

**ST. MARY PARISH SCHOOL BOARD**

Centerville, Louisiana

Financial Report

Year Ended June 30, 2015

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## INDEPENDENT AUDITOR'S REPORT

Leonard Armato, Superintendent,  
and Members of the St. Mary Parish School Board  
Centerville, 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. Mary Parish School Board, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the School Board's basic financial statements as listed in the table of contents.

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

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

### *Auditor's Responsibility*

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

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

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

### *Opinions*

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the St. Mary Parish School Board as of June 30, 2015, 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 discussed in Note 1 to the financial statements, the School Board implemented the provisions of the Governmental Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for 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 that the management's discussion and analysis (pages 4 through 11), budgetary comparison information (pages 65 through 65), the **schedule of proportionate share of net pension liability (page 67), and the schedule of contributions (pages 68)** be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the St. Mary Parish School Board's basic financial statements. The combining and individual non-major fund financial statements and the combining and individual fiduciary fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U. S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements.

The combining and individual non-major fund financial statements, the combining and individual fiduciary fund financial statements, and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual non-major fund

financial statements, the combining and individual fiduciary fund financial statements, the schedule of compensation, benefits and other payments to agency head, and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated December 8, 2015, on our consideration of the St. Mary Parish School Board's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the St. Mary Parish School Board's internal control over financial reporting and compliance.

*Darnall, Sikes, Gardes & Frederick*

(A Corporation of Certified Public Accountants)

Lafayette, Louisiana

December 8, 2015

**St. Mary Parish School Board  
Centerville, Louisiana**

**MANAGEMENT’S DISCUSSION AND ANALYSIS  
June 30, 2015**

The Management’s Discussion and Analysis (MD&A) of the St. Mary Parish School Board’s (School Board) financial performance provides an overall review and an objective, easily readable analysis of the School Board’s financial activities for the fiscal year ended June 30, 2015. The intent of the MD&A is to look at the School Board’s overall financial performance and to assist readers in assessing the financial position as a result of the year’s operations. Therefore, readers should read the MD&A in conjunction with the School Board’s Financial Statements and the Notes to the Financial Statements.

The MD&A is an element of the Required Supplementary Information specified in the Governmental Accounting Standards Board’s (GASB) Statement No. 34 – *Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments* issued in June 1999. Certain comparative information between the current year (2014-2015) and the prior year (2013-2014) is required to be presented in the MD&A.

**FINANCIAL HIGHLIGHTS**

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

	2015	(Restated) 2014
	<u>2015</u>	<u>2014</u>
<b>ASSETS</b>		
Current assets	\$ 60,985,376	\$ 46,555,717
Capital assets	124,643,815	119,802,456
Less accumulated depreciation	<u>(62,057,134)</u>	<u>(60,195,636)</u>
Capital assets, net of depreciation	<u>62,586,681</u>	<u>59,606,820</u>
 Total assets	 <u>123,572,057</u>	 <u>106,162,537</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Deferred outflows related to pensions	12,764,032	13,973,643
<b>LIABILITIES</b>		
Current liabilities	14,885,979	14,693,804
Long-term liabilities	<u>268,516,684</u>	<u>260,410,869</u>
 Total liabilities	 283,402,663	 275,104,673
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Deferred inflows related to pensions	16,732,526	-
<b>NET POSITION</b>		
Net investment in capital assets	20,341,681	37,256,820
Restricted	31,591,251	13,080,794
Unrestricted	<u>(215,732,032)</u>	<u>(205,306,107)</u>
 Total net position	 <u>\$ (163,799,100)</u>	 <u>\$ (154,968,493)</u>

**St. Mary Parish School Board  
Centerville, Louisiana**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
June 30, 2015**

Net position decreased by \$8,830,607 for the year ended June 30, 2015 as compared to a decrease of \$21,084,102 for the year ended June 30, 2014. These net decreases were composed of the following elements:

	2015	2014
Net investment in capital assets	\$ (16,915,139)	\$ 2,460,916
Restricted for:		
Debt Service	993,185	(261,791)
Capital Projects	18,766,689	(110)
Maintenance	(231,981)	256,022
Other Purposes	(1,017,436)	(336,224)
Unrestricted	<u>(10,425,925)</u>	<u>(23,202,915)</u>
Net Decrease	<u>\$ (8,830,607)</u>	<u>\$ (21,084,102)</u>

Total assets increased \$30,173,552 for the year ended June 30, 2015 as compared to an increase of \$11,584,004 for the year ended June 30, 2014 attributed to the following elements:

	2015	(Restated) 2014
Cash and cash equivalents	\$ 11,120,992	\$ (497,652)
Investments at fair value	2,437,816	(2,172,439)
Due from other governmental units	98,330	(470,934)
Other receivables	1,126,121	(694,878)
Prepaid items and deposits	(102,192)	42,684
Inventory, at cost	(251,408)	(7,336)
Capital assets, net of accumulated depreciation	2,979,861	1,410,916
Deferred outflows related to pensions	<u>12,764,032</u>	<u>13,973,643</u>
Net (decrease) increase	<u>\$ 30,173,552</u>	<u>\$ 11,584,004</u>

The increase in total assets for 2015 can be attributed to an increase in cash and cash equivalents.

**St. Mary Parish School Board  
Centerville, Louisiana**

**MANAGEMENT’S DISCUSSION AND ANALYSIS  
June 30, 2015**

Total liabilities increased \$161,854,545 and \$18,786,444 for the years ended June 30, 2015 and 2014, respectively, attributed to the following elements:

	2015	2014
Accounts payable and other current liabilities	\$ (472,491)	\$ 849,126
Accrued liabilities	664,666	(256,345)
Long term liabilities	144,929,844	136,824,029
Deferred inflows related to pensions	16,732,526	-
 Net Increase	 \$ 161,854,545	 \$ 137,416,810

The increase in total liabilities for 2015 is due to the increase in long term liabilities.

Ad valorem taxes parish wide and districts are based on property values of businesses and homesteads in the parish. These revenues increased from last year. The total millage levied by the School Board was 85.82 mills, however only 19.54 mills were levied parish wide, with the remainder levied in special taxing districts.

Sales and use taxes are collected for and remitted to the St. Mary Parish School Board by the St. Mary Parish Sales and Use Tax Department. These revenues decreased from the prior year as a result of decreased oil and gas exploration activity.

The largest single revenue source continues to be the Minimum Foundation Program (MFP) distribution from the state, amounting to \$43,618,535 which is a decrease of \$744,160 from the prior year. This MFP formula establishes a standard of local support for each school system based on the State average local support relative to the system’s capacity to raise local funds.

Non payroll related expenditures reflect marginal cuts applied throughout the budget. Payroll related expenditures reflect the annual salary step increase afforded all employees as is customary as well as a reduction of teachers and aides. Additionally, an increase in the employer contribution rates on our two largest retirement plans is reflected in the statements.

Grant revenue remained relatively stable when compared to a year ago. The Title I Program is one of the largest federally funded programs with \$3.5 million in revenue compared to the Child Nutrition Program (CNP) with \$3.9 million. Overall meal participation has continued to decrease as enrollment continues to decrease. The federal reimbursement rate for meals served increased by approximately 2.5%.

**St. Mary Parish School Board  
Centerville, Louisiana**

**MANAGEMENT’S DISCUSSION AND ANALYSIS  
June 30, 2015**

**USING THE ANNUAL FINANCIAL REPORT (AFR)**

The School Board’s AFR consists of a series of financial statements and the associated notes to those statements. These statements are organized so the reader can understand the operations of the School Board as a financial whole, i.e., an entire operation entity, its funds, and its fiduciary responsibilities. The “Basic Financial Statements” Section, consisting of the Statement of Net Position and the Statement of Activities (pages 13-14) provide consolidated financial information, and render a government-wide perspective of the School Board’s financial condition. The Fund Financial Statements (pages 15-21) provide the next level of detail and look at the School Board’s most significant funds and a total of all other non-major funds.

*Reporting the School District as a Whole*

*Statement of Net Position and the Statement of Activities*

The Statement of Net Position and the Statement of Activities present an aggregate view of the School Board’s finances and a longer-term view of those finances. These statements seek to answer the question, “How did the School Board do financially during the 2014-2015 fiscal year?” These statements include all assets and liabilities using the accrual basis of accounting used by most private-sector enterprises. The accrual basis takes into account all of the Board’s current year revenues and expenses regardless of when paid or received.

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

*Reporting the School District’s Most Significant Funds*

*Fund Financial Statements*

The analysis of the School Board’s governmental funds begins on page 15. Fund Financial Statements provide more in-depth reporting of the School Board’s financial position and the results of operations. Fund basis financial information is presented in the “Fund Financial Statements” Section. The School Board uses many funds to account for the numerous funding sources provided annually. However, the Fund Financial Statements look at the School Board’s most significant funds with all non-major funds presented in total in one column. These statements report governmental activities on a more current basis rather than a long-term basis, indicating sources and uses of funding and resources available for spending in future periods.

Fund Financial Statements provide more in-depth data on the School Board’s most significant funds, such as its General Fund. This fund is considered a “major fund” under GASB Statement No. 34.

*Governmental Funds* – Most of the School District’s activities are reported in governmental funds, which focus on how money flows in and out of those funds, the balances that are left at year end and the amount available for spending in future periods. These funds are reported using the modified accrual basis of accounting, which measures cash and all other financial assets that can readily be converted to cash.

**St. Mary Parish School Board  
Centerville, Louisiana**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
June 30, 2015**

The relationship between governmental activities reported in the Basic Financial Statements and the governmental funds reported in the Fund Financial Statements are reconciled in the financial statements.

*Statement of Fiduciary Net Position* – This statement presents financial information relative to assets held by the School Board on behalf of students and others in a position of trust.

*Governmental Activities*

As reported in the *Statement of Activities* on page 14, the cost of the School Board's governmental activities for the year ended June 30, 2015 was \$110.7 million as compared to \$122.3 million for the prior year. The Statement of Activities shows the cost of program services and the charges and grants offsetting some of those services. Grants and contributions of \$12.0 million subsidized certain programs, and charges for services, such as fees for school lunches, e-rate receipts, tuition from other LEA's, extended day tuition and summer school tuition were the major contributors of charges for services totaling \$2.1 million. The remaining amount was financed by the taxpayers in the parish through ad valorem and sales and use taxes, as well as other local revenues totaling \$43.2 million.

The Minimum Foundation Program (MFP) from the State of Louisiana funded \$44.0 million and other general revenues contributed the remainder. In Table I on the following page, the cost of the School Board's largest categories of expenses are presented as well as each program's net cost (total cost less revenues generated by the activities). This "net cost" presentation allows the readers to determine the remaining cost of the various categories, and also allows them the opportunity to assess the cost of each function in comparison to the benefits provided by the function.

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**St. Mary Parish School Board  
Centerville, Louisiana**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
June 30, 2015**

**Table I  
Total and Net Cost of Governmental Activities  
Years Ended June 30, 2015 and 2014**

	2015		2014	
	<u>Total Cost of Services</u>	<u>Net Cost of Services</u>	<u>Total Cost of Services</u>	<u>Net Cost of Services</u>
Instruction:				
Regular programs	\$ 38,110,761	\$ 37,518,142	\$ 42,797,018	\$ 42,018,485
Special education programs	10,567,214	9,751,921	11,884,348	11,295,608
Vocational education programs	2,649,619	2,503,275	3,063,498	2,942,119
Other instructional programs	1,990,644	1,591,296	2,100,406	1,763,474
Special programs	5,294,855	1,056,322	5,336,677	1,466,022
Adult and continuing education	179,373	141,943	301,758	248,073
Support services:				
Pupil support services	5,823,428	4,308,388	6,466,731	5,059,133
Instructional staff services	6,137,495	4,889,861	6,809,608	5,603,328
General administration	3,987,933	3,963,741	4,417,612	4,394,965
School administration	6,915,497	6,892,965	8,167,556	8,146,189
Business services	1,041,825	986,889	1,177,842	1,126,023
Operation and maintenance of plant	12,719,862	12,665,863	12,919,093	12,853,942
Student transportation services	4,543,990	4,455,925	5,182,263	5,083,112
Central services	1,416,358	1,319,350	1,684,163	1,613,974
Non -instructional services:				
Food services	7,432,723	2,653,783	8,824,251	4,138,181
Community service programs	18,000	18,000	18,000	18,000
Other	187,056	187,056	145,336	145,336
Interest and bank charges	<u>1,634,954</u>	<u>1,634,954</u>	<u>989,572</u>	<u>989,572</u>
 Total Governmental Activities	 <u>\$ 110,651,587</u>	 <u>\$ 96,539,674</u>	 <u>\$ 122,285,732</u>	 <u>\$ 108,905,536</u>

**THE SCHOOL BOARD'S FUNDS**

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

As the School Board completed the fiscal year ended June 30, 2015 its combined fund balance was \$46.1 million, as compared to a combined fund balance of \$31.9 million as of June 30, 2014. The fund financial statements begin on page 15 of the audit report.

**St. Mary Parish School Board  
Centerville, Louisiana**

**MANAGEMENT’S DISCUSSION AND ANALYSIS  
June 30, 2015**

*General Fund Budgetary Highlights*

The School Board’s budget is prepared according to Louisiana law. During the course of the year, the School Board revises its budget to take into consideration significant changes in revenues or expenditures. Louisiana Revised Statute 39:1311 requires a budget amendment if either expected revenues are less or anticipated expenditures are in excess of budgetary goals by five percent (5%) or more. The original budget for the School Board was adopted on August 14, 2014. It was not necessary to amend this budget.

A statement showing the School Board’s original budget compared with actual operating results for the General Fund is provided beginning on page 65. The School Board’s year end actual results were substantially better than had been budgeted, as conservative budgetary practices are customary. Revenues are forecast conservatively and expenditures are budgeted in anticipation of all possible costs and projects.

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

*Capital Assets*

At June 30, 2015, the School Board had approximately \$62.6 million invested in a broad range of capital assets, including land, buildings, furniture, vehicles, computers, and other equipment. This amount is net of accumulated depreciation to date. Increases during the year represent additions to those categories, while decreases represent retirements and sale of assets during the year and depreciation of depreciable assets for the year. Table II below shows the net book value of capital assets at the end of the 2015 and 2014 fiscal years.

**Table II  
Capital Assets at  
June 30, 2015 and 2014**

	2015	2014
Land	\$ 4,112,460	\$ 4,091,610
Building and improvements	42,700,412	40,380,927
Construction in progress	3,627,186	2,697,927
Furniture and equipment	12,146,623	12,436,356
Totals	\$ 62,586,681	\$ 59,606,820

**St. Mary Parish School Board  
Centerville, Louisiana**

**MANAGEMENT’S DISCUSSION AND ANALYSIS  
June 30, 2015**

During the year ended June 30, 2015, additions of \$4.8 million of fixed assets were capitalized while assets totaling \$917,800 were disposed. Depreciation for the year ended June 30, 2015 was \$1,998,325 for buildings and improvements and \$777,127 for furniture and equipment. For the year ended June 30, 2014, additions of \$2.0 million of fixed assets were capitalized while assets totaling \$28,800 were disposed. Depreciation for the year ended June 30, 2014 was \$2,076,372 for buildings and improvements and \$807,478 for furniture and equipment.

*Debt Administration*

	2015	2014
Bonded debt	\$ 42,427,872	\$ 22,350,000
Other Post Employment Benefits	107,235,726	96,363,045
Net Pension Liability	113,888,255	136,824,029
Compensated absences	4,410,571	4,557,347
Totals	\$ 267,962,424	\$ 260,094,421

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

**2015/2016 BUDGET**

The General Fund, which is the St. Mary Parish School Board’s largest fund, will have a projected deficit of revenues over expenditures in the amount of \$782,933 for the 2015-2016 budget year, to be funded by various designated funds. This budget reflects an increase in various revenues received from the State including MFP funding and various other grants. As far as expenditures are concerned, this budget reflects the annual salary step afforded to all employees. It additionally reflects a reduction in staffing of numerous administrative, teaching, and support personnel positions as well as various other programs.

**CONTACTING THE SCHOOL BOARD’S FINANCIAL MANAGEMENT**

While this AFR is designed to provide full and complete disclosure of the financial condition and operations of the School Board, citizens groups, taxpayers, parents, students, other parish officials, investors or creditors may need further details. To obtain such details, please contact Alton Ray Perry, CPA, Chief Financial Officer, St. Mary Parish School Board, P.O. Box 170, Centerville, LA 70522, or by calling (337) 836-9661 during regular office hours, Monday through Friday, 8:00 am to 4:00 pm, Central Time or e-mail [aperry@stmary.k12.la.us](mailto:aperry@stmary.k12.la.us).

**FINANCIAL STATEMENTS**

ST. MARY PARISH SCHOOL BOARD  
Centerville, Louisiana

Statement of Net Position  
June 30, 2015

ASSETS

Cash and interest bearing deposits	\$	40,415,491
Investments, at fair value		11,966,814
Due from other governmental units		3,466,240
Other receivables		3,005,088
Prepaid items		1,251,241
Inventory, at cost		480,502
Deposits		400,000
Due from fiduciary fund		<u>-</u>
		60,985,376
Capital assets:		
Land		4,112,460
Buildings and improvements		97,441,579
Furniture and equipment		19,462,590
Construction in progress		3,627,186
Less: accumulated depreciation		<u>(62,057,134)</u>
Total capital assets, net of depreciation		<u>62,586,681</u>
 Total assets	 \$	 <u>123,572,057</u>

DEFERRED OUTFLOWS OF RESOURCES

Deferred outflows related to pensions	12,764,032
---------------------------------------	------------

LIABILITIES

Accounts payable and other current liabilities	\$	1,978,695
Deferred revenues		90,609
Accrued liabilities		12,256,083
Other liabilities		560,592
Long-term liabilities:		
Portion due or payable within one year:		
Bonds		1,870,000
Accrued interest		554,260
Compensated absences		2,645,663
Portion due or payable after one year:		
Bonds		40,557,872
Compensated absences		1,764,908
Other post employment benefit obligations		107,235,726
Net pension liability		<u>113,888,255</u>
Total liabilities		283,402,663

DEFERRED INFLOWS OF RESOURCES

Deferred inflows related to pensions	16,732,526
--------------------------------------	------------

NET POSITION

Net investment in capital assets	20,341,681
Restricted for:	
Debt service	3,176,572
Capital projects	19,029,821
Maintenance	6,780,627
Other purposes	2,604,231
Unrestricted	<u>(215,732,032)</u>
Total net position	<u>\$ (163,799,100)</u>

The accompanying notes are an integral part of this statement.

ST. MARY PARISH SCHOOL BOARD  
Centerville, Louisiana

Statement of Activities  
For the Year Ended June 30, 2015

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
<b>Governmental Activities:</b>					
Instruction:					
Regular programs	\$ 38,110,761	\$ 248,259	\$ 344,360	\$ -	\$ (37,518,142)
Special education programs	10,567,214	66,070	749,223	-	(9,751,921)
Vocational education programs	2,649,619	22,532	123,812	-	(2,503,275)
Other instructional programs	1,990,644	306,373	92,975	-	(1,591,296)
Special programs	5,294,855	22,532	4,216,001	-	(1,056,322)
Adult and continuing education	179,373	22,532	14,898	-	(141,943)
Support services:					
Pupil support services	5,823,428	562,514	952,526	-	(4,308,388)
Instructional staff services	6,137,495	24,101	1,223,533	-	(4,889,861)
General administration	3,987,933	23,643	549	-	(3,963,741)
School administration	6,915,497	22,532	-	-	(6,892,965)
Business services	1,041,825	22,532	32,404	-	(986,889)
Operation and maintenance of plant	12,719,862	41,686	12,313	-	(12,665,863)
Student transportation services	4,543,990	22,532	65,533	-	(4,455,925)
Central services	1,416,358	70,908	26,100	-	(1,319,350)
Non-instructional services:					
Food services	7,432,723	647,201	4,131,739	-	(2,653,783)
Community service programs	18,000	-	-	-	(18,000)
Other	187,056	-	-	-	(187,056)
Interest and bank charges	1,634,954	-	-	-	(1,634,954)
<b>Total Governmental Activities</b>	<b>110,651,587</b>	<b>2,125,947</b>	<b>11,985,966</b>	<b>-</b>	<b>(96,539,674)</b>
General Revenues:					
Local Sources:					
Taxes -					
					22,388,766
					18,094,556
					223,543
					362,094
					2,104,488
State Sources:					
					70,698
					43,618,535
					382,749
					368,874
					94,764
					<u>87,709,067</u>
					(8,830,607)
					<u>(154,968,493)</u>
					<u>\$ (163,799,100)</u>

The accompanying notes are an integral part of this statement.

