



30th Floor, Energy Centre, 1100 Poydras Street – New Orleans, LA 70163
One Galleria Blvd., Suite 2100 – Metairie, LA 70001
504-837-5990 Phone – 504-834-3609 Fax – pncpa.com

A Professional Accounting Corporation

Louisiana Legislative Auditor
1600 N. 3rd Street
Baton Rouge, LA 70802

The reports for the St. Charles Parish School Board for the year ended June 30, 2018 are being resubmitted to include the Internal Auditor's Report on Applying Agreed-Upon Procedures related to the statewide agreed-upon procedures. The internal auditor's report was issued on November 28, 2018. There are no changes to the reports previously submitted.

Respectfully,

Postlethwaite & Netterville

Postlethwaite & Netterville

ST. CHARLES PARISH SCHOOL BOARD

Luling, Louisiana

STATE OF LOUISIANA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR

July 1, 2017 - June 30, 2018

Prepared by

Business Office

Donna B. Post

Chief Financial Officer

*You and I ...
We are*

ST. CHARLES PARISH PUBLIC SCHOOLS

ST. CHARLES PARISH SCHOOL BOARD
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2018
TABLE OF CONTENTS

	<u>Statement/ Schedule/ Table</u>	<u>Page</u>
<u>INTRODUCTORY SECTION (unaudited):</u>		
School Board Officials		i
Affidavit		ii
Transmittal Letter to the Office of the Legislative Auditor		iii
Transmittal Letter to Board Members		iv
Organizational Structure for the St. Charles Parish School Board		viii
Certificate of Excellence in Financial Reporting		ix
Certificate of Achievement for Excellence in Financial Reporting		x
<u>FINANCIAL SECTION:</u>		
<u>INDEPENDENT AUDITORS' REPORT</u>		1
<u>MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A) (Unaudited)</u>		4
<u>BASIC FINANCIAL STATEMENTS</u>		
Government-wide Financial Statements:		
Statement of Net Position	1	10
Statement of Activities	2	11
Fund Financial Statements:		
Balance Sheet – Governmental Funds	3	12
Reconciliation of the Governmental Funds Balance Sheet - to the Statement of Net Position	4	13
Statements of Revenues, Expenditures and Changes in Fund Balances –Governmental Funds	5	14
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities	6	15
Statements of Fiduciary Net Position	7	16
Statement of Changes in Fiduciary Net Position – Trust Fund	8	17
Notes to the Basic Financial Statements		18
<u>REQUIRED SUPPLEMENTAL INFORMATION</u>		
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Adjusted to Budgetary Basis) – General Fund	A-1	47
Schedule of Changes in Total OPEB Liability and Related Ratios	A-2	48
Schedule of Proportionate Share of the Net Pension Liability	A-3	49
Schedule of Pension Contributions	A-4	50
Notes to Required Supplemental Information		51

ST. CHARLES PARISH SCHOOL BOARD
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2018
TABLE OF CONTENTS - CONTINUED

	<u>Statement/ Schedule/ Table</u>	<u>Page</u>
<u>COMBINING, INDIVIDUAL FUNDS FINANCIAL STATEMENTS AND SCHEDULES</u>		
<u>GENERAL FUND</u>		
Title and Description		54
Comparative Balance Sheets	B-1	55
Comparative Statement of Revenues, Expenditures and Changes in Fund Balance	B-2	56
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual (Adjusted to Budgetary Basis)	B-3	57
<u>OTHER NON-MAJOR GOVERNMENTAL FUNDS</u>		
Title and Description		58
Combining Balance Sheet	C-1	59
Combining Statement of Revenues, Expenditures and Changes in fund balances	C-2	60
<u>SPECIAL REVENUE FUNDS</u>		
Title and Description		61
Combining Balance Sheet	D-1	62
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	D-2	64
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual (Adjusted to Budgetary Basis)	D-3	66
<u>DEBT SERVICE FUNDS</u>		
Title and Description		70
Combining Balance Sheet	E-1	71
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	E-2	73
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual (Adjusted to Budgetary Basis)	E-3	75

ST. CHARLES PARISH SCHOOL BOARD
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2018
TABLE OF CONTENTS - CONTINUED

	<u>Statement/ Schedule/ Table</u>	<u>Page</u>
<u>COMBINING, INDIVIDUAL FUNDS FINANCIAL STATEMENTS AND SCHEDULES -CONTINUED</u>		
<u>CAPITAL PROJECTS FUND</u>		
Title and Description		77
Balance Sheet	F-1	78
Statement of Revenues, Expenditures and Changes in Fund Balance	F-2	79
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual (Adjusted to Budgetary Basis)	F-3	80
<u>TRUST AND AGENCY FUNDS</u>		
Title and Description		82
Combining Balance Sheet	G-1	83
Comparative Balance Sheet	G-2	84
Combining Statement of Changes in Assets and Liabilities	G-3	85
Schedule of Changes in Deposit Balances, by Schools - Student Activity Fund	G-4	87
Schedule of Changes in Deposit Balances - Sales Tax Fund	G-5	88
<u>STATISTICAL SECTION (Unaudited):</u>		
Introduction to the Statistical Section		89
Financial Trends		
Net Position by Component	Table 1	90
Changes in Net Position	Table 2	91
Fund Balances, Governmental Funds	Table 3	93
Changes in Fund Balances, Governmental Funds	Table 4	95
Revenue Capacity		
General Fund – Other Local Revenue by Source	Table 5	97
Assessed Valuation	Table 6	98
Parish-wide Property Tax Millage	Table 7	99
Principal Property Taxpayers	Table 8	101
Property Tax Levies and Collections	Table 9	102
Debt Capacity		
Property Tax Bonded Debt	Table 10	103
Ratio of Gross General Bonded Debt to Assessed Value and Per Capita Income	Table 11	104
Ratio of Net Sales Tax Debt to Total Sales	Table 12	106
Computation of Direct and Overlapping Bonded Debt	Table 13	107
Legal Debt Margin	Table 14	108
Demographic and Economic Information		
Property Value, Construction and Bank Deposits	Table 15	109
Value of Exempt Industrial Property Under 10 Year Contracts	Table 16	110

ST. CHARLES PARISH SCHOOL BOARD
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2018
TABLE OF CONTENTS - CONTINUED

	<u>Statement/ Schedule/ Table</u>	<u>Page</u>
<u>STATISTICAL SECTION (Unaudited) - CONTINUED:</u>		
Operating Information		
Principal Employers	Table 17	111
Full-time Equivalent District Employees by Function/Program	Table 18	112
Operating Statistics	Table 19	114
School Building Information	Table 20	116
Schedule of Insurance Coverage	Table 21	120
<u>ADDITIONAL SUPPLEMENTAL INFORMATION</u>		
Comparative Schedule of Compensation Paid to Board Members	Table 22	122
Schedule of Compensation, Benefits and Other Payments to Superintendent	Table 23	123
<u>FEDERAL FINANCIAL ASSISTANCE SECTION:</u>		
Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit Performed in Accordance with Government Auditing Standards		124
Independent Auditors' Report on Compliance for Each Major Program and on Internal Control over Compliance Required by Uniform Guidance		126
Schedule of Expenditures of Federal Awards	Schedule H-1	128
Footnotes to the Schedule of Expenditures of Federal Awards		131
Schedule of Findings and Questioned Costs	Schedule H-2	132
Summary of Prior Year Findings		133
<u>STATE REPORTING SECTION: (PERFORMANCE AND STATISTICAL DATA)</u>		
Independent Accountants' Report on Applying Agreed-upon Procedures		134
General Fund Instructional and Support Expenditures and Certain Local Revenue Sources	Schedule I-1	137
Class Size Characteristics	Schedule I-2	138

Introductory Section

COMPREHENSIVE ANNUAL FINANCIAL REPORT

JULY 1, 2017 - JUNE 30, 2018

SCHOOL BOARD OFFICIALS

ST. CHARLES PARISH SCHOOL BOARD

13855 River Road
Luling, Louisiana 70070

BOARD OF EDUCATION

Mr. Alex L. Suffrin	President
Mr. Ellis A. Alexander	Vice-President
Mr. Art Aucoin	Member
Mr. John L. Smith	Member
Mr. Clarence H. Savoie	Member
Mr. John W. Robichaux	Member
Mr. Dennis J. Naquin	Member
Mrs. Melinda H. Bernard	Member

CENTRAL ADMINISTRATION

Ms. Felecia Gomez-Walker	Superintendent
Ms. Tresa Webre	Assistant Superintendent of Human Resources & Administrative Services
Mr. Ajit Pethe	Assistant Superintendent of Curriculum, Instruction & Assessment
Mr. John Rome	Chief Plant Services & Security Officer
Mr. Ken Oertling	Executive Director Secondary Schools
Ms. Erin Granier	Executive Director Elementary Schools
Mrs. Jerry Smith	Administrator of Student Services
Mr. Patrick O'Malley	Administrator of Ancillary Services
Ms. Stevie Crovetto	Director of Public Information
Ms. Stephanie Steib	Director of Informational Technology Services

CHIEF FINANCIAL OFFICER

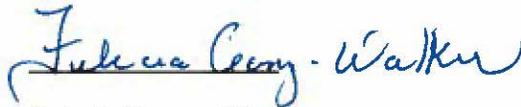
Ms. Donna B. Post, CPA, CFE, SFO

ST. CHARLES PARISH SCHOOL BOARD
ANNUAL FINANCIAL STATEMENTS

June 30, 2018

AFFIDAVIT

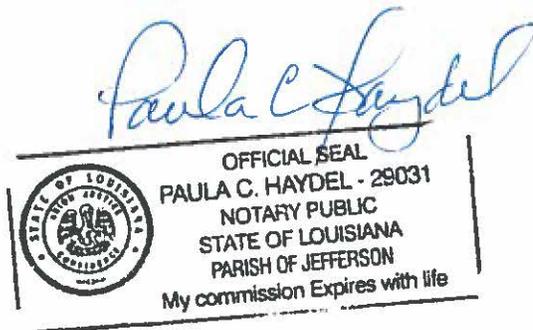
Personally came and appeared before the undersigned authority, Felecia Gomez-Walker, Superintendent of Schools for St. Charles Parish, who duly sworn deposes and says, that the financial statements herewith given present fairly the financial position of the St. Charles Parish School Board as of June 30, 2018, and the results of operations for the year then ended, in accordance with generally accepted accounting principles, applied on a basis consistent with that of the preceding year, and include all accounts under the St. Charles Parish School Board control.

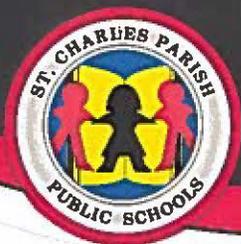


Felecia Gomez-Walker

Sworn to and subscribed before me, this 28th day of November, 2018

NOTARY PUBLIC:





You and I ... We are
ST. CHARLES PARISH PUBLIC SCHOOLS

Felecia Gomez-Walker
Superintendent

November 28, 2018

Office of the Legislative Auditor
Attention: Daryl G. Purpera, CPA, CFE
P. O. Box 44397
Baton Rouge, Louisiana 70804

Dear Mr. Purpera:

In accordance with the Revised Statutes 24:514, enclosed are the annual financial statements for the St. Charles Parish School Board for the fiscal year ended June 30, 2018. The report includes all funds under the control and authority of the School Board. The accompanying financial statements have been prepared in accordance with U. S. generally accepted accounting principles.

Sincerely,

Felecia Gomez-Walker
Superintendent

Enclosures

FGW/dp *or*



You and I ... We are
ST. CHARLES PARISH PUBLIC SCHOOLS

Felecia Gomez-Walker
Superintendent

November 28, 2018

Citizens of St. Charles Parish and
Members, Board of Education
St. Charles Parish School Board
Luling, Louisiana

The Comprehensive Annual Financial Report of the St. Charles Parish School Board, Luling, Louisiana for the fiscal year ended June 30, 2018 is presented on the following pages. The report was prepared by the School Board's business office. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the School Board. We believe the data as presented is accurate in all material aspects, that it is presented in a manner designed to fairly set forth the financial position and results of operations of the School Board as measured by the financial activity of its various funds; and that all disclosures necessary to enable the reader to gain the maximum understanding of the School Board's financial affairs have been included. A narrative explanation of the district's activity can be found in the Management's Discussion and Analysis beginning on page 4.

Reporting Standards

This report was prepared in accordance with guidelines recommended by the Governmental Accounting Standards Board (GASB) of the Financial Accounting Foundation. GASB is the successor organization to the National Council on Governmental Accounting (NCGA) and was established to promulgate standards of financial accounting and reporting for state and local governments.

Reporting Entity

GASB statement No. 61, *The Financial Reporting Entity: Omnibus* – An Amendment of GASB Statements No. 14 and No. 34 established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Because the School Board has a separately elected governing body and is legally separate and fiscally independent, the School Board is a separate governmental reporting entity.

Services Provided

The St. Charles Parish School Board is a legislative body authorized to govern the public education system of the Parish of St. Charles, Louisiana. It is the responsibility of the School Board to make K-12 public education available to the residents of St. Charles Parish. These services include providing instructional personnel, instructional materials, instructional facilities, administrative support, business services, system operations, plant maintenance and bus transportation. The district serviced 9,626 students as of February 1, 2018 (the official student count for the Louisiana Department of Education).

Internal Accounting Control

The management of the St. Charles Parish School Board is responsible for establishing and maintaining a system of internal accounting control. The objective of a system of internal accounting control is to provide reasonable, but not absolute, assurance that Board policy, administrative procedures and accounting procedures are fully implemented and are being adhered to. In addition, internal accounting controls are designed to provide reasonable but not absolute, assurance regarding: (1) the safe-guarding of assets against loss from unauthorized use or disposition; and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets.

Accounting Systems and Budgetary Control

The School Board reports fund statements on a modified accrual basis of accounting except for the Ethel Schoeffner Scholarship Fund which is a non-expendable, private-purpose trust fund and is reported on the accrual basis of accounting. The School Board's budget is prepared and the School Board's accounting records are generally maintained on the same basis. The Government Wide Financial Statements are reported using the economic resources measurement focus and the accrual basis of accounting. The Notes to the Financial Statements expand upon this and all other accounting policies.

This is the twenty-ninth year that the financial statements were prepared in accordance with the standards set forth in the Codification of Governmental Accounting and Financial Reporting Standards (issued by the Governmental Accounting Standards Board), and subsequent pronouncements. The Association of School Business Officials has also adopted these standards. The presentation allows the reader to obtain an overview of the School Board's financial operations by viewing the combined statements in the front of the report. More progressively detailed presentations are available to the reader throughout the remainder of the report.

Budgetary control is maintained at the fund level. Variances with the

budget at this level, as well as line item levels, are reported to the School Board's management monthly. In developing the School Board's accounting system, consideration is given to the adequacy of internal accounting controls. We believe the School Board's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

Debt Administration

All of the School Board's existing long-term debt is scheduled to be retired within seventeen years. All bond and interest payments are handled through the fiscal agents for each separate issue.

Capital Assets

The capital assets of the School Board are those capital assets used in the performance of general governmental functions. As of June 30, 2018, the capital assets of the School Board amounted to \$175,585,018 net of accumulated depreciation. The amount represents the historical cost or estimated cost if historical cost is not available, of the assets. The age of the school buildings range between 13 and 61 years with the average age of 40 years.

Independent Audit

The Revised Statutes of the State of Louisiana require an audit of the book of accounts, financial records and transactions of the School Board. This year's audit was performed by Postlethwaite & Netterville, APAC.

Financial Forecast

St. Charles Parish experienced an increase in its ad valorem tax collections over the previous year, and significant increase in the sales tax collections. The 4.5% increase in revenue helped the St. Charles Parish School Board remain in a sound financial position.

The assessed value of taxable property for the 2018 fiscal year increased by 2.6% over 2017. Based on items coming off ten-year exemption we are expecting moderate growth over the next ten years. While there are new companies added to the tax rolls each year, the major revenues are still derived from the numerous petrochemical plants and the nuclear power plant located in the parish.

Construction projects financed with the forty-two million dollar bond issuance are in the final stages. The Dr. Rodney R. Lafon Performing Arts Center will be opening during the 2018-19 school year.

The School Board's Long-range Strategic Action Plans allows the district to implement long range financial planning for both instructional and capital needs.

Financial Reporting Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to St. Charles 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 governmental unit must publish an easily readable and efficiently organized comprehensive annual report whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

A certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement Program requirements, and we are submitting it to GFOA to determine its eligibility for another certificate.

The St. Charles Parish School Board also received the Association of School Business Officials Certificate of Excellence in Financial Reporting for the fiscal year ended June 30, 2017.

Acknowledgments

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

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

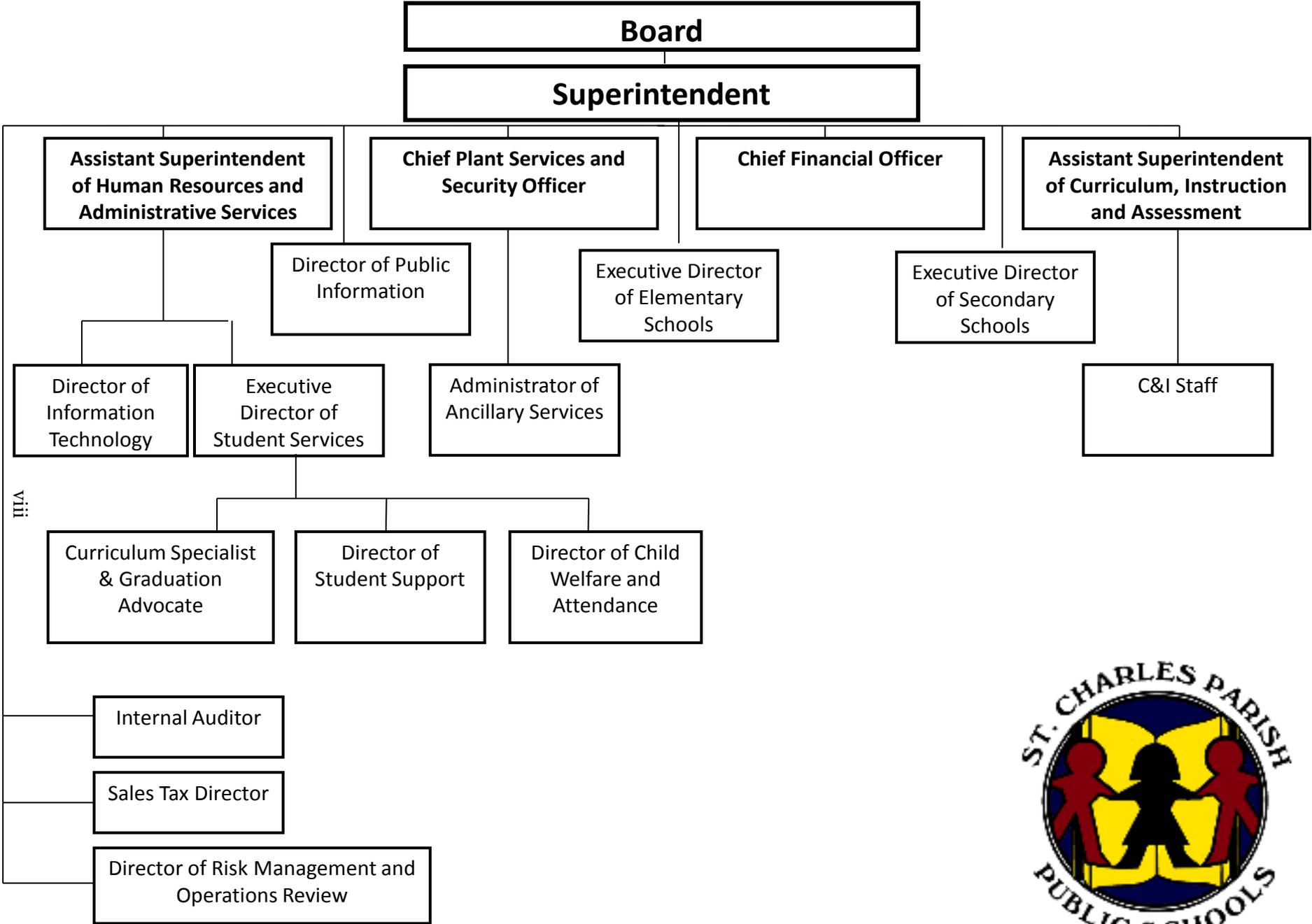
Respectfully submitted,



Felecia Gomez-Walker
Superintendent



Donna B. Post, CPA, CFE, SFO
Chief Financial Officer



viii





**ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL**

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

St. Charles Parish School Board

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

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



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

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

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

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



Government Finance Officers Association

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

Presented to

**St. Charles Parish School Board
Louisiana**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2017

Christopher P. Morrill

Executive Director/CEO

Financial Section

Independent Auditors' Report

Independent Auditors' Report

Members of the School Board of
St. Charles Parish, Louisiana

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the 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 School Board as of June 30, 2018, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

As described in Note 9 to the financial statements, the School Board implemented GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* for the year ended June 30, 2018. This Statement replaces the requirements of Statements No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, as amended, and No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans*, for other postemployment benefits (OPEB). Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 9, the schedule of revenues, expenditures and changes in fund balance – budget and actual (adjusted to budgetary basis) – general fund on page 47, the schedule of changes in total OPEB liability and related ratios on page 48, the schedule of proportionate share of the net pension liability on page 49, the schedule of pension contributions on page 50, and the notes to required supplemental information on page 51 through 53 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School Board's basic financial statements. The introductory section on pages i - x, combining and individual fund financial statements and schedules section on pages 54-88, the additional supplemental information section on pages 122 and 123, and the statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and is also not a required part of the basic financial statements.

The combining and individual fund financial statements and schedules section, the additional supplemental information section, and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the 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 fund financial statements and schedules section, the additional supplemental information section, and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of the School Board as of and for the year ended June 30, 2017 (not presented herein), and have issued our report thereon dated November 17, 2017, which contained unmodified opinions on the respective financial statements of the governmental activities, each major fund, and the aggregate remaining fund information. The combining and individual fund financial statements and schedules for the year ended June 30, 2017 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements for the year ended June 30, 2017. The combining and individual fund financial statements and schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements for the year ended June 30, 2017 and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those financial statements or to those 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 fund financial statements and schedules are fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended June 30, 2017.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we 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 November 28, 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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School Board's internal control over financial reporting and compliance.

Postlethwaite & Netterville

Metairie, Louisiana
November 28, 2018



Management's Discussion and Analysis (MD & A)

ST. CHARLES PARISH SCHOOL BOARD
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)

YEAR ENDED JUNE 30, 2018

(Unaudited)

As management of the St. Charles Parish School Board, (the District), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District 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 iv to vii of this report.

FINANCIAL HIGHLIGHTS

- The District's total net position of governmental activities increased by \$4.5 million.
- General revenues amounted to \$157.1 million in revenue, or 91.4 percent of all fiscal year revenues. Program specific revenues in the form of charges for services and grants and contributions amounted to \$14.7 million, while expenses for those programs totaled \$167.3 million.
- Among major funds, the General Fund had \$143.3 million in fiscal year revenues, which primarily consisted of state aid, sales and property taxes, and \$137.2 million in expenditures. The General Fund's fund balance increased from \$13.3 million as of June 30, 2017 to \$13.8 million as of June 30, 2018.
- The District's total general long-term liabilities increased by \$31.8 million during the current fiscal year. The key factor in this increase was the increase in post-retirement benefit liability.

OVERVIEW OF FINANCIAL STATEMENTS

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

Government-wide financial statements — The *government-wide financial statements* are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the District's assets, liabilities, deferred inflows and deferred outflows with the difference between them reported as net position. Over time, increases or decreases in *net position* may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The *statement of activities* presents information showing how the District's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of the related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused compensated absences).

The government-wide financial statements outline functions of the District that are principally supported by property taxes and intergovernmental revenues (*governmental activities*). The governmental activities of the District include instruction, support services, operation and maintenance of plant, student transportation, and operation of non-instructional services.

The government-wide financial statements can be found on pages 10–11 of this report.

Fund financial statements — A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be divided into two categories: governmental funds and fiduciary funds.

Governmental funds — Governmental funds are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating the District’s near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the District’s near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balance facilitate this comparison between *governmental funds* and *governmental activities*. These reconciliations are on pages 13 and 15, respectively.

In accordance with Louisiana Revised Statutes (L.R.S.), the District maintains individual funds. Information for the major funds are presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances. Data from the remaining governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds are provided in the form of combining statements beginning on page 59 in this report.

The basic governmental fund financial statements can be found on pages 12–15 of this report.

Fiduciary funds — Fiduciary funds are used to account for resources held for the benefit of parties outside the District. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are *not* available to support the District’s own programs. The accrual basis of accounting is used for fiduciary funds.

The basic fiduciary fund financial statement can be found on pages 16–17 of this report.

Notes to the 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 the financial statements can be found on pages 18–46 of this report.

Other information — In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the District’s budget process. The District adopts an annual expenditure budget for all governmental funds. A budgetary comparison statement has been provided for the General Fund as required supplementary information. This required supplementary information is on page 48 of this report.

The combining and individual fund financial statements referred to earlier in connection with non-major governmental funds are presented immediately following the major budgetary comparisons. Combining and individual fund statements and schedules can be found on pages 56-85 of this report.

Net position — Net position may serve over time as a useful indication of a government’s financial position. In the case of the District, liabilities and deferred inflows of resources exceeded assets and deferred outflows

of resources by \$385.1 million dollars as of June 30, 2018. This is primarily due to the reporting of the District's pension liability.

The following table presents a summary of the District's net position at June 30, 2018 and 2017, as restated.

	2018 Amount	2017 Amount Restated
Current assets	\$ 47,618,518	\$ 64,731,624
Capital assets, net	<u>175,585,018</u>	<u>165,946,045</u>
Total assets	<u>223,203,536</u>	<u>230,677,669</u>
Deferred Outflows	<u>30,798,953</u>	<u>38,851,149</u>
Current liabilities	29,081,747	21,737,003
Long-term debt outstanding	<u>597,170,750</u>	<u>628,956,790</u>
Total liabilities	<u>626,252,497</u>	<u>650,693,793</u>
Deferred inflows	<u>12,889,126</u>	<u>8,492,968</u>
Net position:		
Net investment in capital assets	101,643,996	99,023,124
Restricted	20,454,881	37,201,482
Unrestricted (deficit)	<u>(507,238,011)</u>	<u>(525,882,549)</u>
Total net position	<u>\$ (385,139,134)</u>	<u>\$ (389,657,943)</u>

The following are significant current-year transactions that have had an impact on the Statement of Net Position.

- The District's financial position is the product of several financial transactions including the net results of activities, the acquisition and payment of debt, the acquisition and disposal of capital assets, and the depreciation of capital assets.
- Increase in the OPEB liability of \$6.8 million for 2018 due to implementation of new accounting standard.
- The investment of \$15.8 million in capital assets for buses and the remodeling of schools for 2018.

Changes in net position — The table on the following page presents a summary of the changes in net position for the fiscal years ended June 30, 2018 and 2017.

- The District's total revenues for the fiscal year ended June 30, 2018 were \$171.8 million compared to \$164.5 million for the year ended June 30, 2017. The increase is primarily due to an increase in sales tax revenue of nearly \$6 million.
- The total cost of all programs and services was \$167.3 million in 2018 compared to \$180.7 million in 2017.
- Federal and state governments and charges for services subsidized certain programs with grants and contributions and other local revenues of \$14.7 million for 2018 and \$16.3 million for 2017.

- Net cost of governmental activities (\$152.6 million) was financed by general revenues, primarily made up of property taxes (\$70.6 million), sales taxes (\$54.6 million), and state aid (\$29.8 million). Investment earnings accounted for \$595,141 of funding.
- The overall financial condition has increased with total net position increasing from (\$389.7) million (as restated) to (\$385.1) million dollars.

For the years ended June 30, 2018 and 2017

	2018	2017
Revenues:		
Program revenues:		
Charges for services	\$ 2,092,886	\$ 2,090,141
Operating grants and contributions	12,640,813	14,170,646
General revenues:		
Ad valorem	70,573,776	68,887,134
Sales and use taxes	54,617,114	48,890,606
State revenue sharing	276,799	278,306
Minimum Foundation Program	29,782,840	29,618,451
Other general revenues	1,852,815	554,555
Total revenues	171,837,043	164,489,839
Program expenses:		
Instruction:		
Regular programs	\$ 75,734,072	\$ 83,806,372
Special programs	19,205,243	20,280,378
Support services:		
Student services	7,528,711	7,722,594
Instructional staff support	7,781,919	8,836,323
General administration	3,433,105	3,955,439
School administration	10,165,063	11,086,305
Business services	1,743,997	1,986,649
Plant services	18,962,586	18,105,387
Student transportation services	10,436,283	11,734,113
Central services	2,818,715	3,022,654
Food services	6,511,706	7,022,559
Community service programs	129,650	180,335
Interest on long-term debt	2,867,184	2,960,948
Total program expenses	\$167,318,234	\$180,700,056
Change in net position	\$4,518,809	(\$16,210,217)
Net position, beginning of year as restated	(389,657,943)	(189,215,590)
Restatement (GASB 75)	(184,232,136)	(184,232,136)
Net position, end of year	(\$385,139,134)	(\$389,657,943)

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds — The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's

financing requirements. In particular, unassigned fund balance may serve as a useful measure of the District's net resources available for discretionary spending at the end of the fiscal year.

The financial performance of the District is reflected in its governmental funds. As the District completed the year, its governmental funds reported a combined fund balance of \$27.8 million, a decrease of \$16.3 million primarily due to the funding of the construction projects during 2018. Approximately \$7.3 million or 26.4 percent of the fund balance constitutes unassigned fund balance, which is available for spending at the District's discretion. The majority of the District's fund balance was found in the General Fund (49.5%) with Capital Projects Fund #1 making up the next highest percentage (30.2%).

The remaining fund balance is restricted, non-spendable or committed to indicate that it is not available for spending because it has already been classified as follows.

- \$788 thousand for grant purposes
- \$4.4 million to pay debt service
- \$8.6 million for capital projects
- \$367 thousand for inventory
- \$89 thousand for prepaid items
- \$258 thousand for school activities
- \$179 thousand for self insurance
- \$500 thousand for maintenance projects
- \$300 thousand for the bus replacement plan
- \$5.0 million for property insurance deductible

FINANCIAL REVIEW

The General Fund is the principal operating fund of the District. Expenditures decreased from \$139,565,692 in 2017 to \$137,192,290 in 2018, a decrease of 1.7%. This was due primarily to closely monitoring spending. The revenues increased from \$135,347,239 in 2017 to \$143,290,730 in 2018, representing an increase of 5.9%. The increase in fund balance in the General Fund for the fiscal year was \$6.1 million, a result of revenues over expenditures and transfers to Construction Fund.

Expenditures in the Capital Projects Fund #1 were \$14,801,339 in 2018. This represents the continued use of the \$42 million dollar bond issue approved by the voters during 2014. The Capital Projects Fund #1 ended the year with a fund balance of \$8,406,422.

BUDGETARY HIGHLIGHTS

Over the course of the year, the District revised the annual expenditure budget for changes in projected revenues and expenditures. The difference between the original budgeted amount and the final amended budget was primarily due to an increase in projected revenue from sales taxes and an increase in projected expenditures due to a one-time payment given to all full time employees.

A schedule showing the original and final budget amounts compared to the District's actual financial activity for the General Fund is provided in this report on page 48 as required supplementary information.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets — As of June 30, 2018, the District had invested \$260.8 million in capital assets, including school buildings, athletic facilities, buses and other vehicles, computers, and other equipment. This amount represents a net increase prior to depreciation of \$15.8 million from last year, primarily due to the bus replacement plan, construction and renovation of buildings. Total depreciation expense for the year was \$6.2 million dollars. The following schedule presents capital asset balances net of accumulated depreciation as of June 30, 2018.

	<u>2018</u>	<u>2017</u>
Land	\$ 7,619,361	\$ 7,619,361
Buildings	135,724,173	137,442,559
Furniture and equipment	4,842,719	5,016,144
Construction in progress	<u>27,398,765</u>	<u>15,867,981</u>
Total	<u>\$ 175,585,018</u>	<u>\$ 165,946,045</u>

Additional information on the District’s capital assets can be found in Note 6 on page 31 of this report.

