



# ST. JAMES PARISH SCHOOLS

*Inspiring Hope and Purpose*

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COMPREHENSIVE ANNUAL FINANCIAL REPORT  
As of and For the Year Ended June 30, 2018

ST. JAMES PARISH SCHOOL BOARD  
LUTCHER, LOUISIANA

# St. James Parish

## SCHOOL BOARD

Lutcher, Louisiana

### COMPREHENSIVE ANNUAL FINANCIAL REPORT

AS OF AND FOR THE YEAR ENDED JUNE 30, 2018

P. EDWARD CANCECENNE, JR., PH.D.  
SUPERINTENDENT

PREPARED BY  
James D. Mitchell  
ADMINISTRATIVE DIRECTOR OF BUSINESS OPERATIONS

ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

COMPREHENSIVE ANNUAL  
FINANCIAL REPORT  
As of and for the Year Ended June 30, 2018

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ST. JAMES PARISH SCHOOL BOARD  
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ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

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# ST. JAMES PARISH SCHOOLS

*Inspiring Hope and Purpose*

INTRODUCTORY SECTION

Dr. P. Edward Cancienne  
Superintendent

George Nassar, President  
District 4

Dianne Spencer, Vice-  
President, District 5



ST. JAMES  
PARISH SCHOOLS  
*Inspiring Hope and Purpose*

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Diana Cantillo, District 1  
Kenneth Foret, District 2  
Sue Beier, District 3  
Nicole Florent Charles,  
District 6  
Raymond Gros, District 7

December 27, 2018

To the Citizens of  
St. James Parish, Louisiana

Louisiana law requires that certain entities of local government, including public school boards, publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States, and audited in accordance with auditing standards generally accepted in the United States by a licensed certified public accountant or accounting firm. Pursuant to that requirement, we hereby issue the Comprehensive Annual Financial Report (CAFR) of the St. James Parish School Board (The Board), Lutcher, Louisiana, as of and for the fiscal year ended June 30, 2018.

This CAFR consists of management's representations concerning the finances of The Board. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented herein. To provide a reasonable basis for making these representations, management of The Board has established a comprehensive internal control framework that is designed to protect The Board's assets from loss, theft, or misuse, and to compile sufficient reliable information for the preparation of The Board's financial statements in conformity with generally accepted accounting principles (GAAP). Because the cost of internal controls should not outweigh their benefits, The Board's comprehensive framework of internal controls has been designed to provide reasonable but not absolute assurance that the financial statements will be free from material misstatement. Management asserts that, to the best of our knowledge and belief, this CAFR is complete and reliable in all material respects.

The CAFR is presented in three sections: Introductory, Financial and Statistical. The Introductory Section includes this transmittal letter, a list of principal officials, and The Board's organizational structure. The Financial Section includes the Independent Auditor's Report, the basic financial statements, required supplementary information including Management's Discussion and Analysis (MDA), and supplemental and other information. The Statistical Section contains selected financial and demographic data, generally presented for the past ten years.

The Board's financial statements have been audited by Kolder, Slaven & Company, LLC, a firm of licensed certified public accountants headquartered in Lafayette, Louisiana. The goal of the independent audit was to provide reasonable assurance that the financial statements of the St. James Parish School Board as of and for the year ended June 30, 2018 are free from material misstatement.

The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditors concluded, based upon their audit, that there was a reasonable basis for rendering an unmodified opinion that the St. James Parish School Board's financial statements as of and for the fiscal year ended June 30, 2018 are fairly presented in conformity with accounting principles generally accepted in the United States. The independent auditor's report is presented as the first component of the financial section of this CAFR.

The independent audit of the financial statements of the St. James Parish School Board, Litcher, Louisiana, was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and legal requirements involving the administration of federal awards. These reports are available in The Board's separately issued Single Audit Report. Accounting principles generally accepted in the United States require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The Board's MD&A can be found in the financial section immediately following the report of the independent auditor.

## PROFILE

The twelve governing subdivisions of the original Louisiana territory were drawn along the same lines of the ecclesiastical subdivisions of the Roman Catholic Church and were known as "parishes." Following Louisiana's admission to the Union in 1812, state officials retained the term, and Louisiana thus became the only one of the 50 United States that does not use the term "county" for its political subdivisions.

St. James Parish, with the parish seat in Convent, is located roughly equidistant from Louisiana's state capitol of Baton Rouge and the world-class destination New Orleans. Bisected by the Mississippi River, the 250-square mile parish is situated in the heart of the industrial corridor nurtured by one of the world's most important waterways. Approximately 150 miles from the mouth of the river and access to worldwide shipping commerce, St. James Parish's major economic activity has long centered on the chemical and refining industries as well as agriculture. Sugarcane is the foremost agricultural product and a major sugar refinery makes its home in St. James Parish. The parish boasts some 20 major industrial complexes that serve as the parish's primary employers. Virtually all of these industries are on or have direct access to the Mississippi River. The spring of 1995 brought the opening of the Veterans Memorial Bridge, a span linking the east bank community of Gramercy and Wallace (St. John the Baptist Parish) on the west bank. The long-awaited opening of the bridge ended an historic era in St. James Parish with the closure of the Litcher-Vacherie ferry, the primary mode of citizen transportation across the river for almost a century. The bridge helped usher in the modern industrial expansion era and has had a positive economic impact on both retail and industrial activity in the parish.

The Board is a political subdivision created under the authority of Louisiana Revised Statutes and is charged with governing the provision of public education to the citizenry of St. James Parish, Louisiana. Services provided include instructional personnel, instructional materials and supplies, instructional facilities, administrative support, business services, operations and maintenance, pupil transportation, and school food services.

The Board is authorized to establish public schools as it deems necessary, to provide adequate school facilities for parish children, and to determine the number of teachers employed. All government must be consistent with the laws of the State of Louisiana and the rules and regulations of the Louisiana Board of Elementary and Secondary Education (BESE), the governing authority of more than 100 school boards including parish, city, and charter school operations.

The Board is made up of seven members elected from seven single member districts who serve four-year concurrent terms. The term of the current Board members expires on December 31, 2022. The Board elects a president that is authorized to represent The Board at various functions, name committee assignments, sign legally binding documents and checks, and preside at Board meetings. A Vice-President is also elected by the members to serve in the absence of the President.

The Board is charged with selecting and employing a person who meets BESE certification requirements to be Superintendent of Schools. This person serves as the day-to-day administrator of the school system and performs all duties incumbent upon that office as specified in Title 17 of the Revised Statutes. State law also mandates that the Superintendent is the official Secretary and Treasurer of the school district.

The Board serves some 3,700 students and operates eight schools, two educational sites, and four support facilities throughout the parish. Total student enrollment has fluctuated between 3,700 and 4,000 over the past 20 years and a recent demographic study anticipates a consistent slight decline in enrollment over the next 20 years.

Of The Board's 600 full-time employees, approximately 400 of those are directly involved in the instructional process. In conjunction with the regular education programs, The Board also offers pre-kindergarten, special education, vocational education, and adult education programs. Some 62 percent of students meet federal qualification guidelines for free and reduced school meals.

The Board is considered a *primary government* under the provisions of Governmental Accounting Standards Board (GASB) Statement No. 14, *The Reporting Entity*. As such, it is legally separate, has a separately elected governing board, and is fiscally independent of all other local governments. It has no component units as defined by this Statement, nor is it a component unit of any other government. In accordance with state law, The Board legally adopts annual budgets for its General Fund and Special Revenue Funds and effectively achieves budgetary control of other funds through bond covenants and Board-adopted construction contracts. Further information concerning budgetary practices can be found in the Notes to Basic Financial Statements in the Financial Section of the CAFR.

### FACTORS AFFECTING FINANCIAL CONDITION

While Board policy and procedure - built on applicable laws, ordinances, rules and regulations - provide the framework for The Board's financial operations, The Board's revenue sources are the single most important component of its financial health. As further discussed under the "Budgetary Information" heading on page 27 of the Notes to Basic Financial Statements, The Board adopts its General Fund and Special Revenue Funds budgets prior to September 15 of each fiscal year. State law requires budget revisions when revenues are projected to fall five percent short of original expectations or when expenditures are deemed to be five percent in excess of the adopted plan. The Board sets the legal level of budgetary control at the fund level and revises those budgets annually whether or not those thresholds are met in any particular fiscal year.

Through the Minimum Foundation Program (MFP), the state's basic equalization formula, and various other grants and programs, the State of Louisiana provided The Board some \$12 million in 2018, a decrease of some \$1.2 million from 2017. Virtually all of that decrease was in MFP funding based on the state formula that heavily weights local tax base and local tax revenue. Since 2009, state funding of the St. James Parish School Board has decreased by \$9.1 million; a 43 percent drop-off. State funding accounted for 22 percent of total General Fund revenues in 2018, down from the 40 percent funding level as recently as 2010. Considering the strangling budget shortfalls on the Louisiana Legislature's docket for 2019 and beyond, The Board must rely on its local tax base for its financial health.

St. James Parish is unlike most of Louisiana's other public school districts in its financial support structure. A total of \$41.4 million in locally-generated revenues produced 77 percent of The Board's 2018 General Fund revenue. That 77 percent local support stands in stark contrast to the MFP's conceptual framework of 65:35 state to local funding.

Sales and use tax collections rank as The Board's most volatile General Fund revenue source. St. James Parish has very little retail activity, with approximately 90 percent of sales and use tax collections coming from the industrial sector. Industrial activity in the parish, which translates into critical tax revenue for The Board, is highly sensitive to natural resources and raw materials prices as well as worldwide market conditions. As such, the financial condition of The Board is highly impacted by the vitality of the chemical, petrochemical, and refining industries.

Sales and use tax collections reached an all-time high of \$25.3 million in 2013 due primarily to the construction of a major steel plant on the east bank of the parish. Collection levels plummeted in the next two years to the \$16.2 million reported in 2015 but rebounded somewhat with the \$18 million collection levels in 2016 and 2017 and continued its growth with the \$19.6 million reported this year. Long-term tax revenue projections remain very bright based on the list of new industry exploring investment options in St. James Parish but The Board's \$3 million General Fund surplus can no longer support service levels from years past. Accordingly, for the first time in several years The Board adopted a 2019 budget that did not call for the use of surplus funds to balance the spending plan.

General Fund ad valorem tax collections totaled some \$20 million in 2018, up \$1.6 million from the \$18.4 million reported in 2017. The increase was due to a marked uptick in parishwide assessed valuation and represented a recovery from a significant drop in crude oil market prices that reduced the parishwide assessed valuation of taxable inventory in 2017.

At the urging of industry and its associated trade groups, the Louisiana Legislature has kicked around the idea of reducing or eliminating the taxability of inventories over the past few legislative sessions. St. James Parish is one of the state's leaders in inventory taxation and should that portion of the valuation be limited or eliminated, The Board will be forced to reevaluate its service delivery levels to compensate for what would be a material reduction in operating revenues.

In an effort to more efficiently utilize its financial resources, The Board has closed two schools within the past seven years. While overall student enrollment has remained somewhat stable over the past several years, differing circumstances led to the closure of the two schools.

Vacherie Primary School was closed following the 2011 school year and the kindergarten through second grade students previously attending the school were merged into Vacherie Elementary School. A major additions and renovations project at Vacherie Elementary School accommodated the increased enrollment and made continued operation of the Primary facility impractical.

There are some minor identifiable demographic shifts impacting the Vacherie closure and it appears that population and enrollment counts in that attendance zone will decrease slightly over the next several years.

Dwindling enrollment at Romeville Elementary School led to that school ceasing operations at the close of the 2012 school year. Demographic analysis shows what is expected to be a significant reduction in population in this attendance zone over the next twenty years with an increased concentration of industry. Both of the former school facilities and sites have been sold.

The previously discussed industrial expansion in the parish has ultimately resulted in The Board's first new school construction since the existing St. James High School was built on its original and current site following a 1983 fire. The existing school site's attractiveness to industry prompted several different inquiries as the potential availability of the site and those inquiries spurred The Board to purchase a new plot of land more centrally located near Vacherie on the west bank of the river. Construction of the new facility commenced in the spring of 2016 and it opened its doors to some 700 students in August 2018.

Financing for the new school construction came from the \$56 million bond issue that St. James Parish voters approved in May 2015. Voters authorized The Board to borrow up to that additional amount on millages that are currently in existence; i.e. no new taxes. The capital outlay plan also incorporated the \$10.1 million proceeds from the sale of the existing St. James High for a total package of \$66 million.

While the new St. James High School is the primary project in the capital outlay plan, all school facilities, each with its primary buildings now being over 30 years old, have undergone or are slated to undergo some upgrade, addition, or renovation project in an effort to more accurately align facility quality and capacity with the afore-mentioned demographic shifts within the parish.

Seven years ago The Board commissioned a long-range education master plan and a national construction management firm delivered the report that encompassed demographic studies, facility condition analyses, repair/replacement cost projections, and educational specifications. The Board utilized that report as a guideline to meet the parish's projected educational needs for the next several years and the report served as the backbone of the current capital outlay plan.

Recent state legislation has broadened opportunities for independent groups to operate charter schools in Louisiana with the approval of parish school boards and / or BESE. Following three unsuccessful attempts to garner Board approval, an independent charter group was authorized by BESE to begin operations for the 2017 school year.

With that approval and in accordance with state law and Louisiana Department of Education protocol, in 2017 the charter group was funded some \$775,000 of MFP funding that was previously earmarked for The Board. This material reduction in state funding was yet another blow to The Board's financial health and there can be no doubt as to the negative consequences this rerouting of state dollars will have. A final determination of 2018 MFP funding destined for the charter school will not be available until the March 2019 MFP budget letter is issued by the Louisiana Department of Education. It is expected that the MFP funding will be markedly decreased from 2017.

On January 30, 2017, The Board entered into a consent decree with the plaintiffs and the United States Department of Justice in response to the 1967 desegregation lawsuit *Banks vs. St. James Parish School Board*. Terms of the decree included the reconfiguration of PK-6 school assignments with clustering of grades PK-3 and grades 4-6 students at existing facilities as well as two new endeavors.

The St. Louis Reading and Math Academy replaced what was Fifth Ward Elementary School and has been opened to all PK-3 students in the parish. The Cypress Grove Montessori Academy opened in the facility formerly occupied by Lutcher Elementary School and will serve PK-3 students that were selected using a lottery process.

While moving and some minor renovations were necessary to implement this plan, the costs associated with this consent decree did not have a material impact on The Board's financial statements. This new service delivery model became effective with the opening of school in August 2018.

### LONG-TERM FINANCIAL PLANNING

Since the afore-mentioned sales tax revenue spike in 2013 catapulted The Board's General Fund surplus to some \$30 million, The Board has embarked on several new initiatives in the instructional, administrative, and facility realms. The deficit spending of the last five years, however, has reduced that General Fund surplus to some \$3 million and accordingly The Board no longer has the option of using excess funds to support unlimited expenditures.

The Board's 2019 General Fund budget is the first in several years that maps a plan to begin rebuilding that fund balance. Some \$2 million in reductions are expected with an attrition plan that has seen employment rolls drop by some twenty employees from 2017 personnel levels. Planned spending has been reduced in several other operational areas and along with anticipated increases in local tax revenues The Board appears to be well on its way to increasing its fund balance for the first time in several years.

Industrial activity in the parish, The Board's financial lifeblood, has been on the upswing for a while now. A major manufacturing facility with an anticipated cost of some \$1.8 billion has been under construction for several months and another company has announced plans for the 2019 construction of a \$9.8 billion facility to be located on the west bank of the parish. Should both of these facilities come to fruition as it appears, The Board's General Fund will again be financially robust in rather short order.

### PENSION AND OTHER POSTEMPLOYMENT BENEFITS

Substantially all Board employees belong to one of two statewide, cost-sharing, multiple employer retirement plans, the Teachers Retirement System of Louisiana (TRSL) and the Louisiana School Employee Retirement System (LSERS). The TRSL is open to all certified personnel, teacher aides, school clerical personnel, central office staff, and school lunch employees. Members may retire with as few as 20 years of service. The LSERS includes custodians, school bus drivers, and maintenance personnel. Members may retire at 20 years with a 2.5 percent benefit times the years of service times their highest average three years compensation. That credit rises to three percent per year for service in excess of 20 years.

School Board retirees have some 90 percent of the cost of their health insurance paid by The Board. The cost varies depending on whether or not Medicare is their primary health insurance provider. Retirees may continue their life insurance benefits and dental insurance at their own cost. Further information concerning the Board's post-employment benefit obligation for retiree health care is located in Note J on page 45 of the Notes to Basic Financial Statements.

## AWARDS

### Government Finance Officers Association (GFOA)

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a *Certificate of Achievement for Excellence in Financial Reporting* to the St. James Parish School Board for its Comprehensive Annual Financial Report for the year ended June 30, 2017. The certificate is a prestigious national award recognizing conformance with the highest standards for preparation of a state and local government financial report. In order to be awarded this certificate, a government unit must publish an easily readable and efficiently organized CAFR, whose contents conform to program standards. The CAFR must satisfy both generally accepted accounting principles and applicable legal requirements. A certificate is valid for a period of one year only and 2017 was The Board's twenty-first such award. School Board administration believes that the 2018 Comprehensive Annual Financial Report continues to meet the certificate requirements, and as such, this report will be submitted to GFOA to determine its eligibility for another certificate.

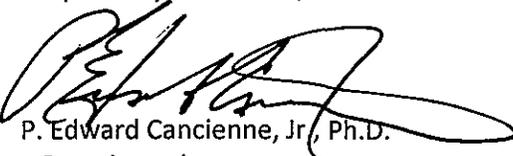
### Association of School Business Officials (ASBO)

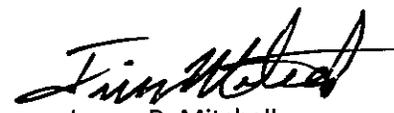
The St. James Parish School Board received the Association of School Business Officials *Certificate of Excellence in Financial Reporting* for the fiscal year ended June 30, 2017. This award certifies that the Comprehensive Annual Financial Report substantially conforms to the principles and standards of financial reporting as recommended and adopted by the Association of School Business Officials International. This is the twenty-first year that the St. James Parish School Board has been awarded this honor. The award is granted only after an intensive technical review of financial reports by an expert panel of certified public accountants and practicing school business officials. The *Certificate of Excellence in Financial Reporting* is the highest form of recognition in school financial reporting issued by ASBO. Management believes that the Comprehensive Annual Financial Report for the fiscal year ended June 30, 2018, which will be submitted to ASBO for review, continues to meet the standards prescribed by ASBO.

## ACKNOWLEDGEMENTS

Preparation of this report would not have been possible without the daily efforts of the Office of Business Services staff, particularly those staff whose services directly result in the accurate recordation, summarization, and reporting of financial transactions. We would like to take this opportunity to express our sincere appreciation to those individuals. We also wish to thank the members of the St. James Parish School Board and the administration for their support in our efforts to maintain fiscal accountability and responsibility for the St. James Parish School Board and the citizens of St. James Parish, Louisiana.

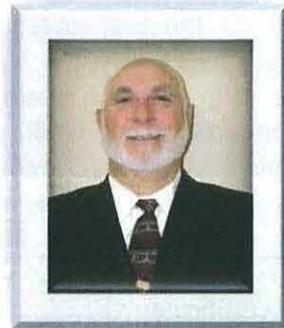
Respectfully Submitted,

  
P. Edward Cancienne, Jr., Ph.D.  
Superintendent

  
James D. Mitchell  
Administrative Director  
of Business Operations

ST. JAMES PARISH SCHOOL BOARD  
Lutcher, Louisiana

SCHOOL BOARD MEMBERS



GEORGE NASSAR  
President, District 4



DIANA CANTILLO  
District 1



KENNETH FORET  
District 2



SUE BEIER  
District 3



DIANNE SPENCER  
Vice President, District 5



NICOLE FLORENT CHARLES  
District 6

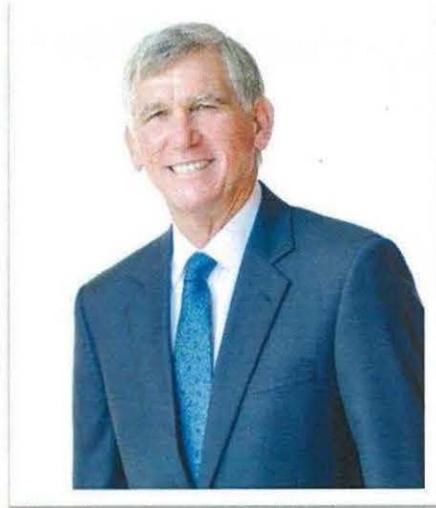


RAYMOND GROS  
District 7

ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

PRINCIPAL OFFICIALS



P. EDWARD CANSIENNE, JR., Ph.D.  
Superintendent

ANNE DETILLIER

Administrative Director of Teaching and Learning

CAROL WEBRE

Administrative Director of Teacher Development and Human Resources

GAYNELL ALBERT

Administrative Director of Student Services

JAMES D. MITCHELL

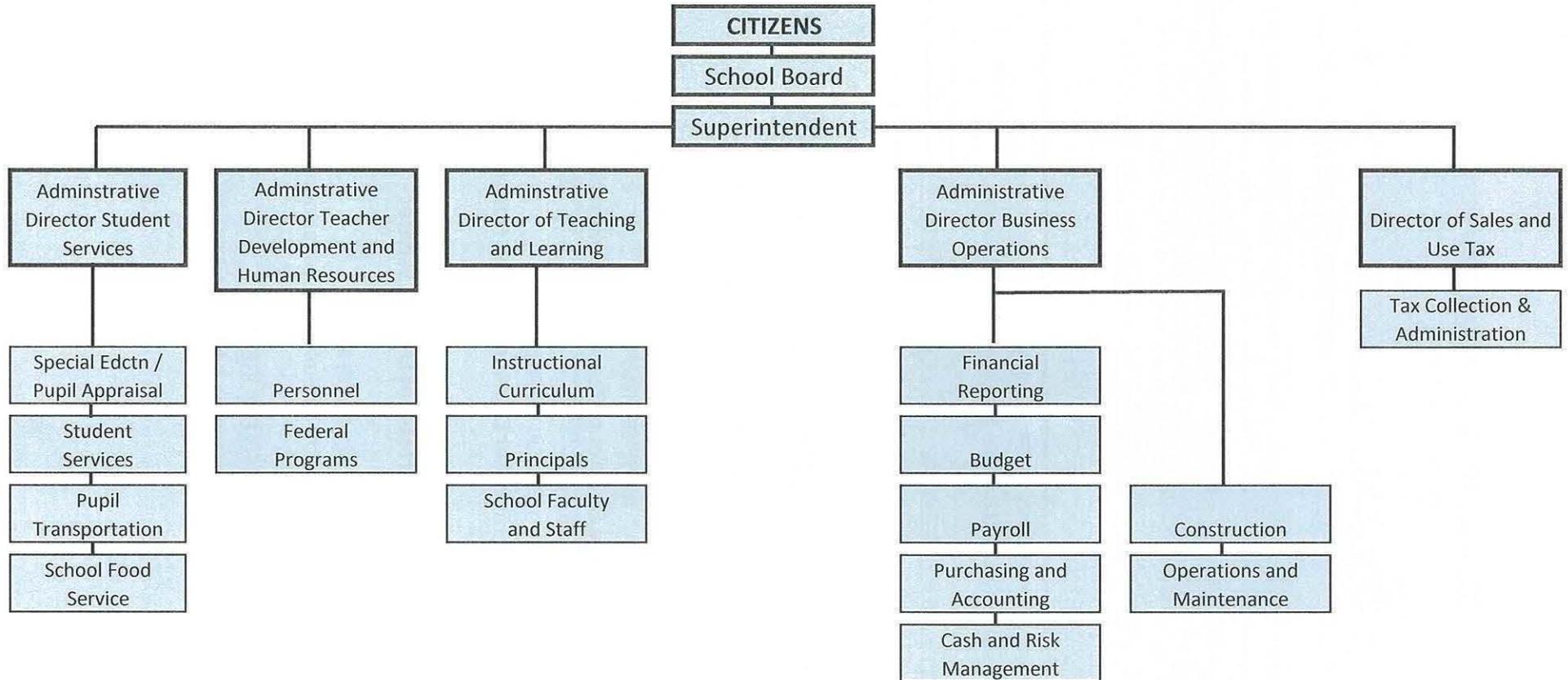
Administrative Director of Business Operations

NESHILLE NOGESS

Sales Tax Department Administrator

# ST. JAMES PARISH SCHOOL BOARD

## Organizational Structure





Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**St. James Parish School Board**  
**Louisiana**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2017**

*Christopher P. Morrill*

Executive Director/CEO



**ASSOCIATION OF  
SCHOOL BUSINESS OFFICIALS  
INTERNATIONAL**

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

**St. James Parish School Board**

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

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



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

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

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

John D. Musso, CAE  
Executive Director



# ST. JAMES PARISH SCHOOLS

*Inspiring Hope and Purpose*

FINANCIAL SECTION

# KOLDER, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

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\* A Professional Accounting Corporation

WWW.KCSRCPAS.COM

## INDEPENDENT AUDITOR'S REPORT

Dr. P. Edward Cancienne, Jr., Superintendent,  
and Members of the St. James Parish School Board  
Lutcher, 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. James Parish School Board (hereinafter, "School Board"), as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the School Board's basic financial statements as listed in the table of contents.

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

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

### *Auditor's Responsibility*

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

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

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

## ***Opinions***

In our opinion, the financial statements referred to previously 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.

## ***Emphasis of Matter***

As described in Note 1.F.14 to the financial statements on page 27, the School Board implemented the provisions of Governmental Accounting Standards Board Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits other than Pensions*. 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 management's discussion and analysis (pages 4-12), notes to required supplementary information (page 52), budgetary comparison schedules for each major fund (pages 53-54), and schedules for the liability for postemployment benefits other than pensions (page 55), employer's proportionate share of net pension liability (page 56), and employer pension contributions (page 57) 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 supplementary information required to accompany the basic financial statements because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School Board's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, nonmajor budgetary comparison schedules, agency fund schedule of changes in assets and liabilities, schedules of compensation paid to board members and compensation, benefits and other payments to superintendent, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements (pages 58-62), nonmajor budgetary comparison schedules (pages 63-68), agency fund schedule of changes in assets and liabilities (page 69), and schedules of compensation paid to board members (page 70) and compensation, benefits and other payments to superintendent (page 71) are the responsibility of the School Board's 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 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 information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

The introductory (pages iv-xv) and statistical sections (pages 72-96) have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated December 27, 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School Board's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School Board's internal control over financial reporting and compliance.

***Kolder, Slaven & Company, LLC***  
Certified Public Accountants

Morgan City, Louisiana  
December 27, 2018

# ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

## MANAGEMENT'S DISCUSSION AND ANALYSIS

As of June 30, 2018

The Management's Discussion and Analysis (MDA) of the St. James Parish School Board's (The Board's) financial performance presents a narrative overview and analysis of St. James Parish School Board's financial activities for the year ended June 30, 2018. The intent of the MDA is to assist readers in assessing The Board's overall financial performance and position and accordingly should be read in conjunction with the Letter of Transmittal (page iv), the Financial Section (page 1), and the Notes to Basic Financial Statements (page 21) contained in this Comprehensive Annual Financial Report (CAFR).

### FINANCIAL HIGHLIGHTS

- The Board's total liabilities exceeded total assets by \$100,154,534 on June 30, 2018 with the unrestricted portion of the net deficit at \$(141,849,665). The severity of the negative unrestricted portion is primarily due to The Board's Net Pension Liability of \$65.4 million and its Other Post-Employment Benefits liability of \$71.2 million.
- Due to a change in accounting treatment of The Board's Other Post Employment Benefits liability in accordance with Governmental Accounting Standards Board (GASB) Statement 75, The Board's beginning Net Deficit was restated from \$44,384,886 on July 1, 2017 to \$101,948,952.
- Net position increased by \$1,794,418 during the year ended June 30, 2018. The Board's fund balances decreased by some \$28 million with \$24.2 million of that decrease coming from the Capital Projects Fund that's accounting for the construction of a new St. James High School and various other renovation and upgrade projects throughout the school system. The \$2.4 million operating deficit in the General Fund was the other major contributor to that decrease. The capitalization of some \$24 million in Capital Outlay and a \$3.3 million reduction in Other Post Employment Benefits helped offset the fund balance decreases.
- The Board's governmental funds reported fund balances of \$7,421,390 in 2018, down from the \$35,338,646 reported in 2017. The afore-mentioned \$28 million decrease was fueled primarily by the continuing construction in the Capital Projects Fund.
- On June 30, 2018, The Board reported a deficit fund balance of some \$2.6 million in its Capital Projects Fund. As further discussed in Note Q in the Notes to Basic Financial Statements, the deficit arose due to a legal delay in the sale of the existing St. James High School to a major manufacturing concern that had purchased the facility and the site. The sale closed on August 8, 2018, and the deficit was liquidated with the receipt of some \$6.3 million in sale proceeds. There were no operational or construction disruptions due to the delay of the closing of the sale. The first \$3.8 million installment of the \$10.1 million bid price, received in 2016, is reported as unearned revenue in the Capital Projects Fund.
- Cash and Cash Equivalents and Investments decreased from the 2017 balance of \$43,409,709 to the \$16,500,632 reported in 2018. That decrease was due primarily to the \$24.5 million in construction activity reported in the Capital Projects Fund.

## ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

### MANAGEMENT'S DISCUSSION AND ANALYSIS

As of June 30, 2018

- Total Governmental Funds revenues increased from the 2016 amount of \$63,696,394 to \$66,181,764 in 2018 with most of that increase attributable to local tax revenue. Ad Valorem Tax revenue jumped some \$2 million and Sales and Use Tax increased by \$1.5 million while a \$1.1 million decrease in state MFP funding offset those local increases. The increase in Ad Valorem taxes was due to the recovery in assessed valuation from a material downside in 2017 based on the market price of crude oil. The upswing in Sales and Use Tax revenue was a result of increased industrial activity by the parish's major chemical, refining, and manufacturing operations.
- Sales and use tax collections rose to \$19,645,026, an 8.3 percent increase from the \$18,127,949 reported in 2017. That figure represents the second most revenue ever received by The Board with the all-time high of \$25,285,692 coming in 2013, a dramatic spike fed by the completion of a major steel plant that was under construction during that fiscal year. The good news for The Board is that Sales and Use Tax collections are trending up again with \$18 million, \$18.1 million, and \$19.6 million recorded in the last three fiscal years.
- Ad Valorem tax collections totaled \$25,688,459, the most ever collected on behalf of The Board. The upswing was due primarily to the increase in assessed valuation previously mentioned but The Board's roll forward to a levy of 44.30 mills also had an impact. The roll forward was the first time since 2008 that The Board had not rolled back its millage rates. St. James Parish voters over the years have authorized a maximum of 45.06 mills but The Board levied only 43.56 mills for 2017, 43.67 mills each year from 2012 to 2016, and 43.96 mills for the three years preceding that. It is estimated that The Board has left some \$5 million in the pockets of parish taxpayers over that time by the roll back of millage rates.
- State funding to The Board's General Fund decreased by some \$1.1 million in 2018 with virtually all of that decrease coming in MFP funding, Louisiana's basic equalization funding. The Board has recovered some \$700,000 of that funding loss with the current 2019 iteration of the equalization formula but there is no blue sky concerning The Board's state funding. With some 77 percent of The Board's General Fund revenues coming from local sources and only 22 percent coming from the State of Louisiana, The Board's financial vitality is not contingent on state monies. The first charter school in St. James Parish opened for the 2017 school year and siphoned off some \$775,000 of The Board's MFP funding in both 2017 and 2018; it is unknown at this time how much the charter will be funded for the current school year.
- Total 2018 Governmental Funds expenditures increased to \$94,099,020, a \$3.6 million increase from the 2017 total of \$90,531,293. The \$4.1 million increase in capital outlay in the Capital Projects Fund was offset by a reduction of some \$400,000 in General Fund spending.

### OVERVIEW OF THE FINANCIAL STATEMENTS

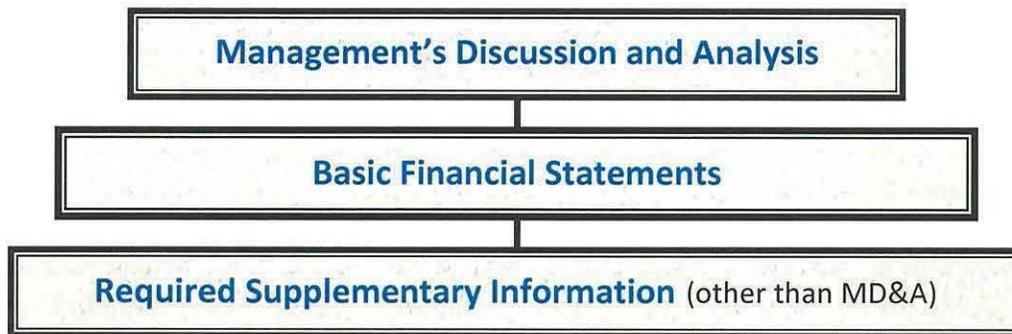
The following graphic illustrates the minimum requirements for Special Purpose Governments established by Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*.

# ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

## MANAGEMENT'S DISCUSSION AND ANALYSIS

As of June 30, 2018



These financial statements consist of three sections – Management’s Discussion and Analysis (this section), the basic financial statements (including the Notes to Basic Financial Statements), and required supplementary information.

Government-wide Financial Statements. The *Government-wide Financial Statements* are designed to provide readers with a broad overview of The Boards’ finances, in a manner similar to private sector business.

The *Statement of Net Position* presents information on all of The Board’s assets and liabilities. Net position is the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources. Over time, increases or decreases in net position serve as a useful indicator of whether the financial position of The Board is improving or deteriorating.

The *Statement of Activities* presents information showing how the government’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 cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future periods (e.g. uncollected taxes and earned but unused sick leave).

Both of the government-wide financial statements present functions of The Board that are principally supported by taxes and intergovernmental revenues (governmental activities). The Board, which served some 3,800 students during the 2017-2018 school year, has no functions or activities which are business-like in nature, meaning that they are primarily supported by user fees and charges for services, such as a municipally owned utility system.

The governmental activities of The Board included regular and special education programs, support services, administration, maintenance, student transportation, and school food services. The Board contains no other units of government (component units) nor is it contained as a component unit of any other level of local or state government.

# ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

## MANAGEMENT'S DISCUSSION AND ANALYSIS

As of June 30, 2018

Fund Financial Statements. A *fund* is grouping of related accounts that are used to maintain control over the resources that have been segregated for specific activities or objectives. The Board, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. All of the funds of The Board can be divided into two categories: governmental funds and fiduciary funds.

Governmental funds. *Governmental funds* are used to account for essentially the same functions 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 and outflows 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 a government's near term financial 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 Board's near-term financing decisions. Both the governmental fund balance and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities. The Board maintains dozens of individual governmental funds. Information is presented separately in the government fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund, Capital Projects Fund, and the Debt Service Fund, which are considered The Board's major funds. The remaining funds are combined into a single, aggregated presentation under the label of nonmajor funds, which contains all other governmental funds. Individual fund data for each of these non-major funds is provided in the form of combining statements elsewhere in this report. The Board adopts annual appropriated budgets for the General Fund and Special Revenue Funds as required by state law. Budgets are not adopted for the Debt Service and Capital Projects Funds, which effectively achieve budgetary control through bond indenture provisions and Board-adopted construction plans. Accordingly, budget to actual comparisons were not prepared for these fund types.

Fiduciary Funds. Fiduciary funds are used to account for resources held for the benefit of outside parties such as students. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support The Board's programs. The Board's Fiduciary Fund consists of the Sales and Use Tax department and the School Activity Funds, which are school-based cash accounts.

Notes to Basic Financial Statements. The notes provide additional information that is essential to a full and complete understanding of the data provided in the government-wide and fund financial statements.

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents certain *Required Supplementary Information*. Included therein is this MDA, a General Fund

# ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

## MANAGEMENT'S DISCUSSION AND ANALYSIS

As of June 30, 2018

budget to actual comparative statement, the combining statements referred to earlier in connection with nonmajor governmental funds, financial information on The Board's Other Postemployment Benefit (retiree health and life insurance), and financial information on The Board's Net Pension Liability in accordance with the implementation of GASB Statements 68 and 71. Additionally, the *Other Supplementary Information* section contains certain financial data on individual funds and other required topics are presented.

### GOVERNMENT-WIDE FINANCIAL ANALYSIS

As previously noted, over time Net Position serves as a useful indicator of a government's financial condition. On June 30, 2018, The Board's Net Deficit was \$(100,054,534), an increase of \$1,794,418 from the restated Net Deficit of \$(101,948,952) for 2017. The 2017 Unrestricted component of Net Deficit has been restated to facilitate comparison with the afore-mentioned 2018 reporting change:

<u>St. James Parish School Board, Lutcher Louisiana</u>			
<u>NET POSITION</u>			
	<u>2018</u>	<u>2017</u>	<u>Change</u>
Current and Other Assets	\$ 21,143,450	\$ 47,208,011	\$ (26,064,561)
Non-Depreciable Capital Assets			
Land and Work in Progress	39,907,995	21,712,771	18,195,224
Capital Assets, net of accumulated depreciation	70,491,064	68,598,903	1,892,161
<b>TOTAL ASSETS</b>	<u>131,542,509</u>	<u>137,519,685</u>	<u>(5,977,176)</u>
Deferred Outflows of Resources	10,919,998	16,484,646	(5,564,648)
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>	<u>142,462,507</u>	<u>154,004,331</u>	<u>(11,541,824)</u>
Current Liabilities	20,142,543	18,177,400	(1,965,143)
Long-Term Liabilities	211,275,662	178,241,200	(33,034,462)
<b>TOTAL LIABILITIES</b>	<u>231,418,205</u>	<u>196,418,600</u>	<u>(34,999,605)</u>
Deferred Inflows of Resources	11,198,836	1,970,617	(9,228,219)
<b>TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES</b>	<u>242,617,041</u>	<u>198,389,217</u>	<u>(44,227,824)</u>
Net Position:			
Net Investment in Capital Assets	34,759,039	31,922,330	2,836,709
Restricted	6,936,092	8,239,984	(1,303,892)
Unrestricted (Deficit)	(141,849,665)	(142,111,266)	261,601
<b>NET DEFICIT</b>	<u>\$ (100,154,534)</u>	<u>\$ (101,948,952)</u>	<u>\$ 1,794,418</u>

The Board's increase in Net Position during 2018 is further detailed in the comparative table included on the next page:

# ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

## MANAGEMENT'S DISCUSSION AND ANALYSIS

As of June 30, 2018

### St. James Parish School Board, Lutcher Louisiana

	CHANGES IN NET POSITION		
	2018	2017	Change
Program Revenues:			
Charges for Services	\$ 70,709	\$ 122,352	\$ (51,643)
Operating grants	7,235,300	6,926,062	309,238
General Revenues:			
Sales and Use Taxes	19,645,026	18,127,949	1,517,077
Ad Valorem Taxes	25,688,459	23,677,579	2,010,880
Minimum Foundation Program (equalization)	11,626,371	12,754,266	(1,127,895)
Other	1,915,899	2,088,183	(172,284)
TOTAL REVENUES	<u>66,181,764</u>	<u>63,696,391</u>	<u>2,485,373</u>
Expenses:			
Instruction	30,368,878	35,150,036	(4,781,158)
Student and Staff Support	7,234,651	7,972,121	(737,470)
Administration	9,561,087	10,239,012	(677,925)
Plant Services	5,909,598	6,233,568	(323,970)
Pupil Transportation	4,077,084	4,509,780	(432,696)
Food Service	2,936,854	3,679,691	(742,837)
Debt Service	2,502,731	2,590,442	(87,711)
Other	1,796,463	1,920,361	(123,898)
TOTAL EXPENSES	<u>64,387,346</u>	<u>72,295,011</u>	<u>(7,907,665)</u>
INCREASE (DECREASE) IN NET DEFICIT	1,794,418	(8,598,620)	10,393,038
NET DEFICIT, BEGINNING OF YEAR, RESTATED	<u>(101,948,952)</u>	<u>(93,350,332)</u>	<u>(8,598,620)</u>
NET DEFICIT, END OF YEAR	\$ <u>(100,154,534)</u>	\$ <u>(101,948,952)</u>	\$ <u>1,794,418</u>

Of the 2018 net position, \$34,759,039 is reflected as its investment in capital assets (e.g. land, buildings and improvements, furniture, fixtures and equipment) less any related debts used to acquire those assets that remain outstanding. The Board uses these capital assets in the delivery of services to its students and citizens and consequently, these assets are not available for future spending. Although The Board's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate those related liabilities.

Another component of The Board's net position represents resources that are subject to external and legal restrictions on how those resources may be used (e.g. tax dedications, bond indenture provisions, construction contracts). Accordingly, \$6,936,092 of The Board's net position is reported as restricted since it is available only for retirement of long-term bonded debt.

### FINANCIAL ANALYSIS OF THE BOARD'S FUNDS

As previously noted, The Board uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The focus of The Board's *governmental funds* is to provide information on

# ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

## MANAGEMENT'S DISCUSSION AND ANALYSIS

As of June 30, 2018

### FINANCIAL ANALYSIS OF THE BOARD'S FUNDS

As previously noted, The Board uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The focus of The Board's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing The Board's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

For 2018, The Board's governmental funds reported a combined ending fund balance of \$7,421,390, down \$27,917,256 from the \$35,338,646 reported in 2017. Of the 2018 balance, 58 percent is restricted for specifically designated purposes. As previously discussed, the Capital Projects Fund is reporting a deficit fund balance of \$(2,590,593) that was resolved in August 2018. All funds reported in the Capital Projects Fund are restricted to capital outlay associated with the \$56 million bond issue. The Debt Service Fund reports a fund balance of \$6,936,092 and that money is restricted for the payment of long-term debt principal and interest.

The General Fund, the chief operating fund of The Board, reported a fund balances of \$3,005,007, a figure that represents 41 percent of the total fund balance reported in the governmental funds. The Nonspendable portion of the General Fund fund balance, \$171,351, represents monies that have already been expended for prepaid insurances and curriculum and technology services for the upcoming fiscal year. The Committed amount of \$1,410,395 is set aside to fund The Board's partially self-funded group health and workers compensation insurance plans. The remainder of the General Fund fund balance, \$1,423,261, is unassigned.

The Board's *major funds*, the General Fund, Capital Projects Fund, and Debt Service Fund, have been previously discussed throughout the MDA. The *nonmajor* funds consist entirely of The Board's Special Revenue Funds. With the exception of the School Food Service Fund, all the Special Revenue Funds are federal grant programs that are operated on a dollar-for-dollar cost reimbursement basis. The School Food Service Fund receives federal grant dollars for meals served and has optioned to participate in the Community Eligibility Program that deems all students eligible for free meals. The fund also has a user charge component that accounts for food sales to staff and visitors and any extra sales. Additionally, this fund receives an operating transfer from the General Fund, \$428,259 in 2018, to support its financial operations. The Nonspendable fund balance reported in the nonmajor funds, \$70,884, represents food inventory reported in the School Food Service Fund.

### GENERAL FUND BUDGETARY HIGHLIGHTS

State law mandates that Louisiana governmental units must revise their budgets when projected revenues decrease five percent from original budget amounts and when projected expenditures increase five percent from original budget amounts. Budgets included in this report are presented as originally adopted adjusted for revisions adopted by The Board during the fiscal year.

# ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

## MANAGEMENT'S DISCUSSION AND ANALYSIS

As of June 30, 2018

Material revisions were made to the General Fund revenue budget to accommodate increases in local tax receipts of some \$1.1 million in Sales and Use Tax and roughly \$700,000 in Ad Valorem Tax revenue. Budget reductions of \$1.2 million and \$400,000 were implemented for state equalization funding and grant funding that was reduced by the grantor. On the expenditure side, additional allocations were made for initiatives in classroom instruction, increased maintenance activity necessary on Board facilities, and additional contract transportation services.

Expenditures exceeded budget allocations in one Special Revenue Fund, the Carl Perkins Vocational Education grant. The overage was absorbed by a funding increase received from the grantor.

### CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets. The Board's investment in capital assets on June 30, 2018 amounted to \$110,399,059 net of accumulated depreciation. A summary of The Board's capital assets for the past two fiscal years follows:

<u>St. James Parish School Board, Lutcher Louisiana</u>			
<u>CHANGES IN CAPITAL ASSETS</u>			
	<u>2018</u>	<u>2017</u>	<u>Change</u>
Non-Depreciable Capital Assets:			
Land	\$ 2,402,231	\$ 2,402,231	\$ -
Work in Progress	37,505,764	19,310,540	18,195,224
Non-Depreciable Capital Assets	<u>39,907,995</u>	<u>21,712,771</u>	<u>18,195,224</u>
Depreciable Capital Assets:			
Buildings and Improvements	109,456,359	103,704,464	5,751,895
Furniture, Fixtures, and Equipment	8,389,718	8,421,943	(32,225)
Accumulated Depreciation	(47,355,013)	(43,527,504)	(3,827,509)
Depreciable Capital Assets, net of Accumulated Depreciation	<u>70,491,064</u>	<u>68,598,903</u>	<u>1,892,161</u>
TOTAL CAPITAL ASSETS, net of depreciation	<u>\$ 110,399,059</u>	<u>\$ 90,311,674</u>	<u>\$ 20,087,385</u>

Additional information pertaining to capital assets is in Note C in the Notes to Basic Financial Statements on page 30 of this report.

Long-Term Debt. On June 30, 2018, The Board reported outstanding bonded debt, premium, and capital leases of \$78,136,925, a decrease of \$5,362,501 from the \$83,499,426 reported in 2017. The changes were comprised of \$5,215,902 in debt principal payments, a reduction in estimate of debt of \$59,671, and amortization of the debt premium of \$86,930. Further information on bonded indebtedness, premium, capital lease, and compensated absences payable is contained in Note F on page 31 of this CAFR.

# ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

## MANAGEMENT'S DISCUSSION AND ANALYSIS

As of June 30, 2018

to The Board's postemployment obligation for health and life insurance on behalf of its retirees can be found in Note J on page 45 of this CAFR.

### ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

For fiscal years 2014 through 2018 The Board has reported deficit spending in its General Fund. With a General Fund surplus of some \$3 million, that trend is currently slated to come to a much needed halt in 2019. The Board's original 2019 budget calls for excess revenues of some \$1 million but as of the date of this report it appears that the excess revenues will be substantially more than that original estimate.

Local tax revenues, the lifeblood of The Board's General Fund operations, appear to be well on their way to exceed budgeted amounts. Based on reports prepared by the St. James Parish Assessor, it is now anticipated that Ad Valorem Tax revenue will exceed budgeted amounts by as much as \$1.2 million. Sales and Use Tax revenue was budgeted at \$21.6 million and straight line projections using five months of actual data place the expected final total somewhere in the \$24 million range.

The original budget was prepared in April 2018 and at that time The Board had embarked on reducing salary and employee benefit costs through attrition. The adopted budget contained attrition savings known at that time but those projected savings have increased as much as \$1 million after the school year ended and former employees moved on to other jobs. As of the date of this report there are some 30 fewer employees on the payroll than this time last year.

Despite the good news on the local tax and personnel fronts, there are two areas that may require some additional appropriations. Maintenance costs are an area of intense focus as operational issues continue to cost The Board more and more than anticipated, especially in the area of heating, ventilation, and air conditioning. A consultant hired by The Board is currently piecing together a comprehensive maintenance outlook and plan that will be designed to put The Board in front of repair and replacement issues before they arise. With the rural nature of the parish and the reconfiguration of schools over the summer of 2018 The Board's transportation costs continue to rise. To address those issues The Board has authorized administration to issue a Request for Proposals for contract transportation services with an overhaul of the current approach in mind. The Board expects the new plan to be in effect for July 1, 2019.

The Board has put its best foot forward with cost containment efforts and if local industrial construction and expansion plays out as anticipated over the next few years, local tax revenues will put The Board well on its way to financial recovery and a rebuild of its General Fund surplus to a robust posture.

### REQUESTS FOR INFORMATION

Questions concerning this CAFR or other financial information should be addressed to Mr. James D. Mitchell, Administrative Director of Business Operations, St. James Parish School Board, P.O. Box 338, Lutcher, Louisiana, 70071. Mr. Mitchell can be reached at 225-258-4520 or [jmitchell@stjames.k12.la.us](mailto:jmitchell@stjames.k12.la.us).

# ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

## STATEMENT OF NET POSITION

As of June 30, 2018

Statement A

**ASSETS:**

Current Assets:

Cash and Cash Equivalents	\$	16,500,632
Receivables		4,400,583
Inventory		70,884
Other Assets		171,351

Capital Assets:

Non-Depreciable - Land and Work in Progress		39,907,995
Buildings and Equipment, net of accumulated depreciation		70,491,064

TOTAL ASSETS 131,542,509

**DEFERRED OUTFLOWS OF RESOURCES:**

Deferred Outflows Related to Pension Liability		10,371,591
Deferred Amount on Refunding Bond Issue		548,407

TOTAL DEFERRED OUTFLOW OF RESOURCES 10,919,998

TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES \$ 142,462,507

**LIABILITIES:**

Current Liabilities:

Accounts, Salaries, and Other Payables	\$	9,850,393
Interest Payable		813,613
Current Portion of Compensated Absences Payable		75,527
Current Portion of Long Term Debt		5,531,343
Unearned Revenue		3,871,667

Non-Current Liabilities:

Compensated Absences Payable		2,058,785
Long Term Debt		72,605,582
Other Post-Employment Benefits		71,213,601
Net Pension Liability		65,397,694

TOTAL LIABILITIES 231,418,205

**DEFERRED INFLOWS OF RESOURCES:**

Deferred Inflows Related to Pension Liability		7,119,225
Deferred Inflows Related to Other Post-Employment Benefits		4,079,611

TOTAL DEFERRED INFLOW OF RESOURCES 11,198,836

**NET POSITION:**

Net Investment in Capital Assets 34,759,039

Restricted:

Debt Service 6,936,092

Unrestricted (Deficit) (141,849,665)

TOTAL NET POSITION (DEFICIT) (100,154,534)

TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION \$ 142,462,507

The accompanying Notes to Basic Financial Statements are an integral part of this statement.

**ST. JAMES PARISH SCHOOL BOARD**

Lutcher, Louisiana

Statement B

STATEMENT OF ACTIVITIES  
For the Year Ended June 30, 2018

	<u>Expenses</u>	<u>Program Revenues</u>		<u>NET (EXPENSE)REVENUE AND CHANGES IN NET POSITION GOVERNMENTAL ACTIVITIES</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	
<u>FUNCTIONS / PROGRAMS:</u>				
Governmental Activities:				
Instruction:				
Regular Programs	\$ 19,773,011	\$ -	\$ 90,764	\$ (19,682,247)
Special Programs	5,006,026	-	437,998	(4,568,028)
Vocational Programs	901,024	-	122,500	(778,524)
All Other Programs	4,688,817	-	2,158,911	(2,529,906)
Support Services:				
Pupil Support	4,085,603	-	620,394	(3,465,209)
Instructional Staff Support	3,149,047	-	1,153,073	(1,995,974)
General Administration	5,165,769	-	-	(5,165,769)
School Administration	3,739,052	-	4,339	(3,734,713)
Business Services	656,266	-	-	(656,266)
Plant Services	5,909,598	-	-	(5,909,598)
Pupil Transportation	4,077,084	-	12,439	(4,064,645)
Central Services	1,789,717	-	-	(1,789,717)
Food Services	2,936,854	70,709	2,627,714	(238,431)
Community Services	6,746	-	7,167	421
Interest on Long-Term Debt	2,502,731	-	-	(2,502,731)
Total Governmental Activities	\$ <u>64,387,345</u>	\$ <u>70,709</u>	\$ <u>7,235,299</u>	<u>(57,081,337)</u>
<u>General Revenues</u>				
Taxes:				
Property taxes, levied for general purposes				20,042,958
Property taxes, levied for debt service				5,645,501
Sales and use taxes, levied for general purposes				19,645,026
Grants and contributions not restricted to specific purposes:				
Minimum Foundation Program				11,626,371
State Revenue Sharing				82,923
Interest and investment earnings				206,066
Miscellaneous				<u>1,626,910</u>
Total General Revenues				<u>58,875,755</u>
Change in Net Position				1,794,418
Net Position (Deficit), Restated for June 30, 2017				<u>(101,948,952)</u>
NET POSITION (DEFICIT) - June 30, 2018				\$ <u>(100,154,534)</u>

The accompanying Notes to Basic Financial Statements are an integral part of this statement.

**ST. JAMES PARISH SCHOOL BOARD**

Lutcher, Louisiana

Statement C

GOVERNMENTAL FUNDS

Balance Sheet

As of June 30, 2018

With Comparative Totals for June 30, 2017

	MAJOR FUNDS			NON-MAJOR FUNDS	2018	2017
	GENERAL	CAPITAL PROJECTS	DEBT SERVICE			
<b>ASSETS</b>						
Cash and Cash Equivalents	\$ 3,837,588	\$ 5,683,843	\$ 6,935,773	\$ 43,428	\$ 16,500,632	\$ 14,675,942
Investments	-	-	-	-	-	28,733,767
Receivables	2,704,638	-	319	1,695,626	4,400,583	3,434,152
Interfund Receivables	1,571,013	-	-	-	1,571,013	1,205,676
Inventory	-	-	-	70,884	70,884	102,019
Other Assets	171,351	-	-	-	171,351	262,131
<b>TOTAL ASSETS</b>	<b>\$ 8,284,590</b>	<b>\$ 5,683,843</b>	<b>\$ 6,936,092</b>	<b>\$ 1,809,938</b>	<b>\$ 22,714,463</b>	<b>\$ 48,413,687</b>
<b>LIABILITIES AND FUND BALANCES</b>						
<b>Liabilities:</b>						
Accounts, Salaries, and Other Payables	\$ 5,279,583	\$ 4,402,769	\$ -	\$ 168,041	\$ 9,850,393	\$ 7,997,698
Interfund Payables	-	-	-	1,571,013	1,571,013	1,205,676
Unearned Revenue	-	3,871,667	-	-	3,871,667	3,871,667
<b>Total Liabilities</b>	<b>5,279,583</b>	<b>8,274,436</b>	<b>-</b>	<b>1,739,054</b>	<b>15,293,073</b>	<b>13,075,041</b>
<b>Fund Balances:</b>						
Nonspendable	171,351	-	-	70,884	242,235	364,150
Restricted:						
Debt Service	-	-	6,936,092	-	6,936,092	8,239,984
Capital Outlay	-	-	-	-	-	21,569,790
Committed - Self-Insurances	1,410,395	-	-	-	1,410,395	2,168,835
Unassigned	1,423,261	(2,590,593)	-	-	(1,167,332)	2,995,887
<b>Total Fund Balances</b>	<b>3,005,007</b>	<b>(2,590,593)</b>	<b>6,936,092</b>	<b>70,884</b>	<b>7,421,390</b>	<b>35,338,646</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 8,284,590</b>	<b>\$ 5,683,843</b>	<b>\$ 6,936,092</b>	<b>\$ 1,809,938</b>	<b>\$ 22,714,463</b>	<b>\$ 48,413,687</b>

The accompanying Notes to Basic Financial Statements are an integral part of this statement.

# ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

Statement D

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

Total Fund Balances at June 30, 2018 - Governmental Funds		\$	7,421,390
Cost of capital assets at June 30, 2018	\$	157,754,072	
Less: Accumulated Depreciation as of June 30, 2018:			
Buildings		(42,974,487)	
Furniture, Fixtures, and Equipment		<u>(4,380,526)</u>	
			110,399,059
Deferred Amount on Refunding Bond Issue			548,407
Long-Term Liabilities at June 30, 2018:			
Long-Term Debt		(78,136,925)	
Accrued Interest Payable		(813,613)	
Other Post-Employment Benefits		(71,213,601)	
Compensated Absences Payable		<u>(2,134,312)</u>	
			(152,298,451)
Pension Liability, Deferred Inflows and Deferred Outflows of Resources			
Net Pension Liability		(65,397,694)	
Deferred Amounts Related to Pension Liability		3,252,366	
Deferred Amounts Related to Other Post Employment Benefits		<u>(4,079,611)</u>	
			<u>(66,224,939)</u>
NET POSITION - Governmental Activities		\$	<u><u>(100,154,534)</u></u>

The accompanying Notes to Basic Financial Statements are an integral part of this statement.

# ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

Statement E

**GOVERNMENTAL FUNDS**  
 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

	MAJOR FUNDS			NON- MAJOR FUNDS	TOTALS	
	GENERAL	CAPITAL PROJECTS	DEBT SERVICE		2018	2017
<b>REVENUES</b>						
<b>Local Sources:</b>						
Taxes: Ad Valorem	\$ 20,042,958	\$ -	\$ 5,645,501	\$ -	\$ 25,688,459	\$ 23,677,579
Sales and Use	19,645,026	-	-	-	19,645,026	18,127,949
Charges for Services	-	-	-	70,709	70,709	122,352
Interest Earnings	15,738	176,429	13,899	-	206,066	223,903
Other	1,671,971	20,913	-	-	1,692,884	1,747,746
<b>Total Local Sources</b>	<b>41,375,693</b>	<b>197,342</b>	<b>5,659,400</b>	<b>70,709</b>	<b>47,303,144</b>	<b>43,899,529</b>
<b>State Sources:</b>						
Minimum Foundation Program	11,626,371	-	-	-	11,626,371	12,754,266
Other	399,794	-	-	-	399,794	435,101
<b>Total State Sources</b>	<b>12,026,165</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12,026,165</b>	<b>13,189,367</b>
Federal Sources	354,539	-	-	6,497,916	6,852,455	6,607,498
<b>TOTAL REVENUES</b>	<b>53,756,397</b>	<b>197,342</b>	<b>5,659,400</b>	<b>6,568,625</b>	<b>66,181,764</b>	<b>63,696,394</b>
<b>EXPENDITURES</b>						
<b>Current:</b>						
<b>Instruction:</b>						
Regular Programs	21,061,325	-	-	32,605	21,093,930	21,271,602
Special Programs	4,923,604	-	-	412,244	5,335,848	4,674,983
Vocational Programs	906,913	-	-	47,199	954,112	1,121,017
All Other Programs	3,310,641	-	-	1,523,997	4,834,638	4,678,171
<b>Support Services:</b>						
Pupil Support	3,695,138	-	-	583,915	4,279,053	4,192,519
Instructional Staff Support	2,241,516	-	-	1,020,137	3,261,653	3,110,953
General Administration	2,118,753	-	168,542	-	2,287,295	2,309,581
School Administration	4,009,654	-	-	4,084	4,013,738	4,037,018
Business Services	704,051	-	-	-	704,051	626,033
Plant Services	5,919,059	-	-	-	5,919,059	5,926,413
Pupil Transportation	4,150,993	-	-	11,708	4,162,701	4,210,740
Central Services	1,814,996	-	-	-	1,814,996	1,755,625
Food Services	-	-	-	3,158,087	3,158,087	3,292,350
Community Services	-	-	-	6,746	6,746	51,944
Capital Outlay	120,639	24,357,725	-	-	24,478,364	20,314,282
<b>Debt Service:</b>						
Principal Retirement	982,240	-	4,233,662	-	5,215,902	6,387,839
Interest and Bank Charges	17,759	-	2,561,088	-	2,578,847	2,570,223
<b>TOTAL EXPENDITURES</b>	<b>55,977,281</b>	<b>24,357,725</b>	<b>6,963,292</b>	<b>6,800,722</b>	<b>94,099,020</b>	<b>90,531,293</b>

The accompanying Notes to Basic Financial Statements are an integral part of this statement.

Continued

**ST. JAMES PARISH SCHOOL BOARD**

Lutcher, Louisiana

Statement E

GOVERNMENTAL FUNDS

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

	MAJOR FUNDS			NON- MAJOR FUNDS	TOTALS	
	GENERAL	CAPITAL PROJECTS	DEBT SERVICE		2018	2017
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	(2,220,884)	(24,160,383)	(1,303,892)	(232,097)	(27,917,256)	(26,834,899)
OTHER FINANCING SOURCES (USES):						
Interfund Transfers In	227,567	-	-	428,529	656,096	775,118
Interfund Transfers Out	(428,529)	-	-	(227,567)	(656,096)	(775,118)
TOTAL OTHER FINANCING SOURCES / (USES)	(200,962)	-	-	200,962	-	-
NET CHANGES IN FUND BALANCES	(2,421,846)	(24,160,383)	(1,303,892)	(31,135)	(27,917,256)	(26,834,899)
FUND BALANCES - BEGINNING	5,426,853	21,569,790	8,239,984	102,019	35,338,646	62,173,545
FUND BALANCES - ENDING	\$ 3,005,007	\$ (2,590,593)	\$ 6,936,092	\$ 70,884	\$ 7,421,390	\$ 35,338,646

Concluded

The accompanying Notes to Basic Financial Statements are an integral part of this statement.

# ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

Statement F

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 Changes in Fund Balances for the year ended June 30, 2018		\$ (27,917,256)
Capital Assets:		
Capital Outlay Capitalized	23,983,937	
Depreciation Expense	(3,896,552)	
		20,087,385
Excess of Interest Paid over Interest Accrued		57,737
Change in Net Pension Liability and Deferred Inflows / Outflows of Resources		961,079
Long-Term Debt:		
Principal Portion of Debt Service Payments	5,215,902	
Change in Estimate - Debt Principal	59,671	
Amortization of Debt Premium	86,930	
Amortization of Deferred Amount on Refunding Issue	(68,551)	
Decrease in Other Post-Employment Benefits	3,285,094	
Excess of Compensated Absences Used over Amounts Earned	26,427	
		8,605,473
CHANGE IN NET POSITION - Governmental Activities		\$ 1,794,418

The accompanying Notes to Basic Financial Statements are an integral part of this statement.

ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

Statement G

FIDUCIARY FUND  
Statement of Fiduciary Assets and Liabilities  
As of June 30, 2018

	<u>Agency Fund</u>
ASSETS	
Cash and Cash Equivalents	\$ <u>3,621,043</u>
TOTAL ASSETS	\$ <u><u>3,621,043</u></u>
LIABILITIES	
Deposits Due Others	\$ <u>3,621,043</u>
TOTAL LIABILITIES	\$ <u><u>3,621,043</u></u>

The accompanying Notes to Basic Financial Statements are an integral part of this statement.

## ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

### NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2018

#### I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

##### A. Introduction

The St. James Parish School Board (The Board) is a political subdivision of the State of Louisiana. It was created by Louisiana Statutes Annotated Revised Statute (LSA-R.S.) 17:51 to provide public education for the children of St. James Parish. The Board is authorized by LSA-R.S. 17:81 to establish policies and regulations for its own government consistent with the laws of the State of Louisiana and the regulations of the Louisiana Board of Elementary and Secondary Education. The Board is composed of seven members elected concurrently from seven single-member districts for terms of four years. The terms of the current Board members expire on December 31, 2018.

The Board operated eight schools, two educational sites, a Central Office, and four support facilities within the Parish and served an enrollment of some 3,800 students. In conjunction with the regular educational programs, all or some schools offer special education and vocational education instructional services. The Board also operates an Alternative Center, which serves those students that opt for this educational opportunity in lieu of expulsion from the system. In addition to these educational services, The Board provides transportation and food service for its students.

##### B. Basis of Presentation

The financial statements of The Board have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The GASB has issued its *Codification of Governmental Accounting and Financial Reporting Standards* dated June 30, 2002. This Codification and subsequent GASB pronouncements are recognized as GAAP for state and local governments in the United States. This financial report has been prepared in conformity with GASB Statement No. 34, *Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments*, issued in June 1999.

##### C. Reporting Entity

GASB Codification Section 2100 establishes criteria for determining the governmental reporting entity and component units, which should be included within the reporting entity. Under provisions of this section, The Board is considered a *primary government* since it is a single purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments. As used in GASB Codification Section 2100, the term “fiscally independent” means that The Board may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges, and issue bonded debt. The Board has no *component units*, defined by GASB Section 2100 as other legally separate organizations for which the elected School Board members are financially accountable. There are no other primary governments with which The Board has a significant relationship.

##### D. Government-Wide and Fund Financial Statements

Under GASB Statement No. 34, the government-wide financial statements (i.e. the statements of net position and the statement of changes in net position) report information on all the non-fiduciary activities of The Board. The interfund activity that results in duplicate reporting of the source or use of resources has been eliminated in the consolidation process. Operational interfund activity, including any services provided or used, has not been eliminated in consolidation. The statement of activities demonstrates the degree to which the direct expenses of a

## ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

### NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2018

given function are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function. *Program revenues* include: 1) charges to customers or users who purchase, use or directly benefit from goods or services provided by a given function, and 2) grants restricted to meeting the operational or capital requirements of a particular function. Taxes or other items not included among program revenues are reported as *general revenues*. Separate financial statements are provided for the governmental funds and the fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

The Board implemented Governmental Accounting Standards Board (GASB) Statement 54, *Fund Balance Reporting and Governmental Fund Type Definitions* during the 2011 fiscal year. GASB Statement 54 requires that governmental fund balances must be reported in as many as five classifications. 1) *Nonspendable* – permanently nonspendable balances that are not expected to be converted to cash. 2) *Restricted* – balances where constraints have been established by parties outside of The Board or by enabling legislation. 3) *Committed* – Balances constrained by formal action of The Board; i.e. adoption of a resolution. Modification or rescission of the Board action committing the funds would likewise require Board adoption of a resolution decommitting the funds. 4) *Assigned* – Balances where informal constraints have been established by The Board or the Superintendent acting under the authority of a Board resolution. 5) *Unassigned* – Balances for which there are no constraints. When both restricted and unrestricted resources are available for use, The Board's practice is to use restricted resources first, then unrestricted resources as necessary. When committed, assigned, and unassigned amounts are available for use, The Board's policy is to utilize committed, then assigned, then unassigned balances.

#### E. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability has been incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Sales and use taxes are recognized as revenues when collected. Grants and similar items, including the state Minimum Foundation Program (MFP) distribution are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, The Board considers revenues to be available if they are collected within sixty (60) days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. Property taxes, sales and use taxes, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenues are considered to be measurable and available when cash has been received by The Board.

The Board reports the following *major funds*:

The **General Fund** is The Board's primary operating fund. It accounts for all financial resources of The Board, except those required to be accounted for in another fund.

The **Capital Projects Fund** accounts for \$56 million in debt issuance and the related construction activity for a capital outlay plan approved by parish voters in 2015. The two borrowings - \$20 million dated September 1, 2015 and \$36 million dated April 1, 2016 – will be repaid through the avails of previously

ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2018

existing ad valorem tax millages. While all Board facilities will be renovated or upgraded under the plan, the bell cow project is the construction of a new St. James High School.

The **Debt Service Fund** is used to account for the accumulation of resources for and ultimately the retirement of long-term indebtedness. The fund's primary revenue source is Ad Valorem taxes that are collected to pay the principal and interest associated with voter-approved long-term borrowings.

*Nonmajor* funds include The Board's Special Revenue Funds that account for The Board's federal grant programs. Fiduciary fund activity reported herein consists of the receipts and disbursements of school activity funds maintained at each school site as well as sales and use tax collections and distributions to the taxing bodies in the parish. The Board accounts for its fiduciary funds using the accrual basis of accounting. The sales and use tax department is housed in The Board's Central Office. While tax collection and distribution activities are reported in the fiduciary fund, all other departmental financial activity is reported in The Board's General Fund.

F. Assets, Liabilities, and Net Position or Equity

1) Deposits and Investments

Cash and cash equivalents are considered to be cash on hand, interest-bearing demand deposits, and short-term investments (usually time certificates of deposit), including investments in the Louisiana Asset Management Pool (LAMP). All of these cited instruments are considered cash equivalents, as long as their original maturities are of three months or less from the date of acquisition. Also, certificates of deposit having a maturity date in excess of three months are considered cash equivalents if they are covered by federal deposit insurance.

Statutes authorize The Board to invest in fully collateralized certificates of deposit issued by qualified commercial banks, federal credit unions, or savings and loan associations located in Louisiana, direct obligations of the United States government, or repurchase agreements made with 36 select dealers regulated by the Federal Reserve Bank of New York. The Board is also authorized to invest in LAMP, a non-profit corporation organized under state law and operated by the State Treasurer as a local government investment pool. LAMP investments may be liquidated at any time at par and therefore the cost of LAMP investments are the fair value of the investments.

2) Receivables and Payables

Activity between funds that indicates lending or borrowing arrangements outstanding at the end of the fiscal year is referred to as "Interfund Receivables / Payables". There is an assumed obligation on the part of the borrowing fund to repay that amount to the lending fund.

3) Ad Valorem Taxes

Ad valorem (property) taxes were levied by The Board on August 1, 2017, based on assessed valuation of property as of January 1, 2017. These taxes become due and payable on November 15 of each year, and become delinquent after December 31 of the year levied. However, before the taxes can be collected, the assessment list (i.e. tax roll) must be submitted to the Louisiana Tax Commission for approval. From the day the tax roll is filed with the St. James Parish Clerk of Court's Office, it shall act as a lien on each specific piece of real estate thereon assessed, which shall be subject to a legal mortgage after the 31<sup>st</sup> day of December of the current year for the payment of the taxes due thereon. Over 98% of ad valorem taxes are generally collected in December, January, and February of the fiscal year. A list of property on which taxes have not been paid is published in the official journal by the St. James Parish Tax Collector, which is a division of the St. James Parish Sheriff's Office (in Louisiana, the Sheriff's Office is the legally authorized collection agency for property taxes in each parish). If taxes are not

ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2018

paid within the time stipulated in the public notice, the property is sold for taxes due at a tax sale, usually held prior to the end of The Board's fiscal year. Consequently, any taxes left unpaid at June 30 of each year are usually immaterial. The Board authorized and levied the following ad valorem taxes on the 2017 tax rolls:

<u>Parishwide Taxes</u>	<u>Authorized Mills</u>	<u>Levied Mills</u>
Constitutional	4.02	3.85
Maintenance	6.04	5.98
Salaries and Benefits 1994	6.00	6.00
Salaries and Benefits 1997	9.00	8.60
Early Childhood Development 1997	3.00	2.87
Salaries and Benefits 2003	7.00	7.00
Debt Service	10.00	10.00

Under the Louisiana Constitution, ad valorem taxes other than the Constitutional Tax must be renewed by popular vote every ten years. The bonded indebtedness tax (Debt Service) remains in effect until all bond principal, interest and associated fees have been paid in full.

4) Sales and Use Taxes

The Board is authorized to collect a two and one-half (2.5) percent sales and use tax within St. James Parish. The first one percent, approved by parish voters on August 17, 1965, is dedicated to the payment of teacher salaries and / or operation of the public schools in St. James Parish. The next one percent, approved by voters on January 17, 1981, is dedicated for two purposes, with 60 percent of the proceeds used for the payment of salaries of teachers and other school employees and the remaining 40 percent used for operations and maintenance costs and / or capital improvements to the public schools of the parish. The additional one-half percent was approved by parish voters in May 2003 for employee salaries and or operation of the public schools. The Board is also authorized to collect a one percent sales and use tax levied by the St. James Parish Council (The Council) and a two percent sales tax levied by the River Parish Tourist Commission. The Board imposes a collection fee based on the pro-rata share of administrative and collections costs attributable to the sales and use tax collected on behalf of The Council and the Commission. Collection and distribution of taxes are accounted for in the Agency Fund fiduciary fund type while all department operational financial activity is accounted for in the General Fund. All sales and use taxes are levied in perpetuity and do not require renewal by parish voters.

5) Inventories

Inventories of the School Food Service Special Revenue Fund consist of food purchased by The Board and commodities granted by the United States Department of Agriculture (USDA) through the Louisiana Department of Agriculture and Forestry. Inventory items purchased are valued at cost using the "first-in, first-out" (FIFO) method. Costs are recorded as expenditures at the time the individual items are consumed (consumption method). Commodities are assigned values based on information provided by the USDA, also on a FIFO basis.

6) Other Assets

Other Assets consist of prepaid insurances, a multi-year instructional services agreement, and certain prepaid technology licensing and supplies. Expenditures are booked as the services expire (consumption method).

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7) Capital Assets

Capital assets, which include land, buildings and improvements, and furniture, fixtures, and equipment, are reported in the government-wide financial statements. Capital assets are not subject to depreciation unless they cost \$5,000 or more on an individual basis and have an estimated useful life of five or more years. The reporting threshold of \$5,000 is based on guidelines promulgated by The Board's primary oversight agency, the Louisiana Department of Education. Items costing less than \$5,000 are "expensed" at the time of purchase rather than depreciated. Depreciable assets do not have an assigned salvage value since any such amount would generally be immaterial. However, for purposes of insurance and maintaining an accountability of items generally subject to theft or misuse, The Board keeps a separate inventory of those particular items not meeting the dollar and useful life threshold but having "street value" (e.g., computers).

Capital assets purchased or constructed are recorded at historical cost, or, estimated historical cost if actual historical cost is not available. Donated capital assets are recorded at acquisition value. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Capital assets are depreciated using the straight-line method over useful lives of 5 to 15 years for furniture, fixtures, and equipment and up to 40 years for buildings and improvements. The Board does not possess any material amounts of infrastructure assets, such as sidewalks and parking lots. Amounts expended prior to June 30, 2002 for such items were considered to be part of the cost of the buildings or other immovable property such as stadiums. In the future, if such items are built or constructed, and are material in relation to the class of assets, they will be capitalized and depreciated.

8) Compensated Absences

Sick Leave - Teachers and other school employees accrue ten days of sick leave per year, which may be accumulated without limitation. Upon death or retirement, however, unused accumulated sick leave of a maximum of 25 days is paid to employees or their heirs at the employee's current rate of pay. The accrual computation for earned sick leave is calculated on, or any portion thereof, a 25-day maximum per employee. Sick leave is not payable upon discharge or termination. Under the Teachers Retirement System of Louisiana (TRSL), the total unused sick leave (including any amount which may be compensated as mentioned above), is used in retirement benefit calculations as earned service for leave earned prior to July 1, 1988. For sick leave earned after June 30, 1988 under the TRSL and for sick leave earned under the School Employees Retirement System (LSERS), all unpaid sick leave, which excludes the above state compensated days, is used in retirement benefit computations as earned service. Sick leave may be accumulated without limitation and is earned on a June 30 fiscal year basis. Certified employees may carry their accumulated sick leave from one public school district to another public school district in Louisiana. Amounts reported as compensated absences include only the salary component and not related benefits (e.g., the Medicare portion of social security), since any such benefit amounts would be immaterial.

Vacation - Full-time employees who work 12-month schedules are granted vacations in varying amounts as established by Board policy. Vacation time cannot be carried forward into a succeeding fiscal year and in the event of termination, an employee receives salary and related benefit compensation for any unused earned vacation.

Sabbatical Leave - 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 not more than two semesters of leave may be accumulated. Sabbatical leave does not vest. Sabbatical leave may only be taken for rest and recuperation (with a doctor's approval) or for professional and cultural improvement. Persons on sabbatical leave are paid 65 percent of their daily rate of pay for the number of

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days they are on sabbatical leave. Board policy concerning sabbatical leave is determined by and in accordance with state law. According to the provisions of GASB Statement No. 16, *Accounting for Compensated Absences*, sabbatical leave that involves professional and cultural improvement provides a continuing benefit to The Board and should not be accrued. Sabbatical leave granted for rest and recuperation is essentially considered an extended sick leave benefit and should not be accrued as sabbatical leave benefits. Accordingly, sabbatical leave benefits are recorded as current expenditures in the period the leave is taken and are not reflected as a liability on the government-wide financial statements.

9) Long-Term Obligations

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

In the fund financial statements, governmental fund types recognize bond premium or discount, as well as bond issuance costs, during the current period. The face amount of debt issued and premiums is reported as "Other Financing Sources" while discounts on debt issuances are reported as "Other Financing Uses". Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as an Other Financing Use in the Debt Service Fund.

10) Pension Plans

The Board is a participating employer in three defined benefit pension plans (plans) as further described in Note G. For the purposes of measuring 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.

11) Fund Equity and Net Position

Restricted Net position: For the government-wide statement of net position, net position is reported as restricted when constraints are placed on net position by creditors, grantors, contributors, laws, or regulations of other governments or by laws through constitutional provisions or enabling legislation. When both restricted and unrestricted resources are available for use, The Board's practice is to use restricted resources first, then unrestricted resources as necessary.

Fund Equity of Fund Financial Statements: Fund equity of governmental funds was previously discussed in item D. Government-Wide and Fund Financial Statements on page 21 of the Notes to Basic Financial Statements.

On June 30, 2018, The Board reported a fund deficit of some \$2.6 million in its Capital Projects Fund. As further explained in Note R, this deficit was liquidated in August 2018 with the consummation of the sale of St. James High School to a major industrial concern that is constructing a processing facility next to the site.

12) Comparative Data / Reclassifications

Comparative data for prior years have been presented in fund financial statements in order to facilitate the making of comparisons between years and to reconcile changes in financial position from year-to-year. Also, certain

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amounts presented in prior year data have been reclassified in order to be consistent with the current year's presentation.

13) Use of Estimates

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

14) New Accounting Standards and Restatement of Net Position

During the year ended June 30, 2018, The Board implemented GASB Statement No. 75 (GASB 75), *Accounting and Financial Reporting for Postemployment Benefits other than Pensions*. This Statement establishes standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures. For defined benefit OPEB, this Statement identifies the methods and assumptions that are required to be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service. Implementation of GASB 75 requires the restatement of Net Position for the initial measurement of The Board's postemployment benefit liability. As a result, beginning Net Position has been reduced by \$57,564,066.

II. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary Information

The Board follows these procedures in establishing the budgetary data contained in the financial statements. Prior to September 15 of each year, The Superintendent submits to The Board proposed annual budgets for the General Fund and all Special Revenue Funds. The General Fund budget includes all proposed general operational expenditures and the means of financing those expenditures. With the exception of the School Food Service program, all Special Revenue Funds budgets are based on grantor-approved project applications. The School Food Service program is reimbursed by state and federal grantors based on the number of meals served during the year and as such, proposed expenditures and the means of financing the proposed expenditures are budgeted in a manner similar to the proposed General Fund budget. In accordance with state law, a summary of the proposed budgets is published in The Board's Official Journal and The Board makes the proposed budgets available for public inspection. After a public hearing(s), The Board then acts on the proposed budgets, and through the adoption process, legally appropriates funding for the fiscal year in accordance with the adopted budgets.

Formal budgetary integration is employed as a management control device for the General Fund and the Special Revenue Funds. Formal budgetary integration is not employed for the Debt Service and Capital Projects Funds, which effectively achieve budgetary control through bond indenture provisions and Board-adopted construction plans, respectively. The General Fund budget and Special Revenue Funds budgets as adopted are prepared on a modified accrual basis of accounting. All appropriations lapse at the end of the fiscal year, and any material current year transactions directly related to the prior year's budget are rebudgeted in the current year. All budgets are prepared and presented in accordance with the provisions of the Louisiana Uniform Accounting Guide and Handbook (Bulletin 1929) issued by the Louisiana Department of Education. The legal level of budgetary control is set at the fund level.

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State law mandates that governmental units must revise their budgets when projected revenues decrease five percent from original budget amounts and when projected expenditures increase five percent from original budget amounts. Budgets included in this report are presented as originally adopted adjusted for revisions adopted by The Board during the fiscal year. Material revisions were made to the General Fund revenue budget to accommodate increases in local tax receipts of some \$1.1 million in Sales and Use Tax and roughly \$700,000 in Ad Valorem Tax revenue. Budget reductions of \$1.2 million and \$400,000 were implemented for state equalization funding and grant funding that was reduced by the grantor. On the expenditure side, additional allocations were made for initiatives in classroom instruction, increased maintenance activity necessary on Board facilities, and additional contract transportation services.

Expenditures exceeded budget allocations in one Special Revenue Fund, the Carl Perkins Vocational Education grant. The overage was absorbed by a funding increase received from the grantor.

Encumbrance accounting is employed in the governmental funds, however, due to operating philosophy and the nature of grant funding, encumbrances at year end are generally immaterial. For those encumbrances that do cross fiscal years, liabilities and expenditures are recorded and related encumbrances are liquidated as goods and services are received and contracts are executed.

**III. DETAILED NOTES ON ALL FUNDS**

**A. Equity in Pooled Cash, Deposits and Investments**

**1. Equity in Pooled Cash**

The Board maintains a consolidated cash pool used by all funds. Positive book balances are reported as "Cash and Cash Equivalents" while negative book balances are reflected as "Interfund Payables."

**2. Deposits**

On June 30, 2018 the Board had cash (book balances) totaling \$20,119,939. Included in the Cash and Cash Equivalents line item are the following:

Cash Deposits	\$ 19,327,184
LAMP	<u>792,755</u>
TOTAL	<u>\$ 20,119,939</u>

As of June 30, 2018, the Board's bank balance was \$19,808,819. Of the bank balance, \$501,976 was covered by Federal depository insurance and the Securities Investor Protection Corporation, and \$19,306,843 was covered by collateral held by the Board's fiscal agent in the Board's name.

Custodial credit risk for deposits is the risk that in the event of the failure of a depository financial institution, the Board's deposits may not be recovered or the Board will not be able to recover collateral securities that are in the possession of an outside party. Since the Board's uninsured bank balances were collateralized with securities held in the name of the Board by the pledging financial institution's agent, deposits in the amount of \$19,306,843 are exposed to custodial credit risk.

At June 30, 2018, the Board also had invested \$792,775 in the Louisiana Asset Management Pool (LAMP), a local government investment pool. In accordance with GASB Codification Section 150.126, the investment in LAMP at June 30, 2018 is not categorized in the three risk categories evidenced by securities that exist in physical or book

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entry form. Due to the short-term nature of the LAMP portfolio and the immediate access at par feature, investments in LAMP are considered cash equivalents by the Board.

LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local 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.

LAMP is a 2a7-like investment pool. The following facts are relevant for 2a7-like investment pools:

- Credit risk: LAMP is rated AAAM 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 for the 5 percent disclosure requirement.
- 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 risk 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 to 2a7-like pools.

The investments in LAMP are stated at fair value based on quoted market rates (Level 1). 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 net asset value of the pool shares.

LAMP, Inc. is subject to the regulatory oversight of the state treasurer and the board of directors. LAMP is not registered with the SEC as an investment company.

**B. Receivables**

The receivables of \$ 4,400,583 on June 30, 2018 consisted of the following:

	General Fund	Debt Service Fund	Non-Major Governmental Funds	TOTALS
Federal Grants	\$ 6,019	\$ -	\$ 1,686,861	\$ 1,692,880
State Grants	412,855	-	-	412,855
Local Taxes / Other	2,285,764	319	8,765	2,294,848
<b>TOTALS</b>	<b>\$ 2,704,638</b>	<b>\$ 319</b>	<b>\$ 1,695,626</b>	<b>\$ 4,400,583</b>

**C. Capital Assets**

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

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	<u>Land</u>	<u>Buildings and Imprvmts</u>	<u>Furniture, Fixtures &amp; Equipment</u>	<u>Work in Progress</u>	<u>TOTALS</u>
Cost, July 1, 2017	\$ 2,402,231	\$ 103,704,464	\$ 8,421,943	\$ 19,310,540	\$ 133,839,178
Additions	-	5,751,895	36,818	19,641,391	25,430,104
Deletions	-	-	69,043	1,446,167	1,515,210
Cost, June 30, 2018	<u>\$ 2,402,231</u>	<u>\$ 109,456,359</u>	<u>\$ 8,389,718</u>	<u>\$ 37,505,764</u>	<u>\$ 157,754,072</u>
<u>Depreciation:</u>					
Accumulated, July 1, 2017	\$ -	\$ 40,185,780	\$ 3,341,724	\$ -	\$ 43,527,504
Additions	-	2,788,707	1,107,845	-	3,896,552
Deletions	-	-	69,043	-	69,043
Accumulated, June 30, 2018	<u>\$ -</u>	<u>\$ 42,974,487</u>	<u>\$ 4,380,526</u>	<u>\$ -</u>	<u>\$ 47,355,013</u>
Capital Assets, net of Accumulated Depreciation, June 30, 2018	<u>\$ 2,402,231</u>	<u>\$ 66,481,872</u>	<u>\$ 4,009,192</u>	<u>\$ 37,505,764</u>	<u>\$ 110,399,059</u>

Capital assets recorded under The Board's capital lease are computers utilized in The Board's one-to-one computer initiative. The gross amount carried in the Furniture, Fixtures, and Equipment category is \$3,392,499.

Depreciation expense of \$3,896,552 for the year ended June 30, 2018 was charged accordingly:

Instruction:

Regular Programs	\$ 345,166
Special Programs	87,312
Vocational Programs	15,612
All Other Programs	79,111

Support Services:

Pupil Support	70,019
Instructional Staff Support	53,371
General Administration	2,922,414
School Administration	65,678
Business Services	11,521
Plant Services	96,855
Pupil Transportation	68,116
Central Services	29,699
Food Services	51,677

TOTAL	\$ <u>3,896,552</u>
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**D. Accounts, Salaries, and Other Payables**

The payables of \$ 9,850,393 on June 30, 2018 consisted of the following:

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	General Fund	Capital Projects Fund	Non-Major Governmental Funds	<b>TOTALS</b>
Accounts	\$ 909,972	\$ 1,469,561	\$ 21,722	\$ 2,401,255
Salaries and Benefits	3,560,239	-	146,319	3,706,558
Contracts	-	2,933,208	-	2,933,208
Worker's Comp Accrued Claims	67,387	-	-	67,387
Health Insurance Accrued Claims	741,985	-	-	741,985
<b>TOTALS</b>	<b>\$ 5,279,583</b>	<b>\$ 4,402,769</b>	<b>\$ 168,041</b>	<b>\$ 9,850,393</b>

**E. Interfund Receivables, Payables, and Transfers**

Amounts of interfund receivables, payables, and transfers as of and for the year ended June 30, 2018 follow:

	<u>Interfund Balances and Transfers</u>			
	<u>Receivables</u>	<u>Payables</u>	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ 1,571,013	\$ -	\$ 227,567	\$ 428,529
Non-Major Governmental Funds:				
NCLB Title I	-	563,453	-	66,139
NCLB Titles II and III	-	108,943	-	16,756
NCLB IDEA	-	477,161	-	56,125
Vocational Education	-	32,027	-	-
Head Start	-	389,429	-	88,547
School Food Service	-	-	428,529	-
<b>TOTALS</b>	<b>\$ 1,571,013</b>	<b>\$ 1,571,013</b>	<b>\$ 656,096</b>	<b>\$ 656,096</b>

Interfund receivables and payables arise as a result of the consolidated cash account utilized by The Board. All operating funds are deposited in a single bank account and disbursements are made through two zero-balance checking accounts. Due to the reimbursement nature of the federal funds operated by The Board, negative cash balances arise throughout the year and are accordingly reported as interfund receivables and payables.

