</b>	<b>\$ 11,733,450</b>
<b>Liabilities and Net Position</b>			
<b>Current Liabilities</b>			
Accounts Payable	\$ 357,997	\$ 37,643	\$ 395,640
Due to Other Funds	735,000	-	735,000
Benefit Claims Payable	4,588,384	-	4,588,384
Claims Liability	-	626,998	626,998
<b>Total Current Liabilities</b>	<b>5,681,381</b>	<b>664,641</b>	<b>6,346,022</b>
<b>Long-Term Liabilities</b>			
Benefit Claims Payable	1,304,040	-	1,304,040
Claims Liability	-	897,235	897,235
<b>Total Long-Term Liabilities</b>	<b>1,304,040</b>	<b>897,235</b>	<b>2,201,275</b>
<b>Total Liabilities</b>	<b>6,985,421</b>	<b>1,561,876</b>	<b>8,547,297</b>
<b>Net Position</b>			
Restricted for Employee Benefits	369,359	-	369,359
Unrestricted	-	2,816,794	2,816,794
<b>Total Net Position</b>	<b>369,359</b>	<b>2,816,794</b>	<b>3,186,153</b>
<b>Total Liabilities and Net Position</b>	<b>\$ 7,354,780</b>	<b>\$ 4,378,670</b>	<b>\$ 11,733,450</b>

See independent auditor's report.

**Internal Service Funds  
Combining Statement of Revenues, Expenses, and  
Changes in Net Position  
For the Year Ended June 30, 2018**

	Workers' Compensation	Risk Management	Total
<b>Operating Revenues</b>			
Employer/Employee Contributions	\$ 2,221,112	\$ 3,025,756	\$ 5,246,868
Decrease in Incurred but not Reported (IBNR) Claims	1,087,749	-	1,087,749
<b>Total Operating Revenues</b>	<b>3,308,861</b>	<b>3,025,756</b>	<b>6,334,617</b>
<b>Operating Expenses</b>			
Administrative	28,216	173,449	201,665
Contractual Services	583,456	38,330	621,786
Premium Payments	3,730	1,270,446	1,274,176
Benefit Payments	4,290,161	-	4,290,161
Claims	-	627,573	627,573
Increase in Incurred but not Reported (IBNR) Claims	-	55,705	55,705
<b>Total Operating Expenses</b>	<b>4,905,563</b>	<b>2,165,503</b>	<b>7,071,066</b>
<b>Operating (Loss) Income</b>	<b>(1,596,702)</b>	<b>860,253</b>	<b>(736,449)</b>
<b>Non-Operating Revenue</b>			
Earnings on Investments	49,370	29,468	78,838
Net Increase in the Fair Value of Investments	1,123	-	1,123
<b>Total Non-Operating Revenue</b>	<b>50,493</b>	<b>29,468</b>	<b>79,961</b>
<b>Changes in Net Position</b>	<b>(1,546,209)</b>	<b>889,721</b>	<b>(656,488)</b>
<b>Net Position, Beginning of Year</b>	<b>1,915,568</b>	<b>1,927,073</b>	<b>3,842,641</b>
<b>Net Position, End of Year</b>	<b>\$ 369,359</b>	<b>\$ 2,816,794</b>	<b>\$ 3,186,153</b>

See independent auditor's report.

Internal Service Funds  
Combining Statement of Cash Flows  
For the Year Ended June 30, 2018

	Workers' Compensation	Risk Management	Total
<b>Cash Flows from Operating Activities</b>			
Receipts from Employer and Employee Contributions	\$ 3,187,706	\$ 3,285,756	\$ 6,473,462
Payments for Benefits and Claims	(3,234,692)	(1,901,867)	(5,136,559)
Payments for Administrative and Contractual Services	(611,672)	(211,779)	(823,451)
<b>Net Cash (Used in) Provided by Operating Activities</b>	<b>(658,658)</b>	<b>1,172,110</b>	<b>513,452</b>
<b>Cash Flows from Investing Activities</b>			
Sale of Investments	650,000	-	650,000
Earnings on Cash and Investments	49,370	29,468	78,838
<b>Net Cash Provided by Investing Activities</b>	<b>699,370</b>	<b>29,468</b>	<b>728,838</b>
<b>Net Increase in Cash and Cash Equivalents</b>	<b>40,712</b>	<b>1,201,578</b>	<b>1,242,290</b>
<b>Cash and Cash Equivalents, Beginning of Year</b>	<b>5,961,260</b>	<b>3,168,872</b>	<b>9,130,132</b>
<b>Cash and Cash Equivalents, End of Year</b>	<b>\$ 6,001,972</b>	<b>\$ 4,370,450</b>	<b>\$ 10,372,422</b>
<b>Reconciliation of Operating (Loss) Income to Net Cash (Used in) Provided by Operating Activities:</b>			
Operating (Loss) Income	\$ (1,596,702)	\$ 860,253	\$ (736,449)
Adjustments to Reconcile Operating (Loss) Income to Net Cash (Used in) Provided by Operating Activities:			
(Increase) Decrease in Incurred but not Reported (IBNR) Claims	(1,087,749)	55,705	(1,032,044)
Decrease in Receivables	966,594	260,000	1,226,594
Increase in Prepays	(19,526)	(8,220)	(27,746)
Increase in Payables	1,078,725	4,372	1,083,097
<b>Total Adjustments</b>	<b>938,044</b>	<b>311,857</b>	<b>1,249,901</b>
<b>Net Cash (Used in )Provided by Operating Activities</b>	<b>\$ (658,658)</b>	<b>\$ 1,172,110</b>	<b>\$ 513,452</b>
<b>Non-Cash Investing and Financing Activities</b>			
Net Decrease in the Fair Value of Investments	\$ 1,123	\$ -	\$ 1,123

See independent auditor's report.

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

**FIDUCIARY/AGENCY FUND**

**Fiduciary/Agency Fund  
 Statement of Changes in Fiduciary Assets and Liabilities  
 For the Year Ended June 30, 2018**

	Balance June 30, 2017	Additions	Deductions	Balance June 30, 2018
<b>Assets</b>				
Cash and Cash Equivalents	\$ 7,083,306	\$ 12,493,651	\$ 12,360,685	\$ 7,216,272
Investments	420,281	723	20	420,984
<b>Total Assets</b>	<b>\$ 7,503,587</b>	<b>\$ 12,494,374</b>	<b>\$ 12,360,705</b>	<b>\$ 7,637,256</b>
<b>Liabilities</b>				
Accounts Payable	\$ 55,720	\$ 29,715	\$ 49,383	\$ 36,052
Due to Schools	7,447,867	12,464,659	12,311,322	7,601,204
<b>Total Liabilities</b>	<b>\$ 7,503,587</b>	<b>\$ 12,494,374</b>	<b>\$ 12,360,705</b>	<b>\$ 7,637,256</b>

See independent auditor's report.

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

**MAJOR CAPITAL PROJECTS AND  
DEBT SERVICE FUNDS**

**2008 Construction Capital Projects Fund  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Budget and Actual  
For the Year Ended June 30, 2018**

	Budget	Actual	Variance from Budget
<b>Revenues</b>			
Earnings on Investments	\$ 111,803	\$ 111,803	\$ -
<b>Total Revenues</b>	<b>111,803</b>	<b>111,803</b>	<b>-</b>
<b>Expenditures</b>			
Facilities Acquisition and Construction:			
Architects and Engineers	500,000	375,809	124,191
Building Improvements	100,000	951	99,049
Debt Service:			
Bond Issuance Costs	84,047	84,047	-
<b>Total Expenditures</b>	<b>684,047</b>	<b>460,807</b>	<b>223,240</b>
<b>Deficiency of Revenues Over Expenditures</b>	<b>(572,244)</b>	<b>(349,004)</b>	<b>223,240</b>
<b>Other Financing Sources</b>			
Bond Issuance	25,000,000	25,000,000	-
Premium Received on Bonds Issued	2,657,938	2,657,938	-
Discount on Bonds Issued	(150,000)	(150,000)	-
<b>Total Other Financing Sources</b>	<b>27,507,938</b>	<b>27,507,938</b>	<b>-</b>
<b>Net Change in Fund Balance</b>	<b>26,935,694</b>	<b>27,158,934</b>	<b>223,240</b>
<b>Fund Balance, Beginning of Year</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balance, End of Year</b>	<b>\$ 26,935,694</b>	<b>\$ 27,158,934</b>	<b>\$ 223,240</b>

See independent auditor's report.

2013 Construction Capital Projects Fund  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Budget and Actual  
For the Year Ended June 30, 2018

	Budget	Actual	Variance from Budget
<b>Revenues</b>			
Earnings on Investments	\$ 240,916	\$ 240,916	\$ -
Net Increase in the Fair Value of Investments	3,842	3,841	(1)
<b>Total Revenues</b>	<b>244,758</b>	<b>244,757</b>	<b>(1)</b>
<b>Expenditures</b>			
General Administration:			
Professional Technical Services	5,956	5,956	-
Operation and Maintenance of Plant:			
Repairs and Maintenance	1,592,837	1,092,837	500,000
Equipment	2,098,763	1,998,763	100,000
Facilities Acquisition and Construction:			
Architects and Engineers	838,029	738,029	100,000
Building Improvements	15,806,983	15,348,401	458,582
Debt Service:			
Bond Issuance Costs	99,037	99,037	-
<b>Total Expenditures</b>	<b>20,441,605</b>	<b>19,283,023</b>	<b>1,158,582</b>
<b>Deficiency of Revenues Over Expenditures</b>	<b>(20,196,847)</b>	<b>(19,038,266)</b>	<b>1,158,581</b>
<b>Other Financing Sources</b>			
Bond Issuance	25,000,000	25,000,000	-
Premium Received on Bonds Issued	3,509,213	3,509,213	-
Discount on Bonds Issued	(150,000)	(150,000)	-
<b>Total Other Financing Sources</b>	<b>28,359,213</b>	<b>28,359,213</b>	<b>-</b>
<b>Net Change in Fund Balance</b>	<b>8,162,366</b>	<b>9,320,947</b>	<b>1,158,581</b>
<b>Fund Balance, Beginning of Year</b>	<b>16,165,999</b>	<b>16,165,999</b>	<b>-</b>
<b>Fund Balance, End of Year</b>	<b>\$ 24,328,365</b>	<b>\$ 25,486,946</b>	<b>\$ 1,158,581</b>

See independent auditor's report.

**Parish Wide School District No. 12 Debt Service Fund  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Budget and Actual  
For the Year Ended June 30, 2018**

	<b>Budget</b>	<b>Actual</b>	<b>Variance from Budget</b>
<b>Revenues</b>			
Local Sources:			
Taxes - Ad Valorem	\$ 33,828,708	\$ 33,828,708	\$ -
Earnings on Investments	248,253	248,253	-
Net Decrease in the Fair Value of Investments	(22,063)	(22,063)	-
<b>Total Revenues</b>	<b>34,054,898</b>	<b>34,054,898</b>	<b>-</b>
<b>Expenditures</b>			
General Administration:			
Pension Fund Contribution	1,071,793	1,071,793	-
Equipment for Assessor's Office	50,635	50,635	-
Debt Service:			
Bond Issuance Costs	6,600	6,600	-
Principal Retirement	23,440,000	23,440,000	-
Interest and Bond Charges	9,849,323	9,849,323	-
<b>Total Expenditures</b>	<b>34,418,351</b>	<b>34,418,351</b>	<b>-</b>
<b>Excess of Revenues Over Expenditures</b>	<b>(363,453)</b>	<b>(363,453)</b>	<b>-</b>
<b>Other Financing Sources (Uses)</b>			
Bond Issuance	21,330,000	21,330,000	-
Premium Received on Bonds Issued	2,832,820	2,832,820	-
Discount on Bonds Issued	(127,980)	(127,980)	-
Payment to Refunded Bonds Escrow Agent	(24,256,817)	(24,256,817)	-
<b>Total Other Financing Sources (Uses)</b>	<b>(221,977)</b>	<b>(221,977)</b>	<b>-</b>
<b>Net Change in Fund Balance</b>	<b>(585,430)</b>	<b>(585,430)</b>	<b>-</b>
<b>Fund Balance, Beginning of Year</b>	<b>30,187,515</b>	<b>30,187,515</b>	<b>-</b>
<b>Fund Balance, End of Year</b>	<b>\$ 29,602,085</b>	<b>\$ 29,602,085</b>	<b>\$ -</b>

See independent auditor's report.

