

# **COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**For the fiscal year ended  
June 30, 2020**



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

FRONT COVER

*“Louisiana Swamp”*

by Caroline St. Romain  
Lakeshore High School  
9th Grade  
Kristal “Robin” Kennedy - Talented Art Teacher

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

*COMPREHENSIVE*  
**ANNUAL FINANCIAL REPORT**  
**For the Fiscal Year Ended**  
**June 30, 2020**

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



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Frank J. Jabbia  
Superintendent

Pete J. Jabbia  
Associate Superintendent

Michael J. Cossé  
Assistant Superintendent

District	Board Members
6	Michael C. Nation, President
5	C. Brandon Harrell, Vice President
1	Matthew E. Greene
2	Elizabeth B. Heintz
3	Michael J. Dirmann
4	Stephen J. "Jack" Loup, III
7	Shelta J. Richardson
8	Michael E. Winkler
9	Sharon Lo Drucker
10	Ronald "Ron" Beffencourt
11	Tammy W. Lamy
12	Richard "Rickey" Hursey, Jr.
13	James Braud
14	Dennis S. Cousin
15	Lisa M. Page

December 14, 2020

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

The comprehensive annual financial report of the St. Tammany Parish School Board (the School Board) for the fiscal year ended June 30, 2020, is hereby submitted. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the School Board. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in an objective manner to present the financial position and results of operations of the School Board. All disclosures necessary to enable the reader to gain an understanding of the School Board's financial activities have been included.

LaPorte CPAs and Business Advisors has issued an unmodified (clean) opinion on the St. Tammany Parish School Board's financial statements for the fiscal year ended June 30, 2020. The independent auditor's report is located at the front of the financial section of the report. Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

The School Board is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act, as amended, and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Information related to this single audit, and located in the Single Audit Section of this report, includes the schedule of expenditures of federal awards, schedule of findings and questioned costs, the report on internal control over financial reporting and on compliance and other matters based on an audit of financial statements performed in accordance with *Government Auditing Standards*, the report on compliance for each major federal program, the report on internal control over compliance, and the report on schedule of expenditures of federal awards required by the Uniform Guidance.

This report includes all funds and activities for which the School Board exercises financial accountability. The School Board is a legislative body authorized to govern the public education system of St. Tammany Parish, Louisiana (the Parish). A 15-member board governs the school system with each member serving a concurrent four-year term. The current board's term will expire in December 2022.

*Learning to Last a Lifetime.®*

## **PROFILE OF SCHOOL BOARD**

It is the responsibility of the School Board to make public education available to the residents of the Parish, including instructional personnel, instructional facilities, administrative support, business services, operation and maintenance, and bus transportation. The School Board provides a full range of public education services appropriate to grade levels ranging from pre-kindergarten through grade 12. These include regular and enriched academic education, special education for qualifying students, and career/technical education. The school system has a current enrollment of 37,213 as of October 1, 2020, which includes 1,256 pre-kindergarten students.

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

It is the responsibility of the Superintendent and designated members of his staff to prepare the operating budgets for submission to the School Board. The budgets are prepared on forms in accordance with such rules and regulations prescribed by Louisiana Revised Statutes and the State Superintendent of Education. The budgets are submitted to the School Board for purposes of revision and approval prior to submission to the State Superintendent of Education. Budgets will not be approved where expenditures exceed the expected means of financing. The Superintendent may, at his discretion, make changes with the various budget classifications as he may deem necessary provided that any reallocation of funds affecting in excess of five percent of the projected revenue collections be approved in advance by the School Board.

## **ECONOMIC CONDITION AND OUTLOOK**

St. Tammany Parish is one of the southeastern parishes (counties) of Louisiana and covers an area of 1,141 square miles. St. Tammany Parish is located directly north of New Orleans on the north shore of Lake Pontchartrain. The Parish's population and economic base continues to expand. The population of St. Tammany Parish is estimated at 262,693.

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

St. Tammany Parish's largest industries include transportation (maritime, transportation equipment manufacturing, and warehousing/distribution), business and professional services (banking, finance, insurance, design), and scientific and technical services (tech/software development, research and development, and life sciences).

Using the latest economic data available as of June 30, 2020, the average unemployment rate (9.0%) remained lower than the average rate for the State of Louisiana (9.7%). The second quarter of 2020 saw St. Tammany's unemployment rate spike to unprecedented levels due to the COVID 19 pandemic. This rate is in line with regional, state, and national trends. As of December



2020, St. Tammany's unemployment rate had fallen to 4.1%. According to data from the Louisiana Secretary of State, 1,783 new business incorporations were filed in St. Tammany Parish during the first half of 2020. From month to month, new business filings in St. Tammany significantly increased during the months of May and June 2020. Following eight months of consecutive year-over-year sales tax growth in St. Tammany for FY 2019-2020, March and April 2020 saw sharp decreases in sales taxes compared to same months in FY 2018-2019 due to the COVID 19 pandemic shutdown. These two months were during the height of the pandemic shutdown when only essential businesses were permitted to be open. However, once the stay-at-home order expired on May 15, 2020, sales tax rose slightly during May and more sharply during the months that followed. For FY 2020-2021 to date, sales tax are up \$3.8 million over the same period in FY 2019-2020. The number of residential permits have increased 22% and the number of commercial building permits increased by 2%.

Student enrollment has increased by approximately 2,100 since 2009. However, due to the COVID 19 pandemic as of October 1, 2020, the School Board had a decrease in students of 1,561. For the months of November and December 2020, student enrollment has rebounded by over 200 students. The overall increase in student enrollment since 2009 has resulted in State funding to the District being increased by millions of dollars. The February 1, 2020 student membership approved for the purpose of funding by the State was 38,132 students, which was 414 students more than the February 1, 2019 student membership. This membership count includes St. Tammany Parish resident students that are attending out of parish charter or other public schools as well as online academies. St. Tammany Parish has no charter schools or other public schools inside the Parish. The State includes the St. Tammany Parish resident students attending these other public schools funded by the State in the District's student count for state funding purposes and then the State removes the funding and pays the various other public schools. Certain other public schools also receive a portion of the District's calculated local funding portion. The loss of state revenue to the District for these other public schools was approximately \$4 million for 2019-2020.

Student enrollment as of October 1, 2019 was 38,774. This is an increase of 460 students when compared to end of year enrollment for 2018-2019. State funding substantially increased for 2019-2020 as a result of this increase in students.

## **LONG-TERM FINANCIAL PLANNING**

Currently, the fund balance of the General Fund (28% of revenues and 30% of expenditures) exceeds the School Board policy maximum guideline of 19% of expenditures by approximately 11 %. The School Board continues to monitor the General Fund and other fund balances as they seek to balance available resources with the achievement of objectives for the school system.

St. Tammany Parish continues to grow both in population as well as economic vitality. Our population in the last five years has increased 4.6%. We continue to attract leading-edge corporations and have a diverse array of business headquarters who contribute to our vibrant economy.

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

The School Board has restructured expenditures to efficiently utilize existing federal and state funding. One example is by looking at the need for personnel adjustments due to retirements

and attrition. This is effectively achieved through the continuous evaluation of employment duties. It should be noted that St. Tammany Parish continues to rank as one of the highest growth areas in Louisiana, and this impacts local revenues positively, and these revenues are expected to continue on an upward trend.

## **RELEVANT FINANCIAL POLICIES**

For FY 2019-2020, there were no new or existing financial policies that had a significant impact on the current period's financial statements.

## **MAJOR INITIATIVES**

The School Board is constantly working to prepare *Every Child, Every Day for a Successful Tomorrow*. The School Board spearheads the St. Tammany Parish Early Childhood Community Network in order to provide a strong foundation for academic success for our youngest learners. The network continues to grow and receive the highest honors from the State of Louisiana. We continue to put technology in the hands of students and are in the midst of a successful Chromebook Pilot Program across grade levels at our schools to provide one to one computer access in grades Kindergarten to 12. At the beginning of the 2018-2019 school year, dedicated Mental Health Providers and School Resource Officers were added to all 55 of our campuses in order to provide another layer of safety and security for our students and employees. These initiatives are designed to continue moving our schools towards higher achievement and expand on safety and security in our schools. The cost of these programs is relatively low when compared to the positive impact that is expected from these programs.

The School Board continues to maintain an energy conservation effort throughout the Parish. Through a focused initiative with our employees educating themselves on the need to conserve energy and effective ways to impact conservation, the School Board has saved a significant amount of money spent on heating, cooling, and lighting. Thus far, the amount saved on utilities exceeds \$30 million. The school safety plan and technology initiative were funded by a bond issue approved by voters in March 2008, May 2013, and May 2019. The School Board and schools have received many distinguished awards and recognitions: 2010 Grand Prize Magna Award Winner for energy conservation, a Top 100 School Systems Recognition by *Money Magazine*, seven National Schools of Excellence by the U.S. Department of Education, *School Watch What Parents Want Award Winner*, 27 National Food Service Awards by U.S. Department of Agriculture and National Food Service Association, 14 Presidential Awards for Excellence in Mathematics and Science Teaching by National Science Foundation, Energy Milestone Award, 42 National Communications Awards, Crimestoppers Excellence in School Safety and Prevention Award, and Energy Star-Leader Certificate Recipient. Our school system earned a B letter grade by the Louisiana Department of Education as a result of our academic performance for the 2019-2020 school year, and our Superintendent was named the Louisiana Superintendent of the Year for the 2016-2017 school year.

The School Board continues to make progress on its major capital improvement programs of its existing school facilities. Existing facilities continue to be renovated and improved. All facilities are in excellent condition as a result of bond approvals by voters on average every five years. This capital improvement program started in 1990 and continues today. The School Board will have spent in excess of \$696 million on this initiative, and an additional \$190 million is planned for the next six years. Improvements to our facilities are resulting in efficient use of space and alignment with advances in construction.

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

Student/teacher ratios are just one piece of the puzzle when it comes to achieving higher levels of success through student achievement. The School Board has become a magnet for attracting highly skilled, experienced, certified teachers and administrators. The School Board workforce includes 2,705 full-time, certificated teachers with 36.45% of teachers possessing an advanced degree. 61.55% of our teachers have more than 10 years teaching experience, and all of our principals and assistant principals minimally possess a master's degree and teacher certification.

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

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

On May 4, 2019, the School Board asked voters to consider a \$175 million bond renewal package for construction, technology, and school safety and a rededication of 3 mill property tax millage to provide support for school safety in the form of school resource officers and mental health providers. Both of these proposals were passed by the voters of St. Tammany Parish. The support provided to our school system by the voters of St. Tammany Parish is crucial to its success.

## **FINANCIAL INFORMATION**

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

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

As a part of the School Board's single audit, tests are made to determine the adequacy of internal controls, including that portion related to federal programs, as well as to determine that the School Board has complied with applicable laws and regulations. The results of the School Board's single



audit for the fiscal year ended June 30, 2020, provided no instances of material weaknesses in internal controls.

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

**Debt Administration:** At June 30, 2020, the School Board had a number of debt issues outstanding, totaling \$251 million. Not included in the School Board's long-term debt are \$94.2 million in defeased debt. The Notes to Basic Financial Statements contain more detailed information on these bonds.

## **OTHER INFORMATION**

**Independent Audit:** State statutes require an annual audit by independent certified public accountants. The accounting and auditing firm of LaPorte CPAs and Business Advisors performed the fiscal year 2020 audit. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the federal Single Audit Act, as amended, and related Uniform Guidance. The independent auditor's report on the financial statements is included in the financial section of this report. The independent auditor's reports related specifically to the Single Audit Act are included in the Single Audit Section.

**Awards:** The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the St. Tammany Parish School Board for its comprehensive annual financial report for the fiscal year ended June 30, 2019. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive financial report, whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

The St. Tammany Parish School Board was also awarded a Certificate of Excellence in Financial Reporting for its comprehensive annual financial report for the fiscal year ended June 30, 2019, by the Association of School Business Officials International (ASBO). The award certifies that the school system has presented its comprehensive annual financial report to the ASBO Panel of Review for critical review and evaluation and that the report was judged to have complied with the principles and practices of financial reporting recognized by ASBO. Receiving the award is recognition that the school system has met the highest standards of excellence in school financial reporting.

Both a Certificate of Achievement (GFOA) and a Certificate of Excellence (ASBO) are valid for a period of one year only. The St. Tammany Parish School Board has received both certificates for the last 32 consecutive years. We believe our current comprehensive annual financial report

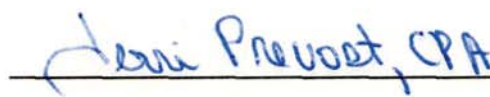


continues to conform to the program requirements of both organizations, and we are submitting it to GFOA and ASBO to determine its eligibility for each of the certificates.

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

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

Respectfully submitted,

  
\_\_\_\_\_  
Frank J. Jabbia  
Superintendent  
\_\_\_\_\_  
Terri Prevost, CPA  
Director of Business Affairs



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**St. Tammany Parish School Board  
Louisiana**

For its Comprehensive Annual  
Financial Report  
For the Fiscal Year Ended

June 30, 2019

*Christopher P. Morill*

Executive Director/CEO



ASSOCIATION OF  
SCHOOL BUSINESS OFFICIALS  
INTERNATIONAL

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

**St. Tammany Parish School Board**

**for its Comprehensive Annual Financial Report (CAFR)  
for the Fiscal Year Ended June 30, 2019.**

The CAFR meets the criteria established for  
ASBO International's Certificate of Excellence.



A handwritten signature in black ink, reading 'Claire Hertz'.

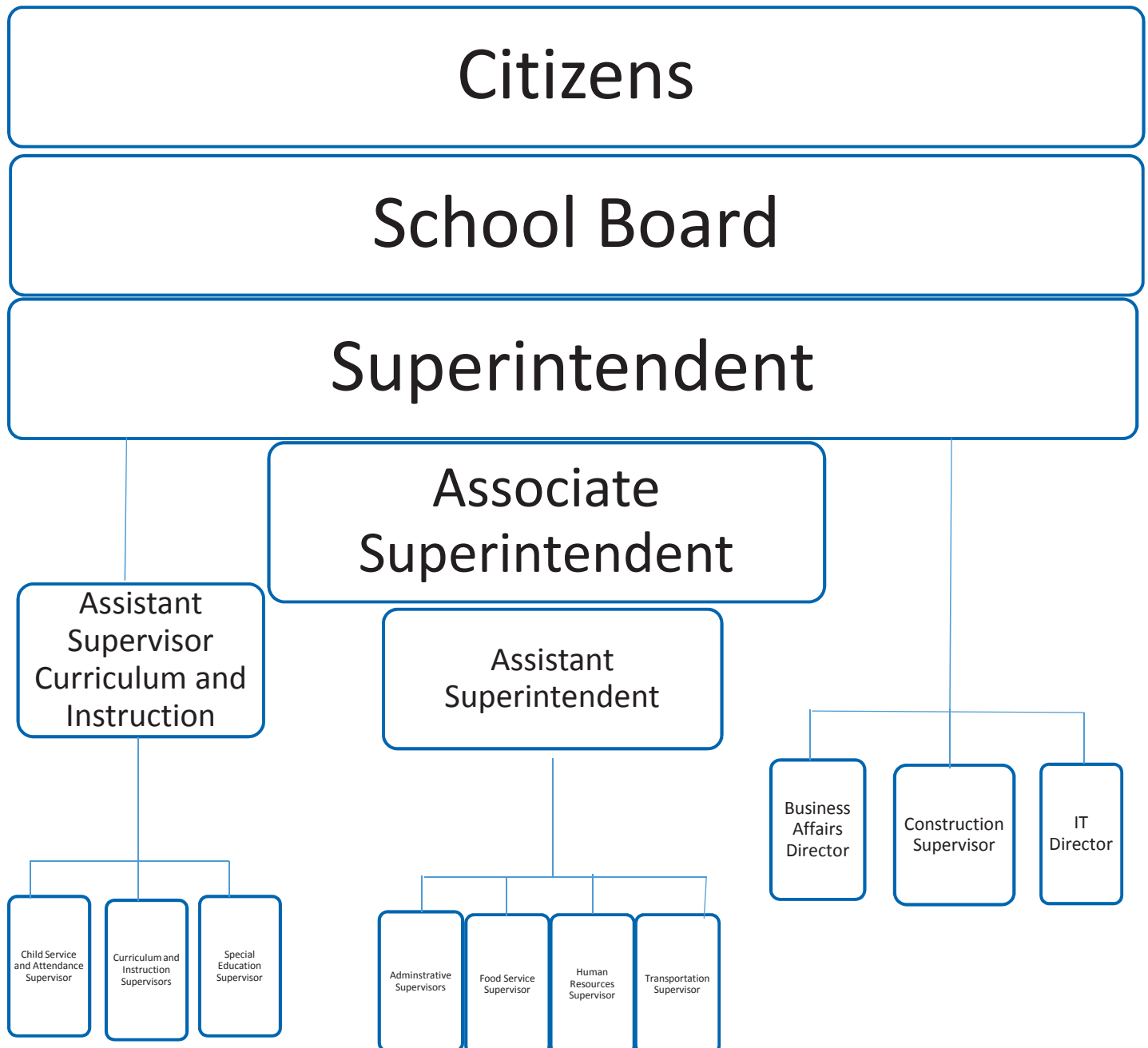
Claire Hertz, SFO  
President

A handwritten signature in black ink, reading 'David J. Lewis'.

David J. Lewis  
Executive Director



## St. Tammany Parish School Board



# St. Tammany Parish School Board

## Principal Officials

### School Board Members

<b>Michael C. Nation</b> - <i>President</i>	<b>District 6</b>
<b>C. Brandon Harrell</b> – <i>Vice President</i>	<b>District 5</b>
<b>Matthew E. Greene</b>	<b>District 1</b>
<b>Elizabeth B. Heintzt</b>	<b>District 2</b>
<b>Michael J. Dirmann</b>	<b>District 3</b>
<b>Stephen J. “Jack” Loup, III</b>	<b>District 4</b>
<b>Shelta J. Richardson</b>	<b>District 7</b>
<b>Michael E. Winkler</b>	<b>District 8</b>
<b>Sharon Lo Drucker</b>	<b>District 9</b>
<b>Ronald “Ron” L. Bettencourt</b>	<b>District 10</b>
<b>Tammy W. Lamy</b>	<b>District 11</b>
<b>Richard “Rickey” Hursey, Jr.</b>	<b>District 12</b>
<b>James Braud</b>	<b>District 13</b>
<b>Dennis S. Cousin</b>	<b>District 14</b>
<b>Lisa M. Page</b>	<b>District 15</b>

## Administrative Officials

**William “Trey” Folse, III**, *Superintendent (Retired)*  
**Peter J. Jabbia**, *Associate Superintendent*  
**Michael Cosse**, *Assistant Superintendent*  
**Amiee Lemane**, *Assistant Superintendent (Retired)*  
**Terri Prevost**, *CPA Director of Business Affairs*  
**Louis Boullion**, *Director of Information Technology*









## **Independent Auditor's Report**

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

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

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the St. Tammany Parish School Board (the School Board) as of and for the year ended June 30, 2020, 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.

## **LOUISIANA • TEXAS**

An Independently Owned Member, RSM US Alliance  
RSM US Alliance member firms are separate and independent businesses and legal entities that are responsible for their own acts and omissions, and each is separate and independent from RSM US LLP. RSM US LLP is the U.S. member firm of RSM International, a global network of independent audit, tax, and consulting firms. Members of RSM US Alliance have access to RSM International resources through RSM US LLP but are not member firms of RSM International.

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

### **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the School Board, as of June 30, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Correction of Error**

As described in Note 20 to the financial statements, deferred inflows of resources related to net OPEB liability was overstated by \$17,349,798, requiring an adjustment to beginning net position. Our opinion is not modified with respect to this matter.

### **Other Matters**

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 to 14, and the budgetary comparison schedules, other postemployment benefits information, net pension liability information, and notes to required supplementary information on pages 78 to 85, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### *Other Information*

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

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

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated December 14, 2020 on our consideration of the School Board's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School Board's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School Board's internal control over financial reporting and compliance.



A Professional Accounting Corporation

Covington, LA  
December 14, 2020

**REQUIRED SUPPLEMENTARY  
INFORMATION**

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

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

## **Management's Discussion and Analysis**

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As management of the St. Tammany Parish School Board (the School Board), we offer readers of the St. Tammany Parish School Board's financial statements this narrative overview and analysis of the financial activities of the School Board for the fiscal year ended June 30, 2020. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages v - xi, and the School Board's financial statements, which begin on page 15.

### **FINANCIAL HIGHLIGHTS**

The financial highlights for the St. Tammany Parish School Board for fiscal year ended June 30, 2020, were:

- The School Board's General Fund expended \$407.2 million in fiscal year ended June 30, 2020 on education for St. Tammany Parish (the Parish). Over 78% of the expenditures was spent on instructional and support programs and 13.3% was spent on administration and operation/maintenance of schools.
- The School Board's General Fund revenues on a budgetary basis for fiscal year ended June 30, 2020, were approximately \$438.9 million. The largest single sources of non-federal funds were from the State of Louisiana Minimum Foundation Program (\$220.4 million), ad valorem taxes (\$105.7 million), and sales and use taxes (\$105.6 million).
- The liabilities and deferred inflows of the St. Tammany Parish School Board exceeded its assets and deferred outflows at the close of the fiscal year by \$407.4 million. The overall increase in net position of \$40.3 million includes a prior period adjustment of \$17.3 million.
- The St. Tammany Parish School Board's change in net position for the year was an increase of \$22.9 million. There were increases in ad valorem taxes of \$4.2 million and increases in sales and use taxes of \$3.0 million. Operating grants revenue decreased \$5.9 million. There was a \$10.7 million increase from the State of Louisiana through the Minimum Foundation Program.
- The School Board's governmental funds reported combined ending fund balances of \$264.3 million, an increase of \$31.8 million in comparison to the prior year. In 2020, increases in property values in St. Tammany Parish resulted in increased ad valorem tax revenues. Sales taxes in the Parish also continued to increase with continued growth in the economy.
- The School Board expended approximately \$26.3 million on capital projects in 2019-2020. The majority of these expenditures were on construction of additional classrooms and renovations to existing schools and support facilities.
- The School Board's General Fund experienced an increase of \$6.6 million in fund balance.
- As of June 30, 2020, the School Board had \$251.0 million in bonds outstanding.
- The COVID-19 pandemic caused the School Board to shut down all its schools from March, 2020, through the end of the academic year. The General Fund and local and state revenue sources were not significantly impacted by the pandemic. Federal funding was awarded to the School Board under the Elementary and Secondary Schools Emergency Relief Fund (CARES Act) in fiscal year 2020 to cover costs of preparing for the next academic year.

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

**Management's Discussion and Analysis**

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**OVERVIEW OF THE FINANCIAL STATEMENTS**

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

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

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

**Notes to Basic Financial Statements**

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to basic financial statements can be found on pages 26 - 77 of this report.

**Other Information**

The combining statements referred to earlier in connection with non-major governmental funds and internal service funds are presented following the notes to basic financial statements. Combining and individual fund statements and schedules can be found on pages 86 - 115 this report.

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

**Management's Discussion and Analysis**

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**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

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

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

In 2019-2020, the School Board's financial position increased, with its net position increasing \$22.9 million from a \$430.3 deficit in 2018-2019 (restated) to a \$407.4 deficit in 2019-2020. \$48.4 million of the School Board's net position is restricted for debt service, operational purposes, and food service, leaving a deficit of \$670.4 million in unrestricted net position.

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

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

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

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



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

**Management's Discussion and Analysis**

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

	<b>Governmental Activities</b>	
	<b>2020</b>	<b>2019</b>
<b>Assets</b>		
Current and Other Assets	\$ 319,192	\$ 287,942
Capital Assets	484,748	481,893
<b>Total Assets</b>	<b>803,940</b>	<b>769,835</b>
<b>Deferred Outflows of Resources</b>	<b>147,777</b>	<b>107,846</b>
<b>Liabilities</b>		
Current Liabilities	87,476	89,854
Long-Term Liabilities	1,211,736	1,155,166
<b>Total Liabilities</b>	<b>1,299,212</b>	<b>1,245,020</b>
<b>Deferred Inflows of Resources</b>	<b>59,861</b>	<b>80,287</b>
<b>Net Position</b>		
Net Investment in Capital Assets	214,650	226,874
Restricted	48,385	47,389
Unrestricted	(670,391)	(721,889)
<b>Total Net Position</b>	<b>\$ (407,356)</b>	<b>\$ (447,626)</b>

The largest portion of the School Board's net position is an unrestricted deficit of \$670.4 million. The unrestricted deficit is primarily made up of the net pension liability of \$517.8 million and the net other postemployment benefit liability of \$431.9 million. This deficit is not expected to consume the resources of the School Board in the next fiscal year since the net pension liability and other postemployment benefit liability are long-term in nature. Payments for these liabilities will be budgeted in the year that actual payments are expected to be made.

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

The restricted net position (-11.9%) represents resources to be used to pay the remaining amount of outstanding debt, restricted resources for construction projects, and restricted resources for food service programs.

At June 30, 2020 and 2019, the School Board was not able to report positive balances in its unrestricted net position. Ongoing liabilities for postemployment benefits and net pension liability contributed to the deficit in unrestricted net position.



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

**Management's Discussion and Analysis**

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

	<b>Governmental Activities</b>	
	<b>2020</b>	<b>2019</b>
<b>Revenues</b>		
Program Revenues:		
Charges for Services	\$ 4,346	\$ 5,622
Operating Grants and Contributions	42,577	48,481
Capital Grants and Contributions	-	299
General Revenues:		
Ad Valorem (Property) Taxes	139,385	135,190
Sales and Use Taxes	105,639	102,644
Minimum Foundation Program	226,355	215,695
Other General Revenues	5,978	5,761
<b>Total Revenues</b>	<b>524,280</b>	<b>513,692</b>
<b>Program Expenses</b>		
Regular Programs	174,600	165,005
Special Education Programs	80,043	75,636
Vocational Education Programs	6,448	6,194
Other Instructional Programs	10,017	9,356
Special Programs	13,197	13,872
Pupil Support	33,185	29,834
Instructional Staff Support	17,532	15,590
General Administration	9,608	9,057
School Administration	26,599	24,837
Business Administration	2,951	2,751
Operation and Maintenance of Plant	48,200	41,879
Pupil Transportation	34,395	33,502
Central Services	6,924	7,620
Food Service	27,271	23,430
Community Services Programs	1,126	1,378
Interest on Long-Term Debt	9,264	8,967
<b>Total Expenses</b>	<b>501,360</b>	<b>468,908</b>
<b>Change in Net Position</b>	<b>22,920</b>	<b>44,784</b>
<b>Beginning Net Position</b>	<b>(447,626)</b>	<b>(471,030)</b>
<b>Prior Period Adjustment</b>	<b>17,350</b>	<b>(21,380)</b>
<b>Beginning Net Position, Restated</b>	<b>(430,276)</b>	<b>(492,410)</b>
<b>Ending Net Position</b>	<b>\$ (407,356)</b>	<b>\$ (447,626)</b>

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

## **Management's Discussion and Analysis**

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The St. Tammany Parish School Board's net position increased by \$22.9 million. There were increases in ad valorem taxes of \$4.2 million and increases in sales and use taxes of \$3.0 million. Operating grants revenue decreased \$5.9 million. There was a \$10.7 million increase from the State of Louisiana through the Minimum Foundation Program and additional appropriations.

Revenues increased by 2.1% or approximately \$10.6 million. Revenue increases in ad valorem taxes, sales tax, and other totaled \$7.4 million. These increases were mainly caused by continued Parish economic growth in property tax values and sales. Revenue from the State of Louisiana through the Minimum Foundation Program and other appropriations increased \$10.7 million. This increase was caused by an increase in state funding and an increase in students. Grant revenue decreased \$6.2 million.

Student enrollment had an increase from 38,542 students in 2019 to 38,774 students in 2020. MFP funding increased due to a state funding increase for employee salaries and due to increase in students.

Expenses increased 6.9% or approximately \$32.5 million in 2020. Increases in salaries and the associated benefits account for most of the decrease. Employees received raises from the State of Louisiana that were matched by the School Board in 2020.

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

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

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

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

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

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

**Management's Discussion and Analysis**

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The School Board's governmental funds reported combined ending fund balances of \$264.3 million, an increase of \$31.8 million (see Statements C and E) in comparison with the prior year. The components of this increase are described below.

The fund balance for the General Fund was \$122.5 million, which was an increase of \$6.6 million from 2019. General Fund expenditures, before transfers and other financing uses, for 2020, decreased by .2%, or \$0.5 million.

General Fund revenue before transfers and other financing sources increased 2.2%, or \$9.5 million. Ad valorem taxes increased as a result of increased property values, and sales taxes increased as a result of improvements in the area's economy.

The 2008 Construction Fund accounts for the expenditures of the remaining \$25 million in general obligation bonds that was approved by voters to finance capital improvements for new construction and improvements to existing facilities in March 2008. Expenditures in this fund totaled \$17.3 million in fiscal year 2019-2020. This is the final drawdown for the 2008 voter approved Capital Improvement Plan. These expenditures include construction projects for additional classrooms at Mandeville and Madisonville area schools.

The 2013 Construction Fund accounts for the expenditures of the \$135 million in general obligation bonds approved by voters to finance capital improvements for new construction and improvements to existing facilities. Expenditures in this fund totaled \$6.1 million. The District is nearing the end of its 5-year Capital Improvement Plan. These expenditures include construction projects for school improvements and school technology as outlined in the Capital Improvement Plan approved by voters in 2013.

The 2019 Construction Fund accounts for the expenditures of the \$175 million in general obligation bonds approved by the voters to finance capital improvements for new construction and improvements to existing facilities. Expenditures in this fund totaled \$2.7 million. These expenditures include construction projects for school improvements and school technology as outlined in the Capital Improvement Plan approved by voters in 2019.

The Debt Service Fund was established to meet the requirements of bond ordinances, and is used to account for the accumulation of resources for, and the payment of long-term debt principal, interest, and related costs. Revenues in this fund decreased by \$3.3 million, or 9.8%, from 2019. This decrease was the result of a rollback of 2.0 mill in ad valorem millage for the Debt Service Fund. Expenditures in this fund increased by \$1.5 million, or 4.9%. Increases in expenditures were the result of an increase in principal and interest payments in fiscal year 2020.

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

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

**Management's Discussion and Analysis**

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

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

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

**General Fund Budgetary Highlights**

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

\$0.9 million increase in projected revenues as follows:

- \$2.1 million increase in Minimum Foundation Program.
- \$0.4 million decrease in Ad Valorem revenues.
- \$1.6 million increase in Sales Tax revenue.
- \$1.7 million decrease in Medical Services
- \$0.5 million decrease in Tuition
- \$0.2 million decrease in Earnings on Investments

\$5.5 million decrease in projected expenditures as follows:

- \$5.5 million increase in employee salaries and benefits.

No differences were noted between the final amended budget and actual results.

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

**Management's Discussion and Analysis**

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

**Capital Assets**

As of June 30, 2020, the School Board has invested in a broad range of capital assets, including land, school facilities, and equipment totaling \$484.7 million. (See Table 3 below.) There was a net increase in capital assets in 2020 of \$2.9 million. The School Board changed its capitalization policy effective July 1, 2009 from \$1,000 to \$5,000. This change was mandated by the Louisiana Department of Education. More detailed information of capital assets can be found in Note 5.

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

	<b>Governmental Activities</b>	
	<b>2020</b>	<b>2019</b>
Land	\$ 19,407	\$ 18,644
Land Improvements	9,327	9,966
Buildings and Improvements	426,910	425,606
Furniture and Equipment	4,329	4,689
Construction in Progress	24,775	22,988
<b>Total</b>	<b>\$ 484,748</b>	<b>\$ 481,893</b>

The construction projects for 2019-2020 were mainly for classroom additions and renovations throughout the Parish.

