

# **COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**For the fiscal year ended  
June 30, 2019**



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

FRONT COVER

*“Magnolia”*

by Nicholas Even  
Lakeshore High School  
10th 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, 2019**

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



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W. L. "Trey" Folse, III  
Superintendent

Pete Jabbia  
Associate Superintendent

Michael Cossé  
Assistant Superintendent

Amiee C. Lemane  
Assistant Superintendent

District	Board Members
2	Elizabeth B. Heintz, President
6	Michael C. Nation, Vice President
1	Matthew E. Greene
3	Michael J. Dirmann
4	Stephen J. "Jack" Loup, III
5	C. Brandon Harrell
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

December 19, 2019

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, 2019, 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, 2019. 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

*Learning to Last a Lifetime.®*

system with each member serving a concurrent four-year term. The current board's term will expire in December 2022.

## **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 38,774 as of October 1, 2019, which includes 1,633 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.

## **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 260,200.

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 data available, there were 3,066 new business filings in 2018. New business filings have grown more than 20% over the past 3 years (2016-2018). The average unemployment rate (4.2%) remained lower than the average rate for the State of Louisiana (4.9%). The number of residential permits only decreased by .02%, and the number of commercial building permits remained constant. Total sales and sales tax collections in the Parish increased by 6.0%.

Student enrollment has increased by approximately 2,100 since 2009. This increase in student enrollment has resulted in State funding to the District being increased by millions of dollars. The October 1, 2018 enrollment approved for the purpose of funding by the State was 37,838 students, which was 129 students less than the October 1, 2017 State enrollment count. This 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 \$3.2 million for 2018-2019.

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 will substantially increase for 2019-2020 as a result of this increase in students.

## **LONG-TERM FINANCIAL PLANNING**

Currently, the fund balance of the General Fund (27% of revenues and 28% of expenditures) exceeds the School Board policy maximum guideline of 19% of expenditures by approximately 6%.

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.

## **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 4 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 \$30.0 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, 34 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 2018-2019 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 \$666 million on this initiative, and an additional \$220 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 2,677 full-time, certificated teachers with 36.76% of teachers possessing an advanced degree. 60% 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, 2019, provided no instances of material weaknesses in internal controls. The report for this year is located on pages 158 - 169.

**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, 2019, the School Board had a number of debt issues outstanding, totaling \$236.8 million. Not included in the School Board's long-term debt are \$98 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 2019 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 which begins on page 158.



**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, 2018. 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, 2018, 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 31 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.

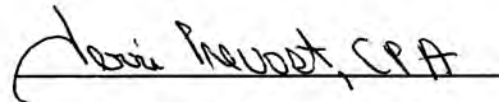
**Acknowledgements:** The preparation of the comprehensive annual financial report on a timely basis was made possible by the dedicated service of the entire staff of the Business Affairs Department. Each member of the department has our sincere appreciation for the contributions made in the preparation 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,



William L. "Trey" Folse, III  
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, 2018**

*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, 2018.**

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



A handwritten signature in black ink, reading 'Tom Wohlleber'.

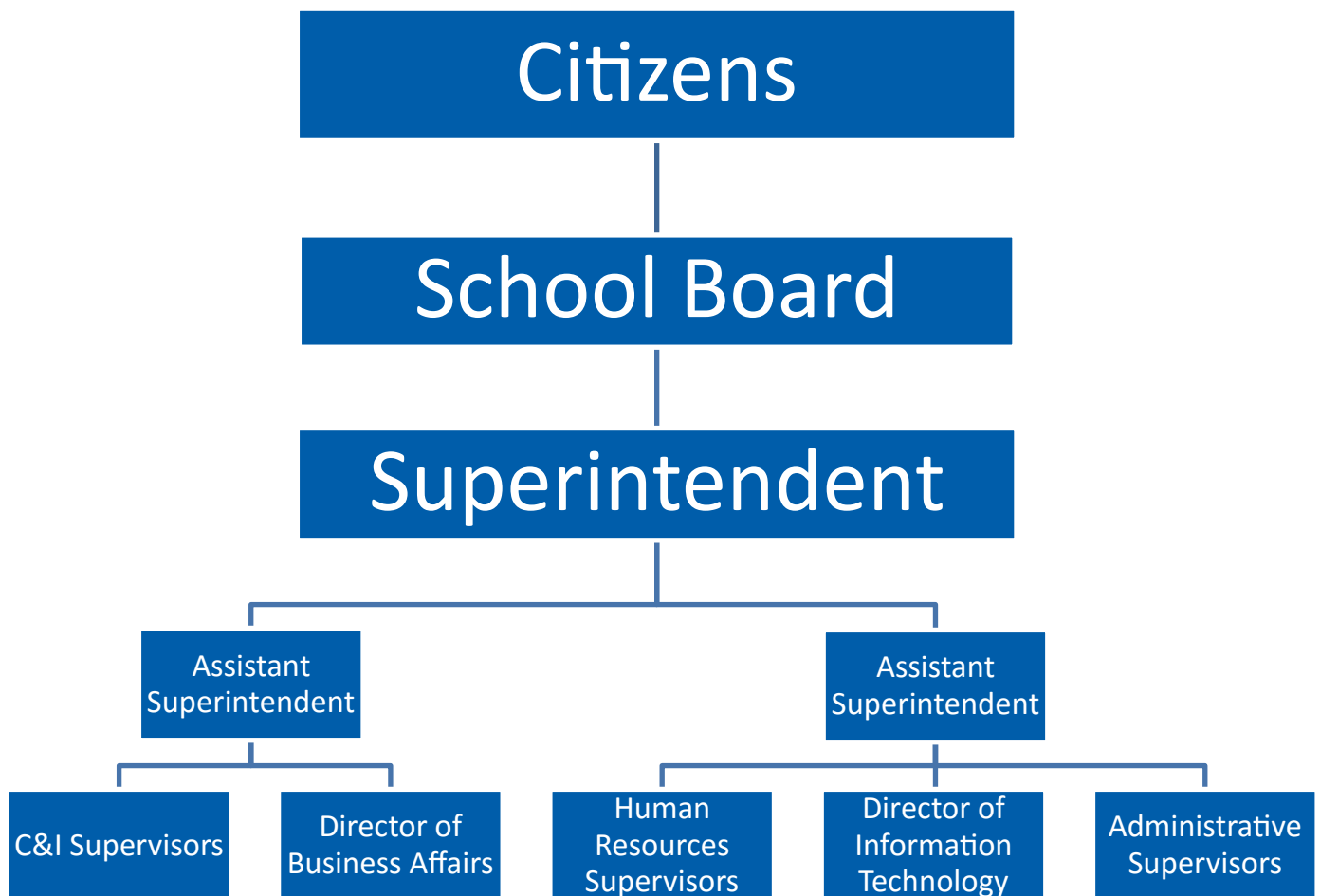
Tom Wohlleber, CSRM  
President

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

David J. Lewis  
Executive Director



## St. Tammany Parish Public School System



# St. Tammany Parish School Board

## Principal Officials

### School Board Members

<b>Elizabeth B. Heintz</b> - <i>President</i>	<b>District 2</b>
<b>Michael C. Nation</b> - <i>Vice-President</i>	<b>District 6</b>
<b>Matthew E. Greene</b>	<b>District 1</b>
<b>Michael J. Dirmann</b>	<b>District 3</b>
<b>Stephen J. “Jack” Loup, III</b>	<b>District 4</b>
<b>C. Brandon Harrell</b>	<b>District 5</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*  
**Peter J. Jabbia**, *Assistant Superintendent*  
**Michael Cosse**, *Assistant Superintendent*  
**Amiee Lemane**, *Assistant Superintendent*  
**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, 2019, 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.

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, 2019, 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 21 to the financial statements, capital assets were overstated by \$21,830,466 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 13, and the budgetary comparison schedules, other postemployment benefits information, net pension liability information, and notes to required supplementary information on pages 79 to 86, 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 debt service 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 debt service 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 19, 2019 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 19, 2019

**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, 2019. 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 - x, and the School Board's financial statements, which begin on page 14.

### **FINANCIAL HIGHLIGHTS**

The financial highlights for the St. Tammany Parish School Board for fiscal year ended June 30, 2019, were:

- The School Board's General Fund expended \$407.8 million in fiscal year ended June 30, 2019 on education for St. Tammany Parish (the Parish). Over 77.1% of the expenditures was spent on instructional and support programs and 14.0% 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, 2019, were approximately \$429.3 million. The largest single sources of non-federal funds were from the State of Louisiana Minimum Foundation Program (\$210.8 million), ad valorem taxes (\$102.5 million), and sales and use taxes (\$102.6 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 \$447.6 million, a change of \$23.4 million from 2018.
- The St. Tammany Parish School Board's net position increased by \$44.8 million. There were increases in ad valorem taxes of \$1.6 million and increases in sales and use taxes of \$5.3 million. Operating grants revenue decreased \$1.8 million. There was a \$1.6 million increase from the State of Louisiana through the Minimum Foundation Program.
- The School Board's governmental funds reported combined ending fund balances of \$232.5 million, an increase of \$5.9 million in comparison to the prior year. In 2019, 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 \$11.1 million on capital projects in 2018-2019. 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 on a budgetary basis had an increase of \$4.8 million in fund balance.
- As of June 30, 2019, the School Board had \$236.8 million in bonds outstanding.

**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 14 and 15) and the statement of activities (on page 16); 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 17. 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 25 - 78 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 87 - 116 of 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 14. 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 2018-2019, the School Board's financial position increased, with its net position increasing \$44.8 million from a \$492.4 deficit in 2017-2018 (restated) to a \$447.6 deficit in 2018-2019. \$47.4 million of the School Board's net position is restricted for debt service, operational purposes, and food service, leaving a deficit of \$721.9 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>2019</b>	<b>2018</b>
<b>Assets</b>		
Current and Other Assets	\$ 287,942	\$ 360,495
Capital Assets	481,893	441,842
<b>Total Assets</b>	<b>769,835</b>	<b>802,337</b>
<b>Deferred Outflows of Resources</b>	<b>107,846</b>	<b>83,432</b>
<b>Liabilities</b>		
Current Liabilities	89,854	92,488
Long-Term Liabilities	1,155,166	1,204,298
<b>Total Liabilities</b>	<b>1,245,020</b>	<b>1,296,786</b>
<b>Deferred Inflows of Resources</b>	<b>80,287</b>	<b>60,013</b>
<b>Net Position</b>		
Net Investment in Capital Assets	226,874	287,107
Restricted	47,389	45,278
Unrestricted	(721,889)	(803,415)
<b>Total Net Position</b>	<b>\$ (447,626)</b>	<b>\$ (471,030)</b>

The largest portion of the School Board's net position is an unrestricted deficit of \$721.9 million. The unrestricted deficit is primarily made up of the net pension liability of \$515.7 million and the net other postemployment benefit liability of \$396.5 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 (-10.6%) 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, 2019 and 2018, 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>2019</b>	<b>2018</b>
<b>Revenues</b>		
Program Revenues:		
Charges for Services	\$ 5,622	\$ 5,666
Operating Grants and Contributions	48,481	50,329
Capital Grants and Contributions	299	953
General Revenues:		
Ad Valorem (Property) Taxes	135,190	133,607
Sales and Use Taxes	102,644	97,261
Minimum Foundation Program	215,695	214,079
Other General Revenues	5,761	4,091
<b>Total Revenues</b>	<b>513,692</b>	<b>505,986</b>
<b>Program Expenses</b>		
Regular Programs	165,005	176,464
Special Education Programs	75,636	82,624
Vocational Education Programs	6,194	6,628
Other Instructional Programs	9,356	10,000
Special Programs	13,872	14,705
Pupil Support	29,834	30,096
Instructional Staff Support	15,590	16,148
General Administration	9,057	9,262
School Administration	24,837	26,875
Business Administration	2,751	2,887
Operation and Maintenance of Plant	41,879	43,983
Pupil Transportation	33,502	35,573
Central Services	7,620	8,061
Food Service	23,430	24,228
Community Services Programs	1,378	1,432
Interest on Long-Term Debt	8,967	8,928
<b>Total Expenses</b>	<b>468,908</b>	<b>497,894</b>
<b>Change in Net Position</b>	<b>44,784</b>	<b>8,092</b>
<b>Beginning Net Position</b>	<b>(471,030)</b>	<b>(267,673)</b>
<b>Prior Period Adjustment</b>	<b>(21,380)</b>	<b>-</b>
<b>Change in Accounting Principle - GASB 75</b>	<b>-</b>	<b>(211,449)</b>
<b>Beginning Net Position, Restated</b>	<b>(492,410)</b>	<b>(479,122)</b>
<b>Ending Net Position</b>	<b>\$ (447,626)</b>	<b>\$ (471,030)</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 \$44.8 million. There were increases in ad valorem taxes of \$1.6 million and increases in sales and use taxes of \$5.3 million. Operating grants revenue decreased \$1.8 million. There was a \$1.6 million increase from the State of Louisiana through the Minimum Foundation Program and additional appropriations.

Revenues increased by 1.5% or approximately \$7.7 million. Revenue increases in ad valorem taxes, sales tax, and other totaled \$8.7 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 \$1.6 million. This increase was caused by an increase in state funding and a combination of decline in students. Grant revenue decreased \$2.5 million.

Student enrollment had a decrease from 38,549 students in 2018 to 38,542 students in 2019. MFP funding increased due to a state funding increase.

Expenses decreased 5.8% or approximately \$29.0 million in 2019. Decreases in employee benefit liabilities account for most of the decrease.

**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 17 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 18 and 20.

The School Board's governmental funds reported combined ending fund balances of \$232.5 million, an increase of \$5.9 million (see Statements C and E) in comparison with the prior year. The components of this increase are described below.

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

**Management's Discussion and Analysis**

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The fund balance for the General Fund was \$115.9 million, which was an increase of \$4.9 million from 2018. General Fund expenditures, before transfers and other financing uses, for 2019, decreased by .6%, or \$2.5 million.

General Fund revenue before transfers and other financing sources increased 2.4%, or \$10.0 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 \$3.5 million in fiscal year 2018-2019. 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 \$3.1 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. Many of the construction projects were completed in 2017-2018, causing a decrease in construction expenditures for 2018-2019.

The Debt Service Fund account 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 \$.9 million, or 2.6%, over 2018. This decrease was a result of a rollback of 1 mill in ad valorem millage for the Debt Service Fund. Expenditures in this fund decreased by \$3.6 million, or 10.6%. Decreases in expenditures were a result of a decrease in principal and interest payments in 2019.

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.

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.