Debt Administration — At year-end, the District had \$80,060,528 in general obligation bonds and other long-term debt outstanding, of which \$8,272,112 is due within one year. The following table presents a summary of the District’s outstanding long-term debt at June 30, 2018 and June 30, 2017.

	<u>2018</u>	<u>2017</u>
General Obligation Bonds	\$ 75,630,000	\$ 81,495,000
Sales Tax Bonds	1,025,000	2,015,000
Qualified School Construction Bonds	2,000,000	3,000,000
Capital Lease - School Bus Purchase	<u>1,405,528</u>	<u>1,219,359</u>
Total	<u>\$ 80,060,528</u>	<u>\$ 87,729,359</u>

The District maintains an “AA” rating from Moody’s and “AA-” from Standard & Poors for general obligation debt.

State statutes currently limit the amount of general obligation debt a District may issue up to 35 percent of the parish’s total assessed valuation of property. The current debt limitation for the District is \$478 million, which is more than the District’s outstanding general obligation debt.

Additional information on the District’s long-term debt can be found in Note 10 on pages 42-43 of this report.

ECONOMIC FACTORS AND NEXT YEAR’S BUDGET AND RATES

Many factors were considered by the District’s administration during the process of developing the fiscal year 2017–2018 budget. Enrollment has remained constant for the past several years. However, maintaining competitive salaries for employees has become a major concern for the future. Also considered in the development of the budget is the local economy and the impact of the current economic conditions nationally. The state funding formula has remained flat for several years and State funded programs outside the Minimum Foundation Program have seen reductions.

These indicators were considered when adopting the budget for fiscal year 2018–2019. Budgeted expenditures in the General Fund increased by 2.7 percent to \$140,842,749 for fiscal year 2018–2019. FY 19 will be the first year of operations for the Rodney R. Lafon Performing Arts Center.

CONTACTING THE DISTRICT’S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the District’s finances and to demonstrate the District’s accountability for the resources it receives. If you have questions about this report or need additional information contact the Business Department, St. Charles Parish Public Schools, 13855 River Road, Luling, LA 70070.

Basic Financial Statements

ST. CHARLES PARISH SCHOOL BOARD

STATEMENT OF NET POSITION

June 30, 2018

ASSETS

Cash and cash equivalents	\$ 2,738,126
Investments	35,811,094
Receivables	8,516,603
Accrued interest	96,406
Inventory	366,902
Prepaid items	89,387
Capital assets:	
Land and construction in progress	35,018,126
Buildings, furniture and equipment, net of depreciation	140,566,892
	<hr/>
Total Assets	223,203,536
	<hr/>

DEFERRED OUTFLOWS

Deferred amounts related to net pension liability	27,924,297
Deferred amounts related to other post employment benefits	2,874,656
Total Deferred Outflows	30,798,953
	<hr/>

LIABILITIES

Accounts, salaries, and other payables	19,680,857
Interest payable	993,052
Unearned revenue	135,726
Long-term liabilities:	
Due within one year	8,272,112
Due in more than one year	597,170,750
Total Liabilities	626,252,497
	<hr/>

DEFERRED INFLOWS

Deferred amounts related to net pension liability	12,889,126
Total Deferred Inflows	12,889,126
	<hr/>

NET POSITION (Deficit)

Net investment in capital assets	101,643,996
Restricted for:	
Grants	456,289
Capital projects	13,762,161
Debt service	6,236,431
Unrestricted (deficit)	(507,238,011)
	<hr/>
Total Net Position (Deficit)	\$ (385,139,134)
	<hr/>

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

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

FUNCTIONS/PROGRAMS	PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	
Governmental activities:				
Instruction:				
Regular programs	\$ 75,734,073	\$ 673,284	\$ 4,411,326	\$ (70,649,463)
Special programs	19,205,243	-	2,320,290	(16,884,953)
Support services:				
Student services	7,528,711	-	805,179	(6,723,532)
Instructional staff support	7,781,919	-	821,698	(6,960,221)
General administration	3,433,105	-	21,400	(3,411,705)
School administration	10,165,062	-	71,498	(10,093,564)
Business services	1,743,997	-	4,180	(1,739,817)
Plant services	18,962,586	51,642	1,953	(18,908,991)
Student transportation services	10,436,283	-	24,544	(10,411,739)
Central services	2,818,715	-	18,481	(2,800,234)
Food services	6,511,706	1,367,960	4,140,264	(1,003,482)
Community service programs	129,650	-	-	(129,650)
Interest on long-term debt	2,867,184	-	-	(2,867,184)
Total Governmental Activities	\$ 167,318,234	\$ 2,092,886	\$ 12,640,813	(152,584,535)
Taxes:				
Property taxes, levied for general purposes				58,195,040
Property taxes, levied for debt services				6,341,540
Property taxes, levied for maintenance				6,037,196
Sales and use taxes, levied for general purposes				53,791,184
Sales and use taxes, levied for debt service				825,930
State revenue sharing				276,799
Grants and contributions not restricted to specific purposes:				
Minimum Foundation Program				29,782,840
Earnings on investments				595,141
Miscellaneous				1,257,674
Total general revenues				157,103,344
Change in net position				4,518,809
Net position - July 1, 2017 as restated				(389,657,943)
Net position - June 30, 2018				\$ (385,139,134)

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

ST. CHARLES PARISH SCHOOL BOARD
GOVERNMENTAL FUNDS
Balance Sheet
June 30, 2018

	GENERAL FUND	CAPITAL PROJECTS FUND NO. 1	NON-MAJOR GOVERNMENTAL FUNDS	TOTAL
ASSETS				
Cash and cash equivalents	\$ 393,175	\$ -	\$ 2,344,951	\$ 2,738,126
Investments	22,929,214	8,479,207	4,402,673	35,811,094
Receivables	5,649,856	-	2,866,747	8,516,603
Accrued Interest	96,406	-	-	96,406
Interfund receivables	3,179,258	-	-	3,179,258
Inventory	96,733	-	270,169	366,902
Prepaid Expenditures	89,387	-	-	89,387
TOTAL ASSETS	\$ 32,434,029	\$ 8,479,207	\$ 9,884,540	\$ 50,797,776
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts, salaries, and other payables	18,619,936	72,785	988,136	19,680,857
Interfund payables	-	-	3,179,258	3,179,258
Unearned revenue	44,488	-	91,238	135,726
Total Liabilities	18,664,424	72,785	4,258,632	22,995,841
Fund balances:				
Non-spendable	186,120	-	270,169	456,289
Restricted	-	8,406,422	5,355,739	13,762,161
Committed	6,236,431	-	-	6,236,431
Unassigned	7,347,054	-	-	7,347,054
Total Fund Balances	13,769,605	8,406,422	5,625,908	27,801,935
TOTAL LIABILITIES AND FUND BALANCES	\$ 32,434,029	\$ 8,479,207	\$ 9,884,540	\$ 50,797,776

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

ST. CHARLES PARISH SCHOOL BOARD

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

Total Fund Balances at June 30, 2018 - Governmental Funds		<u>\$ 27,801,935</u>
Cost of capital assets at June 30, 2018	<u>260,835,150</u>	
Less - accumulated depreciation as of June 30, 2018:		
Buildings	(72,073,311)	
Movable property	<u>(13,176,821)</u>	<u>175,585,018</u>
Elimination of interfund assets and liabilities:		
Due from other funds	3,179,258	
Due to other funds	<u>(3,179,258)</u>	<u>-</u>
Long-term liabilities at June 30, 2018:		
Compensated absences	(8,434,085)	
Bonds payable and capital lease liability	(80,060,528)	
Bond Premium	(2,432,486)	
Accrued interest payable	<u>(993,051)</u>	<u>(91,920,150)</u>
Total Other Post Employment Benefits balances in accordance with GASB 75		
Deferred outflow of resources - OPEB	2,874,656	
Total OPEB liability	<u>(331,861,018)</u>	<u>(328,986,362)</u>
Net pension obligation balances in accordance with GASB 68		
Deferred outflow of resources - deferred pension contributions	20,978,523	
Deferred outflow of resources - net pension liability	6,945,774	
Net pension liability	(182,654,746)	
Deferred inflow of resources - net pension liability	<u>(12,889,126)</u>	<u>(167,619,575)</u>
Net Position at June 30, 2018		<u>\$ (385,139,134)</u>

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

ST. CHARLES PARISH SCHOOL BOARD

Statement of Revenues, Expenditures and Changes in Fund Balances

GOVERNMENTAL FUNDS

For the Year Ended June 30, 2018

	GENERAL FUND	CAPITAL PROJECTS FUND #1	OTHER NONMAJOR GOVERNMENTAL FUNDS	TOTAL
REVENUES				
Local sources:				
Ad valorem tax	\$ 58,195,040	\$ -	\$ 12,378,736	\$ 70,573,776
Sales and use tax	53,791,184	-	825,930	54,617,114
Rentals, leases and royalties	51,642	-	-	51,642
Tuition	673,284	-	-	673,284
Earnings on investments	340,071	162,489	92,581	595,141
Food service income	-	-	1,368,741	1,368,741
Other	214,008	-	-	214,008
State sources:				
Restricted and non-restricted grants-in-aid	29,926,014	-	2,548,073	32,474,087
Federal sources:				
Restricted grants-in-aid:				
Direct	-	-	5,768,695	5,768,695
Subgrants	99,487	-	4,481,139	4,580,626
Corporate grants	-	-	923,532	923,532
Total revenues	<u>143,290,730</u>	<u>162,489</u>	<u>28,387,427</u>	<u>171,840,646</u>
EXPENDITURES				
Current				
Instruction:				
Regular programs	67,739,242	-	4,741,502	72,480,744
Special programs	17,250,060	-	2,320,290	19,570,350
Compensatory remedial programs	125,711	-	-	125,711
Support services:				
Student services	6,931,327	-	805,179	7,736,506
Instructional staff support	7,140,418	-	821,698	7,962,116
General administration	2,875,793	-	432,597	3,308,390
School administration	10,338,118	-	71,498	10,409,616
Business services	1,765,009	-	4,180	1,769,189
Plant services	9,846,908	-	5,413,609	15,260,517
Student transportation services	9,878,053	-	24,544	9,902,597
Central services	2,831,430	-	18,481	2,849,911
Food services	111,220	-	6,397,663	6,508,883
Community services	129,650	-	-	129,650
Capital outlay	-	14,801,339	4,576,284	19,377,623
Debt service:				
Principal retirement	229,351	-	7,855,000	8,084,351
Interest and bank charges	-	-	3,137,082	3,137,082
Total expenditures	<u>137,192,290</u>	<u>14,801,339</u>	<u>36,619,607</u>	<u>188,613,236</u>
Excess (deficiency) of revenues over expenditures	<u>6,098,440</u>	<u>(14,638,850)</u>	<u>(8,232,180)</u>	<u>(16,772,590)</u>
Other financing sources (uses)				
Issuance of debt for capital lease	-	415,520	-	415,520
Transfers in	11,962	-	5,640,120	5,652,082
Transfers out	<u>(5,640,120)</u>	<u>-</u>	<u>(11,962)</u>	<u>(5,652,082)</u>
Total other financing sources (uses)	<u>(5,628,158)</u>	<u>415,520</u>	<u>5,628,158</u>	<u>415,520</u>
Net changes in fund balance	470,282	(14,223,330)	(2,604,022)	(16,357,070)
Fund balances at beginning of year	13,299,323	22,629,752	8,174,230	44,103,305
Increase in inventory (note 1-I)	-	-	55,700	55,700
Fund balances at end of year	<u>\$ 13,769,605</u>	<u>\$ 8,406,422</u>	<u>\$ 5,625,908</u>	<u>\$ 27,801,935</u>

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

ST. CHARLES PARISH SCHOOL BOARD

**Reconciliation of the Governmental Funds
Statement of Revenues, Expenditures, and Changes
in Fund Balances to the Statement of Activities**

For the Year Ended June 30, 2018

Total net change in fund balances - governmental funds (Statement 5)		<u>\$ (16,357,070)</u>
Amounts reported for governmental activities in the Statement of Activities are different because:		
Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeds capital outlays in the period:		
Expenditures for capitalized assets	15,848,916	
Loss on disposal of assets	(3,603)	
Less current year depreciation	<u>(6,206,340)</u>	<u>9,638,973</u>
Repayment of bond principal and repayment of capital lease principal expenditures in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position	<u>7,855,000</u> <u>229,351</u>	<u>8,084,351</u>
Change in liability and deferred outflows for Other Post Employment Benefits (OPEB)		(3,900,233)
Change in net pension liability and deferred inflows and outflows in accordance with GASB 68		7,005,173
In the Statement of Activities, certain operating expenses - compensated absences (vacation and sick leave) - are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid). This year, vacation and sick time earned (\$5,018,507) was less than the amounts used (\$5,156,044) by \$137,537.		<u>137,537</u>
Increase in inventory		<u>55,700</u>
Bond premium is recorded as revenue in the governmental funds, however, this item is amortized over the life of the bonds		<u>154,266</u>
Proceeds from capital lease		<u>(415,520)</u>
Interest on long-term debt in the Statement of Activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the Statement of Activities, however, interest expense is recognized as the interest accrues, regardless of when it is due.		<u>115,632</u>
Change in net position of governmental activities (Statement 2)		<u>\$ 4,518,809</u>

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

ST. CHARLES PARISH SCHOOL BOARD
STATEMENTS OF FIDUCIARY NET POSITION

June 30, 2018

	<u>Trust Fund</u>	<u>Agency Funds</u>	<u>Total</u>
<u>ASSETS</u>			
Cash	\$ -	\$ 1,604,077	\$ 1,604,077
Investments	187,573	239,023	426,596
Accounts receivable	-	8,602,512	8,602,512
Total Assets	<u>\$ 187,573</u>	<u>\$ 10,445,612</u>	<u>\$ 10,633,185</u>
<u>LIABILITIES</u>			
Liabilities			
Deposits due others:			
Due to student groups	\$ -	\$ 1,709,759	\$ 1,709,759
Escrow deposits	-	133,241	133,241
Due to other governments	-	8,602,612	8,602,612
Total Liabilities	<u>-</u>	<u>\$ 10,445,612</u>	<u>\$ 10,445,612</u>
Net Position			
Restricted for scholarships	<u>187,573</u>	<u>-</u>	<u>187,573</u>
Total Liabilities and Net Position	<u>\$ 187,573</u>	<u>\$ 10,445,612</u>	<u>\$ 10,633,185</u>

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

ST. CHARLES PARISH SCHOOL BOARD
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
TRUST FUND

For the year ended June 30, 2018

ADDITIONS

Interest income	\$ <u>2,516</u>
Total additions	<u>2,516</u>

DEDUCTIONS

Scholarships	<u>9,000</u>
Total deductions	<u>9,000</u>

Net income	(6,484)
Net position at beginning of year	<u>194,057</u>
Net position at end of year	<u><u>\$ 187,573</u></u>

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

NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2018

1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization — The St. Charles Parish School Board, (the District), was created by Louisiana Revised Statute (LRS) 17:51 for the purpose of providing free public education for the children within St. Charles Parish. The School Board is authorized by LRS 17:81 to establish policies and regulations for its own government that are consistent with the laws of the State of Louisiana and the regulations of the Louisiana Board of Elementary and Secondary Education. The School Board is comprised of eight members who are elected from eight districts for a term of four years.

The School Board operated 15 schools and 3 centers within the parish with a total enrollment of 9,626 pupils for the year of which 474 are prekindergarten. In conjunction with the regular educational programs, some of these schools offer special education and/or adult education programs. Additionally, the School Board provides transportation and school food services for the students.

In April of 1984, the Financial Accounting Foundation established the Governmental Accounting Standards Board (GASB) to promulgate accounting principles generally accepted in the United States of America (“generally accepted accounting principles”) and reporting standards with respect to activities and transactions of state and local government entities. The GASB codification of governmental accounting and financial reporting standards is recognized as generally accepted accounting principles for state and local governments.

GASB Topic 2100, *Defining the Financial Reporting Entity*, established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Because the School Board has a separately elected governing body and is legally separate and fiscally independent, the School Board is a separate governmental reporting entity. The School Board includes all funds, activities, et cetera, that are not legally separate from the School Board. There are no separate component units combined to form the School Board reporting entity. The School Board is not financially accountable to any other governmental agency.

Fund Accounting — The accounts of the School Board are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprises its assets, liabilities, deferred inflows, fund balance, revenues, and expenditures or expenses, as appropriate. Revenues are accounted for in these individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The School Board maintains the following six fund types.

Governmental Fund Types:

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

Special Revenue Funds — Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

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

Capital Project Funds — Capital Project Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities.

NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2018

1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Fiduciary Fund Types:

Trust Fund — The Trust Fund is used to account for assets held by the School Board in a trustee capacity. The Trust Fund is a private purpose trust fund which provides scholarships to qualified graduates of St. Charles Parish Schools.

Agency Funds — The Agency Funds are used to account for assets held by the School Board in a custodial capacity (assets equal liabilities). The Agency Funds do not involve measurement of results of operations. The School Board accounts for the Student Activity Fund and Sales Tax Fund as agency funds. The Student Activity Fund accounts for funds generated by students for their activities. The Sales Tax Fund accounts for the funds collected by the Sales Tax Department, a collecting agent for the entire parish.

Basis of Accounting/Measurement Focus — Government-Wide Financial Statements (GWFS) — The Statement of Net Position and the Statement of Activities display information about the reporting government as a whole. These statements include all the financial activities of the school board, except for the fiduciary funds. Fiduciary funds are reported only in the Statement of Fiduciary Net Position at the fund level.

The GWFS were prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, liabilities, and deferred outflows and inflows resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets, liabilities, and deferred outflows and inflows resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Codification Section N50, *Nonexchange Transactions*. In presenting the GWFS, activities that are exchanges, creating assets or liabilities between funds, are eliminated to prevent the overstatement of assets and liabilities. Interfund services that are provided and used are not eliminated in the process of consolidation.

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

Allocation of Indirect Expenses — The School Board reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Indirect expenses of other functions are not allocated to those functions but are reported separately in the Statement of Activities. Depreciation expense, which can be specifically identified by function, is included in the direct expenses of each function. Depreciation on buildings other than specific school sites is assigned to the "general administration" function due to the fact that school buildings serve multiple purposes. Interest on general long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

The School Board reports the following major governmental funds:

General Fund is the principal operating fund of the School System and receives most of the revenues derived by the School System from local (principally property and sales taxes) and State sources. General Fund expenditures represent the costs of general School System operations and include

NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2018

1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

functional categories of instruction, supporting services and non-instruction. The General Fund is used to account for all financial resources and expenditures except those required to be accounted for in another fund.

Capital Projects Fund #1 is a fund that is used to account for major construction projects of the school system. Its revenues are derived from a \$42 million bond issuance during the 2015-16 fiscal year.

None of the other funds are individually significant enough to be considered a major fund. Non-major funds include seven Special Revenue Funds, four Debt service funds and one Capital Projects Fund.

Basis of Accounting/Measurement Focus — Fund Financial Statements — Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

All governmental fund types are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included in the balance sheet. This is referred to as the modified accrual basis of accounting. Operating statements of these funds present increases (i.e. revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The modified accrual basis of accounting is followed by the Governmental Fund Types. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual (i.e., both measurable and available). Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures, other than principal and interest on long-term debt, compensated absences, and claims and judgments which are recognized when due, are recorded when the fund liability is incurred, if measurable.

Revenues from local sources consist primarily of sales and use and property taxes. Year-end accrual of sales and use tax revenue is based upon June and prior months' sales and use taxes collected during July and August of the following year. Property tax revenues and revenues received from the State of Louisiana (the State) are recognized as revenue primarily as received except at year-end when they are accrued for a period not exceeding 60 days. Miscellaneous revenues are recorded as revenue when received in cash because they are generally not measurable until actually received. Generally, investment earnings are recorded as earned since they are measurable and available.

Grant funds are considered to be earned when qualifying expenditures are made and all other grant requirements have been met and, when such funds are received, they are recorded as unavailable revenue until earned.

Ad valorem taxes and the related state revenue sharing (which is based on population and homesteads in the parish) are recorded in the year the taxes are assessed. Ad valorem taxes are assessed on a calendar year basis, becoming due on November 15 of each year and becoming delinquent on December 31. Taxes are generally collected in December of the current year and January and February of the ensuing year. Ad valorem taxes are recognized when levied to the extent that they are determined to be currently

NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2018

1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

collectible. Taxes were levied on May 10, 2017. Any taxes not collected by June 30, 2018 are considered uncollectible. Sales tax is payable on the 20th of the month following the sale.

Deferred Outflows/Inflows of Resources - Deferred outflows of resources represent a consumption of net position that applies to future periods and so will not be recognized as an outflow of resources (expense) until then. Deferred inflows of resources represent an acquisition of net position that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. See Note 8 for the components of deferred outflows and inflows of resources related to the pension plans.

Other Financing Sources (Uses) — Transfers between funds that are not expected to be repaid are accounted for as other financing sources (uses).

Trust and Agency Funds — The Trust Fund and Agency Funds are maintained on a cash basis of accounting; however, the funds, as reported in the accompanying financial statements, have been converted to an accrual basis of accounting. Revenues are recognized when they are earned and expenses are recognized when they are incurred. The Trust Fund is accounted for on a flow of economic resources measurement focus while the Agency Funds have no measurement focus. With this measurement focus, all assets and liabilities associated with the operation of this fund are included on the balance sheet.

Budgetary Accounting — The proposed budget, for the fiscal year beginning July 1, 2017 and ending June 30, 2018, was made available for public inspection and comments from taxpayers, at the School Board office on July 21, 2017. At the July 21, 2017 meeting, the proposed budget was legally adopted by the School Board and revised on April 25, 2018. The School Board adopts budgets for the General Fund, Special Revenue Funds, Capital Project Funds and Debt Service Funds. The budgets are prepared on a basis that differs from generally accepted accounting principles.

The budget, which included proposed expenditures and the means of financing them, was published in the official journal fifteen days prior to the public hearing.

Formal budgetary integration is employed as a management control device during the year. The School Board approves budgets at the fund level giving management the authority to transfer amounts between line items within any fund. However, when management is aware that actual revenues, within a fund, are failing to meet estimated annual budgeted revenues, and/or, actual expenditures exceed budgeted expenditures, by five percent or more, a budget amendment is adopted in an open meeting to reflect such change. Budgeted amounts included in the accompanying financial statements include the original adopted budget amounts and all subsequent amendments. The budget was amended on April 25, 2018.

The expenditures were adjusted by less than one percent while projected revenues increased by less than one-half percent. The School Board's budget includes encumbered amounts. Accordingly, the budgetary basis expenditure data reflected in the Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual (Adjusted to Budgetary Basis) (Schedule B-3) includes encumbrances and, thus, differs from expenditure data reflected in the Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds (Statement 5) by the amount of encumbrances outstanding at year-end (as reflected within Schedule B-3).

NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2018

1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Use of Estimates — The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

Encumbrances — Encumbrance accounting is employed as an extension of formal budgetary integration in the Governmental Fund Types. Purchase orders are recorded for the expenditures of monies in order to reserve that portion of the applicable appropriation. Encumbrances do not constitute GAAP expenditures or liabilities. Encumbrances represent authorization for expenditures in subsequent years. Encumbrances totaled \$212,880 at June 30, 2018. Unencumbered appropriations lapse at year-end.

Cash and Investments — All cash deposits of the School Board are held at financial institutions. At year-end, the carrying amount of the School Board's deposits was \$4,342,203 and the bank balance was \$7,624,121. The difference is primarily due to outstanding checks or deposits in transit at June 30, 2018. Of the bank balance, \$881,598 was covered by Federal depository insurance. In compliance with state laws, those deposits not covered by depository insurance are secured by bank owned securities specifically pledged to the School Board and held in joint custody by an independent custodian bank. Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. As a result of the pledging of additional securities by custodial banks in the School Board's name, the School Board does not have any custodial credit risk at June 30, 2018. The School Board recognizes all purchases of investments with a maturity of three months or less, except for short term repurchase agreements, as cash equivalents.

Investments are recorded at fair value in accordance with GASB Statement No. 72, Fair Value Measurement and Application. The School Board may invest in certificates of deposit of state banks organized under Louisiana law and national banks having their principal offices in Louisiana. In accordance with R.S. 49:327, the School Board is authorized to invest funds in direct U.S. government obligations, U.S. government agency obligations, mutual funds, direct security repurchase agreements, and time certificates of deposit. In addition, funds derived from gifts and grants, endowments, and reserve funds established in accordance with bond issues may be invested as stipulated by the conditions of the gift instrument or bond indenture. The majority of these investments are U.S. Treasury securities, mutual funds, and investments held by private foundations and are reported at fair value on the balance sheet. Changes in the carrying value of investments, resulting in unrealized gains or losses, are reported as a component of investment income in the Statement of Revenues, Expenses, and Changes in Fund Balances.

Investments

At June 30, 2018, the School Board has investments totaling \$36,237,690.

To the extent available, the School Board's investments are recorded at fair value as of June 30, 2018. GASB Statement No. 72 - Fair Value Measurement and Application, defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2018

1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

This statement establishes a hierarchy of valuation inputs based on the extent to which the inputs are observable in the marketplace. Inputs are used in applying the various valuation techniques and take into account the assumptions that market participants use to make valuation decisions. Inputs may include price information, credit data, interest and yield curve data, and other factors specific to the financial instrument. Observable inputs reflect market data obtained from independent sources. In contrast, unobservable inputs reflect the entity's assumptions about how market participants would value the financial instrument. Valuation techniques should maximize the use of observable inputs to the extent available.

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. The following describes the hierarchy of inputs used to measure fair value and the primary valuation methodologies used for financial instruments measured at fair value on a recurring basis:

- | | |
|---------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Level 1 | Investments whose values are based on quoted prices (unadjusted) for identical assets in active markets that a government can access at the measurement date. |
| Level 2 | Investments with inputs – other than quoted prices included within Level 1 – that are observable for an asset, either directly or indirectly. |
| Level 3 | Investments classified as Level 3 have unobservable inputs for an asset and may require a degree of professional judgment. The System has no investments reported as Level 3. |

A summary of the School Board's investments, along with the fair value hierarchy levels of each type of investment is as follows:

Type of Investment	Total Value	Fair Value Hierarchy		
		Quoted Prices in Active Markets for Identical Assets (Level 1 Inputs)	Significant Other Observable Inputs (Level 2 Inputs)	Significant Unobservable Inputs (Level 3 Inputs)
U.S. Treasury Securities	\$ 26,213,852	\$ 26,213,852	\$ -	\$ -
U.S. Government Agency Securities: Federal National Mortgage Association	1,209,494	-	1,209,494	-
Total investments in fair value	27,423,346	\$ 26,213,852	\$ 1,209,494	\$ -
LAMP	8,564,344			
Certificates of Deposit	250,000			
Total investments	\$ 36,237,690			

NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2018

1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Level 1 investments listed in the above table are valued using prices quoted in active markets for those securities.

Level 2 investments listed in the above table are valued using the following approaches:

- U.S. Government Agency Securities: quoted prices for identical or similar securities in active markets, or matrix pricing based on the securities' relationship to benchmark quoted prices;

The School Board has no investment policy that would further limit its investment choices beyond the restrictions imposed by the State. The State limits investments to securities backed by the U. S. Government investments secured by U. S. Government securities. At June 30, 2018 the investment in the State investment pool was rated AA+ by Standard & Poor's and Aaa by Moody's Investors Service. The School Board's investments in Federal National Mortgage Association and other Federal Agencies obligations were rated AA+ by Standard and Poor's and Aaa by Moody's Investors Service. The School Board has no limit on the amount it may invest in any one issuer so long as State's restrictions are followed. Excluding Federal Agency obligations and the state investment pool, the School Board had certificates of deposit of \$489,023 (\$250,000 certificate of deposit included in the internal investment pool and another \$239,023 invested at the individual school banks) at June 30, 2018 in its investment portfolio; this investment was secured by the pledge of specific investments in amounts in excess of the carrying value of the School Board's Investment.

As of June 30, 2018 the School Board had the following investments in its internal investment pool:

	<u>Maturities</u>	<u>Fair Value</u>
State Investments Pool - (LAMP)	3 months average	\$ 8,564,344
Certificate of Deposit	August 2018 - June 2019	489,023
United States Treasury Bond	July 2018 - September 2018	25,966,425
Federal National Mortgage Association	September 2018 - July 2019	<u>1,217,898</u>
Total		36,237,690
Portion owned by Trust and Agency Funds		<u>(426,596)</u>
Investment held for Governmental Funds		<u>\$ 35,811,094</u>

NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2018

1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Credit Risk — Statutes authorize the School Board to invest in the following types of investment securities:

- (1) Fully-collateralized certificates of deposit issued by qualified commercial banks federal credit unions and savings and loan associations located within the State of Louisiana.
- (2) Direct obligations of the U. S. Government, including such instruments as treasury bills, treasury notes and treasury bonds. Obligations of U. S. Government agencies that are deliverable on the Federal Reserve System.
- (3) Repurchase agreements in government securities in (2) above made with the 36 primary dealers that report to and are regulated by the Federal Reserve Bank of New York.

Interest Rate Risk — As a means of limiting its exposure to fair value losses arising from rising interest rates, the School Board's investment policy requires that (i) greater than 40% of the portfolio mature within 30 days, (ii) the final maturity of the portfolio may not exceed three years and (iii) the weighted average maturity may not exceed two years. At June 30, 2018, \$27,000,000 of the investment portfolio matured within twelve months. Callable securities held in the portfolio at June 30, 2018 are expected to be called.

Custodial Credit Risk — For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the School Board would not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. At June 30, 2018, the School Board is not exposed to custodial credit risk with respect to its investments because all investments except for the state investment pool (LAMP) as noted below, are either insured by federal depository insurance, registered in the name of the School Board or collateralized by other investments pledged in the name of the School Board.

The School Board invests monies with the Louisiana Asset Management Pool (LAMP). LAMP is considered to be an external investment pool administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local Louisiana government entities having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LA-R.S. 33.2955.

The following facts are relevant for LAMP:

- Credit risk: LAMP is rated AAA by Standard & Poor's.
- Custodial credit risk: LAMP participants' investments in the pool are evidenced by shares of the pool. Investments in pools should be disclosed, but not categorized because they are not evidenced by securities that exist in physical or book-entry form. The public entity's investment is with the pool, not the securities that make up the pool; therefore, no disclosure is required.
- Concentration of credit risk: Pooled investments are excluded from the 5 percent disclosure requirement.

NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2018

1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

- Interest rate risk: LAMP is designed to be highly liquid to give its participants immediate access to their account balances. LAMP prepares its own interest rate disclosure using the weighted average maturity (WAM) method. The WAM of LAMP assets is restricted to not more than 60 days and consists of no securities with a maturity in excess of 397 days.
- Foreign currency risk: Not applicable.

LAMP values its investments at fair value based on quoted market values. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the value of the pool shares which approximates net asset value (NAV).

LAMP, Inc. is subject to the regulatory oversight of the state treasurer and board of directors.

LAMP is not registered with the SEC as an investment company.

An annual audit of LAMP is conducted by an independent certified public accountant. The Legislative Auditor of the State of Louisiana has full access to the records of LAMP.

LAMP issues financial reports which can be obtained by writing: LAMP, Inc., 228 St. Charles Avenue, Suite 1123, New Orleans, LA 70130.

Inventory — Inventories of the General Fund and Special Revenue Funds are stated at cost, under the first in first out (FIFO) method of accounting, and consist of expendable supplies held for consumption. The General Fund costs are recorded as expenditures at the time the items are consumed. The Special Revenue Funds costs are recorded as expenditures at the time the items are purchased and inventories are determined at the end of the year. Inventories at year-end are equally offset by a fund balance reserve except commodity inventory, which is shown as unavailable revenue.

Capital Assets — Capital assets consist of land, buildings, machinery, furniture and equipment with an expected useful life of more than one year. All capital assets are stated at historical cost or estimated historical cost if historical cost is not available. Donated capital assets are stated at fair market value at the date of donation with the exception of works of art and similar items, and capital assets received in a service concession arrangement which are reported at acquisition value. The School Board maintains a threshold level of \$5,000 or more for capitalizing capital assets.