**Long-Term Debt**

As of June 30, 2020, the School Board had \$1.25 billion in long-term debt outstanding, an increase of \$55.1 million, or 4.6%, over the amount at June 30, 2019 - as shown in Table 4 below:

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

	<b>Governmental Activities</b>	
	<b>2020</b>	<b>2019</b>
General Obligation Bonds (Backed by the School Board), Net of Unamortized Premium (Discount)	\$ 272,029	\$ 256,716
Qualified School Construction Bonds	1,667	2,000
Capital Lease	810	961
Net Pension Liability	517,763	515,718
Net Other Postemployment Benefits (OPEB) Liability	431,851	396,492
Compensated Absences	21,203	18,314
<b>Total</b>	<b>\$ 1,245,323</b>	<b>\$ 1,190,201</b>

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

### **Management's Discussion and Analysis**

---

The School Board continued to pay down its outstanding debt issues. The School Board's bond rating in 2019-2020 was AA by *Standard & Poor's*. The State constitution limits the amount of general obligation debt that the School Board can issue to 35% of the assessed value of all taxable property within the school district. The School Board's outstanding general obligation debt of \$249.3 million is significantly below the current \$931.7 million limit. Net OPEB liability increased by \$35.4 million. Net pension liability increased by \$2.0 million.

The School Board initiated a risk management program for general liability, workers' compensation, and health insurance in prior years. The School Board purchases commercial insurance for claims in excess of coverage provided through its self-insurance funds. The School Board had \$9.6 million and \$10.8 million in claims and judgments outstanding for fiscal years ended June 30, 2020 and 2019, respectively. Other obligations include accrued vacation pay and sick leave. More detailed information about the School Board's long-term liabilities is presented in Notes 6, 7, and 8 to the financial statements.

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

The following are currently known St. Tammany Parish economic factors expected to impact the 2020-2021 fiscal year:

- Sales taxes rate of growth is projected to continue with modest growth. St. Tammany Parish remains one of the wealthiest parishes in the State of Louisiana. The sales tax to date for FY 2020-2021 has not been impacted by the COVID19 pandemic.
- The School Board's student attendance is expected to decline for FY 2020-2021 as a result of the COVID19 pandemic. Enrollment as of October 1, 2020, was 37,213 for a decrease of 1,561 students over October 1, 2019.
- The retirement system contributions will decrease effective July 1, 2020. The Teachers' Retirement System of Louisiana decreased the employer contribution rate from 26.0% to 25.8%. The Louisiana School Employees' Retirement System decreased the employer contribution rate from 29.4% to 28.7%.
- The School Board's fiscal year 2021 budget for construction capital projects is expected to increase for a number of reasons. The voters approved a new bond construction and technology referendum in May 2013 and these projects are reaching completion phases. The referendum was for \$15.0 million in technology and \$125.0 million in capital projects for new classrooms and various school and building renovations. The voters approved a new bond construction and technology referendum in May 2019 for \$175 million (\$20 million technology and \$155 million in capital projects for new classrooms, technology, school safety, and various school/building renovations). A number of the construction projects will begin in 2021. Chrome books for all students and teachers were part of the 2019 bond issue. The chrome book purchases were accelerated to a one year purchase plan as a result of the COVID19 pandemic with an expected cost of \$7 million in 2021.
- Projected ad valorem taxes for 2020-2021 indicate increases of approximately \$2.0 million due to increases in property values based on final tax roll.

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

**Management's Discussion and Analysis**

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- Employees were given no pay increases for the 2020-2021 school year due to uncertainty with the COVID19 pandemic. The board approved one-time stipends for employees in December 2020 at a projected cost of \$7 million.

All of these factors were considered in preparing the St. Tammany Parish School Board's budget for the 2020-2021 fiscal year.

**REQUESTS FOR INFORMATION**

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





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

**BASIC FINANCIAL STATEMENTS:**

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

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

**Statement A**

**Statement of Net Position  
June 30, 2020**

	<b>Governmental Activities</b>
<hr/>	
<b>Assets</b>	
Cash and Cash Equivalents	\$ 209,229,313
Investments	950,000
Receivables	
Taxes:	
Ad Valorem	2,595,726
Sales and Use	18,613,600
Intergovernmental:	
Federal	3,243,677
State	502,134
Other Receivables	904,205
Prepaid Items	195,302
Inventory	985,977
Restricted Cash and Cash Equivalents	59,982,488
Restricted Investments	21,990,060
Capital Assets not Being Depreciated	
Land	19,406,851
Construction in Progress	24,774,959
Capital Assets, Net of Accumulated Depreciation	
Land Improvements	9,326,842
Buildings and Improvements	426,910,235
Furniture and Equipment	4,328,815
	<hr/>
<b>Total Assets</b>	<b>803,940,184</b>
	<hr/>
<b>Deferred Outflows of Resources</b>	
Deferred Charges - Bond Refunding	4,407,152
Deferred Outflows - Other Postemployment Benefits	39,019,603
Deferred Outflows - Pensions	104,350,019
	<hr/>
<b>Total Deferred Outflows of Resources</b>	<b>147,776,774</b>
	<hr/>

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

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

**Statement A**

**Statement of Net Position (Continued)  
June 30, 2020**

	<b>Governmental Activities</b>
<b>Liabilities</b>	
Salaries and Wages Payable	33,876,982
Accounts Payable	5,526,359
Accrued Interest Payable	3,392,615
Retainages Payable	1,058,882
Other Liabilities	399,809
Long-Term Liabilities	
Due within One Year	
Bonds Payable	21,493,333
Capital Lease Payable	154,655
Compensated Absences	12,245,404
Claims and Judgments	9,328,116
Due in More than One Year	
Bond Payable, Net of Unamortized Premium (Discount)	252,202,152
Capital Lease Payable	655,019
Compensated Absences	8,957,822
Claims and Judgments	306,770
Net Pension Liability	517,763,479
Net Other Postemployment Benefits Liability	431,851,218
<b>Total Liabilities</b>	<u>1,299,212,615</u>
<b>Deferred Inflows of Resources</b>	
Deferred Inflows - Pensions	39,637,494
Deferred Inflows - Other Postemployment Benefits	<u>20,223,198</u>
<b>Total Deferred Inflows of Resources</b>	<u>59,860,692</u>
<b>Net Position</b>	
Net Investment in Capital Assets	214,649,695
Restricted for:	
Debt Service	26,217,530
Operational Purposes	22,167,222
Unrestricted	<u>(670,390,796)</u>
<b>Total Net Position</b>	<u><u>\$ (407,356,349)</u></u>

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

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

**Statement B**

**Statement of Activities  
For the Year Ended June 30, 2020**

	<b>Expenses</b>	<b>Charges for Services</b>	<b>Operating Grants and Contributions</b>	<b>Capital Grants and Contributions</b>	<b>Net (Expense) Revenue and Changes in Net Position</b>
<b>Functions/Programs</b>					
Instruction:					
Regular Programs	\$ 174,599,487	\$ 383,080	\$ 15,106,518	\$ -	\$ (159,109,889)
Special Education Programs	80,043,271	-	6,925,423	-	(73,117,848)
Vocational Educational Programs	6,447,991	-	557,887	-	(5,890,104)
Other Instructional Programs	10,016,885	-	866,671	-	(9,150,214)
Special Programs	13,197,029	-	1,141,820	-	(12,055,209)
Support Services:					
Pupil Support	33,184,665	-	2,871,170	-	(30,313,495)
Instructional Staff Support	17,531,966	-	1,516,883	-	(16,015,083)
General Administration	9,608,322	-	831,321	-	(8,777,001)
School Administration	26,599,498	-	2,301,415	-	(24,298,083)
Business Administration	2,950,471	-	255,278	-	(2,695,193)
Operation and Maintenance of Plant	48,199,723	-	4,170,288	-	(44,029,435)
Pupil Transportation	34,395,374	-	2,975,922	-	(31,419,452)
Central Services	6,923,574	-	599,034	-	(6,324,540)
Food Services	27,271,094	2,936,978	2,359,522	-	(21,974,594)
Community Service Programs	1,126,126	1,025,496	97,434	-	(3,196)
Interest on Long-Term Debt	9,264,183	-	-	-	(9,264,183)
<b>Total Governmental Activities</b>	<b>\$ 501,359,659</b>	<b>\$ 4,345,554</b>	<b>\$ 42,576,586</b>	<b>\$ -</b>	<b>(454,437,519)</b>
<b>General Revenues:</b>					
Taxes:					
Ad Valorem (Property) Taxes					139,384,771
Sales and Use Taxes					105,638,733
State Revenue Sharing					2,092,862
Grants and Contributions not Restricted to Specific Programs - Minimum Foundation Program					226,355,079
Unrestricted State Appropriation					70
Restricted State Appropriation					104,683
Earnings on Investments and Net Increase in the Fair Value of Investments					3,336,541
Miscellaneous					444,573
<b>Total General Revenues</b>					<b>477,357,312</b>
<b>Change in Net Position</b>					<b>22,919,793</b>
<b>Net Position, Beginning of Year</b>					<b>(447,625,940)</b>
<b>Prior Period Adjustment</b>					<b>17,349,798</b>
<b>Net Position, Beginning (Restated)</b>					<b>(430,276,142)</b>
<b>Net Position, End of Year</b>					<b>\$ (407,356,349)</b>

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

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

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

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

**Statement C**

**Governmental Funds  
Balance Sheet  
June 30, 2020**

	General	2019 Construction	Non-Major Fund Types Other Governmental	Total
<b>Assets</b>				
Cash and Cash Equivalents	\$ 149,279,943	\$ -	\$ 52,056,360	\$ 201,336,303
Receivables:				
Taxes:				
Ad Valorem	1,954,459	-	641,267	2,595,726
Sales and Use	18,613,600	-	-	18,613,600
Intergovernmental:				
Federal	82,450	-	3,161,227	3,243,677
State	9,321	-	492,813	502,134
Other	851,055	-	9,563	860,618
Prepaid Items	175,401	-	632	176,033
Due from Other Funds	5,181,066	-	15,554,866	20,735,932
Inventory	-	-	985,977	985,977
Restricted Cash and Cash Equivalents	-	15,754,599	44,227,889	59,982,488
Restricted Investments	-	19,991,400	1,998,660	21,990,060
<b>Total Assets</b>	<b>\$ 176,147,295</b>	<b>\$ 35,745,999</b>	<b>\$ 119,129,254</b>	<b>\$ 331,022,548</b>
<b>Liabilities and Fund Balances</b>				
<b>Liabilities</b>				
Salaries and Withholdings Payable	\$ 31,123,327	\$ -	\$ 2,753,655	\$ 33,876,982
Accounts Payable	1,894,013	149,098	3,400,710	5,443,821
Due to Other Funds	16,446,163	-	5,289,769	21,735,932
Contracts and Retainage Payable	-	4,613	1,054,269	1,058,882
Other Liabilities	8,090	-	391,719	399,809
Claims Liabilities	4,190,180	-	-	4,190,180
<b>Total Liabilities</b>	<b>53,661,773</b>	<b>153,711</b>	<b>12,890,122</b>	<b>66,705,606</b>
<b>Fund Balances</b>				
Non-Spendable:				
Inventory	-	-	985,977	985,977
Prepaid Items	175,401	-	632	176,033
Restricted for:				
Debt Service	-	-	29,610,145	29,610,145
Construction	-	35,592,288	23,870,755	59,463,043
Operational Purposes	-	-	22,167,222	22,167,222
Committed for:				
Bond Rating	20,854,282	-	-	20,854,282
Special Programs	-	-	12,696,867	12,696,867
Assigned for:				
Construction	-	-	17,448,214	17,448,214
Local Priorities	101,455,839	-	-	101,455,839
Unassigned	-	-	(540,680)	(540,680)
<b>Total Fund Balances</b>	<b>122,485,522</b>	<b>35,592,288</b>	<b>106,239,132</b>	<b>264,316,942</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 176,147,295</b>	<b>\$ 35,745,999</b>	<b>\$ 119,129,254</b>	<b>\$ 331,022,548</b>

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

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

**Statement D**

**Reconciliation of the Governmental Funds Balance Sheet  
to the Statement of Net Position  
As of June 30, 2020**

Total Fund Balances - Governmental Funds		\$ 264,316,942
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The cost of capital assets (land, buildings, furniture, and equipment) purchased or constructed is reported as expenditures in governmental funds. The statement of net position includes those capital assets among the assets of the School Board as a whole. The costs of those assets are allocated over their estimated useful lives (as depreciation expense) to the various programs reported as governmental activities in the statement of activities. Because depreciation expense does not affect financial resources, it is not reported in governmental funds.

Cost of Capital Assets	\$ 936,438,292	
Accumulated Depreciation	<u>(451,690,590)</u>	484,747,702

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

Bond Refunding	4,407,152	
Other Postemployment Benefits	39,019,603	
Pensions	<u>104,350,019</u>	147,776,774

Elimination of Interfund Assets and Liabilities

Interfund Assets	(20,735,932)	
Interfund Liabilities	<u>21,735,932</u>	1,000,000

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

Total Net Position	4,378,622	
Interfund Balances	<u>(1,000,000)</u>	3,378,622

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

Pensions	(39,637,494)	
Other Postemployment Benefits	<u>(20,223,198)</u>	(59,860,692)

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

Balances at June 30, 2020, are:

Accrued Interest Payable	(3,392,615)	
Bonds Payable	(250,996,667)	
Capital Lease	(809,674)	
Unamortized Bond Premium	(23,277,774)	
Unamortized Bond Discount	578,956	
Other Postemployment Benefits	(431,851,218)	
Pension Liability	(517,763,479)	
Compensated Absences	<u>(21,203,226)</u>	(1,248,715,697)

<b>Net Position - Governmental Activities</b>		<b><u>\$ (407,356,349)</u></b>
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The accompanying notes are an integral part of these financial statements.

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

**Statement E**

**Governmental Funds  
Statement of Revenues, Expenditures, and Changes in Fund Balances  
For the Year Ended June 30, 2020**

	General	2019 Construction	Non-Major Fund Types Other Governmental	Total
<b>Revenues</b>				
Local Sources:				
Taxes:				
Ad Valorem	\$ 105,704,844	\$ -	\$ 33,679,927	\$ 139,384,771
Sales and Use	105,638,733	-	-	105,638,733
Tuition	1,175,496	-	233,080	1,408,576
Earnings on Investments	1,388,253	284,657	1,425,670	3,098,580
Net Increase (Decrease) in the Fair Value of Investments	-	268,820	(30,859)	237,961
Food Service	-	-	2,936,978	2,936,978
Other	1,611,365	-	242,490	1,853,855
State Sources:				
Minimum Foundation Program	220,355,079	-	6,000,000	226,355,079
Contributions to Teachers' Retirement	6,887	-	-	6,887
Revenue Sharing	2,092,862	-	-	2,092,862
Professional Improvement Program	24,654	-	-	24,654
Other	277,990	-	5,125,341	5,403,331
Federal Sources	582,162	-	33,378,693	33,960,855
<b>Total Revenues</b>	<b>438,858,325</b>	<b>553,477</b>	<b>82,991,320</b>	<b>522,403,122</b>
<b>Expenditures</b>				
Current:				
Instruction:				
Regular Education Programs	166,447,230	-	363,392	166,810,622
Special Education Programs	70,638,112	-	5,834,439	76,472,551
Vocational Education Programs	5,884,876	-	275,471	6,160,347
Other Instructional Programs	9,215,265	-	354,767	9,570,032
Special Programs	3,077,584	-	9,530,726	12,608,310
Support Services:				
Pupil Support	26,550,858	-	5,153,442	31,704,300
Instructional Staff Support	10,383,372	-	6,366,494	16,749,866
General Administration	8,085,075	-	1,094,622	9,179,697
School Administration	25,412,898	-	3,994	25,416,892
Business Administration	2,814,857	-	-	2,814,857
Operation and Maintenance of Plant	36,766,886	-	9,282,653	46,049,539
Pupil Transportation	32,627,410	-	233,590	32,861,000
Central Services	6,551,548	-	63,166	6,614,714
Food Service	-	-	26,054,533	26,054,533
Community Service Programs	1,075,890	-	-	1,075,890
Facilities Acquisition and Construction	1,076,054	2,670,249	22,560,275	26,306,578
Debt Service:				
Administrative	1,250	66,916	7,600	75,766
Principal Retirement	484,511	-	20,810,000	21,294,511
Interest and Bond Charges	78,100	-	10,509,369	10,587,469
<b>Total Expenditures</b>	<b>407,171,776</b>	<b>2,737,165</b>	<b>118,498,533</b>	<b>528,407,474</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>31,686,549</b>	<b>(2,183,688)</b>	<b>(35,507,213)</b>	<b>(6,004,352)</b>
<b>Other Financing Sources (Uses)</b>				
Transfers In	1,334,954	-	26,390,151	27,725,105
Transfers Out	(26,390,151)	-	(1,334,954)	(27,725,105)
Premium Received on Bonds Issued	-	2,844,553	-	2,844,553
Discount on Bonds Issued	-	-	(33,720)	(33,720)
Bonds Issued	-	35,000,000	5,620,000	40,620,000
Payment to Refunded Bonds Escrow Agent	-	-	(5,586,280)	(5,586,280)
<b>Total Other Financing Sources (Uses)</b>	<b>(25,055,197)</b>	<b>37,844,553</b>	<b>25,055,197</b>	<b>37,844,553</b>
<b>Net Change in Fund Balances</b>	<b>6,631,352</b>	<b>35,660,865</b>	<b>(10,452,016)</b>	<b>31,840,201</b>
<b>Fund Balances, Beginning of Year</b>	<b>115,854,170</b>	<b>(68,577)</b>	<b>116,691,148</b>	<b>232,476,741</b>
<b>Fund Balances, End of Year</b>	<b>\$ 122,485,522</b>	<b>\$ 35,592,288</b>	<b>\$ 106,239,132</b>	<b>\$ 264,316,942</b>

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



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

**Statement F**

**Reconciliation of the Governmental Funds Statement of  
Revenues, Expenditures, and Changes in Fund Balances  
to the Statement of Activities  
For the Year Ended June 30, 2020**

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Total Net Change in Fund Balances - Governmental Funds	\$ 31,840,201
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Amounts reported for governmental activities in the statement of activities are different because:

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

Capital Outlays	\$ 27,469,205	
Depreciation Expense	<u>(24,614,664)</u>	2,854,541

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

Bonded Debt Repayments	26,418,333	
Bond Proceeds (Including Refunding Bonds)	(40,620,000)	
Capital Lease Repayments	151,178	
Bond Premium	(760,569)	
Bond Discount	(16,825)	
Accrued Interest	(147,689)	
Deferred Charge on Bond Refunding	<u>(251,184)</u>	(15,226,756)

Revenues for pension contributions in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	1,876,330
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In the statement of activities, compensated absences are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid).	(2,889,181)
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In the statement of activities, pension and other postemployment benefits are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid).

Pensions	6,539,437	
Other Postemployment Benefits	<u>(2,561,781)</u>	3,977,656

All revenues, expenses, and changes in net position of the internal service funds are reported as proprietary fund type in the fund financial statements, but included as governmental activities in the government-wide financial statements.	<u>487,002</u>
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<b>Change in Net Position of Governmental Activities</b>	<b><u>\$ 22,919,793</u></b>
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The accompanying notes are an integral part of these financial statements.



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

**Statement G**

**Proprietary Fund Type - Internal Service Funds  
Statement of Net Position  
June 30, 2020**

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**Current Assets**

Cash and Cash Equivalents	\$ 7,893,010
Investments	950,000
Accounts Receivable	43,587
Prepaid Items	19,269
Due from Other Funds	<u>1,000,000</u>

<b>Total Assets</b>	<b>\$ 9,905,866</b>
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**Liabilities and Net Position**

**Current Liabilities**

Accounts Payable	\$ 82,538
Benefit Claims Payable	4,469,244
Claims Liability	<u>668,692</u>

<b>Total Current Liabilities</b>	<b><u>5,220,474</u></b>
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**Long-Term Liabilities**

Claims Liability	<u>306,770</u>
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<b>Total Long-Term Liabilities</b>	<b><u>306,770</u></b>
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<b>Total Liabilities</b>	<b><u>5,527,244</u></b>
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**Net Position**

Restricted for Employee Benefits	632,241
Unrestricted	<u>3,746,381</u>

<b>Total Net Position</b>	<b><u>4,378,622</u></b>
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<b>Total Liabilities and Net Position</b>	<b><u>\$ 9,905,866</u></b>
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The accompanying notes are an integral part of these financial statements.

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

**Statement H**

**Proprietary Fund Type - Internal Service Funds  
Statement of Revenues, Expenses, and  
Change in Net Position  
For the Year Ended June 30, 2020**

<b>Operating Revenues</b>	
Employer/Employee Contributions	\$ 6,246,562
Net Decrease in Incurred but not Reported (IBNR) Claims	<u>485,883</u>
<b>Total Operating Revenues</b>	<u>6,732,445</u>
<b>Operating Expenses</b>	
Administrative	203,746
Contractual Services	493,429
Premium Payments	1,942,558
Benefit Payments	3,180,968
Claims	<u>523,511</u>
<b>Total Operating Expenses</b>	<u>6,344,212</u>
<b>Operating Income</b>	<u>388,233</u>
<b>Non-Operating Revenues</b>	
Earnings on Investments	102,176
Net Decrease in the Fair Value of Investments	<u>(3,407)</u>
<b>Total Non-Operating Revenues</b>	<u>98,769</u>
<b>Change in Net Position</b>	487,002
<b>Total Net Position, Beginning of Year</b>	<u>3,891,620</u>
<b>Total Net Position, End of Year</b>	<u><u>\$ 4,378,622</u></u>

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

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

**Statement I**

**Proprietary Fund Type - Internal Service Funds  
Statement of Cash Flows  
For the Year Ended June 30, 2020**

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**Cash Flows from Operating Activities**

Receipts from Employer and Employee Contributions	\$ 5,924,709
Payments for Benefits and Claims	(5,753,210)
Payments for Administrative and Contractual Services	<u>(697,175)</u>

**Net Cash Used in Operating Activities** (525,676)

**Cash Flows from Investing Activities**

Sales of Investments	681,530
Earnings on Cash and Investments	<u>102,176</u>

**Net Cash Provided by Investing Activities** 783,706

**Net Increase in Cash and Cash Equivalents** 258,030

**Cash and Cash Equivalents, Beginning of Year** 7,634,980

**Cash and Cash Equivalents, End of Year** \$ 7,893,010

**Reconciliation of Operating Income to Net**

**Cash Used in Operating Activities**

Operating Income	\$ 388,233
Adjustments to Reconcile Operating Income to Net Cash Used in Operating Activities	
Decrease in Incurred but not Reported (IBNR) Claims	(485,883)
Increase in Receivables	(321,853)
Decrease in Prepaid Items	(19,269)
Decrease in Payables	<u>(86,904)</u>

**Total Adjustments** (913,909)

**Net Cash Used in Operating Activities** \$ (525,676)

**Non-Cash Investing and Financing Activities**

Net Increase in the Fair Value of Investments	<u><u>\$ 3,407</u></u>
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The accompanying notes are an integral part of these financial statements.

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

**Statement J**

**Fiduciary/Agency Fund  
Statement of Fiduciary Assets and Liabilities -  
School Activity Fund  
June 30, 2020**

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**Assets**

Cash and Cash Equivalents	\$ 8,143,587
Investments	<u>382,615</u>

<b>Total Assets</b>	<b>\$ 8,526,202</b>
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**Liabilities**

Accounts Payable	\$ 250,371
Due to Schools	<u>8,275,831</u>

<b>Total Liabilities</b>	<b>\$ 8,526,202</b>
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The accompanying notes are an integral part of these financial statements.

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

**Notes to Basic Financial Statements**

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

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

**Note 2. Ad Valorem Taxes**

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

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

**Note 5. Capital Assets**

**Note 6. Risk Management**

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

**Note 8. Defeased Debt**

**Note 9. Tax Arbitrage Rebate**

**Note 10. Retirement Plans**

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

**Note 12. Litigation and Claims**

**Note 13. Hurricane Katrina**

**Note 14. Concentration of Revenue**

**Note 15. Operating Leases**

**Note 16. Fund Equity**

**Note 17. Other Postemployment Benefits (OPEB)**

**Note 18. Tax Abatements**

**Note 19. Impact of Recently Issued Accounting Pronouncements**

**Note 20. Prior Period Adjustment**

**Note 21. Risks and Uncertainties**

**Note 22. Subsequent Event**

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

**Notes to Basic Financial Statements**

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

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

**A. Financial Reporting Entity**

The St. Tammany Parish School Board (the School Board) was created by Louisiana Revised Statute (R.S.) 17:51 for the purpose of providing public education for the children within St. Tammany Parish, Louisiana (the Parish). The School Board is authorized by 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 authorized to establish public schools, as it deems necessary, to provide adequate school facilities for the children of the Parish, to determine the number of teachers to employ, and to determine local supplement to salaries. The School Board is comprised of 15 members who are elected from 15 districts for concurrent terms of four years expiring December 31, 2022.

The School Board operates 55 schools within the Parish with a total enrollment of 38,774 students. In conjunction with the regular educational programs, some of these schools offer special education programs. Additionally, the School Board provides transportation and school food services for the students.

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

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

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

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



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

**Notes to Basic Financial Statements**

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

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

**Internal Activities**

The Workers' Compensation and Risk Management Funds provide services to the governmental funds. Accordingly, these funds were included in the governmental activities. Pursuant to GASB Statement No. 34, the internal activities have been eliminated in order to avoid the "grossing-up" effect of a straight inclusion. Interfund services provided and used are not eliminated in the process of consolidation.

**Program Revenues**

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

**Allocation of Indirect Expenses**

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

**Fund Financial Statements (FFS)**

Fund financial statements report detailed information about the School Board. The focus of the governmental and enterprise fund financial statements is on the major funds rather than reporting funds by type. Each major fund is presented in a separate column. The major funds reported by the School Board for the year ended June 30, 2020, are as follows:

- General Fund - Accounts for the day-to-day operations of the School Board.
- 2019 Construction Fund - Accounts for the expenditures of the \$175 million in general obligation bonds approved by the voters to finance capital improvements for new construction and improvements to existing facilities.

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

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

**Notes to Basic Financial Statements**

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

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

**Special Revenue Funds**

Special revenue funds account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. These funds account for the revenues and expenditures related to federal, state, and local grant and entitlement programs and special district funds established for various educational objectives.

**Capital Projects Funds**

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

**Debt Service Funds**

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

**Proprietary Funds**

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

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

- Workers' Compensation Fund - Accounts for the payment of workers' compensation benefits.
- Risk Management Fund - Accounts for general liability, which is fully insured at the fiscal year ended June 30, 2020, with a deductible of \$250,000 per occurrence, and property damage, which is insured at the fiscal year ended June 30, 2020, with a deductible of 3% of the total values up to \$5,000,000 for a "named storm" and only \$500,000 for all other perils.

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

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

**Notes to Basic Financial Statements**

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

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

**Fiduciary Funds**

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

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

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

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

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

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

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

**Notes to Basic Financial Statements**

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

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

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

**Revenues**

Federal and state entitlements, which include state equalization and state revenue sharing, are recorded as unrestricted grants-in-aid when available and measurable. For this purpose, the School Board considers all revenues to be available if they are collected within sixty days of the end of the current fiscal period. Federal and state grants which are restricted as to the purpose of the expenditures are recorded when the reimbursable expenditures have been made. Ad valorem taxes are recorded in the year the taxes are due and payable. Ad valorem taxes are assessed on a calendar year basis, based on the assessed value on January 1<sup>st</sup>, become due on November 15<sup>th</sup> of each year, and become delinquent on December 31<sup>st</sup>. An enforceable lien attaches to the property as of November 15<sup>th</sup>. The taxes recognized in fiscal year 2020 were levied by the School Board on May 16, 2019. However, before the taxes can be collected, the tax rolls must be submitted to the State Tax Commission for approval. The taxes are generally collected in December, January, and February of the fiscal year. Property tax revenues are accrued at fiscal year-end to the extent that they have been collected and are unremitted by the St. Tammany Parish Tax Collector's Office. Such amounts are measurable and available to finance current operations. Sales and use tax revenues are recorded in the month in which the School Board considers them available to finance current year obligations and are collected by the St. Tammany Parish Tax Collector. Interest income on time deposits and revenues from rentals, leases, and royalties are recorded when earned. Substantially all other revenues are recorded when received.

**Expenditures**

Salaries are recorded as expenditures when incurred. Nine-month employee salaries are incurred over a nine-month period but paid over a twelve-month period generally, except in cases where the employee opted to be paid over nine months. Compensated absences are recognized as expenditures when leave is actually taken or when employees (or heirs) are paid for accrued leave upon retirement or death, while the cost of earned leave privileges not requiring current resources is recorded as a liability on the government-wide financial statements. Commitments under construction contracts are recognized as expenditures when earned by the contractor. Principal and interest on general long-term obligations are not recognized until due. All other expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

**Prepays**

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

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

**Notes to Basic Financial Statements**

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

**D. Budget Practices**

The proposed budgets for fiscal year 2019-2020 were completed and made available for public inspection at the School Board office on August 7, 2019. A public hearing was held on August 22, 2019 for suggestions and comments from taxpayers. The proposed fiscal year 2019-2020 budgets were formally adopted by the School Board on September 12, 2019 and the final amendment was adopted on November 12, 2020. The budgets, which included proposed expenditures and the means of financing them, for the General, Special Revenue, Debt Service, and Capital Projects Funds, were published in the official journal ten (10) days prior to the public hearings. The budget and amendments are reported on the General Fund budgetary comparison schedule in the required supplementary information section of this report.

The budgets for all funds for the fiscal year 2019-2020 were prepared on a modified accrual basis, consistent with U.S. GAAP.

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

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

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

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

**E. Encumbrances**

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

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

**Notes to Basic Financial Statements**

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

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

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

**G. Receivables**

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

Other receivables include all trade and other receivables considered to be receivable within one year. The balance in other receivables consists primarily of amounts billed to Medicaid, which total \$420,998 as of June 30, 2020. No allowance for uncollectible accounts has been established as all receivables are considered collectible.

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

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

**I. Inventory**

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

**J. Restricted Assets**

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

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

**Notes to Basic Financial Statements**

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

**K. Capital Assets**

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

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

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

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

**L. Long-Term Obligations**

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



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

**Notes to Basic Financial Statements**

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

**M. Pensions**

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position and changes in fiduciary net position of the defined benefit pension plans in which the School Board participates have been determined on the same basis as they are reported by the respective defined benefit pension plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**N. Compensated Absences**

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

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

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

Leave may be granted for medical purposes and professional and cultural improvement. All employees are eligible for extended sick leave of up to 90 days in each six-year period of employment which may be used for personal illness or illness of an immediate family member providing that the employee has no remaining regular sick leave balance. The employee on extended sick leave is paid 65% of their salary at the time the extended sick leave begins.

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

At June 30, 2020, employees of the School Board have accumulated and vested \$21,203,226 of compensated absence benefits in salary and salary-related payments.

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

**Notes to Basic Financial Statements**

---

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

**O. Sales and Use Taxes**

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

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

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

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

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

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

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

Unamortized amounts are reported as deferred outflows of resources and amortized amounts are reported as a component of pension expense, other postemployment benefit expense, or interest expense.

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

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

**Notes to Basic Financial Statements**

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

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

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

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

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the School Board considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the School Board considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Board members have provided otherwise in their commitment or assignment actions. In the General Fund, the School Board maintains a committed fund balance in the amount of \$20,854,282 to maintain "AA" bond rating and for financial stability.