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

**Management's Discussion and Analysis**

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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 24. 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:

\$12.6 million increase in projected revenues as follows:

- \$.8 million increase in Minimum Foundation Program.
- \$3.0 million increase in Ad Valorem revenues.
- \$5.9 million increase in Sales Tax revenue.
- \$2.9 million increase in Medical Services

\$7.9 million increase in projected expenditures as follows:

- \$7.9 million increase in employee salaries and benefits.

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

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

**Capital Assets**

As of June 30, 2019, the School Board has invested in a broad range of capital assets, including land, school facilities, and equipment totaling \$481.9 million. (See Table 3 below.) There was a net decrease in capital assets in 2019 of \$12.5 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>2019</b>	<b>2018</b>
Land	\$ 18,644	\$ 18,644
Land Improvements	9,966	9,607
Buildings and Improvements	425,606	426,993
Furniture and Equipment	4,689	5,242
Construction in Progress	22,988	55,243
<b>Total</b>	<b>\$ 481,893</b>	<b>\$ 515,729</b>



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

**Management's Discussion and Analysis**

The construction projects for 2018-2019 were mainly for classroom additions and renovations throughout the Parish.

**Long-Term Debt**

As of June 30, 2019, the School Board had \$1.19 billion in long-term debt outstanding, a decrease of \$46.3 million, or 3.7%, over the amount at June 30, 2018 - as shown in Table 4 below:

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

	<b>Governmental Activities</b>	
	<b>2019</b>	<b>2018</b>
General Obligation Bonds (Backed by the School Board), Net of Unamortized Premium (Discount)	\$ 256,716	\$ 277,826
Qualified School Construction Bonds	2,000	2,333
Capital Lease	961	1,109
Net Pension Liability	515,718	533,374
Net Other Postemployment Benefits (OPEB) Liability	396,492	402,162
Compensated Absences	18,314	19,702
<b>Total</b>	<b>\$ 1,190,201</b>	<b>\$ 1,236,506</b>

The School Board continued to pay down its outstanding debt issues. The School Board's bond rating in 2018-2019 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 \$234.8 million is significantly below the current \$905.2 million limit. Net OPEB liability decreased by \$5.7 million. Net pension liability decreased by \$17.7 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 \$10.8 million and \$13.2 million in claims and judgments outstanding for fiscal years ended June 30, 2019 and 2018, 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.

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

**Management's Discussion and Analysis**

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

The following are currently known St. Tammany Parish economic factors expected to impact the 2019-2020 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 School Board's student attendance is expected to continue to remain constant for the next couple of years. Enrollment as of October 1, 2019, was 38,774 for an increase of 232 students over October 1, 2018.
- The retirement system contributions will decrease effective July 1, 2019. The Teachers' Retirement System of Louisiana decreased the employer contribution rate from 26.7% to 26.0%. The Louisiana School Employees' Retirement System increased the employer contribution rate from 28.0% to 29.4%.
- The School Board's fiscal year 2020 budget for capital projects is expected to decrease as 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, school safety, and various school/building renovations).
- Projected ad valorem taxes for 2019-2020 indicate increases of approximately \$3.0 million due to increases in property values based on final tax roll.
- Employees were given pay increases for the 2019-2020 school year in the amount of \$12.5 million. The State provided funding increases for \$5.7 million of the pay raises and an additional \$2.4 million in additional support. Highly effective certificated employees as rated by the Compass system were given \$500 one-time stipends.

All of these factors were considered in preparing the St. Tammany Parish School Board's budget for the 2019-2020 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, 2019**

	<b>Governmental Activities</b>
<b>Assets</b>	
Cash and Cash Equivalents	\$ 89,766,627
Investments	71,967,566
Receivables	
Taxes:	
Ad Valorem	1,255,242
Sales and Use	17,127,195
Intergovernmental:	
Federal	4,294,303
State	319,536
Other Receivables	4,908,349
Prepays	1,151,103
Inventory	405,448
Restricted Cash and Cash Equivalents	50,796,473
Restricted Investments	45,949,956
Capital Assets not Being Depreciated	
Land	18,643,989
Construction in Progress	22,987,400
Capital Assets, Net of Accumulated Depreciation	
Land Improvements	9,966,142
Buildings and Improvements	425,606,421
Furniture and Equipment	4,689,209
<b>Total Assets</b>	<b>769,834,959</b>
<b>Deferred Outflows of Resources</b>	
Deferred Charges - Bond Refunding	4,658,336
Deferred Outflows - Pensions	103,187,201
<b>Total Deferred Outflows of Resources</b>	<b>107,845,537</b>

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, 2019**

	<b>Governmental Activities</b>
<b>Liabilities</b>	
Salaries and Wages Payable	33,883,112
Accounts Payable	5,658,379
Accrued Interest Payable	3,244,926
Retainages Payable	586,711
Other Liabilities	661,920
Long-Term Liabilities	
Due within One Year	
Bonds Payable	19,983,333
Capital Lease Payable	151,178
Compensated Absences	15,475,341
Claims and Judgments	10,208,861
Due in More than One Year	
Bond Payable, Net of Unamortized Premium (Discount)	238,733,091
Capital Lease Payable	809,674
Compensated Absences	2,838,704
Claims and Judgments	574,454
Net Pension Liability	515,717,458
Other Postemployment Benefits	396,492,383
<b>Total Liabilities</b>	<u>1,245,019,525</u>
<b>Deferred Inflows of Resources</b>	
Deferred Inflows - Pensions	48,936,464
Deferred Inflows - Other Postemployment Benefits	31,350,447
<b>Total Deferred Inflows of Resources</b>	<u>80,286,911</u>
<b>Net Position</b>	
Net Investment in Capital Assets	226,874,221
Restricted for:	
Debt Service	28,748,551
Operational Purposes	16,973,535
Food Service	1,667,142
Unrestricted	(721,889,389)
<b>Total Net Position</b>	<u><u>\$ (447,625,940)</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, 2019**

	<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	\$ 165,005,374	\$ 747,463	\$ 17,392,745	\$ -	\$ (146,865,166)
Special Education Programs	75,635,791	-	7,972,552	-	(67,663,239)
Vocational Educational Programs	6,193,859	-	652,877	-	(5,540,982)
Other Instructional Programs	9,355,961	-	986,185	-	(8,369,776)
Special Programs	13,871,919	-	1,462,199	-	(12,409,720)
Support Services:					
Pupil Support	29,833,965	-	3,144,713	-	(26,689,252)
Instructional Staff Support	15,589,516	-	1,643,246	-	(13,946,270)
General Administration	9,057,451	-	954,720	-	(8,102,731)
School Administration	24,836,812	-	2,617,977	-	(22,218,835)
Business Administration	2,751,122	-	289,988	-	(2,461,134)
Operation and Maintenance of Plant	41,879,144	-	4,414,360	298,760	(37,166,024)
Pupil Transportation	33,502,274	-	3,531,379	-	(29,970,895)
Central Services	7,619,638	-	803,164	-	(6,816,474)
Food Services	23,430,083	3,753,070	2,469,698	-	(17,207,315)
Community Service Programs	1,377,656	1,121,194	145,215	-	(111,247)
Interest on Long-Term Debt	8,967,157	-	-	-	(8,967,157)
<b>Total Governmental Activities</b>	<b>\$ 468,907,722</b>	<b>\$ 5,621,727</b>	<b>\$ 48,481,018</b>	<b>\$ 298,760</b>	<b>(414,506,217)</b>
<b>General Revenues:</b>					
Taxes:					
Ad Valorem (Property) Taxes					135,189,702
Sales and Use Taxes					102,644,290
State Revenue Sharing					2,013,937
Grants and Contributions not Restricted to Specific Programs - Minimum Foundation Program					215,695,128
Earnings on Investments and Net Increase in the Fair Value of Investments					3,406,483
Miscellaneous					341,173
<b>Total General Revenues</b>					<b>459,290,713</b>
<b>Change in Net Position</b>					<b>44,784,496</b>
<b>Net Position, Beginning of Year</b>					<b>(471,029,970)</b>
<b>Prior Period Adjustment</b>					<b>(21,380,466)</b>
<b>Net Position, Beginning (Restated)</b>					<b>(492,410,436)</b>
<b>Net Position, End of Year</b>					<b>\$ (447,625,940)</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, 2019**

	General	Debt Service	Non-Major Fund Types Other Governmental	Total
<b>Assets</b>				
Cash and Cash Equivalents	\$ 68,475,113	\$ -	\$ 13,656,534	\$ 82,131,647
Investments	65,248,848	-	5,083,781	70,332,629
Receivables:				
Taxes:				
Ad Valorem	946,680	308,562	-	1,255,242
Sales and Use	17,127,195	-	-	17,127,195
Intergovernmental:				
Federal	76,895	-	4,217,408	4,294,303
State	9,003	-	310,533	319,536
Other	4,667,355	12,211	7,049	4,686,615
Prepays	1,151,103	-	-	1,151,103
Due from Other Funds	6,149,787	-	8,064,775	14,214,562
Inventory	-	-	405,448	405,448
Restricted Cash and Cash Equivalents	-	24,523,841	26,272,632	50,796,473
Restricted Investments	-	7,148,863	38,801,093	45,949,956
<b>Total Assets</b>	<b>\$ 163,851,979</b>	<b>\$ 31,993,477</b>	<b>\$ 96,819,253</b>	<b>\$ 292,664,709</b>
<b>Liabilities and Fund Balances</b>				
<b>Liabilities</b>				
Salaries and Withholdings Payable	31,162,666	-	2,720,446	33,883,112
Accounts Payable	3,398,968	-	2,089,969	5,488,937
Contracts and Retainage Payable	-	-	586,711	586,711
Due to Other Funds	8,552,947	-	6,161,615	14,714,562
Other Liabilities	30,502	-	631,418	661,920
Claims Liabilities	4,852,726	-	-	4,852,726
<b>Total Liabilities</b>	<b>47,997,809</b>	<b>-</b>	<b>12,190,159</b>	<b>60,187,968</b>
<b>Fund Balances</b>				
Non-Spendable:				
Inventory	-	-	405,448	405,448
Prepays	1,151,103	-	-	1,151,103
Restricted for:				
Construction	-	-	46,793,466	46,793,466
Debt Service	-	31,993,477	-	31,993,477
Operational Purposes	-	-	16,973,535	16,973,535
Food Service	-	-	1,667,142	1,667,142
Committed for:				
Bond Rating	20,854,282	-	-	20,854,282
Special Programs	-	-	12,487,952	12,487,952
Assigned for:				
Construction	-	-	6,370,128	6,370,128
Local Priorities	93,848,785	-	-	93,848,785
Unassigned	-	-	(68,577)	(68,577)
<b>Total Fund Balances</b>	<b>115,854,170</b>	<b>31,993,477</b>	<b>84,629,094</b>	<b>232,476,741</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 163,851,979</b>	<b>\$ 31,993,477</b>	<b>\$ 96,819,253</b>	<b>\$ 292,664,709</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, 2019**

For the Year Ended June 30, 2019

\$ 232,476,741

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	\$ 910,481,331	
Accumulated Depreciation	<u>(428,588,170)</u>	481,893,161

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

Bond Refunding	4,658,336	
Pensions	<u>103,187,201</u>	107,845,537

Elimination of Interfund Assets and Liabilities

Interfund Assets	(14,214,562)	
Interfund Liabilities	<u>14,714,562</u>	500,000

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	3,891,620	
Interfund Balances	<u>(500,000)</u>	3,391,620

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

Pensions	(48,936,464)	
Other Postemployment Benefits	<u>(31,350,447)</u>	(80,286,911)

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, 2019, are:

Accrued Interest Payable	(3,244,926)	
Bonds Payable	(236,795,000)	
Capital Lease	(960,852)	
Unamortized Bond Premium	(22,517,205)	
Unamortized Bond Discount	595,781	
Other Postemployment Benefits	(396,492,383)	
Pension Liability	(515,717,458)	
Compensated Absences	<u>(18,314,045)</u>	(1,193,446,088)

<b>Net Position - Governmental Activities</b>		<b>\$ <u>(447,625,940)</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**

**Statement of Revenues, Expenditures, and Changes in Fund Balances  
For the Year Ended June 30, 2019**

	General	Debt Service	Non-Major Fund Types Other Governmental	Total
<b>Revenues</b>				
Local Sources:				
Taxes:				
Ad Valorem	\$ 102,495,491	\$ 32,694,211	\$ -	\$ 135,189,702
Sales and Use	102,644,290	-	-	102,644,290
Tuition	1,681,907	-	186,750	1,868,657
Earnings on Investments	1,655,056	382,651	1,229,356	3,267,063
Net Increase (Decrease) in the Fair Value of Investments	-	86,113	53,307	139,420
Food Service	-	-	3,753,070	3,753,070
Other	7,221,590	-	281,599	7,503,189
State Sources:				
Minimum Foundation Program	210,807,628	-	4,887,500	215,695,128
Contributions to Teachers' Retirement	10,136	-	-	10,136
Revenue Sharing	2,013,937	-	-	2,013,937
Professional Improvement Program	41,866	-	-	41,866
Other	181,346	-	2,997,919	3,179,265
Federal Sources	579,144	-	35,966,900	36,546,044
<b>Total Revenues</b>	<b>429,332,391</b>	<b>33,162,975</b>	<b>49,356,401</b>	<b>511,851,767</b>
<b>Expenditures</b>				
Current:				
Instruction:				
Regular Education Programs	166,174,763	-	473,051	166,647,814
Special Education Programs	70,095,104	-	6,293,557	76,388,661
Vocational Education Programs	5,968,971	-	286,540	6,255,511
Other Instructional Programs	8,946,830	-	502,259	9,449,089
Special Programs	2,731,951	-	11,278,048	14,009,999
Support Services:				
Pupil Support	25,177,216	-	4,953,712	30,130,928
Instructional Staff Support	10,231,979	-	5,512,714	15,744,693
General Administration	8,065,397	1,079,046	3,164	9,147,607
School Administration	25,077,867	-	6,168	25,084,035
Business Administration	2,778,506	-	-	2,778,506
Operation and Maintenance of Plant	38,594,207	-	3,701,796	42,296,003
Pupil Transportation	33,710,146	-	125,606	33,835,752
Central Services	7,642,128	-	53,355	7,695,483
Food Service	-	-	23,663,303	23,663,303
Community Service Programs	1,391,369	-	-	1,391,369
Facilities Acquisition and Construction	645,866	-	10,484,055	11,129,921
Debt Service:				
Administrative	1,250	9,100	81,858	92,208
Principal Retirement	481,113	19,215,000	-	19,696,113
Interest and Bond Charges	81,498	10,468,437	-	10,549,935
<b>Total Expenditures</b>	<b>407,796,161</b>	<b>30,771,583</b>	<b>67,419,186</b>	<b>505,986,930</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>21,536,230</b>	<b>2,391,392</b>	<b>(18,062,785)</b>	<b>5,864,837</b>
<b>Other Financing Sources (Uses)</b>				
Transfers In	1,275,079	-	22,009,828	23,284,907
Transfers Out	(17,998,000)	-	(5,286,907)	(23,284,907)
<b>Total Other Financing Sources (Uses)</b>	<b>(16,722,921)</b>	<b>-</b>	<b>16,722,921</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>4,813,309</b>	<b>2,391,392</b>	<b>(1,339,864)</b>	<b>5,864,837</b>
<b>Fund Balances, Beginning of Year</b>	<b>111,040,861</b>	<b>29,602,085</b>	<b>85,968,958</b>	<b>226,611,904</b>
<b>Fund Balances, End of Year</b>	<b>\$ 115,854,170</b>	<b>\$ 31,993,477</b>	<b>\$ 84,629,094</b>	<b>\$ 232,476,741</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, 2019**

Total Net Change in Fund Balances - Governmental Funds	\$ 5,864,837
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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	\$ 11,072,511	
Depreciation Expense	<u>(23,527,791)</u>	(12,455,280)

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	19,548,334	
Capital Lease Repayments	147,779	
Bond Premium	1,941,756	
Bond Discount	(47,735)	
Accrued Interest	225,281	
Deferred Charge on Bond Refunding	<u>(536,524)</u>	21,278,891

Revenues for pension contributions in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	1,840,451
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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).	1,388,088
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In the statement of activities, 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).