Capital assets are recorded in the Government-Wide Financial Statements, but are not reported in the Fund Financial Statements. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public school purposes by the School Board, no salvage value is taken into consideration for depreciation purposes. All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Land improvements	20–30 years
Buildings and building improvements	25–50 years
Furniture and fixtures	5–10 years
Vehicles	8–10 years
Equipment	5–30 years

NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2018

1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Compensated Absences:

The following information was used to determine information presented in the accompanying statements:

- (1) Vacation is earned from July 1 through June 30. Only twelve-month employees accrue vacation. The amount of vacation claimed during the fiscal year is the reported expenditure of that period in the General Fund. A long-term liability of \$366,821 has been reported for vacation and salary-related benefits in the Government-Wide Financial Statements. This liability represents accumulated vacation at June 30, 2018 and any current portion would be insignificant to the General Fund.
- (2) Employees are awarded sick leave on July 1 for the upcoming year. Nine, ten, eleven and twelve-month employees receive ten, eleven, twelve, and thirteen days, respectively. These days may be accumulated until retirement. On termination, other than retirement, no accumulated sick leave is granted. On retirement, an employee receives credit for a maximum of 25 accumulated days. The state partially reimburses the School Board for accumulated sick leave paid retirees in the year subsequent to that in which the benefit is paid.

The amount of sick leave expenditure reported in the General Fund for the fiscal year is the amount actually claimed by employees during that period. A long-term liability of \$5,740,038 representing sick leave and salary-related benefits is reported in the Government-Wide Financial Statements. This liability is an estimate based upon historical experience of those benefits paid by the School Board.

- (3) Any employee with a teaching certificate is entitled to one semester of sabbatical leave after three or more years of continuous service or two semesters of sabbatical leave after six or more years of continuous service. Unused sabbatical leave may be carried forward to one or more periods subsequent to that in which it is earned, but no more than two semesters of leave may be accumulated. Sabbatical leave does not vest. Leave may only be taken for rest and recuperation (approved by the doctor) or professional and cultural improvement. All sabbatical leaves must be approved by the School Board.

The School Board is limited to granting sabbatical leaves totaling a maximum of 5% of eligible employees in any one year. The employee receives his/her salary less a 35% reduction.

The sabbatical leave expenditures reported in the General Fund represents actual sabbatical leave claimed during the fiscal year. A long-term liability of \$2,327,226 representing sabbatical leave and salary-related benefits is reported in the Government-Wide Financial Statements.

Net Position – Government-Wide Financial Statements – The statement of net position as the difference between all other elements in a statement of net position and is displayed in three components – net investment in capital assets, restricted net position (distinguishing between major categories of restrictions), and unrestricted 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.

NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2018

1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

The governmental activities unrestricted (and overall) net position has a negative balance at June 30, 2018. The School Board plans to gradually eliminate this negative balance when it shows increases in revenues over expenses and is able to fund pension and post-employment benefits, reducing the total liability and increasing net position.

Fund Balance — In accordance with GASB Statement 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, fund balance for governmental funds is reported in classifications that comprise a hierarchy based primarily on the extent to which the School Board is bound to honor constraints on the specific purpose for which amounts in the funds can be spent. Fund balance is reported in five components — nonspendable, restricted, committed, assigned and unassigned.

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

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

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

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

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

NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2018

1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

The composition of fund balance at June 30, 2018 is as follows:

	<u>General Fund</u>	<u>Capital Projects Fund No. 1</u>	<u>Other Nonmajor Governmental Fund</u>	<u>Total</u>
Restricted for grant purposes	\$ -	\$ -	\$ 788,076	\$ 788,076
Restricted for debt service	-	-	4,416,099	4,416,099
Restricted for capital projects	-	8,406,422	151,564	8,557,986
Nonspendable — inventory	96,733	-	270,169	366,902
Nonspendable — prepaid expenditure	89,387	-	-	89,387
Committed for school activities	257,751	-	-	257,751
Committed for self insurance	178,680	-	-	178,680
Committed for maintenance	500,000	-	-	500,000
Committed for bus replacement	300,000	-	-	300,000
Committed for property insurance	<u>5,000,000</u>	<u>-</u>	<u>-</u>	<u>5,000,000</u>
Total restricted, committed and non-spendable	<u>\$ 6,422,551</u>	<u>\$ 8,406,422</u>	<u>\$5,625,908</u>	<u>\$20,454,881</u>

Committed for school activities is for the replacement of band uniforms.

Committed for self insurance represents an amount set aside for vehicle physical damage claims.

Committed for maintenance is set aside for maintenance projects based on the capital improvement list.

Committed for bus replacement represents the plan approved in the passage of the one-cent sales tax.

Committed for property insurance represents the amount set aside for deductibles for named storms.

Interfund Receivables and Payables — On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as “interfund receivables or payables.” These amounts are eliminated in the statement of net position except for residual amounts which are a result of due from fiduciary funds.

Sales and Use and Ad Valorem Tax — The sales and use tax department of the School Board collects all sales and use taxes for St. Charles Parish. At June 30, 2018, the sales tax department collected a five percent sales and use tax of which two percent is collected for the St. Charles Parish Council for a stipulated fee. The remaining three percent of the sales and use tax can be used by the School Board for any lawful school purpose. Approximately seven percent of collections are deposited into the debt service funds of the School Board as required by bond indenture and the balance is deposited into the General Fund.

The cost of collecting sales and use tax for the year ended June 30, 2018 amounted to \$917,001. This expense was reduced by a reimbursement from the St. Charles Parish Council of \$366,800 and recovered audit and legal costs of \$2,028. The net cost of collection to the St. Charles School Board was \$548,984 which is included in the general administration expenditures of the General Fund.

The ad valorem tax is due and becomes an enforceable lien on property on the first day of the month following the filing of the tax rolls by the assessor with the Louisiana Tax Commission by December 1st. The tax is delinquent thirty days after the due date. The tax is levied based on property values determined by the St. Charles Parish Assessor’s Office. All property is assessed at an average of 13% of

NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2018

1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

its fair market value. The Parish has no official lien date. The tax is billed and collected by the St. Charles Parish Sheriff's office, which receives a certain millage for its service.

Prepaid Items - Prepaid items are recorded under the consumption method.

Pension Plans - The St. Charles Parish Board is a participating employer in three defined benefit pension plans (plans) as described in Note 8. For purposes of measuring the Net Pension Liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of each of the plans, and additions to/deductions from each plans' fiduciary net position have been determined on the same basis as they are reported by each of the plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments have been reported at fair value within each plan.

2. SALES AND USE TAXES PAID UNDER PROTEST

As of June 30, 2018 there was \$133,241 of sales and use taxes paid under protest. These are payments made under protest from two separate vendors.

3. EXPENDITURES - ACTUAL AND BUDGET

The following individual funds had actual expenditures (on a budgetary basis) which exceeded budgeted expenditures for the year ended June 30, 2018:

Fund	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
Special Revenue Funds:			
Headstart	\$ 1,593,148	\$ 1,628,431	\$ (35,283)
Other Grants	\$ 1,538,458	\$ 3,041,963	\$ (1,503,505)

The variances in the Special Revenue Funds were due to additional funds allocated to the District.

4. RECEIVABLES

The receivables of \$8,516,603 at June 30, 2018 are comprised of the following:

	<u>General Fund</u>	<u>Non-Major Governmental Funds</u>	<u>Total</u>
Taxes receivable	\$ 5,269,627	\$ 26,233	\$5,295,860
Due from Other Governments:			
Federal	-	2,215,413	2,215,413
State	19,389	625,101	644,490
All other	360,840	-	360,840
	<u>\$ 5,649,856</u>	<u>\$ 2,866,747</u>	<u>\$8,516,603</u>

NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2018

5. LEVIED TAXES

The following is a summary of ad valorem tax millages levied on May 10, 2017 for the calendar year 2017 based on the assessed valuation of property as of January 1 of the calendar year:

Parishwide Taxes:	
Constitutional tax	4.12
Maintenance and operation tax	41.86
Construction tax	4.77
Bond and interest tax	5.01

The taxes become due on December 1 of each year and become delinquent on December 31.

6. CHANGES IN CAPITAL ASSETS

A summary of changes in capital assets follows:

	<u>Balance</u> <u>July 1, 2017</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2018</u>
Nondepreciable Assets:				
Land	\$ 7,619,361	\$ -	\$ -	\$ 7,619,361
Construction in progress	15,867,981	14,347,665	2,816,881	27,398,765
Depreciable Assets:				
Building and improvements	204,324,136	3,473,348	-	207,797,484
Furniture and equipment	<u>17,724,353</u>	<u>844,784</u>	<u>549,597</u>	<u>18,019,540</u>
Total	<u>\$ 245,535,831</u>	<u>\$ 18,665,797</u>	<u>\$ 3,366,478</u>	<u>\$ 260,835,150</u>
Less accumulated depreciation for:				
Building and improvements	\$ 66,881,577	\$ 5,191,734	\$ -	\$ 72,073,311
Furniture and equipment	<u>12,708,209</u>	<u>1,014,606</u>	<u>545,994</u>	<u>13,176,821</u>
Total	<u>\$ 79,589,786</u>	<u>\$ 6,206,340</u>	<u>\$ 545,994</u>	<u>\$ 85,250,132</u>
Capital assets — net	<u>\$ 165,946,045</u>	<u>\$ 12,459,457</u>	<u>\$ 2,820,484</u>	<u>\$ 175,585,018</u>

Depreciation expense was charged to governmental functions as follows:

Instruction — Regular	\$5,118,014
Support services:	
General administration	123,696
Business services	9,835
Plant services	186,271
Student transportation services	661,561
Central services	19,423
Food services	<u>87,540</u>
	<u>\$6,206,340</u>

7. PAYABLES

Accounts, salaries and other payables of \$19,680,857 at June 30, 2018 consist of the following:

Accrued salaries	\$ 8,651,547
Accrued benefits and payroll withholding	8,170,612
Insurance liabilities	1,273,090
Payable to vendors	<u>1,585,608</u>
	<u>\$ 19,680,857</u>

NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2018

8. DEFINED BENEFIT PENSION PLANS

The St. Charles Parish School Board (the School System) is a participating employer in several cost-sharing defined benefit pension plans. These plans are administered by three public employee retirement systems, the Teachers' Retirement System of Louisiana (TRSL) and the Louisiana School Employees' Retirement System (LSERS). Article X, Section 29(F) of the Louisiana Constitution of 1974 assigns the authority to establish and amend benefit provisions of these plans to the State Legislature. Each system is administered by a separate board of trustees and all Systems are component units of the State of Louisiana.

Each of the Systems issues an annual publicly available financial report that includes financial statements and required supplementary information for the system. These reports may be obtained by writing, calling or downloading the reports as follows:

TRSL:
8401 United Plaza Blvd.
P. O. Box 94123
Baton Rouge, Louisiana 70804-9123
(225) 925-6446
www.trsl.org

LSERS:
8660 United Plaza Blvd.
Baton Rouge, LA 70804
(225) 925-6484
www.lasers.net

LASERS:
8401 United Plaza Blvd.
P. O. Box 44213
Baton Rouge, LA 70804-4213
(225) 925-0185
www.lasersonline.org

Plan Descriptions:

Teachers' Retirement System of Louisiana (TRSL) is the administrator of a cost-sharing defined benefit pension plan. The plan provides retirement, disability, and survivor benefits to employees who meet the legal definition of a "teacher" as provided for in LRS 11:701. Eligibility for retirement benefits and the calculation of retirement benefits are provided for in LRS 11:761.

Louisiana State Employees' Retirement System (LASERS) administers a cost-sharing defined benefit pension plan to provide retirement, disability, and survivor benefits to eligible state employees and their beneficiaries as defined in LRS 11:411-414. The age and years of creditable service required in order for a member to receive retirement benefits are established by LRS 11:441 and vary depending on the member's hire date, employer and job classification.

Louisiana School Employees' Retirement System (LSERS) is the administrator of a cost-sharing defined benefit pension plan. The plan provides retirement, disability, and survivor benefits to school employees as defined in LRS 11:1002. Eligibility for retirement benefits and the computation of retirement benefits are provided for in LRS 11:1141.

Cost of Living Adjustments

The pension plans in which the School System participates have the authority to grant cost-of-living adjustments (COLAs) on an ad hoc basis. COLAs may be granted to these systems, (TRSL LSERS, and LASERS) if approved with a two-thirds vote of both houses of the Legislature, provided the plan meets certain statutory criteria related to funded status and interest earnings.

NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2018

8. DEFINED BENEFIT PENSION PLANS - CONTINUED

Funding Policy

Article X, Section 29(E)(2)(a) of the Louisiana Constitution of 1974 assigns the Legislature the authority to determine employee contributions. Employer contributions are actuarially determined using statutorily established methods on an annual basis and are constitutionally required to cover the employer’s portion of the normal cost and provide for the amortization of the unfunded accrued liability. Employer contributions are adopted by the Legislature annually upon recommendation of the Public Retirement Systems’ Actuarial Committee. In accordance with state statute, TRSL receives ad valorem taxes and state revenue sharing funds. These additional sources of income are used as employer contributions and are considered support from non-employer contributing entities, but are not considered special funding situations.

Contributions to the plans are required and determined by State statute (which may be amended) and are expressed as a percentage of covered payroll. The contribution rates in effect for the year ended June 30, 2018, for the School System and covered employees were as follows:

	<u>School System</u>	<u>Employees</u>
Teachers' Retirement System:		
Regular Plan	26.60%	8.00%
Plan A	26.60%	9.10%
School Employees' Retirement System	27.60%	7.50%- 8.00%
State Employees’ Retirement System	37.90%	7.50%- 8.00%

The contributions made to the Systems for the past three fiscal years, which equaled the required contributions for each of these years, were as follows:

	<u>2018</u>	<u>2017</u>	<u>2016</u>
Teachers' Retirement System:			
Regular Plan	\$ 18,852,275	\$ 18,247,079	\$ 18,375,083
Plan A	-	2,465	14,460
School Employees' Retirement System	2,244,126	2,232,527	2,362,583
State Employees’ Retirement System	23,280	20,521	26,647

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

The following schedule lists the School System’s proportionate share of the Net Pension Liability allocated by each of the pension plans for based on the June 30, 2017 measurement date. The School System uses this measurement to record its Net Pension Liability and associated amounts as of June 30, 2018 in accordance with GASB Statement 68. The schedule also includes the proportionate share allocation rate used at June 30, 2017 along with the change compared to the June 30, 2016 rate. The School System’s proportion of the Net Pension Liability was based on a projection of the Agency’s long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined.

NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2018

8. DEFINED BENEFIT PENSION PLANS - CONTINUED

	Net Pension Liability at June 30, 2017	Rate at June 30, 2017	Increase (Decrease) on June 30, 2016 Rate
Teachers' Retirement System	\$ 164,178,379	1.6014%	0.034 %
School Employees' Retirement System	18,259,824	2.853%	0.094%
State Employees' Retirement System	216,543	0.003%	0.000%
	<u>\$ 182,654,746</u>		

The following schedule lists each pension plan's recognized pension expense plus employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions by the School System for the year ended June 30, 2018:

	Total
Teachers' Retirement System	\$ 23,231,050
School Employees' Retirement System	1,845,389
State Employees' Retirement System	(61,300)
	<u>\$ 25,015,139</u>

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ (5,826,580)
Changes of assumptions	2,114,991	(284,458)
Net difference between projected and actual earnings on pension plan investments	7,036	(4,525,954)
Changes in proportion and differences between Employer contributions and proportionate share of contributions	4,823,747	(2,252,134)
Employer contributions subsequent to the measurement date	20,978,523	-
Total	<u>\$ 27,924,297</u>	<u>\$ (12,889,126)</u>

NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2018

8. DEFINED BENEFIT PENSION PLANS - CONTINUED

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

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Teachers' Retirement System	\$ 24,843,526	\$ (11,748,498)
School Employees' Retirement System	3,044,816	(1,053,626)
State Employees' Retirement System	<u>35,955</u>	<u>(87,002)</u>
	<u>\$ 27,924,297</u>	<u>\$ (12,889,126)</u>

The School System reported a total of \$20,978,523 as deferred outflow of resources related to pension contributions made subsequent to the measurement period of June 30, 2017 which will be recognized as a reduction in Net Pension Liability in the year ended June 30, 2019. The following schedule list the pension contributions made subsequent to the measurement period for each pension plan:

	<u>Subsequent Contributions</u>
Teachers' Retirement System	\$ 18,720,769
School Employees' Retirement System	2,234,420
State Employees' Retirement System	<u>23,334</u>
	<u>\$ 20,978,523</u>

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

Year	<u>TRSL</u>	<u>LSERS</u>	<u>LASERS</u>	<u>Total</u>
2019	(4,496,762)	(456,190)	(80,616)	(5,033,568)
2020	2,631,863	756,966	7,775	3,396,604
2021	(80,162)	120,356	2,816	43,010
2022	<u>(3,680,675)</u>	<u>(664,362)</u>	<u>(4,356)</u>	<u>(4,349,393)</u>
	<u>(5,625,736)</u>	<u>(243,230)</u>	<u>(74,381)</u>	<u>(5,943,347)</u>

NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2018

8. DEFINED BENEFIT PENSION PLANS - CONTINUED

Actuarial Assumptions

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

	TRSL	LSERS	LASERS																		
Valuation Date	June 30, 2017	June 30, 2017	June 30, 2017																		
Actuarial Cost Method	Entry Age Normal	Entry Age Normal	Entry Age Normal																		
Actuarial Assumptions:																					
Expected Remaining																					
Service Lives	5 years	3 years	3 years																		
Investment Rate of Return	7.70% net of investment expenses	7.125% net of investment expenses	7.70% per annum.																		
Inflation Rate	2.5% per annum	2.625% per annum	2.75% per annum																		
Mortality	Mortality rates were projected based on the RP-2000 Mortality Table with projection to 2025 using Scale AA.	Mortality rates based on the RP-2000 Combined Healthy Sex Distinct Mortality Table.	Non-disabled members - Mortality rates based on the RP-2000 Combined Healthy Mortality Table with mortality improvement projected to 2015. Disabled members – Mortality rates based on the RP-2000 Disabled Retiree Mortality Table, with no projection for mortality improvement.																		
Termination, Disability, and Retirement	Termination, disability, and retirement assumptions were projected based on a five year (2008-2012) experience study of the System's members.		Termination, disability, and retirement assumptions were projected based on a five-year (2009-2013) experience study of the System's members.																		
Salary Increases	3.50% - 10.0% varies depending on duration of service	Salary increases were projected based on the 2008-2012 experience study of the Plan's members. Ranging from 3.075% to 5.375%	Salary increases were projected based on a 2009-2013 experience study of the System's members. The salary increase ranges for specific types of members are:																		
			<table border="1"> <thead> <tr> <th style="text-align: left;">Member Type</th> <th style="text-align: center;">Lower Range</th> <th style="text-align: center;">Upper Range</th> </tr> </thead> <tbody> <tr> <td>Regular</td> <td style="text-align: center;">3.8%</td> <td style="text-align: center;">12.8%</td> </tr> <tr> <td>Judges</td> <td style="text-align: center;">2.8%</td> <td style="text-align: center;">5.3%</td> </tr> <tr> <td>Corrections</td> <td style="text-align: center;">3.4%</td> <td style="text-align: center;">14.3%</td> </tr> <tr> <td>Hazardous Duty</td> <td style="text-align: center;">3.4%</td> <td style="text-align: center;">14.3%</td> </tr> <tr> <td>Wildlife</td> <td style="text-align: center;">3.4%</td> <td style="text-align: center;">14.3%</td> </tr> </tbody> </table>	Member Type	Lower Range	Upper Range	Regular	3.8%	12.8%	Judges	2.8%	5.3%	Corrections	3.4%	14.3%	Hazardous Duty	3.4%	14.3%	Wildlife	3.4%	14.3%
Member Type	Lower Range	Upper Range																			
Regular	3.8%	12.8%																			
Judges	2.8%	5.3%																			
Corrections	3.4%	14.3%																			
Hazardous Duty	3.4%	14.3%																			
Wildlife	3.4%	14.3%																			
Cost of Living Adjustments	None	The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost of living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees.	The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost of living increases. The projected benefit payments do not include provisions for potential future increases not yet authorized by the Board of Trustees as they were deemed not to be substantively automatic.																		

NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2018

8. DEFINED BENEFIT PENSION PLANS - CONTINUED

The following schedule list the methods used by each of the retirement systems in determining the long term rate of return on pension plan investments:

TRSL	LSERS	LASERS
<p>The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.5% and an adjustment for the effect of rebalancing/diversification. The resulting expected long-term rate of return was 8.23% for 2017.</p>	<p>The long-term expected rate of return on pension plan investments was determined using a triangulation method which integrated the CAPM pricing model (top-down), a treasury yield curve approach (bottom-up) and an equity building-block model (bottom-up). Risk return and correlations are projected on a forward looking basis in equilibrium, in which best-estimates of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These rates are combined to produce the long term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation and an adjustment for the effect of rebalancing/diversification. The resulting long-term arithmetic nominal expected return is 8.10%.</p>	<p>The long-term expected rate of return on pension plan investments was determined using a building block method in which best-estimates 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 of 3.25% and an adjustment for the effect of rebalancing/diversification. The resulting expected long-term rate of return is 8.69% for 2017.</p>

The following table provides a summary of the best estimates of arithmetic/geometric real rates of return for each major asset class included in each of the Retirement Systems target asset allocations as of June 30, 2017:

Asset Class	Target Allocation			Long-Term Expected Real Rate of Return		
	TRSL	LSERS	LASERS	TRSL	LSERS	LASERS
Cash	-	-	-	-	-	-0.24%
Domestic equity	27.00%	-	25.00%	4.28%	-	4.31%
International equity	19.00%	-	32.00%	4.96%	-	5.35%
US equity	-	20.00%	-	-	6.44%	-
Developed equity	-	18.00%	-	-	7.40%	-
Emerging markets equity	-	10.00%	-	-	9.42%	-
Global REITs	-	3.00%	-	-	5.77%	-
Domestic fixed income	13.00%	-	8.00%	1.98%	-	1.73%
International fixed income	5.50%	-	6.00%	2.75%	-	2.49%
Core fixed income	-	8.00%	-	-	2.02%	-
High yield fixed income	-	5.00%	-	-	4.43%	-
Emerging markets debt fixed income	-	7.00%	-	-	4.71%	-
Global fixed income	-	10.00%	-	-	1.38%	-
Alternatives	-	-	22.00%	-	-	7.41%
Alternative - private equity	-	5.00%	-	-	10.47%	-
Alternative - hedge fund or funds	-	3.00%	-	-	3.75%	-
Alternative - real estate	-	5.00%	-	-	5.00%	-
Private equity	25.50%	-	-	8.47%	-	-
Other private equity	10.00%	-	-	3.51%	-	-
Global asset allocation	-	-	7.00%	-	-	2.84%
Real assets - timber	-	2.00%	-	-	5.67%	-
Real assets - oil and gas	-	2.00%	-	-	10.57%	-
Real assets - infrastructure	-	2.00%	-	-	6.25%	-
Total	100.00%	100.00%	100.00%			
Inflation						
Expected Arithmetic Nominal Return						

NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2018

8. DEFINED BENEFIT PENSION PLANS - CONTINUED

Discount Rate

The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that sponsor contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, each of the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate used to measure the total pension liability for TRSL, LSERS and LASERS was 7.75%, 7.125% and 7.75, respectively for the year ended June 30, 2017.

Sensitivity of the Employer's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

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

	<u>1.0% Decrease</u>	<u>Current Discount Rate</u>	<u>1.0% Increase</u>
TRSL			
Rates	6.700%	7.700%	8.700%
SCPSB Share of NPL	\$ 211,547,588	\$ 164,178,379	\$ 123,882,537
LSERS			
Rates	6.125%	7.125%	8.125%
SCPSB Share of NPL	\$ 25,032,072	\$ 18,259,824	\$ 12,444,049
LASERS			
Rates	6.700%	7.700%	8.700%
SCPSB Share of NPL	\$ 271,633	\$ 216,374	\$ 169,390

Payables to the Pension Plan

The St. Charles Parish School System recorded accrued liabilities to each of the Retirement Systems for the year ended June 30, 2018 mainly due to the accrual for payroll at the end of each of the fiscal years. The amounts due are included in liabilities under the amounts reported as accounts, salaries and other payables. The balance due to each for the retirement systems at June 30, 2018 and 2017 is as follows:

	<u>June 30, 2018</u>	<u>June 30, 2017</u>
TRSL	\$ 5,416,996	\$ 5,263,846
LSERS	393,716	399,795
LASERS	3,338	2,068
	<u>\$ 5,814,050</u>	<u>\$ 5,665,709</u>

NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2018

9. CURRENT YEAR ADOPTION OF NEW ACCOUNTING STANDARD AND RESTATEMENT OF NET POSITION

The Entity adopted Government Accounting Standards Board (GASB) Statement Number 75 - *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. The net effect to the Entity's Statement of Net Position for the prior year that resulted from the adoption of GASB 75 is as follows:

	Governmental Activities
Total Net Position, June 30, 2017 as previously reported	\$ (205,425,807)
Reverse post-employment benefit obligation June 30, 2017	140,853,993
Record total post-employment benefit liability June 30, 2017	(325,086,129)
Net effect	(184,232,136)
Total Net Position, June 30, 2017, Restated	\$ (389,657,943)

10. POSTRETIREMENT HEALTH CARE AND LIFE INSURANCE BENEFITS

Plan Description — The Entity provides certain continuing health care and life insurance benefits for its retirees, disabled retirees and their eligible beneficiaries. Current employees are eligible for these plan benefits if they retire as members of one of three Entity sponsored retirement systems. These benefits are provided through an Other Post Employment Benefit Plan (the OPEB Plan) categorized as a single-employer defined benefit plan that the Entity administers. The Entity's board has the authority to establish and/or amend the obligation of the employer, employees and retirees as provided by Louisiana Revised Statute Title 17 Sections 1221 through 1224. 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 (D.R.O.P. 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 who entered one of the four state systems on or after January 1, 2011 may not retire until age 60 without actuarial reduction in their pension benefits.

Life insurance coverage is available to retirees in the same amount as before retirement up to a maximum of \$25,000. The premium is based on a blended rate (based on age specific rates) for active and a separate blended rate for retirees. The employer pays the cost of the retiree life insurance based on the blended rates. Since GASB 75 requires the use of "unblended" rates, we have used the 94GAR mortality table described below to "unblend" the rates so as to reproduce the 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.

NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2018

10. POSTRETIREMENT HEALTH CARE AND LIFE INSURANCE BENEFITS – CONTINUED

Employees covered by benefit terms – The June 30, 2018 actuarial valuation included the following employees covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	936
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	<u>1,476</u>
	<u>2,412</u>

Total OPEB Liability

The Entity’s total OPEB liability of \$331,861,018 was measured as of June 30, 2018 and was determined by an actuarial valuation as of June 30, 2018.

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

Inflation	2.2%
Salary increases	0.5%, including inflation
Discount rate	3.62%
Healthcare cost trend rates	SoA Long-Run Medical Cost Trend Model based on plan experience

The discount rate was based on the average of the Fidelity General Obligation AA 20 Year Yield as of the measurement date.

Mortality rates for active employees were based on the RPH-2014 Employee Mortality Table, Generational with Projection Scale MP-2017 for males or females, as appropriate. Mortality rates for retirees/disabled employees were based on the RPH-2014 Healthy Annuitant and Disabled Retiree Mortality Table, Generational with Projection Scale MP-2017 for males or females, as appropriate.

The actuarial assumptions used in the July 30, 2018 valuation were based on the results of ongoing evaluations of the assumptions from July 1, 2008 to June 30, 2018.

Changes in the Total OPEB Liability

Balance at June 30, 2017	<u>\$ 325,086,129</u>
Changes for the year:	
Service cost	4,968,090
Interest	11,715,484
Differences between expected and actual experience	3,114,211
Benefit payments	<u>(13,022,896)</u>
Net changes	<u>(6,774,889)</u>
Balance at June 30, 2018	<u><u>\$ 331,861,018</u></u>

Sensitivity of the total OPEB liability to changes in the discount rate – The following presents the total OPEB liability of the Entity, as well as what the Entity’s total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.62%) or 1-percentage-point higher (4.62%) than the current discount rate:

NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2018

10. POSTRETIREMENT HEALTH CARE AND LIFE INSURANCE BENEFITS – CONTINUED

	1.0% Decrease (2.62%)	Current Discount Rate (3.62%)	1.0% Increase (4.62%)
Total OPEB liability	\$ 391,148,278	\$ 331,861,018	\$ 279,372,904

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates – The following presents the total OPEB liability of the Entity, as well as what the Entity’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 Healthcare Trend Rate (5.5%)	1.0% Increase (6.5%)
Total OPEB liability	\$ 285,206,931	\$ 331,861,018	\$ 387,991,367

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

For the year ended June 30, 2018, the Entity recognized OPEB expense of \$16,923,129. At June 30, 2018, the Entity reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources
Differences between expected and actual experience	\$ 2,874,656
Total	\$ 2,874,656

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

Years ending June 30:

2019	(239,555)
2020	(239,555)
2021	(239,555)
2022	(239,555)
2023	(239,555)
Thereafter	(1,676,885)

Years ending June 30:

2019	(239,555)
2020	(239,555)
2021	(239,555)
2022	(239,555)
2023	(239,555)
Thereafter	(1,676,885)

NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2018

11. CHANGES IN GENERAL LONG-TERM OBLIGATIONS

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

	<u>Debt</u>	<u>Bond Premium</u>	<u>Compensated Absences</u>	<u>OPEB Benefits</u>	<u>Pension Liability</u>	<u>Total</u>
Long-term obligations at July 1, 2017	\$ 87,729,359	\$ 2,586,752	\$ 8,571,622	\$ 325,086,129	\$ 204,982,929	\$ 628,956,791
Additions	415,520	-	5,018,507	19,797,785	-	25,231,812
Deductions	<u>8,084,351</u>	<u>154,266</u>	<u>5,156,044</u>	<u>13,022,896</u>	<u>22,328,183</u>	<u>48,745,740</u>
Long-term obligations at June 30, 2018	<u>80,060,528</u>	<u>2,432,486</u>	<u>8,434,085</u>	<u>331,861,018</u>	<u>182,654,746</u>	<u>605,442,863</u>
Due within one year	<u>\$ 8,272,112</u>	<u>\$ 154,266</u>	<u>\$ 3,373,634</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 11,800,012</u>

Bond premium is amortized over the term of the bonds using straight-line amortization method. Compensated absences are liquidated through the General Fund and Special Revenue Funds. The bonds are due, in total by year, as follows: The School Board has revenue and general obligation bonds with maturities from 2019 to 2032 and interest rates ranging from 1.28% to 5.00% as shown below:

<u>Description</u>	<u>Original Amount</u>	<u>Interest Rates</u>	<u>Amounts Outstanding</u>	<u>Maturing</u>
General Obligation Bonds:				
March 1, 2010 Refunding	\$ 20,980,000	2.00-4.50	\$ 9,780,000	March 1, 2022
March 1, 2013	25,000,000	2.00-3.125%	14,000,000	March 1, 2032
October 1, 2013	20,000,000	3.00-5.00%	14,405,000	March 1, 2028
March 1, 2016	42,000,000	3.00-5.00%	<u>37,445,000</u>	March 1, 2035
Total General Obligation Bonds			<u>75,630,000</u>	
Other Bonds:				
Sales Tax Debt -May 1, 2009 Refunding	8,440,000	3.64%	1,025,000	February 1, 2019
Qualified School Construction Bonds- December 1, 2009	10,000,000	1.28%	<u>2,000,000</u>	December 16, 2019
Total Other Bonds			<u>3,025,000</u>	
Capital Leases:				
Capital Lease - School Bus Purchase	411,985	3.91-4.03%	217,507	April 18, 2023
Capital Lease - School Bus Purchase	413,420	3.39-3.5%	255,927	March 12, 2024
Capital Lease - School Bus Purchase	421,270	2.999%	298,724	July 8, 2025
Capital Lease - School Bus Purchase	335,160	3.296%	267,706	April 28, 2026
Capital Lease - School Bus Purchase	415,520	4.301%	<u>365,664</u>	January 18, 2027
			<u>1,405,528</u>	
Total Outstanding as of June 30, 2018			<u>\$ 80,060,528</u>	

NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2018

11. CHANGES IN GENERAL LONG-TERM OBLIGATIONS – CONTINUED

All principal and interest requirements are funded in accordance with Louisiana law by the annual tax levy on taxable property within the parish taxing districts and by a pledge of one cent on sales tax collections. In addition, at June 30, 2018, the School Board had accumulated \$4,416,099 in the Debt Service Funds for future debt requirements. The bonds are due, in total by year, as follows:

Year Ending June 30	Bond Payment	Interest Payment	Total
2019	\$ 8,272,112	\$ 2,978,312	\$ 11,250,424
2020	7,468,715	2,696,897	10,165,612
2021	6,690,563	2,496,851	9,187,414
2022	6,942,664	2,042,049	8,984,713
2023	4,455,026	1,751,136	6,206,162
2024-2028	23,696,448	6,039,943	29,736,391
2029-2033	16,700,000	2,461,194	19,161,194
2034-2035	<u>5,835,000</u>	<u>206,238</u>	<u>6,041,238</u>
Total	<u>\$ 80,060,528</u>	<u>\$ 20,672,620</u>	<u>\$ 100,733,148</u>

In accordance with Louisiana Revised Statute 39:562, the School Board is legally restricted from incurring long-term bonded debt in excess of 35 percent of the assessed value of taxable property. At June 30, 2018, the statutory limit was \$478,478,625 and outstanding bonded general obligation debt totaled \$75,630,000.