**S. Claims and Judgments**

The School Board provides for losses and anticipated expenses resulting from claims and judgments including claim adjustment expenses, salvage, and subrogation. Losses resulting from claims and judgments are estimated by utilizing a case-by-case review of all claims in accordance with Governmental Accounting Standards Board Codification Section C50. The liability for such losses is recorded in the internal service funds. Incurred but not reported claims as of June 30, 2020, have been considered in determining the accrued liability.

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

**Notes to Basic Financial Statements**

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**Note 2. Ad Valorem Taxes**

The following is a summary of authorized and levied parish wide ad valorem taxes for the fiscal year ended June 30, 2020:

	<b>Mills</b>	<b>Fiscal Year of Expiration</b>
Constitutional	3.65	N/A
Additional Support	7.53	2023
Constructing, Maintaining, and Operating	3.30	2023
Improving, Maintaining, and Operating	34.03	2023
School Security	2.00	2029
Bond and Interest - District No. 12	<u>13.90</u>	N/A
<b>Total Millage</b>	<u><u>64.41</u></u>	

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

**Deposits**

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

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

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

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

**Notes to Basic Financial Statements**

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

**Deposits (Continued)**

At June 30, 2020, the School Board's carrying value of its deposits, excluding fiduciary cash balances and including restricted cash and cash equivalents, was \$269,211,801, and the bank balance was \$271,547,428. Of the bank balance, \$271,547,428 was covered by federal depository insurance or secured by bank owned securities specifically pledged to the School Board and held in joint custody by an independent custodian bank or trust department. Custodial risk is the risk that in the event of bank failure, the School Board's deposits may not be recovered. At June 30, 2020, none of the School Board's deposits were exposed to custodial credit risk as uninsured deposits were collateralized with securities held by a pledging bank's trust department, but not in the School Board's name.

Restricted cash and cash equivalents are reported on the statement of net position and governmental funds - balance sheet in the amount of \$59,982,488 for the year ended June 30, 2020. These restricted assets represent certain proceeds of bonds and loans including debt service funds of the School Board, and their use is limited by applicable bond/loan covenants and Louisiana Revised Statutes.

In addition, at June 30, 2020, the individual schools held cash, cash equivalents, and investments of \$8,526,202 in various accounts. The balances of these accounts are collateralized with either Federal Deposit Insurance Corporation (FDIC) insurance and/or pledged securities in the School Board's name. Because these accounts are not assets of the School Board but are agency funds, the balances are not reflected in the fund financial statements or the government-wide financial statements, but are reported in the statement of fiduciary assets and liabilities.

**Investments**

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

The School Board's investments in certificates of deposit are valued at cost, which closely approximates fair value. Investments in government-sponsored enterprises and U.S. Treasuries are reported at fair value.

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

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

**Notes to Basic Financial Statements**

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

**Investments (Continued)**

Investments of \$950,000 in certificates of deposits and treasuries were held in the proprietary funds at June 30, 2020. Restricted investments of \$21,990,060 were reported on the statement of net position and governmental funds - balance sheet for the year ended June 30, 2020.

At June 30, 2020, the School Board's investments were as follows:

	Maturities in Years			Reported Amount/ Fair Value
	Less than One	One to Five	Five to Ten	
Certificates of Deposits	\$ 950,000	\$ -	\$ -	\$ 950,000
US Treasuries	21,990,060	-	-	21,990,060
<b>Total</b>	<b>\$ 22,940,060</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 22,940,060</b>

*Interest Rate Risk.* Interest rate risk is the risk applicable to debt instruments with fair values that are sensitive to changes in interest rates. One indicator of the measurement of interest rate risk is the dispersion of maturity dates of debt instruments. The above table shows the School Board's investments and maturities in actively managed accounts at June 30, 2020. The School Board does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

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

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

1. Direct United States Treasury obligations
2. Bonds, debentures, notes, or other evidence of indebtedness issued or guaranteed by federal agencies and provided such obligations are backed by the full faith and credit of the United States of America
3. Bonds, debentures, notes, or other evidence of indebtedness issued or guaranteed by U.S. government instrumentalities, which are federally sponsored
4. Direct security repurchase agreements of any federal book-entry only securities
5. Time certificates of deposit of any bank domiciled or having a branch office in the State of Louisiana, savings accounts or shares of savings and loan associations and savings banks
6. Mutual or trust fund institutions which are registered with the Securities and Exchange Commission and which have underlying investments consisting solely of and limited to securities of the United States government or its agencies

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

**Notes to Basic Financial Statements**

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

**Investments (Continued)**

7. Guaranteed investment contracts issued by a bank, financial or insurance company, or other entity having one of the highest short-term rating categories of either Standard & Poor's Corporation or Moody's Investors Service
8. Investment grade commercial paper of domestic United States corporations
9. LAMP

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

*Concentration of Credit Risk.* The School Board places no limit on the amount the School Board may invest in any one issuer. All School Board investments are certificates of deposit, government-sponsored enterprises, or U.S. Treasuries.

**Fair Value Measurement**

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

The following table sets forth by level within the fair value hierarchy the School Board's assets at fair value as of June 30, 2020:

	Total at June 30, 2020	Fair Value Measurement Using:		
		Level 1	Level 2	Level 3
US Treasuries	\$ 21,990,060	\$ 21,990,060	\$ -	\$ -
<b>Total</b>	<b>\$ 21,990,060</b>	<b>\$ 21,990,060</b>	<b>\$ -</b>	<b>\$ -</b>

The US Treasury securities of \$21,990,060 are valued using quoted market prices (Level 1 inputs).



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

**Notes to Basic Financial Statements**

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

As of June 30, 2020, individual balances due to/due from other funds were as follows:

<b>Receivable Fund</b>	<b>Payable Fund</b>	<b>Amount</b>
General*	Non-Major Governmental	\$ 5,181,066
Non-Major Governmental	General*	<u>15,554,866</u>
<b>Total Governmental Funds</b>		<u>20,735,932</u>
Internal Service	General*	<u>1,000,000</u>
<b>Total</b>		<u><u>\$ 21,735,932</u></u>

\* Indicates major fund.

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

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

For the year ended June 30, 2020, individual transfers were as follows:

	<b>Transfers In</b>		
	<b>General*</b>	<b>Non-Major Governmental</b>	<b>Total</b>
<b>Transfers Out</b>			
General*	\$ -	\$ 26,390,151	\$ 26,390,151
Non-Major Governmental	<u>1,334,954</u>	<u>-</u>	<u>1,334,954</u>
	<u>\$ 1,334,954</u>	<u>\$ 26,390,151</u>	<u>\$ 27,725,105</u>

\* Indicates major fund.

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

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

**Notes to Basic Financial Statements**

**Note 5. Capital Assets**

A summary of changes in capital assets is as follows:

<b>Governmental Activities</b>	<b>Balance June 30, 2019</b>	<b>Additions</b>	<b>Deletions</b>	<b>Balance June 30, 2020</b>
Non-Depreciable Assets:				
Land	\$ 18,643,989	\$ 762,862	\$ -	\$ 19,406,851
Construction in Progress	22,987,400	24,958,672	23,171,113	24,774,959
Depreciable Assets:				
Land Improvements	18,625,942	72,539	-	18,698,481
Buildings and Improvements	822,621,218	23,443,639	1,574,664	844,490,193
Furniture and Equipment	27,602,782	1,480,437	15,411	29,067,808
<b>Total</b>	<b>910,481,331</b>	<b>50,718,149</b>	<b>24,761,188</b>	<b>936,438,292</b>
Less Accumulated Depreciation:				
Land Improvements	8,659,800	716,096	4,257	9,371,639
Buildings and Improvements	397,014,797	22,057,737	1,492,576	417,579,958
Furniture and Equipment	22,913,573	1,840,831	15,411	24,738,993
<b>Total</b>	<b>428,588,170</b>	<b>24,614,664</b>	<b>1,512,244</b>	<b>451,690,590</b>
<b>Governmental Activities Capital Assets, Net</b>	<b>\$481,893,161</b>	<b>\$ 26,103,485</b>	<b>\$ 23,248,944</b>	<b>\$ 484,747,702</b>

Depreciation expense was charged to governmental activities as follows:

Regular Programs	\$ 8,733,482
Special Education Programs	4,003,772
Vocational Educational Programs	322,529
Other Instructional and Special Programs	501,046
Special Programs	660,117
Pupil Support	1,659,900
Instructional Staff Support	876,951
General Administration	480,609
School Administration	1,330,510
Business Administration	147,583
Operation and Maintenance of Plant	2,410,955
Pupil Transportation	1,720,460
Central Services	346,318
Food Services	1,364,103
Community Service Programs	56,329
<b>Total</b>	<b>\$ 24,614,664</b>

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

**Notes to Basic Financial Statements**

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

Construction in progress at June 30, 2020 was composed of the following:

<b>Project Location</b>	<b>Project Authorization</b>	<b>Incurred as of June 30, 2020</b>	<b>Committed</b>
Abita Elementary	\$ 171,283	\$ 171,283	\$ -
Abney Elementary	10,965,000	435,201	10,529,799
Abney Early Childhood	1,144,400	51,243	1,093,157
Alton Elementary	29,800	13,338	16,462
Bayou Woods Elementary	5,802,500	104,913	5,697,587
Bonne Ecole Elementary	75,055	58,499	16,556
Boyet Jr. High	143,759	111,543	32,216
Covington Elementary	349,458	349,458	-
Covington High	374,357	374,357	-
Cypress Cove Elementary	134,040	134,040	-
Fifth Ward Jr. High	85,398	85,398	-
Florida Avenue Elementary	21,771	21,771	-
Fontainebleau High	109,033	109,033	-
Folsom Elementary	96,812	96,812	-
Folsom Jr. High	178,583	168,348	10,235
Lancaster Elementary	155,696	14,693	141,003
Lee Road Jr. High	170,498	170,498	-
Little Oak Middle	276,810	276,810	-
Lyon Elementary	305,048	197,951	107,097
Madisonville Elementary	15,250	5,536	9,714
Madisonville Jr. High	14,319,379	10,151,729	4,167,650
Magnolia Trace Elementary	18,518,200	122,513	18,395,687
Mandeville High	16,858,288	10,694,931	6,163,357
Mandeville Jr. High	791	791	-
Mayfield Elementary	6,923	6,923	-
Northshore High	3,993,000	105,766	3,887,234
Pearl River High	144,048	86,137	57,911
Salem High	2,414,900	101,434	2,313,466
Sixth Ward Elementary	202,807	135,228	67,579
Slidell Jr. High	3,625	3,625	-
Slidell High	419,776	415,157	4,619
<b>Total</b>	<b>\$ 77,486,288</b>	<b>\$ 24,774,959</b>	<b>\$ 52,711,329</b>

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

**Notes to Basic Financial Statements**

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**Note 6. Risk Management**

**Workers' Compensation**

The School Board has had a risk management program for workers' compensation since 1988. Premiums are paid into the Workers' Compensation Internal Service Fund by all funds from which salaries are paid, and are available to pay claims, claim reserves, and administrative costs of the program. During fiscal year 2020 a total of \$3,989,118 was incurred in benefits and administrative costs. The School Board is self-insured for up to \$1,000,000 per claim. However, an excess coverage insurance policy covers individual claims in excess of \$1,000,000.

An amount for self-insurance losses of \$4,469,244 has been accrued as a liability based upon an actuary's estimate as of June 30, 2020. Interfund premiums are based primarily upon the individual funds' claims experience and are reported as expenditures in the individual funds. There were no significant reductions in insurance coverage from the prior year.

**Risk Management**

The School Board is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; and natural disasters. During fiscal year 1990, the School Board established a Risk Management Fund (an internal service fund) to account for and finance its uninsured risk of loss. Under this program, the Risk Management Fund provides coverage up to a maximum of \$250,000 for each general liability claim and \$1,000,000 for each property damage claim and \$5,000,000 for each property damage claim due to a named storm. The School Board purchases commercial insurance for claims in excess of coverage provided by the fund. In 2020, the School Board paid claims in the amount of \$523,511 in excess of the \$250,000 maximum. The General Fund makes payments to the Risk Management Fund based on estimates of the amounts needed to pay claims and to accumulate funds for future catastrophic losses. At June 30, 2020, \$3,746,381 of fund equity was available for future catastrophic losses. Claim liabilities were \$975,462, based on an actuary's estimate at June 30, 2020. There were no significant reductions in insurance coverage from the prior year.

**Health/Life Insurance**

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

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

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

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

**Notes to Basic Financial Statements**

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

**Claims**

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

	<b>Beginning Balance</b>	<b>Claims and Changes in Estimates</b>	<b>Payments and Claims</b>	<b>Ending Balance</b>	<b>Due Within One Year</b>
Workers' Compensation					
2018-2019	5,892,424	2,393,559	3,492,976	4,793,007	
2019-2020	4,793,007	2,857,205	3,180,968	4,469,244	\$ 4,469,244
Risk Management					
2018-2019	1,524,233	(159,044)	227,607	1,137,582	
2019-2020	1,137,582	361,391	523,511	975,462	668,692
Health/Life Insurance					
2018-2019	5,778,020	72,906,670	73,831,964	4,852,726	
2019-2020	4,852,726	73,085,163	73,747,709	4,190,180	4,190,180
<b>Total</b>					<b>\$ 9,328,116</b>

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

The following is a summary of the long-term obligation transactions for the year ended June 30, 2020:

	<b>Balance June 30, 2019</b>	<b>Additions</b>	<b>Deductions</b>	<b>Balance June 30, 2020</b>	<b>Due Within One Year</b>
General Obligation Bonds	\$ 234,795,000	\$ 40,620,000	\$ (26,085,000)	\$ 249,330,000	\$ 21,160,000
Capital Lease	960,852	-	(151,178)	809,674	154,655
Unamortized Premium	22,517,205	2,844,553	(2,083,984)	23,277,774	-
Unamortized Discount	(595,781)	(33,720)	50,545	(578,956)	-
Qualified School Construction Bonds	2,000,000	-	(333,333)	1,666,667	333,333
Compensated Absences	18,314,045	15,134,585	(12,245,404)	21,203,226	12,245,404
<b>Total Long-Term Liabilities</b>	<b>\$ 277,991,321</b>	<b>\$ 58,565,418</b>	<b>\$ (40,848,354)</b>	<b>\$ 295,708,385</b>	<b>\$ 33,893,392</b>

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

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

**Notes to Basic Financial Statements**

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

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

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

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

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

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

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

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

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

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

**Notes to Basic Financial Statements**

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

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

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

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

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

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

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

The interest rate on the bonds varies from 2.0% to 5.0%, and the maturity date is March 1, 2034.

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

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



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

**Notes to Basic Financial Statements**

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

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

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

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

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

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

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

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

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

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

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

**Notes to Basic Financial Statements**

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

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

In July 2019, the School Board issued \$35,000,000 in general obligation bonds to fund various capital projects. The bonds are secured by and payable from ad valorem taxes. This 2019 Series is the first issue under the \$175,000,000 in general obligation bonds authorized at an election held in the Parish on May 4, 2019. The interest rate on the bonds varies from 2.625% to 5.00%, and the maturity date is March 1, 2039.

In December 2019, the School Board issued \$5,620,000 in general obligation refunding bonds. The bonds were issued for the purpose of refunding the callable maturities of the general obligation Series 2011A bonds dated August 1, 2011 and maturing April 1, 2022 to April 1, 2031. The interest rates on the bonds vary from 1.95% to 2.85%, and the maturity date is April 1, 2031.

By refunding \$5,275,000 of the 2011A bonds, the School Board will save approximately \$227,352. The present value of net savings is approximately \$195,338.

A schedule of the individual issues outstanding as of June 30, 2020 is as follows:

	Original Issue	Interest Rate	Payment Due	Interest to Maturity	Principal Outstanding
<b>General Obligation Bonds:</b>					
2011	\$ 20,000,000	2.0-4.75%	2011-2030	\$ 42,200	\$ 1,055,000
2011A	10,000,000	2.0-4.125%	2013-2031	15,750	525,000
2012A Refunding	18,900,000	3.0-4.50%	2014-2024	852,100	8,555,000
2013A	20,000,000	3.0-5.0%	2014-2033	3,828,750	13,000,000
2013 Refunding	18,030,000	3.0-5.0%	2013-2025	1,219,700	10,210,000
2014 Refunding	12,090,000	3.0-5.0%	2017-2026	1,077,100	7,255,000
2014	30,000,000	2.0-5.0%	2015-2034	5,615,625	21,000,000
2015 Refunding	34,765,000	1.5-5.0%	2019-2028	6,828,250	29,120,000
2015	30,000,000	2.0-5.0%	2016-2035	7,335,000	22,500,000
2016 Refunding	9,890,000	2.0-4.0%	2018-2029	1,538,850	8,820,000
2016	30,000,000	2.25-5.0%	2017-2036	6,288,750	24,000,000
2017 Refunding	12,175,000	2.625-5.0%	2021-2030	2,539,750	12,175,000
2017A Refunding	9,155,000	3.0-5.0%	2022-2030	2,375,800	9,155,000
2017	25,000,000	2.0-5.0%	2018-2037	8,853,125	21,250,000
2017A	25,000,000	2.0-5.0%	2018-2037	7,851,563	21,250,000
2019	35,000,000	2.625-5.0%	2020-2039	12,917,900	33,935,000
2020 Refunding	5,620,000	1.95-2.85%	2022-2031	893,195	5,525,000
<b>Qualified School Construction Bonds:</b>					
2010	5,000,000	1.12%	2011-2024	280,000	1,666,667
<b>Total</b>	<b>\$ 350,625,000</b>			<b>\$ 70,353,408</b>	<b>\$ 250,996,667</b>

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

**Notes to Basic Financial Statements**

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

All principal and interest requirements on the general obligation bonds are funded in accordance with Louisiana law by the annual ad valorem tax levy on taxable property within the Parish. The Qualified School Construction Bonds are to be repaid from constitutional ad valorem tax revenues in the General Fund. At June 30, 2020, the School Board has accumulated \$29,610,145 in the General Obligation Bonds Debt Service Fund for future debt service requirements.

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

<b>Year Ending June 30,</b>	<b>Principal Payments</b>	<b>Interest Payments</b>	<b>Total</b>
2021	\$ 21,493,333	\$ 10,239,885	\$ 31,733,218
2022	21,813,334	9,339,165	31,152,499
2023	22,208,333	8,414,065	30,622,398
2024	22,593,333	7,505,895	30,099,228
2025	20,673,334	6,468,745	27,142,079
2026-2030	79,175,000	19,875,201	99,050,201
2031-2035	46,980,000	7,452,465	54,432,465
2035-2039	16,060,000	1,057,987	17,117,987
<b>Total</b>	<b>\$ 250,996,667</b>	<b>\$ 70,353,408</b>	<b>\$ 321,350,075</b>

In accordance with R.S. 39:562, the School Board is legally restricted from incurring long-term bonded debt funded solely by ad valorem taxes in excess of 35% of the assessed value of taxable property. At June 30, 2020, the statutory limit is \$931,714,217 and the legal debt margin is \$708,601,747. Outstanding bonded debt payable from ad valorem taxes at June 30, 2020 totaled \$249,330,000.

**Capital Lease**

In October 2015, the School Board leased 20 school buses for \$1,567,575 used in its operation under an agreement that is classified as a capital lease. The lease agreement expires on October 30, 2024. The interest rate on the lease is 2.3%. The following is an analysis of the leased buses under capital lease as of June 30, 2020:

Equipment Under Capital Lease	
Furniture and Equipment	\$ 1,567,575
Less: Accumulated Depreciation	<u>(1,489,225)</u>
<b>Net Equipment Under Capital Lease</b>	<b><u>\$ 78,350</u></b>

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

**Notes to Basic Financial Statements**

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

**Capital Lease (Continued)**

Future minimum lease payments for all capital lease obligations are as follows as of June 30, 2020:

<b>Year Ending June 30,</b>	<b>Total</b>
2021	\$ 173,278
2022	173,278
2023	173,278
2024	173,278
2025	<u>173,278</u>
Total Future Minimum Lease Payments	866,390
Less Amount Representing Interest	<u>(56,716)</u>
Present Value of Future Minimum Lease Payments	809,674
Less Current Principal Obligation	<u>(154,655)</u>
<b>Total</b>	<u><u>\$ 655,019</u></u>

**Note 8. Defeased Debt**

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

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

**Notes to Basic Financial Statements**

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**Note 8. Defeased Debt (Continued)**

As of June 30, 2020, the following outstanding bonds are considered defeased:

		<b>Outstanding</b>	<b>Defeasance</b>	<b>Maturity Date</b>
<b>General Obligation Bonds:</b>				
\$ 30,000,000	2004 Series	\$ 8,745,000	May 1, 2012	March 1, 2024
\$ 18,850,000	2005 Series	10,655,000	March 14, 2013	March 1, 2025
\$ 12,500,000	2006 Series	7,500,000	March 13, 2014	March 1, 2026
\$ 67,000,000	2008 Series	31,020,000	March 24, 2015	March 1, 2028
\$ 20,000,000	2009 Series	9,000,000	July 12, 2016	March 1, 2029
\$ 20,000,000	2010 Series	12,500,000	July 27, 2017	March 1, 2030
\$ 20,000,000	2011 Series	9,495,000	September 6, 2017	March 1, 2030
\$ 10,000,000	2011A Series	5,275,000	December 11, 2019	April 1, 2031
		<u>\$ 94,190,000</u>		

**Note 9. Tax Arbitrage Rebate**

Under the Tax Reform Act of 1986, interest earned on debt proceeds in excess of interest expense prior to the disbursement of the proceeds must be rebated to the Internal Revenue Service (IRS). For fiscal year 2020, no arbitrage was due to the IRS.

**Note 10. Retirement Plans**

**Plan Descriptions**

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

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

**Notes to Basic Financial Statements**

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

**Benefits Provided**

*Teachers' Retirement System of Louisiana (TRSL)*

TRSL provides retirement, deferred retirement option (DROP), disability, and survivor benefits through three membership plans.

Regular Plan

Eligibility for retirement is determined by the date the member joined TRSL.

Members hired prior to July 1, 1999:

Benefit factor	2.0%
Eligibility	At least age 60 with at least 5 years of service credit, or Any age with at least 20 years of service credit

Benefit factor	2.5%
Eligibility	At least age 65 with at least 20 years of service credit, or At least age 55 with at least 25 years of service credit, or Any age with at least 30 years of service credit

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

Benefit factor	2.5%
Eligibility	At least age 60 with at least 5 years of service credit, or At least age 55 with at least 25 years of service credit, or Any age with at least 20 years of service credit (actuarially reduced), or Any age with at least 30 years of service credit

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

Benefit factor	2.5%
Eligibility	At least age 60 with at least 5 years of service credit, or Any age with at least 20 years of service credit (actuarially reduced)

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

Benefit factor	2.5%
Eligibility	At least age 62 with at least 5 years of service credit, or Any age with at least 20 years of service credit (actuarially reduced)

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

**Notes to Basic Financial Statements**

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

**Benefits Provided (Continued)**

Plan A

Plan A is closed to new entrants.

Plan A members of TRSL:

Benefit factor	3.0%
Eligibility	At least age 60 with at least 5 years of service credit, or At least age 55 with at least 25 years of service credit, or Any age with at least 30 years of service credit

Plan B

Members of TRSL hired before July 1, 2015:

Benefit factor	2.0%
Eligibility	At least age 60 with at least 5 years of service credit, or At least age 55 with at least 30 years of service credit

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

Benefit factor	2.0%
Eligibility	At least age 62 with at least 5 years of service credit, or Any age with at least 20 years of service credit (actuarially reduced)

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

A retiring member is entitled to receive the maximum monthly benefit payable until the member's death. In lieu of the maximum monthly benefit, the member can elect to receive a reduced monthly benefit payable in the form of a Joint and Survivor Option, or a monthly benefit (maximum or reduced Joint and Survivor Option) with a lump sum that can't exceed 36 months of the members' maximum monthly benefit amount.

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



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

**Notes to Basic Financial Statements**

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

**Benefits Provided (Continued)**

In lieu of terminating employment and accepting a service retirement, an eligible member can begin participation in the Deferred Retirement Option Program (DROP) on the first retirement eligibility date for a period not to exceed three years. A member has a 60 day window from his first eligible date to participate in the program in order to participate for the maximum number of years. Delayed participation reduces the three year maximum participation period. During participation, benefits otherwise payable are fixed, and deposited in an individual DROP account.

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

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

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

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

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

**Notes to Basic Financial Statements**

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

**Benefits Provided (Continued)**

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

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.

As fully described in Title 11 of the Louisiana Revised Statutes, TRSL allows for the payment of ad hoc permanent benefit increases, also known as cost-of-living adjustments that are funded through investment earnings when recommended by the Board of Trustees and approved by the State Legislature.

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

LSERS provides retirement, deferred retirement option (DROP), disability benefits, and survivor's benefits. Membership is mandatory for all persons employed by a Louisiana parish or city school board who work more than 20 hours per week (or for part-time employees who have 10 years of creditable service in LSERS) as a school bus operator, school janitor, school custodian, school maintenance employee, school bus aide, monitor or attendant, or any other regular school employee who actually works on a school bus helping with the transportation of schoolchildren.

Members hired prior to July 1, 2010:

Benefit factor	3.33% if hired prior to July 1, 2006 2.50% if hired between to July 1, 2006 and June 30, 2010
Average compensation	Based on highest successive 36 months of earnings if hired prior to July 1, 2006 (10% salary limit) Based on highest successive 60 months of earnings if hired between to July 1, 2006 and June 30, 2010 (10% salary limit)
Eligibility	At least age 60 with at least 10 years of service credit, or At least age 55 with at least 25 years of service credit, or Any age with at least 20 years of service credit (actuarially reduced) Any age with at least 30 years of service credit

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

**Notes to Basic Financial Statements**

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

**Benefits Provided (Continued)**

Members first eligible to join LSERS and hired between to July 1, 2010 and June 30, 2015:

Benefit factor	2.50%
Average compensation	Based on highest successive 60 months of earnings (15% salary limit)
Eligibility	At least age 60 with at least 5 years of service credit, or Any age with at least 20 years of service credit (actuarially reduced)

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

Benefit factor	2.50%
Average compensation	Based on highest successive 60 months of earnings (15% salary limit)
Eligibility	At least age 62 with at least 5 years of service credit, or Any age with at least 20 years of service credit (actuarially reduced)

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.

A member of LSERS is eligible to retire and receive disability benefits if he has at least five years of creditable service, is not eligible for normal retirement and has become totally and permanently disabled and is certified as disabled by the Medical Board. A vested person with twenty or more years of creditable service, who has withdrawn from active service prior to the age at which he is eligible for retirement benefits, is eligible for a disability benefit until normal retirement age. A member who joins 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.

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 LSERS terminates. Average compensation and creditable service remain as they existed on the effective date of commencement of participation in LSERS. 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.

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

**Notes to Basic Financial Statements**

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

**Benefits Provided (Continued)**

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

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

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

**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.

Members hired prior to July 1, 2006:

Benefit factor	2.5%
Average compensation	Based on highest successive 36 months of earnings
Eligibility	At least age 60 with at least 10 years of service credit, or At least age 55 with at least 25 years of service credit, or Any age with at least 20 years of service credit (actuarially reduced) Any age with at least 30 years of service credit

Members first eligible to join LASERS and hired between to July 1, 2006 and June 30, 2015:

Benefit factor	2.5%
Average compensation	Based on highest successive 60 months of earnings
Eligibility	At least age 60 with at least 5 years of service credit, or Any age with at least 20 years of service credit (actuarially reduced)

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

**Notes to Basic Financial Statements**

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

**Benefits Provided (Continued)**

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

Benefit factor	2.5%
Average compensation	Based on highest successive 60 months of earnings
Eligibility	At least age 62 with at least 5 years of service credit, or Any age with at least 20 years of service credit (actuarially reduced)

The maximum annual retirement benefit cannot exceed the lesser of 100% of average compensation or a certain specified dollar amount of actuarially determined monetary limits, which vary depending upon the member's age at retirement. Judges, court officers, and certain elected officials receive an additional annual retirement benefit equal to 1.0% of average compensation multiplied by the number of years of creditable service in their respective capacity. As an alternative to the basic retirement benefits, a member may elect to receive their retirement throughout their life, with certain benefits being paid to their designated beneficiary after their death.

Act 992 of the 2010 Louisiana Regular Legislative Session, changed the benefit structure for LASERS members hired on or after January 1, 2011. This resulted in three new plans: regular, hazardous duty, and judges. The new regular plan includes regular members and those members who were formerly eligible to participate in specialty plans, excluding hazardous duty and judges.

Regular members and judges:

Benefit factor	Regular Plan - 2.5%, Judges - 3.5% with 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.
Average compensation	Based on highest successive 60 months of earnings
Eligibility	At least age 60 with at least 5 years of service credit, or Any age with at least 20 years of service credit (actuarially reduced)

Hazardous duty members:

Benefit factor	3.33%
Average compensation	Based on highest successive 60 months of earnings
Eligibility	At least age 55 with at least 12 years of service credit, or Any age with at least 25 years of service credit, or Any age with at least 20 years of service credit (actuarially reduced)

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

**Notes to Basic Financial Statements**

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

**Benefits Provided (Continued)**

Specialty plan and regular members, hired prior to January 1, 2011, who are hazardous duty employees have the option to transition to the hazardous duty plan.

Act 226 of the 2014 Louisiana Regular Legislative Session established new retirement eligibility for members of LASERS hired on or after July 1, 2015, excluding hazardous duty plan members.

Regular members and judges under the new plan:

Benefit factor	Regular Plan - 2.5%, Judges - 3.5% with the extra 1.0% accrual rate based on all years of service as a judge.
Average compensation	Based on highest successive 60 months of earnings
Eligibility	At least age 62 with at least 5 years of service credit, or Any age with at least 20 years of service credit (actuarially reduced)

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

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 LASERS' realized return on its portfolio (not to be less than zero) will be credited to the retiree after participation ends.

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



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

**Notes to Basic Financial Statements**

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

**Benefits Provided (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 LASERS' 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.

Active 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 Regular member hired before January 1, 2011 who was in state service at the time of death must have a minimum of five years of service credit, at least two of which were earned immediately prior to death, or who had a minimum of twenty years of service credit regardless of when earned in order for a benefit to be paid to a minor or handicapped child. Benefits are payable to an unmarried child until age 18, or age 23 if the child remains a full-time student. The aforementioned minimum service credit requirement is ten years for a surviving spouse with no minor children, and benefits are to be paid for life to the spouse or qualified handicapped child. The deceased regular member hired on or after January 1, 2011, must have a minimum of five years of service credit regardless of when earned in order for a benefit to be paid to a minor child. The aforementioned minimum service credit requirements for a surviving spouse are 10 years, 2 years being earned immediately prior to death, and active state service at the time of death, or a minimum of 20 years of service credit regardless of when earned. A deceased member's spouse must have been married for at least one year before death.

As fully described in Title 11 of the Louisiana Revised Statutes, LASERS allows for the payment of permanent benefit increases, also known as cost-of-living adjustments, that are funded through investment earnings when recommended by the Board of Trustees and approved by the State Legislature.



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

**Notes to Basic Financial Statements**

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

**Contributions**

*Teachers' Retirement System of Louisiana (TRSL)*

Contribution requirements of active employees are governed by Section 101-104 of Title 11 of the Louisiana Revised Statutes (R.S. 11:101-11:104) and may be amended by the Louisiana Legislature. Substantially all of the School Board employees participating in TRSL are included in the Regular Plan. Members are required by state statute to contribute 8.0% of their annual covered salaries and the School Board is required to make employer contributions based on an actuarially determined rate. The employer contribution rate for the fiscal year ended June 30, 2020 was 26.0% of annual covered payroll. The School Board's contributions paid to TRSL for the year ended June 30, 2020 was \$55,415,162.