Other Postemployment Benefits	1,419,528	
Pensions	<u>24,742,514</u>	26,162,042

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>705,467</u>
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<b>Change in Net Position of Governmental Activities</b>	<b><u>\$ 44,784,496</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, 2019**

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**Current Assets**

Cash and Cash Equivalents	\$ 7,634,980
Investments	1,634,937
Accounts Receivable	221,734
Due from Other Funds	<u>500,000</u>

**Total Assets** \$ 9,991,651

**Liabilities and Net Position**

**Current Liabilities**

Accounts Payable	\$ 169,442
Benefit Claims Payable	4,637,380
Claims Liability	<u>718,755</u>

**Total Current Liabilities** 5,525,577

**Long-Term Liabilities**

Benefit Claims Payable	155,627
Claims Liability	<u>418,827</u>

**Total Long-Term Liabilities** 574,454

**Total Liabilities** 6,100,031

**Net Position**

Restricted for Employee Benefits	353,378
Unrestricted	<u>3,538,242</u>

**Total Net Position** 3,891,620

**Total Liabilities and Net Position** \$ 9,991,651

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, 2019**

<b>Operating Revenues</b>	
Employer/Employee Contributions	\$ 6,337,622
Net Decrease in Incurred but not Reported (IBNR) Claims	<u>1,486,068</u>
<b>Total Operating Revenues</b>	<u>7,823,690</u>
<b>Operating Expenses</b>	
Administrative	203,914
Contractual Services	1,427,965
Premium Payments	1,889,753
Benefit Payments	3,492,976
Claims	<u>227,607</u>
<b>Total Operating Expenses</b>	<u>7,242,215</u>
<b>Operating Income</b>	<u>581,475</u>
<b>Non-Operating Revenues</b>	
Earnings on Investments	119,514
Net Increase in the Fair Value of Investments	<u>4,478</u>
<b>Total Non-Operating Revenues</b>	<u>123,992</u>
<b>Change in Net Position</b>	705,467
<b>Total Net Position, Beginning of Year</b>	<u>3,186,153</u>
<b>Total Net Position, End of Year</b>	<u><u>\$ 3,891,620</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, 2019**

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**Cash Flows from Operating Activities**

Receipts from Employer and Employee Contributions	\$ 5,650,241
Payments for Benefits and Claims	(6,608,312)
Payments for Administrative and Contractual Services	<u>(1,567,355)</u>

**Net Cash Used in Operating Activities** (2,525,426)

**Cash Flows from Investing Activities**

Purchase of Investments	(331,530)
Earnings on Cash and Investments	<u>119,514</u>

**Net Cash Used in Investing Activities** (212,016)

**Net Decrease in Cash and Cash Equivalents** (2,737,442)

**Cash and Cash Equivalents, Beginning of Year** 10,372,422

**Cash and Cash Equivalents, End of Year** \$ 7,634,980

**Reconciliation of Operating Income to Net**

**Cash Used in Operating Activities**

Operating Income	\$ 581,475
Adjustments to Reconcile Operating Income to Net Cash Used in Operating Activities	
Decrease in Incurred but not Reported (IBNR) Claims	(1,486,068)
Increase in Receivables	(687,381)
Decrease in Prepaids	27,746
Decrease in Payables	<u>(961,198)</u>

**Total Adjustments** (3,106,901)

**Net Cash Used in Operating Activities** \$ (2,525,426)

**Non-Cash Investing and Financing Activities**

Net Increase in the Fair Value of Investments	<u><u>\$ 4,478</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, 2019**

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**Assets**

Cash and Cash Equivalents	\$ 7,393,047
Investments	<u>422,028</u>

<b>Total Assets</b>	<b>\$ 7,815,075</b>
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**Liabilities**

Accounts Payable	\$ 208,317
Due to Schools	<u>7,606,758</u>

<b>Total Liabilities</b>	<b>\$ 7,815,075</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
- T. Adoption of New Accounting Principles

**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. Deficit Fund Balance**

**Note 17. Fund Equity**

**Note 18. Other Postemployment Benefits**

**Note 19. Tax Abatements**

**Note 20. Impact of Recently Issued Accounting Pronouncements**

**Note 21. Prior Period Adjustment**

**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 (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 (LRS) 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 LRS 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 38,542 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 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. Depreciation expense is specifically identifiable by function and is included in the direct expense of each 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 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, 2019, are as follows:

- General Fund - Accounts for the day-to-day operations of the School Board.
- 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.

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 organizations and 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, 2019, with a deductible of \$250,000 per occurrence, and property damage, which is insured at the fiscal year ended June 30, 2019, 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 revenue of the proprietary funds is 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 were levied by the School Board on May 17, 2018. 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. Interest income on time deposits and revenues from rentals, leases, and royalties are recorded when earned. 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. 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 2018-2019 were completed and made available for public inspection at the School Board office on August 1, 2018. A public hearing was held on August 23, 2018 for suggestions and comments from taxpayers. The proposed fiscal year 2018-2019 budgets were formally adopted by the School Board on September 13, 2018 and the final amendment was adopted on October 10, 2019. 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 2018-2019 were prepared on a modified accrual basis, consistent with generally accepted accounting principles (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 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 \$3,906,518 as of June 30, 2019. 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, 2019, employees of the School Board have accumulated and vested \$18,314,045 of compensated absence benefits in salary and salary-related payments.

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

**Notes to Basic Financial Statements**

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**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 two items that meet this criterion - deferrals related to pension plans, 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 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, 2019, 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 1. Summary of Significant Accounting Policies (Continued)**

**T. Adoption of New Accounting Principles**

**Statement No. 88 of the Governmental Accounting Standards Board**

*Certain Disclosures Related to Debt* - This Statement defines debt for purposes of disclosure in notes to financial statements and establishes additional financial statement note disclosure requirements related to debt obligations of governments. This Statement is effective for periods beginning after June 15, 2018. Adoption of this standard had no impact on the School Board's financial statements.

**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, 2019:

	<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
Bond and Interest - District No. 12	<u>15.90</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.

**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)**

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 market 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.

At June 30, 2019, the School Board's carrying value of its deposits, excluding fiduciary cash balances and including restricted cash and cash equivalents, was \$140,563,100, and the bank balance was \$143,594,052. Of the bank balance, \$143,594,052 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, 2019, 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 \$50,796,473 for the year ended June 30, 2019. 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, 2019, the individual schools held cash, cash equivalents, and investments of \$7,815,075 in various accounts. The balances of these accounts are collateralized with either 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.

**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)**

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.

Investments of \$1,634,937 in certificates of deposits and treasuries were held in the proprietary funds at June 30, 2019. Investments of \$70,332,629 and restricted investments of \$45,949,956 were reported on the statement of net position and governmental funds - balance sheet for the year ended June 30, 2019.

At June 30, 2019, 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	\$ 40,950,000	\$ -	\$ -	\$ 40,950,000
Money Market Funds	63,432,942	-	-	63,432,942
Government-Sponsored Enterprises	9,441,386	-	-	9,441,386
US Treasuries	4,093,194	-	-	4,093,194
<b>Total</b>	<b>\$ 117,917,522</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 117,917,522</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, 2019. 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.

**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)**

*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
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.



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

**Notes to Basic Financial Statements**

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

**Fair Value Measurement (Continued)**

The following table sets forth by level within the fair value hierarchy the School Board's assets at fair value as of June 30, 2019:

	Total at June 30, 2019	Fair Value Measurement Using:		
		Level 1	Level 2	Level 3
Money Market Funds	\$ 63,432,942	\$ 63,432,942	\$ -	\$ -
Government-Sponsored Enterprises	9,441,386	-	9,441,386	-
US Treasuries	4,093,194	4,093,194	-	-
<b>Total</b>	<b>\$ 76,967,522</b>	<b>\$ 67,526,136</b>	<b>\$ 9,441,386</b>	<b>\$ -</b>

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

As of June 30, 2019, individual balances due to/due from other funds were as follows:

Receivable Fund	Payable Fund	Amount
General*	Non-Major Governmental	\$ 6,149,787
Non-Major Governmental	Non-Major Governmental	11,828
Non-Major Governmental	General*	8,052,947
<b>Total Governmental Funds</b>		<b>14,214,562</b>
Internal Service	General*	500,000
<b>Total</b>		<b>\$ 14,714,562</b>

\* 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.

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

**Notes to Basic Financial Statements**

**Note 4. Interfund Receivables, Payables, and Transfers (Continued)**

For the year ended June 30, 2019, individual transfers were as follows:

	Transfer In		
	Non-Major		
	General*	Governmental	Total
<b>Transfer Out</b>			
General*	\$ -	\$ 17,998,000	\$ 17,998,000
Non-Major Governmental	1,275,079	4,011,828	5,286,907
	<u>\$ 1,275,079</u>	<u>\$ 22,009,828</u>	<u>\$ 23,284,907</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.

**Note 5. Capital Assets**

A summary of changes in capital assets is as follows:

<b>Governmental Activities</b>	<b>Balance June 30, 2018</b>	<b>Prior Period Adjustment</b>	<b>Restated June 30, 2018</b>	<b>Additions</b>	<b>Deletions</b>	<b>Balance June 30, 2019</b>
Non-Depreciable Assets:						
Land	\$ 18,643,989	-	\$ 18,643,989	\$ -	\$ -	\$ 18,643,989
Construction in Progress	55,242,922	(7,763,894)	47,479,028	10,050,143	34,541,771	22,987,400
Depreciable Assets:						
Land Improvements	17,709,404	(674,118)	17,035,286	1,620,351	29,695	18,625,942
Buildings and Improvements	804,643,470	(14,816,353)	789,827,117	32,794,101	-	822,621,218
Furniture and Equipment	26,586,755	-	26,586,755	1,192,507	176,480	27,602,782
Total	<u>922,826,540</u>	<u>(23,254,365)</u>	<u>899,572,175</u>	<u>45,657,102</u>	<u>34,747,946</u>	<u>910,481,331</u>
Less Accumulated Depreciation:						
Land Improvements	8,102,023	(138,528)	7,963,495	702,806	6,501	8,659,800
Buildings and Improvements	377,650,186	(1,735,371)	375,914,815	21,099,982	-	397,014,797
Furniture and Equipment	21,345,424	-	21,345,424	1,725,003	156,854	22,913,573
Total	<u>407,097,633</u>	<u>(1,873,899)</u>	<u>405,223,734</u>	<u>23,527,791</u>	<u>163,355</u>	<u>428,588,170</u>
<b>Governmental Activities Capital Assets, Net</b>	<u>\$515,728,907</u>	<u>\$ (21,380,466)</u>	<u>\$494,348,441</u>	<u>\$ 22,129,311</u>	<u>\$ 34,584,591</u>	<u>\$481,893,161</u>

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

**Notes to Basic Financial Statements**

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

Depreciation expense was charged to governmental activities as follows:

Regular Programs	\$ 8,440,679
Special Education Programs	3,869,072
Vocational Educational Programs	316,841
Other Instructional and Special Programs	478,595
Special Programs	709,604
Pupil Support	1,526,126
Instructional Staff Support	797,466
General Administration	463,325
School Administration	1,270,502
Business Administration	140,731
Operation and Maintenance of Plant	2,142,285
Pupil Transportation	1,713,775
Central Services	389,775
Food Services	1,198,542
Community Service Programs	70,473
<b>Total</b>	<b>\$ 23,527,791</b>

Construction in progress at June 30, 2019 was composed of the following:

<b>Project Location</b>	<b>Project Authorization</b>	<b>Incurred as of June 30, 2019</b>	<b>Committed</b>
Abita Elementary	\$ 47,979	\$ 1,889	\$ 46,090
Bonne Ecole Elementary	149,061	145,462	3,599
Boyet Jr. High	183,389	134,413	48,976
Covington High	191,790	73,341	118,449
Florida Avenue Elementary	70,305	64,524	5,781
Fontainebleau Jr. High	14,865,740	12,117,244	2,748,496
Fontainebleau High	259,741	102,736	157,005
Folsom Jr. High	17,219	6,533	10,686
Madisonville Elementary	5,536	5,536	-
Madisonville Jr. High	14,254,144	1,224,977	13,029,167
Mandeville Elementary	257,972	176,640	81,332
Mandeville High	17,368,457	2,253,490	15,114,967
Mandeville Jr. High	1,044	1,044	-
Northshore High	28,100	11,910	16,190
Pearl River High	332,900	104,072	228,828
Sixth Ward Elementary	133,934	130,178	3,756
Slidell Jr. High	355,463	218,817	136,646
Slidell High	7,784,406	6,066,713	1,717,693
St Tammany Jr. High	68,019	61,341	6,678
Treen Technology Center	174,687	86,540	88,147
<b>Total</b>	<b>\$ 56,549,886</b>	<b>\$ 22,987,400</b>	<b>\$ 33,562,486</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 2019, a total of \$4,501,831 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 \$4,793,007 has been accrued as a liability based upon an actuary's estimate as of June 30, 2019. 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 2019, the School Board paid claims in the amount of \$227,607 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, 2019, \$3,538,242 of fund equity was available for future catastrophic losses. Claim liabilities were \$1,137,582, based on an actuary's estimate at June 30, 2019. 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					
2017-2018	\$ 6,980,173	\$ 3,202,412	\$ 4,290,161	\$ 5,892,424	
2018-2019	5,892,424	2,393,559	3,492,976	4,793,007	\$ 4,637,380
Risk Management					
2017-2018	\$ 1,468,528	\$ 683,278	\$ 627,573	\$ 1,524,233	
2018-2019	1,524,233	(159,044)	227,607	1,137,582	718,755
Health/Life Insurance					
2017-2018	\$ 4,472,961	\$ 80,647,562	\$ 79,342,503	\$ 5,778,020	
2018-2019	5,778,020	72,906,670	73,831,964	4,852,726	4,852,726
<b>Total</b>					<b>\$ 10,208,861</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, 2019:

	<b>Balance 6/30/2018</b>	<b>Additions</b>	<b>Deductions</b>	<b>Balance 6/30/2019</b>	<b>Due Within One Year</b>
General Obligation Bonds	\$ 254,010,000	\$ -	\$ (19,215,000)	\$ 234,795,000	\$ 19,650,000
Capital Lease	1,108,631	-	(147,779)	960,852	151,178
Unamortized Premium	24,458,961	-	(1,941,756)	22,517,205	-
Unamortized Discount	(643,516)	-	47,735	(595,781)	-
Qualified School Construction Bonds	2,333,334	-	(333,334)	2,000,000	333,333
Compensated Absences	19,702,133	14,087,253	(15,475,341)	18,314,045	15,475,341
<b>Total Long-Term Liabilities</b>	<b>\$ 300,969,543</b>	<b>\$ 14,087,253</b>	<b>\$ (37,065,475)</b>	<b>\$ 277,991,321</b>	<b>\$ 35,609,852</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 February 2009, the School Board was authorized to issue \$20,000,000 in general obligation bonds with a final maturity date of March 1, 2029. These bonds are the second installment issue of the total \$167,000,000 issue. The bond proceeds were received in May 2009.