12. DUE FROM/TO OTHER FUNDS

Individual fund balances due from/to other funds at June 30, 2018 are as follows:

	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>
General Fund	\$ 3,179,258	\$ -
Other Governmental Funds:		
Special Revenue Funds	<u>-</u>	<u>3,179,258</u>
Total	<u>\$ 3,179,258</u>	<u>\$ 3,179,258</u>

The amount from the Other Governmental Funds is primarily made up of salaries paid by the General Fund payroll account to be reimbursed by the other funds.

NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2018

12. DUE FROM/TO OTHER FUNDS - CONTINUED

Individual transfers by fund type for the year ended June 30, 2018 are as follows:

Transfers To or From	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund:		
Other Nonmajor Funds	\$ 11,962	\$ 5,640,120
Total General Fund	<u>11,962</u>	<u>5,640,120</u>
Other Nonmajor Governmental Funds — General Fund	5,640,120	11,962
Total	<u>5,640,120</u>	<u>11,962</u>
Total Transfers	<u>\$ 5,652,082</u>	<u>\$ 5,652,082</u>

The General Fund received a transfer of funds from the Debt Service Funds for interest earned in excess of the required amount. The General Fund transfers funds to the Debt Service Funds for repayment of revenue bonds issued in FY2000 and refunded in FY2009. The General Fund also transfers to the Lunch Fund and Construction Fund within the Nonmajor Funds.

13. SALES TAX COLLECTION

<u>Taxing Authority</u>	<u>Rate</u>	<u>Total Collections</u>	<u>Collection Cost</u>	<u>Net Distributions</u>
School Board	3%	\$ 54,617,114	\$ 550,201	\$ 54,066,913
Parish Council:				
Parish Government	1%	18,205,711	183,400	18,022,311
Parish Government	1/2%	9,102,869	91,700	9,011,169
Parish Government	3/8%	6,827,147	68,775	6,758,372
Fire District	1/8%	2,275,718	22,925	2,252,793
Total parish Council	<u>2%</u>	<u>36,411,445</u>	<u>366,800</u>	<u>36,044,645</u>
River Parish Tourist Commission	2%	222,397	17,792	204,605
Totals		<u>\$ 91,250,956</u>	<u>\$ 934,793</u>	<u>\$ 90,316,163</u>

14. CONTINGENT LIABILITIES

The School Board is exposed to risk of loss due to property damage, general liability and theft. In order to minimize the effects of these potential threats the School Board purchases commercial insurance covering property insurance, general liability, professional liability and employee bonding insurance. The School Board is involved in several other lawsuits. All cases are covered by the School Board's insurance. There were no material changes in the coverage from prior year. The maximum exposure of the School Board is the insurance deductible of \$50,000, and in the opinion of the legal counsel for the School Board, resolution of these cases in excess of the insurance coverage is unlikely and would not involve a substantial liability for the School Board.

The School Board is currently self-insured for workmen's compensation insurance. Premiums were paid into the General Fund and were available to pay claims, claims reserves and administrative costs of the program. An excess coverage policy was purchased by the School Board to limit its potential exposure.

NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2018

14. CONTINGENT LIABILITIES - CONTINUED

Under the excess workers' compensation policy, the School Board pays all individual claims up to \$500,000 with a maximum exposure of \$1,000,000. There has been no change in the exposure from the prior year. The School Board secured a Certificate of Deposit as required by the Office of Workers' Compensation in the amount of \$250,000. As of June 30, 2018, an accrual for open and known instances has been recorded in the accompanying financial statements in the amount of \$1,273,090 for liabilities from the previous years. This liability is included in accounts payable on Statement 1. Changes in the workers' compensation claims liability amount in fiscal years 2018 and 2017 were:

	2018	2017
Balance at beginning of Fiscal Year	\$ 1,663,694	\$ 1,661,995
Claims and changes in estimates	1,748	278,683
Claims payments	<u>(392,352)</u>	<u>(276,984)</u>
Balance at end of Fiscal Year	<u>\$ 1,273,090</u>	<u>\$ 1,663,694</u>

15. FEDERAL GRANTS

The School Board participates in a number of Federally assisted grant programs. These programs are subject to program compliance audits by the grantors. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time. Management is aware of none that would involve a substantial liability for the School Board.

16. BUDGET TO GAAP RECONCILIATION

The Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual presents comparisons of the legally adopted original budget and final budget (non-GAAP basis) with actual data on a budgetary basis. In the General Fund, accounting principles applied for purposes of developing data on the budgetary basis differ from those used to present financial statements in conformity with GAAP. A reconciliation of this basis and timing differences is presented below:

Excess (deficiency) of revenues over expenditures	\$ 6,072,034
Adjustments:	
To reverse June 30, 2017 encumbrances recorded as expenditures on the budgetary basis	212,880
To add back prior year's encumbrances paid in 2017 but not recorded as expenditures in 2017	<u>(186,474)</u>
Excess (deficiency) of revenues over expenditures (GAAP basis)	<u>\$ 6,098,440</u>

17. TAX ABATEMENTS

State Industrial Abatements

The School Board is affected by the Louisiana Industrial Ad Valorem Tax Exemption Program (ITEPP), 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

NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2018

17. TAX ABATEMENTS -CONTINUED

specify the buildings and/or personal property items covered under exemption. The School Board has foregone \$56,249,037 in ad valorem taxes due to this abatement program as of June 30, 2018.

Parish Council Abatements

Parish Council Abatements are granted by the St. Charles Parish Council to act as incentives for economic development projects within the Parish. They are designated to attract investment, development and employment, and allow tax exemption for real estate development. The project called "Payment in Lieu of Taxes" (PILOT) is designed to assist development and the community with additional jobs, sales tax revenue, and other benefits to equal or exceed the reduction in property tax payments. The School Board has foregone \$67,323 in ad valorem taxes due to this abatement program as of June 30, 2018.

Parish Industrial Development Board Abatements

The Industrial Development Board of the Parish of St. Charles, Louisiana, Inc. is a nonprofit corporation which was organized to encourage and assist in the development of new business or industries, and to rehabilitate and assist existing business and industries. The seven member board, under the authority of the St. Charles Parish Council, has authority to issue industrial revenue bonds to assist in bringing economic growth to the Parish. The School Board has foregone \$118,999 in ad valorem taxes due to this abatement program as of June 30, 2018.

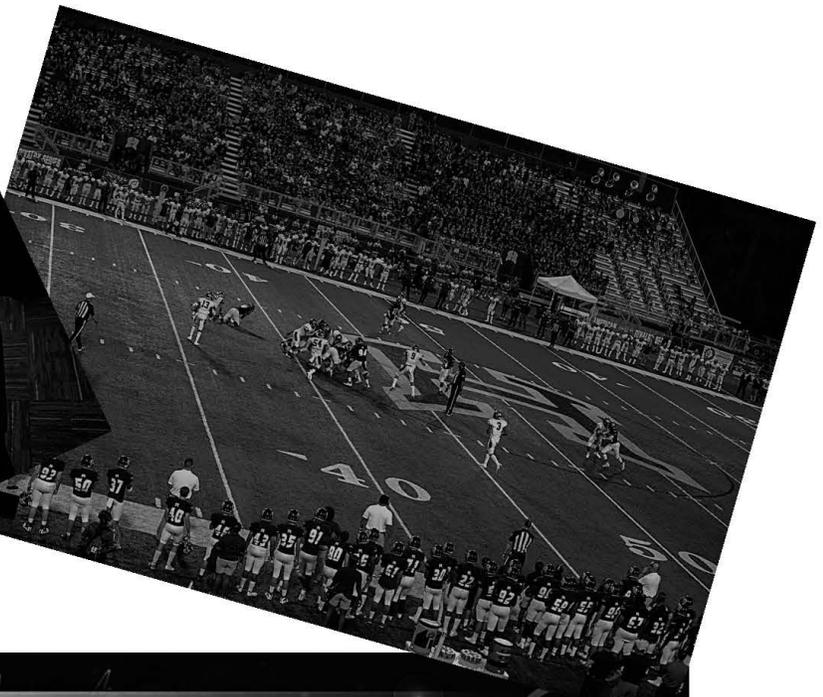
18. FUTURE ACCOUNTING CHANGES

The Governmental Accounting Standards Board has issued GASB Statement No. 84, *Fiduciary Activities*. The standard will affect the presentation of school activity funds, which have previously been recorded in an agency fund. In the future, these funds will be reported in the general fund. The standard is effective for annual reporting periods beginning after December 15, 2018. The School System expects that the new standard will have an effect on its net position at the time of implementation. However, the amount of the effect is unknown at this time.

Additionally, The Governmental Accounting Standards Board has issued GASB Statement No. 87, *Leases*. The standard will effect the way leases are presented requiring the recognition of certain lease assets and liabilities for leases previously classified as operating leases and recognized as inflows or outflows of resources based on the payment provisions of the contract. The standard is effective for annual reporting periods beginning after December 15, 2019. The School System expects that the new standard will have an effect on its net position at the time of implementation. However, the amount of the effect is unknown at this time.

19. SUBSEQUENT EVENTS

The School Board has evaluated events through November 28, 2018. The School Board did not identify any subsequent events to be disclosed.



CADEMICS

TRIPLE A
SCHOOL DISTRICT



THLETICS



RTS



Required Supplemental Information

ST. CHARLES PARISH SCHOOL BOARD

GENERAL FUND

Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (Adjusted to Budgetary Basis)

For the Year Ended June 30, 2018

	ORIGINAL BUDGET	REVISED BUDGET	ACTUAL (ADJUSTED TO BUDGETARY BASIS)	VARIANCE TO FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES				
Local sources:				
Ad valorem tax	\$ 58,756,500	\$ 58,756,500	\$ 58,195,040	\$ (561,460)
Sales and use tax	52,830,300	53,619,900	53,791,184	171,284
Rentals, leases and royalties	40,000	40,000	51,642	11,642
Tuition	766,000	670,000	673,284	3,284
Earnings on investments	420,000	420,000	340,071	(79,929)
Other	111,300	129,200	214,008	84,808
Total local sources	<u>112,924,100</u>	<u>113,635,600</u>	<u>113,265,229</u>	<u>(370,371)</u>
State sources:				
State equalization	29,177,132	29,043,256	29,070,340	27,084
State contribution for:				
Teachers Retirement System	7,200	7,200	-	(7,200)
Professional Improvement Program	20,000	20,000	10,994	(9,006)
State revenue sharing - net	275,000	275,000	276,799	1,799
Other state support	527,000	575,000	567,881	(7,119)
Total state sources	<u>30,006,332</u>	<u>29,920,456</u>	<u>29,926,014</u>	<u>5,558</u>
Federal sources	150,000	150,000	99,487	(50,513)
Total revenues	<u>143,080,432</u>	<u>143,706,056</u>	<u>143,290,730</u>	<u>(415,326)</u>
EXPENDITURES				
Current				
Instruction:				
Regular programs	69,524,573	69,722,866	67,639,422	2,083,444
Special programs	17,449,663	17,743,600	17,255,060	488,540
Compensatory remedial programs	264,190	272,539	125,711	146,828
Support services:				
Student services	6,211,023	6,306,300	6,931,327	(625,027)
Instructional staff support	6,581,077	6,663,700	7,138,127	(474,427)
General administration	3,396,395	3,412,900	2,875,793	537,107
School administration	9,379,931	9,506,300	10,339,040	(832,740)
Business services	1,763,886	1,787,200	1,775,660	11,540
Plant services	9,578,497	9,665,500	9,965,511	(300,011)
Student transportation services	10,435,972	10,558,400	10,107,404	450,996
Central services	3,366,803	3,406,100	2,824,771	581,329
Food services	16,250	-	111,220	(111,220)
Community services	149,741	150,741	129,650	21,091
Total expenditures	<u>138,118,001</u>	<u>139,196,146</u>	<u>137,218,696</u>	<u>1,977,450</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>4,962,431</u>	<u>4,509,910</u>	<u>6,072,034</u>	<u>1,562,124</u>
Other Financing Sources (Uses)				
Transfers in	4,000	4,000	11,962	7,962
Transfers out	(6,532,086)	(5,729,855)	(5,640,120)	89,735
Total other financing sources (uses)	<u>(6,528,086)</u>	<u>(5,725,855)</u>	<u>(5,628,158)</u>	<u>97,697</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	<u>(1,565,655)</u>	<u>(1,215,945)</u>	<u>443,876</u>	<u>1,659,821</u>
Encumbrances outstanding at year-end	-	-	212,880	212,880
Prior year encumbrances expended in current year	-	-	(186,474)	(186,474)
Fund balances at beginning of year	<u>7,617,945</u>	<u>13,299,323</u>	<u>13,299,323</u>	<u>-</u>
Fund balances at end of year	<u>\$ 6,052,290</u>	<u>\$ 12,083,378</u>	<u>\$ 13,769,605</u>	<u>\$ 1,686,227</u>

See accompanying notes to required supplementary information.

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

Total OPEB Liability	
Service Cost	\$ 4,968,090
Interest	11,715,484
Changes of benefit terms	-
Differences between expected and actual experience	3,114,211
Changes of assumptions	-
Benefit payments	<u>(13,022,896)</u>
Net change in total OPEB liability	6,774,889
Total OPEB Liability - beginning	<u>325,086,129</u>
Total OPEB liability - ending	<u><u>\$ 331,861,018</u></u>
Covered payroll	\$ 67,364,914
Net OPEB liability as a percentage of covered payroll	492.63%

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 accompanying notes to required supplementary information.

ST. CHARLES PARISH SCHOOL BOARD

Schedule of the Proportionate Share of the Net Pension Liability

For the Year Ended June 30, 2018 (*)

<u>Pension Plan</u>	<u>Year</u>	<u>Employer's Proportion of the Net Pension Liability (Asset)</u>	<u>Employer's Proportionate Share of the Net Pension Liability (Asset)</u>	<u>Employer's Covered Payroll</u>	<u>Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll</u>	<u>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</u>
Teachers Retirement System of Louisiana						
	2018	1.6014%	\$ 164,178,379	\$ 71,229,009	230.4937%	65.60%
	2017	1.5671%	183,931,729	69,913,435	263.0850%	59.90%
	2016	1.5470%	166,341,601	68,521,170	242.7594%	62.50%
	2015	1.5493%	158,364,659	67,603,199	234.2562%	63.70%
Louisiana School Employees Retirement System						
	2018	2.8534%	18,259,824	8,177,753	223.2866%	75.03%
	2017	2.7593%	20,814,817	7,823,124	266.0678%	70.09%
	2016	2.7773%	17,611,793	7,641,524	230.4749%	74.49%
	2015	2.7831%	16,133,169	7,809,415	206.5861%	76.18%
Louisiana State Employees Retirement System						
	2018	0.0031%	216,374	57,321	377.4777%	62.50%
	2017	0.0030%	236,383	71,632	329.9964%	57.70%
	2016	0.0066%	451,280	134,045	336.6631%	62.70%
	2015	0.0067%	416,380	123,428	337.3465%	61.00%

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

(*) The amounts presented have a measurement date of the previous fiscal year end.

See accompanying notes to required supplementary information.

ST. CHARLES PARISH SCHOOL BOARD

Schedule of Pension Contributions

For the Year Ended June 30, 2018

<u>Pension Plan:</u>	<u>Year</u>	<u>Contractually Required Contribution¹</u>	<u>Contributions in Relation to Contractually Required Contribution²</u>	<u>Contribution Deficiency (Excess)</u>	<u>Employer's Covered Payroll³</u>	<u>Contributions as a % of Covered Payroll</u>
Teachers Retirement System of Louisiana						
	2018	\$ 18,720,769	\$ 18,720,769	\$ -	\$ 70,497,104	26.5554%
	2017	18,249,544	18,249,544	-	71,229,009	25.6209%
	2016	18,389,543	18,389,543	-	69,913,435	26.3033%
	2015	19,410,018	19,410,018	-	68,521,170	28.3270%
Louisiana School Employees Retirement System						
	2018	2,234,420	2,234,420	-	8,130,893	27.4806%
	2017	2,232,527	2,232,527	-	8,177,753	27.3000%
	2016	2,362,583	2,362,583	-	7,823,124	30.2000%
	2015	2,598,341	2,598,341	-	7,641,524	34.0029%
Louisiana State Employees Retirement System						
	2018	23,334	23,334	-	61,426	37.9872%
	2017	20,521	20,521	-	57,321	35.8001%
	2016	26,647	26,647	-	71,632	37.1999%
	2015	46,393	46,393	-	134,045	34.6100%

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

For reference only:

¹ *Employer contribution rate multiplied by employer's covered payroll*

² *Actual employer contributions remitted to Retirement Systems*

³ *Employer's covered payroll amount for each of the fiscal year ended June 30*

See accompanying notes to required supplementary information.

NOTES TO REQUIRED SUPPLEMENTAL INFORMATION

June 30, 2018

1. BUDGET AND BUDGETARY ACCOUNTING

The St. Charles Parish School Board follows these procedures in establishing the budgetary data reflected in the financial statements:

The General Fund and the Special Revenue Funds are the only funds with legally required budgets. The General Fund budget and the Special Revenue Funds' budgets are adopted on an annual basis. These budgets include proposed expenditures and the means of financing them.

The Capital Projects fund's budget is adopted on a project basis, since such projects may be started and completed at any time during the year or may extend beyond one fiscal year and is not required to be presented as supplementary information and therefore not included in these statements.

Prior to September 15, the Superintendent submits to the Finance Committee a proposed annual appropriated budget for the General Fund for the fiscal year commencing the prior July 1. Public hearings are conducted to obtain taxpayer comments. Upon submission to the Board, the General Fund budget is legally enacted through adoption by the Board. Formal budgetary integration is employed as a management control device during the year for the General Fund and Special Revenue Funds. For the Capital Projects Fund, the level of budget control is at the fund, department or project level, and expenditures/encumbrances by policy should not exceed appropriations. The School Board approves budgets at the fund level, and the Superintendent is authorized to transfer amounts between line items within any fund.

Budgets are prepared on the modified accrual basis of accounting. Unencumbered appropriations in the General Fund lapse at the end of the fiscal year. Encumbered appropriations at year end that have been approved by the Board are generally expended during the next fiscal year's operations, assuming that the underlying liability is ultimately incurred. Budgeted amounts are as originally adopted or as amended by the Board. Legally, the Board must adopt a balanced budget; that is, total budgeted revenues and other financing sources including fund balance must equal or exceed total budgeted expenditures and other financing uses. State statutes require the School Board to amend its budgets when revenues plus projected revenues within a fund are expected to be less than budgeted revenues by five percent or more and/or expenditures within a fund are expected to exceed budgeted expenditures by five percent or more. The School Board amended its General Fund budget once during the year, reflecting an increase of total budgeted revenues of approximately \$625 thousand and an increase of total budgeted expenditures of approximately \$1.1 million.

Special Revenue Funds' budgets that are not grant-oriented have annual appropriated budgets adopted prior to September 15 by the Board. Grant Funds are included in Special Revenue Funds, and their budgets are adopted at the time the grant applications are approved by the grantor. Unencumbered appropriations of grant-oriented Special Revenue Funds are reappropriated at the beginning of the following fiscal year. Unencumbered appropriations of certain nongrant-oriented Special Revenue Funds lapse at the end of the fiscal year. Special Revenue Funds' budgets were amended for insignificant amounts as necessary to comply with state law.

2. CHANGES IN BENEFIT TERMS AND ASSUMPTIONS RELATED TO DEFINED PENSION PLANS

Changes of Benefit Terms include:

Teachers Retirement System of Louisiana

There were no changes in benefit terms for years presented.

NOTES TO REQUIRED SUPPLEMENTAL INFORMATION

June 30, 2018

2. CHANGES IN BENEFIT TERMS AND ASSUMPTIONS RELATED TO DEFINED PENSION PLANS (continued)

Changes of Benefit Terms include: (continued)

Louisiana School Employees Retirement System

There were no changes in benefit terms for years presented.

Louisiana State Employees' Retirement System

There were no changes in benefit terms for years presented.

Changes of Assumptions

The following discount rate changes were made to the pension plans identified in the following table:

Discount Rate:

<u>Year (*)</u>	<u>Rate</u>	<u>Change</u>
TRSL		
2017	7.70%	0.45%
2016	7.25%	0.00%
2015	7.25%	
LSERS		
2017	7.13%	0.12%
2016	7.00%	-0.25%
2015	7.25%	
LASERS		
2017	7.70%	0.45%
2016	7.25%	0.00%
2015	7.25%	0.00%

(*) The amounts presented have a measurement date of the previous fiscal year end.

NOTES TO REQUIRED SUPPLEMENTAL INFORMATION

June 30, 2018

2. **CHANGES IN BENEFIT TERMS AND ASSUMPTIONS RELATED TO DEFINED PENSION PLANS**
(continued)

Changes of Assumptions (continued)

The following inflation rate changes were made to the pension plans identified in the following table:

Inflation Rate:

<u>Year (*)</u>	<u>Rate</u>	<u>Change</u>
LSERS		
2016	2.625%	-0.125%
2015	2.750%	
LASERS		
2017	2.750%	-0.250%
2016	3.000%	

The following changes to projected salary increases were made to the pension plans identified in the following table:

Salary Increases:

<u>Year (*)</u>	<u>Range</u>
LASERS	
2017	2.80% to 14.30% for various member types
2016	3.00% to 14.50% for various member types
LSERS	
2017	3.075% to 5.375%
2016	3.200% to 5.500%

(*) The amounts presented have a measurement date of the previous fiscal year end.

3. **CHANGES IN BENEFIT TERMS AND ASSUMPTIONS RELATED TO HEALTH PLAN**

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

Changes in assumptions: There were no changes in assumptions for the year ended June 30, 2018.



General Fund

GENERAL FUND

General Fund is the principal operating fund of the School Board and is used to account for financial resources and expenditures not accounted for in any other fund.

ST. CHARLES PARISH SCHOOL BOARD

GENERAL FUND

Comparative Balance Sheets

June 30, 2018 and 2017

	<u>2018</u>	<u>2017</u>
<u>ASSETS</u>		
Cash	\$ 393,175	\$ 693,401
Investments	22,929,214	22,414,834
Receivables	5,649,856	5,397,923
Accrued interest	96,406	31,815
Due from other funds	3,179,258	3,368,949
Inventory	96,733	100,294
Prepaid expenditures	89,387	60,775
Total Assets	<u>\$ 32,434,029</u>	<u>\$ 32,067,991</u>
 <u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Salaries and wages payable	\$ 8,055,644	\$ 8,103,825
Payroll deductions and with- holdings payable	8,170,612	8,215,689
Accounts payable	2,393,680	2,449,154
Unearned revenue	44,488	-
Total Liabilities	<u>18,664,424</u>	<u>18,768,668</u>
Fund Balance:		
Fund balances:		
Non-spendable:		
Inventory	96,733	100,294
Prepaid Items	89,387	60,775
Total Non-spendable	<u>186,120</u>	<u>161,069</u>
Committed for:		
School activities	257,751	257,751
Self insurance	178,680	178,680
Maintenance projects	500,000	500,000
Purchase of school buses	300,000	300,000
Insurance deductible	5,000,000	5,000,000
Total Committed	<u>6,236,431</u>	<u>6,236,431</u>
Unassigned:		
Unassigned	7,347,054	6,901,823
Total Fund Balance	<u>13,769,605</u>	<u>13,299,323</u>
Total Liabilities and Fund Balance	<u>\$ 32,434,029</u>	<u>\$ 32,067,991</u>

See accompanying independent auditor's report.

ST. CHARLES PARISH SCHOOL BOARD

GENERAL FUND

Comparative Statements of Revenues, Expenditures and Changes in Fund Balance

For the Years Ended June 30, 2018 and 2017

	<u>2018</u>	<u>2017</u>
<u>REVENUES</u>		
Local sources:		
Ad valorem tax	\$ 58,195,040	\$ 56,801,381
Sales and use tax	53,791,184	47,827,399
Rentals, leases and royalties	51,642	48,123
Tuition	673,284	713,540
Earnings on investments	340,071	43,434
Other	214,008	124,235
Total local sources	<u>113,265,229</u>	<u>105,558,112</u>
State sources:		
State equalization	29,070,340	28,905,951
State contribution for:		
Professional Improvement Program	10,994	15,144
State revenue sharing - net	276,799	278,306
Other state support	567,881	445,942
Total state sources	<u>29,926,014</u>	<u>29,645,343</u>
Federal sources	99,487	143,784
Total revenues	<u>143,290,730</u>	<u>135,347,239</u>
<u>EXPENDITURES</u>		
Current		
Instruction:		
Regular programs	67,739,242	69,507,341
Special programs	17,250,060	17,467,999
Compensatory remedial programs	125,711	142,391
Support services:		
Student services	6,931,327	6,633,924
Instructional staff support	7,140,418	7,087,485
General administration	2,875,793	3,222,316
School administration	10,338,118	10,467,279
Business services	1,765,009	1,837,809
Plant services	9,846,908	9,689,875
Student transportation services	10,107,404	10,477,397
Central services	2,831,430	2,822,780
Food services	111,220	28,761
Community services	129,650	180,335
Total expenditures	<u>137,192,290</u>	<u>139,565,692</u>
Excess of Revenues Over Expenditures	<u>6,098,440</u>	<u>(4,218,453)</u>
Other Financing Sources (Uses)		
Proceeds from loan	-	-
Transfers in	11,962	5,864
Transfers out	<u>(5,640,120)</u>	<u>(5,866,459)</u>
Total other financing (uses)	<u>(5,628,158)</u>	<u>(5,860,595)</u>
Net change in fund balances	470,282	(10,079,048)
Fund balances at beginning of year	13,299,323	23,378,371
Fund balances at end of year	<u>\$ 13,769,605</u>	<u>\$ 13,299,323</u>

ST. CHARLES PARISH SCHOOL BOARD

GENERAL FUND

**Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (Adjusted to Budgetary Basis)
For the Year Ended June 30, 2018**

	<u>BUDGET</u>	<u>ACTUAL (ADJUSTED TO BUDGETARY BASIS)</u>	<u>VARIANCE TO BUDGET POSITIVE (NEGATIVE)</u>
<u>REVENUES</u>			
Local sources:			
Ad valorem tax	\$ 58,756,500	\$ 58,195,040	\$ (561,460)
Sales and use tax	53,619,900	53,791,184	171,284
Rentals, leases and royalties	40,000	51,642	11,642
Tuition	670,000	673,284	3,284
Earnings on investments	420,000	340,071	(79,929)
Other	129,200	214,008	84,808
Total local sources	<u>113,635,600</u>	<u>113,265,229</u>	<u>(370,371)</u>
State sources:			
State equalization	29,043,256	29,070,340	27,084
State contribution for:			
Teachers Retirement System	7,200	-	(7,200)
Professional Improvement Program	20,000	10,994	(9,006)
State revenue sharing - net	275,000	276,799	1,799
Other state support	575,000	567,881	(7,119)
Total state sources	<u>29,920,456</u>	<u>29,926,014</u>	<u>5,558</u>
Federal sources	150,000	99,487	(50,513)
Total revenues	<u>143,706,056</u>	<u>143,290,730</u>	<u>(415,326)</u>
<u>EXPENDITURES</u>			
Current			
Instruction:			
Regular programs	69,722,866	67,639,422	2,083,444
Special programs	17,743,600	17,255,060	488,540
Compensatory remedial programs	272,539	125,711	146,828
Support services:			
Student services	6,306,300	6,931,327	(625,027)
Instructional staff support	6,663,700	7,138,127	(474,427)
General administration	3,412,900	2,875,793	537,107
School administration	9,506,300	10,339,040	(832,740)
Business services	1,787,200	1,775,660	11,540
Plant services	9,665,500	9,965,511	(300,011)
Student transportation services	10,558,400	10,107,404	450,996
Central services	3,406,100	2,824,771	581,329
Food services	-	111,220	(111,220)
Community services	150,741	129,650	21,091
Total expenditures	<u>139,196,146</u>	<u>137,218,696</u>	<u>1,977,450</u>
Excess of Revenues Over Expenditures	<u>4,509,910</u>	<u>6,072,034</u>	<u>1,562,124</u>
Other Financing Sources (Uses)			
Transfers in	4,000	11,962	7,962
Transfers out	(5,729,855)	(5,640,120)	89,735
Total other financing (uses)	<u>(5,725,855)</u>	<u>(5,628,158)</u>	<u>97,697</u>
Net change in fund balance	(1,215,945)	443,876	1,659,821
Encumbrances outstanding at year-end	-	212,880	212,880
Prior year encumbrances expended in current year	-	(186,474)	(186,474)
Fund balances at beginning of year	<u>13,299,323</u>	<u>13,299,323</u>	<u>-</u>
Fund balances at end of year	<u>\$ 12,083,378</u>	<u>\$ 13,769,605</u>	<u>\$ 1,686,227</u>

See accompanying independent auditor's report.

**Other Non-Major
Governmental Funds**

OTHER NON-MAJOR GOVERNMENTAL FUNDS

The **Other Non-major Governmental Funds** are made up of Special Revenue, Debt Service and Capital Projects Funds that do not meet the criteria as major funds.

ST. CHARLES PARISH SCHOOL BOARD
OTHER NON-MAJOR GOVERNMENTAL FUNDS

Combining Balance Sheet

June 30, 2018

	Special Revenue Funds	Debt Service Funds	Capital Project Funds	Total Other Non-Major Governmental Funds
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u>ASSETS</u>				
Cash	\$ 1,887,512	\$ -	\$ 457,439	\$ 2,344,951
Investments	-	4,402,673	-	4,402,673
Receivables	2,840,514	13,426	12,807	2,866,747
Inventory	270,169	-	-	270,169
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Assets	<u>\$ 4,998,195</u>	<u>\$ 4,416,099</u>	<u>\$ 470,246</u>	<u>\$ 9,884,540</u>
<u>LIABILITIES AND FUND BALANCE</u>				
Liabilities:				
Accounts payable	\$ 669,454	\$ -	\$ 318,682	\$ 988,136
Due to other funds	3,179,258	-	-	3,179,258
Unearned revenue	91,238	-	-	91,238
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Liabilities	<u>3,939,950</u>	<u>-</u>	<u>318,682</u>	<u>4,258,632</u>
Fund Balance:				
Fund balances:				
Restricted for grant purpose	788,076	-	-	788,076
Restricted for debt service	-	4,416,099	-	4,416,099
Restricted for capital projects	-	-	151,564	151,564
Non-spendable - inventory	270,169	-	-	270,169
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Fund Balance	<u>1,058,245</u>	<u>4,416,099</u>	<u>151,564</u>	<u>5,625,908</u>
Total Liabilities and Fund Balance	<u>\$ 4,998,195</u>	<u>\$ 4,416,099</u>	<u>\$ 470,246</u>	<u>\$ 9,884,540</u>

See accompanying independent auditor's report.