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

**OTHER SCHEDULES**

**Board Members' Compensation  
For the Year Ended June 30, 2018**

<b>Name</b>	<b>Compensation Base (1)</b>	<b>Additional Compensation</b>	<b>Total</b>
Mary K. Bellisario	\$ 9,600	\$ -	\$ 9,600
Ronald "Ron" Bettencourt	9,600	-	9,600
Dennis S. Cousin	9,600	-	9,600
Michael J. Dirmann	9,600	-	9,600
Sharon L. Drucker	9,600	-	9,600
Charles T. Harrell	9,600	-	9,600
Elizabeth B. Heintz	9,600	-	9,600
Neal Hennegan	9,600	-	9,600
Richard S. Hursey	9,600	-	9,600
Willie B. Jeter	9,600	-	9,600
Stephen J. "Jack" Loup, III	9,600	-	9,600
Robin Mullett	(2) 10,800	-	10,800
Michael C. Nation	9,600	-	9,600
Peggy H. Seeley	9,600	-	9,600
Robert R. "Bob" Womack	9,600	-	9,600
<b>Total</b>	<b>\$ 145,200</b>	<b>\$ -</b>	<b>\$ 145,200</b>

**Notes:**

(1) Base compensation per member is \$800 per month.

(2) Presiding President of the Board receives \$900 per month in base compensation.

See independent auditor's report.

**Schedule of Compensation, Benefits, and Other Payments  
to Agency Head  
For the Year Ended June 30, 2018**

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**Agency Head**  
William L. "Trey" Folsie, III, Superintendent

<b>Purpose</b>	<b>Amount</b>
Annual Salary	\$216,560
One Time Stipends - All Employees	\$0
Benefits:	
Health Insurance	\$11,356
Retirement	\$59,600
Workers' Compensation	\$1,830
Life Insurance	\$2,651
Annuity	\$7,500
Unused Vacation Days (January 2016 to June 2017)	\$16,658
Auto Allowance	\$14,400
Cell Phone	\$238
Membership Dues	\$1,400
Per Diem	\$214
Travel Reimbursements	\$1,336
Registration Fees	\$1,035
Conference Travel	\$3,008
Special Meals	\$215

See independent auditor's report.

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

**STATISTICAL SECTION  
(UNAUDITED)**

## STATISTICAL SECTION

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

<b><u>Contents</u></b>	<b><u>Tables</u></b>
Financial Trends	1 - 4
These schedules contain trend information to help the reader understand how the School Board's financial performance and well-being have changed over time.	
Revenue Capacity	5 - 10
These schedules contain information to help the reader assess the School Board's most significant local revenue sources.	
Debt Capacity	11 - 15
These schedules present information to help the reader assess the affordability of the School Board's current levels of outstanding debt and the School Board's ability to issue additional debt in the future.	
Demographic and Economic Information	16 - 17
These schedules offer demographic and economic indicators to help the reader understand the environment within which the School Board's financial activities take place.	
Operating Information	18 - 23
These schedules contain service and infrastructure data to help the reader understand how the information in the School Board's financial report relates to the services the School Board provides and the activities it performs.	

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



ST. TAMMANY

PARISH PUBLIC SCHOOLS

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

**Net Position by Component  
Last Ten Fiscal Years  
(Accrual Basis of Accounting)  
(Unaudited)**

	<b>Fiscal Year Ended June 30,</b>			
	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
<b>Governmental Activities</b>				
Net Investment in Capital Assets	\$ 287,107,377	\$ 278,725,385	\$ 275,818,647	\$ 267,656,974
Restricted	45,277,849	46,431,571	42,655,519	46,101,355
Unrestricted	(803,415,196)	(592,829,537)	(590,897,441)	(627,358,207)
<b>Total Governmental Activities Net Position</b>	<b>\$ (471,029,970)</b>	<b>\$ (267,672,581)</b>	<b>\$ (272,423,275)</b>	<b>\$ (313,599,878)</b>

Source: Comprehensive Annual Financial Reports

**Table 1**

<b>Fiscal Year Ended June 30,</b>					
<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>
\$ 240,695,424	\$ 255,219,093	\$ 239,101,650	\$ 256,897,670	\$ 255,099,402	\$ 202,532,800
56,338,238	42,035,883	46,522,516	62,146,611	22,595,295	19,619,889
(78,819,873)	(149,625,491)	(121,600,475)	(127,169,111)	(38,945,775)	19,497,091
<b>\$ 218,213,789</b>	<b>\$ 147,629,485</b>	<b>\$ 164,023,691</b>	<b>\$ 191,875,170</b>	<b>\$ 238,748,922</b>	<b>\$ 241,649,780</b>

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

**Changes in Net Position  
Last Ten Fiscal Years  
(Accrual Basis of Accounting)  
(Unaudited)**

	Fiscal Year Ended June 30,			
	2018	2017	2016	2015
<b>Expenses:</b>				
Instruction:				
Regular Education Programs	\$ 178,463,724	\$ 175,753,408	\$ 165,509,231	\$ 166,313,355
Special Education Programs	82,824,452	82,805,092	74,641,615	80,221,894
Vocational Education Programs	8,828,374	8,747,530	8,043,428	8,099,483
Other Instructional Programs	9,999,800	9,946,540	9,287,676	8,809,511
Special Programs	14,705,015	14,272,772	12,849,790	7,303,049
Adult Education Programs	-	-	-	-
Support Services:				
Pupil Support	30,098,389	29,894,159	27,070,669	26,987,719
Instructional Staff Support	16,147,874	16,342,945	15,208,584	14,975,938
General Administration	9,262,301	9,685,533	13,198,874	9,148,981
School Administration	26,875,154	25,649,816	24,022,572	24,519,343
Business Administration	2,888,591	2,877,076	2,611,043	2,678,400
Operation and Maintenance of Plant	43,983,044	43,735,630	39,959,652	39,430,023
Pupil Transportation	35,572,668	35,491,692	34,382,966	33,926,323
Central Services	8,061,264	10,310,417	7,706,686	7,446,648
Food Services	24,227,820	24,951,943	23,429,865	23,033,448
Community Service Programs	1,431,830	1,435,387	1,417,803	1,423,456
Interest on Long-Term Debt	8,927,916	8,805,812	8,666,311	8,522,744
<b>Total Expenses</b>	<b>497,894,216</b>	<b>498,705,732</b>	<b>465,987,765</b>	<b>480,838,293</b>
<b>Program Revenues:</b>				
Charges for Services:				
Instruction	750,338	542,350	651,189	512,092
Food Services	3,710,602	3,606,992	3,302,346	2,946,103
Community Service Programs	1,205,095	1,210,581	1,209,313	1,194,880
Operating Grants and Contributions	50,329,051	47,306,925	46,210,308	44,235,569
Capital Grants and Contributions	952,928	170,518	-	356,719
<b>Total Program Revenues</b>	<b>56,948,012</b>	<b>52,837,366</b>	<b>51,373,138</b>	<b>49,245,363</b>
<b>Net Expense</b>	<b>(440,946,204)</b>	<b>(445,868,366)</b>	<b>(414,614,629)</b>	<b>(411,592,930)</b>
<b>General Revenues and Other Changes in Net Position:</b>				
Taxes:				
Ad Valorem (Property) Taxes	133,607,159	131,360,661	126,034,974	121,964,446
Sales and Use Taxes	97,261,499	96,519,698	93,372,055	89,782,899
State Revenue Sharing	2,009,558	1,958,581	1,874,822	1,975,831
Grants and Contributions Not Restricted to Specific Programs - Minimum Foundation Program	214,079,001	217,614,516	214,216,311	212,051,558
Unrestricted State Appropriation	-	-	20,463	-
Restricted State Appropriation	-	1,201,689	2,981,344	-
HB 1 Appropriation	-	-	-	-
Act 55 Appropriation	-	-	-	35,065
B.P. Oil Settlement	-	-	15,432,238	-
Interest and Investment Earnings	1,616,221	893,043	950,572	740,524
Insurance Proceeds	-	-	-	-
Miscellaneous	464,640	1,070,872	908,453	1,363,868
Special Item - Loss on Disposition of Capital Assets	-	-	-	-
Extraordinary Item - Forgiveness of Debt	-	-	-	-
<b>Total General Revenues and Other Changes in Net Position</b>	<b>449,038,078</b>	<b>450,619,060</b>	<b>455,791,232</b>	<b>427,914,193</b>
<b>Change in Net Position</b>	<b>\$ 8,091,874</b>	<b>\$ 4,750,694</b>	<b>\$ 41,176,603</b>	<b>\$ 16,321,263</b>

Source: Comprehensive Annual Financial Reports

Table 2

Fiscal Year Ended June 30,					
2014	2013	2012	2011	2010	2009
\$ 185,675,465	\$ 163,422,306	\$ 163,155,543	\$ 164,314,782	\$ 149,434,835	\$ 142,642,325
79,867,083	75,704,187	77,210,381	89,268,907	76,655,867	74,326,162
6,085,754	6,426,132	6,453,189	6,682,996	6,093,611	5,804,540
10,745,430	11,345,543	12,594,810	13,468,466	13,829,209	14,882,116
6,790,559	11,831,134	11,708,882	15,428,531	13,143,735	11,243,792
-	-	-	-	355,165	406,423
27,723,376	28,459,624	29,365,296	23,189,486	19,761,955	15,700,409
15,715,236	16,782,579	18,488,294	19,292,023	16,559,444	15,434,557
8,592,184	8,858,931	8,583,071	8,626,699	7,978,436	7,925,766
25,675,300	25,919,678	26,086,302	26,487,373	23,383,836	22,141,850
2,534,170	2,619,391	2,905,920	3,172,252	2,884,197	2,609,547
44,674,378	42,492,603	43,507,660	27,381,227	34,723,590	34,272,888
36,272,837	37,489,986	38,175,079	36,219,124	32,459,145	31,603,396
6,617,615	6,859,916	7,327,045	7,948,922	7,293,744	6,280,124
23,051,521	23,840,465	23,885,125	23,767,739	21,285,705	20,628,334
1,366,823	1,391,504	1,346,361	1,450,103	1,356,639	1,440,596
8,093,108	10,459,845	12,342,453	11,894,061	12,216,768	11,609,204
469,690,939	473,904,024	483,133,411	480,612,691	439,435,861	420,951,829
466,075	446,884	581,454	176,226	269,807	1,528,919
2,749,909	2,755,899	2,994,653	3,050,741	3,023,636	3,076,385
1,067,508	1,042,729	1,040,571	1,202,833	1,167,220	1,368,615
37,600,036	38,713,827	38,257,130	52,092,620	44,056,696	31,955,639
1,256,886	5,628,374	15,139,673	4,346,052	25,864,965	35,401,245
43,160,414	48,587,713	58,013,481	60,868,472	74,382,324	73,332,803
(426,530,525)	(425,316,311)	(425,119,930)	(419,744,219)	(365,053,557)	(347,619,026)
117,444,823	113,965,977	108,330,629	106,306,734	101,670,428	99,813,880
85,228,553	82,674,124	77,922,516	75,235,263	72,079,382	77,359,637
1,991,297	1,917,347	1,906,476	1,943,649	1,953,133	1,971,376
209,165,185	205,634,315	205,142,441	198,769,620	161,812,673	180,116,316
-	-	-	-	-	-
-	-	-	-	-	-
4,957,585	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
1,023,396	823,703	972,261	1,180,463	1,439,649	4,154,856
-	-	-	-	-	10,676,833
1,738,505	3,708,639	2,994,108	916,067	3,197,434	2,722,503
-	-	-	(13,829,699)	-	-
78,790,583	-	-	2,348,370	-	-
500,339,927	408,922,105	397,266,451	372,870,467	362,152,699	376,815,601
\$ 73,609,402	\$ (16,394,206)	\$ (27,851,479)	\$ (46,873,752)	\$ (2,900,858)	\$ 29,196,575