In December 2009, the School Board was authorized to issue \$25,000,000 in general obligation bonds with a final maturity date of March 1, 2030. These bonds are the third installment issue of the total \$167,000,000 issue. The bond proceeds were received in March 2010.

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.

**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 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.

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.

**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 \$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.

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.



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

**Notes to Basic Financial Statements**

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

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.

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.

A schedule of the individual issues outstanding as of June 30, 2019 is as follows:

	Original Issue	Interest Rate	Payment Due	Interest to Maturity	Principal Outstanding
<b>General Obligation Bonds:</b>					
2010	\$ 25,000,000	4.117%	2009-2030	\$ 50,000	\$ 1,250,000
2011	20,000,000	2.0-4.75%	2011-2030	126,400	2,105,000
2011A	10,000,000	2.0-4.125%	2013-2031	1,647,488	6,325,000
2012A Refunding	18,900,000	3.0-4.50%	2014-2024	1,260,500	10,475,000
2013A	20,000,000	3.0-5.0%	2014-2033	4,434,750	14,000,000
2013 Refunding	18,030,000	3.0-5.0%	2013-2025	1,705,850	11,935,000
2014 Refunding	12,090,000	3.0-5.0%	2017-2026	1,451,800	8,460,000
2014	30,000,000	2.0-5.0%	2015-2034	6,534,375	22,500,000
2015 Refunding	34,765,000	1.5-5.0%	2019-2028	8,339,700	32,075,000
2015	30,000,000	2.0-5.0%	2016-2035	8,349,375	24,000,000
2016 Refunding	9,890,000	2.0-4.0%	2018-2029	1,862,750	9,840,000
2016	30,000,000	2.25-5.0%	2017-2036	7,218,750	25,500,000
2017 Refunding	12,175,000	2.625-5.0%	2021-2030	3,035,000	12,175,000
2017A Refunding	9,155,000	3.0-5.0%	2022-2030	2,792,950	9,155,000
2017	25,000,000	2.0-5.0%	2018-2037	9,856,250	22,500,000
2017A	25,000,000	2.0-5.0%	2018-2037	8,765,625	22,500,000
<b>Qualified School Construction Bonds:</b>					
2010	5,000,000	1.12%	2011-2024	336,000	2,000,000
<b>Total</b>	<b>\$ 335,005,000</b>			<b>\$ 67,767,563</b>	<b>\$ 236,795,000</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, 2019, the School Board has accumulated \$31,993,477 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>
2020	\$ 19,983,333	\$ 9,837,337	\$ 29,820,670
2021	20,268,333	9,033,188	29,301,521
2022	20,538,334	8,191,887	28,730,221
2023	20,883,333	7,318,388	28,201,721
2024	21,218,333	6,465,188	27,683,521
2025-2029	79,658,334	19,428,588	99,086,922
2030-2034	42,245,000	6,725,175	48,970,175
2035-2037	12,000,000	767,812	12,767,812
<b>Total</b>	<b>\$ 236,795,000</b>	<b>\$ 67,767,563</b>	<b>\$ 304,562,563</b>

In accordance with Louisiana Revised Statute 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, 2019, the statutory limit is \$905,198,044 and the legal debt margin is \$702,396,521. Outstanding bonded debt payable from ad valorem taxes at June 30, 2019 totaled \$234,795,000.

**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, 2019:

Equipment Under Capital Lease	
Furniture and Equipment	\$ 1,567,575
Less: Accumulated Depreciation	<u>(1,175,704)</u>
<b>Net Equipment Under Capital Lease</b>	<b><u>\$ 391,871</u></b>

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

**Notes to Basic Financial Statements**

**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, 2019:

<b>Year Ending June 30,</b>	<b>Principal Payments</b>	<b>Interest Payments</b>	<b>Total</b>
2020	\$ 151,178	\$ 22,100	\$ 173,278
2021	154,655	18,623	173,278
2022	158,212	15,066	173,278
2023	161,851	11,427	173,278
2024	165,574	7,704	173,278
2025	169,382	3,896	173,278
<b>Total</b>	<b>\$ 960,852</b>	<b>\$ 78,816</b>	<b>\$ 1,039,668</b>

**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.

As of June 30, 2019, 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	\$ 10,670,000	May 1, 2012	March 1, 2024
\$ 18,850,000	2005 Series	12,470,000	March 14, 2013	March 1, 2025
\$ 12,500,000	2006 Series	8,750,000	March 13, 2014	March 1, 2026
\$ 67,000,000	2008 Series	34,130,000	March 24, 2015	March 1, 2028
\$ 20,000,000	2009 Series	10,000,000	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
		<u>\$ 98,015,000</u>		

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

**Notes to Basic Financial Statements**

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**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 2019, 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.

**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

**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 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)

**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

**ST. TAMMANY PARISH SCHOOL BOARD  
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**Notes to Basic Financial Statements**

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

**Benefits Provided (Continued)**

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.

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.

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**Notes to Basic Financial Statements**

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

**Benefits Provided (Continued)**

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 and 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 5 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.

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.

**ST. TAMMANY PARISH SCHOOL BOARD  
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**Notes to Basic Financial Statements**

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

**Benefits Provided (Continued)**

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 (COLAs) 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 the System) 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 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 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), or Any age with at least 30 years of service credit



**ST. TAMMANY PARISH SCHOOL BOARD  
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**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 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.

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

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

**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 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), or Any age with at least 30 years of service credit

Members first eligible to join LASERS and hired between 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)

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.

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

**Notes to Basic Financial Statements**

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

**Benefits Provided (Continued)**

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)

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)

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

**Notes to Basic Financial Statements**

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

**Benefits Provided (Continued)**

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

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

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

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

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

**Notes to Basic Financial Statements**

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

**Benefits Provided (Continued)**

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

**Contributions**

*Teachers' Retirement System of Louisiana (TRSL)*

Contribution requirements of active employees are governed by Section 101-104 of Title 11 of the Louisiana Revised Statutes (LRS 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, 2019 was 26.7% of annual covered payroll. The School Board's contributions paid to TRSL for the year ended June 30, 2019 were \$55,260,899.

*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, 2019 was 28.0% of annual covered payroll. The School Board's contributions paid to LSERS for the year ended June 30, 2019 were \$6,951,989.

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

**Notes to Basic Financial Statements**

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

**Contributions (Continued)**

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

Contribution requirements of active employees are governed by Section 401 of Title 11 of the Louisiana Revised Statutes (LRS 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, 2019 was 37.9% of annual covered payroll. The School Board's contributions paid to LASERS for the year ended June 30, 2019 were \$219,317.

**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, 2019:

	<b>TRSL</b>	<b>LSERS</b>	<b>LASERS</b>	<b>Total</b>
Net Pension Liability	\$ 457,341,207	\$ 56,690,024	\$ 1,686,227	\$ 515,717,458
Pension Expense	\$ 31,196,336	\$ 6,370,628	\$ 122,727	\$ 37,689,691
Proportion of Net Pension Liability	4.65%	8.48%	0.02%	
Change in Proportion Increase (Decrease)	-0.01%	0.12%	0.00%	

The net pension liability for each of these plans was measured as of June 30, 2018 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.

**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, 2019, 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	\$ -	\$ 15,065,759
Changes of Assumptions	29,385,672	-
Net Difference between Projected and Actual Earnings on Pension Plan Investments	-	29,474,784
Changes in Proportion and Differences between Employer and Non-Employer Contributions and Proportionate Share of Contributions	6,498,851	2,758,914
Employer Contributions Subsequent to the Measurement Date	55,260,899	-
<b>Total</b>	<b>\$ 91,145,422</b>	<b>\$ 47,299,457</b>

At June 30, 2019, 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	\$ -	\$ 1,564,387
Changes of Assumptions	2,388,248	-
Net Difference between Projected and Actual Earnings on Pension Plan Investments	1,125,742	-
Changes in Proportion and Differences between Employer Contributions and Proportionate Share of Contributions	1,212,894	53,711
Employer Contributions Subsequent to the Measurement Date	6,951,989	-
<b>Total</b>	<b>\$ 11,678,873</b>	<b>\$ 1,618,098</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, 2019, 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	\$ -	\$ 18,909
Changes of Assumptions	17,159	-
Net Difference between Projected and Actual Earnings on Pension Plan Investments	21,865	-
Changes in Proportion and Differences between Employer Contributions and Proportionate Share of Contributions	104,565	-
Employer Contributions Subsequent to the Measurement Date	219,317	-
<b>Total</b>	<b>\$ 362,906</b>	<b>\$ 18,909</b>

Deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date for TRSL, LSERS, and LASERS of \$55,260,899, \$6,951,989, and \$219,317, respectively, will be recognized as a reduction of the net pension liability during the year ended June 30, 2020. 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	\$ 5,130,871	\$ 3,243,253	\$ 113,854
2021	(2,233,550)	1,313,772	58,205
2022	(12,841,630)	(1,711,875)	(41,209)
2023	(1,470,625)	263,636	(6,170)
<b>Total</b>	<b>\$ (11,414,934)</b>	<b>\$ 3,108,786</b>	<b>\$ 124,680</b>

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

**Notes to Basic Financial Statements**

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

**Actuarial Assumptions**

The total pension liability in the June 30, 2018 actuarial valuations for TRSL, LSERS, and LASERS was 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%	2.75%
Salary Increases	3.3% - 4.8%	3.3%	2.8% - 14.3%
Investment Rate of Return (Net of Investment Expense)	7.65%	7.0625%	7.65%
Dates of Experience Study	2013 - 2017	2013 - 2017	2009 - 2013
Mortality Rates	RP-2014 Sex Distinct Mortality Table	RP-2014 Sex Distinct Mortality Table	RP-2000 Combined Healthy Mortality Table
	RP-2014 Disabled Lives Mortality Table	RP-2014 Disabled Lives Mortality Table	RP-2000 Disabled Retiree Table

The long-term expected rate of return on pension plan investments of TRSL and LASERS was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment 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.

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

**Notes to Basic Financial Statements**

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

**Actuarial Assumptions (Continued)**

The target allocation and expected real rates of return of TRSL, LSERS, and LASERS for each major asset class of as of June 30, 2018 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%	4.01%
International Equity	19.0%	4.90%
Domestic Fixed Income	13.0%	1.36%
International Fixed Income	5.5%	2.35%
Private Equity	25.5%	8.39%
Other Private Assets	10.0%	3.57%
<b>Total</b>	<b>100.0%</b>	

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

<b>Asset Class</b>	<b>Target Allocation</b>	<b>Long-Term Expected Real Rate of Return (Geometric)</b>
Core Fixed Income	8.0%	1.68%
High Yield	5.0%	4.13%
Emerging Markets Debt	7.0%	4.42%
Global Fixed Income	10.0%	1.63%
U.S. Equity	20.0%	6.15%
Developed Equity	18.0%	7.11%
Emerging Markets Equity	10.0%	9.41%
Global REITs	3.0%	5.77%
Private Equity	5.0%	10.28%
Hedge Fund of Funds	3.0%	3.94%
Real Estate	5.0%	4.90%
Timber	2.0%	5.67%
Oil and Gas	2.0%	10.57%
Infrastructure	2.0%	6.25%
<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 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%	-0.48%
Domestic Equity	23.0%	4.31%
International Equity	32.0%	5.26%
Domestic Fixed Income	6.0%	1.49%
International Fixed Income	10.0%	2.23%
Alternative Investments	22.0%	7.67%
Risk Parity	7.0%	4.96%
<b>Total</b>	<b>100.0%</b>	

**Discount Rate**

The discount rate used to measure the total pension liability of TRSL, LSERS, and LASERS was 7.65%, 7.0625%, and 7.65%, 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.

**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, 2019 using the current discount rate of 7.65%, 7.0625%, and 7.65%, 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:

	<b>1.0% Decrease</b>	<b>Current Discount Rate</b>	<b>1.0% Increase</b>
Teachers' Retirement System of Louisiana	\$ 605,866,387	\$ 457,341,207	\$ 332,052,482
Louisiana School Employees' Retirement System	77,821,977	56,690,024	38,626,434
Louisiana State Employees' Retirement System	2,128,130	1,686,227	1,305,639

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

**Notes to Basic Financial Statements**

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

**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 its proportionate share of the total contributions to the pension plan from these non-employer contributing entities. During the year ended June 30, 2019, the School Board recognized revenue as a result of support received from non-employer contributing entities of \$1,840,451 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, 2019.

**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 each 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, 2019, the School Board reported payables of \$11,947,749, \$1,093,540, and \$36,085 for the outstanding amount of contributions due to TRSL, LSERS, and LASERS, respectively.

**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	\$ 7,601,204
Additions	12,878,489
Deductions	<u>(12,872,935)</u>
<b>Balance, End of Year</b>	<b><u>\$ 7,606,758</u></b>

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

**Notes to Basic Financial Statements**

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**Note 12. Litigation and Claims**

At June 30, 2019, 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, 2019, 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.