ST. CHARLES PARISH SCHOOL BOARD

OTHER NONMAJOR GOVERNMENTAL FUNDS

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

For the Year Ended June 30, 2018

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total Other Governmental Funds
REVENUES				
Local sources:				
Ad valorem tax	\$ -	\$ 6,341,540	\$ 6,037,196	\$ 12,378,736
Sales Tax	-	825,930		825,930
Earnings on investments	3,653	86,984	1,944	92,581
Other local revenue	1,367,960	-	781	1,368,741
State sources	2,548,073	-	-	2,548,073
Federal sources:				
Restricted grants-in-aid:				
Direct	5,768,695	-	-	5,768,695
Subgrants	4,481,139	-	-	4,481,139
Corporate grants	923,532	-	-	923,532
Total revenues	<u>15,093,052</u>	<u>7,254,454</u>	<u>6,039,921</u>	<u>28,387,427</u>
EXPENDITURES				
Current				
Instruction:				
Regular programs	4,741,502	-	-	4,741,502
Special education	2,320,290	-	-	2,320,290
Support services:				
Student services	805,179	-	-	805,179
Instructional staff support	821,698	-	-	821,698
General administration	21,400	210,644	200,553	432,597
School administration	71,498	-	-	71,498
Business services	4,180	-	-	4,180
Plant services	1,953	-	5,411,656	5,413,609
Student transportation services	24,544	-	-	24,544
Central services	18,481	-	-	18,481
Food services	6,397,663	-	-	6,397,663
Capital projects	-	-	4,576,284	4,576,284
Debt service:				
Principal retirement	-	7,855,000	-	7,855,000
Interest & bank charges	-	3,137,082	-	3,137,082
Total expenditures	<u>15,228,388</u>	<u>11,202,726</u>	<u>10,188,493</u>	<u>36,619,607</u>
(Deficiency) of revenues over expenditures	<u>(135,336)</u>	<u>(3,948,272)</u>	<u>(4,148,572)</u>	<u>(8,232,180)</u>
Other Financing Sources				
Transfers in	323,500	1,016,620	4,300,000	5,640,120
Transfers out	-	(11,962)	-	(11,962)
Total other financing sources	<u>323,500</u>	<u>1,004,658</u>	<u>4,300,000</u>	<u>5,628,158</u>
Net change in fund balance	188,164	(2,943,614)	151,428	(2,604,022)
Fund balances at beginning of year	814,381	7,359,713	136	8,174,230
Increase in inventory	55,700	-	-	55,700
Fund balances at end of year	<u>\$ 1,058,245</u>	<u>\$ 4,416,099</u>	<u>\$ 151,564</u>	<u>\$ 5,625,908</u>

See accompanying independent auditor's report.



Special Revenue Funds

SPECIAL REVENUE FUNDS

Elementary and Secondary Education Act (ESEA) Title I is a program for economically and educationally deprived children which is federally financed, state administered and locally operated by the School Board. The activities supplement, rather than replace state and locally mandated activities.

Elementary and Secondary Education Act (ESEA) Title II & III are federally funded programs and are governed by Public Law 98-377. Their purpose is to assist educational agencies in strengthening elementary and secondary educational programs. The purpose of Title II is to improve the skills of teachers and instruction in mathematics, science, computer learning, and foreign languages, and to increase the access of all students to such instruction, thereby contributing to strengthening the economic security of the United States. The purpose of Title III is to provide money to purchase equipment and materials needed to expand and improve instruction in the schools.

Headstart/Early Headstart Fund is a federally financed program. Medical, dental and mental hygiene, social services, and field trips are available to participating children.

The IDEA Fund is a federally funded program and is governed by Public Law 91-142. These funds are used for the children with special needs in addition to the regular instructional programs.

The Lunch Fund accounts for the operation of the child nutrition program in the parish school system. The Lunch Fund is supported by sales to students and faculty and by state, federal and local subsidies.

The fund titled Other Grants accounts for the federal and state and corporate grants appropriated for the education of children of St. Charles Parish evaluated to have special needs in addition to the regular instructional programs.

ST. CHARLES PARISH SCHOOL BOARD

SPECIAL REVENUE FUNDS

**Combining Balance Sheet, June 30, 2018
with comparative totals for June 30, 2017**

	<u>ESEA TITLE I FUND</u>	<u>ESEA TITLE II,III & IV FUNDS</u>	<u>SRCL FUND</u>	<u>HEAD START/ EARLY HEAD START FUND</u>
<u>ASSETS</u>				
Cash	\$ 145,532	\$ 27,409	\$ -	\$ 111,454
Receivables	587,492	111,943	-	277,667
Inventory	-	-	-	-
Prepaid expenditures	-	-	-	-
Total Assets	<u>\$ 733,024</u>	<u>\$ 139,352</u>	<u>\$ -</u>	<u>\$ 389,121</u>
<u>LIABILITIES AND FUND BALANCE</u>				
Liabilities:				
Accounts payable	\$ 145,532	\$ 27,409	\$ -	\$ 111,454
Due to other funds	587,492	111,943	-	277,667
Unearned revenue	-	-	-	-
Total Liabilities	<u>733,024</u>	<u>139,352</u>	<u>-</u>	<u>389,121</u>
Fund Balance:				
Fund balances:				
Restricted for grant purposes	-	-	-	-
Non-spendable:				
Inventory	-	-	-	-
Prepaid items	-	-	-	-
Total Fund Balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities and Fund Balance	<u>\$ 733,024</u>	<u>\$ 139,352</u>	<u>\$ -</u>	<u>\$ 389,121</u>

See accompanying independent auditor's report.

Statement D-1

IDEA FUNDS	LUNCH FUND	OTHER GRANTS	TOTALS	
			2018	2017
\$ 120,912	\$ 752,825	\$ 729,381	\$ 1,887,512	\$ 2,639,494
744,448	2,585	1,116,379	2,840,514	2,109,790
-	270,169	-	270,169	223,469
-	-	-	-	202
\$ 865,360	\$ 1,025,579	\$ 1,845,760	\$ 4,998,195	\$ 4,972,955
\$ 120,912	\$ 197,243	\$ 66,905	\$ 669,454	\$ 701,415
744,448		1,457,708	3,179,258	3,368,949
-	91,238	-	91,238	88,210
865,360	288,481	1,524,613	3,939,950	4,158,574
-	466,929	321,147	788,076	590,710
-	270,169	-	270,169	223,469
-	-	-	-	202
-	737,098	321,147	1,058,245	814,381
\$ 865,360	\$ 1,025,579	\$ 1,845,760	\$ 4,998,195	\$ 4,972,955

ST. CHARLES PARISH SCHOOL BOARD

SPECIAL REVENUE FUNDS

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

**For the Year Ended June 30, 2018
with comparative totals for the year ended June 30, 2017**

	<u>ESEA TITLE I FUND</u>	<u>ESEA TITLE II, III & IV FUNDS</u>	<u>SRCL FUND</u>	<u>HEAD START/ EARLY HEAD START FUND</u>	<u>IDEA FUNDS</u>
<u>REVENUES</u>					
Local sources:					
Interest income	\$ -	\$ -	\$ -	\$ -	\$ -
Food service income	-	-	-	-	-
State sources	-	-	-	-	-
Federal sources:					
Restricted grants-in-aid:					
Direct	-	-	-	1,628,431	-
Subgrants	1,689,577	389,547	95,088	-	1,993,834
Corporate grants	-	-	-	-	-
Total revenues	<u>1,689,577</u>	<u>389,547</u>	<u>95,088</u>	<u>1,628,431</u>	<u>1,993,834</u>
<u>EXPENDITURES</u>					
Current					
Instruction:					
Regular programs	935,757	292,972	16,133	1,273,700	247,311
Special education	-	-	-	-	1,512,314
Support services:					
Student services	341,916	-	-	198,680	100,194
Instructional staff support	400,689	89,812	67,043	69,117	131,836
General administration	9,067	6,763	5,120	450	-
School administration	-	-	-	71,498	-
Business services	-	-	-	4,180	-
Plant services	1,324	-	-	629	-
Student transportation services	824	-	6,792	1,696	2,179
Central services	-	-	-	8,481	-
Food services	-	-	-	-	-
Total expenditures	<u>1,689,577</u>	<u>389,547</u>	<u>95,088</u>	<u>1,628,431</u>	<u>1,993,834</u>
Deficiency of revenues over expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other Financing Sources					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances at beginning of year	-	-	-	-	-
Increase in inventory	-	-	-	-	-
Fund balances at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Statement D-2

<u>LUNCH FUND</u>	<u>OTHER GRANTS</u>	<u>TOTALS</u>	
		<u>2018</u>	<u>2017</u>
\$ 3,653	\$ -	\$ 3,653	\$ 5,295
1,367,960	-	1,367,960	1,328,478
712,500	1,835,573	2,548,073	1,686,609
4,140,264	-	5,768,695	5,846,967
-	313,093	4,481,139	5,897,807
-	923,532	923,532	953,610
<u>6,224,377</u>	<u>3,072,198</u>	<u>15,093,052</u>	<u>15,718,766</u>
-	1,975,629	4,741,502	5,313,268
-	807,976	2,320,290	1,869,966
-	164,389	805,179	763,436
-	63,201	821,698	1,307,635
-	-	21,400	18,663
-	-	71,498	64,330
-	-	4,180	39,038
-	-	1,953	2,356
-	13,053	24,544	38,471
-	10,000	18,481	28,920
6,389,948	7,715	6,397,663	6,581,520
<u>6,389,948</u>	<u>3,041,963</u>	<u>15,228,388</u>	<u>16,027,603</u>
<u>(165,571)</u>	<u>30,235</u>	<u>(135,336)</u>	<u>(308,837)</u>
323,500	-	323,500	441,240
-	-	-	-
<u>323,500</u>	<u>-</u>	<u>323,500</u>	<u>441,240</u>
157,929	30,235	188,164	132,403
523,469	290,912	814,381	652,773
55,700	-	55,700	29,205
<u>\$ 737,098</u>	<u>\$ 321,147</u>	<u>\$ 1,058,245</u>	<u>\$ 814,381</u>

ST. CHARLES PARISH SCHOOL BOARD

SPECIAL REVENUE FUNDS

**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances -
Budget and Actual (Adjusted to Budgetary Basis)**

For the Year Ended June 30, 2018

	ESEA TITLE I FUND			ESEA TITLE II & III FUNDS		
	ACTUAL (ADJUSTED TO BUDGETARY BASIS)	VARIANCE TO BUDGET POSITIVE (NEGATIVE)		ACTUAL (ADJUSTED TO BUDGETARY BASIS)	VARIANCE TO BUDGET POSITIVE (NEGATIVE)	
	<u>BUDGET</u>	<u>BUDGET</u>	<u>BUDGET</u>	<u>BUDGET</u>	<u>BUDGET</u>	<u>BUDGET</u>
<u>REVENUES</u>						
Local sources:						
Interest income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Food service income	-	-	-	-	-	-
State sources	-	-	-	-	-	-
Federal sources:						
Restricted grants-in-aid:						
Direct	-	-	-	-	-	-
Subgrants	1,805,277	1,689,577	(115,700)	466,987	389,547	(77,440)
Corporate grants	-	-	-	-	-	-
Total revenues	<u>1,805,277</u>	<u>1,689,577</u>	<u>(115,700)</u>	<u>466,987</u>	<u>389,547</u>	<u>(77,440)</u>
<u>EXPENDITURES</u>						
Current						
Instruction:						
Regular programs	1,214,959	935,757	279,202	402,163	292,972	109,191
Special education	-	-	-	-	-	-
Support services:						
Student services	324,488	341,916	(17,428)	-	-	-
Instructional staff support	250,030	400,689	(150,659)	54,500	89,812	(35,312)
General administration	10,500	9,067	1,433	10,324	6,763	3,561
School administration	-	-	-	-	-	-
Business services	-	-	-	-	-	-
Plant services	1,300	1,324	(24)	-	-	-
Student transportation services	4,000	824	3,176	-	-	-
Central services	-	-	-	-	-	-
Food services	-	-	-	-	-	-
Total expenditures	<u>1,805,277</u>	<u>1,689,577</u>	<u>115,700</u>	<u>466,987</u>	<u>389,547</u>	<u>77,440</u>
Deficiency of revenues over expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other Financing Sources						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	-	-	-	-	-	-
Fund balances at beginning of year	-	-	-	-	-	-
Increase in inventory	-	-	-	-	-	-
Fund balances at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying independent auditor's report.

Schedule D-3 - continued

SRCL			HEADSTART/EARLY HEADSTART FUND		
BUDGET	ACTUAL (ADJUSTED TO BUDGETARY BASIS)	VARIANCE OVER (UNDER)	BUDGET	ACTUAL (ADJUSTED TO BUDGETARY BASIS)	VARIANCE TO BUDGET POSITIVE (NEGATIVE)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	1,593,148	1,628,431	35,283
98,280	95,088	(3,192)	-	-	-
-	-	-	-	-	-
<u>98,280</u>	<u>95,088</u>	<u>(3,192)</u>	<u>1,593,148</u>	<u>1,628,431</u>	<u>35,283</u>
-	-	-	-	-	-
-	16,133	(16,133)	1,286,195	1,273,700	12,495
-	-	-	-	-	-
-	-	-	205,283	198,680	6,603
98,280	67,043	31,237	86,094	69,117	16,977
-	5,120	(5,120)	-	450	(450)
-	-	-	-	71,498	(71,498)
-	-	-	2,500	4,180	(1,680)
-	-	-	-	629	(629)
-	6,792	(6,792)	1,500	1,696	(196)
-	-	-	-	8,481	(8,481)
-	-	-	11,576	-	11,576
<u>98,280</u>	<u>95,088</u>	<u>3,192</u>	<u>1,593,148</u>	<u>1,628,431</u>	<u>(35,283)</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

ST. CHARLES PARISH SCHOOL BOARD

SPECIAL REVENUE FUNDS

**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances -
Budget and Actual (Adjusted to Budgetary Basis)**

For the Year Ended June 30, 2018

	IDEA			LUNCH FUND		
	ACTUAL (ADJUSTED TO BUDGETARY BASIS)	VARIANCE TO BUDGET POSITIVE (NEGATIVE)		ACTUAL (ADJUSTED TO BUDGETARY BASIS)	VARIANCE TO BUDGET POSITIVE (NEGATIVE)	
	<u>BUDGET</u>	<u>BUDGET</u>	<u>BUDGET</u>	<u>BUDGET</u>	<u>BUDGET</u>	
<u>REVENUES</u>						
Local sources:						
Interest income	\$ -	\$ -	\$ -	\$ 3,400	\$ 253	
Food service income	-	-	-	1,344,000	23,960	
State sources	-	-	-	712,500	-	
Federal sources:						
Restricted grants-in-aid:						
Direct	-	-	-	4,089,145	51,119	
Subgrants	2,306,256	1,993,834	(312,422)	-	-	
Corporate grants	-	-	-	-	-	
Total revenues	<u>2,306,256</u>	<u>1,993,834</u>	<u>(312,422)</u>	<u>6,149,045</u>	<u>75,332</u>	
<u>EXPENDITURES</u>						
Current						
Instruction:						
Regular programs	-	247,311	(247,311)	-	-	
Special education	2,306,256	1,512,314	793,942	-	-	
Support services:						
Student services	-	100,194	(100,194)	-	-	
Instructional staff support	-	131,836	(131,836)	-	-	
General administration	-	-	-	-	-	
School administration	-	-	-	-	-	
Business services	-	-	-	-	-	
Plant services	-	-	-	-	-	
Student transportation services	-	2,179	(2,179)	-	-	
Central services	-	-	-	-	-	
Food services	-	-	-	6,623,369	233,421	
Total expenditures	<u>2,306,256</u>	<u>1,993,834</u>	<u>312,422</u>	<u>6,623,369</u>	<u>233,421</u>	
Deficiency of revenues over expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>(474,324)</u>	<u>308,753</u>	
Other Financing Sources						
Transfers in	-	-	-	212,855	110,645	
Transfers out	-	-	-	-	-	
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>212,855</u>	<u>110,645</u>	
Net change in fund balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>(261,469)</u>	<u>419,398</u>	
Fund balances at beginning of year	-	-	-	523,469	-	
Increase in inventory	-	-	-	-	55,700	
Fund balances at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 262,000</u>	<u>\$ 475,098</u>	

See accompanying independent auditor's report.

Schedule D-3 - concluded

OTHER GRANTS			TOTALS		
BUDGET	ACTUAL (ADJUSTED TO BUDGETARY BASIS)	VARIANCE TO BUDGET POSITIVE (NEGATIVE)	BUDGET	ACTUAL (ADJUSTED TO BUDGETARY BASIS)	VARIANCE TO BUDGET POSITIVE (NEGATIVE)
\$ -	\$ -	\$ -	\$ 3,400	\$ 3,653	\$ 253
-	-	-	1,344,000	1,367,960	23,960
702,940	1,835,573	1,132,633	1,415,440	2,548,073	1,132,633
-	-	-	-	-	-
-	-	-	5,682,293	5,768,695	86,402
772,768	313,093	(459,675)	5,449,568	4,481,139	(968,429)
62,750	923,532	860,782	62,750	923,532	860,782
<u>1,538,458</u>	<u>3,072,198</u>	<u>1,533,740</u>	<u>13,957,451</u>	<u>15,093,052</u>	<u>1,135,601</u>
1,538,458	1,975,629	(437,171)	4,441,775	4,741,502	(299,727)
-	807,976	(807,976)	2,306,256	2,320,290	(14,034)
-	164,389	(164,389)	529,771	805,179	(275,408)
-	63,201	(63,201)	488,904	821,698	(332,794)
-	-	-	20,824	21,400	(576)
-	-	-	-	71,498	(71,498)
-	-	-	2,500	4,180	(1,680)
-	-	-	1,300	1,953	(653)
-	13,053	(13,053)	5,500	24,544	(19,044)
-	10,000	(10,000)	-	18,481	(18,481)
-	7,715	(7,715)	6,634,945	6,397,663	237,282
<u>1,538,458</u>	<u>3,041,963</u>	<u>(1,503,505)</u>	<u>14,431,775</u>	<u>15,228,388</u>	<u>(796,613)</u>
-	30,235	30,235	(474,324)	(135,336)	338,988
-	-	-	212,855	323,500	110,645
-	-	-	-	-	-
-	-	-	<u>212,855</u>	<u>323,500</u>	<u>110,645</u>
-	30,235	30,235	(261,469)	188,164	449,633
-	290,912	290,912	523,469	814,381	290,912
-	-	-	-	55,700	55,700
<u>\$ -</u>	<u>\$ 321,147</u>	<u>\$ 321,147</u>	<u>\$ 262,000</u>	<u>\$ 1,058,245</u>	<u>\$ 796,245</u>



Debt Service Funds

DEBT SERVICE FUNDS

Sinking Fund No. 1 is funded through a 5.01 mill ad valorem tax millage that is used to pay off the general obligation bonds.

Sinking Fund No. 3 is funded by first priority use on sales tax revenue limited to the annual amount required for scheduled repayment. Final payment due May 1, 2019.

Sinking Fund No. 4 is funded by the General Fund and provides for repayment of certificates of indebtedness issues maturing December 16, 2019.

Sales Tax Bond Reserve Fund was established and is required by Board resolutions dated February 14, 1979, April 9, 1980 and March 4, 1999. The reserve fund is funded by sales tax revenues and is supportive of Sinking Fund No. 3. Scheduled monthly payments were made into the reserve fund until the fiscal year ended June 30, 1984 at which point the maximum amount to be accumulated pursuant to the resolutions 1979 and 1980 resolutions was achieved.

ST. CHARLES PARISH SCHOOL BOARD

DEBT SERVICE FUNDS

**Combining Balance Sheet, June 30, 2018
with comparative totals for June 30, 2017**

	<u>SINKING FUND NO. 1</u>	<u>SINKING FUND NO. 3</u>	<u>SINKING FUND NO. 4</u>
<u>ASSETS</u>			
Cash	\$ -	\$ -	\$ -
Investments	3,336,412	222,261	-
Accounts Receivable	13,426	-	-
	<u> </u>	<u> </u>	<u> </u>
Total Assets	\$ <u>3,349,838</u>	\$ <u>222,261</u>	\$ <u>-</u>
 <u>FUND BALANCE</u>			
Fund Balance:			
Fund balances:			
Restricted:			
Restricted for debt service	\$ <u>3,349,838</u>	<u>222,261</u>	\$ <u>-</u>
Total Fund Balance	<u>3,349,838</u>	<u>222,261</u>	<u>-</u>
	<u> </u>	<u> </u>	<u> </u>
Total Fund Balance	\$ <u>3,349,838</u>	\$ <u>222,261</u>	\$ <u>-</u>

See accompanying independent auditor's report.

SALES TAX BOND RESERVE FUND	2018	TOTALS 2017
<u> </u>	<u> </u>	<u> </u>
\$ -	\$ -	\$ -
844,000	4,402,673	7,351,237
<u> -</u>	<u> 13,426</u>	<u> 8,476</u>
<u>\$ 844,000</u>	<u>\$ 4,416,099</u>	<u>\$ 7,359,713</u>
<u>\$ 844,000</u>	<u>\$ 4,416,099</u>	<u>\$ 7,359,713</u>
<u>844,000</u>	<u>4,416,099</u>	<u>7,359,713</u>
<u>\$ 844,000</u>	<u>\$ 4,416,099</u>	<u>\$ 7,359,713</u>

ST. CHARLES PARISH SCHOOL BOARD

DEBT SERVICE FUNDS

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

**For the Period Ended June 30, 2018
with comparative totals for the year ended June 30, 2017**

	SINKING FUND NO. 1	SINKING FUND NO. 3
	<hr/>	<hr/>
<u>REVENUES</u>		
Local sources:		
Ad valorem tax	\$ 6,341,540	\$ -
Sales tax	-	825,930
Earnings on investments	69,071	5,951
Total revenues	<hr/> <u>6,410,611</u>	<hr/> <u>831,881</u>
<u>EXPENDITURES</u>		
Current:		
Support services:		
General administration	210,644	-
Debt service:		
Principal retirement	5,865,000	990,000
Interest and bank charges	<hr/> <u>3,047,116</u>	<hr/> <u>73,346</u>
Total expenditures	<hr/> <u>9,122,760</u>	<hr/> <u>1,063,346</u>
Excess (deficiency) of revenues over expenditure	<hr/> <u>(2,712,149)</u>	<hr/> <u>(231,465)</u>
Other financing sources (uses):		
Transfers in	-	-
Transfers out	<hr/> <u>-</u>	<hr/> <u>-</u>
Total other financing sources (uses)	<hr/> <u>-</u>	<hr/> <u>-</u>
Net change in fund balances	(2,712,149)	(231,465)
Fund balances at beginning of year	<hr/> <u>6,061,987</u>	<hr/> <u>453,726</u>
Fund balances at end of year	<hr/> <u>\$ 3,349,838</u>	<hr/> <u>\$ 222,261</u>

See accompanying independent auditor's report.

Statement E-2

SINKING FUND NO. 4	SALES TAX BOND RESERVE FUND	TOTALS	
		2018	2017
\$ -	\$ -	\$ 6,341,540	\$ 6,192,379
-	-	825,930	1,063,207
-	11,962	86,984	63,705
<u>-</u>	<u>11,962</u>	<u>7,254,454</u>	<u>7,319,291</u>
-	-	210,644	204,121
1,000,000	-	7,855,000	7,625,000
<u>16,620</u>	<u>-</u>	<u>3,137,082</u>	<u>3,397,995</u>
<u>1,016,620</u>	<u>-</u>	<u>11,202,726</u>	<u>11,227,116</u>
<u>(1,016,620)</u>	<u>11,962</u>	<u>(3,948,272)</u>	<u>(3,907,825)</u>
1,016,620	-	1,016,620	1,025,219
<u>-</u>	<u>(11,962)</u>	<u>(11,962)</u>	<u>(5,864)</u>
<u>1,016,620</u>	<u>(11,962)</u>	<u>1,004,658</u>	<u>1,019,355</u>
-	-	(2,943,614)	(2,888,470)
-	844,000	7,359,713	10,248,183
<u>\$ -</u>	<u>\$ 844,000</u>	<u>\$ 4,416,099</u>	<u>\$ 7,359,713</u>

ST. CHARLES PARISH SCHOOL BOARD

DEBT SERVICE FUNDS

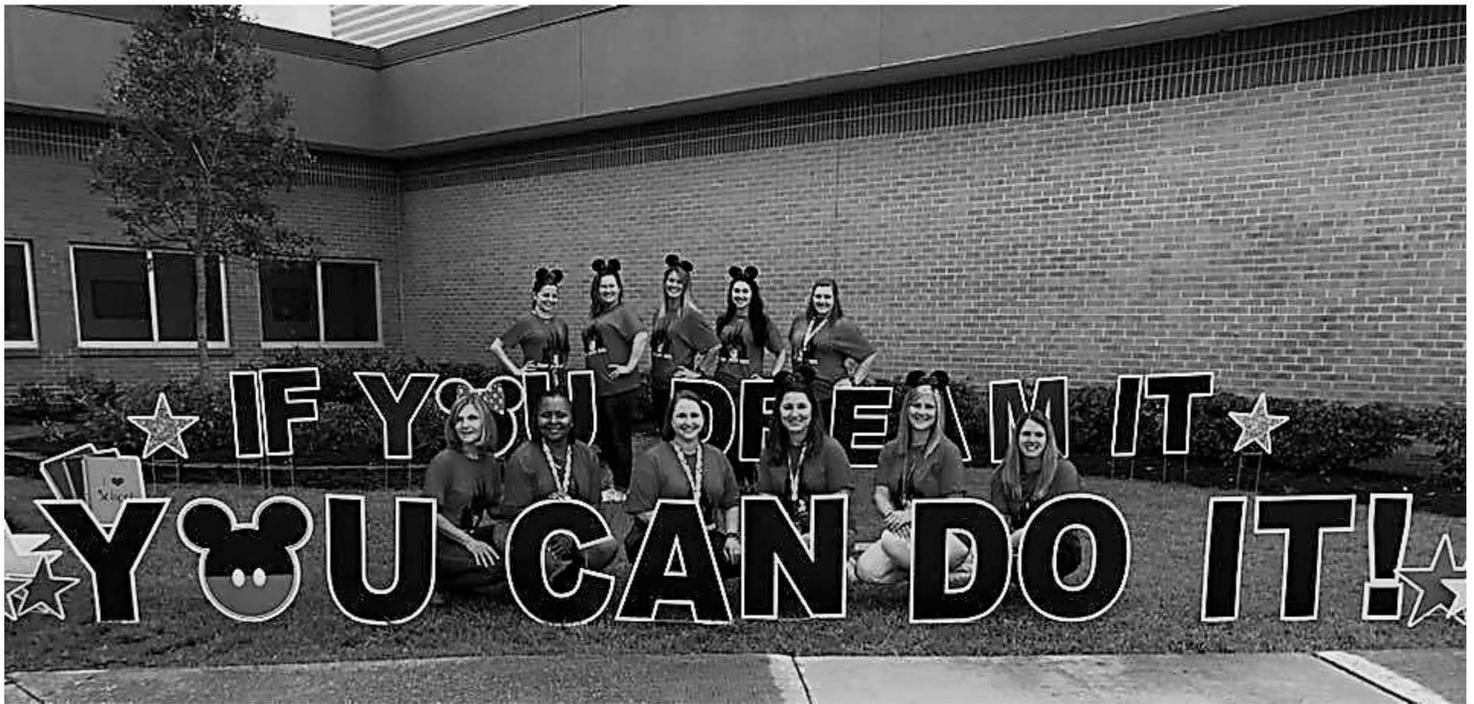
**Combining Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (Adjusted to Budgetary Basis)**

For the year ended June 30, 2018

	SINKING FUND NO. 1			SINKING FUND NO. 3		
	<u>BUDGET</u>	ACTUAL (ADJUSTED TO BUDGETARY BASIS)	VARIANCE TO BUDGET POSITIVE (NEGATIVE)	<u>BUDGET</u>	ACTUAL (ADJUSTED TO BUDGETARY BASIS)	VARIANCE TO BUDGET POSITIVE (NEGATIVE)
<u>REVENUES</u>						
Local sources:						
Ad valorem tax	\$ 6,430,400	\$ 6,341,540	\$ (88,860)	\$ -	\$ -	\$ -
Sales and use tax	-	-	-	1,062,914	825,930	(236,984)
Earnings on investments	6,000	69,071	63,071	4,900	5,951	1,051
Other	-	-	-	-	-	-
Total revenues	<u>6,436,400</u>	<u>6,410,611</u>	<u>(25,789)</u>	<u>1,067,814</u>	<u>831,881</u>	<u>(235,933)</u>
<u>EXPENDITURES</u>						
Current:						
Support services:						
General administration	210,700	210,644	56	-	-	-
Debt service:						
Principal retirement	5,865,000	5,865,000	-	990,000	990,000	-
Interest and bank charges	3,045,700	3,047,116	(1,416)	73,346	73,346	-
Total expenditures	<u>9,121,400</u>	<u>9,122,760</u>	<u>(1,360)</u>	<u>1,063,346</u>	<u>1,063,346</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>(2,685,000)</u>	<u>(2,712,149)</u>	<u>(27,149)</u>	<u>4,468</u>	<u>(231,465)</u>	<u>(235,933)</u>
Other financing sources (uses):						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>(2,685,000)</u>	<u>(2,712,149)</u>	<u>(27,149)</u>	<u>4,468</u>	<u>(231,465)</u>	<u>(235,933)</u>
Fund balances at beginning of year	<u>6,061,987</u>	<u>6,061,987</u>	<u>-</u>	<u>453,726</u>	<u>453,726</u>	<u>-</u>
Fund balances at end of year	<u>\$ 3,376,987</u>	<u>\$ 3,349,838</u>	<u>\$ (27,149)</u>	<u>\$ 458,194</u>	<u>\$ 222,261</u>	<u>\$ (235,933)</u>

See accompanying independent auditor's report.

SINKING FUND NO. 4			SALES TAX BOND RESERVE FUND			TOTALS		
BUDGET	ACTUAL (ADJUSTED TO BUDGETARY BASIS)	VARIANCE TO BUDGET POSITIVE (NEGATIVE)	BUDGET	ACTUAL (ADJUSTED TO BUDGETARY BASIS)	VARIANCE TO BUDGET POSITIVE (NEGATIVE)	BUDGET	ACTUAL (ADJUSTED TO BUDGETARY BASIS)	VARIANCE TO BUDGET POSITIVE (NEGATIVE)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,430,400	\$ 6,341,540	\$ (88,860)
-	-	-	-	-	-	1,062,914	825,930	(236,984)
-	-	-	4,000	11,962	7,962	14,900	86,984	72,084
-	-	-	-	-	-	-	-	-
-	-	-	4,000	11,962	7,962	7,508,214	7,254,454	(253,760)
-	-	-	-	-	-	210,700	210,644	56
1,000,000	1,000,000	-	-	-	-	7,855,000	7,855,000	-
17,000	16,620	380	-	-	-	3,136,046	3,137,082	(1,036)
1,017,000	1,016,620	380	-	-	-	11,201,746	11,202,726	(980)
(1,017,000)	(1,016,620)	380	4,000	11,962	7,962	(3,693,532)	(3,948,272)	(254,740)
1,017,000	1,016,620	(380)	-	-	-	1,017,000	1,016,620	(380)
-	-	-	(4,000)	(11,962)	(7,962)	(4,000)	(11,962)	(7,962)
1,017,000	1,016,620	(380)	(4,000)	(11,962)	(7,962)	1,013,000	1,004,658	(8,342)
-	-	-	-	-	-	(2,680,532)	(2,943,614)	(263,082)
-	-	-	844,000	844,000	-	7,359,713	7,359,713	-
\$ -	\$ -	\$ -	\$ 844,000	\$ 844,000	\$ -	\$ 4,679,181	\$ 4,416,099	\$ (263,082)



Capital Projects Funds

CAPITAL PROJECTS FUNDS

Construction Fund accounts for financial resources to be used for the acquisition, construction and maintenance of major capital facilities. This fund is financed through a millage dedicated to the above mentioned purpose.

Capital Projects Fund No. 1 accounts for financial resources to be used for the acquisition, construction and maintenance of major capital facilities from the Quality School Construction Bonds.