Interfund transfers reflect indirect cost funding provided to the General Fund from federal grants based on programmatic expenditures. An interfund transfer is reported for state equalization monies provided to the School Food Service fund from the General Fund, where the state funding is reported as revenue.

**F. Long-Term Liabilities**

Long-term liabilities consist of bonded debt, capital leases, compensated absences payable, net pension liability further discussed in Note G, and the OPEB further discussed in Note H. A summary of changes in bonded debt, capital leases, and compensated absences payable for the year ended June 30, 2018 follows:

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	Balance, July 1, 2017	Additions	Retirements	Balance, June 30, 2018
Bonded Debt	\$ 79,914,997	\$ -	\$ 4,293,333	\$ 75,621,664
Bond Premium	1,611,109	-	86,930	1,524,179
Capital Lease	1,973,320	-	982,240	991,080
Compensated Absences	2,160,739	60,921	87,348	2,134,312
<b>TOTALS</b>	<b>\$ 85,660,165</b>	<b>\$ 60,921</b>	<b>\$ 5,449,851</b>	<b>\$ 80,271,235</b>

General Obligation Bonds, Qualified School Construction Bonds, Certificates of Indebtedness, and Capital Leases

The Board has several debt issues outstanding at June 30, 2018. The April 1, 2006 bond issue was for the advance refunding of 1990, 1994, 1995, 2000, and 2002 bonds, respectively. The June 1, 2011, September 1, 2012, September 1, 2015, and April 1, 2016 issues of General Obligation and Qualified School Construction Bonds (QSCB Series 2011) have been and are being used to fund parishwide facility improvements and/or capital equipment acquisition. The April 1, 2015 issue advance refunded the majority of bonds issued December 1, 2007 and the February 1, 2002 Qualified Zone Academy Bonds (QZAB) monies. The June 1, 2015 capital lease agreement is with Apple Financial Services for a one-to-one classroom computer initiative. A summary of bonded debt and premium:

Date of Issue	Original Issue	Interest Rates	Final Pymt Due	Interest to Maturity	Principal Outstanding	Premium on Debt
<i>General Obligation Bonds:</i>						
April 1, 2006	4,245,000	3.4-4.05%	4-1-20	\$ 65,253	\$ 995,000	\$ -
June 1, 2011	6,500,000	0-1%	3-1-26	234,000	3,466,664	-
September 1, 2012	13,500,000	2-3.125%	3-1-32	2,555,094	10,505,000	-
April 1, 2015	10,910,000	1.2-2.6%	3-1-27	1,255,498	9,795,000	-
September 1, 2015	20,000,000	3.75-5%	3-1-35	6,455,577	17,305,000	649,302
April 1, 2016	36,000,000	3.125-5%	3-1-36	11,380,508	33,555,000	874,879
	<i>General Obligation Bonds</i>			21,945,930	75,621,664	1,524,181
<i>Capital Lease:</i>						
June 1, 2015	3,392,499	1.997%	7-15-18	8,919	991,080	-
	TOTALS			\$ 21,954,849	\$ 76,612,744	\$ 1,524,181
TOTAL PRINCIPAL AND PREMIUM ON BOND ISSUANCE					\$ 78,136,925	

The current portion of long-term debt is \$5,531,343 while the long-term portion is \$72,605,582. Principal and interest requirements are funded in accordance with Louisiana law by the annual tax levy on taxable property within the parish taxing district, with the exception of the capital lease obligation funded by General Fund revenues. At June 30, 2018, The Board had amassed \$6,936,092 in the Debt Service Fund for future bonded debt requirements. The Board is legally restricted from incurring long-term debt financed through property taxes in excess of 35% of the assessed valuation of taxable property. At June 30, 2018, the statutory limit was \$292,352,861 and the remaining debt margin was \$215,207,016. Future funding requirements on long-term debt:

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June 30, 2018

<i>Fiscal</i> <u>Year</u>	<i>General Obligation Bonds</i>					<i>Capital Lease</i>		<b>TOTALS</b>
	<u>4-1-06</u>	<u>6-1-11</u>	<u>9-1-12</u>	<u>4-1-15</u>	<u>9-1-15</u>	<u>4-1-16</u>	<u>6-1-15</u>	
2019 Prin	485,000	433,333	570,000	940,000	725,000	1,300,000	991,080	5,444,413
Int	39,748	29,250	301,850	231,042	691,794	1,120,400	8,919	2,423,003
2020 Prin	510,000	433,333	595,000	970,000	755,000	1,350,000		4,613,333
Int	25,506	29,250	286,144	212,439	655,544	1,062,213		2,271,096
2021 Prin		433,333	620,000	1,010,000	785,000	1,405,000		4,253,333
Int		29,250	271,331	191,884	617,794	1,008,150		2,118,409
2022 Prin		433,333	645,000	1,045,000	820,000	1,465,000		4,408,333
Int		29,250	257,976	169,352	578,544	944,588		1,979,710
2023 Prin		433,333	670,000	1,085,000	850,000	1,525,000		4,563,333
Int		29,250	243,008	145,139	537,544	882,775		1,837,716
2024-2028								
Prin		1,299,999	3,785,000	4,745,000	4,805,000	8,605,000		23,239,999
Int		87,750	903,306	305,642	2,081,019	3,746,863		7,124,580
2029-2033								
Prin			3,620,000		5,870,000	10,510,000		20,000,000
Int			291,479		1,140,713	2,132,975		3,565,167
2034-2036								
Prin					2,695,000	7,395,000		10,090,000
Int					152,625	482,544		635,169
Totals: Prin	<u>995,000</u>	<u>3,466,664</u>	<u>10,505,000</u>	<u>9,795,000</u>	<u>17,305,000</u>	<u>33,555,000</u>	<u>991,080</u>	<u>76,612,744</u>
Int	<u>65,254</u>	<u>234,000</u>	<u>2,555,094</u>	<u>1,255,498</u>	<u>6,455,577</u>	<u>11,380,508</u>	<u>8,919</u>	<u>21,954,850</u>
<b>TOTALS</b>	<b>\$ <u>1,060,254</u></b>	<b>\$ <u>3,700,664</u></b>	<b>\$ <u>13,060,094</u></b>	<b>\$ <u>11,050,498</u></b>	<b>\$ <u>23,760,577</u></b>	<b>\$ <u>44,935,508</u></b>	<b>\$ <u>999,999</u></b>	<b>\$ <u>98,567,594</u></b>

Compensated Absences

Compensated absences consist of that portion of accumulated regular sick leave for which The Board may have an obligation to pay for up to twenty-five (25) days thereof. All amounts reported are computed using the employee's daily rate of pay as of June 30, 2018. Of the \$ 2,134,312 balance reported, \$75,527 is estimated to be due within one year of June 30, 2018. All compensated absence liabilities are liquidated through the General Fund.

**G. Employee Retirement Systems**

Eligible employees of the St. James Parish School Board participate in one of two multiple-employer public employee retirement systems (PERS), which are controlled and administered by a separate board of trustees. These retirement systems provide retirement, disability and death benefits to plan members and their beneficiaries. Pertinent information relative to each plan follows:

Teachers' Retirement System of Louisiana – Regular and Plan A

For purposes of measuring the Net Pension Liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Teachers' Retirement System of Louisiana (TRSL) and additions to/deductions from TRSL's fiduciary net position have been determined on the same basis as they are reported by TRSL. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms.

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Investments are reported at fair value. The following is a description of the plan and its benefits and is provided for general informational purposes only.

Plan Description: TRSL was established for the purpose of providing retirement allowances and other benefits as stated under the provisions of La. R.S. 11:700-999, as amended, for eligible teachers, employees, and their beneficiaries. The projection of benefit payments in the calculation of the total pension liability includes all benefits to be provided to current active and inactive employees through the System in accordance with the benefit terms and any additional legal agreements to provide benefits that are in force at the measurement date. TRSL issues a publicly available financial report that can be obtained at [www.trsl.org](http://www.trsl.org).

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

Normal retirement: Regular Plan – Members whose first employment makes them eligible for membership in a Louisiana state retirement system on or after July 1, 2015, may retire with a 2.5% benefit factor after attaining age sixty-two with at least 5 years of service credit and are eligible for an actuarially reduced benefit with 20 years of service at any age. Members hired between January 1, 2011 and June 30, 2015 may retire with a 2.5% benefit factor after attaining age sixty with at least 5 years of service credit and are eligible for an actuarially reduced benefit with 20 years of service at any age. Members hired between July 1, 1999 and December 21, 2010, are eligible for a 2.5% benefit factor at the earliest of age 60 with 5 years of service, age 55 with 25 years of service, or at any age with 30 years of service. Members may retire with an actuarially reduced benefit with 20 years of service at any age. If hired before July 1, 1999, members are eligible for a 2% benefit factor at the earliest of age 60 with 5 years of service, or at any age with 20 years of service and are eligible for a 2.5% benefit factor at the earliest of age 65 with 20 years of service, age 55 with 25 years of service, or at any age with 30 years of service.

Normal retirement: Plan A – Members may retire with a 3.0% annual accrual rate at age 55 with 25 years of service, age 60 with 5 years of service or 30 years of service, regardless of age. Plan A is closed to new entrants.

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

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

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

Deferred Retirement Option Program (DROP): In lieu of terminating employment and accepting a service retirement, an eligible member can begin participation in the Deferred Retirement Option Program (DROP) on the first retirement eligibility date for a period not to exceed the 3 years. A member has a 60-day window from his first eligible date to participate in the program in order to participate for the maximum number of years. Delayed

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participation reduces the three-year participation period. During participation, benefits otherwise payable are fixed, and deposited in an individual DROP account.

Upon termination of DROP, the member can continue employment and earn additional accruals to be added to the fixed pre-DROP benefit.

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

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

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

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

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

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

#### Optional Retirement Plan (ORP)

The Optional Retirement Plan (ORP) was established for academic employees of public institutions of higher education who are eligible for membership in TRSL. This plan was designed to provide certain academic and unclassified employees of public institutions of higher education an optional method of funding for their retirement.

The ORP is a defined contribution pension plan which provides for portability of assets and full and immediate vesting of all contributions submitted on behalf of the affected employees to the approved providers. These providers are selected by the TRSL Board of Trustees. Monthly employer and employee contributions are invested

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as directed by the employee to provide the employee with future retirement benefits. The amount of these benefits is entirely dependent upon the total contributions and investment returns accumulated during the employee's working lifetime. Employees in eligible positions of higher education can make an irrevocable election to participate in the ORP rather than TRSL and purchase annuity contracts—fixed, variable, or both—for benefits payable at retirement.

Contributions: The employer contribution rate is established annually under LA R.S. 11:101 – 11:104 by the Public Retirement Systems' Actuarial Committee (PRSAC), taking into consideration the recommendation of the System's actuary. Each sub plan pays a separate actuarially determined employer contribution rate. However, all assets of TRSL are used for the payment of benefits for all classes of members, regardless of their plan.

The normal cost portion of each plan's employer contribution rate varies based upon that plan's benefits, member demographics, and the rate contributed by employees. The Unfunded Accrued Liability (UAL) contribution rate is determined in aggregate for all plans. The UAL resulting from legislation specific to a plan or group of plans will be allocated entirely to that plan or those plans. For ORP, only the UAL portion of the employer contribution is retained by the plan. Therefore, only the UAL projected rates were used in the projection of future contributions in determining an employer's proportionate share.

The rates in effect during the fiscal year ended June 30, 2018 are as follows:

<u>TRSL Sub Plan 2018</u>	<u>Employer Contributions</u>
K-12 Regular Plan	26.6%
Higher Ed Regular Plan	25.4%
Plan A	26.6%
Plan B	26.6%

<u>ORP</u>	<u>Employer UAL</u>
2018	22.2%

The agency's contractually required composite contribution rate for the year ended June 30, 2018 was 26.6% of annual payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year with an additional amount to finance any Unfunded Actuarial Accrued Liability. Contributions to the pension plan from the School Board were \$7,451,600 for the year ended June 30, 2018.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: At June 30, 2018, the School Board reported a liability of \$63,548,926 for its proportionate share of the TRSL Net Pension Liability. The Net Pension Liability was measured as of June 30, 2017 and the total pension liability used to calculate the Net Pension Obligation was determined by an actuarial valuation as of that date. The School Board's proportion of the Net Pension Liability was based on a projection of the School Board's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2017, the School Board's proportion was 0.61988%, which was a decrease of 0.03228% from its proportion measured as of June 30, 2016.

For the year ended June 30, 2018, the School Board recognized pension expense of \$4,911,354 plus employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions of \$81,129.

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

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ 2,088,956
Changes in assumptions	670,125	-
Net difference between projected and actual earnings on pension plan investments	-	1,641,354
Changes in proportion and differences between employer contributions and proportionate share of contributions	2,004,924	2,944,480
Employer contributions subsequent to the measurement date	<u>7,451,600</u>	<u>-</u>
TOTALS	\$ <u>10,126,649</u>	\$ <u>6,674,790</u>

Deferred outflows of resources of \$7,451,600 related to pensions resulting from School Board contributions subsequent to the measurement date will be recognized as a reduction of the Net Pension Liability in the year ended June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>FYE June 30,</u>	<u>Pension Expense</u>
2019	\$ (1,466,116)
2020	581,425
2021	(778,310)
2022	<u>(2,336,740)</u>
TOTAL	\$ <u>(3,999,741)</u>

Contributions – Proportionate Share: Differences between contributions remitted to the System and the employer’s proportionate share are recognized in pension expense using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with a pension through the pension plan. The resulting deferred inflow/outflow and amortization is not reflected in the Schedule of Pension Amounts by Employer due to differences that could arise between contributions reported by the System and contributions reported by the participating employer.

Actuarial Assumptions: The net pension liability was measured as the portion of the present value of projected benefit payments to be provided through the pension plan to current active and inactive employees that is attributed to those employees’ past periods of service, less the amount of the pension plan’s fiduciary net position.

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

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Teachers' Retirement System of Louisiana

Actuarial Cost Method	Entry Age Normal
Amortization Approach	Closed
Actuarial Assumptions:	
Expected Remaining Service Lives	5 years
Investment Rate of Return	7.70% net of investment expenses
Inflation Rate	2.5% per annum
Salary Increases	3.5 - 10% depending on duration of service
Cost of Living Adjustments	None
Mortality Rates	Based on the RP-2000 Mortality Table with projection to 2025 using Scale AA
Termination and Disability	Based on a 5-year experience (2008-2012) of TRSL members

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 8.33% for 2017. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2017 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Equity	27.00%	4.28%
International Equity	19.00%	4.96%
Domestic Fixed Income	13.00%	1.98%
International Fixed Income	5.50%	2.75%
Private Equity	25.50%	8.47%
Other private assets	10.00%	3.51%

Discount Rate: The discount rate used to measure the total pension liability was 7.70%, down .05% from the 7.75% in the prior year. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers will be made at the actuarially determined rates approved by PRSAC taking into consideration the recommendation of the System's actuary. Based on those assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Employer's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate: The following presents the Employer's proportionate share of the Net Pension Liability calculated using the discount rate of 7.70%, as well as what the Employer's proportionate share of the Net Pension Liability would be if it were

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calculated using a discount rate that is one percentage- point lower (6.70%) or one percentage-point higher (8.70%) than the current rate:

	1% Decrease 6.70%	Current Rate 7.70%	1% Increase 8.70%
Employers Proportionate Share of the Net Pension Liability	\$ <u>81,884,241</u>	\$ <u>63,548,926</u>	\$ <u>47,951,516</u>

Support of Non-employer Contributing Entities: Contributions received by a pension plan from non-employer contributing entities that are not in a special funding situation are recorded as revenue by the respective pension plan. The School Board recognizes revenue in an amount equal to their proportionate share of the total contributions to the pension plan from these non-employer contributing entities. During the year ended June 30, 2018, the School Board recognized revenue as a result of support received from non-employer contributing entities of \$240,282 for its participation in TRSL.

Payables to the Pension Plan: The School Board recorded accrued liabilities to TRSL for the year ended June 30, 2018, primarily due to the accrual for payroll at the end of the fiscal year. The amounts due are included in liabilities under the amounts reported as accounts, salaries, and other payables. The balance due to TRSL as of June 30, 2018 is \$1,509,388.

Pension Plan Fiduciary Net Positions: Detailed information about the pension plan's fiduciary net position is available in the separately issued TRSL 2017 Comprehensive Annual Financial Report at [www.trsl.org](http://www.trsl.org).

Louisiana School Employees' Retirement System (LSERS)

For purposes of measuring the Net Pension Liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the State of Louisiana School Employees' Retirement System (System) and additions to/deductions from the System's fiduciary net position have been determined on the same basis as they are reported by the System. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. The following is a description of the plan and its benefits and is provided for general information purposes only. Participants should refer to the appropriate statutes for more complete information.

Plan Description: Certain employees of the School Board are provided with pensions through a cost-sharing multiple-employer defined benefit plan administered by the State of Louisiana School Employees' Retirement System, a component unit of the State of Louisiana. The System was established and provided for by LA R.S. 11:1001 of the Louisiana Revised Statutes. The System issues a publicly available financial report that can be obtained at [www.lasers.net](http://www.lasers.net).

Membership is mandatory for all persons employed by a Louisiana parish or city school board who work more than twenty hours per week or for part-time employees who have ten years of creditable service in the System as a school bus driver, school janitor, school custodian, school maintenance employee, school bus aide, monitor or attendant, or any other regular school employee who actually works on a school bus helping with the transportation of school children. If a person is employed by and is eligible to be a member of more than one public agency within the state, he must be a member of each such retirement system. Members are vested after 10 years of service or 5 years if enrolled after June 30, 2010.

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All temporary, seasonal, and part-time employees as defined in Federal Regulations 26 CFR 31:3121(b)(7)-2 who have less than 10 years of creditable service are not eligible for membership in the System. Any employee whose employment falls below 4.1 hours per day or 20.1 hours per week and who is not vested will be eligible to receive a refund of their contributions.

Benefits Provided: Benefit provisions are authorized and amended by Louisiana Revised Statutes 11:1141 – 11:1153. The following is a description of the plan and its benefits and is provided for general information purposes only. Participants should refer to the appropriate statutes for more complete information.

Retirement: A member who joined the System on or before June 30, 2010 is eligible for normal retirement if he has at least 30 years of creditable service regardless of age, 25 years of creditable service and is at least age 55, 20 years of creditable service regardless of age with an actuarially reduced benefit, or 10 years of creditable service and is at least age 60. A member who joined the system on or after July 1, 2010 is eligible for normal retirement if he has at least 5 years of creditable service and is at least age 60, or 20 years of creditable service regardless of age with an actuarially-reduced benefit. A member who joined the System on or after July 1, 2015, is eligible for normal retirement if he has at least five years of creditable service and is at least age 62, or 20 years of creditable service regardless of age with an actuarially-reduced benefit.

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

For members who join the System on or after July 1, 2010, 2 1/2% of the average compensation is used to calculate benefits and consists of the five highest consecutive years' average salary, subject to the 15% salary limitation. The supplemental allowance was eliminated for members entering the System on or after July 1, 1986. Effective January 1, 1992, the supplemental allowance was reinstated to all members whose service retirement became effective after July 1, 1971.

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

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

The System also provides for deferred benefits for vested members who terminate before being eligible for retirement. Once the member reaches the appropriate age for retirement, the benefits become payable.

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Disability Benefits: A member is eligible to retire and receive disability benefits if he has at least five years of creditable service, is not eligible for normal retirement and has become totally and permanently disabled, and is certified as disabled by the Medical Board. A vested person with twenty or more years of creditable service, who has withdrawn from active service prior to the age at which he is eligible for retirement benefits, is eligible for a disability benefit until normal retirement age. A member who joins the System on or after July 1, 2006, must have at least ten years of service to qualify for disability benefits.

Survivor Benefits: Upon the death of a member with five or more years of creditable service, the System provides benefits for surviving spouses and minor children. Under certain conditions outlined in the statutes, a spouse is entitled to 75% of the member's benefits.

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

Contributions: Contributions for all participating school boards are actuarially determined as required by Act 81 of 1988 but cannot be less than the rate required by the Constitution. The actual employer contribution rate for the year ended June 30, 2017 was 27.3%.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: At June 30, 2018, the School Board reported a liability of \$1,848,768 for its proportionate share of the System's Net Pension Liability. The Net Pension Liability was measured as of June 30, 2017 and the total pension liability used to calculate the Net Pension Obligation was determined by an actuarial valuation as of that date. The School Board's proportion of the Net Pension Liability was based on a projection of the School Board's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2017, the School Board's proportion was 0.288903%, which was a decrease of 0.057988% from its proportion measured as of June 30, 2016.

For the year ended June 30, 2018, the School Board recognized a pension benefit of \$205,822 plus employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions of \$7,134. At June 30, 2018, the School Board 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	\$ -	\$ 43,112
Changes in assumptions	38,765	28,801
Net difference between projected and actual earnings on pension plan investments	-	28,909
Changes in proportion and differences between employer contributions and proportionate share of contributions	-	343,613
Employer contributions subsequent to the measurement date	206,177	-
TOTALS	\$ <u>244,942</u>	\$ <u>444,435</u>

Deferred outflows of resources of \$206,177 reported as deferred outflows of resources related to pensions resulting from School Board contributions subsequent to the measurement date will be recognized as a reduction

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of the net pension liability in the year ended June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

FYE June 30,	Pension Expense
2019	\$ (273,784)
2020	(76,806)
2021	12,186
2022	<u>(67,266)</u>
TOTAL	<u>\$ (405,670)</u>

Contributions – Proportionate Share: Differences between contributions remitted to the System and the employer’s proportionate share are recognized in pension expense/(benefit) using the straight line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided pensions through the pension plan. The resulting deferred inflow/outflow and amortization is not reflected in the Schedule of Pension Amounts by Employer due to differences that could arise between contributions reported by the System and contributions reported by the participating employer..

Actuarial Assumptions: The net pension liability was measured as the portion of the present value of projected benefit payments to be provided through the pension plan to current active and inactive employees that is attributed to those employees’ past periods of service, less the amount of the pension plan’s fiduciary net position. A summary of the actuarial methods and assumptions used in determining the total pension liability as of June 30, 2017 are as follows:

Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Expected Remaining Service Lives	3 years
Investment Rate of Return	7.125%, net of investment expense, including inflation
Inflation Rate	2.625% per annum
Mortality Rates	Based on the RP-2000 Sex Distinct Mortality Table and RP-2000 Disabled Lives Mortality Table
Salary Increases, Including Inflation and Merit Increases	Based on a 2008-2012 experience study ranging from 3.075% to 5.375%
Cost of Living Adjustments	Not substantively automatic.

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 and accrued liabilities do not include provisions for potential future increases not yet authorized by the Board of Trustees, but do include a recognition of the existing balance in the Experience Account together with the present value of future contributions to the Account up to the maximum permissible value of the Account based upon current account limitations.

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

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%.

The target allocation and best estimates of arithmetic real rates of return for each major asset class as of June 30, 2017 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Fixed Income		
Core Fixed Income	8.00%	2.02%
High Yield	5.00%	4.43%
Emerging Markets Debt	7.00%	4.71%
Global Fixed Income	10.00%	1.38%
Equity		
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%
Alternatives		
Private Equity	5.00%	10.47%
Hedge Fund of Funds	3.00%	3.75%
Real Estate	5.00%	5.00%
Real Assets		
Timber	2.00%	5.67%
Oil and Gas	2.00%	10.57%
Infrastructure	2.00%	6.25%
Totals	<u>100.00%</u>	

Discount Rate: The discount rate used to measure the total pension liability was 7.125%, the same as the prior year. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from participating employers will be made at the actuarially-determined rates approved by the Public Retirement Systems' Actuarial Committee, taking into consideration the recommendation of the System's actuary. Based on these assumptions, the system's fiduciary net position was projected to be available to make all projected future benefit payments of current plan

ST. JAMES PARISH SCHOOL BOARD

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NOTES TO BASIC FINANCIAL STATEMENTS

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members. Therefore, the long-term expected rate of return on pension plan investments was applied to all period of projected benefit payments to determine the total pension liability.

Sensitivity of the Employer's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate: The following presents the employer's proportionate share of the net pension liability calculated using the discount rate of 7.125%, as well as what the employer's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage-point lower (6.125%) or one percentage-point higher (8.125%) than the current rate:

	<u>1% Decrease 6.125%</u>	<u>Current Rate 7.125%</u>	<u>1% Increase 8.125%</u>
Employers Proportionate Share of the Net Pension Liability	\$ <u>2,534,444</u>	\$ <u>1,848,768</u>	\$ <u>1,259,933</u>

Payables to the Pension Plan: The School Board recorded accrued liabilities to the System for the year ended June 30, 2018, primarily due to the accrual for payroll at the end of the fiscal year. The amounts due are included in liabilities under the amounts reported as accounts, salaries, and other payables. The balance due to the System as of June 30, 2018 is \$34,143.

Pension Plan Fiduciary Net Positions: Detailed information about the pension plan's fiduciary net position is available in the separately issued stand-alone audit report issued on School Employees' Retirement System financial statements for the year ended June 30, 2017. Access to the audit report can be found on the Office of the Louisiana Legislative Auditor's official website: [www.lla.state.la.us](http://www.lla.state.la.us).

Aggregate Pension Liability, Deferred Outflows of Resources, Deferred Inflows of Resources, and Pension Expense

As detailed earlier in this disclosure, The Board participates in two separate defined benefit pension plans. The aggregate amounts for The Board's participation in Teachers Retirement System of Louisiana (TRSL) and Louisiana School Employees Retirement System (LSERS) are presented below. The Board has no Pension Assets.

The Board's aggregate Proportionate Share of the Net Pension Liability is as follows:

	<u>1% Decrease</u>	<u>Current</u>	<u>1% Increase</u>
TRSL	\$ 81,884,241	\$ 63,548,926	\$ 47,951,516
LSERS	<u>2,534,444</u>	<u>1,848,768</u>	<u>1,259,933</u>
Aggregate	\$ <u>84,418,685</u>	\$ <u>65,397,694</u>	\$ <u>49,211,449</u>

The Board's aggregate Deferred Outflows of Resources related to pensions are as follows:

<u>Deferred Outflows of Resources</u>		
<u>TRSL</u>	<u>LSERS</u>	<u>Aggregate</u>
\$ <u>10,126,649</u>	\$ <u>244,942</u>	\$ <u>10,371,591</u>

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The Board's aggregate Deferred Inflows of Resources related to pensions are as follows:

<u>Deferred Inflows of Resources</u>		
<u>TRSL</u>	<u>LSERS</u>	<u>Aggregate</u>
\$ <u>6,674,790</u>	\$ <u>444,435</u>	\$ <u>7,119,225</u>

The Board's aggregate Pension Expense for the Year Ended June 30, 2018 follows:

<u>Pension Expense</u>		
<u>TRSL</u>	<u>LSERS</u>	<u>Aggregate</u>
\$ <u>4,992,483</u>	\$ <u>212,956</u>	\$ <u>5,205,439</u>

H. Risk Management

The Board is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omission; injuries to employees; and natural disasters. Except as noted below, for the year ended June 30, 2018, The Board purchased commercial insurance policies to satisfy any claims related to general liability, vehicle liability, property and casualty, athletic participation, employee health and accident, and errors and omissions. The General Fund accounts for all risk-financing activity.

During the year ended June 30, 2018, there was no significant reduction in insurance coverage in any of the risk categories mentioned above. Additionally, The Board has had no settlements in excess of insurance coverage during any of the past three fiscal years.

The Board is partially self-insured for employee group health insurance and maintains additional reinsurance from an independent carrier for any claims incurred in excess of specified limits. Those funds with covered employees remit monthly premiums to the Health Insurance Reserve Fund which pays claims based on invoices submitted to The Board's third-party administrator.