*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, 2020 was 29.4% of annual covered payroll. The School Board's contributions paid to LSERS for the year ended June 30, 2020 was \$7,556,167.

*Louisiana State Employees' Retirement System (LASERS)*

Contribution requirements of active employees are governed by Section 401 of Title 11 of the Louisiana Revised Statutes (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, 2020 was 40.70% of annual covered payroll. The School Board's contributions paid to LASERS for the year ended June 30, 2020 was \$227,511.

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

**Notes to Basic Financial Statements**

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

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

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, 2020.

	<b>TRSL</b>	<b>LSERS</b>	<b>LASERS</b>	<b>Total</b>
Net Pension Liability	\$ 455,860,011	\$ 59,743,180	\$ 2,160,288	\$ 517,763,479
Pension Expense	\$ 46,003,831	\$ 10,144,541	\$ 511,032	\$ 56,659,404
Proportion of Net Pension Liability	4.59%	8.53%	0.03%	
Change in Proportion Increase (Decrease)	(0.06%)	0.05%	0.01%	

The net pension liabilities were measured as of June 30, 2019 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The School Board's proportion of the net pension liability for TRSL and LASERS was based on a projection of the School Board's projected contribution effort to the pension plan relative to the projected contribution effort 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, 2020, the School Board reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources for its participation in TRSL:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between Expected and Actual Experience	\$ -	\$ 14,245,782
Changes of Assumptions	32,407,987	-
Net Difference between Projected and Actual Earnings on Pension Plan Investments	-	16,871,857
Changes in Proportion and Differences between Employer and Non-Employer Contributions and Proportionate Share of Contributions	3,920,464	6,973,543
Employer Contributions Subsequent to the Measurement Date	55,415,162	-
<b>Total</b>	<b>\$ 91,743,613</b>	<b>\$ 38,091,182</b>

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

**Notes to Basic Financial Statements**

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

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

At June 30, 2020, the School Board reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources for its participation in LSERS:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between Expected and Actual Experience	\$ -	\$ 1,489,080
Changes of Assumptions	1,731,998	-
Net Difference between Projected and Actual Earnings on Pension Plan Investments	2,298,349	-
Changes in Proportion and Differences between Employer Contributions and Proportionate Share of Contributions	480,866	52,743
Employer Contributions Subsequent to the Measurement Date	7,556,167	-
<b>Total</b>	<b>\$ 12,067,380</b>	<b>\$ 1,541,823</b>

At June 30, 2020, the School Board reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources for its participation in LASERS:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between Expected and Actual Experience	\$ 13,265	\$ 4,489
Changes of Assumptions	18,512	-
Net Difference between Projected and Actual Earnings on Pension Plan Investments	74,635	-
Changes in Proportion and Differences between Employer Contributions and Proportionate Share of Contributions	205,103	-
Employer Contributions Subsequent to the Measurement Date	227,511	-
<b>Total</b>	<b>\$ 539,026</b>	<b>\$ 4,489</b>

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

**Notes to Basic Financial Statements**

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

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

Deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date for TRSL, LSERS, and LASERS of \$55,415,162, \$7,556,167, and \$227,511, respectively, will be recognized as a reduction of the net pension liability during the year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense (benefit) as follows:

<b>Year Ending June 30,</b>	<b>TRSL</b>	<b>LSERS</b>	<b>LASERS</b>
2020	\$ 1,456,589	\$ 2,090,508	\$ 280,237
2021	(9,030,187)	(951,223)	(21,721)
2022	2,176,265	1,047,631	20,534
2023	3,634,602	782,474	27,976
<b>Total</b>	<b>\$ (1,762,731)</b>	<b>\$ 2,969,390</b>	<b>\$ 307,026</b>

**Actuarial Assumptions**

The total pension liability in the June 30, 2019 actuarial valuations for TRSL, LSERS, and LASERS were determined using the following actuarial assumptions, applied to all periods included in the measurement:

<b>Actuarial Assumptions</b>	<b>TRSL</b>	<b>LSERS</b>	<b>LASERS</b>
Inflation	2.50%	2.50%	2.50%
Salary Increases	3.30% - 4.80%	3.25%	2.80% - 14.00%
Investment Rate of Return (Net of Investment Expense)	7.55%*	7.00%*	7.60%*
Dates of Experience Study	2013 - 2017	2013 - 2017	2014 - 2018
Mortality Rates	RP-2014 Sex Distinct Mortality Table RP-2014 Disabled Lives Mortality Table	RP-2014 Sex Distinct Mortality Table RP-2014 Disabled Lives Mortality Table	RP-2014 Combined Healthy Mortality Table RP-2000 Disabled Retiree Table

\*Net of Investment Expense

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

**Notes to Basic Financial Statements**

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

**Actuarial Assumptions**

The long-term expected rate of return on pension plan investments of TRSL and LASERS were determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation and an adjustment for the effect of rebalancing/diversification.

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

The target allocation and expected real rates of return of TRSL, LSERS, and LASERS for each major asset class of as of June 30, 2019 are summarized in the following tables:

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

<b>Asset Class</b>	<b>Target Allocation</b>	<b>Long-Term Expected Real Rate of Return (Arithmetic)</b>
Domestic Equity	27.0%	4.60%
International Equity	19.0%	5.70%
Domestic Fixed Income	13.0%	1.69%
International Fixed Income	5.5%	2.10%
Private Equity	25.5%	8.67%
Other Private Assets	10.0%	3.65%
<b>Total</b>	<b>100.0%</b>	

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

**Notes to Basic Financial Statements**

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

**Actuarial Assumptions (Continued)**

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

<b>Asset Class</b>	<b>Target Allocation</b>	<b>Long-Term Expected Real Rate of Return (Arithmetic)</b>
Fixed Income	26.0%	1.07%
Equity	39.0%	2.93%
Alternative	17.0%	1.43%
Real Estate	12.0%	0.73%
Real Assets	6.0%	0.60%
<b>Total</b>	<b>100%</b>	

*Louisiana State Employees' Retirement System (LASERS):*

<b>Asset Class</b>	<b>Target Allocation</b>	<b>Long-Term Expected Real Rate of Return (Geometric)</b>
Cash	0.0%	0.24%
Domestic Equity	23.0%	4.83%
International Equity	32.0%	5.83%
Domestic Fixed Income	6.0%	2.79%
International Fixed Income	10.0%	4.49%
Alternative Investments	22.0%	8.32%
Risk Parity	7.0%	5.06%
<b>Total</b>	<b>100%</b>	

**Discount Rate**

The discount rate used to measure the total pension liability of TRSL, LSERS, and LASERS was 7.55%, 7.00%, and 7.60%, 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, approved by PRSAC, taking into consideration the recommendation of the actuary. 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.

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

**Notes to Basic Financial Statements**

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**Note 10. Retirement 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, LSERS, and LASERS as of June 30, 2020 using the current discount rate of 7.55%, 7.00%, and 7.60%, 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:

	1.0% Decrease	Current Discount Rate	1.0% Increase
Teachers' Retirement System of Louisiana	\$ 606,814,906	\$ 455,860,011	\$ 328,628,083
Louisiana School Employees' Retirement System	80,963,980	59,743,180	41,602,370
Louisiana State Employees' Retirement System	2,726,559	2,160,288	1,681,979

**Support of Non-Employer Contributing Entities**

Contributions received by a pension plan from non-employer contributing entities that are not in a special funding situation are recorded as revenue by the respective pension plan. The School Board recognizes revenue in an amount equal to their proportionate share of the total contributions to the pension plan from these non-employer contributing entities. During the year ended June 30, 2020, the School Board recognized revenue as a result of support received from non-employer contributing entities of \$1,876,330 for its participation in TRSL. LSERS and LASERS do not receive support from non-employer contributing entities and as a result no revenue was recorded for the participation in LSERS or LASERS for the year ended June 30, 2020.

**Pension Plan Fiduciary Net Position**

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

**Payables to the Pension Plans**

At June 30, 2020, the School Board reported a payable of \$12,001,652, \$1,164,997, and \$39,877 for the outstanding amount of contributions due to TRSL, LSERS, and LASERS, respectively.



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

**Notes to Basic Financial Statements**

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

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

Balance, Beginning of Year	\$ 7,606,758
Additions	10,938,885
Deductions	<u>(10,269,812)</u>
<b>Balance, End of Year</b>	<b><u>\$ 8,275,831</u></b>

**Note 12. Litigation and Claims**

At June 30, 2020, the School Board was a defendant in lawsuits principally arising from the normal course of operations. The School Board's legal counsel has reviewed the School Board's claims and lawsuits, which are primarily personal injury claims, in order to evaluate the likelihood of an unfavorable outcome to the School Board and to arrive at an estimate, if any, of the amount or range of potential loss to the School Board.

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

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

The School Board participates in a number of federal financial assistance programs. Although the grant programs have been audited in accordance with the Single Audit Act through June 30, 2020, these programs are still subject to financial and compliance audits and resolution of previously identified questioned costs. The amount, if any, of expenditures that may be disallowed by the granting agencies cannot be determined at this time, although the School Board expects such amounts, if any, to be immaterial.

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

**Notes to Basic Financial Statements**

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**Note 13. Hurricane Katrina**

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

The School Board continues to work with FEMA and the Department of Housing and Urban Development to recover funds needed to repair and rebuild its damaged facilities. As of June 30, 2020, the School Board spent in excess of \$139 million on repair costs. Most of the repairs have been substantially completed including the rebuilding of Salmen High School and the Brooks Curriculum Center. There are sufficient funds available to cover all losses.

**Note 14. Concentration of Revenue**

For the year ended June 30, 2020, the School Board received 48.7% of its revenue from local sources, 44.8% of its revenue from the State of Louisiana, and 6.5% of its revenue from the federal government. Ad valorem tax revenue accounts for 54.8% of the total local source revenue. Ad valorem millages will expire on December 31, 2022, as discussed in Note 2.

**Note 15. Operating Leases**

The School Board leases buildings and other equipment under non-cancelable operating leases. Total costs for such leases were \$1,011,496 for the year ended June 30, 2020.

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

<b>Year Ending June 30,</b>	<b>Amount</b>
2021	\$ 961,622
2022	253,173
2023	243,087
2024	242,881
2025	242,881
Thereafter	<u>485,761</u>
<b>Total</b>	<u><u>\$ 2,429,405</u></u>

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

**Notes to Basic Financial Statements**

**Note 16. Fund Equity**

At June 30, 2020, the governmental fund equities are classified as follows:

	<b>General Fund</b>	<b>2019 Construction</b>	<b>Other Governmental Funds</b>	<b>Total</b>
<b>Nonspendable for:</b>				
Inventory	\$ -	\$ -	\$ 985,977	\$ 985,977
Prepaid Items	175,401	-	632	176,033
<b>Total Nonspendable</b>	<b>175,401</b>	<b>-</b>	<b>986,609</b>	<b>1,162,010</b>
<b>Restricted for:</b>				
Debt Service	-	-	29,610,145	29,610,145
Construction	-	35,592,288	23,870,755	59,463,043
Operational Purposes	-	-	22,167,222	22,167,222
<b>Total Restricted</b>	<b>-</b>	<b>35,592,288</b>	<b>75,648,122</b>	<b>111,240,410</b>
<b>Committed for:</b>				
Bond Rating	20,854,282	-	-	20,854,282
Special Programs	-	-	12,696,867	12,696,867
<b>Total Committed</b>	<b>20,854,282</b>	<b>-</b>	<b>12,696,867</b>	<b>33,551,149</b>
<b>Assigned for:</b>				
Construction	-	-	17,448,214	17,448,214
Local Priorities	101,455,839	-	-	101,455,839
<b>Total Assigned</b>	<b>101,455,839</b>	<b>-</b>	<b>17,448,214</b>	<b>118,904,053</b>
<b>Total Unassigned</b>	<b>-</b>	<b>-</b>	<b>(540,680)</b>	<b>(540,680)</b>
<b>Total Fund Balance</b>	<b>\$ 122,485,522</b>	<b>\$ 35,592,288</b>	<b>\$ 106,239,132</b>	<b>\$ 264,316,942</b>

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

- Nonspendable Fund Balance - Amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.
- Restricted Fund Balance - Amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

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

**Notes to Basic Financial Statements**

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**Note 16. Fund Equity (Continued)**

- **Committed Fund Balance** - Amounts that can be used only for specific purposes determined by a formal action of the School Board members. The Board is the highest level of decision-making authority for the School Board. Commitments may be established, modified, or rescinded only through resolutions approved by board members. In the General Fund, the School Board maintains a committed fund balance in the amount of \$20,854,282 to maintain "AA" bond rating and for financial stability.
- **Assigned Fund Balance** - Amounts that do not meet the criteria to be classified as restricted or committed, but that are intended to be used for specific purposes. Under the School Board's adopted policy, only board members may assign amounts for specific purposes. In the General Fund, the School Board has assigned fund balance in the amount of \$101,455,839 for local priorities, which is defined as salaries and benefits and other instructional purposes.
- **Unassigned Fund Balance** - All other spendable amounts. A negative unassigned fund balance may be reported in other governmental funds if expenditures incurred for specific purposes exceeded the amounts restricted, committed, or assigned to those purposes.

**Note 17. Other Postemployment Benefits (OPEB)**

**General Information about the OPEB Plan**

*Plan Description* - The St. Tammany Parish School Board (the School Board) provides certain continuing health care and life insurance benefits for its retired employees. The St. Tammany Parish School Board's OPEB Plan (the OPEB Plan) is a single-employer defined benefit OPEB plan administered by the School Board. The authority to establish and/or amend the obligation of the employer, employees and retirees rests with the School Board. No assets are accumulated in a trust that meets the criteria in Governmental Accounting Standards Board (GASB) Codification Section P52 *Postemployment Benefits Other Than Pensions-Reporting For Benefits Not Provided Through Trusts That Meet Specified Criteria-Defined Benefit*.

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

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

**Notes to Basic Financial Statements**

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**Note 17. Other Postemployment Benefits (OPEB) (Continued)**

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

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

*Employees Covered by Benefit Terms* - At June 30, 2019, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries Currently	
Receiving Benefit Payments	2,836
Inactive Employees Entitled to but Not Yet	
Receiving Benefit Payments	-
Active Employees	<u>4,486</u>
<b>Total</b>	<u><u>7,322</u></u>

**Total OPEB Liability**

The School Board's total OPEB liability of \$431,851,218 was measured as of June 30, 2019 and was determined by an actuarial valuation as of that date.

*Actuarial Assumptions and Other Inputs* - The total OPEB liability in the June 30, 2019 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.50%
Salary increases	4.0%, including inflation
Discount rate	3.50% annually (Beginning of Year to Determine ADC) 2.21% annually (As of End of Year Measurement Date)
Healthcare Cost Trend Rates	5.5% annually for 10 years, 4.5%
Mortality	SOA RP-2000 Table

The discount rate was based on the Bond Buyers' 20 Year General Obligation municipal bond index as of June 30, 2019, the end of the applicable measurement period.

The actuarial assumptions used in the June 30, 2019 valuation were based on the results of ongoing evaluations of the assumptions from July 1, 2009 to June 30, 2019.

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

**Notes to Basic Financial Statements**

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**Note 17. Other Postemployment Benefits (OPEB) (Continued)**

**Changes in the Total OPEB Liability**

Balance, Beginning of Year	\$ 396,492,383
Changes for the Year	
Service Cost	6,205,232
Interest	13,464,975
Differences between Expected and Actual Experience	(9,528,266)
Changes in Assumptions	48,774,504
Benefit Payments and Net Transfers	<u>(23,557,610)</u>
Net Changes	<u>35,358,835</u>
<b>Balance, End of Year</b>	<b><u>\$ 431,851,218</u></b>

*Sensitivity of the Total OPEB Liability to Changes in the Discount Rate* - The following presents the total OPEB liability of the School Board, as well as what the School Board's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.21%) or 1-percentage-point higher (3.21%) than the current discount rate:

	<b>1.0% Decrease (1.21%)</b>	<b>Current Discount Rate (2.21%)</b>	<b>1.0% Increase (3.21%)</b>
Total OPEB Liability	<u>\$ 803,591,768</u>	<u>\$ 431,851,218</u>	<u>\$ 575,899,352</u>

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

	<b>1.0% Decrease (4.5%)</b>	<b>Current Trend Rate (5.5%)</b>	<b>1.0% Increase (6.5%)</b>
Total OPEB Liability	<u>\$ 595,957,323</u>	<u>\$ 431,851,218</u>	<u>\$ 777,698,027</u>

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

**Notes to Basic Financial Statements**

**Note 17. Other Postemployment Benefits (OPEB) (Continued)**

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

For the year ended June 30, 2020, the School Board recognized OPEB expense of \$26,119,391. At June 30, 2020, the School Board reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected and Actual Experience	\$ -	\$ 20,223,198
Changes in Assumptions	39,019,603	-
<b>Total</b>	<b>\$ 39,019,603</b>	<b>\$ 20,223,198</b>

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

Year Ending June 30,	Amount
2021	\$ 6,449,184
2022	6,449,184
2023	6,449,184
2024	6,449,184
2025	(1,400,064)
Thereafter	(5,600,267)
<b>Total</b>	<b>\$ 18,796,405</b>

**Note 18. Tax Abatements**

The St. Tammany Parish School Board is affected by the Louisiana Industrial Ad Valorem Tax Exemption Program (ITEP), which is an original state incentive program which offers an attractive tax incentive for manufacturers within the state. The program abates, up to ten years, local ad valorem property taxes on a manufacturer's new investment and annual capitalized additions related to the manufacturing site. This exemption is granted per contract with the Louisiana Department of Economic Development and will specify the buildings and/or personal property items covered under the exemption. For the year ended June 30, 2020, the School Board has forgone \$1,629,536 in ad valorem taxes due to this abatement program.



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

**Notes to Basic Financial Statements**

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**Note 18. Tax Abatements (Continued)**

The Restoration Tax Abatement Program (RTA) is an incentive created for municipalities and local governments to encourage the expansion, restoration, improvement, and development of existing structures in downtown development districts, economic development districts and historical districts. The RTA program provides an up to ten-year abatement of ad valorem property taxes on the renovations and improvements of existing commercial structures and owner-occupied residences. The abatement of ad valorem property taxes is on the increased value of the property from the restoration, improvement, development, or expansion of an existing structure. For the year ended June 30, 2020, the School Board has forgone \$1,630,006 in ad valorem taxes due to this abatement program.

**Note 19. Impact of Recently Issued Accounting Pronouncements**

**GASB Statement No. 84, *Fiduciary Activities***

The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019.

**GASB Statement No. 87, *Leases***

The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. The requirements of this Statement are effective for financial statements for reporting periods beginning after June 15, 2021.

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

The objectives of this Statement are to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and to simplify accounting for interest cost incurred before the end of a construction period. This Statement establishes accounting requirements for interest cost incurred before the end of a construction period. The requirements of this Statement are effective for reporting periods beginning after December 15, 2020.

Management is currently evaluating the effects of the new GASB pronouncements scheduled for implementation for fiscal year ending June 30, 2021.

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

**Notes to Basic Financial Statements**

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**Note 20. Prior Period Adjustment**

The governmental-wide financial statement include a prior period adjustment increasing net position by \$17,349,798, which relates to the correction of certain OPEB-related calculations. Accordingly, the balance of deferred inflows of resources related to net OPEB liability was decreased by the same amount. See Note 17 for further details regarding the School Board's net OPEB liability and related balances as of and for the year ended June 30, 2020.

**Note 21. Risks and Uncertainties**

On January 30, 2020, the World Health Organization declared the coronavirus outbreak a "Public Health Emergency of International Concern", and on March 11, 2020, declared it to be a pandemic. Actions taken around the world to help mitigate the spread of the coronavirus include restrictions on travel, quarantines in certain areas, and forced closures for certain types of public places and businesses. The coronavirus and actions taken to mitigate the spread of it have had, and are expected to continue to have, an adverse impact on the economies and financial markets of many countries and localities. Travel restrictions have significantly impacted the State of Louisiana, which relies heavily on tourism as a contributor to its economy.

As of June 30, 2020, the School Board has not experienced any decreases in revenues as a result of the coronavirus pandemic. However, a decrease in State revenues and a result of reduced tourism revenues may affect funding for public schools in future periods. On March 27, 2020, The Coronavirus Aid, Relief, and Economic Security Act (CARES Act) was enacted to – amongst other provisions – provide emergency assistance for individuals, families, and businesses affected by the coronavirus pandemic. Funds from the CARES Act are passed through to Louisiana school districts through the Elementary and Secondary School Emergency Relief Fund grant. These funds are expected to assist the School Board in funding distance learning measures and with potential reduced state funding in the coming school year.

**Note 22. Subsequent Event**

In July 2020, the School Board issued \$11,800,000 in general obligation refunding bonds. The bonds were issued for the purpose of refunding the callable maturities of the general obligation Series 2013 bonds dated October 1, 2013 and maturing April 1, 2024 to April 1, 2033. The bonds are secured by and payable from ad valorem taxes. The interest rate on the bonds varies from 0.50% to 2.06%, and the maturity date is April 1, 2033.



**ST. TAMMANY PARISH SCHOOL BOARD  
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**REQUIRED SUPPLEMENTARY  
INFORMATION OTHER THAN MD&A**

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

**Statement 1-1**

**General Fund  
Budgetary Comparison Schedule  
For the Year Ended June 30, 2020**

	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>	<b>Variance with Final Budget</b>
	<b>Original</b>	<b>Final</b>		
<b>Budgetary Fund Balance, Beginning of Year</b>	\$ 117,060,769	\$ 115,854,170	\$ 115,854,170	\$ -
<b>Resources (Inflows)</b>				
<b>Local Sources:</b>				
Ad Valorem Taxes	106,068,200	105,704,844	105,704,844	-
Sales and Use Taxes	104,014,500	105,638,733	105,638,733	-
Tuition:				
Summer School/Drivers Education/Community Ed.	1,682,000	1,175,496	1,175,496	-
Earnings on Investments	1,600,000	1,388,253	1,388,253	-
Medical Services	2,472,000	796,184	796,184	-
Other	977,864	815,181	815,181	-
<b>Total Resources from Local Sources</b>	<b>216,814,564</b>	<b>215,518,691</b>	<b>215,518,691</b>	<b>-</b>
<b>State Sources:</b>				
Minimum Foundation Program	218,292,562	220,355,079	220,355,079	-
Restricted Appropriation	-	104,683	104,683	-
Contributions to Teachers' Retirement	10,136	6,887	6,887	-
Revenue Sharing	2,013,937	2,092,862	2,092,862	-
Professional Improvement Program	41,866	24,654	24,654	-
Non-Public Students	181,346	173,237	173,237	-
Unrestricted Appropriation	-	70	70	-
<b>Total Resources from State Sources</b>	<b>220,539,847</b>	<b>222,757,472</b>	<b>222,757,472</b>	<b>-</b>
<b>Federal Sources:</b>				
ROTC	579,145	582,162	582,162	-
<b>Total Resources from Federal Sources</b>	<b>579,145</b>	<b>582,162</b>	<b>582,162</b>	<b>-</b>
<b>Total Resources</b>	<b>437,933,556</b>	<b>438,858,325</b>	<b>438,858,325</b>	<b>-</b>
<b>Other Financing Sources</b>				
Transfers In:				
Indirect Costs	1,269,000	1,334,954	1,334,954	-
<b>Total Other Financing Sources</b>	<b>1,269,000</b>	<b>1,334,954</b>	<b>1,334,954</b>	<b>-</b>
<b>Amounts Available for Appropriations</b>	<b>556,263,325</b>	<b>556,047,449</b>	<b>556,047,449</b>	<b>-</b>

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

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

**Statement 1-1**

**General Fund  
Budgetary Comparison Schedule (Continued)  
For the Year Ended June 30, 2020**

	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>	<b>Variance with Final Budget</b>
	<b>Original</b>	<b>Final</b>		
<b>Charges to Appropriations (Outflows)</b>				
Current:				
Instruction:				
Regular Education Programs	171,831,380	166,447,230	166,447,230	-
Special Education Programs	73,219,505	70,638,112	70,638,112	-
Vocational Education Programs	6,319,368	5,884,876	5,884,876	-
Other Instructional Programs	9,401,801	9,215,266	9,215,265	1
Special Programs	3,021,993	3,077,584	3,077,584	-
Support Services:				
Pupil Support	27,316,653	26,550,858	26,550,858	-
Instructional Staff Support	11,007,692	10,383,372	10,383,372	-
General Administration	8,094,722	8,085,075	8,085,075	-
School Administration	27,293,900	25,412,898	25,412,898	-
Business Administration	2,966,762	2,814,857	2,814,857	-
Operation and Maintenance of Plant	40,751,575	36,766,886	36,766,886	-
Pupil Transportation	35,555,949	32,627,410	32,627,410	-
Central Services	8,317,314	6,551,548	6,551,548	-
Community Service Programs	1,358,940	1,075,890	1,075,890	-
Facilities Acquisition and Construction	909,284	1,076,054	1,076,054	-
Debt Service	564,761	563,861	563,861	-
Transfers Out	11,088,000	26,390,150	26,390,151	(1)
<b>Total Charges to Appropriations</b>	<b>439,019,599</b>	<b>433,561,927</b>	<b>433,561,927</b>	<b>-</b>
<b>Budgetary Fund Balance, End of Year</b>	<b>\$ 117,243,726</b>	<b>\$ 122,485,522</b>	<b>\$ 122,485,522</b>	<b>\$ -</b>

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

**Schedule of Changes in the School Board's  
Net OPEB Liability and Related Ratios  
For the Years Ended June 30, 2018 through June 30, 2020**

	2020	2019	2018
<b>Total OPEB Liability</b>			
Service Cost	\$ 6,205,232	\$ 8,459,609	\$ 8,507,645
Interest Cost	13,464,975	13,717,586	13,953,654
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual Experience	(9,528,266)	(7,385,009)	(8,744,404)
Changes of Assumptions	48,774,504	-	-
Benefit Payments	(23,557,610)	(20,461,679)	(20,461,679)
<b>Net Change in Total OPEB Liability</b>	35,358,835	(5,669,493)	(6,744,784)
<b>Total OPEB Liability, Beginning</b>	396,492,383	402,161,876	408,906,660
<b>Total OPEB Liability, Ending</b>	<u>\$ 431,851,218</u>	<u>\$ 396,492,383</u>	<u>\$ 402,161,876</u>
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	0.00%	0.00%	0.00%
Covered-Employee Payroll	\$ 203,634,414	\$ 200,848,293	\$ 200,848,293
Net OPEB Liability as a Percentage of Covered-Employee Payroll	212.07%	197.41%	200.23%
<b>Notes to Schedule:</b>			
<i>Benefit Changes:</i>	None	None	None
<i>Changes of Assumptions:</i>			
Discount Rate:	2.21%	3.50%	3.50%
Mortality	RP-2000	RP-2000	RP-2000
Trend:	Variable	5.50%	5.50%

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



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

**Statement 1-3**

**Schedule of the School Board's Proportionate  
Share of the Net Pension Liability  
For the Years Ended June 30, 2015 through 2020**

	2020	2019	2018	2017	2016	2015
<b>Teachers' Retirement System of Louisiana:</b>						
School Board's Proportion of the Net Pension Liability	4.59%	4.65%	4.66%	4.60%	4.54%	4.56%
School Board's Proportionate Share of the Net Pension Liability	\$ 455,860,011	\$ 457,341,207	\$ 478,238,381	\$ 539,839,892	\$ 487,696,956	\$ 466,169,452
School Board's Covered Payroll	\$ 217,837,591	\$ 215,771,660	\$ 214,152,937	\$ 209,373,567	\$ 204,793,163	\$ 203,227,714
School Board's Proportionate Share of the Net Pension Liability as a Percentage of Its Covered Payroll	209.27%	211.96%	223.32%	257.84%	238.14%	229.38%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	68.60%	68.20%	65.60%	59.90%	62.50%	63.65%
<b>Louisiana School Employees' Retirement System:</b>						
School Board's Proportion of the Net Pension Liability	8.53%	8.48%	8.36%	8.07%	8.04%	8.05%
School Board's Proportionate Share of the Net Pension Liability	\$ 59,743,180	\$ 56,690,024	\$ 53,514,939	\$ 60,843,824	\$ 51,010,774	\$ 46,654,021
School Board's Covered Payroll	\$ 24,813,669	\$ 24,496,512	\$ 23,936,391	\$ 22,905,987	\$ 22,631,291	\$ 22,570,847
School Board's Proportionate Share of the Net Pension Liability as a Percentage of Its Covered Payroll	240.77%	231.42%	223.57%	265.62%	225.40%	206.70%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	73.49%	74.44%	75.03%	70.09%	74.49%	76.18%
<b>Louisiana State Employees' Retirement System:</b>						
School Board's Proportion of the Net Pension Liability	0.03%	0.02%	0.02%	0.02%	0.02%	0.02%
School Board's Proportionate Share of the Net Pension Liability	\$ 2,160,288	\$ 1,686,227	\$ 1,620,831	\$ 1,695,759	\$ 1,692,420	\$ 1,453,422
School Board's Covered Payroll	\$ 578,672	\$ 471,829	\$ 386,293	\$ 370,510	\$ 448,214	\$ 518,658
School Board's Proportionate Share of the Net Pension Liability as a Percentage of Its Covered Payroll	373.32%	357.38%	419.59%	457.68%	377.59%	280.23%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	62.90%	64.30%	62.50%	57.70%	62.70%	65.02%

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

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

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

**Statement 1-4**

**Schedule of School Board Contributions  
For the Years Ended June 30, 2015 through 2020**

	2020	2019	2018	2017	2016	2015
<b>Teachers' Retirement System of Louisiana:</b>						
Statutorily Required Contribution	\$ 58,436,210	\$ 58,175,127	\$ 57,410,852	\$ 54,577,644	\$ 55,037,976	\$ 57,305,886
Contributions in Relation to the Statutorily Required Contribution	55,415,162	55,260,899	54,549,478	51,793,504	52,357,648	54,753,168
Contribution Deficiency (Excess) *	\$ 3,021,048	\$ 2,914,228	\$ 2,861,374	\$ 2,784,140	\$ 2,680,328	\$ 2,552,718
School Board's Covered Payroll	\$ 224,666,877	\$ 217,837,591	\$ 215,771,660	\$ 214,152,937	\$ 209,373,567	\$ 204,793,163
Contributions as a Percentage of Covered Payroll	24.67%	25.37%	25.28%	24.19%	25.01%	26.74%
<b>Louisiana School Employees' Retirement System:</b>						
Statutorily Required Contribution	\$ 7,557,650	\$ 6,947,827	\$ 6,761,037	\$ 6,534,635	\$ 6,917,608	\$ 7,468,326
Contributions in Relation to the Statutorily Required Contribution	7,556,167	6,951,989	6,755,005	6,535,483	6,918,642	7,469,108
Contribution Deficiency (Excess)	\$ 1,483	\$ (4,162)	\$ 6,032	\$ (848)	\$ (1,034)	\$ (782)
School Board's Covered Payroll	\$ 25,706,291	\$ 24,813,669	\$ 24,496,512	\$ 23,936,391	\$ 22,905,987	\$ 22,631,291
Contributions as a Percentage of Covered Payroll	29.39%	28.02%	27.58%	27.30%	30.20%	33.00%
<b>Louisiana State Employees' Retirement System:</b>						
Statutorily Required Contribution	\$ 227,511	\$ 219,317	\$ 178,823	\$ 138,293	\$ 137,830	\$ 165,839
Contributions in Relation to the Statutorily Required Contribution	227,511	219,317	178,784	138,293	137,830	174,363
Contribution Deficiency (Excess)	\$ -	\$ -	\$ 39	\$ -	\$ -	\$ (8,524)
School Board's Covered Payroll	\$ 558,995	\$ 578,672	\$ 471,829	\$ 386,293	\$ 370,510	\$ 448,214
Contributions as a Percentage of Covered Payroll	40.70%	37.90%	37.89%	35.80%	37.20%	38.90%

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

\* Contribution deficiency in Teachers' Retirement System of Louisiana resulted from contributions received from non-employer contributing entities during the years ended June 30, 2020, 2019, 2018, 2017, 2016 and 2015, of \$2,965,052, \$2,889,955, \$2,843,203, \$2,800,251, \$2,691,527, and \$2,587,300 respectively.