ST. MARY PARISH SCHOOL BOARD  
Centerville, Louisiana

Balance Sheet - Governmental Funds  
June 30, 2015

ASSETS	General Fund	Special School District No. 1	Other Governmental	Total
Cash and interest-bearing deposits	\$ 3,498,755	\$ 20,939,778	\$ 15,976,958	\$ 40,415,491
Investments, at fair value	11,966,814	-	-	11,966,814
Receivables:				
Accounts	2,906,195	-	20,287	2,926,482
Accrued interest	44,606	-	-	44,606
Due from other governmental units	1,431,032	-	2,035,208	3,466,240
Due from other funds	8,577,805	-	112,629	8,690,434
Due from schools	34,000	-	-	34,000
Prepaid items	1,251,241	-	-	1,251,241
Inventory, at cost	155,930	-	324,572	480,502
Deposits	<u>400,000</u>	<u>-</u>	<u>-</u>	<u>400,000</u>
Total assets	<u>\$ 30,266,378</u>	<u>\$ 20,939,778</u>	<u>\$ 18,469,654</u>	<u>\$ 69,675,810</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 722,673	\$ 122,172	\$ 1,133,850	\$ 1,978,695
Accrued liabilities	11,754,129	43,071	458,883	12,256,083
Due to other funds	1,923,488	1,971,405	4,795,541	8,690,434
Other liabilities	<u>560,592</u>	<u>-</u>	<u>-</u>	<u>560,592</u>
Total liabilities	14,960,882	2,136,648	6,388,274	23,485,804
Deferred inflows of resources:	90,609	-	-	90,609
Fund balances:				
Non Spendable	1,833,600	-	-	1,833,600
Restricted	(7,935)	-	9,966,752	9,958,817
Committed	12,890,150	18,803,130	1,778,756	33,472,036
Assigned	494,274	-	335,872	830,146
Unassigned	<u>4,798</u>	<u>-</u>	<u>-</u>	<u>4,798</u>
Total fund balances	<u>15,214,887</u>	<u>18,803,130</u>	<u>12,081,380</u>	<u>46,099,397</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 30,266,378</u>	<u>\$ 20,939,778</u>	<u>\$ 18,469,654</u>	<u>\$ 69,675,810</u>

The accompanying notes are an integral part of this statement.

ST. MARY PARISH SCHOOL BOARD  
Centerville, Louisiana

Reconciliation of the Governmental Funds Balance Sheet  
To the Statement of Net Position  
June 30, 2015

Total fund balances - Governmental Funds		\$ 46,099,397
Cost of capital assets at June 30, 2015	124,643,815	
Less: Accumulated depreciation as of June 30, 2015:		
Buildings and improvements	(54,741,167)	
Furniture and equipment	<u>(7,315,967)</u>	
		62,586,681
Elimination of interfund assets and liabilities:		
Due from other funds	8,690,434	
Due to other funds	<u>(8,690,434)</u>	
		-
Long-term liabilities at June 30, 2015:		
Bonded debt payable	(42,427,872)	
Compensated absences payable	(4,410,571)	
OPEB obligations	(107,235,726)	
Net pension liability	<u>(113,888,255)</u>	
		(267,962,424)
Deferred outflows and inflows of resources at June 30, 2015:		
Deferred outflows of resources related to pensions	12,764,032	
Deferred inflows of resources related to pensions	<u>(16,732,526)</u>	
		(3,968,494)
Accrued interest payable		<u>(554,260)</u>
Total net position - Governmental Activities		<u>\$ (163,799,100)</u>

The accompanying notes are an integral part of this statement.

ST. MARY PARISH SCHOOL BOARD  
Centerville, Louisiana

Statement of Revenues, Expenditures, and Changes in Fund Balances  
Governmental Funds  
For the Year Ended June 30, 2015

	General Fund	Special School District No. 1	Other Governmental	Total
Revenues:				
Local sources:				
Ad valorem tax	\$ 12,226,654	\$ -	\$ 10,187,112	\$ 22,413,766
Sales tax	18,094,556	-	-	18,094,556
Tuition	383,137	-	-	383,137
Interest earnings	332,018	9,393	20,680	362,091
Leases and royalties	223,543	-	-	223,543
Food service	-	-	624,669	624,669
Other	3,071,199	-	-	3,071,199
State sources:				
Unrestricted grants-in-aid	42,670,141	-	1,570,440	44,240,581
Restricted grants-in-aid	561,639	-	-	561,639
Federal sources:				
Restricted	-	-	11,105,639	11,105,639
Other - commodities	-	-	276,521	276,521
Total revenues	<u>77,562,887</u>	<u>9,393</u>	<u>23,785,061</u>	<u>101,357,341</u>
Expenditures:				
Current -				
Instruction:				
Regular programs	35,191,566	-	1,105,799	36,297,365
Special education programs	9,533,935	-	544,625	10,078,560
Vocational education programs	2,374,289	-	123,817	2,498,106
Other instructional programs	1,700,503	-	321,180	2,021,683
Special programs	1,297,225	-	3,715,112	5,012,337
Adult and continuing education programs	38,749	-	14,176	52,925
Support services:				
Pupil support services	4,717,574	-	904,974	5,622,548
Instructional staff services	4,526,049	-	1,150,892	5,676,941
General administration	2,324,191	53,872	355,410	2,733,473
School administration	6,240,211	-	10,449	6,250,660
Business services	747,020	-	141,922	888,942
Operation and maintenance of plant services	7,298,892	9,098	4,827,279	12,135,269
Student transportation services	3,899,588	-	69,152	3,968,740
Central services	1,231,871	-	108,757	1,340,628
Non-instructional services:				
Food services	424,599	-	6,055,435	6,480,034
Community service programs	18,000	-	-	18,000
Facilities acquisition, expansion and rehabilitation	5,030	1,749,058	2,877,996	4,632,084
Other	147,056	-	40,000	187,056
Debt service -				
Principal retirement	-	-	1,105,000	1,105,000
Interest and fiscal charges	-	-	1,397,142	1,397,142
Total expenditures	<u>81,716,348</u>	<u>1,812,028</u>	<u>24,869,117</u>	<u>108,397,493</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(4,153,461)</u>	<u>(1,802,635)</u>	<u>(1,084,056)</u>	<u>(7,040,152)</u>

The accompanying notes are an integral part of this statement.

ST. MARY PARISH SCHOOL BOARD  
Centerville, Louisiana

Statement of Revenues, Expenditures, and Changes in Fund Balances  
Governmental Funds (Continued)  
For the Year Ended June 30, 2015

	General Fund	Special School District No. 1	Other Governmental	Total
Other financing sources (uses):				
Bond proceeds	\$ -	\$ 21,000,000	\$ -	\$ 21,000,000
Bond proceeds premium	-	-	182,872	182,872
Operating transfers in	476,970	-	2,111,100	2,588,070
Operating transfers out	(616,099)	-	(1,971,971)	(2,588,070)
Special item--gain on sale of assets	<u>2,903</u>	<u>-</u>	<u>91,861</u>	<u>94,764</u>
Total other financing sources (uses)	<u>(136,226)</u>	<u>21,000,000</u>	<u>413,862</u>	<u>21,277,636</u>
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	(4,289,687)	19,197,365	(670,194)	14,237,484
Fund balances, beginning	<u>19,504,574</u>	<u>(394,235)</u>	<u>12,751,574</u>	<u>31,861,913</u>
Fund balances, ending	<u>\$ 15,214,887</u>	<u>\$ 18,803,130</u>	<u>\$ 12,081,380</u>	<u>\$ 46,099,397</u>

The accompanying notes are an integral part of this statement.

ST. MARY PARISH SCHOOL BOARD  
Centerville, Louisiana

Reconciliation of the Statement of Revenues, Expenditures and  
Changes in Fund Balances of Governmental Funds to the  
Statement of Activities  
For the Year Ended June 30, 2015

Total Net Changes in Fund Balance - Governmental Funds		\$ 14,237,484
Capital Assets:		
Capital outlay	5,755,313	
Depreciation expense for the year ended June 30, 2015	<u>(2,775,452)</u>	2,979,861
Long-Term Debt:		
Principal portion of debt service payments	1,105,000	
Bond proceeds	(21,000,000)	
Bond proceeds premium	(182,872)	
Excess of interest accrued over interest paid	(237,812)	
Compensated absences expense	146,776	
OPEB expenses	(10,872,681)	
Governmental funds report pension contributions as expenditures; however, in the statement of activities, the cost of pension benefits earned net of employee contributions is reported as pension expense:		
Pension contributions subsequent to the measurement date	14,250,063	
Cost of benefits earned net of employee contributions	(9,506,368)	
Amortization of excess contributions during the measurement period	(119,053)	
Some revenues reported in the statement of activities do not provide current financial resources in governmental funds:		
Non employer pension contributions	<u>368,995</u>	
		<u>(26,047,952)</u>
Change in Net Position - Governmental Activities		<u>\$ (8,830,607)</u>

The accompanying notes are an integral part of this statement.

ST. MARY PARISH SCHOOL BOARD  
Centerville, Louisiana

Statement of Fiduciary Net Position  
Fiduciary Funds  
June 30, 2015

	Private Purpose Trust Funds	Agency Funds School Activity Funds
ASSETS		
Cash and interest bearing deposits	\$ 11,872	\$ 2,096,296
LIABILITIES		
Accounts payable	\$ 1,000	\$ -
Deposits due to others	-	2,096,296
Total liabilities	1,000	2,096,296
NET POSITION		
Unrestricted	\$ 10,872	\$ -

The accompanying notes are an integral part of this statement.

ST. MARY PARISH SCHOOL BOARD  
Centerville, Louisiana

Statement of Changes in Fiduciary Net Position  
Private Purpose Trust Funds  
June 30, 2015

	<u>Private Purpose Trust Funds</u>
<u>Additions</u>	
Local sources - Interest earnings	\$ 2
<u>Subtractions</u>	
Expenditures	<u>(500)</u>
Change in net position	(498)
Net position, beginning	<u>11,370</u>
Net position, ending	<u>\$ 10,872</u>

The accompanying notes are an integral part of this statement.

ST. MARY PARISH SCHOOL BOARD  
Centerville, Louisiana

Notes to Financial Statements

INTRODUCTION

The St. Mary Parish School Board (School Board) was created by Louisiana Revised Statute (LSA-R.S.) 17:51 to provide public education for the children within St. Mary Parish. The School Board is authorized by LSA-R.S. 17:81 to establish policies and regulations for its own government consistent with the laws of the State of Louisiana and the regulations of the Louisiana Board of Elementary and Secondary Education. The School Board is comprised of eleven members who are elected for terms of four years.

The School Board operates twenty-four schools within the parish with a total enrollment of 9,444 pupils for the 2014-2015 year. In conjunction with the regular education programs, some of these schools offer special education and/or adult education programs. In addition, the School Board provides transportation and school food services for the students.

NOTE 1      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

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

This financial report has been prepared in conformity with GASB Statement No. 34, Basic Financial Statements—and Management’s Discussion and Analysis for State and Local Governments, issued in June 1999.

Reporting Entity

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

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

ST. MARY PARISH SCHOOL BOARD  
Centerville, Louisiana

Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Change in Accounting

GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, was implemented during the year ended June 30, 2015. This GASB statement establishes accounting and financial reporting by state and local governments for pensions.

Fund Accounting

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

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

Governmental Fund Types

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

General Fund

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

Special Revenue Funds

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

ST. MARY PARISH SCHOOL BOARD  
Centerville, Louisiana

Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Debt Service Funds

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

Capital Projects Funds

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

Fiduciary Fund Types

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

Private Purpose Trust Funds

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

Agency Fund

Agency fund accounts for assets held by the School Board in a custodial capacity (i.e., assets equal liabilities) and does not involve measurement of operations.

Basis of Accounting/Measurement Focus

Government-Wide Financial Statements

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

The government-wide financial statements, private purpose trust funds, and agency funds were prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed).

ST. MARY PARISH SCHOOL BOARD  
Centerville, Louisiana

Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Program Revenues

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

Allocation of Indirect Expense

The School Board reports all direct expenses by function in the statement of activities. Direct expenses are those that are clearly identifiable with a function. Indirect expenses of other functions are not allocated to those functions but are reported separately in the statement of activities. Depreciation expense which can be specifically identified by function is included in the direct expenses of each function. Depreciation on buildings is assigned to the "General Administration" function due to the fact that school buildings serve many purposes. Interest on general long-term debt is considered an indirect expense and is reported separately on the statement of activities.

Fund Financial Statements

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

The modified accrual basis of accounting is used by all governmental fund types. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction that can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The school board considers all revenues available if they are collected within 60 days after the fiscal year end. The following practices in recording revenues and expenditures have been used for the governmental funds.

ST. MARY PARISH SCHOOL BOARD  
Centerville, Louisiana

Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenues

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

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

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

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

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

Substantially all other revenues are recorded when received.

Expenditures

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

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

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

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

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

ST. MARY PARISH SCHOOL BOARD  
Centerville, Louisiana

Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Other Financing Sources (Uses)

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

Subsequent Events

The School Board has evaluated subsequent events through December 8, 2015, the date the financial statements were available to be issued.

Cash and interest-bearing deposits

Cash and interest-bearing deposits include interest-bearing demand deposits, money market accounts and deposits with the Louisiana Asset Management Pool, Inc. (LAMP), a nonprofit corporation formed by an initiative of the State Treasury and organized under the laws of the State of Louisiana, which operates a local government investment pool.

Investments

Under state law, the School Board may invest in United States bonds, treasury notes or certificates, and time deposits of State banks organized under Louisiana law and national banks having principal offices in Louisiana.

Short-term Interfund Receivables/Payables

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

Inventories

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

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

ST. MARY PARISH SCHOOL BOARD  
Centerville, Louisiana

Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets

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

Capital assets are recorded in the government-wide financial statements but not reported in the fund financial statements. All capital assets are depreciated using the straight-line method over their estimated useful lives. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public school purposes by the School Board, no salvage value is taken into consideration for depreciation purposes. Useful lives are as follows:

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

Compensated Absences

All 12-month employees earn from 10 to 19 days of vacation leave each year, depending on their length of service with the School Board. Unused vacation leave at the end of each fiscal year can be carried forward to the succeeding fiscal year to a maximum of ten days. In accordance with the provisions of Statement No. 16, of the Governmental Accounting Standards Board, Accounting for Compensated Absences, no liability is recorded for nonvesting accumulating rights to receive vacation pay; however, a liability has been recorded for vesting accumulating rights to receive vacation pay.

Sabbatical leave may be granted for medical leave with doctor's certification and for professional and cultural improvement. Any employee with a teaching certificate is entitled, subject to approval by the School Board, to one semester of sabbatical leave after six semesters of continuous service or two semesters of sabbatical leave after twelve or more semesters of continuous service. At no time during the school year shall the number of persons on sabbatical leave exceed 5% of the total number of certificated personnel employed by the school district.

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

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

ST. MARY PARISH SCHOOL BOARD  
Centerville, Louisiana

Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Long-Term Obligations

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

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

Equity Classifications

Government-wide Financial Statements:

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

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

Fund Financial Statements:

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

ST. MARY PARISH SCHOOL BOARD  
Centerville, Louisiana

Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Interfund Transactions

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

Use of Estimates

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

Net Other Post-Employment Benefit Obligations

The School Board applies GASB Statement No. 45, "*Accounting and Financial Reporting by Employers for Post-employment Benefits Other than Pensions*." This pronouncement requires the School Board to calculate and recognize a net other post-employment benefit obligation (NOPEBO) at June 30, 2015. The NOPEBO is, in general, the cumulative difference between the actuarial required contribution and the actual contributions since July 1, 2008. See Note 13 for further details.

Pensions

During the year ended June 30, 2015, the School Board implemented GASB Statement No. 68, "*Accounting and Financial Reporting for Pensions*." This pronouncement requires the School Board to calculate and recognize a net pension liability at June 30, 2015. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position and changes in fiduciary net position of the defined benefit pension plans in which the School Board participates have been determined on the same basis as they are reported by the respective defined benefit pension plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. See Note 12 for further details.

ST. MARY PARISH SCHOOL BOARD  
Centerville, Louisiana

Notes to Financial Statements

NOTE 2 CASH AND INTEREST-BEARING DEPOSITS

Under state law, the School Board may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The School Board may invest in the United States bonds, notes or bills as well as certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. In addition, local governments in Louisiana are authorized to invest in the Louisiana Asset Management Pool, Inc. (LAMP), a nonprofit corporation formed by an initiative of the State Treasurer and organized under the laws of the state of Louisiana, which operates a local government investment pool.

The carrying value of the School Board's cash and interest bearing deposits with financial institutions at June 30, 2015 totaled \$42,523,659; \$2,108,168 is included in the School Board's trust and agency funds. The bank balance was \$35,146,669 at June 30, 2015. Cash and interest-bearing deposits are stated at cost, which approximates market. Under state law these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The fair market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent.

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

The School Board had \$8,625,078 invested in Louisiana Asset Management Pool (LAMP), a local government investment pool. In accordance with GASB Codification Section 150.165, the investment in LAMP as of June 30, 2015 is not categorized in the three risk categories provided by GASB Codification 150.164, because the investment is in the pool of funds and therefore not evidenced by securities that exist in physical or book entry form. LAMP is administered by LAMP, Inc., which is a nonprofit corporation organized under the laws of the State of Louisiana, formed by an initiative of the State Treasurer in 1993. The corporation is governed by a board of directors consisting of the State Treasurer, representatives from various organizations of local government, the Government Finance Officers Association of Louisiana, and the Society of Louisiana CPAs. Only local governments having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. LAMP investments are restricted to securities issued, guaranteed, or backed by the U.S. Treasury, the U.S. government or one of its agencies, enterprises or instrumentalities, as well as repurchase agreements collateralized by those securities. The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days. LAMP is designed to be highly liquid to give its participants immediate access to their account balances. Due to this immediate access feature, investments in LAMP are considered cash equivalents by the School Board.

ST. MARY PARISH SCHOOL BOARD  
Centerville, Louisiana

Notes to Financial Statements

NOTE 3 INVESTMENTS

Under Louisiana R.S. 33:2955, as amended, the School Board may invest in obligations of the U.S. Treasury, U.S. Agencies and instrumentalities, repurchase agreements, certificates of deposit and other investments as provided in the statute. Investments at June 30, 2015 were as follows:

	Interest Rate/ Yield to Maturity	Carrying Amount	Market Value
Federal Home Loan Bank	1.000 - 1.250%	\$ 3,475,288	\$ 3,464,271
Federal National Mortgage	1.125 - 1.550%	8,539,224	8,502,543
		<b>\$12,014,512</b>	<b>\$ 11,966,814</b>

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the School Board will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The investments are registered in the School Board's name and are held in the custodial bank's trust account at its custodial agent. During the year ended June 30, 2015, there were no uninsured and unregistered investments held by the counterparty, or its trust department or agent, which were not in the School Board's name.

NOTE 4 AD VALOREM TAXES

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

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

For the year ended June 30, 2015 ad valorem taxes totaling 85.82 mills were levied on property and dedicated as follows:

	2015	
	Net Assessed Valuations	Mills
Parish wide taxes:		
Constitutional	603,001,421	8.36
Consolidated school district No. 5	603,001,421	11.18

ST. MARY PARISH SCHOOL BOARD  
Centerville, Louisiana

Notes to Financial Statements

NOTE 4 AD VALOREM TAXES (CONTINUED)

District taxes:

Maintenance taxes -

Consolidated school district No. 3 (School maintenance district No. 1)	179,484,553	11.56
Consolidated school district No. 2 (School maintenance district No. 2)	183,600,999	12.17
Sixth Ward special school district No. 3 (School maintenance district No. 3)	238,994,219	11.55
Bond and interest taxes -		
Consolidated school district No. 1	125,414,754	10.00
Fourth Ward special school district	54,069,799	6.00
Fifth Ward special school district	105,373,215	15.00

The taxes levied were \$22,011,416 for the year ended June 30, 2015.