The plan was established on October 1, 2003 and all financial activity is reported in the General Fund. The Board is also partially self-insured for worker's compensation up to \$450,000 per occurrence and subject to an aggregate loss fund in an amount equal to 80% of the standard manual premium. An independent carrier insures The Board for excess worker's compensation claims over and above the afore-mentioned limits. Claims liabilities are funded through the General Fund and Special Revenue Funds that incur claims liabilities and liability amounts for claims incurred but not reported are actuarially determined by each of The Board's third-party plan administrators.

All incurred but not reported claims are considered due within a year of the date of the Statement of Net Position. A reconciliation of claims liability for the past three fiscal years follows on the next page:

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	<u>Beginning Liability</u>	<u>Current Claims and Changes in Estimates</u>	<u>Claims Paid</u>	<u>Ending Liability</u>
<b><u>2018</u></b>				
Worker's Comp	\$ 72,959	\$ 176,903	\$ 182,475	\$ 67,387
Health Insurance	<u>518,712</u>	<u>6,983,474</u>	<u>6,760,201</u>	<u>741,985</u>
<b>TOTALS</b>	<b>\$ <u>591,671</u></b>	<b>\$ <u>7,160,377</u></b>	<b>\$ <u>6,942,676</u></b>	<b>\$ <u>809,372</u></b>
<b><u>2017</u></b>				
Worker's Comp	\$ 270,732	\$ (67,067)	\$ 130,706	\$ 72,959
Health Insurance	<u>402,650</u>	<u>5,742,992</u>	<u>5,626,930</u>	<u>518,712</u>
<b>TOTALS</b>	<b>\$ <u>673,382</u></b>	<b>\$ <u>5,675,925</u></b>	<b>\$ <u>5,757,636</u></b>	<b>\$ <u>591,671</u></b>
<b><u>2016</u></b>				
Worker's Comp	\$ 181,582	\$ 462,637	\$ 373,487	\$ 270,732
Health Insurance	<u>814,669</u>	<u>4,224,257</u>	<u>4,636,276</u>	<u>402,650</u>
<b>TOTALS</b>	<b>\$ <u>996,251</u></b>	<b>\$ <u>4,686,894</u></b>	<b>\$ <u>5,009,763</u></b>	<b>\$ <u>673,382</u></b>

I. Commitments

The Board is entered into several different contracts which result in commitments in various phases of The Board's operations. The material contractual obligations outstanding at June 30, 2018 were all construction contracts financed through the Capital Projects Fund. A summary follows:

<u>Project</u>	<u>School</u>	<u>Contract Amount</u>	<u>Paid to Date</u>	<u>Contracts Payable</u>	<u>Contract Balance</u>
New Athletic Facility	New St. James High School	3,040,640	2,888,608	152,032	-
Early College Project	Career and Technology Ctr	3,331,414	3,316,414	15,000	-
New High School Facility	New St. James High School	23,610,966	21,800,937	1,444,838	365,191
Roofing, Lighting, Mechanical	Career and Technology Ctr	2,088,302	2,084,302	4,000	-
CTC Abatement Project	Career and Technology Ctr	78,800	70,920	7,880	-
Renovations Project, Phase I	Sixth Ward Elementary School	1,960,800	1,950,800	10,000	-
Montessori School Renvtns	Lutcher Elementary School	142,727	128,484	14,243	-
Aquatic Center	Parishwide	2,793,769	822,867	141,067	1,829,835
Renovations Project, Phase II	Sixth Ward Elementary School	704,642	383,645	287,383	33,614
Renovations Project	Fifth Ward Elementary School	631,275	301,754	247,449	82,072
2018 Upgrades	Lutcher Elementary School	420,500	102,741	172,380	145,379
Renovations Project	Vacherie Elementary School	1,474,153	346,475	373,836	753,842
New Turning Lanes	New St. James High School	<u>676,318</u>	<u>60,287</u>	<u>63,100</u>	<u>552,931</u>
<b>TOTALS</b>		<b>\$ <u>40,954,306</u></b>	<b>\$ <u>34,258,234</u></b>	<b>\$ <u>2,933,208</u></b>	<b>\$ <u>3,762,864</u></b>

J. Post-Employment Health Care and Life Insurance Benefits

General Information about the OPEB Plan

*Plan description* – The St. James Parish School Board (The Board) provides certain continuing health care and life insurance benefits for its retired employees. The Board's OPEB Plan (the OPEB Plan) is a single-employer defined

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benefit OPEB plan administered by The Board. The authority to establish and/or amend the obligation of the employer, employees and retirees rests with The Board. No assets are accumulated in a trust that meets the criteria in Governmental Accounting Standards Board (GASB) Codification Section P52 *Postemployment Benefits Other Than Pensions—Reporting For Benefits Not Provided Through Trusts That Meet Specified Criteria—Defined Benefit*.

*Benefits Provided* – Medical benefits are provided through an insured plan and are made available to employees upon actual retirement. The employees are covered by the Teachers' Retirement System of Louisiana (TRSL), whose retirement eligibility (D.R.O.P. entry) provisions are as follows: 30 years of service at any age; age 55 and 25 years of service; or, age 60 and 5 years of service. Employees joining the system on and after January 1, 2011 must be at least age 60 to retire with an unreduced retirement benefit.

Basic and Supplemental Life insurance coverage is available to retirees by election. The Board pays 100% of the Basic premium and 50% of the Supplemental premium. The Basic premium is "blended" and the Supplemental premium is "unblended".

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

Inactive employees or beneficiaries currently receiving benefit payments	447
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	<u>552</u>
<b>TOTAL</b>	<b><u>999</u></b>

**Total OPEB Liability**

The Board's total OPEB liability of \$71,213,601 was measured as of June 30, 2018 and was determined by an actuarial valuation as of that date.

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

Inflation	2.50%
Salary Increases	4.0%, including inflation
Discount Rate	3.58% annually (beginning of year to determine ADC) 3.87% annually (as of end of year measurement date)
Healthcare Cost Trend Rates	Flat 5.5% annually

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

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

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

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NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2018

Changes in the Total OPEB Liability

OPEB Balance, July 1, 2017	\$ 74,498,695
Changes for the year:	
Service Cost	1,366,445
Interest	2,618,066
Differences between expected and actual experience	(1,179,542)
Changes in Assumptions	(3,353,359)
Benefit payments and net transfers	<u>(2,736,704)</u>
Net Changes	<u>(3,285,094)</u>
OPEB Balance, June 30, 2018	\$ <u>71,213,601</u>

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

	1% Decrease <u>2.87%</u>	Current Rate <u>3.87%</u>	1% Increase <u>4.87%</u>
Total OPEB Liability	\$ <u>83,901,311</u>	\$ <u>71,213,601</u>	\$ <u>61,232,131</u>

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

	1% Decrease <u>4.50%</u>	Current Rate <u>5.50%</u>	1% Increase <u>6.50%</u>
Total OPEB Liability	\$ <u>61,018,061</u>	\$ <u>71,213,601</u>	\$ <u>84,081,939</u>

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

For the year ended June 30, 2018, The Board recognized OPEB expense of \$3,531,221. At June 30, 2018, The Board reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	-	1,061,588
Changes in assumptions	-	<u>3,018,023</u>
<b>TOTAL</b>	<u>-</u>	<u>4,079,611</u>

**ST. JAMES PARISH SCHOOL BOARD**

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

FYE <u>June 30,</u>		
2019	\$	(463,290)
2020		(463,290)
2021		(463,290)
2022		(463,290)
2023		(463,290)
Thereafter		(1,763,161)

**K. Agency Fund - Sales and Use Tax Collections**

St. James Parish sales and use taxes are collected and disbursed by a department operating within the physical confines of the St. James Parish School Board. The department collects and distributes the taxes on a monthly basis to all taxing bodies within the parish. A summary of disbursements to the applicable taxing bodies for the year ended June 30, 2018 follows:

<u>Taxing Agency</u>		<u>Net Distribution</u>
St. James Parish School Board	\$	18,127,949
St. James Parish Council		6,202,625
Town of Gramercy		620,621
Town of Lutcher		265,596
River Parish Tourist Commission		73,004
<b>DISTRIBUTION TO TAXING BODIES</b>	\$	<u><u>25,289,795</u></u>

**L. Tax Abatement**

As authorized by Article VII, Section 14(C) of the Louisiana Constitution and RS 33:7633, political subdivisions and political corporations may enter into a cooperative endeavor agreement (CEA) with any public or private association, corporation, or individual to carry out a local infrastructure project to achieve a public purpose. In prior years, the St. James Parish Government and the Port of South Louisiana entered into separate CEA for the construction of plant facilities to be owned by the respective governmental entity but operated through the CEA by business enterprises. Because the plant facilities are owned by a governmental entity, such are exempt from ad valorem taxation. Accordingly, the following ad valorem taxes have been abated:

<u>Anticipated Millage Assessment</u>		<u>Estimated Current Market Value of Facility</u>		<u>Estimated Taxes Abated</u>		<u>St. James Parish School Board</u>
			<u>Total</u>			
105.70	\$	622,500,000	\$ 10,277,661	\$	4,213,841	
107.42		352,750,000	<u>5,918,778</u>		<u>2,426,699</u>	
			\$ <u><u>16,196,439</u></u>	\$	<u><u>6,640,540</u></u>	

ST. JAMES PARISH SCHOOL BOARD

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June 30, 2018

M. Litigation

At June 30, 2018, The Board was a defendant in several different lawsuits. Board management and legal counsel believe that claims against The Board not covered by insurance would not have a material impact on The Board's financial statements. In November 2017 The Board settled a lawsuit brought over an employment issue for \$100,000. The Board paid a \$25,000 deductible on the settlement and The Board's applicable insurer will pay the balance. Other than that settlement, there have been no material judgments against The Board in the last several fiscal years and any such future judgments will be liquidated through General Fund resources.

N. Federal Grants

The 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. Based on prior experience, Board management believes such disallowances, if any, would be immaterial.

O. Subsequent Event

In December 2016 the Governor's Office of Homeland Security and Emergency Preparedness (GOHSEP) issued The Board a letter requesting refund of some \$985,000 of Federal Emergency Management Agency (FEMA) funds that were provided to The Board for storm relief following Hurricane Gustav, a storm that damaged Board facilities in 2008. Board administration is working with GOHSEP and feels that the potential resolution of this issue will be much less than the amount requested, if any. No provision for this contingency has been made in the accompanying financial statements.

P. Subsequent Event

In July 2018 The Board issued Revenue Anticipation Notes in an amount not to exceed \$12 million to address General Fund cash flow issues that may arise prior to the January 2019 receipt of the major portion of The Board's Ad Valorem Tax Revenue. The agreement calls for The Board to pay 3.17% interest on the borrowings that are secured by General Fund tax revenues. As of the date of this report the cumulative draw on the available funding is \$5,550,001 and The Board feels that no more draws will be necessary. The borrowings will be repaid upon receipt of Ad Valorem Tax revenues in mid to late January 2019.

Q. Fund Deficit and Subsequent Event

In July 2018 The Board finalized the pending sale of the old St. James High School to a major industrial concern that is constructing a \$1.8 billion manufacturing facility adjacent to the school site. The original 2015 sale agreement called for the purchaser to pay the \$10.1 million bid price in three installments: one third of the bid price plus a deposit at the inception of the agreement, one third of the bid price upon ground-breaking for the construction of the new St. James High School, and the balance upon closure of the old school and the close of the pending sale. Due to title issues, the second installment of the payment was delayed for more than a year.

This delay caused the deficit fund balance reported in The Board's Capital Projects Fund as of June 30, 2018. Once the title issues were cleared, the sale was closed and The Board received some \$6.2 million from the purchaser on August 8, 2018, thereby liquidating the fund deficit. There were no operational or construction disruptions due to the delay in payment. The new St. James High School opened its door to some 700 students on August 5, 2018.



ST. JAMES PARISH SCHOOL BOARD

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NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

June 30, 2018

A. Budgetary Comparison Schedule - General Fund

The General Fund is the main operating fund of The Board and accounts all financial resources and transactions not required to be accounted for elsewhere. The reported budgets, both the original and revised budgets, are prepared in conformity with generally accepted accounting principles (GAAP). Material revisions were made to the General Fund revenue budget to accommodate increases in local tax receipts of some \$1.1 million in Sales and Use Tax and roughly \$700,000 in Ad Valorem Tax revenue. Budget reductions of \$1.2 million and \$400,000 were implemented for state equalization funding and grant funding that was reduced by the grantor. On the expenditure side, additional allocations were made for initiatives in classroom instruction, increased maintenance activity necessary on Board facilities, and additional contract transportation services.

Expenditures exceeded budget allocations in one Special Revenue Fund, the Carl Perkins Vocational Education grant. The overage was absorbed by a funding increase received from the grantor.

B. Other Post Employment Benefits Plan

The Board is obligated to contribute some 80% of the cost of health and life insurance programs on behalf of its retirees. All financial information concerning the plan has been prepared by The Board's independently contracted actuary and has been prepared and reported in conformity with Governmental Accounting Standards Board (GASB) Statement 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*.

C. Proportionate Share of the Net Pension Liability and Contributions to State Retirement Systems

These two schedules are presented pursuant to the requirements of GASB Statement 68 - *Accounting and Financial Reporting for Pensions* - an amendment of GASB Statement No. 27, and Statement Number 71 - *Pension Transition for Contributions Made Subsequent to the Measurement Date* - an amendment of GASB Statement No. 68, both of which were implemented by The Board during the year ended June 30, 2015.

Changes of benefit terms for the state retirement systems being reported on include:

Teachers Retirement System of Louisiana:

- None

Louisiana School Employees Retirement System:

- None

Changes of assumptions for the state retirement systems being reported on include:

Teachers Retirement System of Louisiana:

- The investment rate of return was 7.70% in 2018, a decrease from 7.75% in 2017.

Louisiana School Employees Retirement System:

- None

# ST. JAMES PARISH SCHOOL BOARD

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Schedule 1

## REQUIRED SUPPLEMENTARY INFORMATION General Fund Budgetary Comparison Schedule For the Year Ended June 30, 2018

	BUDGET		ACTUAL	VARIANCE
	ORIGINAL	FINAL	(Budgetary Basis)	WITH FINAL BUDGET
<b>REVENUES</b>				
<b>Local Sources:</b>				
Taxes: Ad Valorem	\$ 19,300,000	\$ 20,015,538	\$ 20,042,958	\$ 27,420
Sales and Use	18,500,000	19,600,000	19,645,026	45,026
Interest Earnings	20,000	15,000	15,738	738
Other	1,435,000	1,417,755	1,671,971	254,216
Total Local Sources	<u>39,255,000</u>	<u>41,048,293</u>	<u>41,375,693</u>	<u>327,400</u>
<b>State Sources:</b>				
Minimum Foundation Program	12,754,269	11,502,290	11,626,371	124,081
Other	451,576	399,371	399,794	423
Total State Sources	<u>13,205,845</u>	<u>11,901,661</u>	<u>12,026,165</u>	<u>124,504</u>
<b>Federal Sources</b>	<u>754,000</u>	<u>325,721</u>	<u>354,539</u>	<u>28,818</u>
<b>TOTAL REVENUES</b>	<u>53,214,845</u>	<u>53,275,675</u>	<u>53,756,397</u>	<u>480,722</u>
<b>EXPENDITURES</b>				
<b>Current:</b>				
<b>Instruction:</b>				
Regular Programs	20,767,094	21,449,916	21,061,325	388,591
Special Programs	4,369,266	4,957,864	4,923,604	34,260
Vocational Programs	1,126,393	882,114	906,913	(24,799)
All Other Programs	3,288,068	3,245,515	3,310,641	(65,126)
<b>Support Services:</b>				
Pupil Support	3,715,249	3,823,978	3,695,138	128,840
Instructional Staff Support	2,037,493	2,298,665	2,241,516	57,149
General Administration	2,034,120	1,979,165	2,118,753	(139,588)
School Administration	3,935,252	3,958,532	4,009,654	(51,122)
Business Services	630,342	685,291	704,051	(18,760)
Plant Services	5,355,611	5,794,604	5,919,059	(124,455)
Pupil Transportation	3,814,884	4,119,694	4,150,993	(31,299)
Central Services	1,648,959	1,664,752	1,814,996	(150,244)
Community Services	51,000	1,000	-	1,000
Capital Outlay		150,000	120,639	29,361
<b>Debt Service: Principal</b>	982,240	982,240	982,240	-
Interest	17,759	17,759	17,759	-
<b>TOTAL EXPENDITURES</b>	<u>53,773,730</u>	<u>56,011,089</u>	<u>55,977,281</u>	<u>33,808</u>

(Continued)

ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

Schedule 1

REQUIRED SUPPLEMENTARY INFORMATION  
 General Fund Budgetary Comparison Schedule  
 For the Year Ended June 30, 2018

	BUDGET		ACTUAL (Budgetary Basis)	VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL		
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	\$ (558,885)	\$ (2,735,414)	\$ (2,220,884)	\$ 514,530
OTHER FINANCING SOURCE (Uses):				
Interfund Transfers In	238,786	251,291	227,567	(23,724)
Interfund Transfers Out	(600,000)	(600,000)	(428,529)	171,471
TOTAL OTHER FINANCING SOURCES / (Uses)	(361,214)	(348,709)	(200,962)	147,747
NET CHANGES IN FUND BALANCES	(920,099)	(3,084,123)	(2,421,846)	662,277
FUND BALANCE, July 1, 2017	5,426,853	5,426,853	5,426,853	-
FUND BALANCE, June 30, 2018	\$ <u>4,506,754</u>	\$ <u>2,342,730</u>	\$ <u>3,005,007</u>	\$ <u>662,277</u>

Concluded

ST. JAMES PARISH SCHOOL BOARD

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Schedule 2

REQUIRED SUPPLEMENTARY INFORMATION

Other Post Employment Benefits Plan - Retiree Health and Life Insurance Programs  
 Total Other Post Employment Benefits Liability  
 As of and for the Year Ended June 30, 2018

Other Post Employment Benefits Liability, June 30, 2017	\$ <u>74,498,695</u>
Changes for the Year Ended June 30, 2018:	
Service Cost	1,366,445
Interest	2,618,066
Difference Between Expected and Actual Experience	(1,179,542)
Changes in Assumptions	(3,353,359)
Benefit Payments and Net Transfers	<u>(2,736,704)</u>
Net Changes	<u>(3,285,094)</u>
Other Post Employment Benefits Liability, June 30, 2018	\$ <u><u>71,213,601</u></u>
Covered Payroll	\$ 26,818,378
Net OPEB Liability as a Percentage of Covered Payroll	264.55%

Notes to Schedule

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

*Changes in Assumptions:* The discount rate changed from 3.58% as of June 30, 2017 to 3.87% as of June 30, 2018.

\* This schedule is intended to present 10 years of information. Additional years to be reported as they become available.

ST. JAMES PARISH SCHOOL BOARD

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Schedule 3

REQUIRED SUPPLEMENTARY INFORMATION  
 Schedule of Employer's Share of Net Pension Liability  
 For the Year Ended June 30, 2018

<u>Year ended June 30,</u>	<u>Employer Proportion of the Net Pension Liability (Asset)</u>	<u>Employer Proportionate Share of the Net Pension Liability (Asset)</u>	<u>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					
2014	0.62480%	\$ 63,861,579	\$ 25,104,474	254.4%	63.70%
2015	0.63711%	\$ 68,503,404	\$ 25,104,474	272.9%	62.50%
2016	0.65216%	\$ 76,544,168	\$ 28,208,877	271.3%	59.90%
2017	0.61988%	\$ 63,548,926	\$ 28,723,762	221.2%	65.55%
Louisiana School Employees' Retirement System					
2014	0.45170%	\$ 2,618,694	\$ 817,399	320.4%	76.18%
2015	0.38027%	\$ 2,411,376	\$ 1,040,688	231.7%	74.50%
2016	0.34689%	\$ 2,616,763	\$ 955,839	273.8%	70.09%
2017	0.28890%	\$ 1,848,768	\$ 827,033	223.5%	75.03%

\* This schedule is intended to present 10 years of information. Additional years to be reported as they become available.

ST. JAMES PARISH SCHOOL BOARD \*

Lutcher, Louisiana

Schedule 4

REQUIRED SUPPLEMENTARY INFORMATION  
 Schedule of Employer Contributions to State Retirement Systems  
 For the Year Ended June 30, 2018

Year ended June 30,	Contractually Required Contribution	Contributions in Relation to Contractual Required Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as % of Covered Payroll
<b>Teachers' Retirement System of Louisiana</b>					
2015	\$ 7,531,342	\$ 7,768,993	\$ (237,651)	\$ 25,104,474	30.0%
2016	\$ 7,428,400	\$ 7,428,400	\$ -	\$ 28,208,877	26.3%
2017	\$ 7,328,811	\$ 7,328,811	\$ -	\$ 28,723,762	25.5%
2018	\$ 7,451,600	\$ 7,451,600	\$ -	\$ 28,013,533	26.6%
<b>Louisiana School Employees' Retirement System</b>					
2015	\$ 269,742	\$ 343,427	\$ (73,685)	\$ 1,040,688	25.9%
2016	\$ 287,945	\$ 287,945	\$ -	\$ 955,839	30.1%
2017	\$ 225,780	\$ 225,780	\$ -	\$ 827,033	27.3%
2018	\$ 206,177	\$ 206,177	\$ -	\$ 747,017	27.6%

\* This schedule is intended to present 10 years of information. Additional years to be reported as they become available.

## ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

### NONMAJOR GOVERNMENTAL FUND DESCRIPTIONS

Special Revenue Funds – Special Revenue Funds account for the proceeds of specific revenue sources that are legally restricted to expenditure for specific purposes. All Special Revenue Funds except the School Food Service fund are operated on a cost-reimbursement basis.

### EVERY STUDENT SUCCEEDS ACT (ESSA)

Title I - This federal program focuses on basic academic skills for at-risk and low income students. Eligibility is determined by socio-economic status of the student population.

Titles II, III, IV – Title II funding provides federal monies for elevating teacher and principal quality through staff development and through personnel recruitment, hiring, and retention strategies. Title III monies provide additional services to those speaking English as a second language. Title IV authorizes federal program dollars to be spent in broadening the spectrum of educational services provided, promoting safe and healthy students, and supporting the effective use of technology.

Individuals With Disabilities Education Act (IDEA) - This program provides federally-funded free education in the least restrictive environment for those students with physical and mental exceptionalities.

Vocational Education - This fund accounts for federal monies used to implement the Carl D. Perkins Vocational Act to prepare students for occupational choices and employment opportunities.

Head Start – A program administered through the United States Department of Health and Human Services, Head Start provides funding for comprehensive early childhood education, health, nutrition, and parental involvement services to low-income children and their families.

School Food Service - This fund includes lunch and breakfast operations and accounts for the financial activities of the school food service program in the school system during the regular school term as well as the summer. The basic goals of this program are to serve nutritionally adequate, attractive, and moderately priced meals, to help children grow both socially and emotionally, to extend educational influence to the home of school children, and to provide learning experiences that will improve children's food habits with the ultimate goal of physically-fit adults.

ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

NONMAJOR GOVERNMENTAL FUNDS

Combining Balance Sheet

As of June 30, 2018

SPECIAL REVENUE FUNDS

	ESSA		IDEA	VOCATIONAL EDUCATION
	TITLE I	TITLES II, III, IV		
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ -
Receivables	580,470	114,196	492,127	32,027
Inventory	-	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ 580,470</b>	<b>\$ 114,196</b>	<b>\$ 492,127</b>	<b>\$ 32,027</b>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Accounts, Salaries, Other Payables	\$ 17,017	\$ 5,253	\$ 14,966	\$ -
Interfund Payables	563,453	108,943	477,161	32,027
<b>Total Liabilities</b>	<b>580,470</b>	<b>114,196</b>	<b>492,127</b>	<b>32,027</b>
<b>Fund Balances:</b>				
Nonspendable	-	-	-	-
<b>Total Fund Balances</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 580,470</b>	<b>\$ 114,196</b>	<b>\$ 492,127</b>	<b>\$ 32,027</b>

**ST. JAMES PARISH SCHOOL BOARD**

Lutcher, Louisiana

Schedule 5

NONMAJOR GOVERNMENTAL FUNDS

Combining Balance Sheet  
As of June 30, 2018

	<u>SPECIAL REVENUE FUNDS</u>		
	<u>HEAD START</u>	<u>SCHOOL FOOD SERVICE</u>	<u>TOTAL</u>
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ -	\$ 43,428	\$ 43,428
Receivables	440,941	35,865	1,695,626
Inventory	-	70,884	70,884
	<u>440,941</u>	<u>150,177</u>	<u>1,809,938</u>
<b>TOTAL ASSETS</b>	<b>\$ <u>440,941</u></b>	<b>\$ <u>150,177</u></b>	<b>\$ <u>1,809,938</u></b>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>Liabilities:</b>			
Accounts,Salaries,Other Paybles	\$ 51,512	\$ 79,293	\$ 168,041
Interfund Payables	389,429	-	1,571,013
	<u>440,941</u>	<u>79,293</u>	<u>1,739,054</u>
<b>Total Liabilities</b>	<b><u>440,941</u></b>	<b><u>79,293</u></b>	<b><u>1,739,054</u></b>
<b>Fund Balances:</b>			
Nonspendable	-	70,884	70,884
<b>Total Fund Balances</b>	<u>-</u>	<u>70,884</u>	<u>70,884</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ <u>440,941</u></b>	<b>\$ <u>150,177</u></b>	<b>\$ <u>1,809,938</u></b>

Concluded

# ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

## NONMAJOR GOVERNMENTAL FUNDS

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

	SPECIAL REVENUE FUNDS			
	ESSA		IDEA	VOCATIONAL EDUCATION
	TITLE I	TITLES II, III, IV		
<b>REVENUES</b>				
Local Sources:				
Charges for Services	\$ -	\$ -	\$ -	\$ -
Federal Sources: Grants	974,836	249,637	1,149,664	47,199
<b>TOTAL REVENUES</b>	<b>\$ 974,836</b>	<b>\$ 249,637</b>	<b>\$ 1,149,664</b>	<b>\$ 47,199</b>
<b>EXPENDITURES</b>				
Current:				
Instruction:				
Regular Instruction	-	-	32,605	-
Special Instruction	-	-	412,244	-
Vocational Programs	-	-	-	47,199
All Other Programs	234,287	28,573	-	-
Support Services:				
Pupil Support	-	-	536,192	-
Instructional Staff Support	656,919	204,308	108,347	-
School Administration	-	-	4,084	-
Pupil Transportation	10,745	-	67	-
Food Services	-	-	-	-
Community Services	6,746	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>908,697</b>	<b>232,881</b>	<b>1,093,539</b>	<b>47,199</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPNDTRES</b>	<b>66,139</b>	<b>16,756</b>	<b>56,125</b>	<b>-</b>
<b>OTHER FINANCING SOURCES/(USES):</b>				
Interfund Transfers In	-	-	-	-
Interfund Transfers Out	(66,139)	(16,756)	(56,125)	-
<b>TOTAL OTHER FINANCING SOURCES / (USES)</b>	<b>(66,139)</b>	<b>(16,756)</b>	<b>(56,125)</b>	<b>-</b>
<b>NET CHANGES IN FUND BALANCES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCE - BEGINNING</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCE - ENDING</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**ST. JAMES PARISH SCHOOL BOARD**

Lutcher, Louisiana

Schedule 6

NONMAJOR GOVERNMENTAL FUNDS

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

	SPECIAL REVENUE FUNDS		
	HEAD	SCHOOL	TOTAL
	START	FOOD SERVICE	
<b>REVENUES</b>			
Local Sources:			
Charges for Services	\$ -	\$ 70,709	\$ 70,709
Federal Sources: Grants	1,448,866	2,627,714	6,497,916
<b>TOTAL REVENUES</b>	<b>\$ 1,448,866</b>	<b>\$ 2,698,423</b>	<b>\$ 6,568,625</b>
<b>EXPENDITURES</b>			
Current:			
Instruction:			
Regular Instruction	-	-	32,605
Special Programs	-	-	412,244
Vocational Programs	-	-	47,199
All Other Programs	1,261,137	-	1,523,997
Support Services:			
Pupil Support	47,723	-	583,915
Instructional Staff Support	50,563	-	1,020,137
School Administration	-	-	4,084
Pupil Transportation	896	-	11,708
Food Services	-	3,158,087	3,158,087
Community Services	-	-	6,746
<b>TOTAL EXPENDITURES</b>	<b>1,360,319</b>	<b>3,158,087</b>	<b>6,800,722</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPNDTRES</b>	<b>88,547</b>	<b>(459,664)</b>	<b>(232,097)</b>
<b>OTHER FINANCING SOURCES/(USES):</b>			
Interfund Transfers In	-	428,529	428,529
Interfund Transfers Out	(88,547)	-	(227,567)
<b>TOTAL OTHER FINANCING SOURCES / (USES)</b>	<b>(88,547)</b>	<b>428,529</b>	<b>200,962</b>
<b>NET CHANGES IN FUND BALANCES</b>	<b>-</b>	<b>(31,135)</b>	<b>(31,135)</b>
<b>FUND BALANCE - BEGINNING</b>	<b>-</b>	<b>102,019</b>	<b>102,019</b>
<b>FUND BALANCE - ENDING</b>	<b>\$ -</b>	<b>\$ 70,884</b>	<b>\$ 70,884</b>