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

**Table 3**

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

Fiscal Year	General Fund			All Other Governmental Funds			
	Non-Spendable	Committed	Assigned	Non-Spendable	Restricted	Committed	Assigned
2018	\$ 1,272,342	\$ 20,854,282	\$ 88,914,237	\$ 339,539	\$ 101,393,936	\$ 12,372,847	\$ 1,464,721
2017	1,186,387	20,854,282	85,859,791	478,671	65,716,508	12,422,842	1,335,653
2016	1,041,965	20,854,282	74,506,288	548,997	71,711,575	12,318,241	1,176,333
2015	1,069,590	20,854,282	62,089,950	427,945	116,511,496	825,997	1,511,841
2014	742,574	20,854,282	44,956,576	700,942	82,783,705	915,770	2,714,009
2013	103,463	20,854,282	34,251,214	443,305	68,085,439	783,673	5,063,922
2012	142,520	20,854,282	24,697,634	300,512	79,764,726	394,343	4,149,319
2011	90,471	20,854,282	30,430,292	361,966	96,187,194	305,995	4,086,326
2010	6,544	20,854,282	30,511,953	444,531	123,314,896	141,477	22,018,055

Fiscal Year	General Fund			Reserved*	All Other Governmental Funds		
	Reserved	Unreserved	Total		Unreserved Reported in Special Revenue Funds	Unreserved Reported in Capital Projects Funds	Total All Other Governmental Funds
2009	\$ -	\$ 49,935,270	\$ 49,935,270	\$ 20,075,709	\$ 98,098,249	\$ 86,763,714	\$ 204,937,672

Note: FY 2018, 2017, 2016, 2015, 2014, 2013, 2012, 2011, and 2010 were presented in conformity with GASB 54, *Fund Balance Reporting*

\* Includes Special Revenue Capital Projects and Debt Service Funds.  
All fund balances in Debt Service Funds are reserved to pay future debt service.

Source: Comprehensive Annual Financial Reports



ST. TAMMANY

PARISH PUBLIC SCHOOLS

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

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

	Fiscal Year Ended June 30,			
	2018	2017	2016	2015
<b>Revenues</b>				
Local Sources:				
Ad Valorem Taxes	\$ 133,740,734	\$ 131,360,661	\$ 126,034,974	\$ 121,980,372
Sales and Use Taxes	97,261,499	96,519,698	93,372,055	89,782,899
Tuition	1,821,856	1,752,931	1,860,482	1,706,972
Earnings on Investments	1,636,968	1,127,346	993,400	833,362
Net Increase (Decrease) in the Fair Value of Investments	(20,747)	(234,303)	(42,828)	(92,838)
Food Service	3,710,602	3,606,992	3,302,346	2,946,103
B.P. Oil Settlement	-	-	15,432,238	-
Other	7,866,466	4,775,922	5,826,638	4,743,893
State Sources:				
Minimum Foundation Program	214,079,001	217,614,516	214,216,311	212,051,558
HB 1 Appropriation	-	-	-	-
Act 55 Appropriation	-	-	-	35,065
Unrestricted State Appropriation	-	-	20,463	-
Restricted State Appropriation	-	1,201,689	2,981,344	-
Contributions to Teachers' Retirement	15,011	18,615	23,706	31,439
Revenue Sharing	2,009,558	1,958,581	1,874,822	1,975,831
Professional Improvement Program	58,858	72,999	89,728	103,102
Other	3,184,897	3,188,538	1,927,694	3,562,090
Federal Sources	38,813,139	38,735,548	37,553,460	35,877,268
<b>Total Revenues</b>	<b>504,177,842</b>	<b>501,699,733</b>	<b>505,466,833</b>	<b>475,536,916</b>
<b>Expenditures</b>				
Current:				
Instruction:				
Regular Education Programs	167,383,628	162,894,510	162,257,065	160,269,991
Special Education Programs	78,372,934	76,746,705	73,070,453	77,306,852
Other Education Programs	29,720,912	28,701,170	27,712,046	21,404,901
Support Services:				
Pupil Support	28,547,751	27,706,970	26,538,745	26,007,063
Instructional Staff Support	15,316,971	15,147,222	14,910,725	14,431,754
General Administration	8,785,701	8,976,897	12,939,524	8,814,605
School Administration	25,492,267	23,772,976	23,550,542	23,628,377
Business Administration	2,738,059	2,666,577	2,559,738	2,581,073
Operation and Maintenance of Plant	41,719,856	40,535,737	39,174,468	37,997,246
Pupil Transportation	33,742,244	32,895,149	33,707,361	32,693,535
Central Services	7,646,464	9,556,062	7,555,254	7,176,058
Food Services	22,981,155	23,126,347	22,969,482	22,196,474
Community Service Programs	1,358,154	1,330,349	1,389,944	1,371,732
Facilities Acquisition and Construction	23,210,503	43,583,177	46,615,084	24,313,023
Debt Service - Legal Fees	-	-	-	1,231
Debt Service - Election Expenses	-	-	-	-
Debt Service - Bond Issuance Costs	196,713	137,236	23,245	428,521
Debt Service - Principal	23,917,790	20,949,542	23,596,612	21,378,333
Debt Service - Interest	9,934,144	9,560,284	9,597,540	8,714,751
<b>Total Expenditures</b>	<b>521,065,246</b>	<b>528,286,910</b>	<b>528,167,826</b>	<b>490,715,520</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>(16,887,404)</b>	<b>(26,587,177)</b>	<b>(22,700,995)</b>	<b>(15,178,604)</b>
<b>Other Financing Sources (Uses)</b>				
Payment to Escrow Agent from Refunding Bond Issuance	(24,256,817)	(11,115,578)	-	(41,090,553)
Premium Received on Bonds Issuance	8,999,971	3,568,548	-	11,127,400
Discount on Bonds Issuance	(427,980)	(59,340)	-	-
Bonds Issuance	71,330,000	39,890,000	-	94,765,000
Capital Lease Issuance	-	-	1,567,575	-
Sales of Capital Assets	-	-	-	-
Insurance Proceeds	-	-	-	-
Transfers In	8,474,786	6,737,699	6,075,830	5,450,535
Transfers Out	(8,474,786)	(6,737,699)	(6,075,830)	(5,450,535)
<b>Total Other Financing Sources (Uses)</b>	<b>55,645,174</b>	<b>32,283,630</b>	<b>1,567,575</b>	<b>64,801,847</b>
<b>Net Change in Fund Balances</b>	<b>\$ 38,757,770</b>	<b>\$ 5,696,453</b>	<b>\$ (21,133,420)</b>	<b>\$ 49,623,243</b>
<b>Debt Service as a Percentage of Noncapital Expenditures</b>	<b>6.86%</b>	<b>5.78%</b>	<b>6.28%</b>	<b>6.48%</b>

Source: Comprehensive Annual Financial Reports

Table 4

Fiscal Year Ended June 30,					
2014	2013	2012	2011	2010	2009
\$ 117,817,828	\$ 113,777,048	\$ 108,701,407	\$ 108,080,018	\$ 103,654,878	\$ 97,685,368
85,228,553	82,874,124	77,922,518	75,235,263	72,079,382	77,359,837
1,553,583	1,489,813	1,622,025	1,379,059	1,437,027	1,528,919
1,023,396	823,703	972,281	1,180,483	1,439,849	2,722,495
-	-	-	-	-	-
2,749,909	2,755,899	2,994,653	3,050,741	3,023,636	3,078,385
-	-	-	-	-	-
2,985,272	4,189,300	3,236,116	3,347,668	3,769,904	3,348,480
209,165,185	205,634,315	205,142,441	198,769,620	181,812,673	180,116,316
4,957,585	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
40,792	46,594	41,862	38,840	45,712	48,495
1,991,297	1,917,347	1,908,476	1,943,649	1,953,133	1,971,376
135,943	178,808	225,250	267,972	342,811	369,818
3,865,488	2,068,473	1,779,359	2,511,755	6,819,254	12,143,910
33,567,932	41,567,967	51,108,324	51,459,119	62,141,414	62,162,333
484,882,763	457,320,889	455,652,710	445,263,967	438,519,473	442,535,512
152,112,414	146,184,152	147,685,477	142,077,073	144,341,429	133,355,707
73,326,752	67,709,473	69,889,456	77,187,609	74,043,093	69,487,215
21,669,584	26,478,814	27,836,768	30,784,740	32,262,559	30,231,604
25,453,797	25,454,155	26,580,941	20,051,113	19,107,698	14,678,246
14,428,707	15,010,261	16,735,273	16,681,117	15,995,024	14,429,702
7,888,783	7,923,386	7,789,242	7,459,196	7,708,495	7,409,765
23,573,367	23,182,618	23,612,854	22,902,677	22,568,811	20,700,322
2,328,710	2,342,771	2,630,386	2,742,932	2,785,691	2,439,653
41,200,729	38,005,186	39,382,356	35,824,333	33,540,055	32,041,391
33,303,447	33,530,869	34,555,396	33,046,700	31,352,793	29,545,881
6,075,864	6,135,477	6,632,309	6,873,146	7,045,141	7,741,053
21,184,406	21,322,800	21,620,388	20,577,669	20,560,183	19,285,342
1,282,471	1,244,554	1,216,701	1,253,851	1,310,396	1,348,808
9,853,782	13,264,829	22,047,234	62,695,583	66,491,105	85,418,854
14,135	-	49,226	66,672	102,078	1,625
-	-	-	-	-	5,022
76,266	5,857	7,057	10,898	17,249	81,447
19,293,333	21,183,334	38,003,333	19,533,333	18,065,000	12,595,000
8,703,435	9,022,154	10,656,706	10,599,005	10,012,977	8,830,790
461,750,002	457,978,490	496,915,105	510,347,647	527,375,989	489,625,227
3,132,761	(657,601)	(41,262,395)	(65,063,680)	(88,856,516)	(47,089,715)
(13,562,584)	(20,389,649)	(20,701,558)	-	-	-
2,494,903	2,407,392	1,834,163	106,488	1,275,312	1,432,361
(72,540)	(108,180)	(113,400)	-	-	-
32,080,000	16,030,000	38,230,000	20,000,000	30,000,000	86,330,000
-	-	-	-	-	-
-	-	-	-	-	-
23,076,524	6,671,301	17,643,714	10,170,630	152,558,101	10,676,833
(23,076,524)	(6,671,301)	(17,643,714)	(10,170,630)	(152,558,101)	90,170,841
20,949,799	(80,437)	19,249,205	20,108,488	31,275,312	98,439,194
\$ 24,082,580	\$ (718,038)	\$ (22,013,190)	\$ (44,975,192)	\$ (57,581,204)	\$ 51,349,479
6.22%	6.90%	10.41%	6.79%	6.51%	5.39%