**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, 2019, 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.

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

**Notes to Basic Financial Statements**

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**Note 14. Concentration of Revenue**

For the year ended June 30, 2019, the School Board received 49.7% of its revenue from local sources, 43.2% of its revenue from the State of Louisiana, and 7.1% of its revenue from the federal government. Ad valorem tax revenue accounts for 53.1% 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 \$859,016 for the year ended June 30, 2019.

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

<b>Year Ending June 30,</b>	<b>Amount</b>
2020	\$ 862,680
2021	328,154
2022	249,234
2023	243,088
2024	242,881
Thereafter	<u>728,642</u>
<b>Total</b>	<b><u>\$ 2,654,679</u></b>

**Note 16. Deficit Fund Balance**

The following fund has a deficit fund balance as of June 30, 2019, which does not constitute a violation of statutory provisions:

<b>Fund</b>	<b>Deficit Amount</b>
2019 Construction Fund	<b><u>\$ 68,577</u></b>

The deficit in the 2019 Construction Fund will be funded through the issuance of \$35 million in bonds in July 2019.

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

**Notes to Basic Financial Statements**

**Note 17. Fund Equity**

At June 30, 2019, the governmental fund equities are classified as follows:

	<b>General Fund</b>	<b>Debt Service Fund</b>	<b>Other Governmental Funds</b>	<b>Total</b>
<b>Nonspendable for:</b>				
Inventory	\$ -	\$ -	\$ 405,448	\$ 405,448
Prepays	1,151,103	-	-	1,151,103
<b>Total Nonspendable</b>	<b>1,151,103</b>	<b>-</b>	<b>405,448</b>	<b>1,556,551</b>
<b>Restricted for:</b>				
Construction	-	-	46,793,466	46,793,466
Debt Service	-	31,993,477	-	31,993,477
Operational Purposes	-	-	16,973,535	16,973,535
Food Service	-	-	1,667,142	1,667,142
<b>Total Restricted</b>	<b>-</b>	<b>31,993,477</b>	<b>65,434,143</b>	<b>97,427,620</b>
<b>Committed for:</b>				
Bond Rating	20,854,282	-	-	20,854,282
Special Programs	-	-	12,487,952	12,487,952
<b>Total Committed</b>	<b>20,854,282</b>	<b>-</b>	<b>12,487,952</b>	<b>33,342,234</b>
<b>Assigned for:</b>				
Construction	-	-	6,370,128	6,370,128
Local Priorities	93,848,785	-	-	93,848,785
<b>Total Assigned</b>	<b>93,848,785</b>	<b>-</b>	<b>6,370,128</b>	<b>100,218,913</b>
<b>Total Unassigned</b>	<b>-</b>	<b>-</b>	<b>(68,577)</b>	<b>(68,577)</b>
<b>Total Fund Balance</b>	<b>\$ 115,854,170</b>	<b>\$ 31,993,477</b>	<b>\$ 84,629,094</b>	<b>\$ 232,476,741</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 17. 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 \$93,848,785 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 18. Other Postemployment Benefits (OPEB)**

**General Information about the OPEB Plan**

*Plan Description* - The St. Tammany Parish 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. Since it is the most significant plan for the School Board, the TRSL eligibility provisions were used.

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

**Notes to Basic Financial Statements**

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**Note 18. 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. 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	2,560
Inactive Employees Entitled to but Not Yet Receiving Benefit Payments	-
Active Employees	<u>4,588</u>
<b>Total</b>	<u><u>7,148</u></u>

**Total OPEB Liability**

The School Board's total OPEB liability of \$396,492,383 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	2.5%
Discount Rate	3.5%, Net of OPEB Plan Investment Expense, Including Inflation
Healthcare Cost Trend Rates	Flat 5.5% Annually

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.

Mortality rates were based on the 94 GAR projected to 2002, 50% unisex blend.

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 18. Other Postemployment Benefits (OPEB) (Continued)**

**Changes in the Total OPEB Liability**

Balance, Beginning of Year	\$ 402,161,876
Changes for the Year	
Service Cost	8,459,609
Interest	13,717,586
Differences between Expected and Actual Experience	(7,385,009)
Benefit Payments and Net Transfers	<u>(20,461,679)</u>
Net Changes	<u>(5,669,493)</u>
<b>Balance, End of Year</b>	<b><u>\$ 396,492,383</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 one percentage point lower (2.50%) or one percentage point higher (4.50%) than the current discount rate:

	<b>1.0% Decrease (2.5%)</b>	<b>Current Discount Rate (3.5%)</b>	<b>1.0% Increase (4.5%)</b>
Total OPEB Liability	<u>\$ 460,158,185</u>	<u>\$ 396,492,383</u>	<u>\$ 345,432,294</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 one percentage point lower (4.5%) or one 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>\$ 345,603,058</u>	<u>\$ 396,492,383</u>	<u>\$ 460,645,551</u>

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

**Notes to Basic Financial Statements**

**Note 18. 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, 2019, the School Board recognized OPEB expense of \$19,042,151. At June 30, 2019, the School Board reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between Expected and Actual Experience	\$ -	\$ 31,350,447
<b>Total</b>	<b>\$ -</b>	<b>\$ 31,350,447</b>

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

<b>Year Ending June 30,</b>	<b>Amount</b>
2020	\$ (3,135,044)
2021	(3,135,044)
2022	(3,135,044)
2023	(3,135,044)
2024	(3,135,044)
Thereafter	(15,675,227)
<b>Total</b>	<b>\$ (31,350,447)</b>

**Note 19. 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, 2019, the School Board has forgone \$302,407 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 19. 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, 2019, the School Board has forgone \$253,680 in ad valorem taxes due to this abatement program.

**Note 20. 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, 2018.

**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 periods beginning after December 15, 2019.

**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, 2019.

Management is currently evaluating the effects of the new GASB pronouncements scheduled for implementation for fiscal year ending June 30, 2020.

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

**Notes to Basic Financial Statements**

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**Note 21. Prior Period Adjustment**

The governmental-wide financial statements include a prior period adjustment decreasing net position by \$21,380,466, which relates to interest costs previously capitalized in the years June 30, 2013 through 2018. Accordingly, the balances of certain capital assets were decreased by \$23,254,365, and the related accumulated depreciation balances were decreased by \$1,873,899. See Note 5 for a summary of the changes in capital assets.

**Note 22. Subsequent Event**

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.

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

**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, 2019**

	<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>	\$ 108,348,010	\$ 111,040,861	\$ 111,040,861	\$ -
<b>Resources (Inflows)</b>				
<b>Local Sources:</b>				
Ad Valorem Taxes	99,477,100	102,495,491	102,495,491	-
Sales and Use Taxes	96,765,700	102,644,290	102,644,290	-
Tuition:				
Summer School/Drivers Education/Community Ed.	1,739,000	1,681,907	1,681,907	-
Earnings on Investments	754,800	1,655,056	1,655,056	-
Medical Services	2,918,000	5,782,706	5,782,706	-
Other	2,173,580	1,438,884	1,438,884	-
<b>Total Resources from Local Sources</b>	<b>203,828,180</b>	<b>215,698,334</b>	<b>215,698,334</b>	<b>-</b>
<b>State Sources:</b>				
Minimum Foundation Program	210,075,653	210,807,628	210,807,628	-
Restricted Appropriation				-
Contributions to Teachers' Retirement	15,011	10,136	10,136	-
Revenue Sharing	2,009,558	2,013,937	2,013,937	-
Professional Improvement Program	58,858	41,866	41,866	-
Non-Public Students	185,327	181,346	181,346	-
<b>Total Resources from State Sources</b>	<b>212,344,407</b>	<b>213,054,913</b>	<b>213,054,913</b>	<b>-</b>
<b>Federal Sources:</b>				
ROTC	517,599	579,144	579,144	-
<b>Total Resources from Federal Sources</b>	<b>517,599</b>	<b>579,144</b>	<b>579,144</b>	<b>-</b>
<b>Total Resources</b>	<b>416,690,186</b>	<b>429,332,391</b>	<b>429,332,391</b>	<b>-</b>
<b>Other Financing Sources</b>				
Transfers In:				
CDBG Fund	-	6,146	6,146	-
Indirect Costs	1,320,000	1,268,933	1,268,933	-
<b>Total Other Financing Sources</b>	<b>1,320,000</b>	<b>1,275,079</b>	<b>1,275,079</b>	<b>-</b>
<b>Amounts Available for Appropriations</b>	<b>526,358,196</b>	<b>541,648,331</b>	<b>541,648,331</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, 2019**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Charges to Appropriations (Outflows)</b>				
Current:				
Instruction:				
Regular Education Programs	160,568,123	166,174,763	166,174,763	-
Special Education Programs	72,683,081	70,095,104	70,095,104	-
Vocational Education Programs	6,334,729	5,968,971	5,968,971	-
Other Instructional Programs	9,371,610	8,946,830	8,946,830	-
Special Programs	2,801,205	2,731,951	2,731,951	-
Support Services:				
Pupil Support	26,103,897	25,177,216	25,177,216	-
Instructional Staff Support	10,507,206	10,231,979	10,231,979	-
General Administration	7,596,010	8,065,397	8,065,397	-
School Administration	25,839,858	25,077,867	25,077,867	-
Business Administration	2,917,005	2,778,506	2,778,506	-
Operation and Maintenance of Plant	39,508,532	38,594,207	38,594,207	-
Pupil Transportation	34,234,758	33,710,146	33,710,146	-
Central Services	8,792,682	7,642,128	7,642,128	-
Community Service Programs	1,277,139	1,391,369	1,391,369	-
Facilities Acquisition and Construction	623,337	645,866	645,866	-
Debt Service	572,611	563,861	563,861	-
Transfers Out	8,179,000	17,998,000	17,998,000	-
<b>Total Charges to Appropriations</b>	<b>417,910,783</b>	<b>425,794,161</b>	<b>425,794,161</b>	<b>-</b>
<b>Budgetary Fund Balance, End of Year</b>	<b>\$ 108,447,413</b>	<b>\$ 115,854,170</b>	<b>\$ 115,854,170</b>	<b>\$ -</b>

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

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

**Statement 1-2**

**Schedule of Changes in the School Board's  
Net OPEB Liability and Related Ratios  
For the Years Ended June 30, 2018 through June 30, 2019**

	2019	2018
<b>Total OPEB Liability</b>		
Service Cost	\$ 8,459,609	\$ 8,507,645
Interest	13,717,586	14,311,733
Changes of Benefit Terms	-	-
Differences Between Expected and Actual Experience	(7,385,009)	(9,102,483)
Changes of Assumptions	-	-
Benefit Payments	(20,461,679)	(20,461,679)
<b>Net Change in Total OPEB Liability</b>	<b>(5,669,493)</b>	<b>(6,744,784)</b>
<b>Total OPEB Liability, Beginning</b>	<b>402,161,876</b>	<b>408,906,660</b>
<b>Total OPEB Liability, Ending (a)</b>	<b>\$ 396,492,383</b>	<b>\$ 402,161,876</b>
<b>Plan Fiduciary Net Position</b>		
Contributions - Employer	\$ -	\$ -
Contributions - Member	-	-
Net Investment Income	-	-
Benefit Payments	-	-
Administrative Expense	-	-
<b>Net Change in Plan Fiduciary Net Position</b>	<b>-</b>	<b>-</b>
<b>Plan Fiduciary Net Position, Beginning</b>	<b>-</b>	<b>-</b>
<b>Plan Fiduciary Net Position, Ending (b)</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Net OPEB Liability, Ending (a) - (b)</b>	<b>\$ 396,492,383</b>	<b>\$ 402,161,876</b>
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	0.00%	0.00%
Covered-Employee Payroll	\$ 200,848,293	\$ 200,848,293
Net OPEB Liability as a Percentage of Covered-Employee Payroll	197.41%	200.23%

**Notes to Schedule:**

*Benefit Changes.* There were no changes of benefit terms for the year ended June 30, 2019.

*Changes of Assumptions.* There were no changes of assumptions for the year ended June 30, 2019.

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

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

**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 2019**

	2019	2018	2017	2016	2015
<b>Teachers' Retirement System of Louisiana:</b>					
School Board's proportion of the net pension liability	4.65%	4.66%	4.60%	4.54%	4.56%
School Board's proportionate share of the net pension liability	\$ 457,341,207	\$ 478,238,381	\$ 539,839,892	\$ 487,696,956	\$ 466,169,452
School Board's covered payroll	\$ 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	211.96%	223.32%	257.84%	238.14%	229.38%
Plan fiduciary net position as a percentage of the total pension liability	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	8.48%	8.36%	8.07%	8.04%	8.05%
School Board's proportionate share of the net pension liability	\$ 56,690,024	\$ 53,514,939	\$ 60,843,824	\$ 51,010,774	\$ 46,654,021
School Board's covered payroll	\$ 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	231.42%	223.57%	265.62%	225.40%	206.70%
Plan fiduciary net position as a percentage of the total pension liability	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	0.02%	0.02%	0.02%	0.02%	0.02%
School Board's proportionate share of the net pension liability	\$ 1,686,227	\$ 1,620,831	\$ 1,695,759	\$ 1,692,420	\$ 1,453,422
School Board's covered payroll	\$ 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	357.38%	419.59%	457.68%	377.59%	280.23%
Plan fiduciary net position as a percentage of the total pension liability	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 2019**

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

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**Note 1. Budgets**

**General Budget Practices**

The proposed budgets for fiscal year 2018-2019 were completed and made available for public inspection at the School Board office on August 1, 2018. A public hearing was held on August 23, 2018, for suggestions and comments from taxpayers. The proposed fiscal year 2018-2019 budgets were formally adopted by the School Board on September 13, 2018, and final amendment was adopted on October 10, 2019. 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 2019 were prepared on the modified accrual basis of accounting, consistent with generally accepted accounting principles (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, 2019**

**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 (COLA) was granted by TRSL and LASERS.

During the reporting period 2017, a cost-of-living adjustment (COLA) 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, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
Investment Rate of Return	7.65%	7.70%	7.75%	7.75%	7.75%
Inflation Rate	2.50%	2.50%	2.50%	2.50%	2.50%
Salary Increases	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-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 (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, 2019**

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

**Changes of Assumptions (Continued)**

Louisiana School Employees' Retirement System (LSERS):

Valuation Date	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
Investment Rate of Return	7.0625%	7.125%	7.125%	7.00%	7.25%
Inflation Rate	2.50%	2.625%	2.625%	2.75%	2.75%
Salary Increases	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-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 (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, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
Investment Rate of Return	7.65%	7.70%	7.75%	7.75%	7.75%
Inflation Rate	2.75%	2.75%	3.00%	3.00%	3.00%
Salary Increases	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-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 (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.