**ST. JAMES PARISH SCHOOL BOARD**

Lutcher, Louisiana

Schedule 7

NONMAJOR SPECIAL REVENUE FUND

Schedule of Revenues, Expenditures, and Changes in Fund Balance -  
Final Budget (Modified Accrual Basis) and Actual (Modified Accrual Basis)  
For the Year Ended June 30, 2018

**ESSA TITLE I**

	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
<u>REVENUES</u>			
Federal Sources: Grants	\$ 1,056,638	\$ 974,836	\$ (81,802)
 <u>EXPENDITURES</u>			
Current:			
Instruction:			
All Other Programs	262,706	234,287	28,419
Support Services:			
Instructional Staff Support	699,318	656,919	42,399
Pupil Transportation	19,449	10,745	8,704
Community Services	3,819	6,746	(2,927)
TOTAL EXPENDITURES	<u>985,292</u>	<u>908,697</u>	<u>76,595</u>
 EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	 <u>71,346</u>	 <u>66,139</u>	 <u>(5,207)</u>
 OTHER FINANCING SOURCE (Uses):			
Interfund Transfers Out	<u>(71,346)</u>	<u>(66,139)</u>	<u>5,207</u>
 TOTAL OTHER FINANCING SOURCES / (Uses)	 <u>(71,346)</u>	 <u>(66,139)</u>	 <u>5,207</u>
  NET CHANGE IN FUND BALANCE	  <u>\$ -</u>	  <u>\$ -</u>	  <u>\$ -</u>

**ST. JAMES PARISH SCHOOL BOARD**

Lutcher, Louisiana

Schedule 8

NONMAJOR SPECIAL REVENUE FUND

Schedule of Revenues, Expenditures, and Changes in Fund Balance -  
Final Budget (Modified Accrual Basis) and Actual (Modified Accrual Basis)  
For the Year Ended June 30, 2018

**ESSA TITLES II, III, IV**

	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
<u>REVENUES</u>			
Federal Sources: Grants	\$ 259,566	\$ 249,637	\$ (9,929)
<u>EXPENDITURES</u>			
Current:			
Instruction:			
All Other Programs	19,350	28,573	(9,223)
Support Services:			
Instructional Staff Support	<u>222,785</u>	<u>204,308</u>	<u>18,477</u>
TOTAL EXPENDITURES	<u>242,135</u>	<u>232,881</u>	<u>9,254</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	<u>17,431</u>	<u>16,756</u>	<u>(675)</u>
OTHER FINANCING SOURCE (Uses):			
Interfund Transfers Out	<u>(17,431)</u>	<u>(16,756)</u>	<u>675</u>
TOTAL OTHER FINANCING SOURCES / (Uses)	<u>(17,431)</u>	<u>(16,756)</u>	<u>675</u>
NET CHANGE IN FUND BALANCE	\$ <u><u>-</u></u>	\$ <u><u>-</u></u>	\$ <u><u>-</u></u>

ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

Schedule 9

NONMAJOR SPECIAL REVENUE FUND  
 Schedule of Revenues, Expenditures, and Changes in Fund Balance -  
 Final Budget (Modified Accrual Basis) and Actual (Modified Accrual Basis)  
 For the Year Ended June 30, 2018

	IDEA		
	FINAL BUDGET	ACTUAL	VARIANCE
<u>REVENUES</u>			
Federal Sources: Grants	1,477,102	1,149,664	(327,438)
TOTAL REVENUES	1,477,102	1,149,664	(327,438)
<u>EXPENDITURES</u>			
Current:			
Instruction:			
Regular Instruction	69,644	32,605	37,039
Special Instruction	580,433	412,244	168,189
Support Services:			
Pupil Support	619,720	536,192	83,528
Instructional Staff Support	124,888	108,347	16,541
School Administration	8,000	4,084	3,916
Pupil Transportation	450	67	383
TOTAL EXPENDITURES	1,403,135	1,093,539	309,596
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	73,967	56,125	(17,842)
OTHER FINANCING SOURCE (Uses):			
Interfund Transfers Out	(73,967)	(56,125)	17,842
TOTAL OTHER FINANCING SOURCES / (Uses)	(73,967)	(56,125)	17,842
NET CHANGE IN FUND BALANCE	\$ -	\$ -	\$ -

ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

Schedule 10

NONMAJOR SPECIAL REVENUE FUND

Schedule of Revenues, Expenditures, and Changes in Fund Balance -  
Final Budget (Modified Accrual Basis) and Actual (Modified Accrual Basis)  
For the Year Ended June 30, 2018

**VOCATIONAL EDUCATION**

	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
REVENUES			
Federal Sources: Grants	\$ 36,811	\$ 47,199	\$ 10,388
EXPENDITURES			
Current:			
Instruction:			
Vocational Programs	<u>36,811</u>	<u>47,199</u>	<u>(10,388)</u>
TOTAL EXPENDITURES	<u>36,811</u>	<u>47,199</u>	<u>(10,388)</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

Schedule 11

NONMAJOR SPECIAL REVENUE FUND

Schedule of Revenues, Expenditures, and Changes in Fund Balance -  
Final Budget (Modified Accrual Basis) and Actual (Modified Accrual Basis)  
For the Year Ended June 30, 2018

**HEAD START**

	FINAL BUDGET	ACTUAL	VARIANCE
<b>REVENUES</b>			
Federal Sources: Grants	\$ 1,448,866	\$ 1,448,866	\$ -
<b>EXPENDITURES</b>			
Current:			
Instruction:			
All Other Programs	1,261,137	1,261,137	-
Support Services:			
Pupil Support	47,723	47,723	-
Instructional Staff Support	50,563	50,563	-
Pupil Transportation	896	896	-
TOTAL EXPENDITURES	<u>1,360,319</u>	<u>1,360,319</u>	<u>-</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	<u>88,547</u>	<u>88,547</u>	<u>-</u>
OTHER FINANCING SOURCE (Uses):			
Interfund Transfers Out	<u>(88,547)</u>	<u>(88,547)</u>	<u>-</u>
TOTAL OTHER FINANCING SOURCES / (Uses)	<u>(88,547)</u>	<u>(88,547)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**ST. JAMES PARISH SCHOOL BOARD**

Lutcher, Louisiana

Schedule 12

NONMAJOR SPECIAL REVENUE FUND

Schedule of Revenues, Expenditures, and Changes in Fund Balance -  
Final Budget (Modified Accrual Basis) and Actual (Modified Accrual Basis)  
For the Year Ended June 30, 2018

**SCHOOL FOOD SERVICE**

	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
<b>REVENUES</b>			
Local Sources:			
Charges for Services	\$ 25,000	\$ 70,709	\$ 45,709
Federal Sources:			
Federal Grants	<u>2,575,000</u>	<u>2,627,714</u>	<u>52,714</u>
<b>TOTAL REVENUES</b>	<u>2,600,000</u>	<u>2,698,423</u>	<u>98,423</u>
<b>EXPENDITURES</b>			
Current:			
Support Services:			
Food Services	<u>3,200,000</u>	<u>3,158,087</u>	<u>41,913</u>
<b>TOTAL EXPENDITURES</b>	<u>3,200,000</u>	<u>3,158,087</u>	<u>41,913</u>
<b>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</b>	<u>(600,000)</u>	<u>(459,664)</u>	<u>140,336</u>
<b>OTHER FINANCING SOURCE (Uses):</b>			
Interfund Transfers In	<u>600,000</u>	<u>428,529</u>	<u>(171,471)</u>
<b>TOTAL OTHER FINANCING SOURCES / (Uses)</b>	<u>600,000</u>	<u>428,529</u>	<u>(171,471)</u>
<b>NET CHANGE IN FUND BALANCE</b>	\$ <u>-</u>	\$ <u>(31,135)</u>	\$ <u>(31,135)</u>

ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

Schedule 13

AGENCY FUND  
 Schedule of Changes in Assets and Liabilities  
 For the Year Ended June 30, 2018

	Cash and Cash Equivalents and Deposits Due Others July 1, 2017	Additions	Deletions	Cash and Cash Equivalents and Deposits Due Others June 30, 2018
Sales and Use Tax Department	\$ 2,144,818	\$ 27,910,104	\$ 27,352,756	\$ 2,702,166
<u>School Activity Funds</u>				
Fifth Ward Elementary School	16,818	20,544	22,012	15,350
Gramercy Elementary School	95,059	64,774	40,521	119,312
Lutcher Elementary School	2,989	21,701	17,418	7,272
Lutcher High School	414,687	691,314	675,159	430,842
Career and Technology Center	38,539	64,591	61,162	41,968
Paulina Elementary	63,401	149,314	141,663	71,052
St. James High School	130,253	496,585	462,433	164,405
Sixth Ward Elementary School	12,949	40,981	39,222	14,708
Vacherie Elementary School	33,993	55,728	50,241	39,480
Science and Math Academy	16,230	75,738	77,480	14,488
Subtotal - School Activity Funds	824,918	1,681,270	1,587,311	918,877
TOTAL	\$ 2,969,736	\$ 29,591,374	\$ 28,940,067	\$ 3,621,043

# ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

Schedule 14

## Schedule of Compensation Paid Board Members For the Year Ended June 30, 2018

The Schedule of Compensation Paid Board Members is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. Compensation of Board board members is included in the General Administration line item in the General Fund. In accordance with Louisiana Statutes Annotated Revised Statute 17:56, board members have elected the monthly payment method of compensation. Each member receives \$800 per month, and the president receives \$900 per month for performing the duties of their office.

<u>SCHOOL BOARD MEMBER</u>	<u>DISTRICT</u>	<u>COMPENSATION PAID</u>
Diana A. Cantillo	1	\$ 9,600
Kenneth J. Foret, Sr	2	9,600
Sue Beier	3	9,600
George N. Nassar, Jr., Board President	4	10,800
Dianne Spencer, Board Vice President	5	9,600
Nicole Florent Charles	6	9,600
Raymond Gros	7	9,600
	<b>TOTAL</b>	<b>\$ 68,400</b>

ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

Schedule 15

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

P. Edward Cancienne, Ph.D., has served as Superintendent since July 1, 2016.

<u>Nature of Payment</u>	<u>Amount</u>
<u>Contractual Compensation:</u>	
Salary	\$ 180,000
Unvouchered Expense Allowance	15,000
Annual Base Compensation	<u>195,000</u>
Teachers Retirement System of Louisiana	
Contributions on Base Compensation	51,870
Medicare Tax on Base Compensation	2,812
Employee Benefits	<u>54,682</u>
TOTAL \$	<u>249,682</u>



# ST. JAMES PARISH SCHOOLS

*Inspiring Hope and Purpose*

STATISTICAL SECTION

## ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

### STATISTICAL SCHEDULE DESCRIPTIONS

The Statistical Section of the Comprehensive Annual Financial Reports presents detailed information designed to aid and supplement the readers' understanding of the financial statements, the Notes to Basic Financial Statements, and the required supplementary information presented herein.

FINANCIAL TRENDS – To aid the reader in determining financial position and changes in such over time.

Net Position by Component – Last Ten Fiscal Years

Changes in Net Position – Last Ten Fiscal Years

Fund Balances of Governmental Funds – Last Ten Fiscal Years

Changes in Fund Balances of Governmental Funds – Last Ten Fiscal Years

REVENUE CAPACITY – To provide the reader an understanding of revenue-generating ability and limits.

Assessed Valuation of Taxable Property – Last Ten Fiscal Years

Principal Taxpayers – As of June 30, 2018 and June 30, 2009

Ad Valorem Tax Rates and Tax Levies – Direct and Overlapping Governments – Last Ten Fiscal Years

Ad Valorem Tax Levies and Collections – Last Ten Fiscal Years

Governmental Activities Tax Revenues by Source – Last Ten Fiscal Years

DEBT CAPACITY – To aid the reader in determining outstanding debt and the ability to issue future debt.

Ratios of Outstanding Debt by Type – Last Ten Fiscal Years

Ratios of General Bonded Debt Outstanding – Last Ten Fiscal Years

Direct and Overlapping Governmental Activities Debt – As of June 30, 2018

Legal Debt Margin Information – Last Ten Fiscal Years

DEMOGRAPHIC AND ECONOMIC INFORMATION – To aid the reader in understanding the environment in which The Board's financial activity takes place.

Demographic and Economic Statistics – Last Ten Fiscal Years

Principal Employers – As of June 30, 2018 and June 30, 2009

OPERATING INFORMATION – This schedule contains general profile information about The Board.

Miscellaneous Statistical Data – As of June 30, 2018

Informational Profile of School Facilities – As of June 30, 2018

ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

NET POSITION BY COMPONENT

For the Last Ten Fiscal Years  
(Unaudited)

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Governmental Activities				
Net Investment in Capital Assets	\$ 34,759,039	\$ 31,922,330	\$ 28,682,923	\$ 32,879,737
Restricted	6,936,092	8,239,984	10,096,601	7,187,270
Unrestricted	<u>(141,849,665)</u>	<u>(142,111,266)</u>	<u>(74,565,790)</u>	<u>(75,103,066)</u>
Total Government Activities Net Position	<u>\$ (100,154,534)</u>	<u>\$ (101,948,952)</u>	<u>\$ (35,786,266)</u>	<u>\$ (35,036,059)</u>

Unrestricted component of Net Position has been restated for 2017 to accommodate 2018 implementation of GASB 75.

ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
\$ 24,870,979	\$ 18,087,295	\$ 20,071,745	\$ 16,425,494	\$ 11,317,460	\$ 12,000,770
5,005,298	3,998,859	3,224,948	2,633,175	2,620,110	2,497,993
<u>(56,585,944)</u>	<u>21,944,820</u>	<u>14,614,109</u>	<u>14,795,280</u>	<u>11,909,983</u>	<u>7,398,949</u>
<u>\$ (26,709,667)</u>	<u>\$ 44,030,974</u>	<u>\$ 37,910,802</u>	<u>\$ 33,853,949</u>	<u>\$ 25,847,553</u>	<u>\$ 21,897,712</u>

ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

CHANGES IN NET POSITION

For the Last Ten Fiscal Years (Unaudited)

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
<b>EXPENSES</b>				
Governmental Activities				
Instruction:				
Regular Programs	\$ 19,773,011	\$ 23,624,104	\$ 20,674,119	\$ 22,586,739
Special Programs	5,006,026	5,249,480	5,110,522	5,098,688
Vocational Programs	901,024	1,223,251	1,071,302	1,122,109
All Other Programs	4,688,817	5,053,201	4,743,008	4,012,666
Support Services:				
Pupil Support	4,085,603	4,591,254	4,169,465	4,128,707
Instructional Staff Support	3,149,047	3,380,867	3,103,791	3,377,982
General Administration	5,165,769	5,022,066	6,248,217	2,401,984
School Administration	3,739,052	4,510,222	3,994,424	4,123,362
Business Services	656,266	706,724	676,080	730,210
Plant Services	5,909,598	6,233,568	6,333,888	8,557,108
Pupil Transportation	4,077,084	4,509,780	4,347,238	4,097,605
Central Services	1,789,717	1,868,417	1,847,901	1,772,640
Food Services	2,936,854	3,679,691	3,482,555	3,292,348
Community Services	6,746	51,944	14,538	17,440
Interest on Long-Term Debt	2,502,731	2,590,442	1,667,006	1,120,137
Other	-	-	-	-
Total Governmental Activities Expenses	<u>64,387,345</u>	<u>72,295,011</u>	<u>67,484,054</u>	<u>66,439,725</u>
Total Primary Government Expenses	<u>\$ 64,387,345</u>	<u>\$ 72,295,011</u>	<u>\$ 67,484,054</u>	<u>\$ 66,439,725</u>

PROGRAM REVENUES

Governmental Activities

Charges for Services:				
Food Service	\$ 70,709	\$ 122,352	\$ 227,591	\$ 394,780
Operating Grants and Contributions:				
Regular Programs	90,764	11,296	483,310	578,249
Special Programs	437,998	419,451	470,710	511,529
Vocational Programs	122,500	28,311	41,819	52,332
All Other Programs	2,158,911	2,169,221	2,424,938	1,386,452
Pupil Support	620,394	466,431	544,287	560,419
Instructional Staff Support	1,153,073	1,167,486	1,081,935	1,162,167
General Administration	-	-	-	1,879
School Administration	4,339	5,851	4,042	3,052
Business Services	-	-	-	539
Plant Services	-	-	94,821	67,030
Pupil Transportation	12,439	12,263	39,932	59,095
Central and Community Services	7,167	1,495	6,873	10,645
Food Services	2,627,714	2,644,258	2,483,841	2,239,388
Total Governmental Activities Program Revenues	<u>7,306,008</u>	<u>7,048,414</u>	<u>7,904,098</u>	<u>7,027,556</u>
Total Primary Government Program Revenues	<u>\$ 7,306,008</u>	<u>\$ 7,048,414</u>	<u>\$ 7,904,098</u>	<u>\$ 7,027,556</u>

ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

	2014	2013	2012	2011	2010	2009
\$	22,409,259	\$ 21,449,795	\$ 19,465,339	\$ 18,093,085	\$ 19,125,181	\$ 21,383,666
	5,279,555	5,622,285	4,910,172	5,841,415	5,538,165	5,246,657
	1,158,810	1,314,270	1,218,666	1,244,207	1,322,893	1,273,889
	4,301,827	4,410,822	4,400,891	4,007,398	4,450,708	5,163,402
	3,794,862	3,660,647	3,456,214	2,676,882	2,689,367	2,498,180
	3,127,851	2,436,490	2,622,820	2,933,677	3,066,514	2,938,848
	4,240,917	3,374,081	3,508,237	3,054,578	2,820,654	2,670,929
	3,931,028	3,794,763	3,397,225	2,968,158	3,064,307	2,906,543
	803,997	519,731	534,807	742,262	594,875	597,713
	6,614,725	6,034,998	5,538,962	4,712,735	5,233,964	7,121,931
	3,839,056	5,003,798	3,287,924	2,978,547	2,770,756	2,830,506
	1,762,327	1,727,694	1,318,693	1,144,663	914,120	1,167,013
	3,147,249	3,290,386	3,030,426	2,866,545	2,908,659	3,016,385
	12,586	8,253	13,929	3,534	15,866	3,967
	891,509	763,308	656,739	822,660	1,050,983	1,165,484
	-	-	64,000	-	-	614,759
	<u>65,315,558</u>	<u>63,411,321</u>	<u>57,425,044</u>	<u>54,090,346</u>	<u>55,567,012</u>	<u>60,599,872</u>
\$	<u>65,315,558</u>	\$ <u>63,411,321</u>	\$ <u>57,425,044</u>	\$ <u>54,090,346</u>	\$ <u>55,567,012</u>	\$ <u>60,599,872</u>
\$	362,650	\$ 379,833	\$ 354,847	\$ 452,333	\$ 361,724	\$ 256,705
	624,548	494,091	497,524	980,747	1,092,257	668,407
	645,966	670,797	638,059	1,090,703	1,090,171	795,732
	57,116	66,447	73,097	97,052	61,665	56,556
	1,310,150	1,280,108	1,874,534	2,097,053	2,166,643	3,100,582
	557,987	455,315	930,600	1,053,157	1,113,895	865,247
	865,573	445,727	344,586	715,903	750,780	845,808
	672,417	8,850	-	94,419	13,698	6,000
	14,615	38,665	-	34,871	40,439	-
	2,994	9,334	-	95,754	10,315	-
	24,267	20,784	26,421	26,675	391,603	343,464
	126,168	39,809	13,677	105,319	107,689	23,977
	10,435	17,180	9,498	158,935	48,574	32,916
	<u>2,278,383</u>	<u>1,913,195</u>	<u>1,981,872</u>	<u>1,921,564</u>	<u>1,812,953</u>	<u>1,738,063</u>
	<u>7,553,269</u>	<u>5,840,135</u>	<u>6,744,715</u>	<u>8,924,485</u>	<u>9,062,406</u>	<u>8,733,457</u>
\$	<u>7,553,269</u>	\$ <u>5,840,135</u>	\$ <u>6,744,715</u>	\$ <u>8,924,485</u>	\$ <u>9,062,406</u>	\$ <u>8,733,457</u>

(Continued)

ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

CHANGES IN NET POSITION

For the Last Ten Fiscal Years (Unaudited)

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Net (Expense)/Revenue Governmental Activities	(57,081,337)	(65,246,597)	(59,579,956)	(59,412,169)
Total Primary Government Net Expense	\$ <u>(57,081,337)</u>	\$ <u>(65,246,597)</u>	\$ <u>(59,579,956)</u>	\$ <u>(59,412,169)</u>
General Revenues and Other Changes in Net Position				
Governmental Activities:				
Taxes:				
Property Taxes, Levied for General Purpose	\$ 20,042,958	\$ 18,392,216	\$ 19,660,286	\$ 18,812,239
Property Taxes, Levied for Debt Service	5,645,501	5,285,363	5,668,576	5,440,163
Sales and Use Taxes, Levied for General Purposes	19,645,026	18,127,949	17,978,856	16,180,635
Grants and Contributions Not Restricted for Specific Purposes:				
Minimum Foundation Program	11,626,371	12,754,266	12,139,957	12,521,212
State Revenue Sharing	82,923	83,012	81,442	85,851
Interest and Investment Earnings	206,066	223,903	57,090	22,924
Miscellaneous	<u>1,626,910</u>	<u>1,781,268</u>	<u>3,243,542</u>	<u>1,338,551</u>
Total Governmental Activities	<u>58,875,755</u>	<u>56,647,977</u>	<u>58,829,749</u>	<u>54,401,575</u>
Total Primary Government	\$ <u>58,875,755</u>	\$ <u>56,647,977</u>	\$ <u>58,829,749</u>	\$ <u>54,401,575</u>
Changes in Net Position:				
Governmental Activities	\$ <u>1,794,418</u>	\$ <u>(8,598,620)</u>	\$ <u>(750,207)</u>	\$ <u>(5,010,594)</u>
Total Primary Government	\$ <u>1,794,418</u>	\$ <u>(8,598,620)</u>	\$ <u>(750,207)</u>	\$ <u>(5,010,594)</u>

ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

2014	2013	2012	2011	2010	2009
(57,762,289)	(57,571,186)	(50,680,329)	(45,165,861)	(46,504,606)	(51,866,415)
\$ (57,762,289)	\$ (57,571,186)	\$ (50,680,329)	\$ (45,165,861)	\$ (46,504,606)	\$ (51,866,415)
\$ 18,132,433	\$ 16,996,165	\$ 14,451,440	\$ 13,339,207	\$ 13,712,792	\$ 13,234,083
5,350,207	4,893,828	4,102,246	3,776,935	3,878,920	3,628,141
18,675,671	25,285,692	18,100,976	18,744,037	12,736,822	12,689,143
13,396,100	14,853,082	15,797,140	16,558,637	16,938,681	18,108,607
87,352	87,351	89,424	87,473	88,335	91,864
24,198	40,306	25,467	31,814	39,803	424,814
946,152	1,534,934	2,170,489	634,154	3,059,094	1,997,536
56,612,113	63,691,358	54,737,182	53,172,257	50,454,447	50,174,188
\$ 56,612,113	\$ 63,691,358	\$ 54,737,182	\$ 53,172,257	\$ 50,454,447	\$ 50,174,188
\$ (1,150,176)	\$ 6,120,172	\$ 4,056,853	\$ 8,006,396	\$ 3,949,841	\$ (1,692,227)
\$ (1,150,176)	\$ 6,120,172	\$ 4,056,853	\$ 8,006,396	\$ 3,949,841	\$ (1,692,227)

Concluded

ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

FUND BALANCES OF GOVERNMENTAL FUNDS

For the Last Ten Fiscal Years  
(Unaudited)

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
General Fund:				
Nonspendable	\$ 171,351	\$ 262,131	\$ 339,468	\$ 241,920
Restricted	-	-	-	1,947,163
Committed	1,410,395	2,168,835	5,637,657	5,519,168
Unassigned	<u>1,423,261</u>	<u>2,995,887</u>	<u>4,360,577</u>	<u>2,477,285</u>
Total General Fund	<u>\$ 3,005,007</u>	<u>\$ 5,426,853</u>	<u>\$ 10,337,702</u>	<u>\$ 10,185,536</u>
All Other Governmental Funds:				
Nonspendable	70,884	102,019	71,665	53,267
Restricted, Reported in:				
Debt Service Funds	\$ 6,936,092	\$ 8,239,984	\$ 10,096,601	\$ 7,187,270
Capital Projects Funds	<u>(2,590,593)</u>	<u>21,569,790</u>	<u>41,667,577</u>	<u>-</u>
Total Restricted	<u>4,345,499</u>	<u>29,809,774</u>	<u>51,764,178</u>	<u>7,187,270</u>
Total All Other Governmental Funds	<u>\$ 4,416,383</u>	<u>\$ 29,911,793</u>	<u>\$ 51,835,843</u>	<u>\$ 7,240,537</u>

ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

2014	2013	2012	2011	2010	2009
\$ 292,740	\$ 81,931	\$ 84,058	\$ 42,907	\$ -	\$ -
6,124,193	7,766,289	6,239,272	7,787,248	6,652,311	4,564,271
5,071,356	5,393,830	4,765,501	3,968,459	2,552,486	1,496,781
<u>11,555,010</u>	<u>16,926,091</u>	<u>11,381,122</u>	<u>10,093,011</u>	<u>6,471,933</u>	<u>5,275,208</u>
<u>\$ 23,043,299</u>	<u>\$ 30,168,141</u>	<u>\$ 22,469,953</u>	<u>\$ 21,891,625</u>	<u>\$ 15,676,730</u>	<u>\$ 11,336,260</u>
57,064	40,222	37,007	34,504		
\$ 5,005,298	\$ 3,998,859	\$ 3,224,948	\$ 2,633,175	\$ 2,620,110	\$ 2,497,993
477,779	5,772,125	1,443,449	9,076,181	7,159,201	10,869,949
<u>5,483,077</u>	<u>9,770,984</u>	<u>4,668,397</u>	<u>11,709,356</u>	<u>9,779,311</u>	<u>13,367,942</u>
<u>\$ 5,540,141</u>	<u>\$ 9,811,206</u>	<u>\$ 4,705,404</u>	<u>\$ 11,743,860</u>	<u>\$ 9,779,311</u>	<u>\$ 13,367,942</u>

Concluded

**ST. JAMES PARISH SCHOOL BOARD**

Lutcher, Louisiana

**CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS**  
For the Last Ten Fiscal Years (Unaudited)

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
<b>REVENUES</b>				
Ad Valorem Taxes	\$ 25,688,459	\$ 23,677,579	\$ 25,328,862	\$ 24,252,402
Sales and Use Taxes	19,645,026	18,127,949	17,978,856	16,180,635
Charges for Services	70,709	122,352	227,591	394,780
Interest Earnings	206,066	223,903	57,090	22,924
Other Local	1,692,884	1,747,746	3,167,242	1,287,413
Minimum Foundation Program	11,626,371	12,754,266	12,139,957	12,521,212
Other State	399,794	435,101	407,719	777,218
Federal Grants	6,852,455	6,607,498	7,426,530	5,992,547
Total Revenues	<u>66,181,764</u>	<u>63,696,394</u>	<u>66,733,847</u>	<u>61,429,131</u>
<b>EXPENDITURES</b>				
Current:				
Instruction	32,218,528	31,745,773	31,715,919	30,876,098
Support Services	29,607,379	29,513,176	30,642,285	29,787,168
Capital Outlay	24,478,364	20,314,282	11,568,717	7,769,936
Debt Service:				
Principal	5,215,902	6,387,839	4,606,348	3,020,548
Interest	2,578,847	2,570,223	1,191,698	1,025,137
Total Expenditures	<u>94,099,020</u>	<u>90,531,293</u>	<u>79,724,967</u>	<u>72,478,887</u>
Excess Revenues / (Expenditures)	(27,917,256)	(26,834,899)	(12,991,120)	(11,049,756)
<b>OTHER FINANCING SOURCES / (USES):</b>				
Debt Issuance	-	-	56,000,000	-
Premium on Bonds Issued	-	-	1,738,592	-
Capital Lease Proceeds	-	-	-	-
Debt Issuance - Refunding	-	-	-	10,910,000
Payment to Escrow Agent	-	-	-	(11,017,611)
Insurance Proceeds	-	-	-	-
Interfund Transfers In	656,096	775,118	3,667,442	851,366
Interfund Transfers Out	(656,096)	(775,118)	(3,667,442)	(851,366)
Total Other Financing Sources / (Uses)	<u>-</u>	<u>-</u>	<u>57,738,592</u>	<u>(107,611)</u>
<b>NET CHANGES IN FUND BALANCES</b>	<b>\$ <u>(27,917,256)</u></b>	<b>\$ <u>(26,834,899)</u></b>	<b>\$ <u>44,747,472</u></b>	<b>\$ <u>(11,157,367)</u></b>
Debt Service as a Percentage of Noncapital Expenditures	11.12%	12.63%	8.71%	6.22%