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

**Table 5**

**Assessed Value and Estimated Actual Value of Taxable Property  
Last Ten Fiscal Years  
(Unaudited)**

<b>Fiscal Year</b>	<b>Real Estate Assessed Value</b>	<b>Commercial and Other Property Assessed Value</b>	<b>Assessed Value</b>	<b>Estimated Actual Value</b>	<b>Total Direct Tax Rate</b>	<b>Ratio of Total Assessed Value to Total Estimated Actual Value*</b>
<u>Parish of St. Tammany</u>						
2018	\$ 2,137,187,411	\$ 391,933,078	\$ 2,529,120,489	\$ 23,619,966,603	65.41	10.71%
2017	2,083,892,697	390,707,076	2,474,599,773	23,068,220,863	66.41	10.73%
2016	1,952,866,176	383,311,247	2,336,177,423	21,717,437,940	68.18	10.76%
2015	1,653,788,138	625,275,075	2,279,063,213	20,334,905,080	68.18	11.21%
2014	1,537,277,075	675,742,656	2,213,019,731	19,877,721,790	68.18	11.13%
2013	1,525,724,378	644,823,218	2,170,547,596	19,556,065,233	68.18	11.10%
2012	1,481,091,078	596,195,410	2,077,286,488	18,785,546,847	68.45	11.06%
2011	1,483,378,855	588,578,634	2,071,957,489	18,757,646,110	68.45	11.05%
2010	1,418,336,365	552,132,297	1,970,468,662	17,864,245,630	68.45	11.03%
2009	1,430,237,736	530,052,013	1,960,289,749	17,836,057,447	69.45	10.99%

\*Actual Valuation (Market Value) as Compared to Assessed Valuation

Residential properties are assessed at 10% of fair market value; other property and electric cooperative properties, excluding land, are to be assessed at 15%; and public service properties, excluding land, are to be assessed at 25% of fair market value. The overall assessed value is estimated to be 11% of actual market value.

Source: Louisiana Tax Commission Annual Reports

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

**Table 6**

**Principal Property Taxpayers  
Current Year and Nine Years Ago  
(Unaudited)**

Taxpayer	Type of Business	June 30, 2018			June 30, 2009		
		Assessed Valuation	Rank	Percentage of Total Assessed Valuation	Assessed Valuation	Rank	Percentage of Total Assessed Valuation
Central La. Electric Co.	Utility	\$ 49,843,670	1	2.47%	\$ 37,398,500	1	2.56%
Florida Marine Transporters	Transportation	16,699,250	2	0.83%			
AT&T Southeast	Telephone	12,551,030	3	0.62%			
Associated Wholesale Grocers	Retail	11,865,840	4	0.59%			
Chevron USA Inc.	Energy	11,427,970	5	0.57%			
Atmos Energy Louisiana	Utility	10,306,090	6	0.51%			
Parkway Pipeline LLC	Energy	9,614,250	7	0.48%			
Tri-States NGL Pipeline, Inc	Energy	9,121,700	8	0.45%			
JP Morgan Chase Bank	Bank	8,478,555	9	0.42%	7,343,260	4	0.50%
Wash-St. Tammany Elec Coop	Utility	7,182,870	10	0.36%	5,359,600	8	0.37%
Bellsouth Telecommunications	Telephone				19,731,930	2	1.35%
Capital One Bank	Bank				11,111,010	3	0.76%
Verizon Wireless	Telephone				5,919,020	5	0.40%
Parish National Bank	Bank				5,909,554	6	0.40%
AT&T Mobilty	Telephone				5,746,945	7	0.39%
Stirling Mandeville	Real Estate				5,057,275	9	0.35%
Central Progressive Bank	Bank				4,994,620	10	0.34%
		<u>\$ 147,091,225</u>		<u>7.30%</u>	<u>\$ 108,571,714</u>		<u>7.42%</u>

Source: St. Tammany Parish Assessor's Office

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

**Property Tax Rates - Direct and Overlapping Governments  
Last Ten Fiscal Years  
(Unaudited)**

<b>School Board (Parish Wide)</b>						
<b>Year</b>	<b>Constitutional</b>	<b>Additional Support</b>	<b>Construction, Maintenance, and Operations</b>	<b>Improving, Maintaining, and Operating</b>	<b>Bond and Interest - District No. 12 Millage</b>	<b>Total School Board</b>
<u>RATE PER \$1,000 OF ASSESSED VALUE</u>						
2018	3.65	7.53	3.30	34.03	16.90	65.41
2017	3.65	7.53	3.30	34.03	17.90	66.41
2016	3.78	7.81	3.42	35.27	17.90	68.18
2015	3.78	7.81	3.42	35.27	17.90	68.18
2014	3.78	7.81	3.42	35.27	17.90	68.18
2013	3.78	4.81	3.42	35.27	20.90	68.18
2012	3.80	4.84	3.44	35.47	20.90	68.45
2011	3.80	4.84	3.44	35.47	20.90	68.45
2010	3.80	4.84	3.44	35.47	20.90	68.45
2009	3.80	4.84	3.44	35.47	21.90	69.45

Source: St. Tammany Parish Assessor's Office

**Table 7**

<b>Other Governments (Parish Wide)</b>								
<b>Parish Council Millage</b>	<b>Law Enforcement Millage</b>	<b>Assessor Millage</b>	<b>City of Abita Springs Millage</b>	<b>City of Covington Millage</b>	<b>City of Madisonville Millage</b>	<b>City of Mandeville Millage</b>	<b>City of Pearl River Millage</b>	<b>City of Slidell Millage</b>
<u>RATE PER \$1,000 OF ASSESSED VALUE</u>								
19.94	11.66	2.60	15.86	21.24	8.55	10.31	9.98	27.08
19.94	11.25	2.60	15.71	21.24	8.21	10.31	9.98	27.52
20.67	11.66	2.69	15.86	21.50	8.55	11.03	10.00	22.50
19.01	11.66	2.69	15.86	21.80	8.55	15.80	10.00	25.85
19.01	11.66	2.71	15.86	21.80	8.55	15.80	10.00	25.89
19.43	11.66	2.71	15.86	22.00	8.55	15.80	10.00	26.56
19.54	11.73	2.73	15.86	22.04	8.59	15.82	10.00	26.79
19.54	11.73	2.73	15.86	22.04	8.59	15.92	9.67	27.82
19.54	11.73	2.73	15.86	23.04	8.59	16.00	9.67	27.82
19.54	11.73	2.73	16.86	23.04	8.59	16.07	9.67	27.82

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

**Table 8**

**Property Tax Levies and Collections  
Last Ten Fiscal Years  
(Unaudited)**

<b>Fiscal Year</b>	<b>Total Tax Levy</b>	<b>Current Tax Collections</b>	<b>Percent of Levy Collected</b>	<b>Collections for Prior Years</b>	<b>Total Collections</b>	<b>Ratio of Total Collections to Tax Levy</b>
2018	\$ 132,216,295	\$ 131,078,663	99.1	\$ 2,662,071	\$ 133,740,734	101.2
2017	130,104,319	128,592,162	98.8	2,768,499	131,360,661	101.0
2016	124,812,566	123,641,489	99.1	2,393,485	126,034,974	101.0
2015	121,197,326	119,256,432	98.4	2,723,940	121,980,372	100.6
2014	116,871,308	115,767,944	99.1	1,849,884	117,617,828	100.6
2013	113,912,376	112,745,122	99.0	1,031,926	113,777,048	99.9
2012	108,198,475	106,265,778	98.2	2,435,629	108,701,407	100.5
2011	107,722,480	104,518,418	97.0	1,561,600	106,080,018	98.5
2010	101,723,628	99,091,851	97.4	2,425,786	101,517,637	97.8
2009	101,529,080	95,833,849	94.4	1,851,519	97,685,368	96.2

Sources: St. Tammany Parish Sheriff's Office and the St. Tammany Parish School Board Business Affairs Department

Note: The St. Tammany Parish Tax Collector, which is the St. Tammany Parish Sheriff's Office, is unable to provide information on which year the prior year taxes are for.

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

**Table 9**

**Sales Tax Revenue  
Last Ten Fiscal Years  
(Unaudited)**

<b>Fiscal Year</b>	<b>1% Sales Tax 1966</b>	<b>1% Sales Tax 1977</b>	<b>Total Sales Tax</b>
2018	\$ 48,630,749	\$ 48,630,750	\$ 97,261,499
2017	48,259,849	48,259,849	96,519,698
2016	46,686,028	46,686,027	93,372,055
2015	44,891,449	44,891,450	89,782,899
2014	42,614,129	42,614,424	85,228,553
2013	41,437,062	41,437,062	82,874,124
2012	38,961,258	38,961,258	77,922,516
2011	37,617,631	37,617,632	75,235,263
2010	36,039,691	36,039,691	72,079,382
2009	38,661,896	38,697,941	77,359,837

Source: Comprehensive Annual Financial Reports

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

**Table 10**

**Principal Sales Tax Payers  
June 30, 2018  
(Unaudited)**

Type of Business	Percentage of Total	Total
Motor Vehicles	2.74 %	
Grocery/Discount Retailer	1.83	
Grocery/Discount Retailer	1.79	
Grocery/Discount Retailer	1.56	
Grocery/Discount Retailer	1.34	
Building Materials	1.23	
Grocery/Discount Retailer	1.08	
Grocery/Discount Retailer	0.83	
Building Materials	0.72	
Grocery/Discount Retailer	0.67	
Grocery/Discount Retailer	0.58	
Building Materials	0.56	
Grocery/Discount Retailer	0.56	
Sporting Goods Retailer	0.51	
Grocery/Discount Retailer	0.50	
Grocery/Discount Retailer	0.50	
Electronics Retailer	0.49	
Grocery/Discount Retailer	0.49	
Grocery/Discount Retailer	0.48	
Building Materials	0.46	
<b>Total - 20 Largest Taxpayers</b>	<b>18.92 %</b>	<b>\$ 36,408,414</b>
<b>Total - All Other Taxpayers</b>	<b>81.08 %</b>	<b>60,853,085</b>
<b>All Taxpayers</b>	<b>100.00 %</b>	<b>\$ 97,261,499</b>

Source: St. Tammany Parish Sheriff's Office



ST. TAMMANY

PARISH PUBLIC SCHOOLS

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

**Ratios of Outstanding Debt by Type  
Last Ten Fiscal Years  
(Unaudited)**

<b>Fiscal Year</b>	<b>General Obligation Bonds</b>	<b>Qualified School Construction Bonds</b>	<b>Community Disaster Loan</b>	<b>Capital Lease</b>	<b>Total Debt</b>
2018	\$ 277,825,445	\$ 2,333,334	\$ -	\$ 1,108,631	\$ 281,267,410
2017	245,875,176	2,666,667	-	1,253,088	249,794,931
2016	234,326,228	3,000,000	-	1,394,297	238,720,525
2015	241,790,000	3,333,334	-	-	245,123,334
2014	205,170,000	3,666,667	-	-	208,836,667
2013	204,540,000	4,000,000	65,766,016	-	274,306,016
2012	226,210,000	4,333,334	65,766,016	-	296,309,350
2011	244,625,000	4,666,667	65,766,016	-	315,057,683
2010	243,825,000	5,000,000	67,843,971	-	316,668,971
2009	236,920,000	-	67,843,971	-	304,763,971

Note: Details regarding the School Board's outstanding debt can be found in the notes to the basic financial statements.