**TANF** - This fund is used to account for federal and state grants received and the program expenditures under the Temporary Assistance for Needy Families program.

**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.

**CDBG** - This fund is used to account for the revenue and expenditures related to the Community Development Block Grant. This grant was awarded to reimburse the School Board for disaster-related expenses that were not covered by the FEMA grants.

**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.

**Capital Projects Funds:**

**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.

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

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

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**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, 2019**

	<b>Special Revenue</b>	<b>Capital Projects</b>	<b>Total</b>
<b>Assets</b>			
Cash and Cash Equivalents	\$ 9,819,373	\$ 3,837,161	\$ 13,656,534
Investments	5,083,781	-	5,083,781
Receivables			
Intergovernmental:			
Federal	4,217,408	-	4,217,408
State	310,533	-	310,533
Other	7,049	-	7,049
Due from Other Funds	4,000,000	4,064,775	8,064,775
Inventory	405,448	-	405,448
Restricted Cash and Cash Equivalents	10,633,639	15,638,993	26,272,632
Restricted Investments	6,313,787	32,487,306	38,801,093
<b>Total Assets</b>	<b>\$ 40,791,018</b>	<b>\$ 56,028,235</b>	<b>\$ 96,819,253</b>
<b>Liabilities and Fund Balances</b>			
<b>Liabilities</b>			
Salaries and Withholdings Payable	\$ 2,720,446	\$ -	\$ 2,720,446
Accounts Payable	103,462	1,986,507	2,089,969
Due to Other Funds	6,151,615	10,000	6,161,615
Contracts and Retainage Payable	-	586,711	586,711
Other Liabilities	281,418	350,000	631,418
<b>Total Liabilities</b>	<b>9,256,941</b>	<b>2,933,218</b>	<b>12,190,159</b>
<b>Fund Balances</b>			
Non-Spendable:			
Inventory	405,448	-	405,448
Restricted for:			
Construction	-	46,793,466	46,793,466
Operational Purposes	16,973,535	-	16,973,535
Food Service	1,667,142	-	1,667,142
Committed for:			
Special Programs	12,487,952	-	12,487,952
Assigned for:			
Construction	-	6,370,128	6,370,128
Unrestricted	-	(68,577)	(68,577)
<b>Total Fund Balances</b>	<b>31,534,077</b>	<b>53,095,017</b>	<b>84,629,094</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 40,791,018</b>	<b>\$ 56,028,235</b>	<b>\$ 96,819,253</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, 2019**

	Special Revenue	Capital Projects	Total
<b>Revenues</b>			
Local Sources:			
Tuition	\$ 186,750	\$ -	\$ 186,750
Earnings on Investments	408,748	820,608	1,229,356
Net Increase in the Fair Value of Investments	53,307	-	53,307
Food Service	3,753,070	-	3,753,070
Contributions and Donations	173,250	-	173,250
Other	107,999	350	108,349
State Sources:			
Minimum Foundation Program	4,887,500	-	4,887,500
Other	2,997,919	-	2,997,919
Federal Sources	35,966,900	-	35,966,900
<b>Total Revenues</b>	<b>48,535,443</b>	<b>820,958</b>	<b>49,356,401</b>
<b>Expenditures</b>			
Current:			
Instruction:			
Regular Education Programs	473,051	-	473,051
Special Education Programs	6,293,557	-	6,293,557
Vocational Education Programs	286,540	-	286,540
Other Instructional Programs	502,259	-	502,259
Special Programs	11,278,048	-	11,278,048
Support Services:			
Pupil Support	4,953,712	-	4,953,712
Instructional Staff Support	5,512,714	-	5,512,714
General Administration	3,164	-	3,164
School Administration	6,168	-	6,168
Operation and Maintenance of Plant	3,038,553	663,243	3,701,796
Pupil Transportation	125,606	-	125,606
Central Services	53,355	-	53,355
Food Service	23,663,303	-	23,663,303
Facilities Acquisition and Construction	280,786	10,203,269	10,484,055
Debt Service	-	81,858	81,858
<b>Total Expenditures</b>	<b>56,470,816</b>	<b>10,948,370</b>	<b>67,419,186</b>
<b>Deficiency of Revenues Over Expenditures</b>	<b>(7,935,373)</b>	<b>(10,127,412)</b>	<b>(18,062,785)</b>
<b>Other Financing Sources (Uses)</b>			
Transfers In	12,898,000	9,111,828	22,009,828
Transfers Out	(5,286,907)	-	(5,286,907)
<b>Total Other Financing Sources (Uses)</b>	<b>7,611,093</b>	<b>9,111,828</b>	<b>16,722,921</b>
<b>Net Change in Fund Balances</b>	<b>(324,280)</b>	<b>(1,015,584)</b>	<b>(1,339,864)</b>
<b>Fund Balances, Beginning of Year</b>	<b>31,858,357</b>	<b>54,110,601</b>	<b>85,968,958</b>
<b>Fund Balances, End of Year</b>	<b>\$ 31,534,077</b>	<b>\$ 53,095,017</b>	<b>\$ 84,629,094</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, 2019**

	ESSA	IDEA	TANF	Vocational Education	Miscellaneous Programs
<b>Assets</b>					
Cash and Cash Equivalents	\$ 260,331	\$ 597,402	\$ 854,524	\$ 153,068	\$ 3,713,506
Investments	-	-	-	-	5,083,781
Receivables					
Intergovernmental:					
Federal	1,744,774	1,408,671	650,705	93,388	154,394
State	-	-	-	-	247,335
Other	-	-	-	-	-
Due from Other Funds	-	-	-	-	4,000,000
Inventory	-	-	-	-	-
Restricted Cash and Cash Equivalents	-	-	-	-	-
Restricted Investments	-	-	-	-	-
<b>Total Assets</b>	<b>\$ 2,005,105</b>	<b>\$ 2,006,073</b>	<b>\$ 1,505,229</b>	<b>\$ 246,456</b>	<b>\$ 13,199,016</b>
<b>Liabilities and Fund Balances</b>					
<b>Liabilities</b>					
Salaries and Withholdings Payable	\$ 395,449	\$ 432,544	\$ 215,666	\$ -	\$ 198,782
Accounts Payable	-	-	-	-	9,176
Due to Other Funds	1,609,656	1,573,529	1,289,563	246,456	503,106
Other Liabilities	-	-	-	-	-
<b>Total Liabilities</b>	<b>2,005,105</b>	<b>2,006,073</b>	<b>1,505,229</b>	<b>246,456</b>	<b>711,064</b>
<b>Fund Balances</b>					
Non-Spendable:					
Inventory	-	-	-	-	-
Restricted for:					
Operational Purposes	-	-	-	-	-
Food Service	-	-	-	-	-
Committed for:					
Special Programs	-	-	-	-	12,487,952
<b>Total Fund Balances</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12,487,952</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 2,005,105</b>	<b>\$ 2,006,073</b>	<b>\$ 1,505,229</b>	<b>\$ 246,456</b>	<b>\$ 13,199,016</b>

See independent auditor's report.



**Exhibit 3**

<b>8G</b>	<b>School Food Service</b>	<b>Katrina</b>	<b>CDBG</b>	<b>School Security</b>	<b>Total</b>
\$ 21,610	\$ 3,723,961	\$ -	\$ 96,769	\$ 398,202	\$ 9,819,373
-	-	-	-	-	5,083,781
-	50,314	-	115,162	-	4,217,408
63,198	-	-	-	-	310,533
-	5,768	1,281	-	-	7,049
-	-	-	-	-	4,000,000
-	405,448	-	-	-	405,448
-	-	10,633,639	-	-	10,633,639
-	-	6,313,787	-	-	6,313,787
<b>\$ 84,808</b>	<b>\$ 4,185,491</b>	<b>\$ 16,948,707</b>	<b>\$ 211,931</b>	<b>\$ 398,202</b>	<b>\$ 40,791,018</b>
\$ 26,366	\$ 1,119,974	\$ -	\$ -	\$ 331,665	\$ 2,720,446
-	52,577	-	-	41,709	103,462
58,442	658,932	-	211,931	-	6,151,615
-	281,418	-	-	-	281,418
<b>84,808</b>	<b>2,112,901</b>	<b>-</b>	<b>211,931</b>	<b>373,374</b>	<b>9,256,941</b>
-	405,448	-	-	-	405,448
-	-	16,948,707	-	24,828	16,973,535
-	1,667,142	-	-	-	1,667,142
-	-	-	-	-	12,487,952
<b>-</b>	<b>2,072,590</b>	<b>16,948,707</b>	<b>-</b>	<b>24,828</b>	<b>31,534,077</b>
<b>\$ 84,808</b>	<b>\$ 4,185,491</b>	<b>\$ 16,948,707</b>	<b>\$ 211,931</b>	<b>\$ 398,202</b>	<b>\$ 40,791,018</b>

**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, 2019**

	ESSA	IDEA	TANF	Vocational Education
<b>Revenues</b>				
Local Sources:				
Tuition	\$ -	\$ -	\$ -	\$ -
Earnings on Investments	-	-	-	-
Net Increase in the Fair Value of Investments	-	-	-	-
Food Service	-	-	-	-
Contributions and Donations	-	-	-	-
Other	-	-	-	-
State Sources:				
Minimum Foundation Program	-	-	-	-
Other	-	-	-	-
Federal Sources	10,155,947	9,761,871	2,537,209	423,052
<b>Total Revenues</b>	<b>10,155,947</b>	<b>9,761,871</b>	<b>2,537,209</b>	<b>423,052</b>
<b>Expenditures</b>				
Current:				
Instruction:				
Regular Education Programs	2,576	-	-	-
Special Education Programs	-	6,270,691	-	-
Vocational Education programs	-	-	-	286,540
Other Instructional Programs	-	-	135,900	-
Special Programs	6,080,120	5,073	2,401,309	-
Support Services:				
Pupil Support	51,361	910,170	-	136,512
Instructional Staff Support	3,284,792	1,884,758	-	-
General Administration	1,528	1,636	-	-
School Administration	6,168	-	-	-
Operation and Maintenance of Plant	3,900	10	-	-
Pupil Transportation	29,312	96,294	-	-
Central Services	53,355	-	-	-
Food Service	-	-	-	-
Facilities Acquisition and Construction	-	-	-	-
<b>Total Expenditures</b>	<b>9,513,112</b>	<b>9,168,632</b>	<b>2,537,209</b>	<b>423,052</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>642,835</b>	<b>593,239</b>	<b>-</b>	<b>-</b>
<b>Other Financing Sources (Uses)</b>				
Transfers In	-	-	-	-
Transfers Out	(642,835)	(593,239)	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>(642,835)</b>	<b>(593,239)</b>	<b>-</b>	<b>-</b>
<b>Net Changes in Fund Balances</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balances, Beginning of Year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balances, End of Year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

See independent auditor's report.

**Exhibit 4**

Miscellaneous Programs	8G	School Food Service	Katrina	CDBG	School Security	Total
\$ 186,750	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 186,750
122,652	-	44,558	227,389	-	14,149	408,748
-	-	-	53,307	-	-	53,307
-	-	3,753,070	-	-	-	3,753,070
173,250	-	-	-	-	-	173,250
27,356	-	80,643	-	-	-	107,999
-	-	4,887,500	-	-	-	4,887,500
2,598,851	399,068	-	-	-	-	2,997,919
686,247	-	12,103,814	-	298,760	-	35,966,900
3,795,106	399,068	20,869,585	280,696	298,760	14,149	48,535,443
470,475	-	-	-	-	-	473,051
22,866	-	-	-	-	-	6,293,557
-	-	-	-	-	-	286,540
366,359	-	-	-	-	-	502,259
2,438,386	353,160	-	-	-	-	11,278,048
38,641	-	-	-	-	3,817,028	4,953,712
297,256	45,908	-	-	-	-	5,512,714
-	-	-	-	-	-	3,164
-	-	-	-	-	-	6,168
2,350	-	-	-	-	3,032,293	3,038,553
-	-	-	-	-	-	125,606
-	-	-	-	-	-	53,355
10,809	-	23,652,494	-	-	-	23,663,303
-	-	-	-	280,786	-	280,786
3,647,142	399,068	23,652,494	-	280,786	6,849,321	56,470,816
147,964	-	(2,782,909)	280,696	17,974	(6,835,172)	(7,935,373)
4,000,000	-	2,038,000	-	-	6,860,000	12,898,000
(4,032,859)	-	-	-	(17,974)	-	(5,286,907)
(32,859)	-	2,038,000	-	(17,974)	6,860,000	7,611,093
115,105	-	(744,909)	280,696	-	24,828	(324,280)
12,372,847	-	2,817,499	16,668,011	-	-	31,858,357
\$ 12,487,952	\$ -	\$ 2,072,590	\$ 16,948,707	\$ -	\$ 24,828	\$ 31,534,077

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

**Exhibit 5**

**ESSA Special Revenue Fund  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Budget and Actual  
For the Year Ended June 30, 2019**

	<b>Budget</b>	<b>Actual</b>	<b>Variance from Budget</b>
<b>Revenues</b>			
Federal Sources	\$ 10,155,947	\$ 10,155,947	\$ -
<b>Total Revenues</b>	<u>10,155,947</u>	<u>10,155,947</u>	<u>-</u>
<b>Expenditures</b>			
Instruction:			
Regular Education Programs	2,576	2,576	-
Special Programs	6,080,120	6,080,120	-
Support Services:			
Pupil Support	51,361	51,361	-
Instructional Staff Support	3,284,792	3,284,792	-
General Administration	1,528	1,528	-
School Administration	6,168	6,168	-
Operation and Maintenance of Plant	3,900	3,900	-
Pupil Transportation	29,312	29,312	-
Central Services	53,355	53,355	-
<b>Total Expenditures</b>	<u>9,513,112</u>	<u>9,513,112</u>	<u>-</u>
<b>Excess of Revenues Over Expenditures</b>	<u>642,835</u>	<u>642,835</u>	<u>-</u>
<b>Other Financing Uses</b>			
Transfers Out	(642,835)	(642,835)	-
<b>Total Other Financing Uses</b>	<u>(642,835)</u>	<u>(642,835)</u>	<u>-</u>
<b>Net Change in Fund Balance</b>	-	-	-
<b>Fund Balance, Beginning of Year</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund Balance, End of Year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See independent auditor's report.