**ST. JAMES PARISH SCHOOL BOARD**

Lutcher, Louisiana

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
\$	23,482,640	\$ 21,889,993	\$ 18,553,686	\$ 17,116,142	\$ 17,591,712	\$ 16,862,224
	18,675,671	25,285,692	18,100,976	18,744,037	12,736,822	12,689,143
	362,650	379,833	354,847	452,333	361,724	256,705
	24,198	40,306	25,467	31,814	39,803	424,814
	1,247,322	1,614,873	762,897	992,972	1,015,425	759,501
	13,396,100	14,853,082	15,797,140	16,558,637	16,938,681	18,108,607
	593,660	442,624	994,744	1,143,499	2,158,938	3,017,697
	<u>6,383,141</u>	<u>5,235,933</u>	<u>6,284,695</u>	<u>7,085,283</u>	<u>7,332,975</u>	<u>6,788,955</u>
	<u>64,165,382</u>	<u>69,742,336</u>	<u>60,874,452</u>	<u>62,124,717</u>	<u>58,176,080</u>	<u>58,907,646</u>
	32,099,687	29,931,162	28,866,332	27,748,586	28,835,560	31,726,893
	28,460,244	26,514,993	24,439,401	22,404,778	22,055,314	22,752,734
	13,491,274	9,836,162	11,200,036	6,394,304	4,075,430	5,919,928
	4,580,228	3,310,313	2,716,060	2,887,727	2,747,727	2,622,727
	<u>1,076,791</u>	<u>1,077,745</u>	<u>944,224</u>	<u>1,041,688</u>	<u>1,164,097</u>	<u>1,278,598</u>
	<u>79,708,224</u>	<u>70,670,375</u>	<u>68,166,053</u>	<u>60,477,083</u>	<u>58,878,128</u>	<u>64,300,880</u>
	(15,542,842)	(928,039)	(7,291,601)	1,647,634	(702,048)	(5,393,234)
	-	13,500,000	-	6,500,000	-	-
	-	232,029	-	-	-	-
	4,146,935	-	-	-	-	-
	-	-	-	-	-	-
	-	-	831,473	31,810	1,453,887	-
	2,058,808	2,058,808	2,404,276	2,169,232	975,231	1,276,021
	<u>(2,058,808)</u>	<u>(2,058,808)</u>	<u>(2,404,276)</u>	<u>(2,169,232)</u>	<u>(975,231)</u>	<u>(1,276,021)</u>
	<u>4,146,935</u>	<u>13,732,029</u>	<u>831,473</u>	<u>6,531,810</u>	<u>1,453,887</u>	<u>-</u>
\$	<u>(11,395,907)</u>	<u>12,803,990</u>	<u>(6,460,128)</u>	<u>8,179,444</u>	<u>751,839</u>	<u>(5,393,234)</u>
	8.52%	7.12%	6.36%	7.33%	7.05%	6.54%

Concluded

**ST. JAMES PARISH SCHOOL BOARD**

Lutcher, Louisiana

ASSESSED VALUATION OF TAXABLE PROPERTY

For the Last Ten Fiscal Years  
(Unaudited)

<u>Fiscal Year</u>	<u>Total Assessed Value</u>	<u>Amount of Homestead Exemption</u>	<u>Total Taxable Assessed Value</u>	<u>Total Direct Tax Rate</u>	<u>Estimated Actual Taxable Value</u>	<u>Assessed Value as a Percentage of Actual Value</u>
2018	\$ 835,293,888	\$ 279,920,448	\$ 555,373,440	44.30	\$ 5,048,849,455	11%
2017	557,539,110	40,704,290	516,834,820	43.56	4,698,498,364	11%
2016	617,169,587	39,385,919	577,783,668	43.67	5,252,578,800	11%
2015	584,035,788	39,268,684	544,767,104	43.67	4,952,428,218	11%
2014	574,491,990	38,980,307	535,511,683	43.67	4,868,288,027	11%
2013	528,213,839	38,666,723	489,547,116	43.67	4,450,428,327	11%
2012	449,158,779	39,396,264	409,762,515	43.67	3,725,113,773	11%
2011	418,714,085	39,245,078	379,469,007	43.96	3,449,718,245	11%
2010	423,577,955	39,030,030	384,547,925	43.96	3,495,890,227	11%
2009	398,981,112	38,563,491	360,417,621	43.96	3,276,523,827	11%

<u>Fiscal Year</u>	<u>Real Property and Improvements</u>	<u>Personal Property</u>	<u>Public Service Property</u>	<u>Total Assessed Valuation</u>	<u>Amount of Homestead Exemption</u>	<u>Total Taxable Assessed Value</u>
2018	\$ 126,269,331	\$ 649,963,867	\$ 59,060,690	\$ 835,293,888	\$ 279,920,448	\$ 555,373,440
2017	123,557,466	374,971,224	59,010,420	557,539,110	40,704,290	516,834,820
2016	112,067,637	449,002,170	56,099,780	617,169,587	39,385,919	577,783,668
2015	110,755,135	418,669,353	54,611,300	584,035,788	39,268,684	544,767,104
2014	111,405,126	411,887,594	51,199,270	574,491,990	38,980,307	535,511,683
2013	106,063,357	372,655,492	49,494,990	528,213,839	38,666,723	489,547,116
2012	100,621,361	300,400,058	48,137,360	449,158,779	39,396,264	409,762,515
2011	99,625,961	274,872,614	44,215,510	418,714,085	39,245,078	379,469,007
2010	98,084,153	277,127,072	48,366,730	423,577,955	39,030,030	384,547,925
2009	95,991,260	255,236,532	47,753,320	398,981,112	38,563,491	360,417,621

Source: St. James Parish Assessor's Office

ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

PRINCIPAL TAXPAYERS

As of June 30, 2018 and June 30, 2009  
(Unaudited)

<u>Taxpayer</u>	2018			2009		
	<u>Assessed Value</u>	<u>Rank</u>	<u>Percent of Total Assessed Value</u>	<u>Assessed Value</u>	<u>Rank</u>	<u>Percent of Total Assessed Value</u>
Motiva Enterprises LLC	\$ 152,090,890	1	18.21%	\$ 101,099,860	1	25.34%
Mosaic Fertilizer LLC	33,674,415	2	4.03%	-	-	-
Plains Marketing, L.P.	30,566,561	3	3.66%	14,334,461	6	3.59%
American Styrenics LLC	25,656,642	4	3.07%	26,026,913	2	6.52%
Valero Marketing & Supply	23,189,608	5	2.78%	21,066,760	4	5.28%
Locap, Inc.	16,256,050	6	1.95%	-	-	-
Occidental Chemical Corp.	14,762,702	7	1.77%	11,504,265	7	2.88%
Raven Energy LLC	11,088,371	8	1.33%	-	-	-
Noranda Alumina, LLC	10,757,371	9	1.29%	-	-	-
Entergy Louisiana Inc.	10,177,100	10	1.22%	9,216,750	9	2.31%
Imperial Savannah LP	-	-	-	11,301,099	8	2.83%
Mosaic Fertilizer LLC Agrico	-	-	-	17,450,177	5	4.37%
Mosaic Fertilizer LLC Freeport	-	-	-	25,854,407	3	6.48%
Zen-Noh Grain Corp.	-	-	-	9,159,649	10	2.30%
<b>TOTALS</b>	<b>\$ 328,219,710</b>		<b>39.29%</b>	<b>\$ 247,014,341</b>		<b>61.91%</b>

Source: St. James Parish Assessor's Office

**ST. JAMES PARISH SCHOOL BOARD**

Lutcher, Louisiana

**AD VALOREM TAX RATES AND TAX LEVIES - DIRECT AND OVERLAPPING GOVERNMENTS and  
SCHOOL BOARD ASSESSED MILLAGES  
For the Last Ten Fiscal Years (Unaudited)**

**TAX RATES (Mills per Dollar)**

<u>Fiscal Year</u>	<u>Sheriff's Office</u>	<u>School Taxes</u>	<u>Road Taxes</u>	<u>Parish Council</u>	<u>Recreation Districts</u>
2018	20.96	44.30	5.97	19.95	5.88
2017	20.96	43.56	5.95	19.94	6.03
2016	20.96	43.67	5.95	20.05	6.23
2015	20.96	43.67	5.95	20.12	6.23
2014	20.96	43.67	5.95	20.22	6.63
2013	20.96	43.67	5.95	21.27	6.63
2012	20.96	43.67	5.97	21.27	6.71
2011	20.96	43.96	5.97	22.86	6.71
2010	20.96	43.96	5.97	22.97	6.71
2009	20.96	43.96	5.94	23.08	6.72

**TAX LEVIES**

<u>Fiscal Year</u>	<u>Sheriff's Office</u>	<u>School Taxes</u>	<u>Road Taxes</u>	<u>Parish Council</u>	<u>Recreation Districts</u>
2018	\$ 11,640,653	\$ 24,603,050	\$ 3,258,804	\$ 11,079,708	\$ 453,558
2017	10,832,883	22,513,323	3,017,122	10,305,677	485,097
2016	12,110,370	25,231,824	3,388,182	11,584,568	591,082
2015	11,418,341	23,789,998	3,185,587	10,960,740	562,281
2014	11,224,347	23,385,814	3,128,867	10,828,065	601,613
2013	10,260,929	21,378,539	2,851,522	10,412,689	600,213
2012	8,588,641	18,013,174	2,394,401	8,715,669	490,838
2011	7,953,689	16,681,470	2,213,125	8,678,475	454,635
2010	8,060,144	16,904,739	2,250,138	8,833,083	432,539
2009	7,554,373	15,843,971	2,095,491	8,318,457	464,293

**ST. JAMES PARISH SCHOOL BOARD ASSESSED MILLAGES**

	<u>2018</u>	<u>2017</u>	<u>2016</u>
Constitutional Tax	3.85	3.84	3.85
Special Maintenance Tax	5.98	5.83	5.85
Salaries and Benefits 1994	6.00	5.73	5.75
Salaries and Benefits 1997	8.60	8.60	8.63
Early Childhood Development	2.87	2.87	2.88
Salaries and Benefits 2003	7.00	6.69	6.71
Debt Service	10.00	10.00	10.00
<b>Total School Board Millage</b>	<b>44.30</b>	<b>43.56</b>	<b>43.67</b>

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<u>Public Safety</u>	<u>Detention Center</u>	<u>Levee Districts</u>	<u>Drainage Taxes</u>	<u>Fire Protection</u>	<u>Other Taxes</u>	<u>Parish Totals</u>
5.19	0.60	7.26	3.00	0.74	2.89	116.74
5.18	0.60	7.26	2.99	0.74	2.89	116.10
5.19	0.60	7.40	3.00	0.74	2.59	116.38
5.19	0.60	7.35	3.00	0.74	2.59	116.40
5.19	1.00	7.35	2.98	0.74	2.59	117.28
5.19	1.00	7.35	2.98	0.74	28.62	144.36
5.19	1.00	7.42	2.98	0.74	2.61	118.52
5.19	1.00	7.42	2.98	0.74	2.63	120.42
5.19	0.99	7.43	2.98	0.74	2.61	120.51
5.03	0.96	7.43	2.98	0.72	2.61	120.39

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<u>Public Safety</u>	<u>Detention Center</u>	<u>Levee Districts</u>	<u>Drainage Taxes</u>	<u>Fire Protection</u>	<u>Other Taxes</u>	<u>Parish Totals</u>
\$ 2,882,397	\$ 333,226	\$ 2,002,958	\$ 1,666,126	\$ 368,963	\$ 1,283,112	\$ 59,572,554
2,677,829	310,102	1,865,811	1,545,335	339,509	1,198,216	55,090,904
2,998,713	346,670	2,124,360	1,733,353	386,146	1,322,511	61,817,779
2,827,356	326,863	1,983,636	1,634,307	361,438	1,251,844	58,302,391
2,779,321	535,518	1,952,976	1,595,830	353,355	1,246,014	57,631,720
2,540,764	489,552	1,777,307	1,458,855	316,461	1,539,994	53,626,825
2,126,681	409,766	1,501,590	1,221,098	264,832	955,577	44,682,267
1,969,457	379,473	1,388,038	1,130,823	242,101	880,493	41,971,779
1,995,816	380,703	1,409,209	1,145,958	250,812	893,579	42,556,720
1,812,906	346,001	1,331,826	1,074,050	225,806	840,733	39,907,907

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<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
3.85	3.85	3.85	3.85	3.89	3.89	3.89
5.85	5.85	5.85	5.85	5.85	5.85	5.85
5.75	5.75	5.75	5.75	5.81	5.81	5.81
8.63	8.63	8.63	8.63	8.72	8.72	8.72
2.88	2.88	2.88	2.88	2.91	2.91	2.91
6.71	6.71	6.71	6.71	6.78	6.78	6.78
10.00	10.00	10.00	10.00	10.00	10.00	10.00
<u>43.67</u>	<u>43.67</u>	<u>43.67</u>	<u>43.67</u>	<u>43.96</u>	<u>43.96</u>	<u>43.96</u>

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Source: St. James Parish Assessor's Office

**ST. JAMES PARISH SCHOOL BOARD**

Lutcher, Louisiana

AD VALOREM TAX LEVIES AND COLLECTIONS

For the Last Ten Fiscal Years  
(Unaudited)

<u>Fiscal Year</u>	<u>Amount of Tax Levied</u>	<u>Collected in Current Year</u>	<u>Percent of Levy Collected in Current Year</u>	<u>Collected in Subsequent Years</u>	<u>Total Collections to Date</u>	<u>Percent of Levy Collected</u>
2018	\$ 24,603,050	\$ 24,590,188	99.95%	\$ -	\$ 24,590,188	99.95%
2017	22,513,323	22,475,967	99.83%	29,114	22,505,081	99.96%
2016	25,231,824	24,754,777	98.11%	459,414	25,214,191	99.93%
2015	23,789,998	23,757,215	99.86%	29,774	23,786,989	99.99%
2014	23,385,814	23,348,712	99.84%	31,012	23,379,724	99.97%
2013	21,378,539	21,204,319	99.19%	157,612	21,361,931	99.92%
2012	18,013,174	17,582,668	97.61%	142,498	17,725,166	98.40%
2011	16,681,470	16,412,333	98.39%	66,719	16,479,052	98.79%
2010	16,904,739	16,677,512	98.66%	73,012	16,750,524	99.09%
2009	15,843,971	15,612,004	98.54%	62,550	15,674,554	98.93%

Amount of Tax Levied represents Assessor's original levy less homestead exemption.  
Source: St. James Parish Assessor

Amount of Tax Collected represents School Board levies and collections only. Amounts do not include payments-in-lieu of taxes, which are reported on the basic financial statements in the Ad Valorem Taxes line item. Source: St. James Parish School Board.

ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE

For the Last Ten Fiscal Years

(Unaudited)

<u>Fiscal Year</u>	<u>Ad Valorem Tax and Revenue Sharing</u>	<u>Sales and Use Tax</u>	<u>Totals</u>
2018	\$ 25,771,382	\$ 19,645,026	\$ 45,416,408
2017	21,271,936	18,127,949	39,399,885
2016	19,909,217	17,978,856	37,888,073
2015	21,222,398	16,180,635	37,403,033
2014	17,519,186	18,675,671	36,194,857
2013	19,621,823	25,285,692	44,907,515
2012	26,820,626	18,100,976	44,921,602
2011	20,271,465	18,744,037	39,015,502
2010	19,378,191	12,736,822	32,115,013
2009	15,795,916	12,689,143	28,485,059

ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

RATIOS OF OUTSTANDING DEBT BY TYPE

For the Last Ten Fiscal Years  
(Unaudited)

Fiscal Year	Governmental Activities		Total Debt	(1) Parish Population	Total Personal Income	Total Debt	
	Gen Oblgtn Bonds and Premium	Certificates Indebtedness/ Capital Lease				Per Capita	Percent of Personal Income
2018	\$ 77,145,845	\$ 991,080	\$ 78,136,925	21,367	\$ 549,644,708	\$ 3,657	14.22%
2017	81,526,106	1,973,320	83,499,426	21,557	544,853,175	3,873	15.33%
2016	86,081,369	3,942,429	90,023,798	21,460	543,195,520	4,195	16.57%
2015	31,606,135	2,010,174	33,616,309	21,567	519,139,257	1,559	6.48%
2014	32,864,996	3,056,861	35,921,857	21,664	479,489,312	1,658	7.49%
2013	35,993,329	361,821	36,355,150	21,781	439,867,295	1,669	8.27%
2012	25,531,667	644,548	26,176,215	21,888	399,609,216	1,196	6.55%
2011	27,975,000	917,275	28,892,275	21,995	358,936,405	1,314	8.05%
2010	24,100,000	1,180,002	25,280,002	22,102	317,848,862	1,144	7.95%
2009	26,595,000	1,432,729	28,027,729	22,199	315,647,581	1,263	8.88%

(1) 2010 figures are from the U.S. Census; all others are U.S. Census estimates.

**ST. JAMES PARISH SCHOOL BOARD**

Lutcher, Louisiana

**RATIOS OF GENERAL BONDED DEBT OUTSTANDING**

For the Last Ten Fiscal Years  
(Unaudited)

<u>Fiscal Year</u>	<u>Gen Oblgtn Bonds and Premium</u>	<u>Less Amounts Available in Debt Service Fund</u>	<u>Total</u>	<u>Percentage of Estimated Actual Taxable Value of Property</u>	<u>Per Capita</u>
2018	\$ 77,145,845	\$ 6,936,092	\$ 70,209,753	1.39%	\$ 3,286
2017	81,526,106	8,239,984	73,286,122	1.40%	3,400
2016	86,081,369	10,096,601	75,984,768	1.53%	3,541
2015	31,606,135	7,187,270	24,418,865	0.50%	1,132
2014	32,864,996	5,005,298	27,859,698	0.63%	1,286
2013	35,993,329	3,998,859	31,994,470	0.86%	1,469
2012	25,531,667	3,224,948	22,306,719	0.65%	1,019
2011	27,975,000	2,633,175	25,341,825	0.72%	1,152
2010	24,100,000	2,620,110	21,479,890	0.66%	972
2009	26,595,000	2,497,993	24,097,007	#DIV/0!	1,085

**ST. JAMES PARISH SCHOOL BOARD**

Lutcher, Louisiana

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

As of June 30, 2018

(Unaudited)

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Debt Repaid with Property Taxes:			
St. James Parish Council (1)	\$ 3,065,000	100%	\$ 3,065,000
Town of Lutcher (2)	1,467,000	100%	1,467,000
Town of Gramercy (3)	<u>1,464,253</u>	100%	<u>1,464,253</u>
Subtotal, Overlapping Debt	5,996,253		5,996,253
St. James Parish School Board	<u>78,136,925</u>	100%	<u>78,136,925</u>
Total Direct and Overlapping Debt	<u>\$ 84,133,178</u>		<u>\$ 84,133,178</u>

Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the parish.

This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of St. James Parish. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt of each overlapping government.

The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of The Board's taxable assessed value that is within the government's boundaries and dividing it by the parish's total taxable assessed value.

(1) As of December 31, 2017

(2) As of April 30, 2018

(3) As of June 30, 2017

**ST. JAMES PARISH SCHOOL BOARD**

Lutcher, Louisiana

LEGAL DEBT MARGIN INFORMATION

For the Last Ten Fiscal Years  
(Unaudited)

<u>Fiscal Year</u>	<u>Debt Limit</u>	<u>Total Net Debt Applicable to Limit</u>	<u>Legal Debt Margin</u>	<u>Total Net Debt Applicable to Limit as a Percentage of Debt Limit</u>
2018	\$ 292,352,861	\$ 77,145,845	\$ 215,207,016	26.39%
2017	195,138,689	81,526,106	113,612,583	41.78%
2016	216,009,355	86,081,369	129,927,986	39.85%
2015	204,412,526	31,606,135	172,806,391	15.46%
2014	201,072,197	32,864,996	168,207,201	16.34%
2013	184,874,844	35,993,329	148,881,515	19.47%
2012	157,205,573	25,531,667	131,673,906	16.24%
2011	146,549,930	27,975,000	118,574,930	19.09%
2010	148,252,284	24,100,000	124,152,284	16.26%
2009	139,643,389	26,595,000	113,048,389	19.04%

Legal Debt Margin Calculation for Fiscal Year 2018

Assessed Value	\$	835,293,888
Debt Limit - 35% of Assessed Value (1)		292,352,861
Less: Amount of Debt Applicable to Debt Limit:		
Bonded Debt		<u>77,145,845</u>
Legal Debt Margin	\$	<u><u>215,207,016</u></u>

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

ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

DEMOGRAPHIC AND ECONOMIC STATISTICS

For the Last Ten Fiscal Years

(Unaudited)

Fiscal Year	(1) <u>Population</u>	(1) Per <u>Capita Income</u>	(1) Median <u>Age</u>	Public <u>Enrollment</u>	Non-Public <u>Enrollment</u>	(2) Jobless <u>Rate</u>
2018	21,367	\$ 25,724	38.8	3,717	298	6.9%
2017	21,557	25,275	38.9	3,810	221	7.7%
2016	21,460	25,312	38.9	3,812	214	8.7%
2015	21,567	24,071	38.8	3,795	209	9.1%
2014	21,664	22,133	38.6	3,873	217	9.4%
2013	21,781	20,195	38.5	3,773	221	10.6%
2012	21,888	18,257	38.2	3,885	221	11.7%
2011	21,995	16,319	38.1	3,968	244	13.7%
2010	22,102	14,381	37.9	3,987	226	12.8%
2009	22,199	14,219	37.6	4,156	229	10.1%

(1) 2010 figures are from the U.S. Census; all others are U.S. Census estimates.

(2) All figures are from the U.S. Bureau of Labor Statistics.

**ST. JAMES PARISH SCHOOL BOARD**

Lutcher, Louisiana

PRINCIPAL EMPLOYERS

As of June 30, 2018 and June 30, 2009  
(Unaudited)

Employer	Type of Business	Rank	2018		Rank	2009	
			Number of Employees	Percent of Total Employment		Number of Employees	Percent of Total Employment
Shell Refinery	Petroleum Refinery	1	725	7.60%	2	535	6.10%
St. James Parish Schl Brd	K-12 Public Education	2	565	5.92%	1	640	7.29%
Noranda Alumina, LLC	Chemical Plant	3	462	4.84%	3	485	5.53%
Mosaic Fertilizer, LLP	Fertilizer Production	4	406	4.25%	6	220	2.51%
St. James Parish Council	Parish Government	5	209	2.19%	4	375	4.27%
Zen-Noh Grain Corp.	Grain Processor	6	195	2.04%	9	122	1.39%
Associated Terminals	Shipping and Cargo	6	195	2.04%	-	-	-
Louisiana Sugar Refining	Sugar Refining	8	180	1.89%	5	325	3.70%
St. James Parish Hospital	Hospital	9	172	1.80%	-	-	-
Nucor Steel La	Steel Production	10	150	1.57%	-	-	-
American Styrenics	Chemical Refinery	-	-	-	7	135	1.54%
Occidental Chemical Corp	Chemical Refinery	-	-	-	8	130	1.48%
UTZ / Zapps	Potato Chips / Snacks	-	-	-	10	100	1.14%

Source: St. James Parish Council.

**ST. JAMES PARISH SCHOOL BOARD**

Lutcher, Louisiana

MISCELLANEOUS STATISTICAL DATA (Unaudited)

As of and For the Year Ended June 30, 2018

Year of Incorporation	1921
Form of Government	President / School Board
Area of Parish	241.54 Square Miles
Regular School Term	180 Days

ST. JAMES PARISH PUBLIC SCHOOLS

<u>Grade Level</u>	<u>Number of Schools</u>	<u>Student Enrollment</u>
PK - 6	6	2,067
7 - 12	2	1,650
<b>TOTALS</b>	<b>8</b>	<b>3,717</b>

<u>Academic Degree</u>	<u>Number of Teachers</u>	<u>Percent of Total</u>
Bachelor's	201	61.66%
Master's	89	27.30%
Master's + 30 Hours	29	8.90%
Education Specialist	3	0.92%
Doctorate	4	1.23%
<b>TOTALS</b>	<b>326</b>	<b>100.00%</b>

<u>Years of Experience</u>	<u>Number of Teachers</u>	<u>Percent of Total</u>
0 - 9	117	35.89%
10 - 19	131	40.18%
20 - 24	32	9.82%
25 and Over	46	14.11%
<b>TOTALS</b>	<b>326</b>	<b>100.00%</b>

**ST. JAMES PARISH SCHOOL BOARD**

Lutcher, Louisiana

INFORMATIONAL PROFILE OF SCHOOL FACILITIES

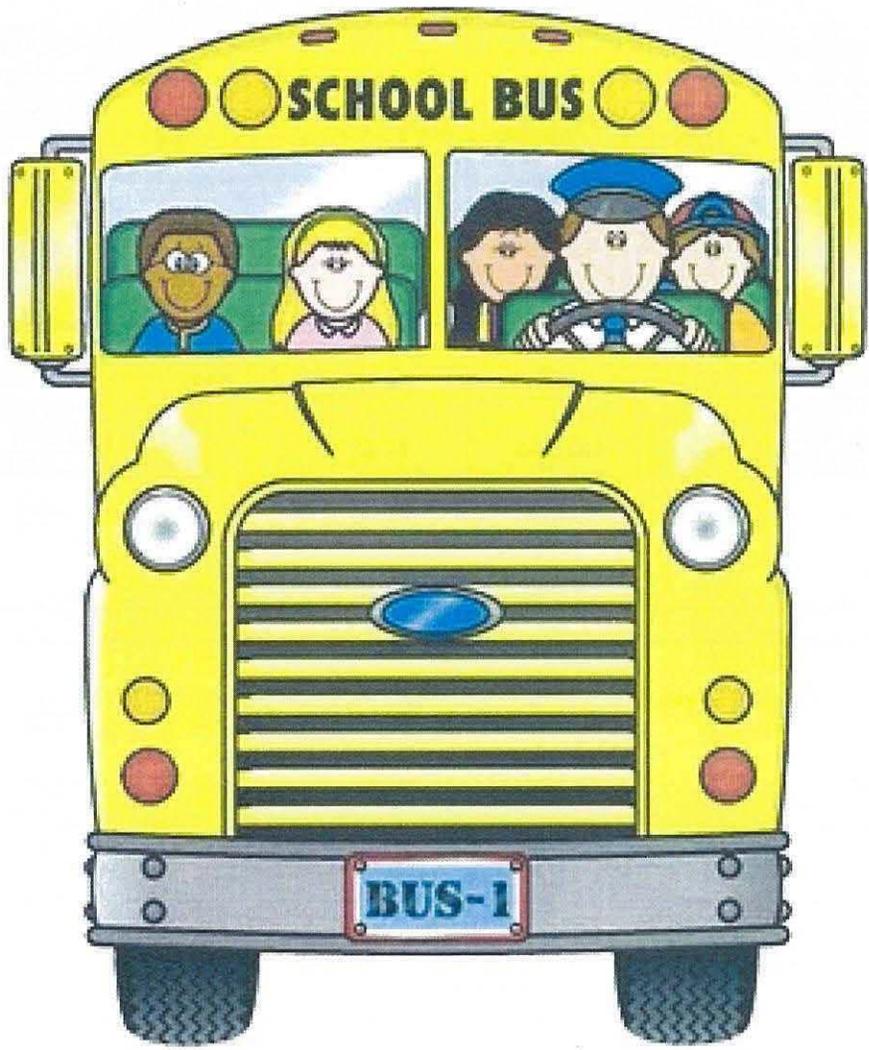
As of June 30, 2018

(Unaudited)

<u>School</u>	<u>Original Construction</u>	<u>Facility Square Footage</u>	<u>Configuration</u>	<u>Enrollment</u>	<u>Facility Capacity</u>	<u>Latest Addition/ Renovation</u>
Fifth Ward Elementary	1967	48,810	PK - 6	126	480	2018
Gramercy Elementary	1972	79,948	PK - 6	581	680	2016
Lutcher Elementary	1967	49,464	PK - 6	123	400	2018
Lutcher High School	1930	182,384	7 - 12	1,008	1,775	2017
Paulina Elementary	1972	82,876	PK - 6	608	760	2016
St. James High School	1984	138,098	7 - 12	642	950	2014
Sixth Ward Elementary	1972	61,928	PK - 6	319	640	2018
Vacherie Elementary	1967	63,401	PK - 6	310	680	2018
Career and Technology Center	1967	53,696	7 - 12	-	700	2018
Science and Math Academy	1956	52,213	2 - 12	-	550	2008

**Notes**

Gramercy Elementary also houses the Gramercy Elementary Magnet School of Visual and Performing Arts. The current St. James High School facility was opened in 1984 following the fire loss of the previous facility. The Career and Technology Center and the Science and Math Academy serve students shuttled in from their home schools throughout the system. Accordingly, they report no student enrollment of their own. Construction of the new St. James High School was substantially completed in July 2018. The new facility opened its doors to students on August 5, 2018.