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

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

**Notes to Required Supplementary Information  
For the Year Ended June 30, 2020**

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**Note 1. Budgets**

**General Budget Practices**

The proposed budgets for fiscal year 2019-2020 were completed and made available for public inspection at the School Board office on August 7, 2019. A public hearing was held on August 22, 2019, for suggestions and comments from taxpayers. The proposed fiscal year 2019 - 2020 budgets were formally adopted by the School Board on September 12, 2019, and final amendment was adopted on November 12, 2020. The budgets, which included proposed expenditures and the means of financing them, for the General, Special Revenue, Debt Service, and Capital Projects Funds, were published in the official journal ten days prior to the public hearings.

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

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

**Budget Basis of Accounting**

The budgets for the General and Special Revenue Funds for fiscal year 2020 were prepared on the modified accrual basis of accounting, consistent with U.S. GAAP.

**Encumbrances**

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

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

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

**Notes to Required Supplementary Information (Continued)  
For the Year Ended June 30, 2020**

**Note 2. Pension Plan**

**Changes of Benefit Terms**

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

During the reporting period 2015, a 1.5% cost-of-living adjustment was granted by TRSL and LASERS.

During the reporting period 2017, a cost-of-living adjustment was granted by TRSL of 1.5% and LSERS of 1.9%.

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

**Changes of Assumptions**

Teachers' Retirement System of Louisiana (TRSL):

Valuation Date	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
Investment Rate of Return	7.55%	7.65%	7.70%	7.75%	7.75%	7.75%
Inflation Rate	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Expected Remaining Service Lives	5 Years	5 Years	5 Years	5 Years	5 Years	5 Years
Salary Increases	3.30% - 4.80%	3.30% - 4.80%	3.50% - 10.0%	3.50% - 10.0%	3.50% - 10.0%	3.50% - 10.0%
Mortality Rate - Active & Retired Members	Mortality rates based on the RP-2014 mortality tables	Mortality rates based on the RP-2014 mortality tables	Mortality rates based on the RP-2000 Mortality Table with projection to 2025	Mortality rates based on the RP-2000 Mortality Table with projection to 2025	Mortality rates based on the RP-2000 Mortality Table with projection to 2025	Mortality rates based on the RP-2000 Mortality Table with projection to 2025
Termination, disability, and retirement assumptions	Projected on a 5 year (2013-2017) experience study	Projected on a 5 year (2013-2017) experience study	Projected on a 5 year (2008-2012) experience study	Projected on a 5 year (2008-2012) experience study	Projected on a 5 year (2008-2012) experience study	Projected on a 5 year (2008-2012) experience study

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

**Notes to Required Supplementary Information (Continued)  
For the Year Ended June 30, 2020**

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

**Changes of Assumptions (Continued)**

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

Valuation Date	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
Investment Rate of Return	7.00%	7.0625%	7.125%	7.125%	7.00%	7.25%
Inflation Rate	2.50%	2.50%	2.625%	2.625%	2.75%	2.75%
Expected Remaining Service Lives	3 Years	3 Years	3 Years	3 Years	3 Years	3 Years
Salary Increases	3.25%	3.25%	3.075% - 5.375%	3.075% - 5.375%	3.20% - 5.50%	Based on member's years of service
Mortality Rate - Active & Retired Members	Mortality rates based on the RP-2014 mortality tables	Mortality rates based on the RP-2014 mortality tables	Mortality rates based on the RP-2000 mortality tables	Mortality rates based on the RP-2000 mortality tables	Mortality rates based on the RP-2000 mortality tables	Mortality rates based on the RP-2000 mortality tables
Termination, disability, and retirement assumptions	Projected on a 5 year (2013-2017) experience study	Projected on a 5 year (2013-2017) experience study	Projected on a 5 year (2008-2012) experience study	Projected on a 5 year (2008-2012) experience study	Projected on a 5 year (2008-2012) experience study	Projected on a 5 year (2008-2012) experience study

*Louisiana State Employees' Retirement System (LASERS):*

Valuation Date	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
Investment Rate of Return	7.60%	7.65%	7.70%	7.75%	7.75%	7.75%
Inflation Rate	2.50%	2.75%	2.75%	3.00%	3.00%	3.00%
Expected Remaining Service Lives	2 Years	3 Years	3 Years	3 Years	3 Years	3 Years
Salary Increases	2.80% - 14.00%	2.80% - 14.30%	2.80% - 14.30%	3.00% - 14.50%	3.00% - 14.50%	3.00% - 14.50%
Mortality Rate - Active & Retired Members	Mortality rates based on the RP-2014 mortality tables	Mortality rates based on the RP-2000 mortality tables	Mortality rates based on the RP-2000 Mortality Table with projection to 2015	Mortality rates based on the RP-2000 Mortality Table with projection to 2015	Mortality rates based on the RP-2000 Mortality Table with projection to 2015	Mortality rates based on the RP-2000 Mortality Table with projection to 2015
Termination, disability, and retirement assumptions	Projected on a 5 year (2014-2018) experience study	Projected on a 5 year (2009-2013) experience study	Projected on a 5 year (2009-2013) experience study	Projected on a 5 year (2009-2013) experience study	Projected on a 5 year (2009-2013) experience study	Projected on a 5 year (2009-2013) experience study

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

**OTHER SUPPLEMENTARY INFORMATION**

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

**Description of Non-Major Funds**

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**Special Revenue Funds:**

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

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

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

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

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

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

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

**School Security** - This fund is used to account for all school security services including salaries and benefits of the security coordinator, security officers, and the mental health providers at each school and all related expenses for these positions. This fund also accounts for the school resource officers (SROs) and SRO details at each school in the district.

**Debt Service Fund:**

**Debt Service Fund** - Established to meet requirements of bond ordinances and is used to account for the accumulation of resources for and the payment of long-term debt principal, interest, and related costs.

**Capital Projects Funds:**

**2008 Construction Fund** - This fund accounts for the expenditures of the \$167 million in general obligation bonds approved by the voters to finance \$15 million in technology, \$2.1 million in security cameras, and \$149.9 million in capital improvements for new construction and improvements to existing facilities.

**2013 Construction Fund** - This fund accounts for the expenditures of the \$135 million in general obligation bonds approved by the voters to finance capital improvements for new construction and improvements to existing facilities.



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

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

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

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

**Internal Service Funds:**

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

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

**Fiduciary/Agency Fund:**

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

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

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

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

**Exhibit 1**

**Non-Major Governmental Funds  
Combining Balance Sheet - By Fund Type  
June 30, 2020**

	Special Revenue	Debt Service	Capital Projects	Total
<b>Assets</b>				
Cash and Cash Equivalents	\$ 16,352,326	\$ -	\$ 35,704,034	\$52,056,360
Receivables				
Taxes:				
Ad Valorem	80,266	561,001	-	641,267
Intergovernmental:				
Federal	3,161,227	-	-	3,161,227
State	492,813	-	-	492,813
Other	9,555	8	-	9,563
Prepaid Items	-	-	632	632
Due from Other Funds	5,554,866	-	10,000,000	15,554,866
Inventory	985,977	-	-	985,977
Restricted Cash and Cash Equivalents	15,178,753	29,049,136	-	44,227,889
Restricted Investments	1,998,660	-	-	1,998,660
<b>Total Assets</b>	<b>\$ 43,814,443</b>	<b>\$ 29,610,145</b>	<b>\$ 45,704,666</b>	<b>\$ 119,129,254</b>
<b>Liabilities and Fund Balances</b>				
<b>Liabilities</b>				
Salaries and Withholdings Payable	\$ 2,753,655	\$ -	\$ -	\$ 2,753,655
Accounts Payable	69,914	-	3,330,796	3,400,710
Due to Other Funds	5,289,769	-	-	5,289,769
Contracts and Retainage Payable	-	-	1,054,269	1,054,269
Other Liabilities	391,719	-	-	391,719
<b>Total Liabilities</b>	<b>8,505,057</b>	<b>-</b>	<b>4,385,065</b>	<b>12,890,122</b>
<b>Fund Balances</b>				
Non-Spendable:				
Inventory	985,977	-	-	985,977
Prepaid Items	-	-	632	632
Restricted for:				
Debt Service	-	29,610,145	-	29,610,145
Construction	-	-	23,870,755	23,870,755
Operational Purposes	22,167,222	-	-	22,167,222
Committed for:				
Special Programs	12,696,867	-	-	12,696,867
Assigned for:				
Construction	-	-	17,448,214	17,448,214
Unassigned	(540,680)	-	-	(540,680)
<b>Total Fund Balances</b>	<b>35,309,386</b>	<b>29,610,145</b>	<b>41,319,601</b>	<b>106,239,132</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 43,814,443</b>	<b>\$ 29,610,145</b>	<b>\$ 45,704,666</b>	<b>\$ 119,129,254</b>

See independent auditor's report.

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

**Exhibit 2**

**Non-Major Governmental Funds  
Combining Statement of Revenues, Expenditures, and  
Changes in Fund Balances - By Fund Type  
For the Year Ended June 30, 2020**

	Special Revenue	Debt Service	Capital Projects	Total
<b>Revenues</b>				
Local Sources:				
Ad Valorem	\$ 4,148,545	\$ 29,531,382	\$ -	\$ 33,679,927
Tuition	233,080	-	-	233,080
Earnings on Investments	387,919	415,444	622,307	1,425,670
Net Increase (Decrease) in the Fair Value of Investments	17,994	(48,853)	-	(30,859)
Food Service	2,936,978	-	-	2,936,978
Contributions and Donations	125,920	-	-	125,920
Other	116,215	-	355	116,570
State Sources:				
Minimum Foundation Program	6,000,000	-	-	6,000,000
Other	5,125,341	-	-	5,125,341
Federal Sources	33,378,693	-	-	33,378,693
<b>Total Revenues</b>	<b>52,470,685</b>	<b>29,897,973</b>	<b>622,662</b>	<b>82,991,320</b>
<b>Expenditures</b>				
Current:				
Instruction:				
Regular Education Programs	363,392	-	-	363,392
Special Education Programs	5,834,439	-	-	5,834,439
Vocational Education Programs	275,471	-	-	275,471
Other Instructional Programs	354,767	-	-	354,767
Special Programs	9,530,726	-	-	9,530,726
Support Services:				
Pupil Support	5,153,442	-	-	5,153,442
Instructional Staff Support	6,366,494	-	-	6,366,494
General Administration	140,286	954,336	-	1,094,622
School Administration	3,994	-	-	3,994
Operation and Maintenance of Plant	4,274,122	-	5,008,531	9,282,653
Pupil Transportation	233,590	-	-	233,590
Central Services	63,166	-	-	63,166
Food Service	26,054,533	-	-	26,054,533
Facilities Acquisition and Construction	-	-	22,560,275	22,560,275
Debt Service:				
Administrative	-	7,600	-	7,600
Principal Retirement	-	20,810,000	-	20,810,000
Interest and Bond Charges	-	10,509,369	-	10,509,369
<b>Total Expenditures</b>	<b>58,648,422</b>	<b>32,281,305</b>	<b>27,568,806</b>	<b>118,498,533</b>
<b>Deficiency of Revenues Over Expenditures</b>	<b>(6,177,737)</b>	<b>(2,383,332)</b>	<b>(26,946,144)</b>	<b>(35,507,213)</b>
<b>Other Financing Sources (Uses)</b>				
Transfers In	11,288,000	-	15,102,151	26,390,151
Transfers Out	(1,334,954)	-	-	(1,334,954)
Bond Issuance	-	5,620,000	-	5,620,000
Discount on Bonds Issued	-	(33,720)	-	(33,720)
Payment to Refunded Bonds Escrow Agent	-	(5,586,280)	-	(5,586,280)
<b>Total Other Financing Sources (Uses)</b>	<b>9,953,046</b>	<b>-</b>	<b>15,102,151</b>	<b>25,055,197</b>
<b>Net Change in Fund Balances</b>	<b>3,775,309</b>	<b>(2,383,332)</b>	<b>(11,843,993)</b>	<b>(10,452,016)</b>
<b>Fund Balances, Beginning of Year</b>	<b>31,534,077</b>	<b>31,993,477</b>	<b>53,163,594</b>	<b>116,691,148</b>
<b>Fund Balances, End of Year</b>	<b>\$ 35,309,386</b>	<b>\$ 29,610,145</b>	<b>\$ 41,319,601</b>	<b>\$ 106,239,132</b>

See independent auditor's report.



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

**NON-MAJOR SPECIAL REVENUE FUNDS**

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

**Non-Major Special Revenue Funds  
Combining Balance Sheet  
June 30, 2020**

	<b>ESSA</b>	<b>IDEA</b>	<b>Vocational Education</b>	<b>Miscellaneous Programs</b>
<b>Assets</b>				
Cash and Cash Equivalents	\$ 706,136	\$ 687,438	\$ 133,693	\$ 13,868,793
Receivables				
Taxes:				
Ad Valorem	-	-	-	-
Intergovernmental:				
Federal	1,301,003	1,187,683	112,763	559,778
State	-	-	-	426,265
Other	-	-	-	6
Due from Other Funds	-	-	-	108,702
Inventory	-	-	-	-
Restricted Cash and Cash Equivalents	-	-	-	-
Restricted Investments	-	-	-	-
<b>Total Assets</b>	<b>\$ 2,007,139</b>	<b>\$ 1,875,121</b>	<b>\$ 246,456</b>	<b>\$ 14,963,544</b>
<b>Liabilities and Fund Balances</b>				
<b>Liabilities</b>				
Salaries and Withholdings Payable	\$ 397,158	\$ 401,592	\$ -	\$ 436,103
Accounts Payable	325	-	-	37,591
Due to Other Funds	1,609,656	1,473,529	246,456	1,792,983
Other Liabilities	-	-	-	-
<b>Total Liabilities</b>	<b>2,007,139</b>	<b>1,875,121</b>	<b>246,456</b>	<b>2,266,677</b>
<b>Fund Balances</b>				
Non-Spendable:				
Inventory	-	-	-	-
Restricted for:				
Operational Purposes	-	-	-	-
Committed for:				
Special Programs	-	-	-	12,696,867
Unassigned	-	-	-	-
<b>Total Fund Balances</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12,696,867</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 2,007,139</b>	<b>\$ 1,875,121</b>	<b>\$ 246,456</b>	<b>\$ 14,963,544</b>

See independent auditor's report.



Exhibit 3

8G	School Food Service	Katrina	School Security	Total
\$ 25,474	\$ 881,458	\$ -	\$ 49,334	\$ 16,352,326
-	-	-	80,266	80,266
-	-	-	-	3,161,227
66,548	-	-	-	492,813
-	9,544	5	-	9,555
-	146,160	5,000,098	299,906	5,554,866
-	985,977	-	-	985,977
-	-	15,178,753	-	15,178,753
-	-	1,998,660	-	1,998,660
<u>\$ 92,022</u>	<u>\$ 2,023,139</u>	<u>\$ 22,177,516</u>	<u>\$ 429,506</u>	<u>\$ 43,814,443</u>
\$ 33,580	\$ 1,154,125	\$ -	\$ 331,097	\$ 2,753,655
-	31,998	-	-	69,914
58,442	-	108,703	-	5,289,769
-	391,719	-	-	391,719
<u>92,022</u>	<u>1,577,842</u>	<u>108,703</u>	<u>331,097</u>	<u>8,505,057</u>
-	985,977	-	-	985,977
-	-	22,068,813	98,409	22,167,222
-	-	-	-	12,696,867
-	(540,680)	-	-	(540,680)
<u>-</u>	<u>445,297</u>	<u>22,068,813</u>	<u>98,409</u>	<u>35,309,386</u>
<u>\$ 92,022</u>	<u>\$ 2,023,139</u>	<u>\$ 22,177,516</u>	<u>\$ 429,506</u>	<u>\$ 43,814,443</u>

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

**Non-Major Special Revenue Funds  
Combining Statement of Revenues, Expenditures,  
and Changes in Fund Balances  
For the Year Ended June 30, 2020**

	ESSA	IDEA	Vocational Education	Miscellaneous Programs
<b>Revenues</b>				
Local Sources:				
Ad Valorem	\$ -	\$ -	\$ -	\$ -
Tuition	-	-	-	233,080
Earnings on Investments	-	-	-	129,889
Net Increase in the Fair Value of Investments	-	-	-	-
Food Service	-	-	-	-
Contributions and Donations	-	-	-	125,920
Other	-	-	-	-
State Sources:				
Minimum Foundation Program	-	-	-	-
Other	-	-	-	4,723,915
Federal Sources	9,448,098	9,400,540	415,994	1,196,381
<b>Total Revenues</b>	<b>9,448,098</b>	<b>9,400,540</b>	<b>415,994</b>	<b>6,409,185</b>
<b>Expenditures</b>				
Current:				
Instruction:				
Regular Education Programs	84,968	-	-	278,424
Special Education Programs	-	5,831,591	-	2,848
Vocational Education programs	-	-	275,471	-
Other Instructional Programs	-	-	-	354,767
Special Programs	4,464,222	-	-	4,665,078
Support Services:				
Pupil Support	37,913	790,236	140,523	100,278
Instructional Staff Support	4,156,962	1,948,162	-	261,370
General Administration	1,548	1,424	-	-
School Administration	3,994	-	-	-
Operation and Maintenance of Plant	3,900	1,908	-	35,489
Pupil Transportation	1,683	228,496	-	3,411
Central Services	63,166	-	-	-
Food Service	-	-	-	392,116
<b>Total Expenditures</b>	<b>8,818,356</b>	<b>8,801,817</b>	<b>415,994</b>	<b>6,093,781</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>629,742</b>	<b>598,723</b>	<b>-</b>	<b>315,404</b>
<b>Other Financing Sources (Uses)</b>				
Transfers In	-	-	-	-
Transfers Out	(629,742)	(598,723)	-	(106,489)
<b>Total Other Financing Sources (Uses)</b>	<b>(629,742)</b>	<b>(598,723)</b>	<b>-</b>	<b>(106,489)</b>
<b>Net Changes in Fund Balances</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>208,915</b>
<b>Fund Balances, Beginning of Year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12,487,952</b>
<b>Fund Balances, End of Year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 12,696,867</b>

See independent auditor's report.

Exhibit 4

8G	School Food Service	Katrina	School Security	Total
\$ -	\$ -	\$ -	\$ 4,148,545	\$ 4,148,545
-	-	-	-	233,080
-	26,251	210,716	21,063	387,919
-	-	17,994	-	17,994
-	2,936,978	-	-	2,936,978
-	-	-	-	125,920
-	116,215	-	-	116,215
-	6,000,000	-	-	6,000,000
401,426	-	-	-	5,125,341
-	12,917,680	-	-	33,378,693
401,426	21,997,124	228,710	4,169,608	52,470,685
-	-	-	-	363,392
-	-	-	-	5,834,439
-	-	-	-	275,471
-	-	-	-	354,767
401,426	-	-	-	9,530,726
-	-	4,081	4,080,411	5,153,442
-	-	-	-	6,366,494
-	-	-	137,314	140,286
-	-	-	-	3,994
-	-	104,523	4,128,302	4,274,122
-	-	-	-	233,590
-	-	-	-	63,166
-	25,662,417	-	-	26,054,533
401,426	25,662,417	108,604	8,346,027	58,648,422
-	(3,665,293)	120,106	(4,176,419)	(6,177,737)
-	2,038,000	5,000,000	4,250,000	11,288,000
-	-	-	-	(1,334,954)
-	2,038,000	5,000,000	4,250,000	9,953,046
-	(1,627,293)	5,120,106	73,581	3,775,309
-	2,072,590	16,948,707	24,828	31,534,077
\$ -	\$ 445,297	\$ 22,068,813	\$ 98,409	\$ 35,309,386

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

**Exhibit 5**

**Non-Major Special Revenue Funds  
ESSA Fund  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Budget and Actual  
For the Year Ended June 30, 2020**

	<b>Budget</b>	<b>Actual</b>	<b>Variance from Budget</b>
<b>Revenues</b>			
Federal Sources	\$ 9,448,098	\$ 9,448,098	-
<b>Total Revenues</b>	<b>9,448,098</b>	<b>9,448,098</b>	<b>-</b>
<b>Expenditures</b>			
Instruction:			
Regular Education Programs	84,968	84,968	-
Special Programs	4,464,222	4,464,222	-
Support Services:			
Pupil Support	37,913	37,913	-
Instructional Staff Support	4,156,962	4,156,962	-
General Administration	1,548	1,548	-
School Administration	3,994	3,994	-
Operation and Maintenance of Plant	3,900	3,900	-
Pupil Transportation	1,683	1,683	-
Central Services	63,166	63,166	-
<b>Total Expenditures</b>	<b>8,818,356</b>	<b>8,818,356</b>	<b>-</b>
<b>Excess of Revenues Over Expenditures</b>	<b>629,742</b>	<b>629,742</b>	<b>-</b>
<b>Other Financing Uses</b>			
Transfers Out	(629,742)	(629,742)	-
<b>Total Other Financing Uses</b>	<b>(629,742)</b>	<b>(629,742)</b>	<b>-</b>
<b>Net Change in Fund Balance</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balance, Beginning of Year</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balance, End of Year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

See independent auditor's report.

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

**Exhibit 6**

**Non-Major Special Revenue Funds  
IDEA Fund  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Budget and Actual  
For the Year Ended June 30, 2020**

	<b>Budget</b>	<b>Actual</b>	<b>Variance from Budget</b>
<b>Revenues</b>			
Federal Sources	\$ 9,400,540	\$ 9,400,540	\$ -
<b>Total Revenues</b>	<b>9,400,540</b>	<b>9,400,540</b>	<b>-</b>
<b>Expenditures</b>			
Instruction:			
Special Education Programs	5,831,591	5,831,591	-
Support Services:			
Pupil Support	790,236	790,236	-
Instructional Staff Support	1,948,162	1,948,162	-
General Administration	1,424	1,424	-
Operation and Maintenance of Plant	1,908	1,908	-
Pupil Transportation	228,496	228,496	-
<b>Total Expenditures</b>	<b>8,801,817</b>	<b>8,801,817</b>	<b>-</b>
<b>Excess of Revenues Over Expenditures</b>	<b>598,723</b>	<b>598,723</b>	<b>-</b>
<b>Other Financing Uses</b>			
Transfers Out	(598,723)	(598,723)	-
<b>Total Other Financing Uses</b>	<b>(598,723)</b>	<b>(598,723)</b>	<b>-</b>
<b>Net Change in Fund Balance</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balance, Beginning of Year</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balance, End of Year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

See independent auditor's report.

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

**Exhibit 7**

**Non-Major Special Revenue Funds  
Vocational Education Fund  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Budget and Actual  
For the Year Ended June 30, 2020**

	<b>Budget</b>	<b>Actual</b>	<b>Variance from Budget</b>
<b>Revenues</b>			
Federal Sources	\$ 415,994	\$ 415,994	\$ -
<b>Total Revenues</b>	<b>415,994</b>	<b>415,994</b>	<b>-</b>
<b>Expenditures</b>			
Instruction:			
Vocational Education Programs	275,471	275,471	-
Support Services:			
Pupil Support	140,523	140,523	-
<b>Total Expenditures</b>	<b>415,994</b>	<b>415,994</b>	<b>-</b>
<b>Net Change in Fund Balance</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balance, Beginning of Year</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balance, End of Year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

See independent auditor's report.

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

**Exhibit 8**

**Non-Major Special Revenue Funds  
Miscellaneous Programs Fund  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Budget and Actual  
For the Year Ended June 30, 2020**

	<b>Budget</b>	<b>Actual</b>	<b>Variance from Budget</b>
<b>Revenues</b>			
Local Sources:			
Tuition	\$ 233,080	\$ 233,080	\$ -
Earnings on Investments	129,889	129,889	-
Other	125,920	125,920	-
State Sources - Other	4,723,915	4,723,915	-
Federal Sources	1,196,381	1,196,381	-
<b>Total Revenues</b>	<b>6,409,185</b>	<b>6,409,185</b>	<b>-</b>
<b>Expenditures</b>			
Instruction:			
Regular Education Programs	278,424	278,424	-
Special Education Programs	2,848	2,848	-
Other Instructional Programs	354,767	354,767	-
Special Programs	4,665,078	4,665,078	-
Support Services:			
Pupil Support	100,278	100,278	-
Instructional Staff Support	261,370	261,370	-
Operation and Maintenance of Plant	35,489	35,489	-
Pupil Transportation	3,411	3,411	-
Food Service	392,116	392,116	-
<b>Total Expenditures</b>	<b>6,093,781</b>	<b>6,093,781</b>	<b>-</b>
<b>Excess of Revenues Over Expenditures</b>	<b>315,404</b>	<b>315,404</b>	<b>-</b>
<b>Other Financing Uses</b>			
Transfers Out	(106,489)	(106,489)	-
<b>Total Other Financing Uses</b>	<b>(106,489)</b>	<b>(106,489)</b>	<b>-</b>
<b>Net Change in Fund Balance</b>	<b>208,915</b>	<b>208,915</b>	<b>-</b>
<b>Fund Balance, Beginning of Year</b>	<b>12,487,952</b>	<b>12,487,952</b>	<b>-</b>
<b>Fund Balance, End of Year</b>	<b>\$ 12,696,867</b>	<b>\$ 12,696,867</b>	<b>\$ -</b>

See independent auditor's report.



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

**Exhibit 9**

**Non-Major Special Revenue Funds  
8G Fund  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Budget and Actual  
For the Year Ended June 30, 2020**

	<b>Budget</b>	<b>Actual</b>	<b>Variance from Budget</b>
<b>Revenues</b>			
State Sources - Other	\$ 401,426	\$ 401,426	\$ -
<b>Total Revenues</b>	401,426	401,426	-
<b>Expenditures</b>			
Instruction:			
Special Programs	401,426	401,426	-
<b>Total Expenditures</b>	401,426	401,426	-
<b>Net Change in Fund Balance</b>	-	-	-
<b>Fund Balance, Beginning of Year</b>	-	-	-
<b>Fund Balance, End of Year</b>	\$ -	\$ -	\$ -

See independent auditor's report.

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

**Exhibit 10**

**Non-Major Special Revenue Funds  
School Food Service Fund  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Budget and Actual  
For the Year Ended June 30, 2020**

	<b>Budget</b>	<b>Actual</b>	<b>Variance from Budget</b>
<b>Revenues</b>			
Local Sources:			
Earnings on Investments	\$ 26,251	\$ 26,251	\$ -
Food Service	2,936,978	2,936,978	-
Other	116,215	116,215	-
State Sources:			
Minimum Foundation Program	6,000,000	6,000,000	-
Federal Sources	12,917,680	12,917,680	-
<b>Total Revenues</b>	<b>21,997,124</b>	<b>21,997,124</b>	<b>-</b>
<b>Expenditures</b>			
Food Service	25,662,417	25,662,417	-
<b>Total Expenditures</b>	<b>25,662,417</b>	<b>25,662,417</b>	<b>-</b>
<b>Deficiency of Revenues Over Expenditures</b>	<b>(3,665,293)</b>	<b>(3,665,293)</b>	<b>-</b>
<b>Other Financing Sources</b>			
Transfers In	2,038,000	2,038,000	-
<b>Total Other Financing Sources</b>	<b>2,038,000</b>	<b>2,038,000</b>	<b>-</b>
<b>Net Change in Fund Balance</b>	<b>(1,627,293)</b>	<b>(1,627,293)</b>	<b>-</b>
<b>Fund Balance, Beginning of Year</b>	<b>2,072,590</b>	<b>2,072,590</b>	<b>-</b>
<b>Fund Balance, End of Year</b>	<b>\$ 445,297</b>	<b>\$ 445,297</b>	<b>\$ -</b>

See independent auditor's report.

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

**Exhibit 11**

**Non-Major Special Revenue Funds  
Katrina Fund  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Budget and Actual  
For the Year Ended June 30, 2020**

	<b>Budget</b>	<b>Actual</b>	<b>Variance from Budget</b>
<b>Revenues</b>			
Earnings on Investments	\$ 210,716	\$ 210,716	\$ -
Net Increase in the Fair Value of Investments	17,994	17,994	-
<b>Total Revenues</b>	<b>228,710</b>	<b>228,710</b>	<b>-</b>
<b>Expenditures</b>			
Support Services:			
Pupil Support	4,081	4,081	-
Operation and Maintenance of Plant	104,523	104,523	-
<b>Total Expenditures</b>	<b>108,604</b>	<b>108,604</b>	<b>-</b>
<b>Excess of Revenues Over Expenditures</b>	<b>120,106</b>	<b>120,106</b>	<b>-</b>
<b>Other Financing Uses</b>			
Transfers In	5,000,000	5,000,000	-
<b>Total Other Financing Uses</b>	<b>5,000,000</b>	<b>5,000,000</b>	<b>-</b>
<b>Net Change in Fund Balance</b>	<b>5,120,106</b>	<b>5,120,106</b>	<b>-</b>
<b>Fund Balance, Beginning of Year</b>	<b>16,948,707</b>	<b>16,948,707</b>	<b>-</b>
<b>Fund Balance, End of Year</b>	<b>\$ 22,068,813</b>	<b>\$ 22,068,813</b>	<b>\$ -</b>

See independent auditor's report.

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

**Exhibit 12**

**Non-Major Special Revenue Funds  
School Security Fund  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual  
For the Year Ended June 30, 2020**

	<b>Budget</b>	<b>Actual</b>	<b>Variance from Budget</b>
<b>Revenues</b>			
Ad Valorem	\$ 4,148,545	\$ 4,148,545	\$ -
Earnings on Investments	21,063	21,063	-
<b>Total Revenues</b>	<b>4,169,608</b>	<b>4,169,608</b>	<b>-</b>
<b>Expenditures</b>			
Support Services:			
Pupil Support	4,080,411	4,080,411	-
General Administration	137,314	137,314	-
Operation and Maintenance of Plant	4,128,302	4,128,302	-
<b>Total Expenditures</b>	<b>8,346,027</b>	<b>8,346,027</b>	<b>-</b>
<b>Excess of Revenues Over Expenditures</b>	<b>(4,176,419)</b>	<b>(4,176,419)</b>	<b>-</b>
<b>Other Financing Uses</b>			
Transfers In	4,250,000	4,250,000	-
<b>Total Other Financing Uses</b>	<b>4,250,000</b>	<b>4,250,000</b>	<b>-</b>
<b>Net Change in Fund Balance</b>	<b>73,581</b>	<b>73,581</b>	<b>-</b>
<b>Fund Balance, Beginning of Year</b>	<b>24,828</b>	<b>24,828</b>	<b>-</b>
<b>Fund Balance, End of Year</b>	<b>\$ 98,409</b>	<b>\$ 98,409</b>	<b>\$ -</b>

See independent auditor's report.