- (1) See the Schedule of Demographic Statistics, Table 16, for personal income and population data.
- (2) Information not available.

**Table 11**

<b>(1)</b> <b>Percentage</b> <b>of Total</b> <b>Personal</b> <b>Income</b>	<b>(1)</b> <b>Total Debt</b> <b>Per Capita</b>
<b>(2)</b>	<b>\$ 1,097</b>
1.90%	985
1.67%	892
1.89%	997
1.71%	862
2.34%	1,146
2.63%	1,251
2.95%	1,343
3.09%	1,370
2.91%	1,329

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

**Ratios of General Bonded Debt Outstanding  
Last Ten Fiscal Years  
(Unaudited)**

<b>Fiscal Year</b>	<b>General Obligation Bonds</b>	<b>Revenue Bonds and Notes</b>	<b>Total Debt</b>	<b>Resources Restricted for Repayment of Debt</b>	<b>Net Debt</b>
2018	\$ 277,825,445	\$ -	\$ 277,825,445	\$ 26,131,878	\$ 251,693,567
2017	245,875,176	-	245,875,176	27,068,577	218,806,599
2016	234,326,228	-	234,326,228	23,828,983	210,497,245
2015	241,790,000	-	241,790,000	27,841,979	213,948,021
2014	205,170,000	-	205,170,000	22,508,737	182,661,263
2013	204,540,000	-	204,540,000	19,638,976	184,901,024
2012	226,210,000	-	226,210,000	16,394,662	209,815,338
2011	244,625,000	-	244,625,000	23,873,670	220,751,330
2010	243,825,000	-	243,825,000	22,595,295	221,229,705
2009	236,920,000	-	236,920,000	19,619,889	217,300,111

Note: Details regarding the School Board's outstanding debt can be found in the notes to the basic financial statements.

- (1) See the Schedule of Demographic Statistics, Table 16, for personal income and population and student data.
- (2) See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property, Table 5, for assessed value data and actual value.

**Table 12**

(1)	(1)	(2)	(2)
Net Debt Per Capita	Net Debt Per Student	Percentage of Net Debt to Assessed Value	Percentage of Net Debt to Estimated Actual Value
\$ 982	\$ 6,529	9.95%	1.07%
863	5,657	8.84%	0.95%
768	4,994	9.01%	0.97%
870	5,602	9.39%	1.05%
782	4,981	8.25%	0.92%
772	4,875	8.52%	0.95%
886	5,594	10.10%	1.12%
941	5,948	10.65%	1.18%
957	6,071	11.23%	1.24%
948	6,057	11.09%	1.22%

**Computation of Legal Debt Margin  
Last Ten Tax Years  
(Unaudited)**

<b>Year</b>	<b>Assessed Value (2)</b>	<b>Debt Limit of Thirty-Five Percent (35%) of Assessed Value (1)</b>	<b>Less: Total Bonded Debt (3)</b>	<b>Add: Amount Available for Repayment of Debt (3)</b>	<b>Legal Debt Margin</b>	<b>Legal Debt Margin as a % of the Debt Limit</b>
<u>Parish of St. Tammany</u>						
2018	\$ 2,529,120,489	\$ 885,192,171	\$ 254,010,000	\$ 26,131,878	\$ 657,314,049	74.26%
2017	2,474,599,773	866,109,921	228,115,000	27,068,577	665,063,498	76.79%
2016	2,336,177,423	817,662,098	234,326,228	23,828,983	607,164,853	74.26%
2015	2,279,063,213	797,672,125	241,790,000	27,841,979	583,724,104	73.18%
2014	2,213,019,731	774,556,906	205,170,000	22,508,737	591,895,643	76.42%
2013	2,170,547,596	759,691,659	204,540,000	19,638,976	574,790,635	75.66%
2012	2,077,286,488	727,050,271	226,210,000	16,394,662	517,234,933	71.14%
2011	2,071,957,489	725,185,121	244,625,000	23,873,670	504,433,791	69.56%
2010	1,970,468,662	689,664,032	248,825,000	22,595,295	463,434,327	67.20%
2009	1,960,289,749	686,101,412	236,920,000	19,619,889	468,801,301	68.33%

**Sources:**

- (1) Legal debt limit of 35% is established by Louisiana Revised Statute Title 39, Section 562.
- (2) See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property, Table 5, for assessed value data.
- (3) Comprehensive Annual Financial Reports

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

**Table 14**

**Computation of Direct and Overlapping Debt  
June 30, 2018  
(Unaudited)**

	<b>Gross Debt Outstanding</b>	<b>Percentage Applicable</b>	<b>Share of Overlapping Debt</b>
<b>Direct Debt</b>			
St. Tammany Parish School Board	\$ 281,267,410	100.00%	\$ 281,267,410
<b>Overlapping Debt:</b>			
Town of Abita Springs	1,422,000	100.00%	1,422,000
City of Covington	6,157,000	100.00%	6,157,000
City of Mandeville	1,010,000	100.00%	1,010,000
Town of Pearl River	58,172	100.00%	58,172
City of Slidell	20,520,121	100.00%	20,520,121
Fire Protection Districts	12,799,142	100.00%	12,799,142
Gravity Drainage District No. 5	610,000	100.00%	610,000
Northshore Harbor Center	2,560,000	100.00%	2,560,000
Sub-Drainage Districts	115,000	100.00%	115,000
Recreation Districts	22,479,289	100.00%	22,479,289
Sewerage Districts	50,000	100.00%	50,000
Sheriff	20,171,859	100.00%	20,171,859
Hospital Service District No. 2	54,495,000	100.00%	54,495,000
Water District No. 2	1,458,000	100.00%	1,458,000
Water District No. 3	2,165,086	100.00%	2,165,086
Communications District No. 1	6,245,000	100.00%	6,245,000
Parish Council	64,436,884	100.00%	64,436,884
<b>Total Overlapping Debt</b>	<b>216,752,553</b>		<b>216,752,553</b>
<b>Total Direct and Overlapping Debt</b>	<b>\$ 498,019,963</b>		<b>\$ 498,019,963</b>

Source: Comprehensive Annual Report and most current financial statements for each governmental entity

Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the Parish. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident and, therefore, responsible for repaying the debt of each overlapping government. The percentage overlap is calculated by dividing the amount of the revenue base from which the debt will be repaid contained within the overlapping area by the total revenue base of the overlapping government.

**Pledged Revenue Coverage  
Last Ten Fiscal Years  
(Unaudited)**

Fiscal Year	Sales Tax Bonds				Coverage
	Sales Taxes	Debt Service			
		Principal	Interest		
2018	\$ 97,261,499	\$ -	\$ -	0.00	
2017	96,519,698	-	-	0.00	
2016	93,372,055	-	-	0.00	
2015	89,782,899	-	-	0.00	
2014	85,228,553	-	-	0.00	
2013	82,874,124	-	-	0.00	
2012	77,922,516	-	-	0.00	
2011	75,235,263	-	-	0.00	
2010	72,079,382	-	-	0.00	
2009	77,359,837	-	-	0.00	

Source: Comprehensive Annual Financial Reports

Note: Details regarding the School Board's outstanding debt can be found in the notes to the basic financial statements.

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

**Table 16**

**Demographic Statistics  
Last Ten Fiscal Years  
(Unaudited)**

<b>Fiscal Year</b>	<b>Population (1)</b>	<b>Total Personal Income (3)</b>	<b>Per Capita Personal Income (3)</b>	<b>Public School Enrollment (4)</b>	<b>Unemployment Rate (5)</b>
2018	256,327	(2)	(2)	38,549	4.3%
2017	253,602	\$ 13,171,696,148	\$ 52,109	38,681	5.0%
2016	250,504	14,312,286,152	57,229	38,439	5.3%
2015	245,829	13,008,243,552	52,867	38,193	5.7%
2014	242,333	12,196,135,224	50,328	38,044	5.1%
2013	239,453	11,722,182,162	48,954	37,926	5.2%
2012	236,785	11,249,181,780	47,508	37,508	5.7%
2011	234,591	10,688,435,142	45,562	37,112	5.7%
2010	231,224	10,241,142,184	44,291	36,441	5.3%
2009	229,252	10,468,334,076	45,663	35,878	3.6%

Note: All information is parish wide.

Sources:

- (1) U.S. Department of Commerce, Bureau of Census, Midyear Estimates
- (2) Information is not available at this time.
- (3) Bureau of Economic Analysis
- (4) St. Tammany Parish School System - October 1 enrollment
- (5) U.S. Bureau of Labor Statistics

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

**Table 17**

**Principal Employers  
Current Year and Nine Years Ago  
(Unaudited)**

Employer	Location	2018			2009		
		Employees	Rank	% of Total St. Tammany Parish Employment	Employees	Rank	% of Total St. Tammany Parish Employment
St. Tammany Parish School Board	Parish Wide	5,839	1	5.20%	5,410	1	4.65%
St. Tammany Parish Hospital	Covington	2,176	2	1.94%	1,714	2	1.47%
Slidell Memorial Hospital	Slidell	1,469	3	1.31%			
Lakeview Regional Medical Center	Mandeville	950	4	0.85%	745	3	0.64%
Ochsner Health System	Parish Wide	942	5	0.84%			
Hornbeck Offshore Services Inc.	Covington	756	6	0.67%			
St. Tammany Parish Government	Parish Wide	699	7	0.62%	620	6	0.53%
St. Tammany Parish Sheriff's Office	Parish Wide	682	8	0.61%	704	4	0.60%
Textron Systems Marine & Land	Slidell	390	9	0.35%			
City of Slidell	Slidell	356	10	0.32%			
Northshore Regional Medical Center	Covington				660	5	0.57%
Gisbar Inc.	Covington				213	7	0.18%
Poolcorp	Covington				210	8	0.18%
Express Employment Professionals	Covington				196	9	0.17%
Parish National Bank	Parish Wide				143	10	0.12%
<b>TOTAL - 10 LARGEST EMPLOYERS</b>		<b>14,259</b>		<b>12.71%</b>	<b>10,615</b>		<b>9.11%</b>
<b>TOTAL - ALL EMPLOYERS</b>		<b>112,244</b>			<b>116,407</b>		

Note: Information listed is for St. Tammany Parish.