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

**Exhibit 6**

**IDEA Special Revenue Fund  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Budget and Actual  
For the Year Ended June 30, 2019**

	<b>Budget</b>	<b>Actual</b>	<b>Variance from Budget</b>
<b>Revenues</b>			
Federal Sources	\$ 9,761,871	\$ 9,761,871	\$ -
<b>Total Revenues</b>	<u>9,761,871</u>	<u>9,761,871</u>	<u>-</u>
<b>Expenditures</b>			
Instruction:			
Special Education Programs	6,270,691	6,270,691	-
Special Programs	5,073	5,073	-
Support Services:			
Pupil Support	910,170	910,170	-
Instructional Staff Support	1,884,758	1,884,758	-
General Administration	1,636	1,636	-
Operation and Maintenance of Plant	10	10	-
Pupil Transportation	96,294	96,294	-
<b>Total Expenditures</b>	<u>9,168,632</u>	<u>9,168,632</u>	<u>-</u>
<b>Excess of Revenues Over Expenditures</b>	<u>593,239</u>	<u>593,239</u>	<u>-</u>
<b>Other Financing Uses</b>			
Transfers Out	(593,239)	(593,239)	-
<b>Total Other Financing Uses</b>	<u>(593,239)</u>	<u>(593,239)</u>	<u>-</u>
<b>Net Change in Fund Balance</b>	-	-	-
<b>Fund Balance, Beginning of Year</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund Balance, End of Year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See independent auditor's report.

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

**Exhibit 7**

**TANF Special Revenue Fund  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Budget and Actual  
For the Year Ended June 30, 2019**

	<b>Budget</b>	<b>Actual</b>	<b>Variance from Budget</b>
<b>Revenues</b>			
Federal Sources	\$ 2,537,209	\$ 2,537,209	\$ -
<b>Total Revenues</b>	<u>2,537,209</u>	<u>2,537,209</u>	<u>-</u>
<b>Expenditures</b>			
Instruction:			
Other Instructional Programs	135,900	135,900	-
Special Programs	<u>2,401,309</u>	<u>2,401,309</u>	<u>-</u>
<b>Total Expenditures</b>	<u>2,537,209</u>	<u>2,537,209</u>	<u>-</u>
<b>Net Change in Fund Balance</b>	-	-	-
<b>Fund Balance, Beginning of Year</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund Balance, End of Year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See independent auditor's report.

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

**Exhibit 8**

**Vocational Education Special Revenue Fund  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Budget and Actual  
For the Year Ended June 30, 2019**

	<b>Budget</b>	<b>Actual</b>	<b>Variance from Budget</b>
<b>Revenues</b>			
Federal Sources	\$ 423,052	\$ 423,052	\$ -
<b>Total Revenues</b>	<u>423,052</u>	<u>423,052</u>	<u>-</u>
<b>Expenditures</b>			
Instruction:			
Vocational Education Programs	286,540	286,540	-
Support Services:			
Pupil Support	<u>136,512</u>	<u>136,512</u>	<u>-</u>
<b>Total Expenditures</b>	<u>423,052</u>	<u>423,052</u>	<u>-</u>
<b>Net Change in Fund Balance</b>	-	-	-
<b>Fund Balance, Beginning of Year</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund Balance, End of Year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See independent auditor's report.

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

**Exhibit 9**

**Miscellaneous Programs Special Revenue Fund  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Budget and Actual  
For the Year Ended June 30, 2019**

	<b>Budget</b>	<b>Actual</b>	<b>Variance from Budget</b>
<b>Revenues</b>			
Local Sources:			
Tuition	\$ 186,750	\$ 186,750	\$ -
Earnings on Investments	122,652	122,652	-
Other	200,606	200,606	-
State Sources - Other	2,598,851	2,598,851	-
Federal Sources	686,247	686,247	-
<b>Total Revenues</b>	<b>3,795,106</b>	<b>3,795,106</b>	<b>-</b>
<b>Expenditures</b>			
Instruction:			
Regular Education Programs	470,475	470,475	-
Special Education Programs	22,866	22,866	-
Other Instructional Programs	366,359	366,359	-
Special Programs	2,438,386	2,438,386	-
Support Services:			
Pupil Support	38,641	38,641	-
Instructional Staff Support	297,256	297,256	-
General Administration			-
Operation and Maintenance of Plant	2,350	2,350	-
Pupil Transportation			-
Food Service	10,809	10,809	-
<b>Total Expenditures</b>	<b>3,647,142</b>	<b>3,647,142</b>	<b>-</b>
<b>Excess of Revenues Over Expenditures</b>	<b>147,964</b>	<b>147,964</b>	<b>-</b>
<b>Other Financing Uses</b>			
Transfers In	4,000,000	4,000,000	-
Transfers Out	(4,032,859)	(4,032,859)	-
<b>Total Other Financing Uses</b>	<b>(32,859)</b>	<b>(32,859)</b>	<b>-</b>
<b>Net Change in Fund Balance</b>	<b>115,105</b>	<b>115,105</b>	<b>-</b>
<b>Fund Balance, Beginning of Year</b>	<b>12,372,847</b>	<b>12,372,847</b>	<b>-</b>
<b>Fund Balance, End of Year</b>	<b>\$ 12,487,952</b>	<b>\$ 12,487,952</b>	<b>\$ -</b>

See independent auditor's report.



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

**Exhibit 10**

**8G Special Revenue Fund  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Budget and Actual  
For the Year Ended June 30, 2019**

	<b>Budget</b>	<b>Actual</b>	<b>Variance from Budget</b>
<b>Revenues</b>			
State Sources - Other	\$ 399,068	\$ 399,068	\$ -
<b>Total Revenues</b>	<u>399,068</u>	<u>399,068</u>	<u>-</u>
<b>Expenditures</b>			
Instruction:			
Special Programs	353,160	353,160	-
Instructional Staff Support	45,908	45,908	
<b>Total Expenditures</b>	<u>399,068</u>	<u>399,068</u>	<u>-</u>
<b>Net Change in Fund Balance</b>	-	-	-
<b>Fund Balance, Beginning of Year</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund Balance, End of Year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See independent auditor's report.

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

**Exhibit 11**

**School Food Service Special Revenue Fund  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Budget and Actual  
For the Year Ended June 30, 2019**

	<b>Budget</b>	<b>Actual</b>	<b>Variance from Budget</b>
<b>Revenues</b>			
Local Sources:			
Earnings on Investments	\$ 44,558	\$ 44,558	\$ -
Food Service	3,753,070	3,753,070	-
Other	80,643	80,643	-
State Sources:			
Minimum Foundation Program	4,887,500	4,887,500	-
Federal Sources	12,103,814	12,103,814	-
<b>Total Revenues</b>	<b>20,869,585</b>	<b>20,869,585</b>	<b>-</b>
<b>Expenditures</b>			
Food Service	23,652,494	23,652,494	-
<b>Total Expenditures</b>	<b>23,652,494</b>	<b>23,652,494</b>	<b>-</b>
<b>Deficiency of Revenues Over Expenditures</b>	<b>(2,782,909)</b>	<b>(2,782,909)</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>(744,909)</b>	<b>(744,909)</b>	<b>-</b>
<b>Fund Balance, Beginning of Year</b>	<b>2,817,500</b>	<b>2,817,499</b>	<b>1</b>
<b>Fund Balance, End of Year</b>	<b>\$ 2,072,591</b>	<b>\$ 2,072,590</b>	<b>\$ 1</b>

See independent auditor's report.

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

**Exhibit 12**

**Katrina Special Revenue Fund  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Budget and Actual  
For the Year Ended June 30, 2019**

	<b>Budget</b>	<b>Actual</b>	<b>Variance from Budget</b>
<b>Revenues</b>			
Earnings on Investments	\$ 227,389	\$ 227,389	\$ -
Net Increase in the Fair Value of Investments	53,307	53,307	-
<b>Total Revenues</b>	<b>280,696</b>	<b>280,696</b>	<b>-</b>
<b>Expenditures</b>			
Facilities Acquisition and Construction	-	-	-
<b>Total Expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Change in Fund Balance</b>	<b>280,696</b>	<b>280,696</b>	<b>-</b>
<b>Fund Balance, Beginning of Year</b>	<b>16,668,011</b>	<b>16,668,011</b>	<b>-</b>
<b>Fund Balance, End of Year</b>	<b>\$ 16,948,707</b>	<b>\$ 16,948,707</b>	<b>\$ -</b>

See independent auditor's report.

**Community Development Block Grant (CDBG) Special Revenue Fund  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual  
For the Year Ended June 30, 2019**

	Budget	Actual	Variance from Budget
<b>Revenues</b>			
Federal Sources	\$ 298,760	\$ 298,760	-
<b>Total Revenues</b>	298,760	298,760	-
<b>Expenditures</b>			
Facilities Acquisition and Construction	280,786	280,786	-
<b>Total Expenditures</b>	280,786	280,786	-
<b>Excess of Revenues Over Expenditures</b>	17,974	17,974	-
<b>Other Financing Uses</b>			
Transfers Out	(17,974)	(17,974)	-
<b>Total Other Financing Uses</b>	(17,974)	(17,974)	-
<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 14**

**School Security Special Revenue Fund  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual  
For the Year Ended June 30, 2019**

	<b>Budget</b>	<b>Actual</b>	<b>Variance from Budget</b>
<b>Revenues</b>			
Earnings on Investments	\$ 14,149	\$ 14,149	\$ -
<b>Total Revenues</b>	<u>14,149</u>	<u>14,149</u>	<u>-</u>
<b>Expenditures</b>			
Support Services:			
Pupil Support	3,817,028	3,817,028	-
Operation and Maintenance of Plant	3,032,293	3,032,293	-
<b>Total Expenditures</b>	<u>6,849,321</u>	<u>6,849,321</u>	<u>-</u>
<b>Excess of Revenues Over Expenditures</b>	<u>(6,835,172)</u>	<u>(6,835,172)</u>	<u>-</u>
<b>Other Financing Uses</b>			
Transfers In	6,860,000	6,860,000	-
<b>Total Other Financing Uses</b>	<u>6,860,000</u>	<u>6,860,000</u>	<u>-</u>
<b>Net Change in Fund Balance</b>	24,828	24,828	-
<b>Fund Balance, Beginning of Year</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund Balance, End of Year</b>	<u>\$ 24,828</u>	<u>\$ 24,828</u>	<u>\$ -</u>

See independent auditor's report.

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

**NON-MAJOR CAPITAL PROJECTS FUNDS**



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

**Exhibit 15**

**Non-Major Capital Projects Funds  
Combining Balance Sheet  
June 30, 2019**

	<b>2008 Construction</b>	<b>2013 Construction</b>
<b>Assets</b>		
Cash and Cash Equivalents	\$ -	\$ -
Due from Other Funds	-	11,828
Restricted Cash and Cash Equivalents	9,591,621	6,047,372
Restricted Investments	15,226,726	17,260,580
<b>Total Assets</b>	<b>\$ 24,818,347</b>	<b>\$ 23,319,780</b>
<b>Liabilities and Fund Balances</b>		
<b>Liabilities</b>		
Accounts Payable	\$ 629,604	\$ 254,416
Due To Other Funds	-	-
Contracts and Retainage Payable	133,305	327,336
Other Payable	-	-
<b>Total Liabilities</b>	<b>762,909</b>	<b>581,752</b>
<b>Fund Balances</b>		
Restricted for:		
Construction	24,055,438	22,738,028
Assigned for:		
Construction	-	-
Unrestricted	-	-
<b>Total Fund Balances</b>	<b>24,055,438</b>	<b>22,738,028</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 24,818,347</b>	<b>\$ 23,319,780</b>

See independent auditor's report.



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

**Exhibit 15**

**Non-Major Capital Projects Funds  
Combining Balance Sheet (Continued)  
June 30, 2019**

<b>2019 Construction</b>	<b>Re-Roofing Construction</b>	<b>Parish Wide Construction</b>	<b>Total</b>
\$ 358,493	\$ 2,037,620	\$ 1,441,048	\$ 3,837,161
-	-	4,052,947	4,064,775
-	-	-	15,638,993
-	-	-	32,487,306
<hr/>			
\$ 358,493	\$ 2,037,620	\$ 5,493,995	\$ 56,028,235
<hr/>			
\$ 67,070	\$ 599,184	\$ 436,233	\$ 1,986,507
10,000	-	-	10,000
-	88,933	37,137	586,711
350,000	-	-	350,000
<hr/>			
427,070	688,117	473,370	2,933,218
<hr/>			
-	-	-	46,793,466
-	1,349,503	5,020,625	6,370,128
(68,577)	-	-	(68,577)
<hr/>			
(68,577)	1,349,503	5,020,625	53,095,017
<hr/>			
\$ 358,493	\$ 2,037,620	\$ 5,493,995	\$ 56,028,235
<hr/>			

See independent auditor's report.

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

**Exhibit 16**

**Non-Major Capital Projects Funds  
Combining Statement of Revenues, Expenditures,  
and Changes in Fund Balances  
For the Year Ended June 30, 2019**

	<b>2008 Construction</b>	<b>2013 Construction</b>
<b>Revenues</b>		
Earnings on Investments	\$ 389,553	\$ 376,778
Other	-	-
<b>Total Revenues</b>	<u>389,553</u>	<u>376,778</u>
<b>Expenditures</b>		
Operation and Maintenance of Plant:		
Repairs and Maintenance	-	-
Equipment	-	642,433
Facilities Acquisition and Construction:		
Architects and Engineers	1,032,326	184,455
Building and Site Improvements	2,447,698	2,310,636
Debt Service:		
Administrative	13,025	-
<b>Total Expenditures</b>	<u>3,493,049</u>	<u>3,137,524</u>
<b>Deficiency of Revenues Over Expenditures</b>	<u>(3,103,496)</u>	<u>(2,760,746)</u>
<b>Other Financing Sources</b>		
Transfers In	-	11,828
<b>Total Other Financing Sources</b>	<u>-</u>	<u>11,828</u>
<b>Net Change in Fund Balances</b>	(3,103,496)	(2,748,918)
<b>Fund Balances, Beginning of Year</b>	<u>27,158,934</u>	<u>25,486,946</u>
<b>Fund Balances, End of Year</b>	<u>\$ 24,055,438</u>	<u>\$ 22,738,028</u>

See independent auditor's report.

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

**Exhibit 16**

**Non-Major Capital Projects Funds  
Combining Statement of Revenues, Expenditures,  
and Changes in Fund Balances (Continued)  
For the Year Ended June 30, 2019**

<b>2019 Construction</b>	<b>Re-Roofing Construction</b>	<b>Parish Wide Construction</b>	<b>Total</b>
\$ 256	\$ 31,772	\$ 22,249	\$ 820,608
-	-	350	350
256	31,772	22,599	820,958
-	-	20,810	20,810
-	-	-	642,433
-	130,639	172,936	1,520,356
-	1,620,811	2,303,768	8,682,913
68,833	-	-	81,858
68,833	1,751,450	2,497,514	10,948,370
(68,577)	(1,719,678)	(2,474,915)	(10,127,412)
-	1,800,000	7,300,000	9,111,828
-	1,800,000	7,300,000	9,111,828
(68,577)	80,322	4,825,085	(1,015,584)
-	1,269,181	195,540	54,110,601
\$ (68,577)	\$ 1,349,503	\$ 5,020,625	\$ 53,095,017

See independent auditor's report.