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

**NON-MAJOR DEBT SERVICE FUND**

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

**Exhibit 13**

**Non-Major Debt Service Fund  
Combining Balance Sheet  
June 30, 2020**

	<b>Debt Service</b>	<b>Total</b>
<b>Current Assets</b>		
Cash and Cash Equivalents	\$ -	\$ -
Receivables:		
Ad Valorem Taxes	561,001	561,001
Interest on Investments	8	8
Restricted Cash and Cash Equivalents	29,049,136	29,049,136
<b>Total Assets</b>	<b>\$ 29,610,145</b>	<b>\$ 29,610,145</b>
<b>Liabilities and Fund Balance</b>		
<b>Current Liabilities</b>		
Accounts Payable	\$ -	\$ -
<b>Total Liabilities</b>	<b>-</b>	<b>-</b>
<b>Fund Balance</b>		
Restricted for Debt Service	29,610,145	29,610,145
<b>Total Fund Balance</b>	<b>29,610,145</b>	<b>29,610,145</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$ 29,610,145</b>	<b>\$ 29,610,145</b>

See independent auditor's report.

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

**Exhibit 14**

**Non-Major Debt Service Fund  
Combining Statement of Revenues, Expenditures, and  
Changes in Fund Balance - Actual  
For the Year Ended June 30, 2020**

	<b>Debt Service</b>	<b>Total</b>
<b>Revenues</b>		
Local Sources:		
Taxes - Ad Valorem	\$ 29,531,382	\$ 29,531,382
Earnings on Investments	415,444	415,444
Net Decrease in the Fair Value of Investments	(48,853)	(48,853)
<b>Total Revenues</b>	<b>29,897,973</b>	<b>29,897,973</b>
<b>Expenditures</b>		
General Administration:		
Pension Fund Contribution	935,516	935,516
Equipment for Assessor's Office	18,820	18,820
Debt Service:		
Administrative	7,600	7,600
Principal Retirement	20,810,000	20,810,000
Interest and Bond Charges	10,509,369	10,509,369
<b>Total Expenditures</b>	<b>32,281,305</b>	<b>32,281,305</b>
<b>Excess of Revenues Over Expenditures</b>	<b>(2,383,332)</b>	<b>(2,383,332)</b>
<b>Other Financing Sources (Uses)</b>		
Bond Issuance	5,620,000	5,620,000
Discount on Bonds Issued	(33,720)	(33,720)
Payment to Refunded Bonds Escrow Agent	(5,586,280)	(5,586,280)
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>
<b>Net Change in Fund Balance</b>	<b>(2,383,332)</b>	<b>(2,383,332)</b>
<b>Fund Balance, Beginning of Year</b>	<b>31,993,477</b>	<b>31,993,477</b>
<b>Fund Balance, End of Year</b>	<b>\$ 29,610,145</b>	<b>\$ 29,610,145</b>

See independent auditor's report.

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

**Exhibit 15**

**Non-Major Debt Service Fund  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual  
For the Year Ended June 30, 2020**

	<b>Budget</b>	<b>Actual</b>	<b>Variance from Budget</b>
<b>Revenues</b>			
Local Sources:			
Taxes - Ad Valorem	\$ 29,531,382	\$ 29,531,382	\$ -
Earnings on Investments	415,444	415,444	-
Net Decrease in the Fair Value of Investments	(48,853)	(48,853)	-
<b>Total Revenues</b>	<b>29,897,973</b>	<b>29,897,973</b>	<b>-</b>
<b>Expenditures</b>			
General Administration:			
Pension Fund Contribution	935,516	935,516	-
Equipment for Assessor's Office	18,820	18,820	-
Debt Service:			
Administrative	7,600	7,600	-
Principal Retirement	20,810,000	20,810,000	-
Interest and Bond Charges	10,509,369	10,509,369	-
<b>Total Expenditures</b>	<b>32,281,305</b>	<b>32,281,305</b>	<b>-</b>
<b>Excess of Revenues Over Expenditures</b>	<b>(2,383,332)</b>	<b>(2,383,332)</b>	<b>-</b>
<b>Other Financing Sources (Uses)</b>			
Bond Issuance	5,620,000	5,620,000	-
Discount on Bonds Issued	(33,720)	(33,720)	-
Payment to Refunded Bonds Escrow Agent	(5,586,280)	(5,586,280)	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Change in Fund Balance</b>	<b>(2,383,332)</b>	<b>(2,383,332)</b>	<b>-</b>
<b>Fund Balance, Beginning of Year</b>	<b>31,993,477</b>	<b>31,993,477</b>	<b>-</b>
<b>Fund Balance, End of Year</b>	<b>\$ 29,610,145</b>	<b>\$ 29,610,145</b>	<b>\$ -</b>

See independent auditor's report.



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

**NON-MAJOR CAPITAL PROJECTS FUNDS**



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

**Non-Major Capital Projects Funds  
Combining Balance Sheet  
June 30, 2020**

	<b>2008 Construction</b>	<b>2013 Construction</b>
<b>Assets</b>		
Cash and Cash Equivalents	\$ 9,344,672	\$ 18,237,447
Prepaid Items	-	-
Due from Other Funds	-	-
<b>Total Assets</b>	<u>\$ 9,344,672</u>	<u>\$ 18,237,447</u>
<b>Liabilities and Fund Balances</b>		
<b>Liabilities</b>		
Accounts Payable	\$ 1,467,553	\$ 1,358,567
Contracts and Retainage Payable	885,244	-
<b>Total Liabilities</b>	<u>2,352,797</u>	<u>1,358,567</u>
<b>Fund Balances</b>		
Non-Spendable		
Prepaid Items	-	-
Restricted for:		
Construction	6,991,875	16,878,880
Assigned for:		
Construction	-	-
<b>Total Fund Balances</b>	<u>6,991,875</u>	<u>16,878,880</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 9,344,672</u>	<u>\$ 18,237,447</u>

See independent auditor's report.

Re-Roofing Construction	Parish Wide Construction	Total
\$ 1,644,434	\$ 6,477,481	\$ 35,704,034
-	632	632
-	10,000,000	10,000,000
<u>\$ 1,644,434</u>	<u>\$ 16,478,113</u>	<u>\$ 45,704,666</u>
\$ 350,294	\$ 154,382	\$ 3,330,796
114,470	54,555	1,054,269
<u>464,764</u>	<u>208,937</u>	<u>4,385,065</u>
-	632	632
-	-	23,870,755
<u>1,179,670</u>	<u>16,268,544</u>	<u>17,448,214</u>
<u>1,179,670</u>	<u>16,269,176</u>	<u>41,319,601</u>
<u>\$ 1,644,434</u>	<u>\$ 16,478,113</u>	<u>\$ 45,704,666</u>

See independent auditor's report.

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

**Non-Major Capital Projects Funds  
Combining Statement of Revenues, Expenditures,  
and Changes in Fund Balances  
For the Year Ended June 30, 2020**

	<b>2008 Construction</b>	<b>2013 Construction</b>
<b>Revenues</b>		
Earnings on Investments	\$ 267,634	\$ 261,078
Other	-	-
<b>Total Revenues</b>	<u>267,634</u>	<u>261,078</u>
<b>Expenditures</b>		
Operation and Maintenance of Plant:		
Repairs and Maintenance	-	-
Equipment	-	4,952,049
Facilities Acquisition and Construction:		
Architects and Engineers	329,682	89,041
Building and Site Improvements	17,003,666	925,685
Equipment	-	153,451
<b>Total Expenditures</b>	<u>17,333,348</u>	<u>6,120,226</u>
<b>Deficiency of Revenues Over Expenditures</b>	<u>(17,065,714)</u>	<u>(5,859,148)</u>
<b>Other Financing Sources</b>		
Transfers In	<u>2,151</u>	<u>-</u>
<b>Total Other Financing Sources</b>	<u>2,151</u>	<u>-</u>
<b>Net Change in Fund Balances</b>	(17,063,563)	(5,859,148)
<b>Fund Balances, Beginning of Year</b>	<u>24,055,438</u>	<u>22,738,028</u>
<b>Fund Balances, End of Year</b>	<u>\$ 6,991,875</u>	<u>\$ 16,878,880</u>

See independent auditor's report.

Re-Roofing Construction	Parish Wide Construction	Total
\$ 28,544	\$ 65,051	\$ 622,307
-	355	355
28,544	65,406	622,662
-	56,482	56,482
-	-	4,952,049
134,301	206,486	759,510
1,864,076	1,853,887	21,647,314
-	-	153,451
1,998,377	2,116,855	27,568,806
(1,969,833)	(2,051,449)	(26,946,144)
1,800,000	13,300,000	15,102,151
1,800,000	13,300,000	15,102,151
(169,833)	11,248,551	(11,843,993)
1,349,503	5,020,625	53,163,594
\$ 1,179,670	\$ 16,269,176	\$ 41,319,601

See independent auditor's report.

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

**Exhibit 18**

**Non-Major Capital Projects Funds  
2008 Construction Fund  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual  
For the Year Ended June 30, 2020**

	<b>Budget</b>	<b>Actual</b>	<b>Variance from Budget</b>
<b>Revenues</b>			
Earnings on Investments	\$ 267,635	\$ 267,634	\$ (1)
<b>Total Revenues</b>	<u>267,635</u>	<u>267,634</u>	<u>(1)</u>
<b>Expenditures</b>			
Facilities Acquisition and Construction:			
Architects and Engineers	329,682	329,682	-
Building Improvements	<u>17,003,666</u>	<u>17,003,666</u>	<u>-</u>
<b>Total Expenditures</b>	<u>17,333,348</u>	<u>17,333,348</u>	<u>-</u>
<b>Deficiency of Revenues Over Expenditures</b>	<u>(17,065,713)</u>	<u>(17,065,714)</u>	<u>(1)</u>
<b>Other Financing Sources</b>			
Transfers In	<u>2,150</u>	<u>2,151</u>	<u>(1)</u>
<b>Total Other Financing Sources</b>	<u>2,150</u>	<u>2,151</u>	<u>(1)</u>
<b>Net Change in Fund Balance</b>	<u>(17,063,563)</u>	<u>(17,063,563)</u>	<u>-</u>
<b>Fund Balance, Beginning of Year</b>	<u>24,055,438</u>	<u>24,055,438</u>	<u>-</u>
<b>Fund Balance, End of Year</b>	<u>\$ 6,991,875</u>	<u>\$ 6,991,875</u>	<u>\$ -</u>

See independent auditor's report.

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

**Exhibit 19**

**Non-Major Capital Projects Funds  
2013 Construction Fund  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual  
For the Year Ended June 30, 2020**

	<b>Budget</b>	<b>Actual</b>	<b>Variance from Budget</b>
<b>Revenues</b>			
Earnings on Investments	\$ 261,078	\$ 261,078	\$ -
<b>Total Revenues</b>	<b>261,078</b>	<b>261,078</b>	<b>-</b>
<b>Expenditures</b>			
Operation and Maintenance of Plant:			
Equipment	4,952,049	4,952,049	-
Facilities Acquisition and Construction:			
Architects and Engineers	89,041	89,041	-
Building Improvements	925,685	925,685	-
Equipment	153,451	153,451	-
<b>Total Expenditures</b>	<b>6,120,226</b>	<b>6,120,226</b>	<b>-</b>
<b>Deficiency of Revenues Over Expenditures</b>	<b>(5,859,148)</b>	<b>(5,859,148)</b>	<b>-</b>
<b>Net Change in Fund Balance</b>	<b>(5,859,148)</b>	<b>(5,859,148)</b>	<b>-</b>
<b>Fund Balance, Beginning of Year</b>	<b>22,738,028</b>	<b>22,738,028</b>	<b>-</b>
<b>Fund Balance, End of Year</b>	<b>\$ 16,878,880</b>	<b>\$ 16,878,880</b>	<b>\$ -</b>

See independent auditor's report.



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

**Exhibit 20**

**Non-Major Capital Projects Funds  
Re-Roofing Construction Fund  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual  
For the Year Ended June 30, 2020**

	<b>Budget</b>	<b>Actual</b>	<b>Variance from Budget</b>
<b>Revenues</b>			
Earnings on Investments	\$ 28,544	\$ 28,544	\$ -
<b>Total Revenues</b>	<u>28,544</u>	<u>28,544</u>	<u>-</u>
<b>Expenditures</b>			
Facilities Acquisition and Construction:			
Architects and Engineers	134,301	134,301	-
Building and Site Improvements	1,864,075	1,864,076	(1)
<b>Total Expenditures</b>	<u>1,998,376</u>	<u>1,998,377</u>	<u>(1)</u>
<b>Deficiency of Revenues Over Expenditures</b>	<u>(1,969,832)</u>	<u>(1,969,833)</u>	<u>(1)</u>
<b>Other Financing Sources</b>			
Transfers In	1,800,000	1,800,000	-
<b>Total Other Financing Sources</b>	<u>1,800,000</u>	<u>1,800,000</u>	<u>-</u>
<b>Net Change in Fund Balance</b>	<u>(169,832)</u>	<u>(169,833)</u>	<u>(1)</u>
<b>Fund Balance, Beginning of Year</b>	<u>1,349,503</u>	<u>1,349,503</u>	<u>-</u>
<b>Fund Balance, End of Year</b>	<u>\$ 1,179,671</u>	<u>\$ 1,179,670</u>	<u>\$ (1)</u>

See independent auditor's report.

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

**Exhibit 21**

**Non-Major Capital Projects Funds  
Parish Wide Construction Fund  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual  
For the Year Ended June 30, 2020**

	<b>Budget</b>	<b>Actual</b>	<b>Variance from Budget</b>
<b>Revenues</b>			
Earnings on Investments	\$ 65,051	\$ 65,051	\$ -
Other	355	355	-
<b>Total Revenues</b>	<b>65,406</b>	<b>65,406</b>	<b>-</b>
<b>Expenditures</b>			
Operation and Maintenance of Plant:			
Repairs and Maintenance	56,482	56,482	-
Facilities Acquisition and Construction:			
Architects and Engineers	206,486	206,486	-
Building and Site Improvements	1,853,887	1,853,887	-
<b>Total Expenditures</b>	<b>2,116,855</b>	<b>2,116,855</b>	<b>-</b>
<b>Deficiency of Revenues Over Expenditures</b>	<b>(2,051,449)</b>	<b>(2,051,449)</b>	<b>-</b>
<b>Other Financing Sources</b>			
Transfers In	13,300,000	13,300,000	-
<b>Total Other Financing Sources</b>	<b>13,300,000</b>	<b>13,300,000</b>	<b>-</b>
<b>Net Change in Fund Balance</b>	<b>11,248,551</b>	<b>11,248,551</b>	<b>-</b>
<b>Fund Balance, Beginning of Year</b>	<b>5,020,625</b>	<b>5,020,625</b>	<b>-</b>
<b>Fund Balance, End of Year</b>	<b>\$ 16,269,176</b>	<b>\$ 16,269,176</b>	<b>\$ -</b>

See independent auditor's report.

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

**INTERNAL SERVICE FUNDS**

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

**Exhibit 22**

**Internal Service Funds  
Combining Statement of Net Position  
June 30, 2020**

	<b>Workers'</b>	<b>Risk</b>	
	<b>Compensation</b>	<b>Management</b>	<b>Total</b>
<b>Current Assets</b>			
Cash and Cash Equivalents	\$ 3,127,757	\$ 4,765,253	\$ 7,893,010
Investments	950,000	-	950,000
Accounts Receivable	43,587	-	43,587
Prepaid Items	14,645	4,624	19,269
Due from Other Funds	1,000,000	-	1,000,000
<b>Total Assets</b>	<b>\$ 5,135,989</b>	<b>\$ 4,769,877</b>	<b>\$ 9,905,866</b>
<b>Liabilities and Net Position</b>			
<b>Current Liabilities</b>			
Accounts Payable	\$ 34,504	\$ 48,034	\$ 82,538
Benefit Claims Payable	4,469,244	-	4,469,244
Claims Liability	-	668,692	668,692
<b>Total Current Liabilities</b>	<b>4,503,748</b>	<b>716,726</b>	<b>5,220,474</b>
<b>Long-Term Liabilities</b>			
Benefit Claims Payable	-	-	-
Claims Liability	-	306,770	306,770
<b>Total Long-Term Liabilities</b>	<b>-</b>	<b>306,770</b>	<b>306,770</b>
<b>Total Liabilities</b>	<b>4,503,748</b>	<b>1,023,496</b>	<b>5,527,244</b>
<b>Net Position</b>			
Restricted for Employee Benefits	632,241	-	632,241
Unrestricted	-	3,746,381	3,746,381
<b>Total Net Position</b>	<b>632,241</b>	<b>3,746,381</b>	<b>4,378,622</b>
<b>Total Liabilities and Net Position</b>	<b>\$ 5,135,989</b>	<b>\$ 4,769,877</b>	<b>\$ 9,905,866</b>

See independent auditor's report.

**Internal Service Funds  
Combining Statement of Revenues, Expenses, and  
Changes in Net Position  
For the Year Ended June 30, 2020**

	<b>Workers' Compensation</b>	<b>Risk Management</b>	<b>Total</b>
<b>Operating Revenues</b>			
Employer/Employee Contributions	\$ 3,895,386	\$ 2,351,176	\$ 6,246,562
Decrease in Incurred but not Reported (IBNR) Claims	323,763	162,120	485,883
<b>Total Operating Revenues</b>	<b>4,219,149</b>	<b>2,513,296</b>	<b>6,732,445</b>
<b>Operating Expenses</b>			
Administrative	30,573	173,173	203,746
Contractual Services	460,778	32,651	493,429
Premium Payments	316,799	1,625,759	1,942,558
Benefit Payments	3,180,968	-	3,180,968
Claims	-	523,511	523,511
<b>Total Operating Expenses</b>	<b>3,989,118</b>	<b>2,355,094</b>	<b>6,344,212</b>
<b>Operating Income</b>	<b>230,031</b>	<b>158,202</b>	<b>388,233</b>
<b>Non-Operating Revenue</b>			
Earnings on Investments	52,239	49,937	102,176
Net Decrease in the Fair Value of Investments	(3,407)	-	(3,407)
<b>Total Non-Operating Revenue</b>	<b>48,832</b>	<b>49,937</b>	<b>98,769</b>
<b>Changes in Net Position</b>	<b>278,863</b>	<b>208,139</b>	<b>487,002</b>
<b>Net Position, Beginning of Year</b>	<b>353,378</b>	<b>3,538,242</b>	<b>3,891,620</b>
<b>Net Position, End of Year</b>	<b>\$ 632,241</b>	<b>\$ 3,746,381</b>	<b>\$ 4,378,622</b>

See independent auditor's report.

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

**Exhibit 24**

**Internal Service Funds  
Combining Statement of Cash Flows  
For the Year Ended June 30, 2020**

	<b>Workers' Compensation</b>	<b>Risk Management</b>	<b>Total</b>
<b>Cash Flows from Operating Activities</b>			
Receipts from Employer and Employee Contributions	\$ 3,573,533	\$ 2,351,176	\$ 5,924,709
Payments for Benefits and Claims	(3,553,403)	(2,199,807)	(5,753,210)
Payments for Administrative and Contractual Services	(491,351)	(205,824)	(697,175)
<b>Net Cash Used in Operating Activities</b>	<b>(471,221)</b>	<b>(54,455)</b>	<b>(525,676)</b>
<b>Cash Flows from Investing Activities</b>			
Sales of Investments	681,530	-	681,530
Earnings on Cash and Investments	52,239	49,937	102,176
<b>Net Cash Provided by Investing Activities</b>	<b>733,769</b>	<b>49,937</b>	<b>783,706</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>262,548</b>	<b>(4,518)</b>	<b>258,030</b>
<b>Cash and Cash Equivalents, Beginning of Year</b>	<b>2,865,209</b>	<b>4,769,771</b>	<b>7,634,980</b>
<b>Cash and Cash Equivalents, End of Year</b>	<b>\$ 3,127,757</b>	<b>\$ 4,765,253</b>	<b>\$ 7,893,010</b>
<b>Reconciliation of Operating Income to Net Cash Used in Operating Activities:</b>			
Operating Income	\$ 230,031	\$ 158,202	\$ 388,233
Adjustments to Reconcile Operating Income to Net Cash Used in Operating Activities:			
Increase (Decrease) in Incurred but not Reported (IBNR) Claims	(323,763)	(162,120)	(485,883)
(Increase) Decrease in Receivables	(321,853)	-	(321,853)
(Increase) Decrease in Prepaid Items	(14,645)	(4,624)	(19,269)
Increase (Decrease) in Payables	(40,991)	(45,913)	(86,904)
Total Adjustments	(701,252)	(212,657)	(913,909)
<b>Net Cash Used in Operating Activities</b>	<b>\$ (471,221)</b>	<b>\$ (54,455)</b>	<b>\$ (525,676)</b>
<b>Non-Cash Investing and Financing Activities</b>			
Net Increase in the Fair Value of Investments	\$ 3,407	\$ -	\$ 3,407

See independent auditor's report.

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

**FIDUCIARY/AGENCY FUND**

**Fiduciary/Agency Fund**  
**Statement of Changes in Fiduciary Assets and Liabilities**  
**For the Year Ended June 30, 2020**

	Balance June 30, 2019	Additions	Deductions	Balance June 30, 2020
<b>Assets</b>				
Cash and Cash Equivalents	\$ 7,393,047	\$ 11,042,030	\$ 10,291,490	\$ 8,143,587
Investments	422,028	2,349	41,762	382,615
<b>Total Assets</b>	<b>\$ 7,815,075</b>	<b>\$ 11,044,379</b>	<b>\$ 10,333,252</b>	<b>\$ 8,526,202</b>
<b>Liabilities</b>				
Accounts Payable	\$ 208,317	\$ 105,494	\$ 63,440	\$ 250,371
Due to Schools	7,606,758	10,938,885	10,269,812	8,275,831
<b>Total Liabilities</b>	<b>\$ 7,815,075</b>	<b>\$ 11,044,379</b>	<b>\$ 10,333,252</b>	<b>\$ 8,526,202</b>

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

**MAJOR CAPITAL PROJECTS FUND**

Major Capital Projects Fund  
2019 Construction Fund  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual  
For the Year Ended June 30, 2020

	Budget	Actual	Variance from Budget
<b>Revenues</b>			
Earnings on Investments	\$ 284,657	\$ 284,657	\$ -
Net Increase in the Fair Value of Investments	268,820	268,820	-
<b>Total Revenues</b>	<b>553,477</b>	<b>553,477</b>	<b>-</b>
<b>Expenditures</b>			
Facilities Acquisition and Construction:			
Architects and Engineers	2,548,933	2,548,934	(1)
Building Improvements	121,315	121,315	-
Debt Service:			
Administrative	66,916	66,916	-
<b>Total Expenditures</b>	<b>2,737,164</b>	<b>2,737,165</b>	<b>(1)</b>
<b>Deficiency of Revenues Over Expenditures</b>	<b>(2,183,687)</b>	<b>(2,183,688)</b>	<b>(1)</b>
<b>Other Financing Sources</b>			
Bond Issuance	35,000,000	35,000,000	-
Premium Received on Bonds Issued	2,844,553	2,844,553	-
<b>Total Other Financing Sources</b>	<b>37,844,553</b>	<b>37,844,553</b>	<b>-</b>
<b>Net Change in Fund Balance</b>	<b>35,660,866</b>	<b>35,660,865</b>	<b>(1)</b>
<b>Fund Balance, Beginning of Year</b>	<b>(68,577)</b>	<b>(68,577)</b>	<b>-</b>
<b>Fund Balance, End of Year</b>	<b>\$ 35,592,289</b>	<b>\$ 35,592,288</b>	<b>\$ (1)</b>

See independent auditor's report.

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

**OTHER SCHEDULES**

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

**Exhibit 27**

**Other Schedules  
Schedule of Board Members' Compensation  
For the Year Ended June 30, 2020**

<b>Name</b>	<b>Compensation Base (1)</b>	<b>Additional Compensation</b>	<b>Total</b>
Ronald "Ron" Bettencourt	\$ 9,600	\$ -	\$ 9,600
James Braud	9,600	-	9,600
Dennis S. Cousin	9,600	-	9,600
Michael J. Dirmann	9,600	-	9,600
Sharon L. Drucker	9,600	-	9,600
Matthew E. Greene	9,600	-	9,600
Charles B. Harrell	9,600	-	9,600
Elizabeth B. Heintz (2)	10,200	-	10,200
Richard S. Hursey	9,600	-	9,600
Tammy W. Lamy	9,600	-	9,600
Stephen J. "Jack" Loup, III	9,600	-	9,600
Michael C. Nation (3)	10,200	-	10,200
Lisa M. Page	9,600	-	9,600
Shelta J. Richardson	9,600	-	9,600
Michael E. Winkler	9,600	-	9,600
<b>Total</b>	<b>\$ 145,200</b>	<b>\$ -</b>	<b>\$ 145,200</b>

**Notes:**

- (1) Base compensation per member is \$800 per month.
- (2) President of the Board, January 1, 2019 - December 31, 2019, receives \$900 per month in base compensation.
- (3) President of the Board, January 1, 2020 - Current, receives \$900 per month in base compensation.

See independent auditor's report.

**Other Schedules**  
**Schedule of Compensation, Benefits, and Other Payments**  
**to Agency Head**  
**For the Year Ended June 30, 2020**

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**Agency Head**

William L. "Trey" Folse, III, Superintendent

<b>Purpose</b>	<b>Amount</b>
Annual Salary	\$236,295
Benefits:	
Health Insurance	\$12,963
Retirement	\$61,437
Workers' Compensation	\$1,785
Life Insurance	\$2,732
Severance - Unused Vacation Days and 25 Days of Sick Leave	\$38,330
Auto Allowance	\$14,400
Cell Phone	\$420
Membership Dues	\$985
Per Diem	\$108
Travel Reimbursements	\$414
Registration Fees	\$350
Conference Travel	\$2,065
Special Meals	\$40

See independent auditor's report.





## STATISTICAL SECTION

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

### **Contents**

### **Tables**

#### **Financial Trends**

1 - 4

These schedules contain trend information to help the reader understand how the School Board's financial performance and well-being have changed over time.

#### **Revenue Capacity**

5 - 10

These schedules contain information to help the reader assess the School Board's most significant local revenue sources.

#### **Debt Capacity**

11 - 15

These schedules present information to help the reader assess the affordability of the School Board's current levels of outstanding debt and the School Board's ability to issue additional debt in the future.

#### **Demographic and Economic Information**

16 - 17

These schedules offer demographic and economic indicators to help the reader understand the environment within which the School Board's financial activities take place.

#### **Operating Information**

18 - 23

These schedules contain service and infrastructure data to help the reader understand how the information in the School Board's financial report relates to the services the School Board provides and the activities it performs.

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



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

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

	Fiscal Year Ended June 30,				
	2020	2019	2018	2017	2016
<b>Governmental Activities</b>					
Net Investment in Capital Assets	\$ 214,649,695	\$ 226,874,221	\$ 287,107,377	\$ 278,725,385	\$ 275,818,647
Restricted	48,384,752	47,389,228	45,277,849	46,431,571	42,655,519
Unrestricted	(670,390,796)	(721,889,389)	(803,415,196)	(592,829,537)	(590,897,441)
<b>Total Governmental Activities</b>					
<b>Net Position</b>	<b>\$ (407,356,349)</b>	<b>\$ (447,625,940)</b>	<b>\$ (471,029,970)</b>	<b>\$ (267,672,581)</b>	<b>\$ (272,423,275)</b>

*Source: Comprehensive Annual Financial Reports*

**Table 1**

Fiscal Year Ended June 30,				
2015	2014	2013	2012	2011
\$ 267,656,974	\$ 240,695,424	\$ 255,219,093	\$ 239,101,650	\$ 256,897,670
46,101,355	56,338,238	42,035,883	46,522,516	62,146,611
(627,358,207)	(78,819,873)	(149,625,491)	(121,600,475)	(127,169,111)
<u>\$ (313,599,878)</u>	<u>\$ 218,213,789</u>	<u>\$ 147,629,485</u>	<u>\$ 164,023,691</u>	<u>\$ 191,875,170</u>

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

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

	Fiscal Year Ended June 30,				
	2020	2019	2018	2017	2016
<b>Expenses:</b>					
Instruction:					
Regular Education Programs	\$ 174,599,487	\$ 165,005,374	\$ 176,463,724	\$ 175,753,408	\$ 165,509,231
Special Education Programs	80,043,271	75,635,791	82,624,452	82,805,092	74,641,615
Vocational Education Programs	6,447,991	6,193,859	6,628,374	6,747,530	6,043,428
Other Instructional Programs	10,016,885	9,355,961	9,999,800	9,946,540	9,267,676
Special Programs	13,197,029	13,871,919	14,705,015	14,272,772	12,849,790
Support Services:					
Pupil Support	33,184,665	29,833,965	30,096,389	29,894,159	27,070,669
Instructional Staff Support	17,531,966	15,589,516	16,147,874	16,342,945	15,209,584
General Administration	9,608,322	9,057,451	9,262,301	9,685,533	13,198,874
School Administration	26,599,498	24,836,812	26,875,154	25,649,616	24,022,572
Business Administration	2,950,471	2,751,122	2,886,591	2,877,076	2,611,043
Operation and Maintenance of Plant	48,199,723	41,879,144	43,983,044	43,735,630	39,959,652
Pupil Transportation	34,395,374	33,502,274	35,572,668	35,491,892	34,382,966
Central Services	6,923,574	7,619,638	8,061,264	10,310,417	7,706,686
Food Services	27,271,094	23,430,083	24,227,820	24,951,943	23,429,865
Community Service Programs	1,126,126	1,377,656	1,431,830	1,435,367	1,417,803
Interest on Long-Term Debt	9,264,183	8,967,157	8,927,916	8,805,812	8,666,311
<b>Total Expenses</b>	<b>501,359,659</b>	<b>468,907,722</b>	<b>497,894,216</b>	<b>498,705,732</b>	<b>465,987,765</b>
<b>Program Revenues:</b>					
Charges for Services:					
Instruction	383,080	747,463	750,336	542,350	651,169
Food Services	2,936,978	3,753,070	3,710,602	3,606,992	3,302,346
Community Service Programs	1,025,496	1,121,194	1,205,095	1,210,581	1,209,313
Operating Grants and Contributions	42,576,586	48,481,018	50,329,051	47,306,925	46,210,308
Capital Grants and Contributions	-	298,760	952,928	170,518	-
<b>Total Program Revenues</b>	<b>46,922,140</b>	<b>54,401,505</b>	<b>56,948,012</b>	<b>52,837,366</b>	<b>51,373,136</b>
<b>Net Expense</b>	<b>(454,437,519)</b>	<b>(414,506,217)</b>	<b>(440,946,204)</b>	<b>(445,868,366)</b>	<b>(414,614,629)</b>
<b>General Revenues and Other Changes in Net Position:</b>					
Taxes:					
Ad Valorem (Property) Taxes	139,384,771	135,189,702	133,607,159	131,360,661	126,034,974
Sales and Use Taxes	105,638,733	102,644,290	97,261,499	96,519,698	93,372,055
State Revenue Sharing	2,092,862	2,013,937	2,009,558	1,958,581	1,874,822
Grants and Contributions Not Restricted to Specific Programs - Minimum Foundation Program	226,355,079	215,695,128	214,079,001	217,614,516	214,216,311
Unrestricted State Appropriation	70	-	-	-	20,463
Restricted State Appropriation	104,683	-	-	1,201,689	2,981,344
HB 1 Appropriation	-	-	-	-	-
Act 55 Appropriation	-	-	-	-	-
B.P. Oil Settlement	-	-	-	-	15,432,238
Interest and Investment Earnings	3,336,541	3,406,483	1,616,221	893,043	950,572
Miscellaneous	444,573	341,173	464,640	1,070,872	908,453
Special Item - Loss on Disposition of Capital Assets	-	-	-	-	-
Extraordinary Item - Forgiveness of Debt	-	-	-	-	-
<b>Total General Revenues and Other Changes in Net Position</b>	<b>477,357,312</b>	<b>459,290,713</b>	<b>449,038,078</b>	<b>450,619,060</b>	<b>455,791,232</b>
<b>Change in Net Position</b>	<b>\$ 22,919,793</b>	<b>\$ 44,784,496</b>	<b>\$ 8,091,874</b>	<b>\$ 4,750,694</b>	<b>\$ 41,176,603</b>

Source: Comprehensive Annual Financial Reports

Table 2

Fiscal Year Ended June 30,				
2015	2014	2013	2012	2011
\$ 166,313,355	\$ 165,675,465	\$ 163,422,306	\$ 163,155,543	\$ 164,314,782
80,221,894	79,867,083	75,704,187	77,210,381	89,268,907
6,099,463	6,065,754	6,426,132	6,453,189	6,682,996
8,809,511	10,745,430	11,345,543	12,594,810	13,468,466
7,303,049	6,790,559	11,831,134	11,706,882	15,428,531
26,987,719	27,723,376	28,459,624	29,365,296	23,189,486
14,975,938	15,715,236	16,782,579	18,488,294	19,292,023
9,146,981	8,592,184	8,858,931	8,583,071	8,626,699
24,519,343	25,675,300	25,919,878	26,086,302	26,487,373
2,678,400	2,534,170	2,619,391	2,905,920	3,172,252
39,430,023	44,874,378	42,492,603	43,507,660	27,381,227
33,926,323	36,272,937	37,489,986	38,175,079	38,219,124
7,446,648	6,617,615	6,859,916	7,327,045	7,948,922
23,033,446	23,051,521	23,840,465	23,885,125	23,787,739
1,423,456	1,396,823	1,391,504	1,346,361	1,450,103
8,522,744	8,093,108	10,459,845	12,342,453	11,894,061
460,838,293	469,690,939	473,904,024	483,133,411	480,612,691
512,092	466,075	446,884	581,454	176,226
2,946,103	2,749,909	2,755,899	2,994,653	3,050,741
1,194,880	1,087,508	1,042,729	1,040,571	1,202,833
44,235,569	37,600,036	38,713,827	38,257,130	52,092,620
356,719	1,256,886	5,628,374	15,139,673	4,346,052
49,245,363	43,160,414	48,587,713	58,013,481	60,868,472
(411,592,930)	(426,530,525)	(425,316,311)	(425,119,930)	(419,744,219)
121,964,448	117,444,823	113,965,977	108,330,629	106,306,734
89,782,899	85,228,553	82,874,124	77,922,516	75,235,263
1,975,831	1,991,297	1,917,347	1,906,476	1,943,649
212,051,558	209,165,185	205,634,315	205,142,441	198,769,620
-	-	-	-	-
-	-	-	-	-
-	4,957,585	-	-	-
35,065	-	-	-	-
-	-	-	-	-
740,524	1,023,396	823,703	972,281	1,180,463
1,363,868	1,738,505	3,706,639	2,994,108	916,067
-	-	-	-	(13,829,699)
-	78,790,583	-	-	2,348,370
427,914,193	500,339,927	408,922,105	397,268,451	372,870,467
\$ 16,321,263	\$ 73,809,402	\$ (16,394,206)	\$ (27,851,479)	\$ (46,873,752)

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

**Table 3**

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

Fiscal Year	General Fund			All Other Governmental Funds *				
	Non-Spendable	Committed	Assigned	Non-Spendable	Restricted	Committed	Assigned	Unassigned
2020	\$ 175,401	\$ 20,854,282	\$ 101,455,839	\$ 986,609	\$ 111,240,410	\$ 12,696,867	\$ 17,448,214	\$ (540,680)
2019	1,151,103	20,854,282	93,848,785	405,448	97,427,620	12,487,952	6,370,128	(68,577)
2018	1,272,342	20,854,282	88,914,237	339,539	101,393,936	12,372,847	1,464,721	-
2017	1,186,387	20,854,282	85,859,791	478,671	65,716,508	12,422,842	1,335,653	-
2016	1,041,965	20,854,282	74,506,288	548,997	71,711,575	12,318,241	1,176,333	-
2015	1,069,590	20,854,282	62,089,950	427,945	116,511,496	825,997	1,511,841	-
2014	742,574	20,854,282	44,956,576	700,942	82,783,705	915,770	2,714,009	-
2013	103,463	20,854,282	34,251,214	443,305	68,085,439	783,673	5,063,922	-
2012	142,520	20,854,282	24,697,634	300,512	79,764,726	394,343	4,149,319	-
2011	90,471	20,854,282	30,430,292	361,966	96,187,194	305,995	4,086,326	-

Source: Comprehensive Annual Financial Reports

Note: FY 2020, 2019, 2018, 2017, 2016, 2015, 2014, 2013, 2012, and 2011 were presented in conformity with GASB 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. See Note 16.