Sources:

2018 information: Book of Lists 2017, New Orleans City Business

2009 information: Book of Lists 2007, New Orleans City Business



ST. TAMMANY

PARISH PUBLIC SCHOOLS

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

**General Fund Expenditures by Function  
Last Ten Fiscal Years  
(Modified Accrual Basis of Accounting)  
(Unaudited)**

	<b>Fiscal Year Ended June 30,</b>			
	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
<b><u>EXPENDITURES</u></b>				
Current:				
Instruction:				
Regular Education Programs	\$ 166,225,122 0.0%	\$ 161,498,322 40.5%	\$ 160,856,566 40.9%	\$ 153,080,158 40.8%
Special Education Programs	71,624,777 17.5%	69,416,475 17.4%	66,852,638 17.0%	64,560,078 17.2%
Other Education Programs	17,764,279 4.3%	17,279,735 4.3%	16,447,300 4.2%	15,022,276 4.0%
Support Services:				
Pupil Support	26,145,311 6.4%	25,350,753 6.4%	24,483,384 6.2%	22,786,038 6.1%
Instructional Staff Support	10,229,252 2.5%	9,839,094 2.5%	9,877,687 2.5%	9,768,790 2.6%
General Administration	7,650,870 1.9%	7,810,955 2.0%	7,998,969 2.0%	7,767,484 2.1%
School Administration	25,486,202 6.2%	23,765,632 6.0%	23,544,619 6.0%	23,124,874 6.2%
Business Administration	2,674,292 0.7%	2,666,577 0.7%	2,559,738 0.7%	2,531,571 0.6%
Operation and Maintenance of Plant	38,363,868 9.4%	37,158,025 9.3%	36,993,838 9.4%	35,906,072 9.6%
Pupil Transportation	33,690,085 8.2%	32,528,734 8.1%	33,488,455 8.5%	31,655,905 8.4%
Central Services	7,646,464 1.9%	9,494,261 2.4%	7,494,052 1.9%	6,996,124 1.8%
Food Service	- 0.0%	- 0.0%	- 0.0%	- 0.0%
Community Service Programs	1,358,154 0.3%	1,330,349 0.3%	1,389,944 0.4%	1,371,732 0.4%
Facility Acquisition and Construction	920,661 0.2%	1,026,755 0.3%	1,104,479 0.3%	589,132 0.2%
<b>Total</b>	<b>\$ 409,779,337</b>	<b>\$ 399,165,667</b>	<b>\$ 393,091,669</b>	<b>\$ 375,160,234</b>
Pupil Count - October 1* (1)	38,549	38,681	38,439	38,193
Average Expenditures per Pupil	\$ 10,630	\$ 10,319	\$ 10,226	\$ 9,823

Source: Comprehensive Annual Financial Reports

(1) Source: Table 16

Table 18

Fiscal Year Ended June 30,					
2014	2013	2012	2011	2010	2009
\$ 150,227,695	\$ 139,221,054	\$ 138,129,144	\$ 127,638,638	\$ 141,575,240	\$ 130,207,662
40.2%	39.0%	37.9%	36.4%	39.6%	38.5%
65,058,237	61,472,195	62,475,444	72,393,596	66,511,757	63,837,725
17.4%	17.2%	17.1%	20.7%	18.6%	18.9%
16,046,187	16,916,287	18,062,290	18,018,922	19,770,194	19,483,249
4.3%	4.7%	5.0%	5.1%	5.5%	5.8%
22,450,802	21,567,548	22,768,533	16,247,433	15,317,509	13,034,102
6.0%	6.0%	6.2%	4.6%	4.3%	3.9%
9,757,477	9,681,273	12,145,627	12,307,671	12,263,416	11,454,831
2.6%	2.7%	3.3%	3.5%	3.4%	3.4%
6,915,707	6,752,193	6,664,466	6,371,730	5,771,159	5,310,519
1.8%	1.9%	1.8%	1.8%	1.6%	1.6%
23,565,806	22,823,310	23,180,018	18,802,241	22,586,811	20,700,136
6.3%	6.4%	6.4%	5.4%	6.3%	6.1%
2,326,710	2,300,737	2,570,734	2,742,932	2,785,891	2,439,653
0.6%	0.6%	0.7%	0.8%	0.8%	0.7%
36,574,084	35,805,731	36,572,270	30,751,904	27,724,037	31,501,168
9.8%	10.0%	10.0%	8.8%	7.8%	9.3%
33,221,239	32,810,682	33,620,868	32,764,770	30,878,619	29,398,044
8.9%	9.2%	9.2%	9.4%	8.6%	8.7%
6,015,842	5,978,237	6,461,713	6,819,001	6,994,544	7,685,796
1.6%	1.7%	1.8%	1.9%	2.0%	2.3%
22,740	21,810	26,041	3,705,046	4,643,040	2,824,364
0.0%	0.0%	0.0%	1.1%	1.3%	0.8%
1,282,471	1,244,554	1,218,701	1,253,851	41,572	42,226
0.3%	0.3%	0.3%	0.4%	0.0%	0.0%
597,756	386,670	453,760	499,088	550,933	498,371
0.2%	0.1%	0.1%	0.1%	0.2%	0.1%
<b>\$ 374,062,753</b>	<b>\$ 356,982,281</b>	<b>\$ 364,349,609</b>	<b>\$ 350,316,823</b>	<b>\$ 357,414,722</b>	<b>\$ 338,417,846</b>
38,044	37,926	37,508	37,112	36,441	35,878
\$ 9,832	\$ 9,413	\$ 9,714	\$ 9,439	\$ 9,808	\$ 9,432

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

**General Fund Expenditures by Function per Pupil  
Last Ten Fiscal Years  
(Modified Accrual Basis of Accounting)  
(Unaudited)**

	Fiscal Year Ended June 30,			
	2018	2017	2016	2015
<b>EXPENDITURES</b>				
Current:				
Instruction:				
Regular Education Programs	\$ 4,312 40.6%	\$ 4,176 40.5%	\$ 4,184 40.9%	\$ 4,008 40.8%
Special Education Programs	1,858 17.5%	1,794 17.4%	1,739 17.0%	1,690 17.2%
Other Education Programs	461 4.3%	447 4.3%	428 4.2%	393 4.0%
Support Services:				
Pupil Support	678 6.4%	655 6.4%	637 6.2%	597 6.1%
Instructional Staff Support	265 2.5%	254 2.5%	257 2.5%	256 2.6%
General Administration	198 1.9%	202 2.0%	208 2.0%	203 2.1%
School Administration	661 6.2%	614 6.0%	613 6.0%	605 6.2%
Business Administration	69 0.6%	69 0.6%	67 0.6%	66 0.6%
Operation and Maintenance of Plant	995 9.4%	960 9.3%	962 9.4%	940 9.6%
Pupil Transportation	874 8.2%	841 8.1%	871 8.5%	829 8.4%
Central Services	198 1.8%	245 2.3%	195 1.8%	183 1.8%
Food Service	- 0.0%	- 0.0%	- 0.0%	- 0.0%
Community Service Programs	35 0.3%	34 0.3%	36 0.4%	36 0.4%
Facility Acquisition and Construction	24 0.2%	27 0.3%	29 0.3%	15 0.2%
<b>Total</b>	<b>\$ 10,629</b>	<b>\$ 10,318</b>	<b>\$ 10,226</b>	<b>\$ 9,823</b>
Pupil Count - October 1* (1)	38,549	38,691	38,439	38,193

Source: Comprehensive Annual Financial Reports

(1) Source: Table 16

Table 19

Fiscal Year Ended June 30,						
2014	2013	2012	2011	2010	2009	
\$ 3,949	\$ 3,671	\$ 3,683	\$ 3,439	\$ 3,885	\$ 3,629	
40.2%	39.0%	37.9%	36.4%	39.6%	38.5%	
1,710	1,621	1,666	1,951	1,825	1,779	
17.4%	17.2%	17.1%	20.7%	18.6%	18.9%	
422	446	482	486	543	543	
4.3%	4.7%	5.0%	5.1%	5.5%	5.8%	
590	569	607	438	420	363	
6.0%	6.0%	6.2%	4.6%	4.3%	3.9%	
256	255	324	332	337	319	
2.6%	2.7%	3.3%	3.5%	3.4%	3.4%	
182	178	178	172	158	148	
1.8%	1.9%	1.8%	1.8%	1.6%	1.6%	
619	602	618	507	620	577	
6.3%	6.4%	6.4%	5.4%	6.3%	6.1%	
61	61	69	74	76	68	
0.6%	0.6%	0.7%	0.8%	0.8%	0.7%	
961	944	975	829	761	878	
9.8%	10.0%	10.0%	8.8%	7.8%	9.3%	
873	865	896	883	847	819	
8.9%	9.2%	9.2%	9.4%	8.6%	8.7%	
158	158	172	184	192	214	
1.6%	1.7%	1.8%	1.9%	2.0%	2.3%	
1	1	1	100	127	79	
0.0%	0.0%	0.0%	1.1%	1.3%	0.8%	
34	33	32	34	1	1	
0.3%	0.3%	0.3%	0.4%	0.0%	0.0%	
16	10	12	13	15	14	
0.2%	0.1%	0.1%	0.1%	0.2%	0.1%	
<b>\$ 9,832</b>	<b>\$ 9,413</b>	<b>\$ 9,714</b>	<b>\$ 9,439</b>	<b>\$ 9,808</b>	<b>\$ 9,432</b>	
38,044	37,926	37,508	37,112	36,441	35,878	

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

**Full-Time Equivalents (FTE) Employees  
Last Ten Fiscal Years  
(Unaudited)**

	Fiscal Year			
	2018	2017	2016	2015
<b><u>Regular Employees: CERTIFICATED</u></b>				
<b>Instructional:</b>				
Supervising Instructors	2	2	1	1
Classroom Teachers - Regular Education	1,857	1,850	1,819	1,810
Classroom Teachers - Special Education	642	634	621	607
Classroom Teachers - Vocational Education	59	59	61	61
Classroom Teachers - Other Instructional Programs	30	31	31	30
Classroom Teachers - Special Programs	92	86	89	86
Classroom Teachers - Adult/Continuing Ed Programs	-	-	-	-
Classroom Teachers - Community College Programs	-	-	-	-
<i>Total Classroom Teachers</i>	<u>2,682</u>	<u>2,662</u>	<u>2,622</u>	<u>2,595</u>
Therapist/Specialist/Counselor - Instructional Programs	-	-	-	-
Sabbatical Leave - Instructional Programs	-	1	4	4
<i>Total Certificated - Instructional Programs</i>	<u>2,682</u>	<u>2,663</u>	<u>2,626</u>	<u>2,599</u>
<b>Instructional Support:</b>				
Supervisors - Instructional Support Functions	42	35	35	35
Librarians/Media-Based Teachers/Staff Instructors - Instr Spt	44	44	56	55
Therapist/Specialist/Counselor - Instructional Support Functions	299	300	277	271
Sabbatical Leave - Instructional Support Functions	2	-	-	-
<i>Total Certificated - Instructional Support</i>	<u>387</u>	<u>379</u>	<u>368</u>	<u>361</u>
<b>Support Services:</b>				
Superintendents	1	1	1	1
Assistant/Associate/Deputy Superintendents	3	3	3	2
School Principals	55	55	56	55
School Assistant Principals	80	76	78	81
Other School Administrators	10	3	2	2
Sabbatical Leave - Support Services	-	-	-	-
<i>Total Certificated - Support Services</i>	<u>149</u>	<u>138</u>	<u>140</u>	<u>141</u>
<b>Total Certificated</b>	<u>3,218</u>	<u>3,180</u>	<u>3,134</u>	<u>3,101</u>

Source: Louisiana Department of Education Planning, Analysis, and Information Resources website

Table 20

Fiscal Year					
2014	2013	2012	2011	2010	2009
1	1	1	-	-	-
1,783	1,761	1,770	1,712	1,661	1,767
595	582	601	634	738	596
60	59	61	63	65	65
28	31	50	54	57	111
63	81	81	81	76	75
-	-	-	-	3	3
15	16	16	16	16	-
<b>2,545</b>	<b>2,531</b>	<b>2,580</b>	<b>2,560</b>	<b>2,616</b>	<b>2,617</b>
-	-	-	-	1	131
-	-	-	-	30	40
<b>2,545</b>	<b>2,531</b>	<b>2,580</b>	<b>2,560</b>	<b>2,647</b>	<b>2,788</b>
33	38	42	42	31	37
54	71	73	72	70	67
274	262	276	277	273	155
-	-	-	-	4	1
<b>361</b>	<b>371</b>	<b>391</b>	<b>391</b>	<b>378</b>	<b>260</b>
1	1	1	1	1	1
2	3	3	3	3	3
56	57	57	55	58	55
76	74	77	76	76	78
2	2	3	-	-	-
-	-	-	-	1	-
<b>137</b>	<b>137</b>	<b>141</b>	<b>135</b>	<b>139</b>	<b>137</b>
<b>3,043</b>	<b>3,039</b>	<b>3,112</b>	<b>3,086</b>	<b>3,164</b>	<b>3,185</b>