NOTE 5 INTERFUND TRANSFERS

Transfers funded from current revenues during the year ended June 30, 2015 consisted of:

	Transfers	
	In	Out
Major governmental:		
General Fund:		
Special Revenue Funds	\$ 476,970	\$ -
Debt Service Funds	-	240,000
Capital Projects Funds	-	376,099
Total major governmental	476,970	616,099
Nonmajor governmental:		
Special Revenue Funds:		
General Fund	-	476,970
Capital Projects Funds	-	1,495,001
Debt Service Funds:		
General Fund	240,000	-
Capital Project Funds:		
General Fund	376,099	-
Special Revenue Funds	1,495,001	-
Total nonmajor governmental	2,111,100	1,971,971
Total interfund transfers	\$ 2,588,070	\$ 2,588,070

ST. MARY PARISH SCHOOL BOARD  
Centerville, Louisiana

Notes to Financial Statements

NOTE 5 INTERFUND TRANSFERS (CONTINUED)

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

NOTE 6 INTERFUND RECEIVABLES, PAYABLES

Interfund receivables and payables at June 30, 2015 consisted of:

	Interfund Receivables	Interfund Payables
Major governmental:		
General Fund:		
Special Revenue Funds	\$ 4,470,138	\$ 1,915,668
Capital Projects Funds	4,107,167	7,820
Debt Service Funds	500	-
School District III Maintenance Fund:		
General Fund	-	1,971,405
Total major governmental	8,577,805	3,894,893
Nonmajor governmental:		
Special Revenue Funds:		
General Fund	104,809	2,659,280
Capital Projects Funds:		
General Fund	7,820	2,135,761
Debt Service Funds:		
General Fund	-	500
Total nonmajor governmental	112,629	4,795,541
Total interfund receivables/payables	\$ 8,690,434	\$ 8,690,434

Due to/from general fund represents costs paid from the general fund bank account on behalf of individual funds that do not have checking accounts. These receivables and payables reverse in the normal course of operations. All remaining balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between the funds are made. Also included in interfund balances at June 30, 2015 is a \$3.4 million loan from the General Fund to the District II Capital Projects Fund to cover costs associated with two large capital projects. This loan is to be repaid over 15 years at an estimated \$249,000 per year with an interest rate of approximately 1.25 percent. This payment is based on anticipated annual savings from the consolidation of the four schools that were replaced by Raintree Elementary and allocated to the three maintenance districts by a special formula. A payment in the amount of \$204,000 was made on this debt during the fiscal year ending June 30, 2015.

ST. MARY PARISH SCHOOL BOARD  
Centerville, Louisiana

Notes to Financial Statements

NOTE 7 ACCOUNTS, SALARIES AND OTHER PAYABLES

The payables of \$14,234,778 at June 30, 2015, are as follows:

	General Fund	Special School District No. 1	Special Revenue Funds	Capital Projects Funds	Total
Accounts	\$ 722,673	\$ 122,172	\$ 440,750	\$ 693,100	\$ 1,978,695
Salaries, withholdings, and other payables	<u>11,754,129</u>	<u>43,071</u>	<u>350,714</u>	<u>108,169</u>	<u>12,256,083</u>
Total	<u>\$12,476,802</u>	<u>\$ 165,243</u>	<u>\$ 791,464</u>	<u>\$ 801,269</u>	<u>\$ 14,234,778</u>

NOTE 8 CAPITAL ASSETS

Capital assets and depreciation activity as of and for the year ended June 30, 2015 are as follows:

	Balance July 1, 2014	Additions	Deletions	Balance June 30, 2015
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 4,091,610	\$ 20,850	\$ -	\$ 4,112,460
Construction in progress	<u>2,697,927</u>	<u>4,745,982</u>	<u>(3,816,723)</u>	<u>3,627,186</u>
Total capital assets not being depreciated	<u>6,789,537</u>	<u>4,766,832</u>	<u>(3,816,723)</u>	<u>7,739,646</u>
Capital assets being depreciated:				
Buildings and improvements	93,200,209	4,317,810	(76,440)	97,441,579
Furniture and Equipment	<u>19,812,710</u>	<u>491,277</u>	<u>(841,397)</u>	<u>19,462,590</u>
Total capital assets being depreciated	<u>113,012,919</u>	<u>4,809,087</u>	<u>(917,837)</u>	<u>116,904,169</u>
Less accumulated depreciation for:				
Buildings and improvements	(52,819,282)	(1,998,325)	76,440	(54,741,167)
Furniture and Equipment	<u>(7,376,354)</u>	<u>(777,127)</u>	<u>837,514</u>	<u>(7,315,967)</u>
Total accumulated depreciation	<u>(60,195,636)</u>	<u>(2,775,452)</u>	<u>913,954</u>	<u>(62,057,134)</u>
Total capital assets, being depreciated, net	<u>52,817,283</u>	<u>2,033,635</u>	<u>(3,883)</u>	<u>54,847,035</u>
Capital assets, net	<u>\$ 59,606,820</u>	<u>\$ 6,800,467</u>	<u>\$ (3,820,606)</u>	<u>\$ 62,586,681</u>

ST. MARY PARISH SCHOOL BOARD  
Centerville, Louisiana

Notes to Financial Statements

NOTE 8 CAPITAL ASSETS (CONTINUED)

Depreciation expense of \$2,775,452 for the year ended June 30, 2015 was charged to the following:

<b>Instruction:</b>	
Regular programs	\$ 39,265
Special Ed	2,500
Vocational	5,842
Other instructional programs	23,180
<b>Support:</b>	
Instructional staff services	4,504
School Administration	524
Business services	370
General administration	2,248,927
Operation and maintenance of plant	298,280
Student transportation services	67,302
Central services	32,159
Food services	52,599
	<u>\$ 2,775,452</u>

NOTE 9 CHANGES IN GENERAL LONG-TERM DEBT

The following is a summary of the long-term obligation transactions of the St. Mary Parish School Board for the year ended June 30, 2015:

	Balance July 1, 2014	Additions	Deductions	Balance June 30, 2015	Due Within One Year
<b>Bonds payable:</b>					
General obligation bonds	\$ 22,350,000	\$ 21,000,000	\$ 1,105,000	\$ 42,245,000	\$ 1,870,000
Premium on bonds payable	-	182,872	-	182,872	-
Total bonds payable	22,350,000	21,182,872	1,105,000	42,427,872	1,870,000
<b>Other liabilities:</b>					
Compensated absences	4,557,347	3,713,351	3,860,127	4,410,571	2,645,663
Other postemployment benefits	96,363,045	10,872,681	-	107,235,726	-
Net pension liability	136,824,029	-	22,935,774	113,888,255	-
Total other liabilities	237,744,421	14,586,032	26,795,901	225,534,552	2,645,663
Total long-term obligations	<u>\$ 260,094,421</u>	<u>\$ 35,768,904</u>	<u>\$ 27,900,901</u>	<u>\$ 267,962,424</u>	<u>\$ 4,515,663</u>

ST. MARY PARISH SCHOOL BOARD  
Centerville, Louisiana

Notes to Financial Statements

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

Compensated absences reported at June 30, 2015 of \$4,410,571 reflect amounts due to eligible employees, for unused sick leave, up to a maximum of 25 days and unused vacation leave.

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

See Note 12 for further explanation on net pension liability.

Bonds payable at June 30, 2015 is comprised of the following individual issues:

\$24,000,000 General Obligations Bonds Series 2007 of Consolidated School District No. 1 (to defease \$7,390,000 of 1997 General Obligation Bonds) dated May 1, 2007, due in annual installments of \$675,000 to \$1,140,000, maturing March 1, 2032; interest variable from 4% to 6%; payable from the annual levy and collection of ad valorem taxes.	\$ 17,675,000
\$4,700,000 General Obligation Bonds Series 2007 of Special School District No. 4 (to defease \$1,370,000 of 1997 General Obligation Bonds) dated May 1, 2007, due in annual installments of \$10,000 to \$235,000, maturing March 1, 2032; interest variable from 4% to 7%; payable from the annual levy and collection of ad valorem taxes.	3,570,000
\$21,000,000 General Obligation Bonds Series 2014 of Fifth Ward Special School District No. 1 (to acquire or improve land, building sites and other school related facilities and to purchase the necessary equipment and furnishings for the schools with the district) dated July 29, 2014, due in annual installments of \$715,000 to \$1,610,000, maturing March 1, 2034; interest variable from 2% to 4%; payable from the annual levy and collection of ad valorem taxes.	<u>21,000,000</u>
Total bonded debt	<u>\$ 42,245,000</u>

ST. MARY PARISH SCHOOL BOARD  
Centerville, Louisiana

Notes to Financial Statements

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

The annual requirements to amortize all bonds outstanding at June 30, 2015, are as follows:

Year Ended June 30,	Consolidated School District No. 1		Special School District No. 4	
	Principal	Interest	Principal	Interest
2016	965,000	739,078	190,000	163,291
2017	1,015,000	700,478	200,000	152,841
2018	1,065,000	659,878	210,000	144,141
2019	1,120,000	617,278	225,000	135,006
2020	1,180,000	572,478	235,000	125,163
2021-2025	5,465,000	2,101,680	1,105,000	463,440
2026-2030	4,645,000	1,094,425	950,000	244,720
2031-2032	2,220,000	146,188	455,000	32,666
	<b><u>\$ 17,675,000</u></b>	<b><u>\$ 6,631,483</u></b>	<b><u>\$ 3,570,000</u></b>	<b><u>\$ 1,461,268</u></b>

  

Year Ended June 30,	Fifth Ward Special School District No. 1	
	Principal	Interest
2016	715,000	760,413
2017	750,000	746,113
2018	785,000	723,613
2019	820,000	692,213
2020	855,000	659,413
2021-2025	4,905,000	2,780,663
2026-2030	6,150,000	1,836,338
2031-2034	6,020,000	608,409
	<b><u>\$ 21,000,000</u></b>	<b><u>\$ 8,807,175</u></b>

No interest was capitalized during 2015. Interest incurred and charged to expense totaled \$1,397,142.

ST. MARY PARISH SCHOOL BOARD  
Centerville, Louisiana

Notes to Financial Statements

NOTE 10 LEASES

The School Board is a party to several separate operating lease agreements with entities to lease certain copier/duplication equipment and certain buses. The term of each lease ranges from twelve (12) months to sixty (60) months beginning on various dates. The lease agreements provide that the School Board shall pay regular lease payments as provided for in the separate lease contracts. Each lease contains provisions allowing cancellation in the event the School Board does not appropriate funds in future periods to be paid and allows the equipment to be returned. The School Board paid \$469,121 in lease expense during the year ended June 30, 2015.

Minimum future rentals to be paid on present lease agreements as of June 30, 2015, for each of the next five years and in the aggregate are:

Year Ended June 30,	
2016	412,321
2017	384,631
2018	323,072
2019	290,540
2020	<u>79,000</u>
Total	<u>\$ 1,489,564</u>

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ST. MARY PARISH SCHOOL BOARD  
Centerville, Louisiana

Notes to Financial Statements

NOTE 11 SALES TAX

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

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

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

- Payment of the cost of utilities.
- An amount equal to 65 percent of the total net proceeds of this tax is set aside and used to supplement other funds for the payment of salaries and/or other employee benefits of teachers and other school board personnel.
- The remainder of the proceeds of this tax is used to construct, maintain, and acquire capital improvements and for other school purposes provided that such proceeds are not used to construct new classroom facilities.

On March 8, 1988, the voters of the parish approved a one-half of one percent (1/2 percent) sales and use tax to be levied by the School Board. The net proceeds of the tax are used to provide additional support to public elementary and secondary schools by providing funds for salary obligations and educational management, advancement, and enrichment. On January 15, 1994, the tax was renewed for an additional period of seven (7) years from termination of its current use. On January 20, 2001, the tax was again renewed.

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

For the year ended June 30, 2015, there were approximately \$581,234 of sales and use taxes held under protest in escrow at the St. Mary Parish Sales and Use Tax Department on behalf of the St. Mary Parish School Board. These funds are not included in the School Board's June 30, 2015 financial statements.

ST. MARY PARISH SCHOOL BOARD  
Centerville, Louisiana

Notes to Financial Statements

NOTE 12 PENSION PLANS

Substantially all employees of the School Board are provided with pensions through cost-sharing multiple-employer defined benefit pension plans administered by the Teachers' Retirement System of Louisiana (TRSL), Parochial Employees' Retirement System of Louisiana (PERS), Louisiana School Employees' Retirement System (LSERS), or Louisiana State Employees' Retirement System (LASERS). The authority to establish and amend the benefit terms of TRSL, PERS, LSERS, and LASERS was granted to the respective Board of Trustees and the Louisiana Legislature by Title 11 of the Louisiana Revised Statutes. TRSL, PERS, LSERS, and LASERS each issues publicly available financial reports that can be obtained at [www.trsl.org](http://www.trsl.org), [www.persla.org](http://www.persla.org), [www.lasers.net](http://www.lasers.net), and [www.lasersonline.org](http://www.lasersonline.org), respectively.

*Teachers' Retirement System of Louisiana (TRSL)*

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

In lieu of terminating employment and accepting a service retirement, an eligible member can begin participation in the Deferred Retirement Option Program (DROP) on the first retirement eligibility date for a period not to exceed the third anniversary of retirement eligibility. Delayed participation reduces the three year 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 for employees hired prior to January 1, 2011 are determined at 2.5% of average compensation multiplied by the years of creditable service, but not to exceed 50% of average compensation. Disability benefits for employees hired on or after January 1, 2011 shall receive a maximum disability retirement benefit equivalent to the regular retirement formula without reduction by reason of age.

Survivor benefits are determined at fifty percent of the benefit to which the employee would have been entitled upon retirement at the age of sixty using a factor of 2.5% regardless of years of service or age, or \$600 per month, whichever is greater, provided the member was an active member at the time of death and had five years of creditable service with at least two years of which were earned immediately prior to death.

ST. MARY PARISH SCHOOL BOARD  
Centerville, Louisiana

Notes to Financial Statements

NOTE 12 PENSION PLANS (CONTINUED)

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.

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

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

*Parochial Employees' Retirement System of Louisiana (PERS)*

PERS provides retirement, deferred retirement option (DROP), and disability benefits. Employees hired prior to January 1, 2007 are eligible for normal retirement if they have at least 30 years of creditable service regardless of age, 25 years of creditable service and are at least age 55, or 10 years of creditable service and are at least age 60, or 7 years of creditable service and are at least age 65. Employees hired after January 1, 2007 are eligible for normal retirement if they have at least 30 years of creditable service and are at least 55, or 10 years of creditable service and are at least age 62, or 7 years of creditable service and are at least 67.

Benefit rates are 1 percent of financial compensation (average monthly earnings during the highest 36 consecutive months or joined months if service was interrupted) plus \$2.00 per month for each year of service credited prior to January 1, 1980, and 3 percent of final compensation for each year of service after January 1, 1980.

Upon the death of any member with 5 or more years of creditable service who is not eligible for retirement, the plan provides for benefits for the surviving spouse and minor children, as outlined in the statutes. For any member who is eligible for normal retirement at time of death, the surviving spouse shall receive an automatic Option 2 benefit, as outlined in the statutes. A surviving spouse who is not eligible for Social Security survivorship or retirement benefits, and married not less than twelve months immediately preceding death of the member, shall be paid an Option 2 benefit beginning at age 50. A member is eligible to retire and receive disability benefits if he has at least 5 years of creditable service, is not eligible for normal retirement and suffers disability which has been certified by the State Medical Disability Board. The rate is 3 percent of the member's final compensation multiplied by his years of creditable service under certain conditions outlined in the statutes.

In lieu of terminating employment and accepting a service retirement, any member who is eligible to retire may elect to participate in the (DROP) in which they are enrolled for three years and defer the receipt of benefits. During participation in the plan, employer contributions are payable but employee

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Notes to Financial Statements

NOTE 12 PENSION PLANS (CONTINUED)

contributions cease. The monthly retirement benefits that would be payable, had the person elected to cease employment and receive a service retirement allowance, are paid into the DROP fund. Upon termination of employment prior to or at the end of the specified period of participation, a participant in the DROP may receive, at his option, a lump sum from the account equal to the payments into the account, a true annuity based upon his account balance in that fund, or roll over the fund to an Individual Retirement Account.

For individuals who become eligible to participate in the Deferred Retirement Option Plan on or after January 1, 2004, all amounts which remain credited to the individual's subaccount after termination in the Plan will be placed in liquid asset money market investments at the discretion of the board of trustees. These subaccounts may be credited with interest based on money market rates of return or, at the option of the System, the funds may be credited to self-directed subaccounts. The participant in the self-directed portion of this Plan must agree that the benefits payable to the participant are not the obligations of the state or the System, and that any returns and other rights of the Plan are the sole liability and responsibility of the participant and the designated provider to which contributions have been made.

A plan member shall be eligible to retire and receive a disability benefit if they were hired prior to January 1, 2007, and has at least five years of creditable service or if hired after January 1, 2007, has seven years of creditable service, and is not eligible for normal retirement and has been officially certified as disabled by the State Medical Disability Board. Upon retirement caused by disability, a member shall be paid a disability benefit equal to the lesser of an amount equal to three percent of the member's final average compensation multiplied by his years of service, not to be less than fifteen, or three percent multiplied by years of service assuming continued service to age sixty.

The Board of Trustees is authorized to provide a cost of living allowance for those retirees who retired prior to July 1973. The adjustment cannot exceed 2% of the retiree's original benefit for each full calendar year since retirement and may only be granted if sufficient funds are available from investment income in excess of normal requirements. In addition, the Board may provide an additional cost of living increase to all retirees and beneficiaries who are over age sixty-five equal to 2% of the member's benefit paid on October 1, 1977, (or member's retirement date, if later). Also, the Board may provide a cost of living increase up to 2.5% for retirees 62 and older. (R.S. 11:1937). Act 270 of 2009 provided for further reduced actuarial payments to provide an annual 2.5% cost of living adjustment commencing at age 55.

Louisiana School Employees' Retirement System (LSERS)

LSERS provides retirement, deferred retirement option (DROP), and disability benefits. A member who joined LSERS on or before June 30, 2010 is eligible for normal retirement if he has at least thirty years of creditable service regardless of age, twenty five years of creditable service and is at least age fifty five, twenty years of creditable service regardless of age with an actuarially reduced benefit, or ten years of creditable service and is at least age sixty. A member who joined LSERS on or after July 1, 2010 is eligible for normal retirement if he has at least five years of creditable service and is at least age sixty, or twenty years of creditable service regardless of age with an actuarially reduced benefit.

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NOTE 12 PENSION PLANS (CONTINUED)

For members who joined LSERS prior to July 1, 2006, the maximum retirement benefit is an amount equal to 3 1/3% of the average compensation for the three highest consecutive years of membership service, subject to the 10% salary limitation, multiplied by the number of years of service limited to 100% of final average compensation plus a supplementary allowance of \$2.00 per month for each year of service. For members who joined LSERS on or after July 1, 2006 through June 30, 2010, 3 1/3% of the average compensation is used to calculate benefits; however, the calculation consists of the five highest consecutive years of membership service, subject to the 10% salary limitation. For members who joined LSERS on or after July 1, 2010, 2 1/2% of the average compensation is used to calculate benefits and consists of the five highest consecutive years' average salary, subject to the 15% salary limitation. The supplemental allowance was eliminated for members entering LSERS on or after July 1, 1986. Effective January 1, 1992, the supplemental allowance was reinstated to all members whose service retirement became effective after July 1, 1971.

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

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

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

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 is eligible for a disability benefit until normal retirement age. A member who joins LSERS on or after July 1, 2006, must have at least ten years of service to qualify for disability benefits. Upon the death of a member with five or more years of creditable service, LSERS provides benefits for surviving spouses and minor children. Under certain conditions outlined in the statutes, a spouse is entitled to 75% of the member's benefit.

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

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Notes to Financial Statements

NOTE 12 PENSION PLANS (CONTINUED)

Louisiana State Employees' Retirement System (LASERS)

LASERS provides retirement, deferred retirement option (DROP), disability, and survivor's benefits. The age and years of creditable service required in order for a member to retire with full benefits vary depending on the member's hire date, employer, and job classification. The substantial majority of members may retire with full benefits at any age upon completing 30 years of creditable service and at age sixty upon completing ten years of creditable service. Additionally, members may choose to retire with twenty years of service at any age, with an actuarially reduced benefit. The basic annual retirement benefit for members is equal to 2.5% to 3.5% of average compensation multiplied by the number of years of creditable service. Average compensation is defined as the member's average annual earned compensation for the highest thirty-six consecutive months of employment for members employed prior to July 1, 2006. For members hired July 1, 2006 or later, average compensation is based on the member's average annual earned compensation for the highest sixty consecutive months of employment.

The maximum annual retirement benefit cannot exceed the lesser of 100% of average compensation or a certain specified dollar amount of actuarially determined monetary limits, which vary depending upon the member's age at retirement. Judges, court officers, and certain elected officials receive an additional annual retirement benefit equal to 1.0% of average compensation multiplied by the number of years of creditable service in their respective capacity. Act 992 of the 2010 Louisiana Regular Legislative Session, changed the benefit structure for LASERS members hired on or after January 1, 2011. This resulted in three new plans: regular, hazardous duty, and judges. The new regular plan includes regular members and those members who were formerly eligible to participate in specialty plans, excluding hazardous duty and judges. Regular members and judges are eligible to retire at age sixty after five years of creditable service and, may also retire at any age, with a reduced benefit, after twenty years of creditable service. Hazardous duty members are eligible to retire with twelve years of creditable service at age fifty-five, twenty-five years of creditable service at any age or with a reduced benefit after twenty years of creditable service. Average compensation will be based on the member's average annual earned compensation for the highest sixty consecutive months of employment for all three new plans. Members in the regular plan will receive a 2.5% accrual rate, hazardous duty plan a 3.33% accrual rate, and judges a 3.5% accrual rate. The extra 1.0% accrual rate for each year of service for court officers, the governor, lieutenant governor, legislators, House clerk, sergeants at arms, or Senate secretary, employed after January 1, 2011, was eliminated by Act 992. Specialty plan and regular members, hired prior to January 1, 2011, who are hazardous duty employees have the option to transition to the new hazardous duty plan.