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



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

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

	Fiscal Year Ended June 30,				
	2020	2019	2018	2017	2016
<b>Revenues</b>					
Local Sources:					
Ad Valorem Taxes	\$ 139,384,771	\$ 135,189,702	\$ 133,740,734	\$ 131,360,661	\$ 126,034,974
Sales and Use Taxes	105,638,733	102,644,290	97,261,499	96,519,698	93,372,055
Tuition	1,408,576	1,868,657	1,821,856	1,752,931	1,860,482
Earnings on Investments	3,098,580	3,267,063	1,636,968	1,127,346	993,400
Net Increase (Decrease) in the Fair Value of Investments	237,961	139,420	(20,747)	(234,303)	(42,828)
Food Service	2,936,978	3,753,070	3,710,602	3,606,992	3,302,346
B.P. Oil Settlement	-	-	-	-	15,432,238
Other	1,853,855	7,503,189	7,866,466	4,775,922	5,826,638
State Sources:					
Minimum Foundation Program	226,355,079	215,695,128	214,079,001	217,614,516	214,216,311
HB 1 Appropriation	-	-	-	-	-
Act 55 Appropriation	-	-	-	-	-
Unrestricted State Appropriation	-	-	-	-	20,463
Restricted State Appropriation	-	-	-	1,201,689	2,981,344
Contributions to Teachers' Retirement	6,887	10,136	15,011	18,615	23,706
Revenue Sharing	2,092,862	2,013,937	2,009,558	1,958,581	1,874,822
Professional Improvement Program	24,654	41,866	58,858	72,999	89,728
Other	5,403,331	3,179,265	3,184,897	3,188,538	1,927,694
Federal Sources	33,960,855	36,546,044	38,813,139	38,735,548	37,553,460
<b>Total Revenues</b>	<b>522,403,122</b>	<b>511,851,767</b>	<b>504,177,842</b>	<b>501,699,733</b>	<b>505,466,833</b>
<b>Expenditures</b>					
Current:					
Instruction:					
Regular Education Programs	166,810,622	166,647,814	167,383,628	162,894,510	162,257,065
Special Education Programs	76,472,551	76,388,661	78,372,934	76,746,705	73,070,453
Other Education Programs	28,338,689	29,714,599	29,720,912	28,701,170	27,712,046
Support Services:					
Pupil Support	31,704,300	30,130,928	28,547,751	27,706,970	26,538,745
Instructional Staff Support	16,749,866	15,744,693	15,316,971	15,147,222	14,910,725
General Administration	9,179,697	9,147,607	8,785,701	8,976,897	12,939,524
School Administration	25,416,892	25,084,035	25,492,267	23,772,976	23,550,542
Business Administration	2,814,857	2,778,506	2,738,059	2,666,577	2,559,738
Operation and Maintenance of Plant	46,049,539	42,296,003	41,719,856	40,535,737	39,174,468
Pupil Transportation	32,861,000	33,835,752	33,742,244	32,895,149	33,707,361
Central Services	6,614,714	7,695,483	7,646,464	9,556,062	7,555,254
Food Services	26,054,533	23,663,303	22,981,155	23,126,347	22,969,482
Community Service Programs	1,075,890	1,391,369	1,358,154	1,330,349	1,389,944
Facilities Acquisition and Construction	26,306,578	11,129,921	23,210,503	43,583,177	46,615,084
Debt Service - Legal Fees	-	-	-	-	-
Debt Service - Administrative	75,766	92,208	196,713	137,236	23,245
Debt Service - Principal	21,294,511	19,696,113	23,917,790	20,949,542	23,596,612
Debt Service - Interest	10,587,469	10,549,935	9,934,144	9,560,284	9,597,540
<b>Total Expenditures</b>	<b>528,407,474</b>	<b>505,986,930</b>	<b>521,065,246</b>	<b>528,286,910</b>	<b>528,167,828</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>(6,004,352)</b>	<b>5,864,837</b>	<b>(16,887,404)</b>	<b>(26,587,177)</b>	<b>(22,700,995)</b>
<b>Other Financing Sources (Uses)</b>					
Payment to Escrow Agent from Refunding Bond Issuance	(5,586,280)	-	(24,256,817)	(11,115,578)	-
Premium Received on Bonds Issuance	2,844,553	-	8,999,971	3,568,548	-
Discount on Bonds Issuance	(33,720)	-	(427,980)	(59,340)	-
Bonds Issuance	40,620,000	-	71,330,000	39,890,000	-
Capital Lease Issuance	-	-	-	-	1,567,575
Transfers In	27,725,105	23,284,907	8,474,786	6,737,699	6,075,830
Transfers Out	(27,725,105)	(23,284,907)	(8,474,786)	(6,737,699)	(6,075,830)
<b>Total Other Financing Sources (Uses)</b>	<b>37,844,553</b>	<b>-</b>	<b>55,645,174</b>	<b>32,283,630</b>	<b>1,567,575</b>
<b>Net Change in Fund Balances</b>	<b>\$ 31,840,201</b>	<b>\$ 5,864,837</b>	<b>\$ 38,757,770</b>	<b>\$ 5,696,453</b>	<b>\$ (21,133,420)</b>
<b>Debt Service as a Percentage of Noncapital Expenditures</b>	<b>6.36%</b>	<b>6.32%</b>	<b>6.86%</b>	<b>5.78%</b>	<b>6.28%</b>

Source: Comprehensive Annual Financial Reports

Table 4

Fiscal Year Ended June 30,				
2015	2014	2013	2012	2011
\$ 121,980,372	\$ 117,617,828	\$ 113,777,048	\$ 108,701,407	\$ 106,080,018
89,782,899	85,228,553	82,874,124	77,922,516	75,235,263
1,706,972	1,553,583	1,489,613	1,622,025	1,379,059
833,362	1,023,396	823,703	972,281	1,180,463
(92,838)	-	-	-	-
2,946,103	2,749,909	2,755,899	2,994,653	3,050,741
-	-	-	-	-
4,743,693	2,985,272	4,189,300	3,236,116	3,347,668
212,051,558	209,165,185	205,634,315	205,142,441	198,769,620
-	4,957,585	-	-	-
35,065	-	-	-	-
-	-	-	-	-
-	-	-	-	-
31,439	40,792	46,594	41,862	38,640
1,975,831	1,991,297	1,917,347	1,906,476	1,943,649
103,102	135,943	176,606	225,250	267,972
3,562,090	3,865,488	2,068,473	1,779,359	2,511,755
35,877,268	33,567,932	41,567,867	51,108,324	51,459,119
475,536,916	464,882,763	457,320,889	455,652,710	445,263,967
160,269,991	152,112,414	146,164,152	147,685,477	142,077,073
77,306,852	73,328,752	67,709,473	69,889,456	77,187,609
21,404,901	21,669,584	26,476,614	27,838,768	30,764,740
26,007,063	25,453,797	25,454,155	26,580,941	20,051,113
14,431,754	14,428,707	15,010,261	16,735,273	16,681,117
8,814,605	7,888,783	7,923,386	7,769,242	7,459,196
23,628,377	23,573,387	23,182,618	23,612,854	22,902,677
2,581,073	2,326,710	2,342,771	2,630,386	2,742,932
37,997,246	41,200,729	38,005,186	39,382,356	35,624,333
32,693,535	33,303,447	33,530,869	34,555,398	33,046,700
7,176,058	6,075,864	6,135,477	6,632,309	6,873,146
22,196,474	21,164,406	21,322,800	21,620,388	20,577,669
1,371,732	1,282,471	1,244,554	1,218,701	1,253,851
24,313,023	9,853,782	13,264,829	22,047,234	62,895,583
1,231	14,135	-	49,226	66,672
428,521	76,266	5,857	7,057	10,898
21,378,333	19,293,333	21,183,334	38,003,333	19,533,333
8,714,751	8,703,435	9,022,154	10,656,706	10,599,005
490,715,520	461,750,002	457,978,490	496,915,105	510,347,647
(15,178,604)	3,132,761	(657,601)	(41,262,395)	(65,083,680)
(41,090,553)	(13,562,564)	(20,389,649)	(20,701,558)	-
11,127,400	2,494,903	2,407,392	1,834,163	108,488
-	(72,540)	(108,180)	(113,400)	-
94,765,000	32,090,000	18,030,000	38,230,000	20,000,000
-	-	-	-	-
5,450,535	23,076,524	6,671,301	17,643,714	10,170,630
(5,450,535)	(23,076,524)	(6,671,301)	(17,643,714)	(10,170,630)
64,801,847	20,949,799	(60,437)	19,249,205	20,108,488
\$ 49,623,243	\$ 24,082,560	\$ (718,038)	\$ (22,013,190)	\$ (44,975,192)
6.48%	6.22%	6.90%	10.41%	6.79%



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

**Table 5**

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

<b>Fiscal Year</b>	<b>Real Estate Assessed Value</b>	<b>Commercial and Other Property Assessed Value</b>	<b>Assessed Value</b>	<b>Estimated Actual Value</b>	<b>Total Direct Tax Rate</b>	<b>Ratio of Total Assessed Value to Total Estimated Actual Value*</b>
<u>Parish of St. Tammany</u>						
2020	\$ 2,247,891,939	\$ 414,148,680	\$ 2,662,040,619	\$ 24,869,469,283	64.41	10.70%
2019	2,194,903,407	391,376,719	2,586,280,126	24,202,638,277	64.41	10.69%
2018	2,137,187,411	391,933,078	2,529,120,489	23,619,966,603	65.41	10.71%
2017	2,083,892,697	390,707,076	2,474,599,773	23,068,220,863	66.41	10.73%
2016	1,952,866,176	383,311,247	2,336,177,423	21,717,437,940	68.18	10.76%
2015	1,653,788,138	625,275,075	2,279,063,213	20,334,905,080	68.18	11.21%
2014	1,537,277,075	675,742,656	2,213,019,731	19,877,721,790	68.18	11.13%
2013	1,525,724,378	644,823,218	2,170,547,596	19,556,065,233	68.18	11.10%
2012	1,481,091,078	596,195,410	2,077,286,488	18,785,546,847	68.45	11.06%
2011	1,483,378,855	588,578,634	2,071,957,489	18,757,646,110	68.45	11.05%

Source: Louisiana Tax Commission Annual Reports

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

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

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

**Table 6**

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

Taxpayer	Type of Business	June 30, 2020			June 30, 2011		
		Assessed Valuation	Rank	Percentage of Total Assessed Valuation	Assessed Valuation	Rank	Percentage of Total Assessed Valuation
Central La. Electric Co.	Utility	\$ 47,578,090	1	2.23%	\$ 38,771,050	1	2.46%
Florida Marine Transporters	Transportation	13,723,580	2	0.64%	5,966,080	9	0.38%
Associated Wholesale Grocers	Retail	13,442,760	3	0.63%			
Atmos Energy Louisiana	Utility	12,778,630	4	0.60%	6,686,110	7	0.42%
Tri-States NGL Pipeline, Inc	Energy	11,645,850	5	0.55%			
Chevron USA Inc.	Energy	11,427,970	6	0.53%	10,600,950	3	0.67%
Parkway Pipeline LLC	Energy	9,581,090	7	0.45%			
Bellsouth Telecommunications	Telephone	9,385,760	8	0.44%			
Regions Bank	Bank	9,357,144	9	0.44%			
Capital One Bank	Bank	8,243,880	10	0.39%	9,040,730	4	0.57%
AT&T Southeast	Telephone				17,804,920	2	1.13%
JP Morgan Chase Bank	Bank				7,393,233	5	0.47%
Verizon Wireless	Telephone				6,754,120	6	0.43%
Wash-St. Tammany Elec Coop	Utility				6,206,460	8	0.39%
AT&T Mobilty	Telephone				5,772,110	7	0.37%
		<u>\$ 147,164,754</u>		<u>6.90%</u>	<u>\$ 114,995,763</u>		<u>7.29%</u>

Source: St. Tammany Parish Assessor's Office

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

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

School Board (Parish Wide)							
Year	Constitutional	Additional Support	Construction, Maintenance, and Operations	Improving, Maintaining, and Operating	School Security	Bond and Interest -	Total School Board
						District No. 12 Millage	
RATE PER \$1,000 OF ASSESSED VALUE							
2020	3.65	7.53	3.30	34.03	2.00	13.90	64.41
2019	3.65	7.53	3.30	34.03	0.00	15.90	64.41
2018	3.65	7.53	3.30	34.03	0.00	16.90	65.41
2017	3.65	7.53	3.30	34.03	0.00	17.90	66.41
2016	3.78	7.81	3.42	35.27	0.00	17.90	68.18
2015	3.78	7.81	3.42	35.27	0.00	17.90	68.18
2014	3.78	7.81	3.42	35.27	0.00	17.90	68.18
2013	3.78	4.81	3.42	35.27	0.00	20.90	68.18
2012	3.80	4.84	3.44	35.47	0.00	20.90	68.45
2011	3.80	4.84	3.44	35.47	0.00	20.90	68.45

Source: St. Tammany Parish Assessor's Office

Table 7

Other Governments (Parish Wide)								
Parish Council Millage	Law Enforcement Millage	Assessor Millage	City of Abita Springs Millage	City of Covington Millage	City of Madisonville Millage	City of Mandeville Millage	City of Pearl River Millage	City of Slidell Millage
RATE PER \$1,000 OF ASSESSED VALUE								
19.94	11.69	2.59	15.86	21.00	8.55	9.31	9.98	27.07
19.94	11.69	2.59	15.86	21.00	8.55	9.31	9.98	26.93
19.94	11.66	2.60	15.86	21.24	8.55	10.31	9.98	27.08
19.94	11.25	2.60	15.71	21.24	8.21	10.31	9.98	27.52
20.67	11.66	2.69	15.86	21.50	8.55	11.03	10.00	22.50
19.01	11.66	2.69	15.86	21.80	8.55	15.80	10.00	25.85
19.01	11.66	2.71	15.86	21.80	8.55	15.80	10.00	25.89
19.43	11.66	2.71	15.86	22.00	8.55	15.80	10.00	26.56
19.54	11.73	2.73	15.86	22.04	8.59	15.82	10.00	26.79
19.54	11.73	2.73	15.86	22.04	8.59	15.92	9.67	27.82

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

**Table 8**

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

<b>Fiscal Year</b>	<b>Total Tax Levy</b>	<b>Current Tax Collections</b>	<b>Percent of Levy Collected</b>	<b>Collections for Prior Years</b>	<b>Total Collections</b>	<b>Ratio of Total Collections to Tax Levy</b>
2020	\$ 137,598,182	\$ 136,584,155	99.3	\$ 2,800,616	\$ 139,384,771	101.3
2019	133,264,859	132,319,793	99.3	2,869,908	135,189,702	101.4
2018	132,216,295	130,945,088	99.0	2,662,071	133,607,159	101.1
2017	130,104,319	128,592,162	98.8	2,768,499	131,360,661	101.0
2016	124,812,566	123,641,489	99.1	2,393,485	126,034,974	101.0
2015	121,197,326	119,256,432	98.4	2,723,940	121,980,372	100.6
2014	116,871,308	115,767,944	99.1	1,849,884	117,617,828	100.6
2013	113,912,376	112,745,122	99.0	1,031,926	113,777,048	99.9
2012	108,198,475	106,265,778	98.2	2,435,629	108,701,407	100.5
2011	107,722,480	104,518,418	97.0	1,561,600	106,080,018	98.5

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

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

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

**Table 9**

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

<b>Fiscal Year</b>	<b>1% Sales Tax 1966</b>	<b>1% Sales Tax 1977</b>	<b>Total Sales Tax</b>
2020	\$ 52,819,366	\$ 52,819,367	\$ 105,638,733
2019	51,322,145	51,322,145	102,644,290
2018	48,630,749	48,630,750	97,261,499
2017	48,259,849	48,259,849	96,519,698
2016	46,686,028	46,686,027	93,372,055
2015	44,891,449	44,891,450	89,782,899
2014	42,614,129	42,614,424	85,228,553
2013	41,437,062	41,437,062	82,874,124
2012	38,961,258	38,961,258	77,922,516
2011	37,617,631	37,617,632	75,235,263

*Source: Comprehensive Annual Financial Reports*

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

**Table 10**

**Principal Sales Tax Payers  
June 30, 2020  
(Unaudited)**

<b>Type of Business</b>	<b>Percentage of Total</b>	<b>Total</b>
Grocery/Discount Retailer	2.75 %	
Grocery/Discount Retailer	1.92	
Grocery/Discount Retailer	1.90	
Grocery/Discount Retailer	1.72	
Building Materials	1.52	
Internet/Retailer	1.41	
Grocery/Discount Retailer	1.33	
Grocery/Discount Retailer	1.04	
Building Materials	0.88	
Grocery/Discount Retailer	0.81	
Building Materials	0.68	
Grocery/Discount Retailer	0.67	
Grocery/Discount Retailer	0.65	
Grocery/Discount Retailer	0.62	
Grocery/Discount Retailer	0.59	
Internet/Retailer	0.56	
Grocery/Discount Retailer	0.50	
Building Materials	0.49	
Grocery/Discount Retailer	0.48	
Grocery/Discount Retailer	0.47	
Total - 20 Largest Taxpayers	20.99 %	\$ 22,173,570
Total - All Other Taxpayers	79.01 %	83,465,163
All Taxpayers	100.00 %	\$ 105,638,733

Source: St. Tammany Parish Sheriff's Office

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

<b>Fiscal Year</b>	<b>General Obligation Bonds</b>	<b>Qualified School Construction Bonds</b>	<b>Community Disaster Loan</b>	<b>Capital Lease</b>	<b>Total Debt</b>	<b>(1) Percentage of Total Personal Income</b>	<b>(1) Total Debt Per Capital</b>
2020	\$ 272,028,818	\$ 1,666,667	\$ -	\$ 809,674	\$ 274,505,159	(2)	\$ 1,064
2019	256,716,424	2,000,000	-	960,852	259,677,276	1.61%	1,006
2018	277,825,445	2,333,334	-	1,108,631	281,267,410	1.98%	1,097
2017	245,875,176	2,666,667	-	1,253,088	249,794,931	1.90%	985
2016	234,326,228	3,000,000	-	1,394,297	238,720,525	1.67%	892
2015	241,790,000	3,333,334	-	-	245,123,334	1.89%	997
2014	205,170,000	3,666,667	-	-	208,836,667	1.71%	862
2013	204,540,000	4,000,000	65,766,016	-	274,306,016	2.34%	1,146
2012	226,210,000	4,333,334	65,766,016	-	296,309,350	2.63%	1,251
2011	244,625,000	4,666,667	65,766,016	-	315,057,683	2.95%	1,343

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

(1) See the Schedule of Demographic Statistics, Table 16, for personal income and population data.

(2) Information not available.



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

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

<b>Fiscal Year</b>	<b>General Obligation Bonds</b>	<b>Revenue Bonds and Notes</b>	<b>Total Debt</b>	<b>Resources Restricted for Repayment of Debt</b>	<b>Net Debt</b>
2020	\$ 272,028,818	\$ -	\$ 272,028,818	\$ 26,217,530	\$ 245,811,288
2019	256,716,424	-	256,716,424	28,748,551	227,967,873
2018	277,825,445	-	277,825,445	26,131,878	251,693,567
2017	245,875,176	-	245,875,176	27,068,577	218,806,599
2016	234,326,228	-	234,326,228	23,828,983	210,497,245
2015	241,790,000	-	241,790,000	27,841,979	213,948,021
2014	205,170,000	-	205,170,000	22,508,737	182,661,263
2013	204,540,000	-	204,540,000	19,638,976	184,901,024
2012	226,210,000	-	226,210,000	16,394,662	209,815,338
2011	244,625,000	-	244,625,000	23,873,670	220,751,330

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

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

Table 12

(1)		(1)		(2)		(2)	
Net Debt Per Capital		Net Debt Per Student		Percentage of Net Debt to Assessed Value		Percentage of Net Debt to Estimated Actual Value	
\$	944	\$	6,340		9.23%		0.99%
	883		5,915		8.81%		0.94%
	982		6,529		9.95%		1.07%
	863		5,657		8.84%		0.95%
	768		4,994		9.01%		0.97%
	870		5,602		9.39%		1.05%
	782		4,981		8.25%		0.92%
	772		4,875		8.52%		0.95%
	886		5,594		10.10%		1.12%
	941		5,948		10.65%		1.18%

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

**Table 13**

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

<b>Year</b>	<b>Assessed Value (2)</b>	<b>Debt Limit of Thirty-Five Percent (35%) of Assessed Value (1)</b>	<b>Less: Total Bonded Debt (3)</b>	<b>Add: Amount Available for Repayment of Debt (3)</b>	<b>Legal Debt Margin</b>	<b>Legal Debt Margin as a % of the Debt Limit</b>
<u>Parish of St. Tammany</u>						
2020	\$ 2,662,040,619	\$ 931,714,217	\$ 249,330,000	\$ 26,217,530	708,601,747	76.05%
2019	2,586,280,126	905,198,044	234,795,000	28,748,551	702,396,521	77.60%
2018	2,529,120,489	885,192,171	254,010,000	26,131,878	657,314,049	74.26%
2017	2,474,599,773	866,109,921	228,115,000	27,068,577	665,063,498	76.79%
2016	2,336,177,423	817,662,098	234,326,228	23,828,983	607,164,853	74.26%
2015	2,279,063,213	797,672,125	241,790,000	27,841,979	583,724,104	73.18%
2014	2,213,019,731	774,556,906	205,170,000	22,508,737	591,895,643	76.42%
2013	2,170,547,596	759,691,659	204,540,000	19,638,976	574,790,635	75.66%
2012	2,077,286,488	727,050,271	226,210,000	16,394,662	517,234,933	71.14%
2011	2,071,957,489	725,185,121	244,625,000	23,873,670	504,433,791	69.56%

Sources:

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

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

**Table 14**

**Computation of Direct and Overlapping Debt  
June 30, 2020  
(Unaudited)**

	<b>Gross Debt Outstanding</b>	<b>Percentage Applicable</b>	<b>Share of Overlapping Debt</b>
<u>Direct Debt</u>			
St. Tammany Parish School Board	<u>\$ 274,505,159</u>	100.00%	<u>\$ 274,505,159</u>
<u>Overlapping Debt</u>			
Town of Abita Springs	1,192,312	100.00%	1,192,312
City of Covington	4,742,000	100.00%	4,742,000
City of Mandeville	-	100.00%	-
Town of Pearl River	30,783	100.00%	30,783
City of Slidell	18,329,367	100.00%	18,329,367
Fire Protection Districts	11,475,549	100.00%	11,475,549
Gravity Drainage District No. 5	-	100.00%	-
Northshore Harbor Center	1,315,000	100.00%	1,315,000
Sub-Drainage Districts	26,000	100.00%	26,000
Recreation Districts	28,068,766	100.00%	28,068,766
Sewerage Districts	136,997	100.00%	136,997
Sheriff	17,724,236	100.00%	17,724,236
Hospital Service District No. 2	56,845,000	100.00%	56,845,000
Water District No. 2	1,255,000	100.00%	1,255,000
Water District No. 3	2,030,597	100.00%	2,030,597
Communications District No. 1	5,725,000	100.00%	5,725,000
Parish Council	<u>86,684,651</u>	100.00%	<u>86,684,651</u>
<b>Total Overlapping Debt</b>	<u>235,581,258</u>		<u>235,581,258</u>
<b>Total Direct and Overlapping Debt</b>	<u><u>\$ 510,086,417</u></u>		<u><u>\$ 510,086,417</u></u>

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

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

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

**Table 15**

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

Fiscal Year	Sales Tax Bonds				
	Sales Taxes	Debt Service		Coverage	
		Principal	Interest		
2020	\$ 105,638,733	\$ -	\$ -	0.00	
2019	102,644,290	-	-	0.00	
2018	97,261,499	-	-	0.00	
2017	96,519,698	-	-	0.00	
2016	93,372,055	-	-	0.00	
2015	89,782,899	-	-	0.00	
2014	85,228,553	-	-	0.00	
2013	82,874,124	-	-	0.00	
2012	77,922,516	-	-	0.00	
2011	75,235,263	-	-	0.00	

*Source: Comprehensive Annual Financial Reports*

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

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

<b>Fiscal Year</b>	<b>Population (1)</b>	<b>Total Personal Income (3)</b>	<b>Per Capita Personal Income (3)</b>	<b>Public School Enrollment (4)</b>	<b>Unemployment Rate (5)</b>
2020	260,419	(2)	(2)	38,774	4.2%
2019	258,111	16,097,350,626	62,366	38,542	4.2%
2018	255,820	14,237,917,920	55,656	38,549	4.3%
2017	252,389	13,920,515,295	55,155	38,681	5.0%
2016	248,913	13,836,326,931	55,587	38,439	5.3%
2015	245,232	12,964,680,144	52,867	38,193	5.7%
2014	241,941	12,373,346,622	51,142	38,044	5.1%
2013	239,139	12,082,019,697	50,523	37,857	5.2%
2012	236,780	11,077,278,740	46,783	37,508	5.8%
2011	234,533	10,889,836,256	46,432	37,112	5.6%

Sources:

(1) U.S. Department of Commerce, Bureau of Census, Midyear Estimates

(2) Information is not available at this time.

(3) Bureau of Economic Analysis

(4) St. Tammany Parish School System - October 1 enrollment

(5) U.S. Bureau of Labor Statistics

Note: All information is parish wide.

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

**Table 17**

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

Employer	Location	2020			2011		
		Employees	Rank	% of Total St. Tammany Parish Employment	Employees	Rank	% of Total St. Tammany Parish Employment
St. Tammany Parish School Board	Parish Wide	5,546	1	4.85%	5,445	1	5.30%
St. Tammany Parish Hospital	Covington	2,338	2	2.04%	1,679	2	1.63%
Slidell Memorial Hospital	Slidell	1,523	3	1.33%	1,100	4	1.07%
Ochsner Health System	Parish Wide	970	4	0.85%	622	10	0.60%
Lakeview Regional Medical Center	Mandeville	900	5	0.79%	788	6	0.77%
St. Tammany Parish Sheriff's Office	Parish Wide	706	6	0.62%	693	7	0.67%
St. Tammany Parish Government	Parish Wide	689	7	0.60%	691	8	0.67%
Poolcorp	Covington	400	8	0.35%			
City of Slidell	Slidell	377	9	0.33%			
STARC of Louisiana	Covington	352	10	0.31%			
Walmart	Parish Wide				1,125	3	1.09%
Hornbeck Offshore Services Inc.	Covington				1,025	5	1.00%
Southeast Louisiana Hospital	Mandeville				667	9	0.65%
<b>TOTAL - 10 LARGEST EMPLOYERS</b>		13,801		12.07%	13,835		13.45%
<b>TOTAL - ALL OTHER EMPLOYERS</b>		100,554		87.93%	89,038		86.55%
<b>TOTAL - ALL EMPLOYERS</b>		114,355		100%	102,873		100%

Note: Information listed is for St. Tammany Parish.