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

**Full-Time Equivalents (FTE) Employees (Continued)  
Last Ten Fiscal Years  
(Unaudited)**

	Fiscal Year			
	2018	2017	2016	2015
<b><u>Regular Employees: NON-CERTIFICATED</u></b>				
<b>Instructional:</b>				
Aide - Instructional Programs	680	671	633	613
<i>Total Non-Certificated - Instructional Programs</i>	<u>680</u>	<u>671</u>	<u>633</u>	<u>613</u>
<b>Instructional Support:</b>				
Clerical/Secretarial - Instructional Support Functions	36	36	36	34
Aide - Instructional Support Functions	13	16	17	18
Degreed Professional - Instructional Support Functions	31	30	29	29
Other Personnel - Instructional Support Functions	17	20	19	18
<i>Total Non-Certificated - Instructional Support</i>	<u>97</u>	<u>102</u>	<u>101</u>	<u>99</u>
<b>Support Services:</b>				
Supervisors/Managers/Administrators/Support Services	130	140	139	137
Clerical/Secretarial - Support Services	211	211	213	213
Aide - Support Services	122	121	117	120
Service Worker - Support Services	926	926	948	939
Skilled Craftsman - Support Services	96	96	95	89
Degreed Professional - Support Services	47	47	44	46
Other Personnel - Support Services	7	8	8	8
<i>Total Non-Certificated - Support Services</i>	<u>1,539</u>	<u>1,549</u>	<u>1,564</u>	<u>1,552</u>
<b>Total Non-Certificated</b>	<u>2,316</u>	<u>2,322</u>	<u>2,298</u>	<u>2,264</u>
<b>Total Regular Employees (Certificated and Non-Certificated)</b>	<u>5,534</u>	<u>5,502</u>	<u>5,432</u>	<u>5,365</u>
<b><u>Other Reported Personnel</u></b>				
School Board Members	15	15	15	15
<i>Total Other Reported Personnel</i>	<u>15</u>	<u>15</u>	<u>15</u>	<u>15</u>
<b>Grand Total</b>	<u>5,549</u>	<u>5,517</u>	<u>5,447</u>	<u>5,380</u>

Source: Louisiana Department of Education Planning, Analysis, and Information Resources website

Table 20

Fiscal Year					
2014	2013	2012	2011	2010	2009
574	539	560	547	541	534
574	539	560	547	541	534
36	36	38	50	53	55
21	20	23	26	35	34
27	29	31	21	20	19
13	16	16	25	30	18
97	101	108	122	138	126
139	138	141	145	148	143
215	212	215	206	216	208
122	121	118	107	107	111
934	946	941	918	945	919
81	88	98	103	109	93
42	50	57	58	58	53
9	9	10	7	4	23
1,542	1,564	1,580	1,544	1,587	1,550
2,213	2,204	2,248	2,213	2,266	2,210
5,256	5,243	5,360	5,299	5,430	5,395
15	15	15	15	15	15
15	15	15	15	15	15
5,271	5,258	5,375	5,314	5,445	5,410

Capital Asset Information  
June 30, 2018  
(Unaudited)

Elementary Schools

<u>Schools</u>	<u>Year Opened</u>	<u>Square Footage</u>	<u>Enrollment</u>
Abita Springs Elementary	1978	102,099	701
Abney Elementary	1964	109,416	852
Abney Elementary Early Childhood Center	2011	26,266	274
Alton Elementary	1957	46,871	202
Bayou Woods Elementary	1985	101,722	419
Bonne Ecole Elementary	1973	90,491	772
Brock Elementary	1930	49,031	310
Chahta-lma Elementary	1952	52,455	296
Covington Elementary	1956	81,561	597
Cypress Cove Elementary	1994	101,061	705
Florida Avenue Elementary	1956	80,108	571
Folsom Elementary	1949	76,941	447
Honey Island Elementary	1987	79,100	620
Lancaster Elementary	2011	119,582	933
Little Pearl Elementary	2008	42,124	134
Lyon Elementary	1963	79,882	620
Madisonville Elementary	1956	84,509	983
Magnolia Trace Elementary	1999	87,825	352
Mandeville Elementary	1966	72,693	516
Marigny Elementary	2009	81,627	437
Mayfield Elementary	2012	106,309	774
Pontchartrain Elementary	1994	106,589	748
Riverside Elementary	1986	85,989	432
Sixth Ward Elementary	1949	97,262	334
Whispering Forest Elementary	1989	89,887	561
Woodlake Elementary	1962	72,210	610
<b>Totals</b>		<b>2,123,610</b>	<b>14,200</b>

Capital Asset Information (Continued)  
June 30, 2018  
(Unaudited)

Junior High/Middle Schools

<b>Schools</b>	<b>Year Opened</b>	<b>Square Footage</b>	<b>Enrollment</b>
Abita Springs Middle	1923	89,618	519
Bayou Lacombe Middle	1956	53,303	183
Boyet Junior High	1963	104,585	778
Carolyn Park Middle	1966	68,785	286
Clearwood Junior High	1978	95,061	678
Creekside Junior High	2002	105,799	507
Fifth Ward Junior High	1949	116,301	470
Folsom Junior High	1957	55,901	199
Fontainebleau Junior High	1996	134,666	932
Lake Harbor Middle School	2001	80,714	652
Lee Road Junior High	1964	108,603	816
Little Oak Middle	1980	111,456	1,079
Madisonville Junior High	1949	75,264	880
Mandeville Junior High	1956	97,072	593
Mandeville Middle	1985	79,677	673
Monteleone Junior High	2005	92,407	469
Pine View Middle	1965	88,474	679
Pitcher Junior High	1964	100,687	324
St. Tammany Junior High	1966	77,141	665
Slidell Junior High	1956	114,734	761
Tchefuncte Middle	1994	97,813	804
<b>Totals</b>		<b>1,948,061</b>	<b>12,947</b>

Capital Asset Information (Continued)  
 June 30, 2018  
 (Unaudited)

**High Schools**

<b>Schools</b>	<b>Year Opened</b>	<b>Square Footage</b>	<b>Enrollment</b>
Covington High	1973	218,184	1,522
Fontainebleau High	1994	285,690	1,734
Lakeshore High	2009	201,293	1,035
Mandeville High	1977	189,203	1,969
Northshore High	1982	204,181	1,586
Pearl River High	1967	130,794	731
Salmen High	2006	217,037	909
Slidell High	1949	217,455	1,691
<b>Totals</b>		<b>1,663,837</b>	<b>11,177</b>

**Special Education**

<b>Other Location</b>	<b>Year Opened</b>	<b>Square Footage</b>	<b>Enrollment</b>
Harrison Center	1953	50,886	225
<b>Totals</b>		<b>50,886</b>	<b>225</b>

Source: Student enrollment is as of October 1, 2017, and was obtained from the Information Technology Department. Square footage was obtained from the Construction Department. Square footage does not include portable and temporary buildings being utilized.

**Percentage of Students in Free and Reduced Lunch Program  
Last Ten Fiscal Years  
(Unaudited)**

<b>School Year</b>	<b>Free</b>	<b>Reduced</b>	<b>Total</b>
2017-2018	36.61%	5.49%	42.10%
2016-2017	36.21%	5.05%	41.26%
2015-2016	41.60%	5.51%	47.11%
2014-2015	39.07%	8.04%	47.11%
2013-2014	39.44%	8.32%	47.76%
2012-2013	39.04%	8.17%	47.21%
2011-2012	38.98%	8.06%	47.04%
2010-2011	38.40%	7.23%	45.63%
2009-2010	36.48%	8.31%	44.79%
2008-2009	35.01%	8.36%	43.37%

Source: Louisiana Department of Education website

**History of High School Graduates  
Last Ten Fiscal Years  
(Unaudited)**

<b>School Year</b>	<b>Total</b>
2018	2,400
2017	2,389
2016	2,416
2015	2,284
2014	2,242
2013	2,228
2012	2,156
2011	2,227
2010	2,173
2009	2,115

Source: St. Tammany Parish School Board Information Technology Department

Note: Preliminary information only - does not include the dropout count.

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

**SINGLE AUDIT SECTION**

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

Independent Auditor's Report

To the Members of the  
St. Tammany Parish School Board  
Covington, LA

We have audited, 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, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the St. Tammany Parish School Board (the School Board), as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the School Board's basic financial statements, and have issued our report thereon dated December 11, 2018.

**Internal Control Over Financial Reporting**

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

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

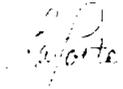
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not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

**Compliance and Other Matters**

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

**Purpose of this Report**

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



A Professional Accounting Corporation

Covington, LA  
December 11, 2018

**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT  
ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON SCHEDULE  
OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE**

Independent Auditor's Report

To the Members of the  
St. Tammany Parish School Board  
Covington, LA

**Report on Compliance for Each Major Federal Program**

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

**Management's Responsibility**

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

**Auditor's Responsibility**

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

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

#### **Opinion on Each Major Federal Program**

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

#### **Report on Internal Control Over Compliance**

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

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

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

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

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

We have audited the financial statements of the School Board as of and for the year ended June 30, 2018 and have issued our report thereon dated December 11, 2018, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

This report is intended solely for the information and use of the School Board, the State of Louisiana, federal awarding agencies and pass-through entities, and the Legislative Auditor of the State of Louisiana, and is not intended to be, and should not be, used by anyone other than those specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



A Professional Accounting Corporation

Covington, LA  
December 11, 2018



ST. TAMMANY

PARISH PUBLIC SCHOOLS

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

**Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2018**

Federal Grantor/ Pass-Through Grantor/ Program Name	CFDA Number	Pass-Through Grantor Award Number	Expenditures
<b><u>UNITED STATES DEPARTMENT OF AGRICULTURE</u></b>			
Passed through the Louisiana Department of Education			
<b>Child Nutrition Cluster</b>			
Commodities Program	10.555	NONE	\$ 1,331,714
School Breakfast Program	10.553	NONE	2,427,760
National School Lunch Program	10.555	NONE	7,895,164
Summer Food Service Program	10.559	NONE	<u>44,455</u>
<b>Total Child Nutrition Cluster</b>			<u>11,699,093</u>
<b>Total United States Department of Agriculture</b>			<u>11,699,093</u>
<b><u>UNITED STATES DEPARTMENT OF EDUCATION</u></b>			
Passed through the Louisiana Department of Education			
Title I Part A	84.010A	S010A170018	8,655,601
Title II Teacher and Principal Training	84.367A	S367A170017	1,660,424
Title III English Language Acquisition	84.365A	S354A170018	89,264
Title III English Immigrant Set Aside	84.365A	S365A170018	1,830
Title IV Student Support & Academic Enrichment	84.424A	S424A170019	<u>40,981</u>
<b>Total ESSA</b>			<u>10,448,100</u>
<b>Special Education Cluster</b>			
Special Education - IDEA Part B	84.027A	H027A170033	11,045,277
Special Education - High Cost Services	84.027A	H027A170033	344,552
Special Education - IDEA Preschool	84.173A	H173A170082	244,835
EC Network Lead Agency	84.173	H173A170082	16,773
Formula Transition	84.027A	H027A170033	<u>18,500</u>
<b>Total Special Education Cluster</b>			<u>11,669,937</u>
Education for Homeless Children and Youth	84.196A	1S196A16019	97,481
Jobs for America's Graduates	84.126A	NONE	108,588
21st Century Community Learning Centers	84.287C	S287C160018	276,979
21st Century Community Learning Centers	84.287C	S287C170018	100,400
Striving Readers Comprehensive Literacy Program	84.371C	S371C110045-12	3,878
Advanced Placement Test Fee Program	84.010A	S100A1600018	<u>5,141</u>
<b>Total Other Federal</b>			<u>592,467</u>
Carl Perkins - Career and Technical Education	84.048	V048A170018	<u>410,595</u>
<b>Total Carl Perkins</b>			<u>410,595</u>
<b>Total United States Department of Education</b>			<u>23,121,099</u>

See independent auditor's report and notes to schedule of expenditures of federal awards.