The State Legislature authorized LASERS to establish a Deferred Retirement Option Plan (DROP). When a member enters DROP, their status changes from active member to retiree even though they continue to work and draw their salary for a period of up to three years. The election is irrevocable once participation begins. During DROP participation, accumulated retirement benefits that would have been paid to each retiree are separately tracked. For members who entered DROP prior to January 1, 2004, interest at a rate of one-half percent less than the System's realized return on its portfolio (not to be less than zero) will be credited to the retiree after participation ends. At that time, the member must choose among available alternatives for the distribution of benefits that have accumulated in the DROP account. Members who enter DROP on or after January 1, 2004, are required to participate in LASERS Self-Directed Plan (SDP) which is administered by a third-party provider. The SDP allows DROP participants to choose from a menu of investment options for the allocation of their DROP balances. Participants may diversify their investments by choosing from an approved list of mutual funds with different holdings, management styles, and risk factors.

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NOTE 12 PENSION PLANS (CONTINUED)

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

All members with ten or more years of credited service who become disabled may receive a maximum disability retirement benefit equivalent to the regular retirement formula without reduction by reason of age. Upon reaching age 60, the disability retiree may receive a regular retirement benefit by making application to the Board of Trustees.

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

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

**Contributions**

*Teachers' Retirement System of Louisiana (TRSL)*

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

Members participating in the TRSL Regular Plan are required by state statute to contribute 8.0% of their annual covered salaries and the School Board is required to make employer contributions based on an actuarially determined rate. The employer contribution rate for the fiscal year ended June 30, 2015 was 28.0% of annual covered payroll. The School Board's contributions paid to TRSL for the Regular Plan for the year ended June 30, 2015 was \$12,347,326.

Members participating in the TRSL Plan B are required by state statute to contribute 5.0% of their annual covered salaries and the School Board is required to make employer contributions based on an actuarially determined rate. The employer contribution rate for the fiscal year ended June 30, 2015 was 30.1% of annual covered payroll. The School Board's contributions paid to TRSL for the Regular Plan for the year ended June 30, 2015 was \$559,426.

There were no participants in the TRSL Plan B or Option Retirement Plan for the year ended June 30, 2015.

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Notes to Financial Statements

NOTE 12 PENSION PLANS (CONTINUED)

Parochial Employees' Retirement System of Louisiana (PERS)

According to state statute, contributions for all employers are actuarially determined each year. Covered employees were required by state statute to contribute 9.50% of their salary to the plan from July 2014 to June 2015. The School Board was required by the same statute to contribute 16.00% from July 2014 to December 2014 and 14.50% from January 2015 to June 2015. The School Board's contributions paid to PERS for the year ended June 30, 2015 was \$1,098.

Louisiana School Employees' Retirement System (LSERS)

Contribution requirements of active employees are governed by Act 81 of 1988 and may be amended by the Louisiana Legislature. Members are required by state statute to contribute 7.5% of their annual covered salaries if hired before July 1, 2010 (closed plan) and 8.0% of their annual covered salaries if hired on or after July 1, 2010, and the School Board is required to make employer contributions based on an actuarially determined rate. The employer contribution rate for the fiscal year ended June 30, 2015 was 33.0% of annual covered payroll. The School Board's contributions paid to LSERS for the year ended June 30, 2015 was \$1,289,909.

Louisiana State Employees' Retirement System (LASERS)

Contribution requirements of active employees are governed by Section 401 of Title 11 of the Louisiana Revised Statutes (La. R.S. 11:401) and may be amended by the Louisiana Legislature. Substantially all of the School Board employees participating in LASERS are included in the Regular Plan. Members are required by state statute to contribute 7.5% of their annual covered salaries if hired before July 1, 2006 (closed plan) and 8.0% of their annual covered salaries if hired after July 1, 2006, and the School Board is required to make employer contributions based on an actuarially determined rate. The employer contribution rate for the fiscal year ended June 30, 2015 was 37% of annual covered payroll. The School Board's contributions paid to LASERS for the year ended June 30, 2015 was \$52,880.

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

The following table reflects the School Board's reported net pension liability, pension expense, proportion share of the net pension liability and changes in proportion as of June 30, 2015.

	<u>TRSL</u>	<u>PERS</u>	<u>LSRS</u>	<u>LASERS</u>	<u>Total</u>
Net Pension Liability	\$ 104,944,078	\$ 464	\$ 8,347,312	\$ 596,401	\$ 113,888,255
Pension Expense	\$ 9,083,271	\$ 70,966	\$ 686,367	\$ 1,139	\$ 9,841,743
Proportion of Net Pension Liability	1.03%	0.0017%	1.44%	0.00954%	
Change in Proportion Increase (Decrease)	(0.02339)%	0.00037%	0.01760%	0.00001%	

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NOTE 12 PENSION PLANS (CONTINUED)

The net pension liabilities were measured as of June 30, 2014 for TRSL, LSRS and LASERS while PERS was measured as of December 31, 2014. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of these dates. The School Board's proportion of the net pension liability for TRSL, PERS and LASERS was based on a projection of the School Board's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. The School Board's proportion of the net pension liability of LSERS was based on the School Board's historical contributions.

At June 30, 2015, the School Board reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources for its participation in TRSL:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ 1,004,750
Net difference between projected and actual earnings on pension plan investments	-	13,391,101
Changes in proportion and differences between employer contributions and proportionate share of contributions	(1,912,006)	-
Employer contributions subsequent to the measurement date	12,906,752	-
Total	<u>\$ 10,994,746</u>	<u>\$ 14,395,851</u>

At June 30, 2015, the School Board reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources for its participation in PERS:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ 210
Net difference between projected and actual earnings on pension plan investments	419	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	-	281
Employer contributions subsequent to the measurement date	1,098	-
Total	<u>\$ 1,517</u>	<u>\$ 491</u>

ST. MARY PARISH SCHOOL BOARD  
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Notes to Financial Statements

NOTE 12 PENSION PLANS (CONTINUED)

At June 30, 2015, the School Board reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources for its participation in LSERS:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ 456,829
Changes of assumptions	373,746	-
Net difference between projected and actual earnings on pension plan investments	-	1,771,140
Changes in proportion and differences between employer contributions and proportionate share of contributions	-	21,143
Employer contributions subsequent to the measurement date	1,289,909	-
Total	<u>\$ 1,663,655</u>	<u>\$ 2,249,112</u>

At June 30, 2015, the School Board reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources for its participation in LASERS:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ 10,627
Net difference between projected and actual earnings on pension plan investments	-	75,441
Changes in proportion and differences between employer contributions and proportionate share of contributions	51,234	-
Employer contributions subsequent to the measurement date	52,880	-
Total	<u>\$ 104,114</u>	<u>\$ 86,068</u>

Deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date for TRSL, PERS, LSERS, and LASERS of \$12,906,752, \$1,098, \$1,289,909 and \$104,114, respectively, will be recognized as a reduction of the net pension liability during the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense (benefit) as follows:

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Notes to Financial Statements

NOTE 12 PENSION PLANS (CONTINUED)

<b>Year ended June 30:</b>	<b>TRSL</b>	<b>PERS</b>	<b>LSERS</b>	<b>LASERS</b>
2016	\$ (4,050,116)	\$ 34	\$ (494,898)	\$ 446
2017	(4,050,116)	34	(494,899)	446
2018	(4,050,116)	128	(442,785)	(18,863)
2019	(4,050,116)	181	(484,785)	(18,863)
<b>Totals</b>	<b>\$ (16,200,464)</b>	<b>\$ 377</b>	<b>\$ (1,917,367)</b>	<b>\$ (36,834)</b>

**Actuarial Assumptions**

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

	TRSL	PERS	LSERS	LASERS
<b>Valuation date</b>	June 30, 2014	December 31, 2014	June 30, 2014	June 30, 2014
<b>Actuarial cost method</b>	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal
<b>Actuarial Assumptions:</b>				
Expected Remaining Service Lives	5 years	4 years	3 years	3 years
Investment Rate of Return	7.75%	7.25%	7.25%	7.75%
Inflation Rate	2.5%	2.3%	2.8%	3.0%
Projected Salary Increases	3.5% - 10.0%	5.8%	3.2% - 5.5%	3.0% - 14.5%
Dates of Experience Study	2008 - 2012	2004 - 2009	2008 - 2012	2009 - 2013
Mortality Rates	RP-2000 Mortality Table	<b>Active members:</b> RP-2000 Mortality Table  <b>Healthy annuitants and beneficiaries:</b> RP-2000 Healthy Annuitant Mortality Table  <b>Disabled annuitants:</b> RP-2000 Disabled Lives Mortality Table	RP-2000 Sex Distinct Mortality Table	<b>Non-disabled members:</b> RP-2000 Combined Healthy Mortality Table  <b>Disabled members:</b> RP-2000 Disabled Retiree Table

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

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Notes to Financial Statements

NOTE 12 PENSION PLANS (CONTINUED)

rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation and an adjustment for the effect of rebalancing/diversification. The target allocation and expected real rates of return for each major asset class of as of June 30, 2014 for TRSL, LSERS and LASERS, and as of December 31, 2014 for PERS are summarized in the following tables:

Teachers' Retirement System of Louisiana (TRSL):

<u>Asset Class</u>	<u>Target Asset Allocation</u>	<u>Long-term Expected Portfolio Real Rate of Return</u>
Domestic Equity	31%	4.71%
International Equity	19%	5.69%
Domestic Fixed Income	12%	2.04%
International Fixed Income	9%	2.80%
Alternative Investments	29%	5.94%
Total	100%	21.18%
Inflation		2.50%
Expected Arithmetic Nominal Return		23.68%

Parochial Employees' Retirement System of Louisiana (PERS):

<u>Asset Class</u>	<u>Target Asset Allocation</u>	<u>Long-term Expected Portfolio Real Rate of Return</u>
Fixed income	34%	1.30%
Equity	51%	3.55%
Alternative Investments	12%	0.77%
Real Assets	3%	0.19%
Total	100%	5.81%
Inflation		2.30%
Expected Arithmetic Nominal Return		8.11%

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Notes to Financial Statements

NOTE 12 PENSION PLANS (CONTINUED)

Louisiana School Employees' Retirement System (LSERS):

Asset Class	Target Asset Allocation	Long-term Expected Portfolio Real Rate of Return
Fixed income	30%	0.99%
Equity	51%	2.76%
Alternative Investments	13%	0.71%
Real Assets	6%	0.32%
Total	<u>100%</u>	<u>4.78%</u>
Inflation		<u>2.75%</u>
Expected Geometric Nominal Return		<u>7.53%</u>

Louisiana State Employees' Retirement System (LASERS):

Asset Class	Target Asset Allocation	Long-term Expected Portfolio Real Rate of Return
Cash	0%	0.50%
Domestic equity	27%	4.69%
International equity	30%	5.83%
Domestic Fixed Income	11%	2.34%
International Fixed Income	2%	4.00%
Alternative Investments	23%	8.09%
Global Asset Allocation	7%	3.42%
Total	<u>100%</u>	<u>5.78%</u>
Inflation		<u>3.00%</u>
Expected Geometric Nominal Return		<u>8.78%</u>

**Discount Rate**

The discount rate used to measure the total pension liability of TRSL, PERS, LSERS, and LASERS was 7.75%, 7.25%, 7.25%, and 7.75%, respectively. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that employer contributions from participating employers will be made at contractually required rates, actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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Notes to Financial Statements

NOTE 12 PENSION PLANS (CONTINUED)

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

The following presents the School Board's proportionate share of the net pension liability of TRSL, PERS, LSERS and LASERS as of June 30, 2015 using the current discount rate of 7.75%, 7.75%, 7.25%, and 7.75%, respectively, as well as what the School Board's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage-point lower or one percentage-point higher than the current rate:

	<u>School Board's proportionate share of the net pension liability</u>		
	<u>1.0% Decrease</u>	<u>Current Discount Rate</u>	<u>1.0% Increase</u>
Teachers' Retirement System of Louisiana	\$ 133,661,599	\$ 104,944,078	\$ 80,504,049
Parochial Employees' Retirement System of Louisiana	\$ 5,032	\$ 464	\$ (3,620)
Louisiana School Employees' Retirement System	\$ 11,543,642	\$ 8,347,312	\$ 5,157,523
Louisiana State Employees' Retirement System	\$ 764,932	\$ 596,401	\$ 453,546

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Notes to Financial Statements

NOTE 13 OTHER POST EMPLOYMENT BENEFITS

The St. Mary Parish School Board provides certain continuing medical and life insurance benefits for its retired employees. The plan is a self-funded single employer plan administered by BlueCross BlueShield of Louisiana. The plan issues a separate financial report. The report may be obtained by writing to BlueCross BlueShield of Louisiana, P. O. Box 98029, Baton Rouge, Louisiana 70898-9029 or by calling (225) 295-3307.

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

From an accrual accounting perspective, the cost of postemployment healthcare benefits, like the cost of pension benefits, generally should be associated with the periods in which the cost occurs, rather than in the future year when it will be paid. In adopting the requirements of GASB Statement No. 45 during the year ended June 30, 2009, the School Board recognized the cost of postemployment healthcare in the year when the employee services are received, reported the accumulated liability from prior years, and provided information useful in assessing potential demands on the School Board's future cash flows. Recognition of the liability accumulated from prior years will be phased in over 30 years, commencing with the 2009 liability.

The contribution requirements of plan members and the School Board are established and may be amended by the School Board. The School Board determines the required contribution based on projected pay-as-you-go financing. Current monthly contribution rates for medical insurance at July 1, 2014, the date of the last full actuarial valuation were as follows:

	Plan 1		Plan 2	
	Pre-Medicare	Post-Medicare	Pre-Medicare	Post-Medicare
Retiree Only	\$ 211	\$ 118	\$ 128	\$ 118
Retiree and Spouse	460	278	311	278
Spouse Only	345	196	278	196

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

**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

ST. MARY PARISH SCHOOL BOARD  
Centerville, Louisiana

Notes to Financial Statements

NOTE 13 OTHER POST EMPLOYMENT BENEFITS (CONTINUED)

pension plan from these non-employer contributing entities. During the year ended June 30, 2015, the School Board recognized revenue as a result of support received from non-employer contributing entities of \$368,874 for its participation in TRSL and \$121 for its participation in PERS. LSERS and LASERS do not receive support from non-employer contributing entities and as a result no revenue was recorded for the participation in LSERS or LASERS for the year ended June 30, 2015.

**Pension Plan Fiduciary Net Position**

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

Membership in the plan consisted of the following at July 1, 2014, the date of the last full actuarial valuation.

Active employees	1,253
Retired (normal)	530
Retired (under 65 with medicare)	5
Retired (under 65 without medicare)	26
Spouses of current retirees	176
Surviving spouses	<u>23</u>
Total	<u><u>2,013</u></u>

The following table shows the calculation of the Annual Required Contribution and Net OPEB Obligation.

*Determination of Annual Required Obligation*

Normal Cost at year end	\$ 6,917,704
Amortization of UAAL	<u>10,606,380</u>
Annual Required Contribution (ARC)	17,524,084

*Determination of Net OPEB Obligation*

Annual Required Contribution (ARC)	17,524,084
Interest on prior year Net OPEB Obligation	3,854,522
Adjustment to ARC	<u>(6,320,147)</u>
Annual OPEB Cost	15,058,459
School Board's Contributions made	<u>(4,185,778)</u>
Increase in Net OPEB Obligation	10,872,681
Net OPEB Obligation--beginning of year	<u>96,363,045</u>
Net OPEB Obligation--end of year	<u><u>\$ 107,235,726</u></u>

ST. MARY PARISH SCHOOL BOARD  
Centerville, Louisiana

Notes to Financial Statements

NOTE 13 OTHER POST EMPLOYMENT BENEFITS (CONTINUED)

The School Board's other post-employment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The actuarial accrued liability as of July 1, 2014, is estimated to be \$161,714,659. The School Board's contributions represent payments made for premiums for insured individuals.

The following table shows the schedule of Funding Progress.

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability	Unfunded AAL	Funded Ratio	Covered Payroll (Total)	UAAL as as Percentage of Payroll
7/1/2012	\$ -	\$ 200,773,128	\$ 200,773,128	0.00%	\$48,646,888	412.72%
7/1/2013 *	\$ -	\$ 212,964,341	\$ 212,964,341	0.00%	\$48,751,041	436.84%
7/1/2014	\$ -	\$ 161,714,659	\$ 161,714,659	0.00%	\$47,884,008	337.72%

\* The School Board opted to not have a full actuarial valuation performed, but instead had an estimated valuation performed based on the July 1, 2012 actuarial valuation.

The School Board's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligation are as follows:

Fiscal Year Ending	Annual OPEB Cost	Employer Contributions	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
June 30, 2013	19,708,107	4,380,324	22.20%	77,113,320
June 30, 2014	24,186,979	4,937,254	20.40%	96,363,045
June 30, 2015	15,058,459	4,185,778	27.80%	107,235,726

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funding status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

ST. MARY PARISH SCHOOL BOARD  
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Notes to Financial Statements

NOTE 13 OTHER POST EMPLOYMENT BENEFITS (CONTINUED)

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and the plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

The annual OPEB cost was determined as part of the actuarial valuation. Additional information as of the last full actuarial valuation follows:

Valuation date:	July 1, 2014
Actuarial cost method:	Unit credit actuarial cost method
Asset valuation method:	Market value
Amortization method:	Level dollar
Remaining amortization period	24 years
<i>Actuarial Assumptions:</i>	
Investment rate of return	4.00%
Inflation rate	None

NOTE 14 RISK MANAGEMENT

Workers' Compensation

The School Board replaced the limited risk management program for workers' compensation with a fully insured plan on May 1, 1999. Management Service, USA was hired by the School Board as administrator of this limited risk program. While under this limited risk plan, the School Board purchased commercial insurance for individual claims in excess of \$175,000. The School Board, unable to obtain reasonable worker's compensation insurance coverage, once again elected to participate in another limited risk management program, effective May 1, 2004. Claims Administrative Services, Inc. serves as the administrator of this plan. The School Board incurred \$447,464 in benefits and administrative costs under the limited risk plans during fiscal year 2015. Incurred but not paid claims have been accrued as a liability in the general fund.

Reconciliation of Claims Liabilities

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

	<u>Beginning of Fiscal year Liability</u>	<u>Claims and Changes in Estimates</u>	<u>Benefit Payments and Claims</u>	<u>Balance at Fiscal Year - End</u>
Workers' Compensation	<u>\$ 237,819</u>	<u>\$ 770,237</u>	<u>\$ 447,464</u>	<u>\$ 560,592</u>

ST. MARY PARISH SCHOOL BOARD  
Centerville, Louisiana

Notes to Financial Statements

NOTE 14 RISK MANAGEMENT (CONTINUED)

Claims payable of \$560,592 for workers' compensation at June 30, 2015 was obtained from information provided by the third party administrator.

General Liability

The School Board, unable to obtain reasonable commercial insurance coverage, elected to participate in a self-insurance pool called LARMA (Louisiana Risk Management Agency), effective April 1, 2004. This pool consists of other school boards and is structured where a loss fund is established from actuarial numbers. Aggregate excess coverage of \$2 million is also provided to protect the fund. This fund covers general liability as well as automobile, board errors and omissions liability, and fidelity and forgery insurance. Building and contents coverage is still being provided by a commercial insurance carrier.

NOTE 15 PENDING LITIGATION

Contingencies

At June 30, 2015, the School Board was a defendant in lawsuits principally arising from the normal course of operations. The School Board's legal counsel has reviewed the School Board's claims and lawsuits in order to evaluate the likelihood of an unfavorable outcome to the School Board. It is the opinion of the School Board, after conferring with legal counsel, that the liabilities, if any, which might arise from these lawsuits would not have a material adverse effect on the School Board's financial position.