**ST. JAMES PARISH SCHOOL BOARD**

REPORTS ON COMPLIANCE AND INTERNAL CONTROL

Year Ended June 30, 2018

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# KOLDER, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

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

To the Members of the Board  
c/o Dr. P. Edward Cancienne, Jr., Superintendent  
St. James Parish School Board  
Lutcher, LA

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. James Parish School Board (hereinafter, "School Board"), as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the School Board's basic financial statements and have issued our report thereon dated December 27, 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 School Board's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the School Board's financial statements are free of 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 matter that are required to be reported under *Government Auditing Standards*.

## **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School Board's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School Board's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. Although the intended use of this report may be limited under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document in accordance with Louisiana Revised Statute 44:6.

***Kolder, Slaven & Company, LLC***  
Certified Public Accountants

Morgan City, Louisiana  
December 27, 2018

# KOLDER, SLAVEN & COMPANY, LLC

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## INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Members of the Board  
c/o Dr. P. Edward Cancienne, Jr., Superintendent  
St. James Parish School Board  
Lutcher, LA

### Report on Compliance for Each Major Federal Program

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

### *Management's Responsibility*

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

### *Auditor's Responsibility*

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

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

### ***Opinion on Each Major Federal Program***

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

### **Report on Internal Control over Compliance**

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

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, of 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 a material weakness. However, material weaknesses may exist that have not been identified.

### **Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the School Board, as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise School Board's basic financial statements. We issued our report thereon dated December 27, 2018, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose. Although the intended use of this report may be limited under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document in accordance with Louisiana Revised Statute 44:6.

***Kolder, Slaven & Company, LLC***  
Certified Public Accountants

Morgan City, Louisiana  
December 27, 2018

ST. JAMES PARISH SCHOOL BOARD  
Lutcher, Louisiana

Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2018

Federal Grantor/Pass-Through Grantor/Program Title	CFDA Number	Pass-Through/ Entity Identifying Number	Expenditures
<b>UNITED STATES DEPARTMENT OF AGRICULTURE</b>			
Passed through Louisiana Department of Education:			
<i>Child Nutrition Cluster</i>			
School breakfast program	10.553	N/A	\$ 613,739
National School Lunch Program	10.555	N/A	1,523,460
National School Lunch Program - Non-Cash Assistance	10.555	N/A	142,653
Total National School Lunch Program			<u>1,666,113</u>
Summer Food Service Program	10.559	N/A	27,100
<i>Total Child Nutrition Cluster</i>			<u>2,306,952</u>
Child Nutrition Discretionary Grants Limited Availability	10.579	N/A	20,700
Child and Adult Care Food Program	10.558	N/A	267,804
Fresh Fruits and Vegetable Program	10.582	N/A	32,258
Total United States Department of Agriculture			<u>2,627,714</u>
<b>UNITED STATES DEPARTMENT OF DEFENSE</b>			
ROTC	None	N/A	<u>130,627</u>
<b>UNITED STATES DEPARTMENT OF EDUCATION</b>			
Passed through Louisiana Department of Education:			
Title I Grants to Local Educational Agencies	84.010	28-18-T1-47 28-17-T1-47	945,183 29,653
Total Title I Grants to Local Educational Agencies			<u>974,836</u>
<i>Special Education Cluster</i>			
Special Education - Grants to States (IDEA, Part B)	84.027		
IDEA - Part B		28-18-B1-47 28-17-B1-47	592,861 260,221
High Cost Services		28-18-RH-47	166,100
Positive Behavior Interventions and Support Program		28-18-PA-47	32,507
IDEA Opportunity Grant		28-18-OG-47	52,217
Total Special Education - Grants to States (IDEA, Part B)			<u>1,103,906</u>
Special Education - Preschool Grants (IDEA Preschool)	84.173	28-18-P1-47 28-17-P1-47 28-18-CY-47	25,766 19,992 1,777
Total Special Education - Preschool Grants (IDEA Preschool)			<u>47,535</u>
<i>Total Special Education Cluster</i>			<u>1,151,441</u>
Career and Technical Education - Basic Grants to States	84.048	28-18-02-47 28-17-02-47	44,480 2,719
Total Career and Technical Education Programs			<u>47,199</u>
Title III, English Language Acquisition	84.365	28-18-60-47	<u>2,828</u>
Title II, Supporting Effective Instruction/Improving Teacher Quality	84.367		
Supporting Effective Instruction		28-18-50-47	215,613
Improving Teacher Quality		28-17-50-47	13,898
Total Title II			<u>229,511</u>
Title IV A - Student Support and Academic Enrichment Program	84.424	28-18-71-47	<u>17,298</u>
Jobs for Americas Graduates	84.126	28-18-JSPT-47	<u>29,264</u>
Total United States Department of Education			<u>2,452,377</u>

ST. JAMES PARISH SCHOOL BOARD  
Lutcher, Louisiana

Schedule of Expenditures of Federal Awards (continued)  
Year Ended June 30, 2018

Federal Grantor/Pass-Through Grantor/Program Title	CFDA Number	Pass-Through/ Entity Identifying Number	Expenditures
UNITED STATES DEPARTMENT OF HEALTH AND HUMAN SERVICES			
Direct Award:			
Head Start	93.600	N/A	<u>1,448,866</u>
Passed through Louisiana Department of Education:			
<i>TANF Cluster</i>			
Temporary Assistance for Needy Families (TANF)	93.558		
The Cecil J. Picard LA 4 Early Childhood Program - TANF		28-18-36-47	165,637
Jobs for Americas Graduates (JAG)		28-18-JS-47	<u>20,390</u>
<i>Total TANF Cluster</i>			<u>186,027</u>
<i>CCDF Cluster</i>			
Childcare and Development Block Grant	93.575	28-18-C3-47	<u>6,844</u>
Total United States Department of Health and Human Services			<u>1,641,737</u>
Total expenditures of federal awards			<u>\$ 6,852,455</u>

ST. JAMES PARISH SCHOOL BOARD  
Lutcher, Louisiana

Notes to Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2018

(1) Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal financial assistance programs of the St. James Parish School Board (the School Board). The School Board reporting entity is defined in Note 1 to the financial statements 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 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 position, or cash flows of the School Board.

(2) Summary of Significant Accounting Policies

Expenditures reported on the Schedule of Expenditures of Federal Awards are reported on the modified 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 to reimbursement. Pass-through identifying numbers are presented where available. The School Board has not elected to use the 10 percent de minimis indirect cost.

(3) Commodities

Nonmonetary assistance in the amount of \$142,653 is reported in the schedule at the fair market value of the commodities received and consumed. At June 30, 2018, the School Board had \$54,868 of commodities remaining in inventory.

(4) Relationship to Fund Financial Statements

Federal financial assistance is reported in the School Board's fund financial statements as follows:

Revenues -	
Major Governmental Fund:	
General Fund	\$ 354,539
Other Governmental Funds:	
Title I	974,836
Title II and III	249,637
Idea	1,149,664
Vocational Education	47,199
Head Start	1,448,866
School Food Service	2,627,714
Total	<u>\$ 6,852,455</u>

(5) Subrecipients

The School Board provided no federal awards to subrecipients.

ST. JAMES PARISH SCHOOL BOARD  
Lutcher, Louisiana

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

Part I. Summary of Auditor's Results

*Financial Statements*

1. Type of auditor's opinion issued on financial statements:

Opinion Unit	Type of Opinion
Governmental activities	Unmodified
Major funds:	
General Fund	Unmodified
Bond Retirement Fund	Unmodified
Capital Projects Fund	Unmodified
Aggregate remaining fund information	Unmodified

2. Internal control over financial reporting:

Material weakness(es) identified?	_____ yes	✓ no	
Significant deficiency(ies) identified?	_____ yes	✓ none reported	

3. Noncompliance material to the financial statements?

\_\_\_\_\_ yes      ✓ no

*Federal Awards*

4. Internal control over major federal programs:

Material weakness(es) identified?	_____ yes	✓ no	
Significant deficiency(ies) identified?	_____ yes	✓ none reported	

5. Major programs and type of auditor's report issued:

CFDA Number	Federal Agency and Name of Major Program	Type of Opinion
	<u>U.S. Department of Education</u>	
	<i>Special Education Cluster (IDEA)</i>	
84.027	Special Education - Grants to States (IDEA Part B)	Unmodified
84.173	Special Education - Preschool Grants (IDEA Preschool)	Unmodified
84.367	Supporting Effective Instruction/Improving Teacher Quality	Unmodified
	<u>U.S. Department Health and Human Services</u>	
93.600	Head Start	Unmodified

6. Audit findings required to be reported in accordance with 2 CFR §200.516(a)?

\_\_\_\_\_ yes      ✓ no

7. Threshold for distinguishing type A and B programs?

\$ 750,000

8. Qualified as a low-risk auditee?

\_\_\_\_\_ yes      ✓ no

*Other*

9. Management letter issued?

✓ \_\_\_\_\_ yes      \_\_\_\_\_ no

ST. JAMES PARISH SCHOOL BOARD  
Lutcher, Louisiana

Schedule of Findings and Questioned Costs (continued)  
Year Ended June 30, 2018

Part II. Findings Reported in Accordance with *Government Auditing Standards*:

Internal Control Findings –

No findings are reported under this section.

Compliance Findings –

No findings are reported under this section.

Part III. Findings and questioned costs for Federal Awards:

No findings are reported under this section.

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

**APPENDIX A**

Dr. P. Edward Cancienne  
Superintendent

George Nassar, President  
District 4

Dianne Spencer, Vice-  
President, District 5



**ST. JAMES**  
**PARISH SCHOOLS**  
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Diana Cantillo, District 1  
Kenneth Foret, District 2  
Sue Beier, District 3  
Nicole Florent Charles,  
District 6  
Raymond Gros, District 7

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SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
Year Ended June 30, 2017

Findings Reported in Accordance with *Government Auditing Standards*:

2017-001 Budget Variance

CONDITION: Budget variance in excess of 5% was incurred in the General Fund.

RECOMMENDATION: We recommend that the School Board periodically compare actual activity to budgeted amounts and adopt budgetary amendments as necessary to cause compliance with state statute.

STATUS: No longer applicable.

Findings and Questioned Costs for Federal Awards Defined in the Uniform Guidance:

None

Management Letter Findings:

2017-ML-1 Reconciliation of Stop Loss Reports

The School Board does not reconcile amounts reported by Blue Cross/Blue Shield on the stop loss report to amounts paid by Zurich American Insurance Company for claims exceeding the \$125,000 stop loss deductible. Reconciliation of the amounts reported by BCBS to amounts paid by Zurich American ensures the School Board is properly and timely reimbursed for all claims exceeding the stop loss deductible.

STATUS: Resolved.

2017-ML-2 Incurred but Not Reported Liability

The School Board estimates a liability for incurred but not reported claims using lag reports dated through October 31<sup>st</sup>. The School Board should continue to monitor its liability for incurred but not reported claims through the date of the issuance of the financial statements.

STATUS: Resolved.

**Summary Schedule of Prior Audit Findings  
December 27, 2018  
Page Two**

2017-ML-3 Reconciliation of Fuel Purchases

The School Board does not reconcile charges reflected on Fuelman statements to supporting individual transaction documentation. Reconciliation of charges to transaction documentation identifies the person initiating the transaction, fuel type, gallons purchased, date and location of the transaction for evaluation against known criterion.

STATUS: Resolved.

**CORRECTIVE ACTION PLAN FOR CURRENT YEAR FINDINGS**

**APPENDIX B**

**Note: No items requiring corrective action were reported.**

**ST. JAMES PARISH SCHOOL BOARD**

Statewide Agreed-Upon Procedures

Fiscal period July 1, 2017 through June 30, 2018

# KOLDER, SLAVEN & COMPANY, LLC

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## INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES TO CONTROL AND COMPLIANCE AREAS IDENTIFIED BY THE LOUISIANA LEGISLATIVE AUDITOR

Dr. P. Edward Cancienne, Jr., Superintendent  
and Members of the St. James Parish School Board  
Lutcher, LA 70071

We have performed the procedures included in the *Louisiana Governmental Audit Guide* and enumerated below, which were agreed to by the St. James Parish School Board (hereinafter "SJPSB") and the Louisiana Legislative Auditor (LLA) to the control and compliance areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period July 1, 2017 through June 30, 2018. The SJPSB's management is responsible for those control and compliance 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 exceptions are as follows:

### *Written Policies and Procedures*

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

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

*Written policies and procedures were obtained and addressed the categories and subcategories noted above.*

- 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.

*Written policies and procedures were obtained. SJPSB's written policies address the categories and subcategories noted above, with the exception of the following subcategories: how purchases are initiated, how vendors are added to the vendor list, or the preparation and approval process of purchase requisitions and purchase orders.*

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

*Written policies and procedures were obtained. SJPSB's written policies addressed all categories and subcategories noted above, with the exception of the processing of disbursements.*

- d) **Receipts/Collections**, 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).

*Written policies and procedures were obtained and address the categories and subcategories noted above.*

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

*Written policies and procedures were obtained and address the categories and subcategories noted above.*

- 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.

*Written policies and procedures were obtained and addressed the categories and subcategories noted above with the exceptions of standard terms and conditions and legal review of contracts.*

- 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).

*SJPSB does not have written policies addressing the categories and subcategories noted above.*

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

*Written policies and procedures were obtained and address the categories and subcategories noted above.*

- 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 SJPSB's ethics policy.

*Written policies and procedures were obtained and address the categories and subcategories noted above, with the exception of the requirement that all employees annually attest through signature verification that they have read the SJPSB's ethics policy.*

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

*Written policies and procedures were obtained and address the categories and subcategories noted above with the exceptions of debt reserve requirements and debt service requirements.*

***Board or Finance Committee***

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***Note: Procedure excluded from testing procedures in the current year—Per the Louisiana Legislative Auditor’s Statewide Agreed Upon Procedures Year 2: “Entities that did not have exceptions in one or more of the twelve AUP categories tested during Year 1 may exclude those categories from testing in Year 2.”***

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 documents.
  - 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.
  - 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.

***Bank Reconciliations***

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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 SJPSB’s main operating account. Select the SJPSB’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:
  - 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);

*Bank reconciliations obtained, included evidence that they were prepared within 2 months of related statement closing date.*
  - 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  

*Bank reconciliations obtained include evidence that a member of management/board member who meet the above requirements has reviewed each bank reconciliation.*
  - 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.

*Of the five (5) bank accounts selected, two (2) bank accounts included reconciling items outstanding for more than 12 months from the statement closing date. Of the four (4) reconciling items noted, no indication that reconciling items were researched was noted.*

***Collections***

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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).

*A listing of deposit sites for the fiscal period and management's representation that the listing is complete was obtained and five (5) deposits sites were randomly selected.*

5. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site, obtain and inspect written policies and procedures relating to employee job duties at each collection location, and observe that job duties are properly segregated at each collection location such that:

*Obtained listing of collection locations and management's representation that listing is complete. Randomly selected one collection location for each deposit site.*

- a) Employees that are responsible for cash collections do not share cash drawers/registers.

*Written policies obtained and inspected address employees 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. prenumbered receipts) to the deposit.

*Written policies obtained and inspected address employees responsible for collecting cash are not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g. prenumbered 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.

*Written policies obtained and inspected address employees responsible for collecting cash are 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 employees 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.

*Written policies obtained and inspected address employees 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.*

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

*Management verified 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" (adapted in #8 above) above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit date 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:

*Randomly selected two deposit dates for each of the 5 bank accounts selected under procedure #3 above.*

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

*Sequentially pre-numbered receipts were used for all (10) deposits selected for testing.*

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

*Sequentially pre-numbered receipts, system reports, and other related collection documentation were traced to the deposit slip for each of the ten (10) deposits selected.*

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

*Deposit slip totals were traced to the actual deposit per the bank statement for each of the ten (10) deposits selected.*

- 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).

*Observed that the ten (10) deposits selected were made within one business day of receipt at the collection location or within one week if the depository was 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.

*Actual deposit per the bank statement was traced to the general ledger for each of the ten (10) deposits selected for testing.*

*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).

*Obtained listing of locations that process payments for the fiscal period and management's representation that the listing is complete.*

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.

*Observed that at least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making a purchase at the five (5) locations selected.*

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

*Observed that at least two employees are involved in processing and approving payments to vendors at the five (5) locations selected.*

- 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.

*Observed that the employee responsible for processing payments is prohibited from adding/modifying vendor files unless another employee is responsible for periodically reviewing changes to the 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.

*Observed that 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 at the five (5) locations selected.*

10. For each location selected under #8 above, obtain the SJPSB'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.

*Obtained supporting documentation and observed that the disbursement matched the related original invoice/billing statement for each of the twenty-five (25) disbursements selected for testing*

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

*Obtained supporting documentation and observed that the disbursement documentation included evidence of segregation of duties tested above for each of the twenty-five (25) disbursements selected for testing.*

#### ***Credit Cards/Debit Cards/Fuel Cards/P-Cards***

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11. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards), 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.

*Obtained listing of active credit cards, bank debit cards, fuel cards and name of the individuals maintaining possession of the cards from management and management's representation that the listing is complete.*

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:

*Randomly selected five (5) cards from the listing provided by management.*

- 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]

*Monthly statements were obtained. Monthly statements for the five (5) cards selected for testing evidenced review and approval, in writing, by someone other than the authorized cardholder.*

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

*No finance charges and/or late fees were observed on the statements.*

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).

*All five (5) cards selected above are fuel cards. Further selection and testing of ten (10) transactions from each statement was not within the scope of the procedure.*

***Travel and Travel-Related Expense Reimbursement (excluding card transactions)***

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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:

*Obtained a listing from management of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing is complete. Randomly selected five (5) reimbursements and obtained related documentation for each selected reimbursement.*

- 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](http://www.gsa.gov)).

*Reimbursement rates used for per diem did not exceed the reimbursement rate established by the State of Louisiana or the U.S. General Services Administration.*

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

*Reimbursements using actual costs were supported by an original itemized receipt that identified precisely what was purchased.*

- 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).

*Observed that each reimbursement selected was supported by documentation of the business/public purpose and other documentation required by written policy.*

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

*Observed that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving the reimbursement.*

### ***Contracts***

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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:

*Obtained a listing of all agreements/contracts for professional services, materials, supplies, leases, and construction activities that were initiated or renewed during the fiscal period. Randomly selected five (5) contracts from the listing.*

- 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.

*Observed that each selected contract was bid in accordance with the Louisiana Public Bid Law, 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).

*Observed that each contract was approved by the governing body/board, if required by policy or law.*

- c) If the contract was amended (e.g. change order), observe that the original contract terms provided for such an amendment.

*None of the contracts selected were amended.*

- 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.

*Randomly selected one (1) payment from the fiscal period for each of the 5 contracts. Supporting invoice obtained and related payment agreed to the contract terms and conditions of the contract.*

### ***Payroll and Personnel***

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***Note: Procedure excluded from testing procedures in the current year—Per the Louisiana Legislative Auditor's Statewide Agreed Upon Procedures Year 2: "Entities that did not have exceptions in one or more of the twelve AUP categories tested during Year 1 may exclude those categories from testing in Year 2."***

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.

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:
  - 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.)
  - b) Observe that supervisors approved the attendance and leave of the selected employees/officials.
  - c) Observe that any leave accrued or taken during the pay period is reflected in the SJPSB's cumulative leave records.
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.
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.

#### ***Ethics***

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***Note: Procedure excluded from testing procedures in the current year—Per the Louisiana Legislative Auditor's Statewide Agreed Upon Procedures Year 2: "Entities that did not have exceptions in one or more of the twelve AUP categories tested during Year 1 may exclude those categories from testing in Year 2."***

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 SJPSB's ethics policy during the fiscal period.

#### ***Debt Service (excluding nonprofits)***

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***Note: Procedure excluded from testing procedures in the current year—Per the Louisiana Legislative Auditor's Statewide Agreed Upon Procedures Year 2: "Entities that did not have exceptions in one or more of the twelve AUP categories tested during Year 1 may exclude those categories from testing in Year 2."***

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***

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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 SJPSB reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the SJPSB is domiciled.

*Management asserted that there were no misappropriations of public funds and assets during the fiscal period.*

24. Observe that the SJPSB 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.

*Notice required by R.S. 24:523.1 was posted on SJPSB's premises. Notice was not posted on SJPSB's website.*

***Management's Response***

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*SJPSB's management concurs with the exceptions and are working to address the deficiencies identified.*

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

The purpose of this report is solely to describe the scope of testing performed on those control and compliance areas identified in the SAUPs, and the result of that testing, and not to provide an opinion or conclusion on control or compliance. This report is intended solely for use by the SJPSB's management and the LLA. Accordingly, this report is not suitable for any other purpose and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the LLA as a public document.

***Kolder, Slaven & Company, LLC***  
Certified Public Accountants

Morgan City, Louisiana  
December 27, 2018

**ST. JAMES PARISH SCHOOL BOARD**

Special Agreed-Upon Procedures on  
Performance Measures

Year Ended June 30, 2018

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## INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES TO PERFORMANCE AND STATISTICAL DATA SCHEDULES

Dr. P. Edward Cancienne, Jr., Superintendent  
and Members of the St. James Parish School Board  
Lutcher, Louisiana

We have performed the procedures included in the *Louisiana Governmental Audit Guide* and enumerated below, which were agreed to by the management of St. James Parish School Board (hereinafter "SJPSB"), Louisiana Department of Education and, Legislative Auditor, State of Louisiana, on the performance and statistical data accompanying the annual financial statements of SJPSB 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). The management of the SJPSB is responsible for its records and compliance with applicable laws and regulations pertaining to its performance and statistical data.

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

Our procedures and associated exceptions are as follows:

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

1. We selected a random sample of 25 transactions, reviewed supporting documentation, and observed that the sampled expenditures/revenues are classified correctly and are reported in the proper amounts among the following amounts reported on the schedule.

- Total General Fund Instructional Expenditures
- Total General Fund Equipment Expenditures
- Total Local Taxation Revenue
- Total Local Earnings on Investment in Real Property
- Total State Revenue in Lieu of Taxes
- Nonpublic Textbook Revenue
- Nonpublic Transportation Revenue

*There were no exceptions noted.*

### Class Size Characteristics (Schedule 2)

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

*There were no exceptions noted.*

Education Levels/Experience of Public School Staff (NO SCHEDULE)

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

*There were no exceptions noted.*

Public School Staff Data: Average Salaries (NO SCHEDULE)

4. We obtained June 30<sup>th</sup> PEP data submitted to the Department of Education of all classroom teachers, including base salary, extra compensation, and ROTC of rehired retiree status, as well as full-time equivalents, and obtained management's representation that the date/listing was complete. We then selected a sample of 25 individuals, traced to each individual's personnel file, and observed that each individual's salary, extra compensation, and full-time equivalents were properly included on the PEP data.

*There were no exceptions noted.*

This agreed-upon procedures engagement was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. 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.

This 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 SJPSB, as required by Louisiana Revised Statute 24:514.I, and the results of that testing and not to provide an opinion or conclusion on the performance and statistical data. This report is intended solely for the use of SJPSB's management, the Louisiana Department of Education, and the Legislative Auditor, State of Louisiana. Accordingly, this report is not suitable for any other purpose and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

***Kolder, Slaven & Company, LLC***  
Certified Public Accountants

Morgan City, Louisiana  
December 27, 2018

ST. JAMES PARISH SCHOOL BOARD  
Lutcher, Louisiana

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

**Schedule 1 - General Fund Instructional and Support Expenditures and Certain Local Revenue Sources**

This schedule includes general fund instructional and equipment expenditures. It also contains local taxation revenue, earnings on investments, revenue in lieu of taxes, and nonpublic textbook and transportation revenue. This data is used either in the Minimum Foundation Program (MFP) formula or is presented annually in the MFP 70% Expenditure Requirement Report.

**Schedule 2 – (Formerly Schedule 6) Class Size Characteristics**

This schedule includes the percent and number of classes with student enrollment in the following ranges: 1-20, 21-26, 27-33, and 34+ students.



SCHEDULE 1 continued

State Revenue in Lieu of Taxes:	
Revenue Sharing - Constitutional Tax	\$ 34,076
Revenue Sharing - Other Taxes	48,847
Revenue Sharing - Excess Portion	-
Other Revenue in Lieu of Taxes	-
Total State Revenue in Lieu of Taxes	<u>\$ 82,923</u>
Nonpublic Textbook Revenue	<u>\$ 6,161</u>
Nonpublic Transportation Revenue	<u>-</u>
<b><u>Support Expenditures</u></b>	
General administration	2,118,753
Business services	704,051
Operations and maintenance	5,919,059
Student transportation	4,150,993
Central services	1,814,996
Food service operations	-
Less equipment	<u>(24,045)</u>
Total support expenditures	<u>\$ 14,683,807</u>

ST. JAMES PARISH SCHOOL BOARD  
Lutcher, Louisiana

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	82.9%	716	16.7%	144	0.0%	-	0.5%	4
Elementary activity classes	84.1%	95	15.9%	18	0.0%	-	0.0%	-
High	75.7%	685	21.3%	193	3.0%	27	0.0%	-
High activity classes	78.0%	85	14.7%	16	5.5%	6	1.8%	2

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.

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## MANAGEMENT LETTER

Dr. P. Edward Cancienne, Jr., Superintendent  
St. James Parish School Board  
Lutcher, Louisiana

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the St. James Parish School Board (hereinafter "School Board") as of and for the year ended June 30, 2018 and have issued our report thereon dated December 27, 2018.

In planning and performing our audit of the financial statements of the School Board, in accordance with auditing standards generally accepted in the United States of America, we considered the School Board's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements but not for the purpose of expressing an opinion on the effectiveness of the School Board's internal control or on its compliance with provisions of laws, regulations, contracts, and grant agreements and other matters. Accordingly, we do not express an opinion on the effectiveness of the School Board's internal control or on compliance.

During our audit we noted certain matters involving internal control or compliance that is summarized below for your consideration. These comments and the related recommendations are intended to improve the School Board's internal control and its compliance with laws, regulations, contracts, and grant agreements and other matters. Our comments are not intended to reflect upon the ability or integrity of the School Board's personnel.

### 2018-ML-1 Written Policies and Procedures Related to Federal Awards

The requirements of 2 CFR 200, Subpart D – Post Federal Award Requirements and Subpart E – Cost Principles of Uniform Guidance, require specific written policies and procedures, such as determination of allowable costs, cash management, procurement, reporting and eligibility. The School Board's written policies and procedures pertaining to federal awards does not include all written policies and procedures required by Uniform Guidance. The School Board should implement written policies and procedures as required by Uniform Guidance.

Our audit procedures are designed primarily to enable us to form an opinion on the financial statements, and therefore may not identify all weaknesses in policies and procedures or incidents of noncompliance that may exist. We aim, however, to use our knowledge of the School Board's operations gained during our work to make comments and suggestions that we hope will be useful to you.

This report is intended solely for the information and use of the School Board's management and the Louisiana Legislative Auditor and is not intended to be and should not be used by anyone other than these specified parties.

St. James Parish School Board  
Management Letter

We would like to express our appreciation to you and your staff for the courtesies and assistance rendered to us in the performance of our audit. Should you have any questions or need additional assistance, please feel free to contact us.

*KOLDER, SLAVEN & COMPANY, LLC*  
Certified Public Accountants

Dr. P. Edward Cancienne  
Superintendent

George Nassar, President  
District 4

Dianne Spencer, Vice-  
President, District 5



**ST. JAMES**  
**PARISH SCHOOLS**  
*Inspiring Hope and Purpose*

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Diana Cantillo, District 1  
Kenneth Foret, District 2  
Sue Beier, District 3  
Nicole Florent Charles,  
District 6  
Raymond Gros, District 7

December 27, 2018

Mr. Gerald Thibodeaux  
Kolder, Slaven & Company, LLC  
1234 David Drive, Suite 203  
Morgan City, LA 70380

Dear Mr. Thibodeaux:

In connection with your audit of the St. James Parish School Board financial statements as of and for the year ended June 30, 2018, your firm issued a Management Letter to the St. James Parish School Board.

In response to Management Letter comment 2018-ML-1 Written Policies and Procedures Related to Federal Awards, the St. James Parish School Board will develop and implement said written policies and procedures by June 30, 2018. This project will be assigned to Ashley Montz, Supervisor of Accounting.

Thank you for your consideration of this response and please contact me at 225-258-4520 or [jmitchell@stjames.k12.la.us](mailto:jmitchell@stjames.k12.la.us) should you need further information.

Sincerely,

Jim Mitchell  
Administrative Director of Business Operations