ST. CHARLES PARISH SCHOOL BOARD

CAPITAL PROJECTS FUND

**Balance Sheet June 30, 2018
With comparative totals June 30, 2017**

	CONSTRUCTION	
	<u>FUND</u>	<u>2017</u>
<u>ASSETS</u>		
Cash	\$ 457,439	\$ 299,185
Investments	-	-
Accounts receivable	<u>12,807</u>	<u>7,539</u>
Total Assets	<u><u>\$ 470,246</u></u>	<u><u>\$ 306,724</u></u>
 <u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts payable	\$ 318,682	\$ 306,588
Due to other funds	-	-
Total Liabilities	<u>318,682</u>	<u>306,588</u>
Fund Balance:		
Fund balance:		
Restricted:		
Restricted for capital projects	<u>151,564</u>	<u>136</u>
Total Fund Balance	<u>151,564</u>	<u>136</u>
Total Liabilities and Fund Balance	<u><u>\$ 470,246</u></u>	<u><u>\$ 306,724</u></u>

See accompanying independent auditor's report.

ST. CHARLES PARISH SCHOOL BOARD

CAPITAL PROJECTS FUND

Statement of Revenues, Expenditures and Changes in Fund Balance

For the Period Ended June 30, 2018

With comparative totals for the year ended June 30, 2017

	CONSTRUCTION	
	<u>FUND</u>	<u>2017</u>
REVENUES		
Local sources:		
Ad valorem tax	\$ 6,037,196	\$ 5,893,374
Earnings on investments	1,944	2,073
Other local revenue	781	-
Federal sources:		
Department of Housing and Urban Development	-	-
Total revenues	<u>6,039,921</u>	<u>5,895,447</u>
EXPENDITURES		
Current:		
Support services:		
General administration	200,553	194,342
Plant services	5,411,656	5,758,289
Total support services	<u>5,612,209</u>	<u>5,952,631</u>
Capital outlay:		
Construction contracts	4,576,284	4,374,459
Total capital outlay	<u>4,576,284</u>	<u>4,374,459</u>
Total expenditures	<u>10,188,493</u>	<u>10,327,090</u>
Deficiency of revenues over expenditures	<u>(4,148,572)</u>	<u>(4,431,643)</u>
Other financing sources:		
Transfers in	4,300,000	4,400,000
Transfers out	-	-
Proceeds from sale of bonds	-	-
Total other financing sources	<u>4,300,000</u>	<u>4,400,000</u>
Net change in fund balance	<u>151,428</u>	<u>(31,643)</u>
Fund balance at beginning of year	136	31,779
Fund balance at end of year	<u>\$ 151,564</u>	<u>\$ 136</u>

See accompanying independent auditor's report.

ST. CHARLES PARISH SCHOOL BOARD

CAPITAL PROJECTS FUNDS

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances -
Budget and Actual (Adjusted to Budgetary Basis)

For the year ended June 30, 2018

CAPITAL PROJECTS FUND NO. 1

	<u>BUDGET</u>	<u>ACTUAL (ADJUSTED TO BUDGETARY BASIS)</u>	<u>VARIANCE TO BUDGET POSITIVE (NEGATIVE)</u>
<u>REVENUES</u>			
Local sources:			
Ad valorem tax	\$ -	\$ -	\$ -
Earnings on investments	5,000	162,488	157,488
Other local revenue	-	-	-
Federal sources:			
Department of Housing & Urban	-	-	-
Total revenues	<u>5,000</u>	<u>162,488</u>	<u>157,488</u>
<u>EXPENDITURES</u>			
Current:			
Support services:			
General administration	-	-	-
Plant services	-	-	-
Total support services	<u>-</u>	<u>-</u>	<u>-</u>
Capital outlay:			
Construction contracts	18,535,750	14,385,818	4,149,932
Total capital outlay	<u>18,535,750</u>	<u>14,385,818</u>	<u>4,149,932</u>
Total expenditures	<u>18,535,750</u>	<u>14,385,818</u>	<u>4,149,932</u>
Deficiency of revenues over expenditures	<u>(18,530,750)</u>	<u>(14,223,330)</u>	<u>4,307,420</u>
Other financing sources:			
Transfers in	-	-	-
Transfers out	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	(18,530,750)	(14,223,330)	4,307,420
Fund balance at beginning of year	19,843,706	22,629,752	2,786,046
Fund balance at end of year	<u>\$ 1,312,956</u>	<u>\$ 8,406,422</u>	<u>\$ 7,093,466</u>

See accompanying independent auditor's report.

CONSTRUCTION FUND			TOTALS		
BUDGET	ACTUAL (ADJUSTED TO BUDGETARY BASIS)	VARIANCE TO BUDGET POSITIVE (NEGATIVE)	BUDGET	ACTUAL (ADJUSTED TO BUDGETARY BASIS)	VARIANCE TO BUDGET POSITIVE (NEGATIVE)
\$ 5,974,136	\$ 6,037,196	\$ 63,060	\$ 5,974,136	\$ 6,037,196	\$ 63,060
1,000	1,944	944	6,000	164,432	158,432
-	781	781	-	781	781
-	-	-	-	-	-
<u>5,975,136</u>	<u>6,039,921</u>	<u>64,785</u>	<u>5,980,136</u>	<u>6,202,409</u>	<u>222,273</u>
157,000	200,553	(43,553)	157,000	200,553	(43,553)
5,642,857	5,411,656	231,201	5,642,857	5,411,656	231,201
<u>5,799,857</u>	<u>5,612,209</u>	<u>187,648</u>	<u>5,799,857</u>	<u>5,612,209</u>	<u>187,648</u>
4,630,602	4,576,284	54,318	23,166,352	18,962,102	4,204,250
<u>4,630,602</u>	<u>4,576,284</u>	<u>54,318</u>	<u>23,166,352</u>	<u>18,962,102</u>	<u>4,204,250</u>
10,430,459	10,188,493	241,966	28,966,209	24,574,311	4,391,898
<u>(4,455,323)</u>	<u>(4,148,572)</u>	<u>306,751</u>	<u>(22,986,073)</u>	<u>(18,371,902)</u>	<u>4,614,171</u>
4,500,000	4,300,000	(200,000)	4,500,000	4,300,000	(200,000)
-	-	-	-	-	-
<u>4,500,000</u>	<u>4,300,000</u>	<u>(200,000)</u>	<u>4,500,000</u>	<u>4,300,000</u>	<u>(200,000)</u>
44,677	151,428	106,751	(18,486,073)	(14,071,902)	4,414,171
136	136	-	19,843,842	22,629,888	2,786,046
<u>\$ 44,813</u>	<u>\$ 151,564</u>	<u>\$ 106,751</u>	<u>\$ 1,357,769</u>	<u>\$ 8,557,986</u>	<u>\$ 7,200,217</u>



Trust and Agency Funds

TRUST AND AGENCY FUNDS

The Student Activity Fund accounts for student projects in the school. While the funds are under the supervision of the School Board, these funds belong to the individual schools or their student bodies and are not available for use by the School Board.

The Sales Tax Fund accounts for the collection and distribution of St. Charles Parish's five percent sales and use tax. Three percent is dedicated to the St. Charles Parish School Board and two percent is dedicated to the St. Charles Parish Council. The School Board sales tax ordinances provide that the proceeds can be used for general School Board expenses and for debt service.

The Ethel Schoeffner Scholarship Fund is a fiduciary fund established by Ms. Schoeffner to aid graduates of the St. Charles Parish School System who are entering college, majoring in either education or nursing.

ST. CHARLES PARISH SCHOOL BOARD

AGENCY FUNDS

Combining Balance Sheet

June 30, 2018

with comparative totals for June 30, 2017

	STUDENT ACTIVITY FUND	SALES TAX FUND	TOTALS	
			2018	2017
<u>ASSETS</u>				
Cash	\$ 1,470,736	\$ 133,341	\$ 1,604,077	\$ 1,407,937
Investments	239,023	-	239,023	239,023
Accounts receivable	-	8,602,512	8,602,512	8,414,814
Total Assets	<u>\$ 1,709,759</u>	<u>\$ 8,735,853</u>	<u>\$ 10,445,612</u>	<u>\$ 10,061,774</u>
 <u>LIABILITIES</u>				
Liabilities				
Deposits due others:				
Due to student groups	\$ 1,709,759	\$ -	\$ 1,709,759	\$ 1,528,817
Escrow deposits	-	133,241	133,241	118,043
Due to other governments	-	8,602,612	8,602,612	8,414,914
Total Liabilities	<u>\$ 1,709,759</u>	<u>\$ 8,735,853</u>	<u>\$ 10,445,612</u>	<u>\$ 10,061,774</u>

See accompanying independent auditor's report.

ST. CHARLES PARISH SCHOOL BOARD
ETHEL SCHOEFFNER SCHOLARSHIP FUND

TRUST FUND

Comparative Balance Sheet

June 30, 2018 and 2017

	<u>2018</u>	<u>2017</u>
<u>ASSETS</u>		
Cash	\$ -	\$ -
Investments	187,573	194,057
Accounts receivable	-	-
Total Assets	<u>\$ 187,573</u>	<u>\$ 194,057</u>
<u>LIABILITIES</u>		
Due to other governments	\$ -	\$ -
Total Liabilities	<u>-</u>	<u>-</u>
<u>FUND BALANCE</u>		
Fund Balance:		
Restricted for scholarships	<u>187,753</u>	<u>194,057</u>
Total Liabilities and Fund Balance	<u>\$ 187,753</u>	<u>\$ 194,057</u>

See accompanying independent auditor's report.

ST. CHARLES PARISH SCHOOL BOARD

AGENCY FUNDS

Combining Statement of Changes in Assets and Liabilities
For the Year Ended June 30, 2018

	<u>BALANCE</u> <u>June 30, 2017</u>	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>BALANCE</u> <u>June 30, 2018</u>
<u>Student Activity Fund</u>				
<u>ASSETS</u>				
Cash	\$ 1,289,794	\$ 4,200,078	\$ 4,019,136	\$ 1,470,736
Investments	239,023	-	-	239,023
Receivables	-	-	-	-
Total Assets	<u>\$ 1,528,817</u>	<u>\$ 4,200,078</u>	<u>\$ 4,019,136</u>	<u>\$ 1,709,759</u>
<u>LIABILITIES</u>				
Due to student groups	\$ 1,528,817	\$ 4,200,078	\$ 4,019,136	\$ 1,709,759
Escrow deposits	-	-	-	-
Due to other governments	-	-	-	-
Total Liabilities	<u>\$ 1,528,817</u>	<u>\$ 4,200,078</u>	<u>\$ 4,019,136</u>	<u>\$ 1,709,759</u>
<u>Sales Tax Fund</u>				
<u>ASSETS</u>				
Cash	\$ 118,143	\$ 91,698,011	\$ 91,682,813	\$ 133,341
Investments	-	-	-	-
Receivables	8,414,814	8,602,512	8,414,814	8,602,512
Total Assets	<u>\$ 8,532,957</u>	<u>\$ 100,300,523</u>	<u>\$ 100,097,627</u>	<u>\$ 8,735,853</u>
<u>LIABILITIES</u>				
Due to student groups	\$ -	\$ -	\$ -	\$ -
Escrow deposits	118,043	15,198	-	133,241
Due to other governments	8,414,914	90,503,861	90,316,163	8,602,612
Total Liabilities	<u>\$ 8,532,957</u>	<u>\$ 90,519,059</u>	<u>\$ 90,316,163</u>	<u>\$ 8,735,853</u>

See accompanying independent auditor's report.

<u>Totals - All Agency Funds</u>	BALANCE <u>June 30, 2017</u>	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	BALANCE <u>June 30, 2018</u>
<u>ASSETS</u>				
Cash	\$ 1,407,937	\$ 95,898,089	\$ 95,701,949	\$ 1,604,077
Investments	239,023	-	-	239,023
Receivables	8,414,814	8,602,512	8,414,814	8,602,512
Total Assets	<u>\$ 10,061,774</u>	<u>\$ 104,500,601</u>	<u>\$ 104,116,763</u>	<u>\$ 10,445,612</u>
<u>LIABILITIES</u>				
Due to student groups	\$ 1,528,817	\$ 4,200,078	\$ 4,019,136	\$ 1,709,759
Escrow deposits	118,043	15,198	-	133,241
Due to other governments	8,414,914	90,503,861	90,316,163	8,602,612
Total Liabilities	<u>\$ 10,061,774</u>	<u>\$ 94,719,137</u>	<u>\$ 94,335,299</u>	<u>\$ 10,445,612</u>

ST. CHARLES PARISH SCHOOL BOARD

STUDENT ACTIVITY FUND

Schedule of Changes in Deposit Balances, by School

For the Year Ended June 30, 2018

<u>SCHOOL NAME</u>	<u>BALANCE JUNE 30, 2017</u>	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>BALANCE JUNE 30, 2018</u>
Adapt/Court School	\$ 3,761	\$ 14,525	\$ 12,924	\$ 5,362
Allemands	22,686	34,998	32,068	25,616
Luling	15,305	171,764	159,890	27,179
Mimosa Park	58,188	171,035	179,777	49,446
Norco Elementary	25,633	162,535	146,874	41,294
St. Rose Primary	44,779	103,212	98,924	49,067
Ethel Schoeffner Elementary	29,888	88,590	84,874	33,604
R. J. Vial	27,877	58,916	64,077	22,716
New Sarpy Elementary	31,362	137,742	109,028	60,076
Lakewood	34,318	139,603	130,037	43,884
Albert Cammon Middle	37,226	122,070	131,123	28,173
Harry M Hurst Middle	109,805	257,575	248,646	118,734
R. K. Smith Middle	54,578	110,435	116,653	48,360
J. B. Martin Middle	112,753	303,567	289,538	126,782
Destrehan High	332,026	1,098,552	1,060,847	369,731
Hahnville High	561,887	1,165,563	1,097,473	629,977
Satellite Center	26,745	59,396	56,383	29,758
Total	<u>\$ 1,528,817</u>	<u>\$ 4,200,078</u>	<u>\$ 4,019,136</u>	<u>\$ 1,709,759</u>

See accompanying independent auditor's report.

ST. CHARLES PARISH SCHOOL BOARD

SALES TAX FUND

Schedule of Changes in Deposit Balances

For the Year Ended June 30, 2018

Deposit balance at beginning of year		\$	<u>118,143</u>
Additions:			
Sales tax collections			91,454,239
Audit and legal expenses recovered			2,028
Hotel/motel taxes, penalties, interest			222,397
Escrow deposits			14,640
Earned interest			<u>4,707</u>
Total additions			<u>91,698,011</u>
Reductions:			
Clearing account refunds			429,829
Escrow closeouts			-
Remitted to St. Charles Parish School Board:			
General Fund	\$	54,617,114	
Debt Service Fund		-	
Audit Fees & Hotel/Motel fee		<u>19,820</u>	
Total remitted to School Board			54,636,934
Remitted to River parish Tourism			204,605
Remitted to St. Charles Parish Council			<u>36,411,445</u>
Total reductions			<u>91,682,813</u>
Deposit balance at end of year		\$	<u><u>133,341</u></u>

See accompanying independent auditor's report.



Statistical Section

**St. Charles Parish School Board
Statistical Section**

<u>Contents</u>	<u>Page</u>
Financial Trends These schedules contain trend information to help the reader understand how the district's financial performance and well being have changed over time.	87-93
Revenue Capacity These schedules contain information to help the reader assess the district's most significant local revenue source, the property tax.	94-99
Debt Capacity These schedules present information to help the reader assess the affordability of the district's current levels of outstanding debt and the district's ability to issue additional debt in the future.	100-105
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the district's financial activities take place.	106-107
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the district's financial report relates to the services the district provides and the activities it performs.	108-118

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

ST. CHARLES PARISH SCHOOL BOARD

Net Position/Net Assets by Component,

Last Ten Years

(Accrual basis of accounting)
(Unaudited)

<u>FISCAL YEAR ENDED JUNE 30</u>	<u>NET INVESTMENT IN CAPITAL ASSETS/ INVESTED IN CAPITAL ASSETS NET OF RELATED DEBT</u>	<u>RESTRICTED</u>	<u>UNRESTRICTED</u>	<u>TOTAL DISTRICT NET POSITION/ NET ASSETS</u>
2009	49,047,324	24,416,344	(975,452)	72,488,216
2010	45,702,240	37,423,618	(21,756,148)	61,369,710
2011	57,178,556	38,159,447	(50,792,508)	44,545,495
2012	66,824,398	22,096,459	(48,143,662)	40,777,195
2013	65,232,715	33,541,160	(61,177,601)	37,596,274
2014	88,073,252	33,795,714	(291,032,409)	(169,163,443)
2015	89,504,354	17,940,146	(288,422,141)	(180,977,641)
2016	93,596,471	46,186,751	(328,998,812)	(189,215,590)
2017	99,023,124	37,201,482	(341,650,413)	(205,425,807)
2018	101,643,996	20,454,881	(507,238,011)	(385,139,134)

NOTE: With the implementation of GASB No. 63 in 2013, the terminology changed from Net Assets to Net Position and from Invested in Capital Assets, Net of Related Debt to Net Investment in Capital Assets. With the implementation of GASB 68 in 2015, Net Position was restated as of June 30, 2014.



St. Charles Parish School Board
Changes in Net Position/Assets
Last Ten Fiscal Years
(Accrual basis of accounting
(unaudited)

	FY09	FY10	FY11	FY12
Expenses				
Governmental activities				
Instruction				
Regular	\$84,538,669	\$81,703,887	\$79,730,372	\$86,448,327
Special education	16,172,595	16,116,610	20,462,775	19,476,897
Support Services:				
Student services	5,209,237	5,344,353	5,830,238	5,983,086
Instructional staff support	5,512,283	5,384,249	5,671,403	6,316,077
General administration	3,258,613	3,017,458	3,391,577	3,510,118
School Administration	7,439,660	7,294,004	7,203,483	8,002,378
Business services	1,093,825	1,285,308	1,344,103	1,398,308
Plant services	20,993,900	14,481,332	17,200,208	14,459,950
Student transportation services	8,600,183	8,893,506	9,260,198	10,316,774
Central services	2,342,933	2,284,382	2,440,131	2,837,234
Food services	6,307,986	5,985,890	5,916,013	6,496,736
Community service programs	157,026	137,159	168,860	184,984
Interest on long-term debt	2,239,207	2,607,628	3,165,942	1,432,302
Total governmental activities	<u>163,866,117</u>	<u>154,535,766</u>	<u>161,785,303</u>	<u>166,863,171</u>
Program Revenues				
Governmental activities:				
Charges for services and operating grants:				
Instruction				
Regular	\$6,391,932	\$7,067,960	\$7,445,088	\$7,136,278
Special education	1,970,028	2,257,007	1,959,551	2,771,367
Support Services:				
Student services	556,028	649,045	663,606	842,089
Instructional staff support	510,868	388,509	356,528	657,645
General administration	143,734	158,264	103,086	160,753
School Administration	-	-	-	-
Business services	111,496	80,657	63,643	20,133
Plant services	109,003	2,147,634	1,274,639	190,178
Student transportation services	8,063	8,418	8,885	7,160
Central services	-	-	-	-
Food services	4,069,599	4,154,902	4,132,012	4,516,352
Community service programs	-	-	-	-
Total governmental activities program revenues	<u>13,870,751</u>	<u>16,912,396</u>	<u>16,007,038</u>	<u>16,301,955</u>
Net (Expense)/Revenue				
Total governmental activities	<u>(149,995,366)</u>	<u>(137,623,370)</u>	<u>(145,778,265)</u>	<u>(150,561,216)</u>
General Revenues and Other Changes				
Governmental activities:				
Property taxes levied for general purposes	\$39,805,605	\$43,027,070	\$45,227,433	\$48,469,060
Property taxes levied for debt service	5,380,232	5,861,105	6,285,551	6,211,062
Property taxes levied for maintenance	4,144,131	4,478,824	4,694,650	5,030,971
Sales and use taxes levied for general purposes	41,889,851	43,812,783	49,205,369	42,088,804
Sales and use taxes levied for debt service	1,338,610	1,347,064	1,326,331	1,036,735
State revenue sharing	286,057	286,473	284,505	281,865
Minimum Foundation Program	28,324,828	31,736,639	31,423,411	30,432,191
Interest and investment earnings	3,096,768	3,000,341	1,911,552	485,089
Miscellaneous income	425,710	652,678	2,486,664	329,065
Total governmental activities	<u>124,691,792</u>	<u>134,202,977</u>	<u>142,845,466</u>	<u>134,364,842</u>
Change in Net Position/Assets	<u>(\$25,303,574)</u>	<u>(\$3,420,393)</u>	<u>(\$2,932,799)</u>	<u>(\$16,196,374)</u>

Table 2

FY13	FY14	FY15	FY16	FY17	FY18
\$83,574,857	\$84,692,561	\$81,567,261	\$76,843,687	\$83,806,372	\$ 75,734,073
18,440,429	18,769,830	17,792,773	18,324,393	20,280,378	19,205,243
6,047,406	6,533,757	6,328,780	6,959,370	7,722,594	7,528,711
6,153,328	6,746,986	6,899,651	7,803,149	8,836,323	7,781,919
3,593,558	3,721,291	3,863,084	4,058,949	3,955,439	3,433,105
8,104,517	9,285,869	8,831,081	9,487,276	11,086,305	10,165,063
1,428,263	1,397,680	1,652,041	1,736,252	1,986,649	1,743,997
18,923,861	18,539,255	19,733,508	19,454,416	18,105,387	18,962,586
10,496,574	10,550,176	9,984,844	11,279,219	11,734,113	10,436,283
2,854,932	2,910,961	2,726,287	2,824,031	3,022,654	2,818,715
6,614,253	6,626,930	6,672,282	7,001,401	7,022,559	6,511,706
172,318	143,898	140,394	106,008	180,335	129,650
1,563,485	1,699,009	2,229,792	3,097,543	2,960,948	2,867,184
167,967,781	171,618,203	168,421,778	168,975,694	180,700,056	167,318,234
\$6,944,943	\$6,945,508	\$6,163,746	\$6,120,391	\$6,517,039	\$5,084,610
3,625,625	2,032,629	2,007,265	1,860,011	1,869,966	2,320,290
683,674	534,395	652,453	511,519	763,436	805,179
755,292	509,471	1,049,489	1,001,419	1,307,635	821,698
128,183	164,057	94,836	57,922	18,663	21,400
-	-	-	-	64,330	71,498
51,174	40,272	28,190	35,554	39,038	4,180
190,580	72,350	70,103	54,635	50,479	53,595
7,277	5,830	10,145	15,299	38,471	24,544
-	-	-	-	28,920	18,481
4,861,601	5,029,330	5,147,784	5,173,496	5,562,810	5,508,224
-	-	-	-	-	-
17,248,349	15,333,842	15,224,011	14,830,246	16,260,787	14,733,699
(150,719,432)	(156,284,361)	(153,197,767)	(154,145,448)	(164,439,269)	(152,584,535)
\$46,556,710	\$49,918,335	\$56,470,141	\$57,140,048	\$56,801,381	\$58,195,040
5,962,162	6,392,492	7,319,497	7,407,097	6,192,379	6,341,540
4,832,709	5,181,651	5,858,116	5,928,295	5,893,374	6,037,196
44,733,552	56,561,380	43,416,444	44,453,256	47,827,399	53,791,184
1,040,687	1,045,015	1,054,930	1,059,203	1,063,207	825,930
280,719	280,719	281,439	266,898	278,306	276,799
28,681,927	28,681,927	26,647,649	29,026,216	29,618,451	29,782,840
320,266	190,282	152,857	449,514	323,603	595,141
381,875	613,838	182,496	176,972	230,952	1,257,674
132,790,607	148,865,639	141,383,569	145,907,499	148,229,052	157,103,344
(\$17,928,825)	(\$7,418,722)	(\$11,814,198)	(\$8,237,949)	(\$16,210,217)	\$4,518,809

St. Charles Parish School Board
Fund Balances, Governmental Funds,
Last Ten Fiscal Years
(modified accrual basis of accounting)
(unaudited)

	FY09	FY10	FY11	FY12
General Fund				
Non-spendable	\$ 132,559	\$ 125,895	\$ 202,455	\$ 133,536
Restricted	-	-	-	-
Committed	26,780,868	27,014,676	10,928,680	10,928,680
Unassigned	19,564,894	18,008,706	22,768,981	33,036,478
Total general fund	<u>\$ 46,478,321</u>	<u>\$ 45,149,277</u>	<u>\$ 33,900,116</u>	<u>\$ 44,098,694</u>
All Other Governmental Funds				
Non-spendable	\$ 188,242	\$ 113,649	\$ 105,828	\$ 184,908
Restricted	25,456,610	37,423,618	39,048,362	22,816,832
Total all other governmental funds	<u>\$ 25,644,852</u>	<u>\$ 37,537,267</u>	<u>\$ 39,154,190</u>	<u>\$ 23,001,740</u>

Table 3

FY13	FY14	FY15	FY16	FY17	FY18
\$ 138,958	\$ 213,441	\$ 147,187	\$ 104,556	\$ 161,069	\$ 186,120
-	-	-	-	-	-
10,947,006	10,977,006	6,236,431	6,236,431	6,236,431	6,236,431
37,928,499	30,604,494	25,113,730	17,037,384	6,901,823	7,347,054
\$ 49,014,463	\$ 41,794,941	\$ 31,497,348	\$ 23,378,371	\$ 13,299,323	\$ 13,769,605
\$ 266,770	\$ 209,272	\$ 184,873	\$ 194,466	\$ 223,671	\$ 270,169
33,197,685	34,312,714	18,110,146	46,178,837	30,580,311	13,762,161
\$ 33,464,455	\$ 34,521,986	\$ 18,295,019	\$ 46,373,303	\$ 30,803,982	\$ 14,032,330

ST. CHARLES PARISH SCHOOL BOARD

**Changes in Fund Balances, Governmental Funds,
Last Ten Fiscal Years
(modified accrual basis of accounting)
(unaudited)**

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Revenues				
Property tax	\$56,207,634	\$59,711,093	\$57,351,581	\$61,492,478
Sales and use tax	50,531,700	43,125,539	45,774,239	57,606,395
Interest earnings	1,911,552	485,089	320,266	190,282
Miscellaneous	4,166,823	2,931,275	2,779,742	3,155,689
State sources	35,309,264	33,163,030	30,180,229	31,412,104
Federal sources	10,725,531	11,250,771	13,632,899	10,342,533
Total revenue	<u>158,852,504</u>	<u>150,666,797</u>	<u>150,038,956</u>	<u>164,199,481</u>
Expenditures				
Regular Instruction	\$61,059,444	\$61,208,852	\$65,529,296	\$67,891,077
Special Instruction and Compensatory Remedial Programs	16,227,386	17,014,903	19,641,807	18,679,790
Student Services	5,344,353	5,830,238	5,983,086	6,047,406
Instructional Staff Support	5,381,750	5,669,903	6,315,079	6,153,328
General Administration	2,941,957	3,316,874	3,434,597	3,513,917
School Administration	7,289,274	7,198,753	7,997,660	8,104,517
Business Services	1,279,826	1,338,228	1,384,382	1,404,790
Plant Services	10,116,579	9,074,317	14,231,648	18,701,308
Student Transportation	8,492,409	8,778,156	9,791,904	9,980,228
Central Services	2,283,282	2,436,016	2,827,703	2,845,440
Food Services	5,858,322	5,882,013	6,395,007	6,423,280
Community Services	137,159	168,860	184,984	172,318
Capital Outlay	18,616,800	15,966,526	10,789,798	13,768,302
Debt Service:				
Principal	3,561,000	3,110,000	4,645,000	4,780,000
Interest and other charges	2,783,206	2,177,160	1,534,284	1,561,572
Total Expenditures	<u>151,372,747</u>	<u>149,170,799</u>	<u>160,686,235</u>	<u>170,027,273</u>
Other Financing Sources (uses)				
Proceeds from borrowing	-	10,000,000	-	-
Premiums on debt issue	-	-	-	-
Payments to escrow agent	(8,440,000)	20,980,000	-	-
Proceeds from refunding	8,440,000	(20,980,000)	-	-
Transfers in	27,099,104	12,887,043	12,249,520	2,722,377
Transfers out	(27,099,104)	(12,887,043)	(12,249,520)	(2,722,377)
Total other financing sources (uses)	<u>-</u>	<u>10,000,000</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>\$7,479,757</u>	<u>\$11,495,998</u>	<u>(\$10,647,279)</u>	<u>(\$5,827,792)</u>
Ratio of debt service expenditures to total noncapital expenditures	<u>4.4%</u>	<u>3.7%</u>	<u>4.0%</u>	<u>3.9%</u>

Table 4

2013	2014	2015	2016	2017	2018
\$63,919,088	\$67,019,066	\$69,647,754	\$70,475,440	\$68,887,134	\$70,573,776
57,527,413	48,801,903	44,471,374	45,512,459	48,890,606	54,617,114
144,015	194,361	152,857	449,514	323,603	595,141
2,744,075	2,799,414	2,735,128	2,792,599	3,167,986	3,231,207
31,162,755	29,393,379	28,279,423	30,767,583	31,331,952	32,474,087
12,939,935	11,198,125	11,321,044	10,740,150	11,888,558	10,349,321
<u>168,437,281</u>	<u>159,406,248</u>	<u>156,607,580</u>	<u>\$160,737,745</u>	<u>164,489,839</u>	<u>171,840,646</u>
\$68,549,334	\$68,601,374	\$72,535,002	\$70,281,291	\$74,820,609	\$72,480,744
19,141,604	18,661,761	19,329,798	19,272,599	19,480,356	19,696,061
6,533,757	6,686,105	6,730,324	6,787,935	7,397,360	7,736,506
6,746,986	7,404,958	7,333,221	7,791,932	8,395,120	7,962,116
3,652,454	3,851,002	3,835,601	3,742,246	3,639,442	3,308,390
9,285,869	9,367,602	9,410,924	9,410,808	10,531,609	10,409,616
1,372,182	1,718,257	1,743,621	1,711,034	1,876,847	1,769,189
18,321,057	18,434,082	20,128,274	20,805,250	15,450,520	15,260,517
10,024,018	10,633,458	10,327,013	10,300,223	10,515,868	9,940,348
2,900,376	2,770,651	2,828,512	2,766,441	2,851,700	2,849,911
6,431,278	6,475,633	6,831,264	6,739,306	6,610,281	6,508,883
143,898	150,795	140,657	106,008	180,335	129,650
14,327,109	21,371,360	12,569,825	13,178,664	18,150,801	19,377,623
8,940,000	9,020,000	7,020,000	8,820,000	7,625,000	8,046,600
1,657,238	1,895,227	2,392,595	2,833,894	3,397,995	3,137,082
<u>178,027,160</u>	<u>187,042,265</u>	<u>183,156,631</u>	<u>184,547,631</u>	<u>190,923,843</u>	<u>188,613,236</u>
25,000,000	20,000,000	-	40,413,420	756,430	415,520
-	1,416,643	-	3,346,180	-	-
-	-	-	-	-	-
-	-	-	-	-	-
9,599,567	8,563,734	3,532,975	7,249,945	5,872,323	5,652,082
(9,599,567)	(8,563,734)	(3,532,975)	(7,249,945)	(5,872,323)	(5,652,082)
<u>25,000,000</u>	<u>21,416,643</u>	<u>-</u>	<u>43,759,600</u>	<u>756,430</u>	<u>415,520</u>
<u>\$15,410,121</u>	<u>(\$6,219,374)</u>	<u>(\$26,549,051)</u>	<u>\$19,949,714</u>	<u>(\$25,677,574)</u>	<u>(\$16,357,070)</u>
<u>6.3%</u>	<u>6.2%</u>	<u>5.4%</u>	<u>6.7%</u>	<u>6.2%</u>	<u>6.5%</u>

Table 5

St. Charles Parish School Board
General Fund - Other Local Revenue by Source
2009-18
(modified accrual basis of accounting)
(unaudited)

Fiscal Year Ending June 30,	Tuition	Rentals	Donations	Miscellaneous	Annual Totals
2009	597,437	76,352	-	42,108	715,897
2010	603,056	69,706	-	71,037	743,799
2011	609,622	72,555	-	37,517	719,694
2012	610,187	70,549	-	20,536	701,272
2013	645,071	70,540	-	32,588	748,199
2014	614,876	67,581	-	97,939	780,396
2015	650,036	66,949	-	59,752	776,737
2016	762,619	51,859	-	17,114	831,592
2017	713,540	48,123	-	124,235	885,898
2018	673,284	51,642	-	214,008	938,934

Source: District records

ST. CHARLES PARISH SCHOOL BOARD

Assessed Valuation (1)

2009 - 18
(Unaudited)

YEAR ENDED JUNE 30	NUMBER OF TAXPAYERS	VALUE OF (2) LAND & IMPROVEMENTS	VALUE OF (3) COMMERCIAL & INDUSTRIAL PROPERTY	PUBLIC (4) UTILITY PROPERTY	AMOUNT OF HOMESTEAD EXEMPTION	ASSESSED VALUE OF TAXABLE PROPERTY	AVERAGE ASSESSMENT RATE	ESTIMATED ACTUAL TAXABLE VALUE
Direct assessment rate		10%	15%	25%				
2009	24,650	290,806,863	582,767,428	223,139,430	96,921,335	999,792,386	14.3%	7,685,742,537
2010	24,740	297,501,390	630,659,950	223,173,070	98,326,155	1,053,008,255	14.3%	8,072,105,847
2011	24,805	300,183,076	595,759,957	222,954,530	99,064,440	1,019,833,123	14.2%	7,865,381,927
2012	24,842	303,889,222	665,781,324	227,756,650	99,009,811	1,098,417,385	14.3%	8,388,460,980
2013	24,937	304,731,956	724,732,873	226,467,700	98,994,895	1,156,937,634	14.3%	8,784,742,847
2014	24,937	322,132,132	748,239,995	231,762,020	98,376,651	1,203,757,496	14.3%	9,136,636,033
2015	24,980	325,071,932	786,850,711	250,108,580	98,852,348	1,263,178,875	14.3%	9,496,825,047
2016	21,975	329,096,022	875,656,747	248,527,890	98,591,369	1,354,689,290	14.4%	10,122,783,427
2017	22,574	356,843,118	814,373,099	261,077,840	98,916,828	1,333,377,229	14.3%	10,041,896,533
2018	22,788	365,755,743	1,851,499,565	262,195,130	99,055,668	2,380,394,770	14.5%	17,049,668,383

(1) Information provided by the St. Charles Parish Assessor's Office.