Sources:

2020 information: Book of Lists 2019, New Orleans City Business

2011 information: Book of Lists 2010, New Orleans City Business





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

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

	Fiscal Year Ended June 30,				
	2020	2019	2018	2017	2016
<b><u>EXPENDITURES</u></b>					
Current:					
Instruction:					
Regular Education Programs	\$ 166,447,230 40.9%	\$ 166,174,763 40.8%	\$ 166,225,122 0.0%	\$ 161,498,322 40.5%	\$ 160,856,566 40.9%
Special Education Programs	70,638,112 17.4%	70,095,104 17.2%	71,624,777 17.5%	69,416,475 17.4%	66,852,638 17.0%
Other Education Programs	18,177,725 4.5%	17,647,752 4.3%	17,764,279 4.3%	17,279,735 4.3%	16,447,300 4.2%
Support Services:					
Pupil Support	26,550,858 6.5%	25,177,216 6.2%	26,145,311 6.4%	25,350,753 6.4%	24,483,384 6.2%
Instructional Staff Support	10,383,372 2.6%	10,231,979 2.5%	10,229,252 2.5%	9,839,094 2.5%	9,877,687 2.5%
General Administration	8,085,075 2.0%	8,065,397 2.0%	7,650,870 1.9%	7,810,955 2.0%	7,998,969 2.0%
School Administration	25,412,898 6.2%	25,077,867 6.2%	25,486,202 6.2%	23,765,632 6.0%	23,544,619 6.0%
Business Administration	2,814,857 0.7%	2,778,506 0.7%	2,674,292 0.7%	2,666,577 0.7%	2,559,738 0.7%
Operation and Maintenance of Plant	36,766,886 9.0%	38,594,207 9.5%	38,363,868 9.4%	37,158,025 9.3%	36,993,838 9.4%
Pupil Transportation	32,627,410 8.0%	33,710,146 8.3%	33,690,085 8.2%	32,528,734 8.1%	33,488,455 8.5%
Central Services	6,551,548 1.6%	7,642,128 1.9%	7,646,464 1.9%	9,494,261 2.4%	7,494,052 1.9%
Food Service	- 0.0%	- 0.0%	- 0.0%	- 0.0%	- 0.0%
Community Service Programs	1,075,890 0.3%	1,391,369 0.3%	1,358,154 0.3%	1,330,349 0.3%	1,389,944 0.4%
Facility Acquisition and Construction	1,076,054 0.3%	645,866 0.2%	920,661 0.2%	1,026,755 0.3%	1,104,479 0.3%
<b>Total</b>	<b>\$ 406,607,915</b>	<b>\$ 407,232,300</b>	<b>\$ 409,779,337</b>	<b>\$ 399,165,667</b>	<b>\$ 393,091,669</b>
Pupil Count - October 1* (1)	38,774	38,542	38,549	38,681	38,439
Average Expenditures per Pupil	\$ 10,487	\$ 10,566	\$ 10,630	\$ 10,319	\$ 10,226

Source: Comprehensive Annual Financial Reports

(1) Source: Table 16

Table 18

Fiscal Year Ended June 30,				
2015	2014	2013	2012	2011
\$ 153,080,158 40.8%	\$ 150,227,695 40.2%	\$ 139,221,054 39.0%	\$ 138,129,144 37.9%	\$ 127,638,638 36.4%
64,560,078 17.2%	65,058,237 17.4%	61,472,195 17.2%	62,475,444 17.1%	72,393,596 20.7%
15,022,276 4.0%	16,046,187 4.3%	16,916,287 4.7%	18,062,290 5.0%	18,018,922 5.1%
22,786,038 6.1%	22,450,802 6.0%	21,567,548 6.0%	22,768,533 6.2%	16,247,433 4.6%
9,768,790 2.6%	9,757,477 2.6%	9,681,273 2.7%	12,145,627 3.3%	12,307,671 3.5%
7,767,484 2.1%	6,915,707 1.8%	6,752,193 1.9%	6,664,466 1.8%	6,371,730 1.8%
23,124,874 6.2%	23,565,806 6.3%	22,823,310 6.4%	23,180,018 6.4%	18,802,241 5.4%
2,531,571 0.6%	2,326,710 0.6%	2,300,737 0.6%	2,570,734 0.7%	2,742,932 0.8%
35,906,072 9.6%	36,574,084 9.8%	35,805,731 10.0%	36,572,270 10.0%	30,751,904 8.8%
31,655,905 8.4%	33,221,239 8.9%	32,810,682 9.2%	33,620,868 9.2%	32,764,770 9.4%
6,996,124 1.8%	6,015,842 1.6%	5,978,237 1.7%	6,461,713 1.8%	6,819,001 1.9%
- 0.0%	22,740 0.0%	21,810 0.0%	26,041 0.0%	3,705,046 1.1%
1,371,732 0.4%	1,282,471 0.3%	1,244,554 0.3%	1,218,701 0.3%	1,253,851 0.4%
589,132 0.2%	597,756 0.2%	386,670 0.1%	453,760 0.1%	499,088 0.1%
<u>\$ 375,160,234</u>	<u>\$ 374,062,753</u>	<u>\$ 356,982,281</u>	<u>\$ 364,349,609</u>	<u>\$ 350,316,823</u>
38,193	38,044	37,926	37,508	37,112
\$ 9,823	\$ 9,832	\$ 9,413	\$ 9,714	\$ 9,439

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

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

	Fiscal Year Ended June 30,				
	2020	2019	2018	2017	2016
<b>EXPENDITURES</b>					
Current:					
Instruction:					
Regular Education Programs	\$ 4,293 40.9%	\$ 4,312 40.8%	\$ 4,312 40.6%	\$ 4,176 40.5%	\$ 4,184 40.9%
Special Education Programs	1,822 17.4%	1,819 17.2%	1,858 17.5%	1,794 17.4%	1,739 17.0%
Other Education Programs	469 4.5%	458 4.3%	461 4.3%	447 4.3%	428 4.2%
Support Services:					
Pupil Support	685 6.5%	653 6.2%	678 6.4%	655 6.4%	637 6.2%
Instructional Staff Support	268 2.6%	265 2.5%	265 2.5%	254 2.5%	257 2.5%
General Administration	209 2.0%	209 2.0%	198 1.9%	202 2.0%	208 2.0%
School Administration	655 6.2%	651 6.2%	661 6.2%	614 6.0%	613 6.0%
Business Administration	73 0.6%	72 0.6%	69 0.6%	69 0.6%	67 0.6%
Operation and Maintenance of Plant	948 9.0%	1,001 9.5%	995 9.4%	960 9.3%	962 9.4%
Pupil Transportation	841 8.0%	875 8.3%	874 8.2%	841 8.1%	871 8.5%
Central Services	169 1.5%	198 1.8%	198 1.8%	245 2.3%	195 1.8%
Food Service	- 0.0%	- 0.0%	- 0.0%	- 0.0%	- 0.0%
Community Service Programs	28 0.3%	36 0.3%	35 0.3%	34 0.3%	36 0.4%
Facility Acquisition and Construction	28 0.3%	17 0.2%	24 0.2%	27 0.3%	29 0.3%
<b>Total</b>	<b>\$ 10,488</b>	<b>\$ 10,566</b>	<b>\$ 10,628</b>	<b>\$ 10,318</b>	<b>\$ 10,226</b>
Pupil Count - October 1* (1)	38,774	38,542	38,549	38,691	38,439

Source: Comprehensive Annual Financial Reports

(1) Source: Table 16

Table 19

Fiscal Year Ended June 30,									
2015		2014		2013		2012		2011	
\$	4,008	\$	3,949	\$	3,671	\$	3,683	\$	3,439
	40.8%		40.2%		39.0%		37.9%		36.4%
	1,690		1,710		1,621		1,666		1,951
	17.2%		17.4%		17.2%		17.1%		20.7%
	393		422		446		482		486
	4.0%		4.3%		4.7%		5.0%		5.1%
	597		590		569		607		438
	6.1%		6.0%		6.0%		6.2%		4.6%
	256		256		255		324		332
	2.6%		2.6%		2.7%		3.3%		3.5%
	203		182		178		178		172
	2.1%		1.8%		1.9%		1.8%		1.8%
	605		619		602		618		507
	6.2%		6.3%		6.4%		6.4%		5.4%
	66		61		61		69		74
	0.6%		0.6%		0.6%		0.7%		0.8%
	940		961		944		975		829
	9.6%		9.8%		10.0%		10.0%		8.8%
	829		873		865		896		883
	8.4%		8.9%		9.2%		9.2%		9.3%
	183		158		158		172		184
	1.8%		1.6%		1.7%		1.8%		1.9%
	-		1		1		1		100
	0.0%		0.0%		0.0%		0.0%		1.1%
	36		34		33		32		34
	0.4%		0.3%		0.3%		0.3%		0.4%
	15		16		10		12		13
	0.2%		0.2%		0.1%		0.1%		0.1%
\$	9,821	\$	9,832	\$	9,414	\$	9,715	\$	9,442
	38,193		38,044		37,926		37,508		37,112

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

**Full-Time Equivalents (FTE) Employees  
Last Ten Fiscal Years  
(Unaudited)**

	Fiscal Year				
	2020	2019	2018	2017	2016
<b><u>Regular Employees: CERTIFICATED</u></b>					
<b>Instructional:</b>					
Supervising Instructors	2	2	2	2	1
Classroom Teachers - Regular Education	1,862	1,867	1,857	1,850	1,819
Classroom Teachers - Special Education	637	631	642	634	621
Classroom Teachers - Vocational Education	58	58	59	59	61
Classroom Teachers - Other Instructional Programs	30	29	30	31	31
Classroom Teachers - Special Programs	84	90	92	86	89
Classroom Teachers - Adult/Continuing Ed Programs	-	-	-	-	-
Classroom Teachers - Community College Programs	-	-	-	-	-
<i>Total Classroom Teachers</i>	<u>2,673</u>	<u>2,677</u>	<u>2,682</u>	<u>2,662</u>	<u>2,622</u>
Therapist/Specialist/Counselor - Instructional Programs	-	-	-	-	-
Sabbatical Leave - Instructional Programs	-	3	-	1	4
<i>Total Certificated - Instructional Programs</i>	<u>2,673</u>	<u>2,680</u>	<u>2,682</u>	<u>2,663</u>	<u>2,626</u>
<b>Instructional Support:</b>					
Supervisors - Instructional Support Functions	44	42	42	35	35
Librarians/Media-Based Teachers/Staff Instructors - Instr Spt	49	46	44	44	56
Therapist/Specialist/Counselor - Instructional Support Functions	300	299	299	300	277
Sabbatical Leave - Instructional Support Functions	-	-	2	-	-
<i>Total Certificated - Instructional Support</i>	<u>393</u>	<u>387</u>	<u>387</u>	<u>379</u>	<u>368</u>
<b>Support Services:</b>					
Superintendents	1	1	1	1	1
Assistant/Associate/Deputy Superintendents	3	3	3	3	3
School Principals	56	55	55	55	56
School Assistant Principals	82	83	80	76	78
Other School Administrators	15	14	10	3	2
Sabbatical Leave - Support Services	-	-	-	-	-
<i>Total Certificated - Support Services</i>	<u>157</u>	<u>156</u>	<u>149</u>	<u>138</u>	<u>140</u>
<b>Total Certificated</b>	<u>3,223</u>	<u>3,223</u>	<u>3,218</u>	<u>3,180</u>	<u>3,134</u>

Source: Louisiana Department of Education Planning, Analysis, and Information Resources website

Table 20

Fiscal Year				
2015	2014	2013	2012	2011
1	1	1	1	-
1,810	1,783	1,761	1,770	1,712
607	595	582	601	634
61	60	59	61	63
30	28	31	50	54
86	63	81	81	81
-	-	-	-	-
-	15	16	16	16
2,595	2,545	2,531	2,580	2,560
-	-	-	-	-
4	-	-	-	-
2,599	2,545	2,531	2,580	2,560
35	33	38	42	42
55	54	71	73	72
271	274	262	276	277
-	-	-	-	-
361	361	371	391	391
1	1	1	1	1
2	2	3	3	3
55	56	57	57	55
81	76	74	77	76
2	2	2	3	-
-	-	-	-	-
141	137	137	141	135
3,101	3,043	3,039	3,112	3,086

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

**Full-Time Equivalents (FTE) Employees (Continued)  
Last Ten Fiscal Years  
(Unaudited)**

	Fiscal Year				
	2020	2019	2018	2017	2016
<b><u>Regular Employees: NON-CERTIFICATED</u></b>					
<b>Instructional:</b>					
Aide - Instructional Programs	681	683	680	671	633
<i>Total Non-Certificated - Instructional Programs</i>	681	683	680	671	633
<b>Instructional Support:</b>					
Clerical/Secretarial - Instructional Support Functions	38	35	36	36	36
Aide - Instructional Support Functions	9	8	13	16	17
Degreed Professional - Instructional Support Functions	32	29	31	30	29
Other Personnel - Instructional Support Functions	18	18	17	20	19
<i>Total Non-Certificated - Instructional Support</i>	97	90	97	102	101
<b>Support Services:</b>					
Supervisors/Managers/Administrators/Support Services	130	130	130	140	139
Clerical/Secretarial - Support Services	210	209	211	211	213
Aide - Support Services	125	123	122	121	117
Service Worker - Support Services	923	920	926	926	948
Skilled Craftsman - Support Services	98	100	96	96	95
Degreed Professional - Support Services	47	46	47	47	44
Other Personnel - Support Services	8	7	7	8	8
<i>Total Non-Certificated - Support Services</i>	1,541	1,535	1,539	1,549	1,564
<b>Total Non-Certificated</b>	2,319	2,308	2,316	2,322	2,298
<b>Total Regular Employees (Certificated and Non-Certificated)</b>	5,542	5,531	5,534	5,502	5,432
<b><u>Other Reported Personnel</u></b>					
School Board Members	15	15	15	15	15
<i>Total Other Reported Personnel</i>	15	15	15	15	15
<b>Grand Total</b>	5,557	5,546	5,549	5,517	5,447

Source: Louisiana Department of Education Planning, Analysis, and Information Resources website

Table 20

Fiscal Year				
2015	2014	2013	2012	2011
613	574	539	560	547
613	574	539	560	547
34	36	36	38	50
18	21	20	23	26
29	27	29	31	21
18	13	16	16	25
99	97	101	108	122
137	139	138	141	145
213	215	212	215	206
120	122	121	118	107
939	934	946	941	918
89	81	88	98	103
46	42	50	57	58
8	9	9	10	7
1,552	1,542	1,564	1,580	1,544
2,264	2,213	2,204	2,248	2,213
5,365	5,256	5,243	5,360	5,299
15	15	15	15	15
15	15	15	15	15
5,380	5,271	5,258	5,375	5,314



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

**Table 21**

**Capital Asset Information  
June 30, 2020  
(Unaudited)**

<b><u>Elementary Schools</u></b>			
<b>Schools</b>	<b>Year Opened</b>	<b>Square Footage</b>	<b>Enrollment</b>
Abita Springs Elementary	1978	102,099	691
Abney Elementary	1964	109,416	808
Abney Elementary Early Childhood Center	2011	26,266	271
Alton Elementary	1957	46,871	192
Bayou Woods Elementary	1985	101,722	396
Bonne Ecole Elementary	1973	90,491	718
Brock Elementary	1930	49,031	309
Chahta-Ima Elementary	1952	52,455	308
Covington Elementary	1956	81,561	595
Cypress Cove Elementary	1994	101,061	645
Florida Avenue Elementary	1956	80,108	551
Folsom Elementary	1949	76,941	430
Honey Island Elementary	1987	79,100	606
Lancaster Elementary	2011	119,582	1,301
Little Pearl Elementary	2008	42,124	117
Lyon Elementary	1963	79,882	622
Madisonville Elementary	1956	84,509	1,145
Magnolia Trace Elementary	1999	87,825	378
Mandeville Elementary	1966	72,693	598
Marigny Elementary	2009	81,627	489
Mayfield Elementary	2012	106,309	792
Pontchartrain Elementary	1994	106,589	798
Riverside Elementary	1986	85,989	428
Sixth Ward Elementary	1949	97,262	301
Whispering Forest Elementary	1989	89,887	543
Woodlake Elementary	1962	72,210	603
<b>Totals</b>		<b>2,123,610</b>	<b>14,635</b>

Capital Asset Information (Continued)  
June 30, 2020  
(Unaudited)

Junior High/Middle Schools

Schools	Year Opened	Square Footage	Enrollment
Abita Springs Middle	1923	89,618	500
Bayou Lacombe Middle	1956	53,303	190
Boyet Junior High	1963	104,585	780
Carolyn Park Middle	1966	68,785	259
Clearwood Junior High	1978	95,061	692
Creeside Junior High	2002	105,799	559
Fifth Ward Junior High	1949	116,301	458
Folsom Junior High	1957	55,901	224
Fontainebleau Junior High	1996	134,666	974
Lake Harbor Middle School	2001	80,714	609
Lee Road Junior High	1964	108,603	834
Little Oak Middle	1980	111,456	1,026
Madisonville Junior High	1949	75,264	642
Mandeville Junior High	1956	97,072	657
Mandeville Middle	1985	79,677	610
Monteleone Junior High	2005	92,407	441
Pine View Middle	1965	88,474	685
Pitcher Junior High	1964	100,687	344
St. Tammany Junior High	1966	77,141	663
Slidell Junior High	1956	114,734	849
Tchefuncte Middle	1994	97,813	734
<b>Totals</b>		<u>1,948,061</u>	<u>12,730</u>

Capital Asset Information (Continued)  
June 30, 2020  
(Unaudited)

<u>High Schools</u>			
<b>Schools</b>	<b>Year Opened</b>	<b>Square Footage</b>	<b>Enrollment</b>
Covington High	1973	218,184	1,509
Fontainebleau High	1994	285,690	1,686
Lakeshore High	2009	201,293	1,003
Mandeville High	1977	189,203	1,985
Northshore High	1982	204,181	1,536
Pearl River High	1967	130,794	704
Salmen High	2006	217,037	942
Slidell High	1949	217,455	1,748
<b>Totals</b>		<u>1,663,837</u>	<u>11,113</u>

<u>Special Education</u>			
<b>Other Location</b>	<b>Year Opened</b>	<b>Square Footage</b>	<b>Enrollment</b>
Harrison Center	1953	50,886	296
<b>Totals</b>		<u>50,886</u>	<u>296</u>

Source: Student enrollment is as of October 1, 2018, and was obtained from the Information Technology Department. Square footage was obtained from the Construction Department. Square footage does not include portable and temporary buildings being utilized.

**Percentage of Students in Free and Reduced Lunch Program  
Last Ten Fiscal Years  
(Unaudited)**

<b>School Year</b>	<b>Free</b>	<b>Reduced</b>	<b>Total</b>
2019-2020	39.74%	4.55%	44.29%
2018-2019	39.23%	5.00%	44.23%
2017-2018	36.61%	5.49%	42.10%
2016-2017	36.21%	5.05%	41.26%
2015-2016	41.60%	5.51%	47.11%
2014-2015	39.07%	8.04%	47.11%
2013-2014	39.44%	8.32%	47.76%
2012-2013	39.04%	8.17%	47.21%
2011-2012	38.98%	8.06%	47.04%
2010-2011	38.40%	7.23%	45.63%

Source: Louisiana Department of Education website

**History of High School Graduates  
Last Ten Fiscal Years  
(Unaudited)**

<b>School Year</b>	<b>Total</b>
2020	2,455
2019	2,383
2018	2,400
2017	2,389
2016	2,416
2015	2,284
2014	2,242
2013	2,228
2012	2,156
2011	2,227

Source: St. Tammany Parish School Board Information Technology Department

Note: Preliminary information only - does not include the dropout count.





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

Independent Auditor's Report

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

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the St. Tammany Parish School Board (the School Board), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the School Board's basic financial statements, and have issued our report thereon dated December 14, 2020.

**Internal Control Over Financial Reporting**

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

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

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



**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the School Board's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*. The results of our tests disclosed an other matter that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and questioned costs as item 2020-001.

**Purpose of this Report**

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

A handwritten signature in cursive script, appearing to read "LaForte".

A Professional Accounting Corporation

Covington, LA  
December 14, 2020

**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM;  
REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND  
REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
REQUIRED BY THE UNIFORM GUIDANCE**

Independent Auditor's Report

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

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

We have audited St. Tammany Parish School Board's (the School Board) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the School Board's major federal programs for the year ended June 30, 2020. The School Board's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

**Management's Responsibility**

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

**Auditor's Responsibility**

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

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

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

In our opinion, the School Board complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2020.

### **Report on Internal Control Over Compliance**

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

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

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

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the School Board as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the School Board's basic financial statements. We issued our report thereon dated December 14, 2020, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

A handwritten signature in cursive script that reads "LaForte".

A Professional Accounting Corporation

Covington, LA  
December 14, 2020

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

**Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2020**

<b>Federal Grantor/ Pass-Through Grantor/ Program Name</b>	<b>CFDA Number</b>	<b>Pass-Through Grantor Award Number</b>	<b>Expenditures</b>
<b><u>UNITED STATES DEPARTMENT OF AGRICULTURE</u></b>			
Passed through the Louisiana Department of Education			
<b>Child Nutrition Cluster</b>			
National School Lunch Program - Commodities	10.555	NONE	\$ 1,309,325
National School Lunch Program	10.555	NONE	8,462,751
			<u>9,772,076</u>
School Breakfast Program	10.553	NONE	3,133,994
Summer Food Service Program	10.559	NONE	11,610
			<u>12,917,680</u>
<b>Total Child Nutrition Cluster</b>			
			<u>12,917,680</u>
<b>Total United States Department of Agriculture</b>			<u>12,917,680</u>
<b><u>UNITED STATES DEPARTMENT OF EDUCATION</u></b>			
Passed through the Louisiana Department of Education			
<b>ESSA</b>			
Title I Part A	84.010A	S010A180018	6,853,291
Title I Direct Student Services	84.010A	S010A180018	100,500
Redesign 1003a	84.010A	S010A180018	555,015
			<u>7,508,806</u>
Title II Teacher and Principal Training	84.367A	S367A180017	1,776,034
Title III English Language Acquisition	84.365A	S354A180018	105,924
Title III English Immigrant Set Aside	84.365A	S365A180018	25,936
			<u>131,860</u>
Title IV Student Support & Academic Enrichment	84.424A	S424A180019	22,398
Title IV Set-Aside	84.424	S424A180019	9,000
			<u>31,398</u>
<b>Total ESSA</b>			<u>9,448,098</u>
<b>Special Education Cluster</b>			
Special Education - IDEA Part B	84.027A	H027A180033	8,807,238
Special Education - High Cost Services	84.027A	H027A170033	317,846
Special Education - High Cost Services	84.027A	H027A180033	69,764
			<u>9,194,848</u>
Special Education - IDEA Preschool	84.173A	H173A180082	205,692
<b>Total Special Education Cluster</b>			<u>9,400,540</u>

See independent auditor's report and notes to schedule of expenditures of federal awards.

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

**Schedule of Expenditures of Federal Awards (Continued)  
For the Year Ended June 30, 2020**

<b>Federal Grantor/ Pass-Through Grantor/ Program Name</b>	<b>CFDA Number</b>	<b>Pass-Through Grantor Award Number</b>	<b>Expenditures</b>
<b><u>UNITED STATES DEPARTMENT OF EDUCATION (CONTINUED)</u></b>			
Passed through the Louisiana Department of Education			
<b>Other Federal</b>			
Education for Homeless Children and Youth	84.196A	1S196A18019	37,318
Hurricane Education Recovery for Homeless Children	84.938B	NONE	1,103
21st Century Community Learning Centers	84.287C	S287C170018	450,168
Striving Readers Comprehensive Literacy Program	84.371C	S371C170015	21,739
COVID-19 - Elementary and Secondary School Emergency Relief Fund (CARES Act)	84.425D	S425D200003	518,298
<b>Total Other Federal</b>			<u>1,028,626</u>
Carl Perkins - Career and Technical Education	84.048	V048A180018	415,994
<b>Total Carl Perkins</b>			<u>415,994</u>
<b>Total United States Department of Education</b>			<u>20,293,258</u>
<b><u>UNITED STATES DEPARTMENT OF HEALTH AND HUMAN SERVICES</u></b>			
Passed through the Louisiana Department of Education			
Infant Class Support	93.434	90TP0010-01-02	24,403
Early Childhood Community Network Pilots - CCDF	93.575	NONE	89,846
<b>Total United States Department of Health and Human Services</b>			<u>114,249</u>
<b><u>UNITED STATES DEPARTMENT OF DEFENSE</u></b>			
Direct Aid			
Army - JROTC	12.998	NONE	308,863
Marines - JROTC	12.998	NONE	61,016
Navy - JROTC	12.998	NONE	212,283
<b>Total United States Department of Defense</b>			<u>582,162</u>
<b><u>UNITED STATES DEPARTMENT OF JUSTICE</u></b>			
Direct Aid			
STOP School Violence	16.839	2018-YS-BX-0171	53,507
<b>Total United States Department of Justice</b>			<u>53,507</u>
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>			<u>\$ 33,960,856</u>

See independent auditor's report and notes to schedule of expenditures of federal awards.

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

**Notes to Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2020**

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**Note 1. General**

The accompanying schedule of expenditures of federal awards presents the activity of all federal awards programs of the St. Tammany Parish School Board (the School Board). The School Board reporting entity is defined in the notes to the financial statements for the year ended June 30, 2020. All federal awards received directly from federal agencies are included on the schedule as well as federal awards passed through other government agencies. The following programs are considered major federal programs of the School Board for single audit purposes:

<u>Name of Federal Program or Cluster</u>	<u>CFDA Number</u>
Title I	84.010A
Title II	84.367A
Covid-19 - Elementary and Secondary School Emergency Relief Fund (CARES Act)	84.425D

**Note 2. Basis of Accounting**

The schedule of expenditures of federal awards is presented using the modified accrual basis of accounting, which is described in the notes to the School Board's basic financial statements for the year ended June 30, 2020. Commodities received, which are non-cash revenue, are valued at prices provided by the U.S. Department of Agriculture. Any received but unused commodities are recorded as deferred revenue until used.

**Note 3. Relationship to General Purpose Financial Statements**

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

General Fund	\$ 582,162
Special Revenue Funds	<u>33,378,693</u>
Subtotal Federal Sources	33,960,855
Carryover Expenditures	<u>1</u>
<b>Total Reported on Schedule of Expenditures of Federal Awards</b>	<u><u>\$ 33,960,856</u></u>

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

**Notes to Schedule of Expenditures of Federal Awards (Continued)  
For the Year Ended June 30, 2020**

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**Note 4. Relationship to Federal Financial Reports**

Amounts reported in the schedule of expenditures of federal awards agree with the amounts reported in the related federal financial reports, except for the amounts in reports submitted as of a date subsequent to June 30, 2020, which will differ from the schedule by the amount of receivables as of June 30, 2020, liquidated to the dates of the reports.

**Note 5. Indirect Cost Rate**

The St. Tammany Parish School Board uses an indirect cost rate negotiated and approved by the Louisiana Department of Education, and has not elected to use the 10% de minimis indirect cost rate as provided for in Section 200.414 of the Uniform Guidance.



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

**Schedule of Findings and Questioned Costs  
For the Year Ended June 30, 2020**

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**A. Summary of Auditor's Results**

**Financial Statements**

- |  |               |
|--|---------------|
| 1. Type of auditor's report  | Unmodified    |
| 2. Internal control over financial reporting                                     |               |
| a. Material weaknesses identified?   | No            |
| b. Significant deficiencies identified not considered to be material weaknesses? | None Reported |
| c. Noncompliance material to the financial statements noted?                     | No            |

**Federal Awards**

- |  |               |
|--|---------------|
| 3. Internal control over major programs  |               |
| a. Material weaknesses identified?   | No            |
| b. Significant deficiencies identified not considered to be material weaknesses?                         | None Reported |
| 4. Type of auditor's report issued on compliance for each major program                                  | Unmodified    |
| 5. Audit findings disclosed that are required to be reported in accordance with Section 2 CFR 200.516(a) | None          |

6. Identification of major programs

<u>Name of Federal Program or Cluster</u>	<u>CFDA Number</u>
Title I	84.010A
Title II	84.367A
Covid-19 - Elementary and Secondary School Emergency Relief Fund (CARES Act)	84.425D

- |  |             |
|--|-------------|
| 7. Dollar threshold used to distinguish between Type A and B programs  | \$1,018,826 |
| 8. Auditee qualified as a low-risk auditee under Section 2 CFR 200.520 | Yes         |

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

**Schedule of Findings and Questioned Costs (Continued)  
For the Year Ended June 30, 2020**

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**B. Financial Statement Findings**

None.

**C. Federal Awards Findings and Questioned Costs**

None.

**D. Other Matter**

**2020-001 Self-Reported Misappropriation of Assets**

<b>Condition:</b>	Cash portions of school deposits from after-care and other student activities at one school were discovered to have been redirected to a hospitality account or otherwise misappropriated. The redirecting or misappropriation of the cash was concealed through altering of deposit documentation by the school bookkeeper at the request of the principal. Upon investigation of several years of deposits, the School Board estimates (1) the value of deposits redirected or misappropriated totaled \$31,450.84, (2) total deposits into the hospitality account over the same time period were \$24,024.01, and (3) the difference between redirected school cash and deposits to the hospitality account, the balance of which remains unaccounted for, totaled \$7,426.83.
<b>Criteria:</b>	Controls should be designed in such a way as to provide for the prevention or timely detection of misappropriation of assets.
<b>Cause:</b>	Although the School Board has appropriate policies, procedures and controls in place and make a practice of regular, ongoing review of school deposits, the altering of deposit documentation made the activity more difficult to detect. Furthermore, the review does not incorporate a comparison of deposits to an original log or list kept by the after-care director.
<b>Effect:</b>	Misappropriations over several years from school activity funds totaling \$31,450.84 were not prevented or detected in a timely manner.
<b>Recommendation:</b>	We recommend the School Board continue training for school administrators and bookkeepers, especially regarding School Board policies and procedures for deposits, appropriate uses of public funds, proper treatment of hospitality accounts, and reporting potential violations to management. We further recommend the School Board have after-care directors for all schools keep a receipt log or a copy of the deposit documentation, which lists the total value of checks and cash collected, for each deposit. This will allow the central office review to compare the bank deposits with the after-care records.

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

**Summary Schedule of Prior Audit Findings  
For the Year Ended June 30, 2020**

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**B. Financial Statement Findings**

None.

**C. Federal Awards Findings and Questioned Costs**

None.



Frank J. Jabbia  
Superintendent

Pete J. Jabbia  
Associate Superintendent

Michael J. Cossé  
Assistant Superintendent

District	Board Members
6	Michael C. Nation, President
5	C. Brandon Harrell, Vice President
1	Matthew E. Greene
2	Elizabeth B. Heintz
3	Michael J. Dirmann
4	Stephen J. "Jack" Loup, III
7	Shelta J. Richardson
8	Michael E. Winkler
9	Sharon Lo Drucker
10	Ronald "Ron" Bettencourt
11	Tammy W. Lamy
12	Richard "Rickey" Hursey, Jr.
13	James Braud
14	Dennis S. Cousin
15	Lisa M. Page

### **St. Tammany Parish School Board Management Response**

The newly appointed school-based administrator implemented procedures in September 2020 to ensure that all cash and checks received will be deposited into the school bank account and will be accounted for properly. The newly appointed bookkeeper for the school has been trained on proper procedures for all school deposits and record retention. Record retention policies have been explained to all school employees. The school's hospitality account was closed by the former Principal in August 2020. The School Board's Internal Auditor and School Accountant will perform additional procedures to ensure that the school complies with all School District policies.

*Learning to Last a Lifetime.®*