NOTE 16 FUND BALANCES

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

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

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

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

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

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

ST. MARY PARISH SCHOOL BOARD  
Centerville, Louisiana

Notes to Financial Statements

NOTE 16 FUND BALANCES (CONTINUED)

The following is a schedule of fund balances as of June 30, 2015:

	General Fund	Special School District No. 1	Nonmajor Governmental Funds	Total Governmental Funds
Non Spendable:				
Inventory	\$ 155,930	\$ -	\$ -	\$ 155,930
Prepaid Expenses	1,197,241	-	-	1,197,241
Deposits	400,000	-	-	400,000
Truancy	80,429	-	-	80,429
Restricted:				
Education Excellence	(7,935)	-	-	(7,935)
Debt Service	-	-	3,186,124	3,186,124
Maintenance	-	-	6,780,628	6,780,628
Committed:				
Future Occurrences	7,900,000	-	-	7,900,000
Backflow Preventers	197,150	-	-	197,150
District II Construction Loan	2,788,000	-	-	2,788,000
Asbestos Abatement	50,000	-	-	50,000
Band Uniforms	35,000	-	-	35,000
Insurance Deductibles	850,000	-	-	850,000
Floor Tile	100,000	-	-	100,000
Defibrillators	5,000	-	-	5,000
Computer Software Programs	250,000	-	-	250,000
Worker's Comp. Self Ins. Loss	500,000	-	-	500,000
School Food Service (Freezer/Cooler Replacements)	40,000	-	-	40,000
Future Health Insurance	175,000	-	-	175,000
Construction	-	18,803,130	1,778,756	20,581,886
Assigned:				
Red Ribbon	6,500	-	-	6,500
Concession Commissions	5,000	-	-	5,000
Technology	61,133	-	-	61,133
Federal Programs	421,641	-	-	421,641
Food Service	-	-	335,872	335,872
Unassigned:	<u>4,798</u>	<u>-</u>	<u>-</u>	<u>4,798</u>
Total fund balances	<u>\$ 15,214,887</u>	<u>\$ 18,803,130</u>	<u>\$ 12,081,380</u>	<u>\$ 46,099,397</u>

ST. MARY PARISH SCHOOL BOARD  
Centerville, Louisiana

Notes to Financial Statements

NOTE 16 FUND BALANCES (CONTINUED)

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

NOTE 17 COMPENSATION OF BOARD MEMBERS

A detail of the compensation paid to individual board members for the year ending June 30, 2015 follows:

Ginger Griffin, President	\$	7,800
Wayne Deslatte		7,200
Joseph Foulcard		7,200
Marilyn LaSalle		7,200
Mary Lockley		7,200
William McCarty		7,200
Anthony Strevia		7,200
Roland Verrett		7,200
Michael Taylor		7,200
Murphy Pontiff		4,200
Edward Payton, Jr.		3,600
Kenneth Alfred		3,600
Pearl Rack		3,600
Total	\$	<u>80,400</u>

NOTE 18 CHANGES IN AGENCY FUND DEPOSITS

A summary of changes in agency fund deposits due to others follows:

Fund	Balance at July 1, 2014	Additions	Reductions	Balance at June 30, 2015
School Activity	<u>\$ 1,901,322</u>	<u>\$ 3,925,849</u>	<u>\$ 3,730,875</u>	<u>\$ 2,096,296</u>

NOTE 19 GRANT AUDIT

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

ST. MARY PARISH SCHOOL BOARD  
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Notes to Financial Statements

NOTE 20 DEFERRED INFLOWS OF RESOURCES

Deferred inflows of resources at June 30, 2015 consisted of the following:

<b>Millennium Trust Funds</b>	<b><u>\$ 90,609</u></b>
<b>Total deferred inflows of resources</b>	<b><u>\$ 90,609</u></b>

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

NOTE 21 COMPENSATION, BENEFITS, AND OTHER PAYMENTS TO AGENCY HEAD

A detail of compensation, benefits, and other payments made to Superintendents Leonard Armato and Donald Aguillard for the year ended June 30, 2015 follows:

Purpose	Amount
Salary	\$ 157,972
Benefits - deferred compensation match	19,901
Car allowance	13,140
Cell phone	2,101
Dues	525
Travel	264
Registration fees	285
Housing (conferences)	694
Total	<b><u>\$ 194,882</u></b>

NOTE 22 SUBSEQUENT EVENTS

Subsequent to year end, the School board issued \$3,254,000 of General Obligation School Bonds, Series 2015 payable through March 1, 2032. The bonds are being used to refund all or a portion of the Issuer’s General Obligation School Bonds, Series 2007 for the purpose of refinancing. The bonds will be payable from ad valorem taxes.

ST. MARY PARISH SCHOOL BOARD  
Centerville, Louisiana

Notes to Financial Statements

NOTE 22 SUBSEQUENT EVENTS (CONTINUED)

Subsequent to year end, the School board issued \$16,679,000 of General Obligation School Bonds, Series 2015 payable through March 1, 2032. The bonds are being used to refund all or a portion of the Issuer's General Obligation School Bonds, Series 2007 for the purpose of refinancing. The bonds will be payable from ad valorem taxes.

NOTE 23 IMPACT OF RECENTLY ISSUED ACCOUNTING PRONOUNCEMENTS

During the year ended June 30, 2015, the School Board adopted the provisions of GASB Statement No. 68, Accounting and Financial Reporting for Pensions and GASB Statement No. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date. GASB Statement No. 68 established new standards for measuring and recognizing liabilities, deferred outflows of resources, deferred inflows of resources, and expenses for participating employers of defined benefit pension plans. This statement also required additional note disclosures and required supplementary information to be presented in the participating employers financial statements. GASB Statement No. 71 amended GASB Statement No. 68 requiring governments to recognize a beginning deferred outflow of resources for pension contributions made subsequent to the measurement date of the beginning net pension liability.

Upon adoption of these standards, beginning net position decreased by \$122,850,386 due to the initial measurement of the net pension liability for all pension plans in which the School Board is a participating employer. The restatement of \$122,850,386 consisted of recording the School Board's proportionate share of the collective net pension liability as of the beginning of the initial period of implementation of \$136,824,029 for all pension plan's in which it participates and was offset by deferred outflows of resources for contributions to pension plans made subsequent to the measurement date of the beginning net pension liability of \$13,973,643. The School Board did not restate beginning balances relating to all other deferred inflows of resources or deferred outflows of resources related to pensions as it was not practical to determine these amounts.

**REQUIRED SUPPLEMENTARY INFORMATION – PART II**

ST. MARY PARISH SCHOOL BOARD  
Centerville, Louisiana

MAJOR FUND DESCRIPTIONS

GENERAL FUND

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

Special School District No. 1 Fund

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

ST. MARY PARISH SCHOOL BOARD  
Centerville, Louisiana

Budgetary Comparison Schedule  
General Fund  
For the Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>				
Local sources:				
Ad valorem tax	\$ 12,250,000	\$ 12,250,000	\$ 12,226,654	\$ (23,346)
Sales taxes	20,575,000	20,575,000	18,094,556	(2,480,444)
Tuition	300,000	300,000	383,137	83,137
Interest earnings	260,500	260,500	332,018	71,518
Leases and royalties	240,000	240,000	223,543	(16,457)
Other	1,370,391	1,370,391	3,071,199	1,700,808
State sources:				
Unrestricted grants-in-aid	42,073,029	42,073,029	42,670,141	597,112
Restricted grants-in-aid	838,125	838,125	561,639	(276,486)
Federal sources:				
Restricted	<u>127,500</u>	<u>127,500</u>	<u>-</u>	<u>(127,500)</u>
Total revenues	<u>78,034,545</u>	<u>78,034,545</u>	<u>77,562,887</u>	<u>(471,658)</u>
<u>Expenditures:</u>				
Current -				
Instruction:				
Regular programs	34,784,310	34,784,310	35,191,566	(407,256)
Special education programs	9,573,496	9,573,496	9,533,935	39,561
Vocational education programs	2,538,030	2,538,030	2,374,289	163,741
Other instructional programs	1,927,111	1,927,111	1,700,503	226,608
Special programs	1,273,849	1,273,849	1,297,225	(23,376)
Adult and continuing education programs	-	-	38,749	(38,749)
Support services:				
Pupil support services	4,660,510	4,660,510	4,717,574	(57,064)
Instructional staff services	4,673,860	4,673,860	4,526,049	147,811
General administration	2,044,812	2,044,812	2,324,191	(279,379)
School administration	6,367,349	6,372,349	6,240,211	132,138
Business services	775,725	775,725	747,020	28,705
Operation and maintenance of plant services	7,499,140	7,499,140	7,298,892	200,248
Student transportation services	4,077,613	4,077,613	3,899,588	178,025
Central services	1,114,997	1,114,997	1,231,871	(116,874)
Non-instructional services:				
Food service operations	459,261	459,261	424,599	34,662
Community service programs	24,765	24,765	18,000	6,765

ST. MARY PARISH SCHOOL BOARD  
Centerville, Louisiana

Budgetary Comparison Schedule  
General Fund (Continued)  
For the Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Facilities acquisition, expansion and rehabilitation	\$ -	\$ -	\$ 5,030	\$ (5,030)
Other	-	-	<u>147,056</u>	<u>(147,056)</u>
Total expenditures	<u>81,794,828</u>	<u>81,799,828</u>	<u>81,716,348</u>	<u>83,480</u>
Deficiency of revenues under expenditures	(3,760,283)	(3,765,283)	(4,153,461)	(388,178)
Other financing sources (uses):				
Operating transfers in	1,339,000	1,339,000	476,970	(862,030)
Operating transfers out	(1,789,000)	(1,789,000)	(616,099)	1,172,901
Special item--gain on sale of assets	-	-	<u>2,903</u>	<u>2,903</u>
Total other financing sources (uses)	<u>(450,000)</u>	<u>(450,000)</u>	<u>(136,226)</u>	<u>313,774</u>
Deficiency of revenues and and other sources over (under) expenditures and other uses	(4,210,283)	(4,215,283)	(4,289,687)	(74,404)
<u>FUND BALANCES</u>				
Beginning of year	<u>19,504,574</u>	<u>19,504,574</u>	<u>19,504,574</u>	<u>-</u>
End of year	<u>\$ 15,294,291</u>	<u>\$ 15,289,291</u>	<u>\$ 15,214,887</u>	<u>\$ (74,404)</u>

See accompanying notes to the required supplementary information.

ST. MARY PARISH SCHOOL BOARD  
Centerville, Louisiana

Schedule Proportionate Share of Net Pension Liability  
For the Year Ended June 30, 2015

	<b>Teachers' Retirement System of Louisiana</b>	<b>Parochial Employees' Retirement System</b>	<b>Louisiana School Employees' Retirement System</b>	<b>Louisiana State Employees' Retirement System</b>
School Board's proportion of the net pension liability	1.03%	0.0017%	1.44%	0.00954%
School Board's proportionate share of the net pension liability	\$104,944,078	\$ 464	\$ 8,347,312	\$ 596,401
School Board's covered-employee payroll	\$ 45,987,288	\$ 7,200	\$ 3,908,816	\$ 142,919
School Board's proportionate share of the net pension liability as a percentage of its covered-employee payroll	228.2%	6.4%	213.6%	417.3%
Plan fiduciary net position as a percentage of the total pension liability	63.7%	9.1%	76.2%	65.0%

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

ST. MARY PARISH SCHOOL BOARD  
Centerville, Louisiana

Schedule of Contributions  
For the Year Ended June 30, 2015

	<b>Teachers' Retirement System of Louisiana</b>	<b>Parochial Employees' Retirement System</b>	<b>Louisiana School Employees' Retirement System</b>	<b>Louisiana State Employees' Retirement System</b>
Statutorily required contribution	\$ 12,908,085	\$ 1,098	\$ 1,289,909	\$ 52,880
Contributions in relation to the statutorily required contribution	<u>12,906,752</u>	<u>1,098</u>	<u>1,289,909</u>	<u>52,880</u>
Contribution deficiency (excess)	<u>\$ 1,333</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
School Board's covered-employee payroll	\$ 45,987,288	\$ 7,200	\$ 3,908,816	\$ 142,919
Contributions as a percentage of covered-employee payroll	28.07%	15.25%	33.00%	37.00%

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

ST. MARY PARISH SCHOOL BOARD  
Centerville, Louisiana

Notes to the Required Supplementary Information

NOTE 1 BASIS OF ACCOUNTING

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

NOTE 2 BUDGETARY PRACTICES

Budgetary Information

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

All appropriations lapse at the end of each fiscal year.

Excess of Expenditures over Appropriations

For the year ended June 30, 2015, expenditures exceeded appropriations in the General Fund. These excess expenditures were covered by available fund balance in the fund.

**SUPPLEMENTAL INFORMATION**

ST. MARY PARISH SCHOOL BOARD  
Centerville, Louisiana

NON-MAJOR FUND DESCRIPTIONS

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

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

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

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

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

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

Temporary Assistance for Needy Families

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

Rural Education Achievement Program

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

ST. MARY PARISH SCHOOL BOARD  
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NON-MAJOR FUND DESCRIPTIONS

Individuals with Disabilities Education Act

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

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

School Districts Maintenance Funds

The School Districts Maintenance Fund accounts for the purchases of new equipment, for repairs and renovation of existing buildings and equipment and for the maintenance of the grounds for School Districts I, II and III. Financing is provided primarily by a special property tax levy on property within each district and by the related state revenue sharing. Individual fund balances of the School Districts Maintenance Funds at June 30, 2015, are as follows:

District I	\$ 2,436,486
District II	2,631,654
District III	<u>1,712,488</u>
Total fund equity	<u>\$ 6,780,628</u>

School Lunch Fund

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

Vocational/Adult Education

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

Enhancing Education through Technology Program

The Enhancing Education through Technology Programs, including ARRA funding, provide funds to improve student academic achievement through the use of technology in schools; assist all students in becoming technologically literate by the end of the eighth grade; and encourage the effective integration of technology with teacher training and curriculum development to establish successful research-based instructional methods.

ST. MARY PARISH SCHOOL BOARD  
Centerville, Louisiana

NON-MAJOR FUND DESCRIPTIONS

Race to the Top

The Race to the Top Fund, ARRA funding, is a competitive grant program designed to encourage and reward States that are creating the conditions for education innovation and reform; achieving significant improvement in student outcomes, including making substantial gains in student achievement, closing achievement gaps, improving high school graduation rates, and ensuring student preparation for success in college and careers; and implementing ambitious plans in core education reform areas.

Reserve Officers' Training Corps

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

DEBT SERVICE FUNDS

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

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

The bond issues for Fifth Ward Special School District No. 1, and Sixth Ward Special District No. 3 have been retired. Remaining assets represent collections of prior year ad valorem taxes and are reserved for school district expenditures.

CAPITAL PROJECTS FUNDS

District Capital Project Funds

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

Consolidated School District No. 1 Fund

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

Special School District No. 4 Fund

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

ST. MARY PARISH SCHOOL BOARD  
Centerville, Louisiana

Combined Balance Sheet  
Non-Major Governmental Funds  
By Fund Type  
June 30, 2015

ASSETS	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total</u>
Cash and interest-bearing deposits	\$ 8,086,156	\$ 3,182,836	\$ 4,707,966	\$ 15,976,958
Receivables:				
Accounts	16,499	3,788	-	20,287
Due from other governmental units	2,035,208	-	-	2,035,208
Due from other funds	104,809	-	7,820	112,629
Inventory, at cost	<u>324,572</u>	<u>-</u>	<u>-</u>	<u>324,572</u>
 Total assets	 <u>\$ 10,567,244</u>	 <u>\$ 3,186,624</u>	 <u>\$ 4,715,786</u>	 <u>\$ 18,469,654</u>
 LIABILITIES AND FUND EQUITY				
Liabilities:				
Accounts payable	\$ 440,750	\$ -	\$ 693,100	\$ 1,133,850
Accrued liabilities	350,714	-	108,169	458,883
Due to other funds	<u>2,659,280</u>	<u>500</u>	<u>2,135,761</u>	<u>4,795,541</u>
Total liabilities	<u>3,450,744</u>	<u>500</u>	<u>2,937,030</u>	<u>6,388,274</u>
 Fund balances:				
Restricted for debt service	-	3,186,124	-	3,186,124
Restricted for maintenance	6,780,628	-	-	6,780,628
Assigned for food service	335,872	-	-	335,872
Committed for construction	<u>-</u>	<u>-</u>	<u>1,778,756</u>	<u>1,778,756</u>
Total fund balances	<u>7,116,500</u>	<u>3,186,124</u>	<u>1,778,756</u>	<u>12,081,380</u>
 Total liabilities and fund balances	 <u>\$ 10,567,244</u>	 <u>\$ 3,186,624</u>	 <u>\$ 4,715,786</u>	 <u>\$ 18,469,654</u>

ST. MARY PARISH SCHOOL BOARD  
Centerville, Louisiana

Special Revenue Funds  
Combining Balance Sheet  
June 30, 2015

No Child Left Behind Act

	Title I	Title II	Title III	Title IV
ASSETS				
Cash and interest-bearing deposits	\$ -	\$ -	\$ -	\$ -
Receivables:				
Accounts	31	-	-	-
Due from other governmental units	955,040	278,151	25,805	105,982
Due from other funds	-	-	-	2,756
Inventory, at cost	-	-	-	-
Total assets	<u>\$ 955,071</u>	<u>\$ 278,151</u>	<u>\$ 25,805</u>	<u>\$ 108,738</u>
LIABILITIES AND FUND EQUITY				
Liabilities:				
Accounts payable	\$ 1,861	\$ -	\$ -	\$ -
Accrued liabilities	98,049	26,309	-	13,611
Due to other funds	<u>855,161</u>	<u>251,842</u>	<u>25,805</u>	<u>95,127</u>
Total liabilities	<u>955,071</u>	<u>278,151</u>	<u>25,805</u>	<u>108,738</u>
Fund balances:				
Restricted for maintenance	-	-	-	-
Assigned for food service	-	-	-	-
Total fund balances	-	-	-	-
Total liabilities and fund balances	<u>\$ 955,071</u>	<u>\$ 278,151</u>	<u>\$ 25,805</u>	<u>\$ 108,738</u>

Rural Education Achievement Program	Individuals with Disabilities Education Act		School Districts Maintenance	School Lunch
	Preschool Incentive	Special Education		
\$ -	\$ -	\$ -	\$ 7,142,577	\$ 943,579
-	-	-	11,437	5,031
28,551	21,428	495,247	-	-
-	-	57,346	-	-
-	-	-	-	324,572
<u>\$ 28,551</u>	<u>\$ 21,428</u>	<u>\$ 552,593</u>	<u>\$ 7,154,014</u>	<u>\$ 1,273,182</u>
\$ -	\$ -	\$ 12,224	\$ 363,481	\$ 9,710
9,456	2,895	30,698	9,905	158,540
<u>19,095</u>	<u>18,533</u>	<u>509,671</u>	-	<u>769,060</u>
<u>28,551</u>	<u>21,428</u>	<u>552,593</u>	<u>373,386</u>	<u>937,310</u>
-	-	-	6,780,628	-
-	-	-	-	335,872
-	-	-	<u>6,780,628</u>	<u>335,872</u>
<u>\$ 28,551</u>	<u>\$ 21,428</u>	<u>\$ 552,593</u>	<u>\$ 7,154,014</u>	<u>\$ 1,273,182</u>

ST. MARY PARISH SCHOOL BOARD  
Centerville, Louisiana

Special Revenue Funds  
Combining Balance Sheet (Continued)  
June 30, 2015

	Vocational/Adult Education	Enhancing Education through Technology Grants	Race to the Top
<b>ASSETS</b>			
Cash and interest-bearing deposits	\$ -	\$ -	\$ -
Receivables:			
Accounts	-	-	-
Due from other governmental units	62,018	-	62,986
Due from other funds	43,359	1,348	-
Inventory, at cost	-	-	-
 Total assets	 \$ 105,377	 \$ 1,348	 \$ 62,986
<b>LIABILITIES AND FUND EQUITY</b>			
Liabilities:			
Accounts payable	\$ 1,323	\$ -	\$ 52,151
Accrued liabilities	-	-	1,251
Due to other funds	104,054	1,348	9,584
Total liabilities	105,377	1,348	62,986
Fund balances:			
Restricted for maintenance	-	-	-
Assigned for food service	-	-	-
Total fund balances	-	-	-
 Total liabilities and fund balances	 \$ 105,377	 \$ 1,348	 \$ 62,986

Reserve Officers' Training Corps	Total
\$ -	\$ 8,086,156
-	16,499
-	2,035,208
-	104,809
<u>-</u>	<u>324,572</u>
<u>\$ -</u>	<u>\$ 10,567,244</u>
\$ -	440,750
-	350,714
<u>-</u>	<u>2,659,280</u>
<u>-</u>	<u>3,450,744</u>
-	6,780,628
<u>-</u>	<u>335,872</u>
<u>-</u>	<u>7,116,500</u>
<u>\$ -</u>	<u>\$ 10,567,244</u>