(2) Land and improvements to land is appraised at 10% of value

(3) Commercial and industrial property is made up of business and industry and is valued at 15%

(4) Public utility property is valued at 25% and assessed by the Louisiana Tax Commission

ST. CHARLES PARISH SCHOOL BOARD

**Parishwide Property Tax Millage*
(per \$1,000 of assessed value)
Fiscal Years 2009-18
(unaudited)**

<u>TAX YEAR</u> <u>TAXING DISTRICT</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
School Constitutional	4.10	4.10	4.10	4.10
School Maintenance	41.66	41.66	41.66	41.66
School Construction and Improvement	4.75	4.75	4.75	4.75
School Bonds	6.36	5.86	5.86	5.86
Road Lighting	1.45	1.45	1.45	1.45
Public Library Maintenance & Operation	4.79	4.79	4.79	4.50
Mosquito Control	1.08	1.08	1.08	1.08
Hospital Bonds	2.46	2.46	2.46	3.16
Hospital Maintenance and Operation	2.53	2.53	2.53	2.48
Parish Health Unit	0.64	0.64	0.65	0.65
General Parish Tax	3.21	3.21	3.21	3.21
Law Enforcement	17.50	17.50	17.50	17.50
Law Enforcement	3.72	3.72	3.72	3.72
Public Sewerage Bonds	2.98	2.95	2.95	2.95
Assessor	1.41	1.40	1.40	1.43
Public Roads	5.83	5.83	5.96	5.96
Parish Recreation	2.96	2.96	2.96	2.96
Parish Council on Aging	0.97	0.97	0.97	0.97
Fire Protection Maintenance and Operation	1.54	1.54	1.55	1.55
Fire Protection Bonds	-	-	-	-
E-911 Telephone Service - Maint.	-	-	-	-
E-911 Telephone Service - Bonds	0.98	0.98	0.98	1.00
ARC	-	-	-	-
Levees	-	-	-	-
Total	<u>110.92</u>	<u>110.38</u>	<u>110.53</u>	<u>110.94</u>

* Information provided by the St. Charles Parish Assessor's Office.

Table 7

<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
4.05	4.05	4.05	4.05	4.12	4.12
41.16	41.16	41.16	41.16	41.86	41.86
4.69	4.69	4.69	4.69	4.77	4.77
5.86	5.86	5.86	5.86	5.01	5.01
1.43	1.43	1.43	1.03	1.03	1.01
4.45	4.45	4.45	4.45	4.45	4.35
1.10	1.10	1.10	1.10	1.10	1.08
3.16	3.16	3.16	3.16	3.16	3.16
2.48	2.48	2.48	2.48	2.48	2.48
0.64	0.64	0.64	0.64	0.64	0.61
3.17	3.17	3.17	3.17	3.17	3.17
17.50	17.50	17.50	17.50	17.80	17.80
3.72	3.72	3.72	3.72	3.78	3.78
2.83	2.60	2.60	2.20	2.20	2.20
1.41	1.14	1.41	1.41	1.41	1.41
5.94	5.94	5.94	5.94	6.04	5.90
2.97	2.97	2.97	2.97	3.02	2.96
0.96	0.96	0.96	0.96	0.96	0.96
1.53	1.53	1.53	1.53	1.53	1.45
-	-	-	-	-	-
-	-	-	0.99	0.99	0.97
0.99	0.99	0.99	-	-	-
-	-	-	0.70	0.70	0.67
-	-	-	4.00	4.07	4.07
<u>110.04</u>	<u>109.54</u>	<u>109.81</u>	<u>113.71</u>	<u>114.29</u>	<u>113.79</u>

ST. CHARLES PARISH SCHOOL BOARD

Principal Property Taxpayers

June 30, 2018
with comparison to June 30, 2009
(Unaudited)

<u>COMPANY</u>	<u>Type Industry</u>	<u>2018 ASSESSED VALUATION</u>	<u>2018 % OF ASSESSED VALUATION</u>	<u>2009 ASSESSED VALUATION</u>	<u>2009 % OF ASSESSED VALUATION</u>
Entergy Louisiana, Inc.	Public Utility	\$199,850,180	8.4	\$188,879,950	18.9
Union Carbide	Chemical Plant	157,185,705	6.6	116,439,320	11.7
Motiva Enterprises	Oil Refinery	128,581,543	5.4	90,862,137	9.1
Shell Oil Company	Oil Refinery	72,233,706	3.0	59,974,932	6.0
Monsanto	Chemical Plant	45,626,370	1.9	41,127,144	4.1
Occidental Chemical	Chemical Plant	39,063,673	1.6	49,752,300	5.0
Valero Refining Corporation	Oil Refinery	38,814,383	1.6	18,270,391	1.8
Valero Refining Corporation	Oil Refinery	29,726,161	1.2	21,512,968	2.2
American River Trans. Co.	Storage	15,657,400	0.7	24,139,795	2.4
Motiva Enterprises, LLC	Chemical Plant	<u>15,198,714</u>	<u>0.6</u>	<u>-</u>	<u>-</u>
Total		<u>\$741,937,835</u>	<u>31.2</u>	<u>\$610,958,937</u>	<u>61.1</u>

* Information provided by the St. Charles Parish Assessor's Office.

ST. CHARLES PARISH SCHOOL BOARD

Property Tax Levies and Collections *

Fiscal Years 2009 - 18
(Unaudited)

YEAR ENDED JUNE 30	TAX MILLAGE	ASSESSED VALUE OF TAXABLE MILLAGE	TOTAL TAX LEVIED FOR FISCAL YEAR	COLLECTED WITHIN THE FISCAL YEAR OF THE LEVY		COLLECTION IN SUBSEQUENT YEARS	TOTAL COLLECTIONS TO DATE	
				AMOUNT	PERCENT OF LEVY		AMOUNT	PERCENT OF LEVY
2009	56.87	999,792,386	56,858,193	56,133,672	98.73%	176,203	56,309,875	99.04%
2010	56.87	1,053,008,255	59,884,579	59,534,890	99.42%	40,230	59,575,120	99.48%
2011	56.37	1,019,833,123	57,487,993	57,311,351	99.69%	6,998	57,318,349	99.70%
2012	56.37	1,098,417,385	61,917,788	61,485,480	99.30%	1,144	61,486,624	99.30%
2013	55.76	1,156,937,634	64,510,842	63,917,944	99.08%	46,802	63,964,746	99.15%
2014	55.76	1,203,757,496	67,121,518	66,911,389	99.69%	29,957	66,941,346	99.73%
2015	55.76	1,264,178,875	70,490,614	69,617,797	98.76%	275,071	69,617,797	98.76%
2016	55.76	1,256,097,921	70,040,020	69,785,000	99.64%	94,934	69,785,000	99.64%
2017	55.76	1,233,690,797	68,790,599	68,792,200	100.00%	N/A	68,792,200	100.00%
2018	55.76	1,268,026,118	70,705,136	68,972,897	97.55%	N/A	68,972,897	97.55%

* Assessed value information obtained from the St. Charles Parish Assessor's Office

ST. CHARLES PARISH SCHOOL BOARD

Property Tax Bonded Debt

Ratio of Net Bonded Debt to Assessed Value

2009 - 18
(Unaudited)

FISCAL YEAR ENDED JUNE 30	ASSESSED * VALUE OF TAXABLE PROPERTY	GROSS BONDED DEBT	LESS DEBT SERVICE FUND BALANCE	NET BONDED DEBT	RATIO OF PROPERTY TAX NET BONDED DEBT TO ASSESSED VALUE	TOTAL ** BONDED PER CAPITA
2009	999,792,386	33,165,000	9,160,126	24,004,874	2.4	642
2010	1,053,008,255	31,635,000	10,858,129	20,776,871	2.0	613
2011	1,019,833,123	28,990,000	12,891,118	16,098,882	1.6	549
2012	1,098,417,385	26,245,000	15,146,224	11,098,776	1.0	497
2013	1,156,937,634	44,691,375	13,455,698	31,235,677	2.7	848
2014	1,203,757,496	58,846,061	11,508,495	47,337,566	3.9	1,118
2015	1,264,178,875	53,619,104	11,316,035	42,303,069	3.3	1,017
2016	1,354,689,290	89,906,018	8,955,445	80,950,573	6.0	1,702
2017	1,332,607,625	84,081,752	6,061,987	78,019,765	5.9	1,589
2018	1,367,081,786	78,062,486	3,349,838	74,712,648	5.5	1,480

* Information obtained from the St. Charles Parish Assessor's Office

** See Table 15 for population information



ST. CHARLES PARISH SCHOOL BOARD

Ratio of Gross General Bonded Debt to Assessed Value and Per Capita Income

**2009 - 18
(unaudited)**

<u>FISCAL YEAR ENDED</u>	<u>GENERAL OBLIGATION BONDS</u>	<u>SALES TAX REVENUE BONDS</u>	<u>QUALIFIED SCHOOL CONSTRUCTION BONDS</u>	<u>CAPITAL LEASE</u>
2009	33,165,000	8,440,000	-	-
2010	31,635,000	7,955,000	10,000,000	-
2011	28,990,000	7,205,000	9,000,000	-
2012	26,245,000	6,425,000	8,000,000	-
2013	44,691,375	5,610,000	7,000,000	-
2014	58,846,061	4,765,000	6,000,000	411,985
2015	53,619,104	3,885,000	5,000,000	328,819
2016	89,906,018	2,970,000	4,000,000	658,562
2017	84,081,752	2,015,000	3,000,000	1,219,359
2018	78,062,486	1,025,000	2,000,000	1,443,279

* Information obtained from Bureau of Economic Analysis

**Information obtained from Metrovision

<u>TOTAL DEBT OUTSTANDING</u>	<u>POPULATION *</u>	<u>PER** CAPITA INCOME</u>	<u>PERCENTAGE PERSONAL INCOME</u>	<u>DEBT PER CAPITA</u>
41,605,000	51,619	36,404	2.21%	806
49,590,000	51,611	38,154	2.52%	961
45,195,000	52,780	36,626	2.34%	856
40,670,000	52,517	37,491	2.07%	774
57,301,375	52,681	38,332	2.84%	1,088
70,023,046	52,617	N/A	N/A	1,331
62,832,923	52,745	N/A	N/A	1,191
97,534,580	52,812	N/A	N/A	1,847
90,316,111	52,923	N/A	N/A	1,707
82,530,765	52,749	N/A	N/A	1,565

ST. CHARLES PARISH SCHOOL BOARD

Sales Tax Bonds

Ratio of Net Sales Tax Debt to Total Sales *

2009 - 2018
(Unaudited)

FISCAL YEAR	TOTAL SALES	GROSS SALES TAX DEBT	LESS DEBT SERVICE FUNDS	NET	RATIO OF NET SALES TAX DEBT TO TOTAL SALES
2009	1,684,390,000	8,440,000	933,083	7,506,917	0.45
2010	1,437,517,967	7,955,000	1,279,537	6,675,463	0.46
2011	1,525,807,967	7,205,000	1,279,444	5,925,556	0.39
2012	1,920,213,167	6,425,000	1,281,663	5,143,337	0.27
2013	1,917,580,433	5,610,000	1,282,560	4,327,440	0.23
2014	1,626,730,100	4,765,000	1,285,084	3,479,916	0.21
2015	1,482,379,133	3,885,000	1,287,951	2,597,049	0.18
2016	1,517,081,986	2,970,000	1,292,738	1,677,262	0.11
2017	1,629,686,867	2,015,000	1,297,726	717,274	0.04
2018	1,820,570,467	1,025,000	1,066,261	-	-

* All information obtained from district records.

ST. CHARLES PARISH SCHOOL BOARD

Computation of Direct and Overlapping Bonded Debt

General Obligation Bonds

June 30, 2018
(Unaudited)

<u>JURISDICTION</u>	<u>NET GENERAL OBLIGATION BONDED DEBT OUTSTANDING</u>	<u>PERCENTAGE APPLICABLE TO GOVERNMENT</u>	<u>AMOUNT APPLICABLE TO GOVERNMENT</u>
Direct:			
St. Charles Parish School Board	\$82,530,764	100%	\$82,530,764
Overlapping:			
St. Charles Parish Government *	<u>4,830,000</u>	100%	<u>4,830,000</u>
Total overlapping debt	<u>4,830,000</u>		<u>4,830,000</u>
Total direct and overlapping debt	<u><u>\$87,360,764</u></u>		<u><u>\$87,360,764</u></u>

All property within St. Charles Parish must bear the debt of the St. Charles Parish School Board; therefore, all other reporting entities within the parish fall under the Board's jurisdiction. The computation of the amount of debt applicable to the Board, within the context that such debt will be serviced through levies upon the same properties which the Board taxes, is determined by applying the above percentages to the net debt outstanding.

* Information provided by the Parish Government.

ST. CHARLES PARISH SCHOOL BOARD

Legal Debt Margin

2009 - 18
(Unaudited)

<u>FISCAL YEAR ENDING JUNE 30</u>	<u>ASSESSED* VALUE</u>	<u>LEGAL** DEBT LIMIT</u>	<u>INDEBTEDNESS***</u>	<u>LEGAL DEBT MARGIN</u>	<u>PERCENT OF DEBT TO DEBT LIMIT</u>
2009	1,096,713,721	383,849,802	33,165,000	350,684,802	8.6%
2010	1,151,334,410	402,967,044	31,635,000	371,332,044	7.9%
2011	1,118,897,563	391,614,147	28,990,000	362,624,147	7.4%
2012	1,197,427,196	419,099,519	26,245,000	392,854,519	6.3%
2013	1,255,932,529	439,576,385	44,385,000	395,191,385	10.1%
2014	1,302,134,147	455,746,951	57,210,000	398,536,951	12.6%
2015	1,363,031,223	477,060,928	52,070,000	424,990,928	10.9%
2016	1,354,689,290	474,141,252	87,165,000	386,976,252	18.4%
2017	1,332,607,625	466,412,669	81,495,000	384,917,669	17.5%
2018	1,367,081,786	478,478,625	75,630,000	402,848,625	15.8%

* Assessed value information obtained from the St. Charles Parish Assessor's Office

** Legal debt limit is 35% of assessed value

*** Indebtedness based on ad valorem taxes

ST. CHARLES PARISH SCHOOL BOARD

Property Value, Construction and Bank Deposits

2009 - 18
(Unaudited)

<u>FISCAL YEAR ENDING JUNE 30</u>	<u>ESTIMATED ACTUAL PROPERTY VALUE</u>	<u>CONSTRUCTION- ESTIMATED VALUE</u>	<u>COMMERCIAL BANK DEPOSITS OF BANKS IN ST. CHARLES PARISH (1)</u>	<u>POPULATION (2)</u>	<u>PER CAPITA PERSONAL INCOME (2)</u>	<u>UNEMPLOYMENT RATE (2)</u>
2009	7,311,424,807	91,782,609	1,046,469,526,500	51,619	34,552	4.2%
2010	7,675,562,733	111,150,916	1,056,934,221,765	51,611	36,702	6.4%
2011	7,459,317,087	168,392,257	1,025,226,195,112	52,780	35,620	6.5%
2012	7,982,847,973	499,068,068	1,984,457,768,000	52,791	36,327	7.0%
2013	8,372,883,527	274,896,457	2,204,912,553,000	52,681	37,478	6.7%
2014	8,680,894,313	572,781,100	2,207,889,441,000	52,617	39,352	6.7%
2015	9,086,874,820	277,629,832	2,227,622,597,000	52,745	39,562	6.5%
2016	10,092,226,799	189,832,986	2,330,658,054,000	52,812	43,689	5.6%
2017	8,884,050,833	550,179,965	2,433,243,951,000	52,923	45,347	5.6%
2018	9,113,878,573	170,585,322	2,458,721,168,000	52,749	45,883	4.6%

(1) SNL Financial LC and Second Pillar Consulting Report

(2) St. Charles Parish Economic Development

ST. CHARLES PARISH SCHOOL BOARD

Value of Exempt Industrial Property Under 10 Year Contracts *

2018 - 2027

(unaudited)

<u>FISCAL YEAR</u>	<u>AMOUNT</u>
2008-18	\$170,585,322
2009-19	1,118,049,765
2010-20	498,241,099
2011-21	274,896,457
2012-22	574,939,376
2013-23	834,695,452
2014-24	2,820,808,445
2015-25	386,561,940
2016-26	304,401,989
2017-27	<u>54,600,701</u>
Total Property Under Exemption	<u><u>\$7,037,780,546</u></u>

* Information obtained from the St. Charles Parish Assessor's Office

**St. Charles Parish School Board
Principal Employers,
Current Year and Nine Years Ago
(unaudited)**

Employer	2018			2009		
	Employees	Rank	Percentage of Total Municipal Employment	Employees	Rank	Percentage of Total Municipal Employment
St. Charles Parish School Board	1,773	1	7.04%	1,787	1	7.53%
Shell Norco Refining	1,147	2	4.55%	728	3	3.07%
Dow	1,006	3	3.99%	1,112	2	4.69%
Monsanto	665	4	2.64%	688	4	2.90%
Entergy	630	5	2.50%	495	8	2.09%
Valero St. Charles	547	6	2.17%	590	5	2.49%
St. Charles Parish Council	542	7	2.15%	469	9	1.98%
Winn Dixie	524	8	2.08%	-	-	-
St. Charles Sheriff's Office	413	9	1.64%	-	-	-
St. Charles Hospital	400	10	1.59%	500	7	2.11%
Glazer's Distribution	328	11	1.30%	-	-	-
Walmart	310	12	1.23%	355	10	1.50%
Occidental Chemical	305	13	1.21%	-	-	-
Randa Corporation	259	14	1.03%	-	-	-
International Matex Tank Terminals	180	15	0.71%	-	-	-
Bunge North America	157	16	0.62%	-	-	0.00%
Motiva/Shell Chemical	-	-	-	548	6	2.31%
Industrial Consultants	-	-	-	283	11	1.19%
Zachary Construction	-	-	-	250	12	1.05%
	<u>9,186</u>		<u>34.82%</u>	<u>7,805</u>		<u>30.19%</u>

Source: St. Charles Parish Government

St. Charles Parish School Board
Full-time Equivalent District Employees by Function/Program
Last Ten Fiscal Years
(unaudited)

<u>Function/Program</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Regular Instruction	753	750	748	747
Special Instruction and Compensatory Remedial Programs	321	321	323	325
Student Services	44	44	45	45
Instructional Staff Support	53	46	46	47
General Administration	12	10	10	10
School Administration	100	105	107	107
Business Services	17	17	17	17
Plant Services	111	112	103	101
Student Transportation	151	150	158	162
Central Services	21	21	21	21
Food Services	89	100	108	102
Community Services	2	2	2	2
 Total	 <u>1,674</u>	 <u>1,678</u>	 <u>1,688</u>	 <u>1,686</u>

Source: District Personnel Records

Table 18

<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
772	742	742	742	821	807
321	321	319	320	317	312
40	54	49	40	39	32
45	45	45	45	72	64
10	10	10	10	10	10
114	114	114	115	54	55
17	17	16	16	16	15
102	102	101	102	105	110
158	157	155	158	162	160
20	21	21	22	22	23
95	95	101	112	100	77
2	3	2	2	2	2
<u>1,696</u>	<u>1,681</u>	<u>1,675</u>	<u>1,684</u>	<u>1,720</u>	<u>1,667</u>

**St. Charles Parish School Board
Operating Statistics,
Last Ten Fiscal Years**

<u>Fiscal Year</u>	<u>Enrollment</u>	<u>Operating Expenditures^a</u>	<u>Cost Per Pupil</u>	<u>Percentage Change</u>
2009	9,556	110,306,426	11,543	-0.08%
2010	9,721	110,813,631	11,399	-1.25%
2011	9,851	120,042,128	12,186	6.90%
2012	9,766	124,316,306	12,730	4.46%
2013	9,805	126,102,355	12,861	1.03%
2014	9,727	129,784,343	13,343	3.75%
2015	9,757	134,265,696	13,761	3.13%
2016	9,779	132,981,614	13,599	-1.18%
2017	9,646	139,565,692	14,469	6.40%
2018	9,626	137,192,290	14,252	-1.50%

Sources: District records

Note: Enrollment based on annual October district count.

- a. Operating expenditures equal total expenditures less debt service and capital outlay of the general fund.
- b. Teaching staff includes only full-time equivalents of certificated staff.
- c. Average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS).

Table 19

Teaching Staff^b	Average Daily Enrollment (ADE)^c	Average Daily Attendance (ADA)^c	Percent Change Enrollment	Student Attendance Percentage
805	9458.1	9,005.7	-0.38%	95.22%
811	9613.6	9,155.0	1.64%	95.23%
827	9698.9	9,377.1	0.89%	96.68%
839	9701.2	9,385.7	0.02%	96.75%
837	9752.1	9,415.8	0.52%	96.55%
845	9702.2	9,379.1	-0.51%	96.67%
835	9649.0	9,302.3	-0.55%	96.41%
839	9672.2	9,338.9	0.24%	96.55%
864	9509.7	9,165.4	-1.68%	96.38%
851	9520.7	9,157.2	0.12%	96.18%

**St. Charles Parish School Board
School Building Information
Last Ten Fiscal Years**

	<u>2009</u>	<u>2010</u>	<u>2011</u>
<u>District Buildings</u>			
<u>ELEMENTARY</u>			
Allemands Elementary (1977)			
Square Feet	48,131	48,131	48,131
Capacity (students)	600	600	600
Enrollment	271	296	297
Lakewood Elementary (1981) *			
Square Feet	72,866	72,866	72,866
Capacity (students)	720	720	720
Enrollment	545	581	606
Luling Elementary (1957)			
Square Feet	91,425	91,425	91,425
Capacity (students)	720	720	720
Enrollment	650	643	662
Mimosa Park Elementary (1961)			
Square Feet	50,384	50,384	51,586
Capacity (students)	620	620	620
Enrollment	594	598	580
New Sarpy Elementary (1989)			
Square Feet	67,600	67,600	67,600
Capacity (students)	880	880	880
Enrollment	566	561	565
Norco Elementary K-3 & 4-6 (1962)			
Square Feet	76,476	76,476	76,476
Capacity (students)	760	760	760
Enrollment	627	641	637
St. Rose Elementary (2002)			
Square Feet	96,073	96,073	110,273
Capacity (students)	960	960	960
Enrollment	630	627	621
Ethel Schoeffner Elementary (1993)			
Square Feet	73,950	73,950	73,950
Capacity (students)	780	780	780
Enrollment	465	490	457
A. A. Songy Kindergarten Center (1978) *			
Square Feet	34,319	34,319	34,319
Capacity (students)	300	300	300
Enrollment	231	237	228
R. J. Vial Elementary (1975)			
Square Feet	48,167	48,167	48,167
Capacity (students)	480	480	480
Enrollment	374	380	347
<u>MIDDLE</u>			
Albert Cammon Middle (1973)			
Square Feet	60,598	60,598	60,598
Capacity (students)	576	576	576
Enrollment	282	301	304
Harry Hurst Middle (1982)			
Square Feet	83,291	83,291	83,291
Capacity (students)	594	594	594
Enrollment	461	488	468
J. B. Martin Middle (1968)			
Square Feet	74,165	74,165	74,165
Capacity (students)	558	558	558
Enrollment	558	542	576

Table 20 - Continued

2012	2013	2014	2015	2016	2017	2018
48,131	48,131	48,131	48,131	48,131	54,361	54,361
600	600	600	600	600	600	600
286	286	300	286	267	258	248
72,866	72,866	72,866	107,185	107,185	107,185	107,185
720	720	720	1,020	1,020	1,020	1,020
598	586	585	574	578	601	609
91,425	94,895	94,895	94,895	94,895	94,895	94,895
720	640	640	720	720	720	720
629	639	634	678	700	650	631
51,586	51,586	93,061	93,061	93,061	93,061	93,061
620	620	1,120	1,120	1,120	1,120	1,120
575	381	394	626	617	654	619
67,600	67,600	67,600	67,600	67,600	67,600	67,600
880	880	880	880	880	880	880
519	458	459	484	468	431	417
76,476	76,476	76,476	98,023	98,023	98,023	98,023
760	760	760	760	760	760	760
595	515	505	477	489	508	537
110,273	110,273	110,273	110,273	110,273	110,273	110,273
960	960	960	960	960	960	960
615	658	662	676	665	664	659
73,950	73,950	73,950	73,950	73,950	73,950	73,950
780	780	780	780	780	780	780
436	412	368	403	427	446	446
34,319	34,319	34,319	-	-	-	-
300	300	300	-	-	-	-
230	244	221	-	-	-	-
48,167	48,167	48,167	48,167	48,167	48,167	48,167
480	480	480	480	480	480	480
337	275	270	263	239	264	265
60,598	60,598	60,598	80,286	80,286	80,286	80,286
576	576	576	576	576	576	576
313	296	307	297	299	311	301
83,291	131,673	131,673	131,673	131,673	131,673	131,673
594	860	860	860	860	860	860
465	723	689	674	675	650	671
74,165	121,922	121,922	121,922	121,922	121,922	121,922
558	1,260	1,260	1,260	1,260	1,260	1,260
552	814	831	835	854	857	873

**St. Charles Parish School Board
School Building Information
Last Ten Fiscal Years**

	<u>2009</u>	<u>2010</u>	<u>2011</u>
R. K. Smith Middle (2005)			
Square Feet	89,188	89,188	89,188
Capacity (students)	594	594	594
Enrollment	338	339	326
<u>HIGH</u>			
Destrehan High (1975)			
Square Feet	259,644	259,644	265,891
Capacity (students)	1,550	1,550	1,550
Enrollment	1,392	1,406	1,466
Hahnville High (1975)			
Square Feet	269,290	269,290	275,710
Capacity (students)	1,744	1,744	1,744
Enrollment	1,379	1,395	1,478
OTHER			
Boutte Adult Learning Center (1953)			
Square Feet	17,300	17,300	17,300
Capacity (students)	224	224	224
Enrollment	30	30	30
G. W. Carver Elementary (1951)			
Square Feet	42,477	42,477	42,477
Capacity (students)	560	560	560
Enrollment	114	120	133
Transporation Administration Building			
Square Feet			
Central Office Complex (1982)			
Square Feet	54,830	54,830	55,470
Distribution Center (1993)			
Square Feet	4,644	4,644	4,644
East Bank Head Start Center (1962)			
Square Feet	6,612	6,612	6,612
Capacity (students)	120	120	120
Enrollment	79	112	100
E. J. Landry Alternative Center (1977)			
Square Feet	70,949	70,949	70,949
Capacity (students)	468	468	468
Enrollment	40	40	40
Norco Adult Learning Center (1932)			
Square Feet	8,000	8,000	8,000
Capacity (students)	120	120	120
Enrollment	30	30	30
Satellite Center (2006)			
Square Feet	29,135	29,135	29,135
Capacity (students)	200	200	200
Enrollment	180	180	180
St. Rose Primary Pupil Appraisal (1970)			
Square Feet	18,410	18,410	6,912
Capacity (students)	240	240	240
Enrollment	**	**	**

Elementary = 9 Source: Physical Plant & Administrative
Middle = 4 Services
High School = 2 NOTE: Year of original construction is
Other = 9 shown in parenthesis.

Increases in square footage and capacity are the result of additions.

In FY15 A A Songy was merged into the campus of Lak118ewood Elementary School

Table 20 - Continued

2012	2013	2014	2015	2016	2017	2018
89,188	89,188	89,188	89,188	89,188	89,188	89,188
594	486	486	486	486	486	486
323	322	313	304	288	304	289
265,891	265,891	265,891	303,734	303,734	303,734	303,734
1,550	1,504	1,504	1,504	1,504	1,504	1,504
1,468	1,439	1,480	1,457	1,466	1,331	1,341
275,710	275,710	306,713	306,713	306,713	306,713	306,713
1,744	1,744	2,080	2,080	2,080	2,080	2,080
1,482	1,500	1,477	1,500	1,526	1,444	1,447
17,300	17,300	17,300	17,300	17,300	17,300	17,300
224	224	224	224	224	224	224
30	30	30	30	30	30	30
42,477	42,477	42,477	42,477	42,477	42,477	42,477
560	560	560	560	560	560	560
133	137	137	137	125	137	137
					4,446	4,446
55,470	60,114	60,114	60,114	60,114	60,114	60,114
4,644	4,644	4,644	4,644	4,644	4,644	4,644
6,612	6,612	6,612	6,612	6,612	6,612	6,612
120	120	120	120	120	120	120
100	96	95	86	96	96	96
70,949	70,949	70,949	70,949	70,949	70,949	70,949
468	468	468	468	468	468	468
40	40	40	40	40	40	40
8,000	8,000	8,000	8,000	8,000	8,000	8,000
120	120	120	120	120	120	120
30	30	30	30	30	30	30
29,135	29,135	29,135	29,135	29,135	29,135	29,135
200	200	200	200	200	200	200
180	180	180	180	180	180	215
6,912	6,912	6,912	6,912	6,912	6,912	6,912
240	240	240	240	240	240	240
**	**	**	**	**	**	**

ST. CHARLES PARISH SCHOOL BOARD

Schedule of Insurance Coverage

**June 30, 2018
(Unaudited)**

<u>INSURANCE</u>	<u>FROM</u>	<u>TO</u>
Vehicle Liability and Physical Damage	10/1/2018	10/1/2019
General Liability	10/1/2018	10/1/2019
Excess Liability	10/1/2018	10/1/2019
Property	4/15/2018	4/15/2019
Flood (various policies throughout the year)	10/1/2018	10/1/2019
Workman's Compensation	8/1/2018	8/1/2019
Educators Legal Liability	10/1/2018	10/1/2019
Boiler-Machinery, Air Conditioning	4/15/2018	4/15/2019
Bond	8/1/2018	8/1/2019
Bond	8/1/2018	8/1/2019
Bond	8/1/2018	8/1/2019
Student Accident	8/1/2018	8/1/2019

* Information obtained from the St. Charles Parish School Board

DESCRIPTION *

\$2,000,000 CSL Liability; UMC-excluded.

\$2,000,000 CSL Liability - Bodily injury, property damage, personal injury, \$3,000,000 policy annual aggregate, includes athletic participants, corporal punishment.