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

**Schedule of Expenditures of Federal Awards (Continued)  
For the Year Ended June 30, 2018**

Federal Grantor/ Pass-Through Grantor/ Program Name	CFDA Number	Pass-Through Grantor Award Number	Expenditures
<b><u>UNITED STATES DEPARTMENT OF HEALTH AND HUMAN SERVICES</u></b>			
Passed through the Louisiana Department of Education			
TANF - LA 4 Early Childhood	93.558B	NONE	2,393,969
Early Childhood Community Network Pilots - CCDF	93.575	NONE	<u>64,043</u>
<b>Total United States Department of Health and Human Services</b>			<u>2,458,012</u>
<b><u>UNITED STATES DEPARTMENT OF HOMELAND SECURITY</u></b>			
Passed through the Louisiana Governor's Office of Homeland Security and Emergency Preparedness			
Public Assistance (Presidentially Declared Disasters)	97.036		<u>67,308</u>
<b>Total United States Department of Homeland Security</b>			<u>67,308</u>
<b><u>UNITED STATES DEPARTMENT OF DEFENSE</u></b>			
Direct Aid			
Army - JROTC	12.998	NONE	288,047
Marines - JROTC	12.998	NONE	57,902
Navy - JROTC	12.998	NONE	<u>236,059</u>
<b>Total United States Department of Defense</b>			<u>582,008</u>
<b><u>UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u></b>			
Passed through the Louisiana Office of Community Development			
Community Development Block Grant	14.228	671-859	<u>885,619</u>
<b>Total United States Department of Housing and Urban Development</b>			<u>885,619</u>
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>			<u>\$ 38,813,139</u>

See independent auditor's report and notes to schedule of expenditures of federal awards.

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

**Notes to Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2018**

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**Note 1. General**

The accompanying schedule of expenditures of federal awards presents the activity of all federal awards programs of the St. Tammany Parish School Board (the School Board). The School Board reporting entity is defined in the notes to the financial statements for the year ended June 30, 2018. All federal awards received directly from federal agencies are included on the schedule as well as federal awards passed through other government agencies. The following programs are considered major federal programs of the School Board for single audit purposes:

Child Nutrition Cluster (CFDA 10.553, 10.555, 10.559)  
Community Development Block Grant (CFDA 14.228)

**Note 2. Basis of Accounting**

The schedule of expenditures of federal awards is presented using the modified accrual basis of accounting, which is described in the notes to the School Board's basic financial statements for the year ended June 30, 2018. Commodities received, which are non-cash revenue, are valued at prices provided by the U.S. Department of Agriculture. Any received but unused commodities are recorded as deferred revenue until used.

**Note 3. Relationship to General Purpose Financial Statements**

Federal award revenues are reported in the School Board's financial statements as follows:

General Fund	\$ 649,316
Special Revenue Funds	<u>38,163,823</u>
Subtotal Federal Sources	38,813,139
Carryover Expenditures	<u>-</u>
<b>Total Reported on Schedule of Expenditures of Federal Awards</b>	<b><u>\$ 38,813,139</u></b>

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

**Notes to Schedule of Expenditures of Federal Awards (Continued)  
For the Year Ended June 30, 2018**

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**Note 4. Relationship to Federal Financial Reports**

Amounts reported in the schedule of expenditures of federal awards agree with the amounts reported in the related federal financial reports, except for the amounts in reports submitted as of a date subsequent to June 30, 2018, which will differ from the schedule by the amount of receivables as of June 30, 2018, liquidated to the dates of the reports.

**Note 5. De Minimis Cost Rate**

The St. Tammany Parish School Board uses an indirect cost rate negotiated and approved by the Louisiana Department of Education, and has not elected to use the 10% de minimis indirect cost rate as provided for in Section 200.414 of the Uniform Guidance.

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

**Schedule of Findings and Questioned Costs  
For the Year Ended June 30, 2018**

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**A. Summary of Auditor's Results**

**Financial Statements**

1. Type of auditor's report	Unmodified
2. Internal control over financial reporting	
a. Material weaknesses identified?	None
b. Significant deficiencies identified not considered to be material weaknesses?	None
c. Noncompliance material to the financial statements noted?	None Reported

**Federal Awards**

3. Internal control over major programs	
a. Material weaknesses identified?	None
b. Significant deficiencies identified not considered to be material weaknesses?	None Reported
4. Type of auditor's report issued on compliance for each major program	Unmodified
5. Audit findings disclosed that are required to be reported in accordance with Section 2 CFR 200.516(a)	None
6. Identification of major programs	
Child Nutrition Cluster (CFDA 10.553, 10.555, 10.559)	
Community Development Block Grant (CFDA 14.228)	
7. Dollar threshold used to distinguish between Type A and B programs	\$1,164,394
8. Auditee qualified as a low-risk auditee under Section 2 CFR 200.520	Yes

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

**Schedule of Findings and Questioned Costs (Continued)  
For the Year Ended June 30, 2018**

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**B. Financial Statement Findings**

None.

**C. Federal Awards Findings and Questioned Costs**

None.

**ST. TAMMANY PARISH SCHOOL BOARD  
COVINGTON, LOUISIANA**

**Summary Schedule of Prior Audit Findings  
For the Year Ended June 30, 2018**

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**B. Financial Statement Findings**

None.

**C. Federal Awards Findings and Questioned Costs**

None.

**ST. TAMMANY PARISH  
SCHOOL BOARD**

Agreed-Upon Procedures  
R.S. 24:514 - Performance and Statistical Data

June 30, 2018



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## **INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES**

To the St. Tammany Parish School Board, the Louisiana Department of Education, and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below, which were agreed to by the St. Tammany Parish School Board, the Louisiana Department of Education, and the Louisiana Legislative Auditor (the specified parties), on the performance and statistical data accompanying the annual financial statements of the St. Tammany Parish School Board for the fiscal year ended June 30, 2018; and to determine whether the specified schedules are free of obvious errors and omissions as provided by the Board of Elementary and Secondary Education (BESE) Bulletin, in compliance with Louisiana Revised Statute 24:514 I. Management of the St. Tammany Parish School Board is responsible for its performance and statistical data. The sufficiency of these procedures is solely the responsibility of the specified parties. Consequently, we make no representation regarding the sufficiency of the procedures enumerated below either for the purpose for which this report has been requested or for any other purpose.

The procedures and associated findings are as follows:

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

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

No findings were noted.

### 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 findings were noted.

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

3. We obtained October 1<sup>st</sup> PEP data submitted to the Department of Education, 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 is 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.

No findings were noted.

### Public School Staff Data: Average Salaries (No Schedule)

4. We obtained June 30<sup>th</sup> PEP data submitted to the Department of Education 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.

No findings were noted.

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

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



A Professional Accounting Corporation

Covington, LA  
December 11, 2018

**ST. TAMMANY PARISH SCHOOL BOARD**  
**Schedules Required by State Law**  
**(R.S. 24:514 - Performance and Statistical Data)**  
**As of and for the Year Ended June 30, 2018**

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**Schedule 1 - General Fund Instructional and Support Expenditures and Certain Local Revenue Sources**

This schedule includes general fund instructional and equipment expenditures. It also contains local taxation revenue, earnings on investments, revenue in lieu of taxes, and nonpublic textbook and transportation revenue. This data is used either in the Minimum Foundation Program (MFP) formula or is presented annually in the MFP 70% Expenditure Requirement Report.

**Schedule 2 - Class Size Characteristics**

This schedule includes the percent and number of classes with student enrollment in the following ranges: 1-20, 21-26, 27-33, and 34+ students.

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

**Schedule 1**

**General Fund Instructional and Equipment Expenditures**

General Fund Instructional Expenditures:

Teacher and Student Interaction Activities:

Classroom Teacher Salaries	\$ 139,483,556
Other Instructional Staff Salaries	16,394,413
Instructional Staff Employee Benefits	92,490,281
Purchased Professional and Technical Services	195,495
Instructional Materials and Supplies	5,962,221
Instructional Equipment	<u>55,844</u>

Total Teacher and Student Interaction Activities \$ 254,581,810

Other Instructional Activities 1,032,368

Pupil Support Services 26,145,311

Less: Equipment for Pupil Support Services -

Net Pupil Support Services 26,145,311

Instructional Staff Services 10,229,252

Less: Equipment for Instructional Staff Services -

Net Instructional Staff Services 10,229,252

School Administration 25,486,202

Less: Equipment for School Administration 96,008

Net School Administration 25,390,194

Total General Fund Instructional Expenditures \$ 317,378,935

Total General Fund Equipment Expenditures \$ 194,267

**Certain Local Revenue Sources**

Local Taxation Revenue:

Advalorem Taxes

Constitutional Ad Valorem Taxes	\$ 7,290,157
Renewable Ad Valorem Tax	89,597,839
Debt Service Ad Valorem Tax	33,806,837
Up to 1% of Collections by the Sheriff on Taxes Other than School Taxes	2,831,894
Result of Court Ordered Settlement (Ad Valorem)	-
Penalties/Interest on Ad Valorem Taxes	80,432
Taxes Collected Due to Tax Incremental Financing (TIF)(Ad Valorem)	-

Sales Taxes

Sales and Use Taxes - Gross	97,255,688
Sales/Use Taxes - Court Settlement	-
Penalties/Interest on Sales/Use Taxes	5,810
Sales/Use Taxes Collected Due to TIF	<u>-</u>

Total Local Taxation Revenue \$ 230,868,657

Local Earnings on Investment in Real Property:

Earnings from 16th Section Property	\$ -
Earnings from Other Real Property	<u>-</u>

Total Local Earnings on Investment in Real Property \$ -

State Revenue in lieu of Taxes:

Revenue Sharing - Constitutional Tax	\$ 151,221
Revenue Sharing - Other Taxes	1,858,337
Revenue Sharing - Excess Portion	-
Other Revenue in Lieu of Taxes	<u>-</u>

Total State Revenue in lieu of Taxes \$ 2,009,558

Nonpublic Textbook Revenue \$ 185,327

Nonpublic Transportation Revenue \$ -

**ST. TAMMANY PARISH SCHOOL BOARD**  
**Class Size Characteristics**  
**As of October 1, 2017**

**Schedule 2**

School Type	Class Size Range							
	1-20		21-26		27-33		34+	
	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Elementary	65%	4164	29%	1872	6%	373	0%	18
Elementary Activity Classes	33%	148	41%	183	22%	97	4%	16
Middle/Jr. High	66%	1936	24%	715	10%	297	0%	0
Middle/Jr. High Activity Classes	65%	344	15%	81	13%	71	7%	37
High	60%	5365	26%	2261	13%	1174	1%	59
High Activity Classes	78%	827	9%	97	8%	82	5%	56
Combination	0%	0	0%	0	0%	0	0%	0
Combination Activity Classes	0%	0	0%	0	0%	0	0%	0

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