ST. MARY PARISH SCHOOL BOARD  
Centerville, Louisiana

Debt Service Funds  
Combining Balance Sheet  
June 30, 2015

	Consolidated District No. 1	Special School District No. 4	Fifth Ward Special School District No. 1	Sixth Ward Special School District No. 3	Total
ASSETS					
Cash and interest-bearing deposits	\$ 1,682,397	\$ 203,218	\$ 1,287,668	\$ 9,553	\$ 3,182,836
Accounts receivable	<u>2,927</u>	<u>35</u>	<u>826</u>	<u>-</u>	<u>3,788</u>
Total assets	<u>\$ 1,685,324</u>	<u>\$ 203,253</u>	<u>\$ 1,288,494</u>	<u>\$ 9,553</u>	<u>\$ 3,186,624</u>
LIABILITIES AND FUND EQUITY					
Due to other funds	\$ -	\$ -	\$ 500	\$ -	\$ 500
Total liabilities	<u>-</u>	<u>-</u>	<u>500</u>	<u>-</u>	<u>500</u>
Fund balances:					
Restricted for debt service	<u>\$ 1,685,324</u>	<u>\$ 203,253</u>	<u>\$ 1,287,994</u>	<u>\$ 9,553</u>	<u>\$ 3,186,124</u>
Total liabilities and fund balances	<u>\$ 1,685,324</u>	<u>\$ 203,253</u>	<u>\$ 1,288,494</u>	<u>\$ 9,553</u>	<u>\$ 3,186,624</u>

ST. MARY PARISH SCHOOL BOARD  
Centerville, Louisiana

Capital Projects Funds  
Combining Balance Sheet  
June 30, 2015

	District Capital Projects	Consolidated District No. 1	Special School District No. 4	Totals
ASSETS				
Cash and interest-bearing deposits	\$ 4,430,458	\$ 224,180	\$ 53,328	\$ 4,707,966
Due from other funds	<u>-</u>	<u>689</u>	<u>7,131</u>	<u>7,820</u>
Total assets	<u>\$ 4,430,458</u>	<u>\$ 224,869</u>	<u>\$ 60,459</u>	<u>\$ 4,715,786</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 691,423	\$ 1,677	\$ -	\$ 693,100
Accrued liabilities	108,169	-	-	108,169
Due to other funds	<u>2,078,801</u>	<u>7,475</u>	<u>49,485</u>	<u>2,135,761</u>
Total liabilities	<u>2,878,393</u>	<u>9,152</u>	<u>49,485</u>	<u>2,937,030</u>
Fund balances:				
Committed for Construction	<u>1,552,065</u>	<u>215,717</u>	<u>10,974</u>	<u>1,778,756</u>
Total liabilities and fund balances	<u>\$ 4,430,458</u>	<u>\$ 224,869</u>	<u>\$ 60,459</u>	<u>\$ 4,715,786</u>

ST. MARY PARISH SCHOOL BOARD  
Centerville, Louisiana

Combined Statement of Revenues, Expenditures,  
And Changes in Fund Balances  
Non-Major Governmental Funds by Fund Type  
Year Ended June 30, 2015

	Special Revenue	Debt Service	Capital Projects	Total
Revenues:				
Local sources -				
Ad valorem taxes	\$ 7,011,224	\$ 3,175,888	\$ -	\$ 10,187,112
Interest earnings	11,982	8,463	235	20,680
Food service	624,669	-	-	624,669
State sources -				
Unrestricted grants-in-aid	1,570,440	-	-	1,570,440
Federal sources -				
Restricted grants-in-aid	11,105,639	-	-	11,105,639
Other - commodities	276,521	-	-	276,521
Total revenues	<u>20,600,475</u>	<u>3,184,351</u>	<u>235</u>	<u>23,785,061</u>
Expenditures:				
Current -				
Instruction:				
Regular programs	565,075	-	540,724	1,105,799
Special education programs	544,625	-	-	544,625
Vocational education programs	123,817	-	-	123,817
Other instructional programs	271,180	-	50,000	321,180
Special programs	3,715,112	-	-	3,715,112
Adult and continuing education programs	14,176	-	-	14,176
Support services:				
Pupil support services	904,974	-	-	904,974
Instructional staff services	1,150,892	-	-	1,150,892
General administration	239,385	110,184	5,841	355,410
School administration	10,449	-	-	10,449
Business services	140,222	1,700	-	141,922
Operation and maintenance of plant	4,818,351	-	8,928	4,827,279
Student transportation services	69,152	-	-	69,152
Central services	108,757	-	-	108,757
Non-instructional services -				
Food service operations	6,055,435	-	-	6,055,435
Facilities acquisition, expansion and rehabilitation	253,661	-	2,624,335	2,877,996
Other	-	-	40,000	40,000
Debt service -				
Principal retirement	-	1,105,000	-	1,105,000
Interest and fiscal charges	-	1,397,142	-	1,397,142
Total expenditures	<u>18,985,263</u>	<u>2,614,026</u>	<u>3,269,828</u>	<u>24,869,117</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,615,212</u>	<u>570,325</u>	<u>(3,269,593)</u>	<u>(1,084,056)</u>
Other financing sources (uses)				
Bond proceeds premium	-	182,872	-	182,872
Operating transfers in	-	240,000	1,871,100	2,111,100
Operating transfers out	(1,971,971)	-	-	(1,971,971)
Special item--gain on sale of assets	-	-	91,861	91,861
Total other financing sources (uses)	<u>(1,971,971)</u>	<u>422,872</u>	<u>1,962,961</u>	<u>413,862</u>
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	<u>(356,759)</u>	<u>993,197</u>	<u>(1,306,632)</u>	<u>(670,194)</u>
Fund balances, beginning	<u>7,473,259</u>	<u>2,192,927</u>	<u>3,085,388</u>	<u>12,751,574</u>
Fund balances, ending	<u>\$ 7,116,500</u>	<u>\$ 3,186,124</u>	<u>\$ 1,778,756</u>	<u>\$ 12,081,380</u>

ST. MARY PARISH SCHOOL BOARD  
Centerville, Louisiana

Special Revenue Funds  
Combining Statement of Revenues, Expenditures,  
And Changes in Fund Balances  
Year Ended June 30, 2015

	No Child Left Behind Act			
	Title I	Title II	Title III	Title IV
Revenues:				
Local sources -				
Ad valorem taxes	\$ -	\$ -	\$ -	\$ -
Interest earnings	-	-	-	-
Food service	-	-	-	-
State sources -				
Unrestricted grants-in-aid	-	-	-	-
Federal sources -				
Restricted grants-in-aid	3,508,945	808,594	78,125	325,145
Other - commodities	-	-	-	-
Total revenues	<u>3,508,945</u>	<u>808,594</u>	<u>78,125</u>	<u>325,145</u>
Expenditures:				
Current -				
Instruction:				
Regular programs	5,522	5,563	-	-
Special education programs	-	-	-	-
Vocational education programs	-	-	-	-
Other instructional programs	-	-	-	31,374
Special programs	2,536,043	702,150	42,557	263,960
Adult and continuing education programs	-	-	-	14,176
Support services:				
Pupil support services	255,494	-	2,688	-
Instructional staff services	511,481	64,458	30,562	-
General administration	-	-	-	-
School administration	-	-	-	-
Business services	6,862	-	-	-
Operation and maintenance of plant services	673	-	-	-
Student transportation services	22,985	-	-	-
Central services	-	-	-	-
Non-instructional services -				
Food service operations	-	-	-	-
Facilities acquisition, expansion and rehabilitation	-	-	-	-
Total expenditures	<u>3,339,060</u>	<u>772,171</u>	<u>75,807</u>	<u>309,510</u>
Excess revenues over expenditures	<u>169,885</u>	<u>36,423</u>	<u>2,318</u>	<u>15,635</u>
Other financing sources (uses)				
Operating transfers out	<u>(169,885)</u>	<u>(36,423)</u>	<u>(2,318)</u>	<u>(15,635)</u>
Total other financing sources (uses)	<u>(169,885)</u>	<u>(36,423)</u>	<u>(2,318)</u>	<u>(15,635)</u>
Excess (deficiency) of revenues and other uses over (under) expenditures and other uses	-	-	-	-
Fund balances, beginning	-	-	-	-
Fund balances, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Rural Education Achievement Program	Individuals with Disabilities Education Act		School Districts Maintenance	School Lunch
	Preschool Incentive	Special Education		
\$ -	\$ -	\$ -	\$ 7,011,224	\$ -
-	-	-	11,504	478
-	-	-	-	624,669
-	-	-	246,670	-
177,765	61,527	1,963,501	-	1,323,770
-	-	-	-	3,855,218
<u>177,765</u>	<u>61,527</u>	<u>1,963,501</u>	<u>7,269,398</u>	<u>276,521</u>
-	-	-	-	<u>6,080,656</u>
-	-	78,005	404,139	-
-	58,386	486,239	-	-
-	-	-	-	-
-	-	57,119	56,256	-
169,229	188	985	-	-
-	-	-	-	-
-	-	646,792	-	-
-	-	539,760	-	-
-	-	363	239,022	-
-	-	-	10,449	-
-	-	23,864	109,402	-
-	-	11,126	4,806,552	-
-	-	25,537	20,630	-
-	-	2,490	106,267	-
-	-	-	-	6,055,435
-	-	-	<u>253,661</u>	-
<u>169,229</u>	<u>58,574</u>	<u>1,872,280</u>	<u>6,006,378</u>	<u>6,055,435</u>
<u>8,536</u>	<u>2,953</u>	<u>91,221</u>	<u>1,263,020</u>	<u>25,221</u>
<u>(8,536)</u>	<u>(2,953)</u>	<u>(91,221)</u>	<u>(1,495,000)</u>	<u>(150,000)</u>
<u>(8,536)</u>	<u>(2,953)</u>	<u>(91,221)</u>	<u>(1,495,000)</u>	<u>(150,000)</u>
-	-	-	(231,980)	(124,779)
-	-	-	<u>7,012,608</u>	<u>460,651</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,780,628</u>	<u>\$ 335,872</u>

ST. MARY PARISH SCHOOL BOARD  
Centerville, Louisiana

Special Revenue Funds  
Combining Statement of Revenue, Expenditures,  
And Changes in Fund Balances (Continued)  
Year Ended June 30, 2015

	Vocational/Adult Education	Enhancing Education through Technology Grants	Race to the Top
Revenues:			
Local sources -			
Ad valorem taxes	\$ -	\$ -	\$ -
Interest earnings	-	-	-
Food service	-	-	-
State sources -			
Unrestricted grants-in-aid	-	-	-
Federal sources -			
Restricted grants-in-aid	123,911	-	76,477
Other - commodities	-	-	-
Total revenues	<u>123,911</u>	<u>-</u>	<u>76,477</u>
Expenditures:			
Current -			
Instruction:			
Regular programs	-	-	71,846
Special education programs	-	-	-
Vocational education programs	123,817	-	-
Other instructional programs	-	-	-
Special programs	-	-	-
Adult and continuing education programs	-	-	-
Support services:			
Pupil support services	-	-	-
Instructional staff services	-	-	4,631
General administration	-	-	-
School administration	-	-	-
Business services	94	-	-
Operation and maintenance of plant services	-	-	-
Student transportation services	-	-	-
Central services	-	-	-
Non-instructional services -			
Food service operations	-	-	-
Facilities acquisition expansion and rehabilitation	-	-	-
Total expenditures	<u>123,911</u>	<u>-</u>	<u>76,477</u>
Excess revenues over expenditures	-	-	-
Other financing sources (uses)			
Operating transfers out	-	-	-
Total other financing sources (uses)	-	-	-
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	-	-	-
Fund balances, beginning	-	-	-
Fund balances, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Reserve Officers' Training Corps	Total
\$ -	\$ 7,011,224
-	11,982
-	624,669
-	1,570,440
126,431	11,105,639
-	<u>276,521</u>
<u>126,431</u>	<u>20,600,475</u>
-	565,075
-	544,625
-	123,817
126,431	271,180
-	3,715,112
-	14,176
-	904,974
-	1,150,892
-	239,385
-	10,449
-	140,222
-	4,818,351
-	69,152
-	108,757
-	6,055,435
-	<u>253,661</u>
<u>126,431</u>	<u>18,985,263</u>
-	<u>1,615,212</u>
-	<u>(1,971,971)</u>
-	<u>(1,971,971)</u>
-	(356,759)
-	<u>7,473,259</u>
<u>\$ -</u>	<u>\$ 7,116,500</u>

ST. MARY PARISH SCHOOL BOARD  
Centerville, Louisiana

Debt Service Funds  
Combining Statement of Revenues, Expenditures,  
And Changes in Fund Balances  
June 30, 2015

	Consolidated School District No. 1	Special School District No. 4	Fifth Ward Special School District No. 1	Sixth Ward Special School District No. 3	Total
Revenues:					
Local sources -					
Ad valorem taxes	\$ 1,249,300	\$ 323,705	\$ 1,602,883	\$ -	\$ 3,175,888
Interest earnings	<u>5,719</u>	<u>710</u>	<u>2,020</u>	<u>14</u>	<u>8,463</u>
Total revenues	<u>1,255,019</u>	<u>324,415</u>	<u>1,604,903</u>	<u>14</u>	<u>3,184,351</u>
Expenditures:					
Current -					
Support services:					
General administration	45,550	12,851	51,783	-	110,184
Business services	750	750	200	-	1,700
Debt service -					
Principal retirement	920,000	185,000	-	-	1,105,000
Interest and fiscal charges	<u>775,878</u>	<u>173,466</u>	<u>447,798</u>	<u>-</u>	<u>1,397,142</u>
Total expenditures	<u>1,742,178</u>	<u>372,067</u>	<u>499,781</u>	<u>-</u>	<u>2,614,026</u>
Excess of revenues over expenditures	(487,159)	(47,652)	1,105,122	14	570,325
Other financing sources					
Bond proceeds premium	-	-	182,872	-	182,872
Operating transfers in	240,000	-	-	-	240,000
Operating transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>240,000</u>	<u>-</u>	<u>182,872</u>	<u>-</u>	<u>422,872</u>
Excess (deficiency) of revenues and other sources over expenditures	(247,159)	(47,652)	1,287,994	14	993,197
Fund balances, beginning	<u>1,932,483</u>	<u>250,905</u>	<u>-</u>	<u>9,539</u>	<u>2,192,927</u>
Fund balances, ending	<u>\$ 1,685,324</u>	<u>\$ 203,253</u>	<u>\$ 1,287,994</u>	<u>\$ 9,553</u>	<u>\$ 3,186,124</u>

ST. MARY PARISH SCHOOL BOARD  
Centerville, Louisiana

Capital Projects Funds  
Combining Statement of Revenues, Expenditures,  
And Changes in Fund Balances  
Year Ended June 30, 2015

	<u>District Capital Projects</u>	<u>Consolidated District No. 1</u>	<u>Special School District No. 4</u>	<u>Total</u>
Revenues:				
Local sources -				
Interest earnings	\$ -	\$ 208	\$ 27	\$ 235
Total revenues	<u>-</u>	<u>208</u>	<u>27</u>	<u>235</u>
Expenditures:				
Current -				
Instruction:				
Regular	504,048	36,676	-	540,724
Other instructional programs	50,000	-	-	50,000
Support services:				
General administration	5,841	-	-	5,841
Maintenance of plant	8,928	-	-	8,928
Facilities acquisition, expansion and rehabilitation	2,624,335	-	-	2,624,335
Other	<u>40,000</u>	<u>-</u>	<u>-</u>	<u>40,000</u>
Total expenditures	<u>3,233,152</u>	<u>36,676</u>	<u>-</u>	<u>3,269,828</u>
Deficiency of revenues over expenditures	(3,233,152)	(36,468)	27	(3,269,593)
Other financing sources				
Operating transfers in	1,871,100	-	-	1,871,100
Special item--gain on sale of assets	<u>91,861</u>	<u>-</u>	<u>-</u>	<u>91,861</u>
Total other financing sources	<u>1,962,961</u>	<u>-</u>	<u>-</u>	<u>1,962,961</u>
Excess (deficiency) of revenues and other sources over expenditures	(1,270,191)	(36,468)	27	(1,306,632)
Fund balances, beginning	<u>2,822,256</u>	<u>252,185</u>	<u>10,947</u>	<u>3,085,388</u>
Fund balances, ending	<u>\$ 1,552,065</u>	<u>\$ 215,717</u>	<u>\$ 10,974</u>	<u>\$ 1,778,756</u>

ST. MARY PARISH SCHOOL BOARD  
Centerville, Louisiana

FIDUCIARY FUNDS

PRIVATE PURPOSE TRUST FUNDS:

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

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

AGENCY FUND:

School Activity

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

ST. MARY PARISH SCHOOL BOARD  
Centerville, Louisiana

Fiduciary Funds  
Combining Balance Sheet  
June 30, 2015

	Private Purpose Trust Funds			Agency Fund	Total
	Ann Dangerfield Scholarship	J. J. Hebert Memorial	C. J. Peltier, Jr. Scholarship	School Activity	
ASSETS					
Cash and interest-bearing deposits	\$ 11,258	\$ 380	\$ 234	\$ 2,096,296	\$ 2,108,168
Total assets	<u>\$ 11,258</u>	<u>\$ 380</u>	<u>\$ 234</u>	<u>\$ 2,096,296</u>	<u>\$ 2,108,168</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 1,000	\$ -	\$ -	\$ -	\$ 1,000
Due to other funds	-	-	-	-	-
Deposits due to others	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,096,296</u>	<u>2,096,296</u>
Total liabilities	<u>1,000</u>	<u>-</u>	<u>-</u>	<u>2,096,296</u>	<u>2,097,296</u>
Fund balances:					
Unreserved - undesignated	<u>10,258</u>	<u>380</u>	<u>234</u>	<u>-</u>	<u>10,872</u>
Total liabilities and fund balances	<u>\$ 11,258</u>	<u>\$ 380</u>	<u>\$ 234</u>	<u>\$ 2,096,296</u>	<u>\$ 2,108,168</u>

ST. MARY PARISH SCHOOL BOARD  
Centerville, Louisiana

Private Purpose Trust Funds  
Combining Statement of Revenue, Expenditures,  
And Changes in Fund Balances  
Year Ended June 30, 2015

	Ann Dangerfield <u>Scholarship</u>	J. J. Hebert <u>Memorial</u>	C. J. Peltier, Jr. <u>Scholarship</u>	<u>Total</u>
Revenues:				
Local sources -				
Interest earnings	\$ 2	\$ -	\$ -	\$ 2
Expenditures	<u>(500)</u>	<u>-</u>	<u>-</u>	<u>(500)</u>
Deficiency of revenues over expenditures	(498)	-	-	(498)
Fund balances, beginning	<u>10,756</u>	<u>380</u>	<u>234</u>	<u>11,370</u>
Fund balances, ending	<u>\$ 10,258</u>	<u>\$ 380</u>	<u>\$ 234</u>	<u>\$ 10,872</u>

ST. MARY PARISH SCHOOL BOARD  
Centerville, Louisiana

Agency Fund  
School Activity Funds  
Schedule of Changes in Deposit Due to Others  
Year Ended June 30, 2015

	Balance July 1, 2014	Additions	Reductions	Balance June 30, 2015
St. Mary Parish Alternative	\$ 1,266	\$ 1,509	\$ 2,036	\$ 739
J. S. Aucoin Elementary	42,000	66,395	62,715	45,680
Bayou Vista Elementary	73,756	140,530	108,414	105,872
B.E Boudreaux Middle	26,858	96,882	93,657	30,083
Berwick Elementary	106,096	144,169	125,752	124,513
Berwick Junior High	74,870	166,766	156,937	84,699
Berwick Senior High	270,454	483,855	457,912	296,397
Centerville High	112,902	214,133	230,127	96,908
W. P. Foster Elementary	57,658	61,921	56,397	63,182
Franklin Adult Education	-	-	-	-
Franklin Junior High	83,185	44,859	36,298	91,746
Franklin Senior High	18,959	278,355	265,602	31,712
Hernandez Elementary	14,111	40,962	33,676	21,397
LaGrange Elementary	27,915	42,344	47,640	22,619
J. B. Maitland Elementary	17,519	44,455	42,667	19,307
Morgan City Adult Education	-	-	-	-
Morgan City Junior High	115,356	199,766	192,801	122,321
Morgan City Senior High	240,271	693,930	692,589	241,612
M. E. Norman Elementary	34,943	74,134	55,124	53,953
Patterson Junior High	51,297	154,927	151,639	54,585
Patterson Senior High	89,328	341,531	316,314	114,545
Raintree Elementary	84,655	92,870	96,570	80,955
M. D. Shannon Elementary	27,635	35,211	41,780	21,066
H. A. Watts Elementary	85,487	220,522	211,331	94,678
West St. Mary High	195,320	162,283	138,457	219,146
Wyandotte Elementary	49,481	123,540	114,440	58,581
	<u>\$ 1,901,322</u>	<u>\$ 3,925,849</u>	<u>\$ 3,730,875</u>	<u>\$ 2,096,296</u>



**Darnall, Sikes,  
Gardes & Frederick**

(A Corporation of Certified Public Accountants)

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*

Leonard Armato, Superintendent  
and Members of the St. Mary Parish School Board  
Centerville, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the St. Mary Parish School Board as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the St. Mary Parish School Board's basic financial statements, and have issued our report thereon dated December 8, 2015.

### Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the St. Mary Parish School Board's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances 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 St. Mary Parish School Board's internal control. Accordingly, we do not express an opinion on the effectiveness of the School Board's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. 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.

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## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the St. Mary Parish School Board's financial statements are free from material misstatement are free from, 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 one instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and questioned costs as item 2015-001.

## **Response to Findings**

St. Mary Parish School Board's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The School Board's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

## **Purpose of this Report**

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

*Darnall, Sikes, Gardes & Frederick*

(A Corporation of Certified Public Accountants)

Lafayette, Louisiana

December 8, 2015



**Darnall, Sikes,  
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**Independent Auditor's Report on Compliance for Each Major Program  
and on Internal Control over Compliance Required by OMB Circular A-133**

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Kevin S. Young, CPA  
Christy S. Dew, CPA, MPA  
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Brandon L. Porter, CPA  
Jacob C. Roberie, CPA  
Brandon R. Dunphy, CPA

Leonard Armato, Superintendent  
and Members of the St. Mary Parish School Board  
Centerville, Louisiana

**Report on Compliance for Each Major Federal Program**

We have audited the St. Mary Parish School Board's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the St. Mary Parish School Board's major federal programs for the year ended June 30, 2015. The St. Mary Parish School Board's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

***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 St. Mary Parish 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 OMB Circular A-133, *Audits of States, Local Governments, and Non-profit Organizations*. Those standards and OMB Circular A-133 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 St. Mary Parish School Board's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

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

In our opinion, the St. Mary Parish School Board complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2015.

### ***Other Matters***

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with OMB Circular A-133 and which is described in the accompanying schedule of findings and questioned costs as item 2015-002. Our opinion on each major federal program is not modified with respect to this matter.

The St. Mary Parish School Board's response to the noncompliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs and management's corrective action plan. The St. Mary Parish School Board's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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

Management of the St. Mary Parish 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 St. Mary Parish 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 OMB Circular A-133, 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 St. Mary Parish School Board's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we considered to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document; therefore, its distribution is not limited.

*Danall, Sikes, Gardes & Frederick*  
(A Corporation of Certified Public Accountants)

Morgan City, Louisiana  
December 8, 2015

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ST. MARY PARISH SCHOOL BOARD  
Centerville, Louisiana

Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2015

Federal Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Pass-through Entity Identifying Number	Federal Expenditures
U.S. Department of Agriculture:			
Pass-through programs:			
Child Nutrition Cluster:			
Louisiana Department of Agriculture:			
National School Lunch Program - Non-cash Assistance (Note 3)	10.555	N/A	\$ 276,522
Louisiana Department of Education:			
School Breakfast Program	10.553	N/A	1,103,708
National School Lunch Program	10.555	N/A	<u>2,751,509</u>
Subtotal Louisiana Department of Education pass-through programs			<u>3,855,217</u>
Total Child Nutrition Cluster			4,131,739
U.S. Department of Education:			
Pass-through programs from:			
Louisiana Department of Education:			
Title I, Part A Cluster			
Title I Grants to Local Educational Agencies	84.010	28-14-T1-51C	548,802
Title I Grants to Local Educational Agencies	84.010	28-15-T1-51	<u>2,960,143</u>
Total Title I, Part A Cluster			3,508,945
Special Education Cluster (IDEA)			
Special Education - Grants to States	84.027	28-14-B1-51C	1,107,415
Special Education - Grants to States	84.027	28-15-B1-51	796,085
Special Education - Grants to States	84.027	28-15-JP-51	<u>60,000</u>
Total Special Education - Grants to States			1,963,500
Special Education - Preschool Grants	84.173	28-14-P1-51C	8,382
Special Education - Preschool Grants	84.173	28-15-P1-51	<u>53,145</u>
Total Special Education - Preschool Grants			<u>61,527</u>
Total Special Education Cluster (IDEA)			2,025,027
Rural Education	84.358	28-15-RE-51	<u>177,765</u>
Total Rural Education			177,765
Improving Teacher Quality State Grants	84.367	28-14-50-51C	160,035
Improving Teacher Quality State Grants	84.367	28-15-50-51	<u>591,429</u>
Total Improving Teacher Quality State Grants			751,464
Career and Technical Education - Basic Grants to States	84.048	28-14-02-51C	9,139
Career and Technical Education - Basic Grants to States	84.048	28-15-02-51	<u>114,772</u>
Total Career and Technical Education - Basic Grants to States			123,911
English Language Acquisition Grants	84.365	28-14-60-51C	12,679
English Language Acquisition Grants	84.365	28-15-60-51	37,791
English Language Acquisition Grants	84.365	28-14-S3-51C	27
English Language Acquisition Grants	84.365	28-15-S3-51	<u>27,628</u>
Total English Language Acquisition Grants			78,125

ST. MARY PARISH SCHOOL BOARD  
Centerville, Louisiana

Schedule of Expenditures of Federal Awards (Continuing)  
Year Ended June 30, 2015

Federal Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Pass-through Entity Identifying Number	Federal Expenditures
Mathematics and Science Partnerships	84.366	28-14-MP-29	57,130
Teacher Incentive Fund	84.374	28-11-TJ-51	<u>76,477</u>
Subtotal Louisiana Department of Education pass-through programs			<u>6,798,844</u>
Total U.S. Department of Education			6,798,844
U.S. Department of Health and Human Services:			
Pass-through programs from:			
Louisiana Department of Education:			
TANF Cluster			
Temporary Assistance for Needy Families (TANF)	93.558	28-15-36-51	277,272
Temporary Assistance for Needy Families (TANF)	93.558	28-15-JS-51	<u>47,873</u>
Total TANF Cluster			325,145
U.S. Department of Defense			
Direct programs:			
Army ROTC	12.Unknown	N/A	<u>126,431</u>
Total expenditures of federal awards			<u>\$ 11,382,159</u>

NOTE 1 BASIS OF PRESENTATION

The above schedule of expenditures of federal awards includes the federal grant activity of the St. Mary Parish School Board under programs of the federal government for the year ended June 30, 2014. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-profit Organizations*. Because the schedule presents only a selected portion of the operations of the St. Mary Parish School Board, it is not intended to and does not present the financial position or changes in net assets of the Entity.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in OMB Circular A-87, *Cost Principles for State, Local, and Indian Tribal Governments*, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available.

NOTE 3 NATIONAL SCHOOL LUNCH PROGRAM – NON-CASH ASSISTANCE

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

ST. MARY PARISH SCHOOL BOARD  
Centerville, Louisiana

Summary Schedule of Prior Year Findings  
Year Ended June 30, 2015

2014-001	Finding:	<u>Noncompliance with the No Child Left Behind Act Highly Qualified Teachers and Paraprofessionals Requirements</u>
	Status:	This finding is unresolved. See current year finding 2015-002.

ST. MARY PARISH SCHOOL BOARD  
Centerville, Louisiana

Schedule of Findings and Questioned Costs  
Year Ended June 30, 2015

Part 1 Summary of Audit Results

FINANCIAL STATEMENTS

Auditor's Report

An unmodified opinion has been issued on the St. Mary Parish School Board's financial statements as of and for the year ended June 30, 2015.

Internal Control Deficiencies - Financial Reporting

There were no significant deficiencies in internal control over financial reporting noted during the audit of the financial statements as of and for the year ended June 30, 2015.

Noncompliance - Financial Reporting

The results of our tests disclosed one instance of noncompliance which is required to be reported under *Government Auditing Standards* and is listed as item 2015-001 in Part 2.

FEDERAL AWARDS

Auditor's Report – Major Programs

An unmodified opinion has been issued on the St. Mary Parish School Board's compliance with the requirements of its major programs as of and for the year ended June 30, 2015.

Major Programs – Identification

The St. Mary Parish School Board, at June 30, 2015, had the following major programs:

Child Nutrition Cluster	CFDA #s 10.555 and 10.553
Special Education Cluster (IDEA)	CFDA #s 84.027 and 84.173
Title I, Part A Cluster	CFDA # 84.010

Program Type Determination

The dollar threshold to distinguish between Type A and Type B programs was \$341,465 for the fiscal year ended June 30, 2015.

Deficiencies in Internal Control – Major Programs

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

ST. MARY PARISH SCHOOL BOARD  
Centerville, Louisiana

Schedule of Findings and Questioned Costs (Continued)  
Year Ended June 30, 2015

Part 1 Summary of Audit Results (Continued)

FEDERAL AWARDS (Continued)

Noncompliance – Major Programs

The results of our tests on compliance for each major program disclosed one instance of noncompliance that is reported as item 2015-002 in Part 3.

Risk Consideration

For the fiscal year ended June 30, 2015, the St. Mary Parish School Board was not considered a low-risk auditee.

Part 2 Findings Relating to an Audit in Accordance with *Government Auditing Standards*

2015-001 Noncompliance with the Louisiana Public Bid Law

Criteria: Louisiana R.S. 38:2224 requires an affidavit attesting that a public contract was not secured through employment or payment of solicitor must be obtained by the contracting entity (the School Board). The law applies to all architects, landscape architects, engineers, contractors, subcontractors, or any person, corporation, firm, association, or other organization receiving value for services rendered in connection with a contract for the construction, alteration or demolition of a public building or project.

Condition: The School Board did not obtain an affidavit as described above prior to accepting the bid and commencing construction for a public works contract.

Cause: Failure to properly monitor the bidding process for public works led to this condition.

Effect: Because the required bid documents were not obtained during the bid process, the School Board is not in compliance with the Louisiana Public Bid Law.

Recommendation: We recommend that all required bid documents, including affidavits and agreements, be included during the bidding and selection process for the execution of public works contracts.

Views of Responsible Officials and Planned Corrective Actions: This information is in the separate Management's Corrective Action Plan for Current Year Findings.

ST. MARY PARISH SCHOOL BOARD  
Centerville, Louisiana

Schedule of Findings and Questioned Costs (Continued)  
Year Ended June 30, 2015

Part 3 Findings and Questioned Costs Relating to Federal Programs

2015-002 Noncompliance with the No Child Left Behind Act Highly Qualified Teachers and Paraprofessionals Requirements

U.S. Department of Education

Title I, Part A Cluster

CFDA 84.010, Title I Grants to Local Educational Agencies

Award number: 28-15-T1-51

Award period: July 1, 2014 through September 30, 2015

Criteria: By the end of the 2014/2015 school year, the School Board had to ensure that all teachers of core academic subjects, whether or not they work in a program supported with Title I, Part A funds, were highly qualified as defined in 34 CFR section 200.56. "Core academic subjects" means English, reading or language arts, mathematics, science, foreign languages, civics and government, economics, arts, history, and geography. By the end of the 2014/2015 school year, the School Board had to ensure that all paraprofessionals who work in a program supported with Title I, Part A funds meet specific qualification requirements.

Condition: The School Board has not met the requirements as described above.

Context/Questioned Costs: We identified no questioned costs in our tests of compliance with these requirements.

Effect: The failure to meet these requirements results in noncompliance with the No Child Left Behind Act.

Recommendation: The School Board should continue working towards meeting the 100% Highly Qualified Teachers and Paraprofessionals requirement as mandated by the No Child Left Behind Act.

Views of Responsible Officials and Planned Corrective Actions: This information is in the separate Management's Corrective Action Plan for Current Year Findings.

ST. MARY PARISH SCHOOL BOARD  
Centerville, Louisiana

Management's Corrective Action Plan for Current Year Findings  
Year Ended June 30, 2015

Response to Finding 2015-001:

Although it was not done during the bidding process as required by the Louisiana Public Bid Law, management of the St. Mary Parish School Board did obtain the required signed affidavit during the course of the audit for fiscal year ended June 30, 2015. The school board contracted an outside engineering firm who handled the bidding process for the public works project in question. It was the understanding of the School Board that all required procedures had been followed. Management will implement procedures to enhance its monitoring of the bidding process whether performed in-house or outsourced.

Response to Finding 2015-002:

Management of the St. Mary Parish School Board is aware of this issue and is continuing to strive in its effort to attract highly qualified teachers and paraprofessionals, as defined by the No Child Left Behind Title I Grant requirements, to the school system. The School Board continues to budget funds annually to assist current teachers and paraprofessionals with the costs associated with obtaining the credentials necessary to fulfill the highly qualified requirement as mandated by the grant. The St. Mary Parish School Board will continue to monitor the progress of its applicable staff to ascertain that complete compliance with this grant requirement is ultimately achieved in the most time-efficient manner possible. Management also noted, through correspondence with various Louisiana Department of Education personnel associated with the Title I Grant, that total compliance with this requirement has not been accomplished by any school district in the State of Louisiana. This was the case last year as well.

As a result of this finding, the St. Mary Parish School Board was required to submit a Corrective Action Plan to the Louisiana Department of Education. The School Board has complied with this request and the Corrective Action Plan was accepted by the Louisiana Department of Education.

ST. MARY PARISH SCHOOL BOARD  
Special District No. 4, Consolidated School District No. 1 and Fifth Ward Special School District No. 1  
Centerville, Louisiana

Annual Report for Tax Year 2014

**Audited Financial Statements**

Special School District No. 4, Consolidated School District No. 1 and Fifth Ward Special School District No. 1 (the “Issuers”) operate on a fiscal year ending June 30. The Financial Statements of the St. Mary Parish School Board (the “Governing Authority”) and notes thereto for the fiscal year ended June 30, 2015, audited by Darnall, Sikes, Gardes & Frederick, a Corporation of Certified Public Accountants, Lafayette, Louisiana, and their report dated as of December 8, 2015, is a supplement to this Annual Report. Included in the notes is a description of the basis of accounting used by the Issuers in reporting their financial statements.

**Debt of the Issuers**

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

**Special School District No. 4**

Besides the general obligation bonds for which the Official Statement was prepared, no debt has been authorized or issued by the Issuer since the date of the Official Statement. Of the \$4,700,000 of bonds issued, \$3,570,000 was outstanding as of June 30, 2015.

**Consolidated School District No. 1**

Besides the general obligation bonds for which the Official Statement was prepared, no debt has been authorized or issued by the Issuer since the date of the Official Statement. Of the \$24,000,000 of bonds issued, \$17,675,000 was outstanding as of June 30, 2015.

**Fifth Ward Special School District No. 1**

Besides the general obligation bonds for which the Official Statement was prepared, no debt has been authorized or issued by the Issuer since the date of the Official Statement. Of the \$21,000,000 of bonds issued, \$21,000,000 is still outstanding as of June 30, 2015.

**Assessment Procedures**

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

ST. MARY PARISH SCHOOL BOARD  
 Special District No. 4, Consolidated School District No. 1 and Fifth Ward Special School District No. 1  
 Centerville, Louisiana

Annual Report for Tax Year 2014

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

The 2014 assessed valuations of property in the Issues follows:

**Special School District No. 4**

Taxable Assessed Valuation	\$ 54,069,799
Homestead Exemptions	<u>4,320,858</u>
Total Assessed Valuation	<u>\$ 58,390,657</u>

**Consolidated School District No. 1**

Taxable Assessed Valuation	\$ 125,414,754
Homestead Exemptions	<u>23,436,660</u>
Total Assessed Valuation	<u>\$ 148,851,414</u>

**Fifth Ward Special School District No. 1**

Taxable Assessed Valuation	\$ 105,373,215
Homestead Exemptions	<u>14,698,647</u>
Total Assessed Valuation	<u>\$ 120,071,862</u>

Source: St. Mary Parish Assessor's Office

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

A breakdown of the 2014 assessed valuations of property in the Issuers by classification follows:

**Special School District No. 4**

<u>Classification</u>	<u>Assessed Valuation</u>
Real Estate	\$ 11,631,038
Personal Property	32,439,737
Public Service Property	<u>14,319,882</u>
Total	<u>\$ 58,390,657</u>

ST. MARY PARISH SCHOOL BOARD  
Special District No. 4, Consolidated School District No. 1 and Fifth Ward Special School District No. 1  
Centerville, Louisiana

Annual Report for Tax Year 2014

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

**Consolidated School District No. 1**

<u>Classification</u>	<u>Assessed Valuation</u>
Real Estate	\$ 64,619,874
Personal Property	63,632,547
Public Service Property	20,598,993
Total	<u>\$ 148,851,414</u>

**Fifth Ward Special School District No. 1**

<u>Classification</u>	<u>Assessed Valuation</u>
Real Estate	\$ 39,576,156
Personal Property	65,529,576
Public Service Property	14,966,130
Total	<u>\$ 120,071,862</u>

Source: St. Mary Parish Assessor's Office

▪ **Tax Collection Records of the Issuers**

The 2014 ad valorem tax levies and collections for each of the issuers follows:

**Special School District No. 4**

Amount of Taxes Levied (a)	\$ 324,416		
Deduction for Pensions (b)	<u>9,453</u>		
Net Taxes Levied	314,963		
Net Taxes Collected (c)	323,549	*	103%
Millage Rate	6.00		

ST. MARY PARISH SCHOOL BOARD  
 Special District No. 4, Consolidated School District No. 1 and Fifth Ward Special School District No. 1  
 Centerville, Louisiana

Annual Report for Tax Year 2014

▪ **Tax Collection Records of the Issuers (continued)**

**Consolidated School District No. 1**

Amount of Taxes Levied (a)	\$	1,254,143	
Deduction for Pensions (b)		<u>36,546</u>	
Net Taxes Levied		1,217,597	
 Net Taxes Collected (c)		 1,248,922	 * 103%
 Millage Rate		 10.00	

**Fifth Ward Special School District No. 1**

Amount of Taxes Levied (a)	\$	1,580,596	
Deduction for Pensions (b)		<u>46,058</u>	
Net Taxes Levied		1,534,538	
 Net Taxes Collected (c)		 1,602,883	 104%
 Millage Rate		 15.00	

\*Includes prior year collections

Sources: (a) St. Mary Parish Assessor's Office, (b) Legislative Auditor's Office, (c) St. Mary Parish School Board

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ST. MARY PARISH SCHOOL BOARD  
Special District No. 4, Consolidated School District No. 1 and Fifth Ward Special School District No. 1  
Centerville, Louisiana

Annual Report for Tax Year 2014

▪ **Leading Taxpayers**

The ten largest property taxpayers for 2014 of the Issuers and their assessed valuations follow:

**Special School District No. 4**

Taxpayer	Type of Business	Assessed Valuation
1. Cabot Corporation	Carbon Black Mfg.	\$ 10,174,477
2. Columbian Chemicals	Carbon Black Mfg.	7,425,178
3. Enterprise Gas Processing	Oil & Gas	3,053,669
4. Southern Natural Gas	Oil & Gas	3,022,730
5. Energy Quest II	Oil & Gas	2,433,967
6. Gulf South Pipeline	Oil & Gas	1,826,890
7. Trunkline Gas Company	Oil & Gas	1,794,043
8. Cathexis Oil & Gas	Oil & Gas	1,564,555
9. Cleco Power	Power Generation	1,514,100
10. Plains Pipeline	Oil & Gas	<u>1,257,343</u>
		<u>\$ 34,066,952</u> *

\*Approximately 58.0% of the 2014 taxable assessed valuation of Special School District No. 4.

**Consolidated School District No. 1**

Taxpayer	Type of Business	Assessed Valuation
1. Gulfport Energy	Oil & Gas	\$ 14,706,913
2. Cleco Power Company	Power Generation	8,299,700
3. Carey Salt Company	Salt Production	4,746,610
4. Orion Engineered Carbons	Chemicals	4,271,878
5. Energy Quest II	Oil & Gas	3,163,057
6. Energy XXI Onshore	Oil & Gas	3,266,423
7. Sterling Sugars Inc.	Sugar Production	2,799,221
8. St. Mary Sugar Coop	Sugar Production	2,269,027
9. Hilcorp Energy Co.	Oil & Gas	2,930,859
10. Acadian Gas Pipeline	Oil & Gas	<u>1,991,220</u>
		<u>\$ 48,444,908</u> *

\*Approximately 33.0% of the 2014 taxable assessed valuation of Consolidated School District No. 1.

ST. MARY PARISH SCHOOL BOARD  
 Special District No. 4, Consolidated School District No. 1 and Fifth Ward Special School District No. 1  
 Centerville, Louisiana

Annual Report for Tax Year 2014

▪ **Leading Taxpayers (continued)**

**Fifth Ward Special School District No. 1**

<u>Taxpayer</u>	<u>Type of Business</u>	<u>Assessed Valuation</u>
1. Cameron Subsea Systems	Oilfield Systems	\$ 14,560,058
2. Castex Energy Inc	Oil & Gas	11,808,514
3. Apache Corporation	Oil & Gas	8,127,451
4. Cleco Power LLC	Power Generation	3,125,110
5. Seacor Marine LLC	Watercraft	3,106,821
6. ANR Pipeline Company	Pipeline Transport	2,922,826
7. Cochon Properties LLC	Oil & Gas	2,921,440
8. Trunkline Gas Company	Pipeline Transport	2,662,517
9. Plains Pipeline LP	Pipeline Transport	2,377,537
10. McMoran Oil & Gas Co.	Mineral Assets	2,353,314
		<u>\$ 53,965,588</u> *

\*Approximately 45.0% of the 2014 taxable assessed valuation of Fifth Ward Special School District No. 1.