\$2,000,000 Excess Liability which provides coverage over the CGL policy except the sexual misconduct coverage.

\$353,315,215 Blanket Per Location Property "All - Risk" on owned property. \$25,000 Deductible. Replacement cost. storm limit \$100,000,000. TRIA included at Total Insured Value.

Flood coverage for all significant Property. Subject to \$1,250 per occurrence deductible. Covered up to \$39,954,300 for buildings and \$11,906,100 for contents.

Statutory Workmen's Compensation and \$1,000,000 Employee Liability. Self insured retention of \$500,000. \$1,000,000 aggregate excess coverage.

\$2,000,000 / CSL with \$50,000 per loss Professional liability. Errors and omissions policy on Board members and all Board employees.

Comprehensive Coverage form on loss to and from boilers, pressure vessels, air conditioning equipment. Limit of coverage \$150,000,000; Various Sub-Limit on the coverage extensions. \$25,000 Deductible.

\$250,000 Bond on Director of Sales and Use Tax Collection.

\$250,000 Bond on Superintendent

Blanket Honesty Bond on: \$225,000 on 8 Boardmembers, Assistant Superintendents, Chief Financial and Administrative Officer, \$75,000 on Principals, \$25,000 on School Co-signers and \$25,000.

\$50,000 excess medical insurance covering all students includes \$5,000,000 CAT coverage in excess of \$25,000.



Additional Supplemental Information

ST. CHARLES PARISH SCHOOL BOARD

Comparative Schedule of Compensation Paid to Board Members

For the Years Ended June 30, 2018 and 2017

<u>Board Member</u>	<u>2018*</u>	<u>2017*</u>
Ellis Alexander	\$ 9,600	\$ 9,600
Melinda Bernard ***	10,200	10,200
Arthur Aucoin	9,600	9,600
Dennis Naquin	9,600	10,200
John W. Robichaux	9,600	9,600
Clarence H. Savoie	9,600	9,600
John L. Smith	9,600	9,600
Alex L. Suffrin**	<u>10,200</u>	<u>9,600</u>
Total	\$ <u><u>78,000</u></u>	\$ <u><u>78,000</u></u>

* Information obtained from St. Charles Parish School Board Payroll.

** President - January 1, 2018 - Current

*** President - January 1, 2017 - December 31, 2017

ST. CHARLES PARISH SCHOOL BOARD

Schedule of Compensation, Benefits and Other Payments to Superintendent

For the Year Ended June 30, 2018

Felecia Gomez-Walker, Superintendent

Compensation	
Contract Salary	\$189,315
Longevity	400
Total Compensation	<u>189,715</u>
Benefits:	
Teachers Retirement	51,794
Health Insurance	10,929
Life Insurance	144
Long-term disability	372
Tax sheltered annuity	5,000
Total Benefits	<u>68,239</u>
Other Payments:	
Car allowance	10,000
Cell phone	375
Dues & Registrations	19,073
Publications	276
Workshops and conferences	10,599
Total Other Payments	<u>40,323</u>
Total Compensation, Benefits and Other Payments	<u><u>\$298,277</u></u>

Federal Financial Assistance Section

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

Members of the School Board of
St. Charles Parish, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the St. Charles 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 November 28, 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 entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Postlethwaite & Netterville

Metairie, Louisiana
November 28, 2018

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

Members of the School Board of
St. Charles Parish, Louisiana

Report on Compliance for Each Major Federal Program

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

Management's Responsibility

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

Auditors' Responsibility

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

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

Opinion on Each Major Federal Program

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

Report on Internal Control over Compliance

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

Postlethwaite & Netterville

Metairie, Louisiana
November 28, 2018



ST. CHARLES PARISH SCHOOL BOARD
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2018

FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM NAME	FEDERAL CFDA NUMBER	GRANT PERIOD	PASS-THROUGH GRANTOR'S AWARD NUMBER
UNITED STATES DEPARTMENT OF AGRICULTURE			
Passed through Louisiana Department of Education:			
National School Lunch Program	10.555	7/1/16-6/30/17	N/A
School Breakfast Program	10.553	7/1/16-6/30/17	N/A
<hr/>			
Total School Lunch Program Cluster			
National School Snack Program	10.558	7/1/16-6/30/17	N/A
Passed through Louisiana Department of Agriculture:			
Commodity Supplemental Food Program	10.565	7/1/16-6/30/17	N/A
<hr/>			
Total United States Department of Agriculture			
<hr/>			
UNITED STATES DEPARTMENT OF DEFENSE			
ROTC Program	12.998	7/1/16-6/30/17	N/A
<hr/>			
Total United States Department of Defense			
<hr/>			
UNITED STATES DEPARTMENT OF EDUCATION			
Passed through Louisiana Department of Education:			
Educationally Deprived Children -			
Local Educational Agencies:			
NCLB Title I	84.010A	7/1/16-9/30/17	28-17-T1-45
Title I - Part Basic	84.010A	7/1/17-9/30/18	28-17-T1-45
AP Test Fee Program	84.010A	7/1/16-9/30/17	S010A160018
Vocational Education - Basic Grants to States:			
Carl Perkins Grant	84.048A	7/1/16-6/30/17	28-17-36-45
Carl Perkins Grant	84.048A	7/1/17-6/30/18	28-17-36-45
Handicapped School Programs:			
2017 IDEA Part B	84.027A	7/1/16-9/30/17	28-17-B1-45
2018 IDEA Part B	84.027A	7/1/17-9/30/18	28-18-B1-45
Believe and Prepare - Cohort 3 - IDEA	84.027A	10/15/16-9/30/17	28-16-B1-45
<hr/>			
IDEA Preschool 619	84.173A	7/1/17-9/30/18	28-18-P1-45
IDEA Preschool 619 EC Network Lead Agency	84.173A	7/1/17-6/30/18	28-18-CY-45
<hr/>			
Total IDEA Special Education Cluster			
<hr/>			
NCLB Title III English Language Acquisition	84.365A	7/1/16-9/30/17	28-17-60-45
ESEA Title III English Language Acquisition	84.365A	7/1/17-9/30/18	28-18-S3-45
ESEA Title IV- SSAE Student Support and Academic Enrichment	84.424A	7/1/17-9/30/18	28-18-71-45
Striving Readers Comprehensive Literacy Program (SRCL)	84.371C	4/18/13-9/30/15	28-16-U1-45
Adult Education -Federal Funds	84.002A	7/1/17-9/30/18	V002A160018
Strengthening the Skill of Teachers:			
Title II - Improving Teacher Quality	84.367A	7/01/16-9/30/17	28-17-50-45
Title II - Improving Teacher Quality	84.367A	7/01/17-9/30/18	28-17-50-45
<hr/>			
Total United States Department of Education			
<hr/>			
UNITED STATES DEPARTMENT OF HEALTH & HUMAN SERVICES			
Direct Programs:			
Head Start/Early Head Start	93.600	7/1/14-6/30/19	06CH7131-02-00
Indirect Programs-Passed through Louisiana Department of Education:			
Temporary Assistance for Needy Families (TANF)	93.558	7/1/17-6/30/18	28-18-36-45
Temporary Assistance for Needy Families (TANF)	93.558	7/1/16-6/30/17	28-17-36-45
<hr/>			
Total United States Department of Health & Human Services			
<hr/>			
Total Program Activity			
<hr/>			

TOTAL GRANT AWARD	RECEIVABLE JULY 1, 2017	CASH RECEIPTS	CASH DISBURSEMENTS	RECEIVABLE JUNE 30, 2018
\$ 2,320,075	\$ 996	\$ 2,318,486	\$ 2,320,075	\$ 2,585
1,163,313	-	1,163,313	1,163,313	-
3,483,388	996	3,481,799	3,483,388	2,585
220,895	-	220,895	220,895	-
435,981	-	435,981	435,981	-
4,140,264	996	4,138,675	4,140,264	2,585
99,487	-	99,487	99,487	-
99,487	-	99,487	99,487	-
1,735,843	547,818	547,818	-	-
1,702,862	-	1,102,085	1,689,577	587,492
12,985	12,985	12,985	-	-
107,629	107,580	107,580	-	-
100,089	-	-	86,813	86,813
1,961,053	700,257	700,257	-	-
1,961,550	724,538	1,937,543	1,937,543	724,538
100,000	-	24,744	24,744	-
60,852	21,759	53,146	51,297	19,910
4,994	-	4,994	4,994	-
4,088,449	1,446,554	2,720,684	2,018,578	744,448
18,358	3,008	3,008	-	-
18,686	-	13,910	16,238	2,328
39,442	-	31,850	33,259	1,409
1,012,520	174,984	270,072	95,088	-
101,683	16,927	118,610	101,683	-
432,560	112,185	112,185	-	-
481,576	-	231,844	340,050	108,206
9,852,682	2,422,041	5,272,631	4,381,286	1,530,696
1,628,431	282,398	1,633,162	1,628,431	277,667
99,853	-	56,201	99,853	43,652
99,473	33,074	33,074	-	-
1,827,757	315,472	1,722,437	1,728,284	321,319
\$ 15,920,190	\$ 2,738,509	\$ 11,233,230	\$ 10,349,321	\$ 1,854,600

ST. CHARLES PARISH SCHOOL BOARD
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2018

Federal Expenditures Summarized by CFDA number:

Commoditiy Supplemental Food Program	10.565	\$	435,981
School Breakfast Program	10.553		1,163,313
National School Lunch Program	10.555		2,320,075
National School Snack Program	10.558		220,895
ROTC Program	12.998		99,487
NCLB Title I	84.010		1,689,577
Adult Education	84.002A		101,683
IDEA part B	84.027A		1,937,543
Believe and Prepare - Cohot - IDEA	84.027A		24,744
Carl Perkins Grant	84.048		86,813
Preschool Coordinator	84.173A		56,291
ESEA Title III	84.365A		16,238
ESEA Title II	84.367A		340,050
ESEA Title IV	84.367A		33,259
Striving Readers Comprehensive Literacy Program (SRCL)	84.371C		95,088
Temporary Assistance for Needy Families (TANF)	93.558		99,853
Head Start/Early Head Start	93.600		1,628,431
		\$	<u>10,349,321</u>

NOTES TO THE SCHEDULE OF EXPENDITURES FOR FEDERAL AWARDS

For the Year Ended June 30, 2018

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basic of Presentation

The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") includes the federal award activity of the St. Charles Parish School Board (the School Board) under programs of the federal government for the year ended June 30, 2018. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because of the Schedule presents only a selected portion of the operations of the School Board, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the School Board.

Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Accrued and Deferred Reimbursement

Various reimbursement procedures are used for federal awards received by the School Board. Consequently, timing differences between expenditures and program reimbursements can exist at the beginning and end of year. Accrued balances at year-end represented an excess of reimbursable expenditures over each reimbursement received. Generally, accrued balances caused by differences in the timing of cash reimbursements and expenditures will be reversed in the remaining grant period.

2. RELATIONSHIP TO FINANCIAL STATEMENTS

Federal revenues are reported in the School Board's financial statements as follows:

Federal sources - direct	\$ 5,768,695
Federal sources - subgrants	4,580,626
Total amount as reported on the schedule of federal awards	<u>\$ 10,349,321</u>

3. INDIRECT COST RATE

The School Board has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

ST. CHARLES PARISH SCHOOL BOARD

Schedule of Findings and Questioned Costs
Year ended June 30, 2018

(1) Summary of Auditors' Results

(a) Type of auditors' report issued: unmodified opinion

(b) Internal control over financial reporting:

Material weakness(es) identified: no

Significant deficiencies identified that are not considered to be material weakness(es): none reported

(c) Noncompliance material to financial statements noted: no

(d) Internal control over major programs:

Material weakness(es) identified: no

Significant deficiencies identified that are not considered to be material weakness(es): none reported

(e) Type of auditors' report issued on compliance for major programs: unmodified opinion

(f) Any audit findings which are required to be reported in accordance with 2CFR 200.516 (a) no

(g) Identification of major federal programs:

United States Department of Education:

 Passed through Louisiana Department of Education:

 Title I Grants to Local Educational Agencies 84.010

United States Department of Health & Human Services:

 Direct Program:

 Head Start/Early Head Start 93.600

(h) Dollar threshold used to distinguish between Type A and Type B programs: \$750,000

(i) Auditee qualified as a low-risk auditee: yes

(2) Findings Relating to the Financial Statements Reported in Accordance with *Government Auditing Standards*: none

(3) Findings and Questioned Costs relating to Federal Awards: none

ST. CHARLES PARISH SCHOOL BOARD

Summary Schedule of Prior Audit Findings
Year ended June 30, 2018

There were no audit findings in the prior year.



State Reporting Section

Independent Accountants' Report On Applying Agreed-Upon Procedures

Members of the School Board of St. Charles Parish, Louisiana, the Louisiana Department of Education, and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below, which were agreed to by the management of the St. Charles Parish School Board (the 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 School Board for the 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. Management of the School Board is responsible for its performance and statistical data.

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

Our procedures and findings relate to the accompanying schedules of supplemental information and are as follows:

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

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

We noted no exceptions.

Class Size Characteristics (Schedule I-2)

2. We obtained a list of classes by school, school type, and class size as reported on the schedule. We traced a sample of 10 classes to the October 1, 2017 roll books for those classes and observed that the class was properly classified on the schedule.

We noted no exceptions.

Education Levels/Experience of Public School Staff

3. We obtained the October 1, 2017 PEP data submitted to the Department of Education (or equivalent listing prepared by management), including full-time teachers, principals, and assistant principals by classification, as well as their level of education and experience, and obtain management's representation that the data/listing is complete. We selected a sample of 25 individuals, traced to each individual's personnel file, and observed that each individual's education level and experience was properly classified on the PEP data or equivalent listing prepared by management.

We noted no exceptions.

Public School Staff Data: Average Salaries

4. We obtained the June 30, 2018 PEP data submitted to the Department of Education (or equivalent listing provided by management) of all classroom teachers, including base salary, extra compensation, and ROTC or rehired retiree status, as well as full-time equivalents, and obtained management's representation that the data/listing is complete. We selected a sample of 25 individuals, traced to each individual's personnel file, and observe that each individual's salary, extra compensation, and full-time equivalents were properly included on the PEP data (or equivalent listing prepared by management).

We noted no exceptions.

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. Charles Parish School Board, as required by Louisiana Revised Statute 24:514.1, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

Postlethwaite & Netterville

Metairie, Louisiana
November 28, 2018

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

General Fund Instructional and Equipment Expenditures

General Fund Instructional Expenditures:

Teacher and Student Interaction Activities:

Classroom Teacher Salaries	\$ 44,791,868	
Other Instructional Staff Activities	\$ 5,686,132	
Instructional Staff Employee Benefits	\$ 27,652,110	
Purchased Professional and Technical Support	\$ 730,144	
Instructional Materials and Supplies	\$ 1,890,384	
Instructional Equipment	\$ 1,632,734	
Total Teacher and Student Interaction Activities		\$ 82,383,372

Other Instructional Activities		2,726,772
--------------------------------	--	-----------

Pupil Support Activities	6,931,327	
Less: Equipment for pupil support activities	-	
Net Pupil Support Activities		6,931,327

Instructional Staff Services	7,140,418	
Less: Equipment for staff support services	-	
Net Pupil Support Services		7,140,418

School Administration	10,338,118	
Less: Equipment for school administration	25,951	
Net School Administration		10,312,167

Total General Fund Instructional Expenditures		<u>\$ 109,494,056</u>
-----------------------------------------------	--	-----------------------

Total General Fund Equipment Expenditures		<u>\$ 1,658,685</u>
-------------------------------------------	--	---------------------

Certain Local Revenue Sources:

Local Taxation Revenue:

Constitutional Ad Valorem Tax	6,709,611
Renewable Ad Valorem Tax	57,522,625
Debt Service Ad Valorem Tax	6,341,541
Sales and Use Taxes	54,617,114
Total Local Taxational Revenue	<u>125,190,891</u>

Local Earnings on Investment in Real Property

Earnings from 16th section property	108
Earnings from other real property	51,642
Total Local Earnings on Investment in Real Property	<u>51,750</u>

State Revenue in Lieu of Taxes:

Revenue sharing - constitutional	-
Revenue sharing - other taxes	276,799
Revenue sharing - excess portion	-
Total State Revenue in Lieu of Taxes	<u>276,799</u>

Other Revenue in Lieu of Taxes	<u>7,525</u>
--------------------------------	--------------

Nonpublic Transportation Revenue	<u>-</u>
----------------------------------	----------

Nonpublic Textbook Revenue	<u>16,641</u>
----------------------------	---------------

ST. CHARLES PARISH SCHOOL BOARD

Class Size Characteristics

As of October 1, 2017

School Type	Class Size Range							
	1 - 20		21 - 26		27 - 33		34+	
	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Elementary	75.94%	1,846	22.42%	545	1.65%	40	0.00%	0
Elementary Activity Classes	51.46%	211	36.83%	151	9.76%	40	1.95%	8
Middle	59.61%	490	34.67%	285	5.72%	47	0.00%	0
Middle School Activity Classes	62.29%	109	22.29%	39	10.86%	19	4.57%	8
High School	55.37%	706	23.22%	296	20.71%	264	0.71%	9
High School Activity Classes	44.90%	44	25.51%	25	20.41%	20	20.00%	9

Note: The Board of Elementary and Secondary Education has set specific limits on the maximum size of classes at various grade levels. The maximum enrollment in grades K-3 is 26 students and maximum enrollment in grades 4-12 is 33 students. These limits do not apply to activity classes such as physical education, chorus, band and other classes without maximum enrollment standards. Therefore, these classes are included only as separate line items.

Independent Accountant's Report
On Applying Agreed-Upon Procedures
For the Year Ended 2018

To Board of Directors of St. Charles Parish School Board and the Louisiana Legislative Auditor

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

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

The procedures performed and the results thereof are set forth below. The procedure is stated first, followed by the results of the procedure presented in italics. If the item being subjected to the procedures is positively identified or present, then the results will read "*no exception noted*". If not, then a description of the exception ensues. Additionally, certain procedures listed below may not have been performed in accordance with guidance provided by the Louisiana Legislative Auditor, the specified user of the report. For those procedures, "procedures were not performed due to no exceptions occurring for this procedure in the prior year or the existence of mitigating internal controls as asserted by the entity."

Procedures related to Collections (No.'s 4-7) and Non-Payroll Disbursements (No.'s 8-10) were performed by the St. Charles Parish School Board's Internal Auditor. A separate report has been issued for the results of those procedures. We take no responsibility for the sufficiency of those procedures or the results reported.

The procedures and associated findings are as follows:

Written Policies and Procedures

1. Obtain and inspect the entity's written policies and procedures and observe that they address each of the following categories and subcategories (if applicable to public funds and the entity's operations):

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

No exceptions noted.

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

No exceptions noted.

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

No exceptions noted.

- d) **Receipts**, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g. periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).

No exceptions noted.

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

No exceptions noted.

- f) **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.

The Entity has written policies for Contracting; however, the policies do not contain attribute (3) regarding legal review.

- g) **Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases)

No exceptions noted.

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

No exceptions noted.

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

No exceptions noted.

- j) **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

No exceptions noted.

Board or Finance Committee

2. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:
 - a) Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.

No exceptions noted.

- b) For those entities reporting on the governmental accounting model, observe that the minutes referenced or included monthly budget-to-actual comparisons on the general fund and major special revenue funds, as well as monthly financial statements (or budget-to-actual comparisons, if budgeted) for major proprietary funds.

We performed the procedures above and noted that there was no discussion of budget-to-actual comparison in 3 of the 12 months that meetings were held.

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

No exceptions noted.

Bank Reconciliations

3. Obtain a listing of client bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for selected each account, and observe that:

We obtained a listing of client bank accounts for the fiscal period from management and management's representation that the listing is complete. Management identified the entity's main operating account. No exceptions were noted as a result of performing this procedure.

- a) Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated, electronically logged);

No exceptions noted.

- b) Bank reconciliations include evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and

No exceptions noted.

- c) Management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

No exceptions noted. Of the 5 bank accounts selected, 1 bank reconciliation had reconciling items that have been outstanding for more than 12 months. There was documentation evidencing that these reconciling items were researched for proper disposition.

Collections – Procedures 4 thru 7 were performed by the Entity’s Internal Auditor. See separate report.

4. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management’s representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).
5. For each deposit site selected, obtain a listing of collection locations and management’s representation that the listing is complete. Randomly select one collection location for each deposit site (i.e. 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:
 - a) Employees that are responsible for cash collections do not share cash drawers/registers.
 - b) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g. pre-numbered receipts) to the deposit.
 - c) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.
 - d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions are not responsible for collecting cash, unless another employee verifies the reconciliation.
6. Inquire of management that all employees who have access to cash are covered by a bond or insurance policy for theft.
7. Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3 under “Bank Reconciliations” above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *Alternately, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and:
 - a) Observe that receipts are sequentially pre-numbered.
 - b) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
 - c) Trace the deposit slip total to the actual deposit per the bank statement.

- d) Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100).
- e) Trace the actual deposit per the bank statement to the general ledger.

Non-payroll Disbursements (excluding card purchases/payments, travel reimbursements, and petty cash purchases) – Procedures 8 thru 10 were performed by the Entity’s Internal Auditor. See separate report.

- 8. Obtain a listing of locations that process payments for the fiscal period and management’s representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).
- 9. For each location selected under #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:
 - a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.
 - b) At least two employees are involved in processing and approving payments to vendors.
 - c) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.
 - d) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.
- 10. For each location selected under #8 above, obtain the entity’s non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management’s representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction and:
 - a) Observe that the disbursement matched the related original invoice/billing statement.
 - b) Observe that the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

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

- 11. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management’s representation that the listing is complete.

We obtained a listing of all active cards and management’s representation that the listing is complete. No exceptions were noted as a result of performing this procedure.

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

From the listing provided, we randomly selected 5 cards used in the fiscal period. We randomly selected one monthly statement for each of the 5 cards selected and performed the procedures noted below.

- a) Observe that there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) was reviewed and approved, in writing, by someone other than the authorized card holder. [Note: Requiring such approval may constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); these instances should not be reported.)]

No exceptions noted.

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

No exceptions noted.

13. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e. each card should have 10 transactions subject to testing). For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only).

We randomly selected 10 transactions (or all transactions if less than 10) for the 5 cards selected in procedure #9 and performed the specified procedures on 37 transactions. (1) 3 out of 37 transactions selected did not have an original itemized receipt that identifies precisely what was purchased for all transactions made.

Travel and Travel-Related Expense Reimbursements (excluding card transactions)

14. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:

We obtained from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. No exceptions were noted as a result of performing this procedure.

- a) If reimbursed using a per diem, agree the reimbursement rate to those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).

No exceptions noted.

- b) If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.

No exceptions noted.

- c) Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1h).

No exceptions noted.

- d) Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

No exceptions noted.

Contracts

These procedures were not performed due to no exceptions occurring for this procedure in the prior year or the existence of mitigating internal controls as asserted by the entity.

- 15. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *Alternately, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:

- a) Observe that the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.
- b) Observe that the contract was approved by the governing body/board, if required by policy or law (e.g. Lawrason Act, Home Rule Charter).
- c) If the contract was amended (e.g. change order), observe that the original contract terms provided for such an amendment.
- d) Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.

Payroll and Personnel

- 16. Obtain a listing of employees/elected officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees/officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.

We obtained a listing of employees/elected officials employed during the fiscal period and management's representation that the listing is complete. No exceptions were noted as a result of performing this procedure.

From the listing provided, we randomly selected 5 employees/officials and performed the specified procedures. No exceptions noted.

17. Randomly select one pay period during the fiscal period. For the 5 employees/officials selected under #16 above, obtain attendance records and leave documentation for the pay period, and:

We randomly selected 1 pay period during the fiscal period and performed the procedures below for the 5 employees/officials selected in procedure #12.

- a) Observe that all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, an elected official is not eligible to earn leave and does not document his/her attendance and leave. However, if the elected official is earning leave according to policy and/or contract, the official should document his/her daily attendance and leave.)

Not all of the Entity's employees document their daily attendance and leave. Of the 5 employees selected for testing 5 are not required to have timesheets or other documents to support daily attendance. Therefore, we were unable to perform procedures 17a or 17b on these employees.

- b) Observe that supervisors approved the attendance and leave of the selected employees/officials.

Not all of the Entity's employees document their daily attendance and leave. Of the 5 employees selected for testing 5 are not required to have timesheets or other documents to support daily attendance. Therefore, we were unable to perform procedures 17a or 17b on these employees.

- c) Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.

No exceptions noted.

18. Obtain a listing of those employees/officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees/officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations, agree the hours to the employee/officials' cumulative leave records, and agree the pay rates to the employee/officials' authorized pay rates in the employee/officials' personnel files.:

A listing of employees/officials receiving termination payments during the fiscal period was provided. No exceptions were noted as a result of performing this procedure.

From the listing provided, we randomly selected 2 employees/officials and performed the specified procedures. No exceptions noted.

19. Obtain management's representation that employer and employee portions of payroll taxes, retirement contributions, health insurance premiums, and workers' compensation premiums have been paid, and associated forms have been filed, by required deadlines.

No exceptions noted.

Ethics

These procedures were not performed due to no exceptions occurring for this procedure in the prior year or the existence of mitigating internal controls as asserted by the entity.

20. Using the 5 randomly selected employees/officials from procedure #16 under “Payroll and Personnel” above obtain ethics documentation from management, and:
 - a) Observe that the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.
 - b) Observe that the documentation demonstrates each employee/official attested through signature verification that he or she has read the entity’s ethics policy during the fiscal period.

Debt Service

These procedures were not performed due to no exceptions occurring for this procedure in the prior year or the existence of mitigating internal controls as asserted by the entity.

21. Obtain a listing of bonds/notes issued during the fiscal period and management’s representation that the listing is complete. Select all bonds/notes on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each bond/note issued.
22. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management’s representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants.

Other

These procedures were not performed due to no exceptions occurring for this procedure in the prior year or the existence of mitigating internal controls as asserted by the entity.

23. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management’s representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled.
24. Observe that the entity has posted on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

Corrective Action

Obtain management’s response and corrective action plan for any exceptions noted in the above agreed-upon procedures.

1(f) Contracting - The Entity is in adherence with state law with all letting of contracts. Guidelines regarding legal review of lease agreements and professional service contracts can be found in the Entity’s Purchasing Manual.



2(b) - Budget-to-Actual Comparisons: The Entity began providing budget-to-actual comparisons to the board on a monthly basis as of December 2017. As a compensating procedure to providing budget-to-actual comparisons in September, October, and November of 2017, a separate budget review committee comprised of the Board President, the Chairman of the Finance Committee, the Superintendent, the Chief Financial Officer and other administrative personnel meet quarterly to review the budget and discuss projected revenues and target areas where costs can be reduced.

17 - Professional employees are not required to document their daily attendance since they are not paid on an hourly basis. Professional employees, such as teachers, work many hours outside the normal work day. They are paid for the job performed, and hours to accomplish that job are not tracked. Leave time is required to be documented through the absence reporting system. Every professional and classified employee has a supervisor to whom they report, so supervisors are responsible for ensuring the attendance of their employees.

13 - Management concurs with the items noted and will continuously monitor the credit card process.

We were not engaged to perform, and did not perform, an audit, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

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

Sincerely,

Postlethwaite & Netterville

Metairie, Louisiana
November 28, 2018



INTERNAL AUDITOR'S REPORT
ON APPLYING AGREED-UPON PROCEDURES

Members of the School Board of
St. Charles Parish, Louisiana
and the Louisiana Legislative Auditor:

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

The sufficiency of these procedures is solely the responsibility of the specified users of this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures and associated findings are as follows:

Collections

4. Obtain a listing of deposit sites for the fiscal period where cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).

I performed the procedures above, selecting 5 deposit sites across all entity locations. The 5 selections included 3 Student Activity Fund ("SAF") locations and 2 Cafeteria/Child Nutrition locations for current fiscal year.

5. For each deposit site selected, obtain a listing of all collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e. 5 collection locates for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each location such that:
 - a) Employees that are responsible for cash collections do not share cash drawers/registers.
 - b) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g. pre-numbered receipts) to the deposit.
 - c) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.
 - d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions are not responsible for collecting cash, unless another employee verifies the reconciliation.

I selected one collection location site per the above, and performed the procedures above and noted the following:

5(b) - 5(d) The person responsible (School Office Specialist, or SOS) for collecting cash for the SAF is often also the individual responsible for depositing the cash in the bank, recording the related transaction in the general ledger, and/or reconciling the related bank account. Various collections may originate with teachers or sponsors, but all funds are verified by the SOS employee before posting or depositing.

School Board Members

Ellis A. Alexander	DISTRICT 1
Melinda H. Bernard	DISTRICT 2
Dennis J. Naquin	DISTRICT 3
Clarence H. Savoie	DISTRICT 4
John L. Smith	DISTRICT 5
John W. Robichaux	DISTRICT 6
Arthur A. Aucoin	DISTRICT 7
Alex L. Suffrin	DISTRICT 8

Superintendent

Felecia Gomez-Walker



Compensating controls are in place wherein management (each School Principal) reviews all bank reconciliations and related reports on a monthly basis and documents their approval via signature. The Principal is the primary signature authority on all checks prepared by the SAF bookkeeper, including all relevant supporting documents. An additional compensating control is the procedures performed by the School Board's Internal Auditor for the SAF bank reconciliations on a monthly basis for all locations, including a review at the end of the year. All other locations and items tested without exception.

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

I performed the procedures above and noted no exceptions.

7. Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3 under "Bank Reconciliations" above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits were made on the same day). *Alternatively, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and:

This year's selections included the General Fund Operating account, 3 SAF accounts and 1 Cafeteria/Child Nutrition account. One deposit was selected for 2 dates: October 25, 2017 and April 25, 2018.

- a) Observe that receipts are sequentially numbered.

I performed the procedures above and noted no exceptions.

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

I performed the procedures above and noted no exceptions.

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

I performed the procedures above and noted no exceptions.

- d) Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100).

I performed the procedures above and noted one exception. One deposit was system dated earlier (a Tuesday) than the physical deposit date taken to the bank (a Friday). Deposit date and bank statement date matched, but system processing date was early as they were recorded when collected in preparation for weekly deposit.

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

I performed the procedures above and noted no exceptions.

Management's response:

7d) Depository timing: At the School Board Office collection site, a deposit is made weekly unless there are no funds to deposit. Cash and checks collected each week are kept in a file cabinet within a locked vault until the day of deposit. Checks are endorsed by stamp as soon as checks are received. Minimal cash is collected at this site.

Non-Payroll Disbursements (excluding card purchases/payments, travel reimbursements, and petty cash purchases)

8. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).

I performed the procedures above, selecting 5 locations across all entity locations. 18 total payment locations noted. I selected 5 SAF sites for fiscal year testing.

9. For each location selected under #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:
- a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.

I performed the procedures above, noting the school purchase initiation authority can begin from any teacher, sponsor or employee within the location, which submits the request through the School Office Specialist for approval by the Principal. All items initiated by the School Office specialist are approved by the Principal, and all items initiated by the Principal are approved by the appropriate Executive Director(s) of Schools.

- b) At least two employees are involved in processing and approving payments to vendors.

I performed the procedures above, noting that all SAF checks are processed by the School Office Specialist, and approved via signature by 2 administrative personnel (including the Principal).

- c) (1) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless (2) another employee is responsible for periodically reviewing changes to vendor files.

I performed the procedures above, noting that the general ledger processing system allows the School Office Specialist to add new local vendors and modify existing local vendors. Any vendor deemed to be District-wide (primarily 1099 vendors) cannot be modified without going through the Internal Auditor. The Internal Auditor reviews all vendor files (additions and modifications) on a monthly basis.

- d) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.

I performed the procedures above, noting that all SAF checks once signed are returned to the School Office Specialist for finalization. These invoices/checks/envelopes are sealed/prepared and presented to an administrative employee for stamping/mailing.

10. For each location selected under #8 above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction and:

- a) Observe that the disbursement matched the related original invoice/billing statement.

I performed the procedures above, noting no exceptions.

- b) Observe that the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

I performed the procedures above, noting the same exception and compensating controls as 9(c) above.

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

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



Adam Neighbors
Internal Auditor

Luling, Louisiana
November 28, 2018