

Budget Message

St. Tammany Parish School Board

321. N. Theard – Post Office Box 940

Covington, Louisiana 70434-0940

To the Board and Citizens of St. Tammany Parish, Louisiana:

The budgets of the St. Tammany Parish School Board for the fiscal year July 1, 2018 through June 30, 2019 are hereby submitted. The Superintendent and the Director of Business Affairs assume responsibility for data accuracy and completeness.

The development, review, and consideration of the FY 2018-19 Operating Budgets were completed with a detailed review of every revenue and expenditure item within the context of the School Board's missions, goals, and financial policies.

The administration is required by state law to submit a balanced budget. A balanced budget is defined as, "a budget with total expenditures not exceeding total revenues and monies available in the fund balance within an individual fund." We are proud to publish and present each individual fund as having met the definition of a balanced budget.

The St. Tammany Parish School Board recognizes the importance of sound fiscal planning. Policies and procedures relating to annual budget planning and preparation, periodic budget reconciliation, and budgetary item transfer authority have been formally adopted by the School Board.

The St. Tammany Parish School Board records and reports all financial transactions using standards set by the Governmental Accounting Standards Board (GASB) and Generally Accepted Accounting Principles (GAAP.)

The following highlights are the changes from last year's General Fund budget:

General Fund Revenue

We are projecting no increase in ad valorem (property) tax collections based on the latest tax roll provided by the Assessor's office. The tax roll indicates changes in the number of properties and the overall value of all properties.

We are projecting no increase in sales tax revenue as sales tax revenue in the past twelve months has shown no growth over the prior year. We will continue to monitor the sales taxes on a monthly basis and revise the budget if necessary.

MFP funds are expected to increase by \$890,843 from last year's allocation. The increase in MFP relates to an increase in the weighted student total for the MFP calculation. Weights are given to students who qualify as low income, career and technical, disabled, and gifted.

General Fund Expenditures

Salaries will increase by approximately \$2.8 million in FY 2018-2019. For FY 2018-2019, salaries include employee pay raises of \$2.8 million.

An increase of approximately \$664,000 in retirement contributions is projected due to an increase in employer contribution rates for the Retirement Systems and as a result of the increase in employee salaries.

A decrease in workers compensation of \$168,000 is projected due to change in workers compensation employee premiums.

The cost of the salaries and benefits of the Security Coordinator, Security Officers, and Mental Health Providers will be reported in a new fund called the School Security Fund. There is a separate budget for this fund. The cost of School Resource Officers was also transferred to this fund. A transfer to the School Security Fund of \$1.04 million has been budgeted in the General Fund to cover the cost of these expenditures.


Other Fund Revenues and Expenditures

No projected increases or decreases for other fund budgets are noted.

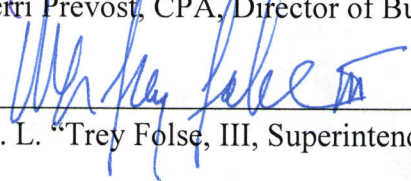
We will continue to monitor all revenues and expenditures on a monthly basis. The Louisiana Local Government Budget Act requires governmental entities to adopt a budget amendment when budgeted revenues or expenditures are different than actual revenues and expenditures by 5% or more. We will present budget updates to the Board in December and March. Budget revisions will be prepared if necessary.

The preparation of this budget could not have been accomplished without the assistance of each Director and Supervisor. We want to express our appreciation to them for their assistance.

We also thank the members of the Board for their input and support in planning and conducting the financial operations of the School Board in a responsible and progressive manner.



Terri Prevost, CPA, Director of Business Affairs



W. L. "Trey" Folse, III, Superintendent

September 13, 2018