Source: St. Mary Parish Assessor's Office

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**Darnall, Sikes,  
Gardes & Frederick**

(A Corporation of Certified Public Accountants)

## INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

E. Larry Sikes, CPA/PFS, CVA, CFP®  
Danny P. Frederick, CPA  
Clayton E. Damall, CPA, CVA  
Eugene H. Damall, III, CPA  
Stephanie M. Higginbotham, CPA  
John P. Armato, CPA/PFS  
J. Stephen Gardes, CPA, CVA  
Jennifer S. Ziegler, CPA/PFS, CFP®  
Chris A. Miller, CPA, CVA  
Steven G. Moosa, CPA  
M. Rebecca Gardes, CPA  
Joan B. Moody, CPA  
Lauren V. Hebert, CPA/PFS  
Erich G. Loewer, III, CPA, M.S. Tax  
Stephen R. Dischler, MBA, CPA  
Pamela Mayeux Bonin, CPA, CVA  
Craig C. Babineaux, CPA/PFS, CFP®  
Jeremy C. Meaux, CPA  
Chad M. Bailey, CPA  
Adam J. Curry, CPA, CFP®  
Kyle P. Saltzman, CPA  
Blaine M. Crochet, CPA, M.S.

Kathleen T. Darnall, CPA  
Kevin S. Young, CPA  
Christy S. Dew, CPA, MPA  
Rachel W. Ashford, CPA  
Veronica L. LeBleu, CPA, MBA  
Christine Guidry Berwick, CPA, MBA  
Brandon L. Porter, CPA  
Jacob C. Roberie, CPA  
Brandon R. Dunphy, CPA

St. Mary Parish School Board  
Centerville, LA

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

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

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

1. We selected a random sample of 25 transactions and reviewed supporting documentation to determine if the sampled expenditures/revenues are classified correctly and are reported in the proper amounts for each of the following amounts reported on the schedule:

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

No classification errors were noted in the transactions that were sampled.

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American Institute of  
Certified Public Accountants  
Society of Louisiana  
Certified Public Accountants

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#### Education Levels of Public School Staff (Schedule 2)

2. We reconciled the total number of full-time classroom teachers per the schedule “Experience of Public Principals, Assistant Principals, and Full-time Classroom Teachers” (Schedule 4) to the combined total number of full-time classroom teachers per this schedule and to school board supporting payroll records as of October 1<sup>st</sup>.

No differences were noted for this procedure.

3. We reconciled the combined total of principals and assistant principals per the schedule “Experience of Public Principals, Assistant Principals, and Full-time Classroom Teachers” (Schedule 4) to the combined total of principals and assistant principals per this schedule.

No differences were noted for this procedure.

4. We obtained a list of full-time teachers, principals, and assistant principals by classification as of October 1<sup>st</sup> and as reported on the schedule. We traced a random sample of 25 teachers to the individual’s personnel file and determined if the individual’s education level was properly classified on the schedule.

One difference was noted for this procedure which affected Schedule 2. The education level per the report did not agree to the personnel file causing the education level for one employee to be misclassified on Schedule 2.

#### Number of Type of Public Schools (Schedule 3)

5. We obtained a list of schools by type as reported on the schedule. We compared the list to the schools and grade levels as reported on the Title I Grants to Local Educational Agencies (CFDA 84.010) application.

No differences were noted for this procedure.

#### Experience of Public Principals, Assistant Principals, and Full-time Classroom Teachers (Schedule 4)

6. We obtained a list of full-time teachers, principals, and assistant principals by classification as of October 1<sup>st</sup> and as reported on the schedule and traced the same sample used in procedure 4 to the individual’s personnel file and determined if the individual’s experience was properly classified on the schedule.

One difference was noted for this procedure which affected Schedule 4. The experience level per the report did not agree to the personnel file causing the experience level for one employee to be misclassified on Schedule 4.

#### Public School Staff Data: Average Salaries (Schedule 5)

7. We obtained a list of all classroom teachers including their base salary, extra compensation, and ROTC or rehired retiree status as well as full-time equivalent as reported on the schedule and traced a random sample of 25 teachers to the individual’s personnel file and determined if the individual’s salary, extra compensation, and full-time equivalents were properly included on the schedule.

We noted two instances in which the employee’s total wages were overstated on the report schedule as compared to the actual total wages per the employee’s earnings report. The combined difference was not considered to be large enough to have significantly skewed the average salaries as shown on Schedule 5.

8. We recalculated the average salaries and full-time equivalents reported in the schedule.

No differences were noted for this procedure.

Class Size Characteristics (Schedule 6)

9. We obtained a list of classes by school, school type, and class size as reported on the schedule and reconciled school type classifications to Schedule 3 data, as obtained in procedure 5. We then traced a random sample of 10 classes to the October 1<sup>st</sup> roll books for those classes and determined if the class was properly classified on the schedule.

No differences were noted for this procedure.

Louisiana Educational Assessment Program (LEAP) (Schedule 7)

10. We obtained test scores as provided by the testing authority and reconciled scores as reported by the testing authority to scores reported in the schedule by St. Mary Parish School Board.

No differences were noted for this procedure.

iLEAP Tests (Schedule 9)

11. We obtained test scores as provided by the testing authority and reconciled scores as reported by the testing authority to scores reported in the schedule by St. Mary Parish School Board.

No differences were noted for this procedure.

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

This report is intended solely for the use of management of St. Mary Parish School Board, the Louisiana Department of Education, the Louisiana Legislature, and the Legislative Auditor, State of Louisiana, 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 Louisiana Legislative Auditor as a public document.

*Darnall, Sikes, Gardes & Frederick*  
(A Corporation of Certified Public Accountants)

Lafayette, Louisiana  
December 8, 2015

ST. MARY PARISH SCHOOL BOARD  
Centerville, Louisiana

Schedule 1 – General Fund Instructional and Support Expenditures  
and Certain Local Revenue Sources  
For the Year Ended June 30, 2015

General Fund Instructional and Equipment Expenditures:

General Fund Instructional Expenditures:

Teacher and Student Interaction Activities:

Classroom Teacher Salaries	\$ 28,628,664	
Other Instructional Staff Salaries	5,146,816	
Instructional Staff Employee Benefits	13,732,417	
Purchased Professional and Technical Services	481,343	
Instructional Materials and Supplies	2,387,753	
Instructional Equipment	<u>23,031</u>	
Total Teacher and Student Interaction Activities		\$ 50,400,024

Other Instructional Activities 284,320

Pupil Support Activities 4,717,574  
 Less: Equipment for Pupil Support Activities -  
 Net Pupil Support Activities 4,717,574

Instructional Staff Services 4,526,049  
 Less: Equipment for Instructional Staff Services -  
 Net Instructional Staff Services 4,526,049

School Administration 6,250,660  
 Less: Equipment for School Administration -  
 Net School Administration 6,250,660

Total General Fund Instructional Expenditures \$ 66,178,627

Total General Fund Equipment Expenditures \$ 459,778

Certain Local Revenue Sources:

Local Taxation Revenue:

Constitutional Ad Valorem Taxes	\$ 4,968,826
Renewable Ad Valorem Taxes	13,635,645
Debt Service Ad Valorem Taxes	3,175,890
Up to 1% of Collections by the Sheriff on Taxes Other than School Taxes	608,405
Sales and Use Taxes	<u>18,094,556</u>
Total Local Taxation Revenue	<u>\$ 40,483,322</u>

Local Earnings on Investment in Real Property:

Earnings from 16th Section Property	\$ 219,215
Earnings from Other Real Property	<u>-</u>
Total Local Earnings on Investment in Real Property	<u>\$ 219,215</u>

State Revenue in Lieu of Taxes:

Revenue Sharing - Constitutional Tax	\$ 382,748
Revenue Sharing - Other Taxes	-
Revenue Sharing - Excess Portion	-
Other Revenue in Lieu of Taxes	<u>-</u>
Total State Revenue in Lieu of Taxes	<u>\$ 382,748</u>

Nonpublic Textbook Revenue \$ 22,281

Nonpublic Transportation Revenue \$ -

ST. MARY PARISH SCHOOL BOARD  
Centerville, Louisiana

Schedule 2 – Education Levels of Public School Staff  
As of October 1, 2014

Category	Full-Time Classroom Teachers				Principals & Assistant Principals			
	Certificated		Uncertificated		Certificated		Uncertificated	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Less than a Bachelor's Degree	3	0%	1	8%	-	0%	-	0%
Bachelor's Degree	480	75%	11	92%	-	0%	-	0%
Master's Degree	118	19%	-	0%	25	55%	-	0%
Master's Degree + 30	36	6%	-	0%	19	41%	-	0%
Specialist in Education	2	0%	-	0%	-	0%	-	0%
Ph. D. or Ed. D.	-	0%	-	0%	2	4%	-	0%
Total	639	100%	12	100%	46	100%	-	0%

ST. MARY PARISH SCHOOL BOARD  
Centerville, Louisiana

Schedule 3 – Number and Type of Public Schools  
For the Year Ended June 30, 2015

Type	Number
Elementary	12
Middle/Jr. High	5
Secondary	5
Combination	2
Total	24

ST. MARY PARISH SCHOOL BOARD  
Centerville, Louisiana

Schedule 4 – Experience of Public Principals, Assistant Principals, and Full-time Classroom Teachers  
As of October 1, 2014

	0-1 Yr.	2-3 Yrs.	4-10 Yrs.	11-14 Yrs.
Principals	-	-	-	-
Assistant Principals	-	-	2	6
Classroom Teachers	106	35	147	92
Total	106	35	149	98

	15-19 yrs.	20-24 Yrs.	25+ Yrs.	Total
Principals	4	10	9	23
Assistant Principals	4	3	8	23
Classroom Teachers	96	67	108	651
Total	104	80	125	697

ST. MARY PARISH SCHOOL BOARD  
Centerville, Louisiana

Schedule 5 – Public School Staff Data: Average Salaries  
For the Year Ended June 30, 2015

	All Classroom Teachers	Classroom Teachers Excluding ROTC and Rehired Retirees
Average Classroom Teachers' Salary Including Extra Compensation	\$ 48,309	\$ 48,032
Average Classroom Teachers' Salary Excluding Extra Compensation	\$ 47,343	\$ 47,049
Number of Teacher Full-Time Equivalents (FTEs) used in Computation of Average Salaries	646.446	629.735

ST. MARY PARISH SCHOOL BOARD  
Centerville, Louisiana

Schedule 6 – Class Size Characteristics  
As of October 1, 2014

School Type	Class Size Range							
	1 - 20		21 - 26		27 - 33		34 +	
	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Elementary	69.1%	837	28.5%	345	2.4%	29	0.1%	1
Elementary Activity Classes	66.2%	147	27.9%	62	4.5%	10	1.4%	3
Middle / Jr. High	58.3%	360	30.8%	190	10.0%	62	0.8%	5
Middle / Jr. High Activity Classes	86.9%	199	3.9%	9	3.5%	8	5.7%	13
High	66.0%	874	20.3%	269	13.4%	178	0.2%	3
High Activity Classes	78.0%	135	11.0%	19	8.7%	15	2.3%	4
Combination	67.5%	137	25.1%	51	7.4%	15	0.0%	-
Combination Activity Classes	71.8%	28	20.5%	8	7.7%	3	0.0%	-

ST. MARY PARISH SCHOOL BOARD  
Centerville, Louisiana

Schedule 7 – Louisiana Educational Assessment Program

District Achievement Level Results	English Language Arts			Mathematics		
	2015	2014	2013	2015	2014	2013
Students	Percent	Percent	Percent	Percent	Percent	Percent
Grade 4						
Advanced	3%	5%	6%	1%	13%	7%
Mastery	38%	29%	21%	34%	27%	23%
Basic	36%	43%	49%	32%	40%	46%
Approaching Basic	16%	14%	17%	27%	12%	14%
Unsatisfactory	7%	9%	7%	6%	8%	10%
Total	100%	100%	100%	100%	100%	100%

District Achievement Level Results	Science			Social Studies		
	2015	2014	2013	2015	2014	2013
Students	Percent	Percent	Percent	Percent	Percent	Percent
Grade 4						
Advanced	3%	2%	3%	2%	1%	1%
Mastery	17%	15%	13%	13%	8%	10%
Basic	47%	50%	47%	52%	58%	56%
Approaching Basic	25%	27%	28%	20%	23%	20%
Unsatisfactory	8%	6%	9%	13%	10%	13%
Total	100%	100%	100%	100%	100%	100%

ST. MARY PARISH SCHOOL BOARD  
Centerville, Louisiana

Schedule 7 – Louisiana Educational Assessment Program (Continued)

District Achievement Level Results	English Language Arts			Mathematics		
	2015	2014	2013	2015	2014	2013
Students	Percent	Percent	Percent	Percent	Percent	Percent
Grade 8						
Advanced	2%	7%	6%	3%	8%	3%
Mastery	38%	19%	22%	33%	6%	6%
Basic	34%	41%	40%	27%	52%	58%
Approaching Basic	15%	26%	25%	22%	18%	19%
Unsatisfactory	11%	7%	7%	15%	16%	14%
Total	100%	100%	100%	100%	100%	100%

District Achievement Level Results	Science			Social Studies		
	2015	2014	2013	2015	2014	2013
Students	Percent	Percent	Percent	Percent	Percent	Percent
Grade 8						
Advanced	2%	4%	2%	1%	2%	2%
Mastery	17%	18%	17%	12%	18%	13%
Basic	39%	43%	43%	49%	48%	51%
Approaching Basic	27%	24%	27%	23%	22%	18%
Unsatisfactory	15%	11%	11%	15%	10%	16%
Total	100%	100%	100%	100%	100%	100%

ST. MARY PARISH SCHOOL BOARD  
Centerville, Louisiana

Schedule 8 – Graduate Exit Exam

District Achievement Level Results	English Language Arts					
	2015		2014		2013	
Students	Number	Percent	Number	Percent	Number	Percent
Grade 10						
Advanced	N/A	N/A	N/A	N/A	N/A	N/A
Mastery	N/A	N/A	N/A	N/A	N/A	N/A
Basic	N/A	N/A	N/A	N/A	N/A	N/A
Approaching Basic	N/A	N/A	N/A	N/A	N/A	N/A
Unsatisfactory	N/A	N/A	N/A	N/A	N/A	N/A
Total	N/A	N/A	N/A	N/A	N/A	N/A

District Achievement Level Results	Mathematics					
	2015		2014		2013	
Students	Number	Percent	Number	Percent	Number	Percent
Grade 10						
Advanced	N/A	N/A	N/A	N/A	N/A	N/A
Mastery	N/A	N/A	N/A	N/A	N/A	N/A
Basic	N/A	N/A	N/A	N/A	N/A	N/A
Approaching Basic	N/A	N/A	N/A	N/A	N/A	N/A
Unsatisfactory	N/A	N/A	N/A	N/A	N/A	N/A
Total	N/A	N/A	N/A	N/A	N/A	N/A

District Achievement Level Results	Science					
	2015		2014		2013	
Students	Number	Percent	Number	Percent	Number	Percent
Grade 11						
Advanced	N/A	N/A	N/A	N/A	N/A	N/A
Mastery	N/A	N/A	N/A	N/A	N/A	N/A
Basic	N/A	N/A	N/A	N/A	N/A	N/A
Approaching Basic	N/A	N/A	N/A	N/A	N/A	N/A
Unsatisfactory	N/A	N/A	N/A	N/A	N/A	N/A
Total	N/A	N/A	N/A	N/A	N/A	N/A

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Schedule 8 – Graduate Exit Exam (continued)

District Achievement Level Results	Social Studies					
	2015		2014		2013	
Students	Number	Percent	Number	Percent	Number	Percent
Grade 11						
Advanced	N/A	N/A	N/A	N/A	N/A	N/A
Mastery	N/A	N/A	N/A	N/A	N/A	N/A
Basic	N/A	N/A	N/A	N/A	N/A	N/A
Approaching Basic	N/A	N/A	N/A	N/A	N/A	N/A
Unsatisfactory	N/A	N/A	N/A	N/A	N/A	N/A
Total	N/A	N/A	N/A	N/A	N/A	N/A

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Schedule 9 – iLEAP Tests

District Achievement Level Results	English Language Arts			Mathematics		
	2015	2014	2013	2015	2014	2013
Students	Percent	Percent	Percent	Percent	Percent	Percent
Grade 3						
Advanced	2%	5%	8%	4%	12%	9%
Mastery	37%	25%	20%	32%	25%	24%
Basic	29%	42%	49%	33%	40%	47%
Approaching Basic	19%	17%	14%	20%	15%	13%
Unsatisfactory	13%	11%	9%	11%	8%	7%
Total	100%	100%	100%	100%	100%	100%

District Achievement Level Results	Science			Social Studies		
	2015	2014	2013	2015	2014	2013
Students	Percent	Percent	Percent	Percent	Percent	Percent
Grade 3						
Advanced	5%	5%	4%	2%	1%	3%
Mastery	16%	18%	20%	12%	17%	15%
Basic	46%	44%	47%	50%	53%	53%
Approaching Basic	22%	24%	23%	22%	17%	17%
Unsatisfactory	11%	9%	6%	14%	12%	12%
Total	100%	100%	100%	100%	100%	100%

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Schedule 9 – iLEAP Tests (Continued)

District Achievement Level Results	English Language Arts			Mathematics		
	2015	2014	2013	2015	2014	2013
Students	Percent	Percent	Percent	Percent	Percent	Percent
Grade 5						
Advanced	1%	6%	6%	3%	5%	8%
Mastery	32%	17%	21%	23%	17%	21%
Basic	33%	50%	47%	36%	55%	49%
Approaching Basic	27%	18%	21%	32%	13%	13%
Unsatisfactory	7%	9%	5%	6%	10%	9%
Total	100%	100%	100%	100%	100%	100%

District Achievement Level Results	Science			Social Studies		
	2015	2014	2013	2015	2014	2013
Students	Percent	Percent	Percent	Percent	Percent	Percent
Grade 5						
Advanced	3%	2%	3%	3%	4%	4%
Mastery	11%	14%	17%	11%	14%	15%
Basic	42%	46%	48%	41%	46%	51%
Approaching Basic	28%	27%	25%	26%	22%	17%
Unsatisfactory	16%	11%	7%	19%	14%	13%
Total	100%	100%	100%	100%	100%	100%

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Schedule 9 – iLEAP Tests (Continued)

District Achievement Level Results	English Language Arts			Mathematics		
	2015	2014	2013	2015	2014	2013
Students	Percent	Percent	Percent	Percent	Percent	Percent
Grade 6						
Advanced	4%	6%	4%	2%	6%	4%
Mastery	32%	20%	16%	25%	14%	10%
Basic	40%	46%	49%	38%	51%	57%
Approaching Basic	20%	17%	21%	28%	20%	17%
Unsatisfactory	4%	11%	10%	7%	9%	12%
Total	100%	100%	100%	100%	100%	100%

District Achievement Level Results	Science			Social Studies		
	2015	2014	2013	2015	2014	2013
Students	Percent	Percent	Percent	Percent	Percent	Percent
Grade 6						
Advanced	4%	3%	1%	9%	9%	16%
Mastery	14%	13%	15%	14%	16%	16%
Basic	45%	46%	44%	41%	43%	39%
Approaching Basic	28%	31%	29%	25%	22%	18%
Unsatisfactory	9%	7%	11%	11%	10%	11%
Total	100%	100%	100%	100%	100%	100%

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Schedule 9 – iLEAP Tests (Continued)

District Achievement Level Results	English Language Arts			Mathematics		
	2015	2014	2013	2015	2014	2013
Students	Percent	Percent	Percent	Percent	Percent	Percent
Grade 7						
Advanced	3%	7%	8%	<1	5%	5%
Mastery	30%	17%	15%	22%	13%	15%
Basic	35%	49%	47%	33%	61%	56%
Approaching Basic	21%	18%	23%	34%	12%	15%
Unsatisfactory	11%	9%	7%	11%	9%	9%
Total	100%	100%	100%	100%	100%	100%

District Achievement Level Results	Science			Social Studies		
	2015	2014	2013	2015	2014	2013
Students	Percent	Percent	Percent	Percent	Percent	Percent
Grade 7						
Advanced	5%	4%	4%	3%	5%	4%
Mastery	21%	27%	18%	17%	17%	21%
Basic	36%	42%	41%	41%	48%	47%
Approaching Basic	25%	18%	26%	25%	21%	18%
Unsatisfactory	13%	9%	11%	14%	9%	10%
Total	100%	100%	100%	100%	100%	100%