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

**Exhibit 17**

**2008 Construction Capital Projects Fund  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual  
For the Year Ended June 30, 2019**

	<b>Budget</b>	<b>Actual</b>	<b>Variance from Budget</b>
<b>Revenues</b>			
Earnings on Investments	\$ 389,553	\$ 389,553	\$ -
<b>Total Revenues</b>	<b>389,553</b>	<b>389,553</b>	<b>-</b>
<b>Expenditures</b>			
Facilities Acquisition and Construction:			
Architects and Engineers	1,032,326	1,032,326	-
Building Improvements	2,447,698	2,447,698	-
Debt Service:			
Administrative	13,025	13,025	-
<b>Total Expenditures</b>	<b>3,493,049</b>	<b>3,493,049</b>	<b>-</b>
<b>Deficiency of Revenues Over Expenditures</b>	<b>(3,103,496)</b>	<b>(3,103,496)</b>	<b>-</b>
<b>Net Change in Fund Balance</b>	<b>(3,103,496)</b>	<b>(3,103,496)</b>	<b>-</b>
<b>Fund Balance, Beginning of Year</b>	<b>27,158,934</b>	<b>27,158,934</b>	<b>-</b>
<b>Fund Balance, End of Year</b>	<b>\$ 24,055,438</b>	<b>\$ 24,055,438</b>	<b>\$ -</b>

See independent auditor's report.

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

**Exhibit 18**

**2013 Construction Capital Projects Fund  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual  
For the Year Ended June 30, 2019**

	<b>Budget</b>	<b>Actual</b>	<b>Variance from Budget</b>
<b>Revenues</b>			
Earnings on Investments	\$ 376,778	\$ 376,778	\$ -
Net Increase in the Fair Value of Investments			-
<b>Total Revenues</b>	<b>376,778</b>	<b>376,778</b>	<b>-</b>
<b>Expenditures</b>			
Operation and Maintenance of Plant:			
Equipment	642,433	642,433	-
Facilities Acquisition and Construction:			
Architects and Engineers	184,455	184,455	-
Building Improvements	2,310,636	2,310,636	-
<b>Total Expenditures</b>	<b>3,137,524</b>	<b>3,137,524</b>	<b>-</b>
<b>Deficiency of Revenues Over Expenditures</b>	<b>(2,760,746)</b>	<b>(2,760,746)</b>	<b>-</b>
<b>Other Financing Sources</b>			
Transfers In	11,828	11,828	-
<b>Total Other Financing Sources</b>	<b>11,828</b>	<b>11,828</b>	<b>-</b>
<b>Net Change in Fund Balance</b>	<b>(2,748,918)</b>	<b>(2,748,918)</b>	<b>-</b>
<b>Fund Balance, Beginning of Year</b>	<b>25,486,946</b>	<b>25,486,946</b>	<b>-</b>
<b>Fund Balance, End of Year</b>	<b>\$ 22,738,028</b>	<b>\$ 22,738,028</b>	<b>\$ -</b>

See independent auditor's report.

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

**Exhibit 19**

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

	<b>Budget</b>	<b>Actual</b>	<b>Variance from Budget</b>
<b>Revenues</b>			
Earnings on Investments	\$ 256	\$ 256	\$ -
Net Increase in the Fair Value of Investments	-	-	-
<b>Total Revenues</b>	<b>256</b>	<b>256</b>	<b>-</b>
<b>Expenditures</b>			
Debt Service:			
Administrative	68,833	68,833	-
<b>Total Expenditures</b>	<b>68,833</b>	<b>68,833</b>	<b>-</b>
<b>Deficiency of Revenues Over Expenditures</b>	<b>(68,577)</b>	<b>(68,577)</b>	<b>-</b>
<b>Net Change in Fund Balance</b>	<b>(68,577)</b>	<b>(68,577)</b>	<b>-</b>
<b>Fund Balance, Beginning of Year</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balance, End of Year</b>	<b>\$ (68,577)</b>	<b>\$ (68,577)</b>	<b>\$ -</b>

See independent auditor's report.

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

	Budget	Actual	Variance from Budget
<b>Revenues</b>			
Earnings on Investments	\$ 31,772	\$ 31,772	\$ -
<b>Total Revenues</b>	31,772	31,772	-
<b>Expenditures</b>			
Facilities Acquisition and Construction:			
Architects and Engineers	130,639	130,639	-
Building and Site Improvements	1,620,811	1,620,811	-
<b>Total Expenditures</b>	1,751,450	1,751,450	-
<b>Deficiency of Revenues Over Expenditures</b>	(1,719,678)	(1,719,678)	-
<b>Other Financing Sources</b>			
Transfers In	1,800,000	1,800,000	-
<b>Total Other Financing Sources</b>	1,800,000	1,800,000	-
<b>Net Change in Fund Balance</b>	80,322	80,322	-
<b>Fund Balance, Beginning of Year</b>	1,269,181	1,269,181	-
<b>Fund Balance, End of Year</b>	\$ 1,349,503	\$ 1,349,503	\$ -

See independent auditor's report.

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

	Budget	Actual	Variance from Budget
<b>Revenues</b>			
Earnings on Investments	\$ 22,249	\$ 22,249	\$ -
Other	350	350	-
<b>Total Revenues</b>	<u>22,599</u>	<u>22,599</u>	<u>-</u>
<b>Expenditures</b>			
Operation and Maintenance of Plant:			
Repairs and Maintenance	20,810	20,810	-
Facilities Acquisition and Construction:			
Architects and Engineers	172,936	172,936	-
Building and Site Improvements	2,303,768	2,303,768	-
<b>Total Expenditures</b>	<u>2,497,514</u>	<u>2,497,514</u>	<u>-</u>
<b>Deficiency of Revenues Over Expenditures</b>	<u>(2,474,915)</u>	<u>(2,474,915)</u>	<u>-</u>
<b>Other Financing Sources</b>			
Transfers In	7,300,000	7,300,000	-
<b>Total Other Financing Sources</b>	<u>7,300,000</u>	<u>7,300,000</u>	<u>-</u>
<b>Net Change in Fund Balance</b>	<u>4,825,085</u>	<u>4,825,085</u>	<u>-</u>
<b>Fund Balance, Beginning of Year</b>	<u>195,540</u>	<u>195,540</u>	<u>-</u>
<b>Fund Balance, End of Year</b>	<u>\$ 5,020,625</u>	<u>\$ 5,020,625</u>	<u>\$ -</u>

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, 2019**

	<b>Workers' Compensation</b>	<b>Risk Management</b>	<b>Total</b>
<b>Current Assets</b>			
Cash and Cash Equivalents	\$ 2,865,209	\$ 4,769,771	\$ 7,634,980
Investments	1,634,937	-	1,634,937
Accounts Receivable	221,734	-	221,734
Due from Other Funds	500,000	-	500,000
<b>Total Assets</b>	<b>\$ 5,221,880</b>	<b>\$ 4,769,771</b>	<b>\$ 9,991,651</b>
<b>Liabilities and Net Position</b>			
<b>Current Liabilities</b>			
Accounts Payable	\$ 75,495	\$ 93,947	\$ 169,442
Benefit Claims Payable	4,637,380	-	4,637,380
Claims Liability	-	718,755	718,755
<b>Total Current Liabilities</b>	<b>4,712,875</b>	<b>812,702</b>	<b>5,525,577</b>
<b>Long-Term Liabilities</b>			
Benefit Claims Payable	155,627	-	155,627
Claims Liability	-	418,827	418,827
<b>Total Long-Term Liabilities</b>	<b>155,627</b>	<b>418,827</b>	<b>574,454</b>
<b>Total Liabilities</b>	<b>4,868,502</b>	<b>1,231,529</b>	<b>6,100,031</b>
<b>Net Position</b>			
Restricted for Employee Benefits	353,378	-	353,378
Unrestricted	-	3,538,242	3,538,242
<b>Total Net Position</b>	<b>353,378</b>	<b>3,538,242</b>	<b>3,891,620</b>
<b>Total Liabilities and Net Position</b>	<b>\$ 5,221,880</b>	<b>\$ 4,769,771</b>	<b>\$ 9,991,651</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, 2019**

	<b>Workers' Compensation</b>	<b>Risk Management</b>	<b>Total</b>
<b>Operating Revenues</b>			
Employer/Employee Contributions	\$ 3,306,556	\$ 3,031,066	\$ 6,337,622
Decrease in Incurred but not Reported (IBNR) Claims	1,099,417	386,651	1,486,068
<b>Total Operating Revenues</b>	<b>4,405,973</b>	<b>3,417,717</b>	<b>7,823,690</b>
<b>Operating Expenses</b>			
Administrative	29,126	174,788	203,914
Contractual Services	558,513	869,452	1,427,965
Premium Payments	421,216	1,468,537	1,889,753
Benefit Payments	3,492,976	-	3,492,976
Claims	-	227,607	227,607
<b>Total Operating Expenses</b>	<b>4,501,831</b>	<b>2,740,384</b>	<b>7,242,215</b>
<b>Operating (Loss) Income</b>	<b>(95,858)</b>	<b>677,333</b>	<b>581,475</b>
<b>Non-Operating Revenue</b>			
Earnings on Investments	75,399	44,115	119,514
Net Increase in the Fair Value of Investments	4,478	-	4,478
<b>Total Non-Operating Revenue</b>	<b>79,877</b>	<b>44,115</b>	<b>123,992</b>
<b>Changes in Net Position</b>	<b>(15,981)</b>	<b>721,448</b>	<b>705,467</b>
<b>Net Position, Beginning of Year</b>	<b>369,359</b>	<b>2,816,794</b>	<b>3,186,153</b>
<b>Net Position, End of Year</b>	<b>\$ 353,378</b>	<b>\$ 3,538,242</b>	<b>\$ 3,891,620</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, 2019**

	<b>Workers' Compensation</b>	<b>Risk Management</b>	<b>Total</b>
<b>Cash Flows from Operating Activities</b>			
Receipts from Employer and Employee Contributions	\$ 2,619,175	\$ 3,031,066	\$ 5,650,241
Payments for Benefits and Claims	(4,912,168)	(1,696,144)	(6,608,312)
Payments for Administrative and Contractual Services	(587,639)	(979,716)	(1,567,355)
<b>Net Cash (Used in) Provided by Operating Activities</b>	<u>(2,880,632)</u>	<u>355,206</u>	<u>(2,525,426)</u>
<b>Cash Flows from Investing Activities</b>			
Purchase of Investments	(331,530)	-	(331,530)
Earnings on Cash and Investments	75,399	44,115	119,514
<b>Net Cash (Used in) Provided by Investing Activities</b>	<u>(256,131)</u>	<u>44,115</u>	<u>(212,016)</u>
<b>Net (Decrease) Increase in Cash and Cash Equivalents</b>	<u>(3,136,763)</u>	<u>399,321</u>	<u>(2,737,442)</u>
<b>Cash and Cash Equivalents, Beginning of Year</b>	<u>6,001,972</u>	<u>4,370,450</u>	<u>10,372,422</u>
<b>Cash and Cash Equivalents, End of Year</b>	<u>\$ 2,865,209</u>	<u>\$ 4,769,771</u>	<u>\$ 7,634,980</u>
<b>Reconciliation of Operating (Loss) Income to Net Cash (Used in) Provided by Operating Activities:</b>			
Operating (Loss) Income	\$ (95,858)	\$ 677,333	\$ 581,475
Adjustments to Reconcile Operating (Loss) Income to Net Cash (Used in) Provided by Operating Activities:			
Increase (Decrease) in Incurred but not Reported (IBNR) Claims	(1,099,417)	(386,651)	(1,486,068)
Decrease (Increase) in Receivables	(687,381)	-	(687,381)
Decrease (Increase) in Prepaids	19,526	8,220	27,746
(Decrease) Increase in Payables	(1,017,502)	56,304	(961,198)
Total Adjustments	<u>(2,784,774)</u>	<u>(322,127)</u>	<u>(3,106,901)</u>
<b>Net Cash (Used in) Provided by Operating Activities</b>	<u>\$ (2,880,632)</u>	<u>\$ 355,206</u>	<u>\$ (2,525,426)</u>
<b>Non-Cash Investing and Financing Activities</b>			
Net Decrease in the Fair Value of Investments	<u>\$ 4,478</u>	<u>\$ -</u>	<u>\$ 4,478</u>

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, 2019**

	Balance June 30, 2018	Additions	Deductions	Balance June 30, 2019
<b>Assets</b>				
Cash and Cash Equivalents	\$ 7,216,272	\$ 13,112,084	\$ 12,935,309	\$ 7,393,047
Investments	420,984	1,130	86	422,028
<b>Total Assets</b>	<b>\$ 7,637,256</b>	<b>\$ 13,113,214</b>	<b>\$ 12,935,395</b>	<b>\$ 7,815,075</b>
<b>Liabilities</b>				
Accounts Payable	\$ 36,052	\$ 234,725	\$ 62,460	\$ 208,317
Due to Schools	7,601,204	12,878,489	12,872,935	7,606,758
<b>Total Liabilities</b>	<b>\$ 7,637,256</b>	<b>\$ 13,113,214</b>	<b>\$ 12,935,395</b>	<b>\$ 7,815,075</b>

See independent auditor's report.

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

**MAJOR  
DEBT SERVICE FUND**



**Parish Wide School District No. 12 Debt Service Fund  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Budget and Actual  
For the Year Ended June 30, 2019**

	<b>Budget</b>	<b>Actual</b>	<b>Variance from Budget</b>
<b>Revenues</b>			
Local Sources:			
Taxes - Ad Valorem	\$ 32,694,211	\$ 32,694,211	\$ -
Earnings on Investments	382,651	382,651	-
Net Increase in the Fair Value of Investments	86,113	86,113	-
<b>Total Revenues</b>	<b>33,162,975</b>	<b>33,162,975</b>	<b>-</b>
<b>Expenditures</b>			
General Administration:			
Pension Fund Contribution	1,036,422	1,036,422	-
Equipment for Assessor's Office	42,624	42,624	-
Debt Service:			
Administrative	9,100	9,100	-
Principal Retirement	19,215,000	19,215,000	-
Interest and Bond Charges	10,468,437	10,468,437	-
<b>Total Expenditures</b>	<b>30,771,583</b>	<b>30,771,583</b>	<b>-</b>
<b>Excess of Revenues Over Expenditures</b>	<b>2,391,392</b>	<b>2,391,392</b>	<b>-</b>
<b>Net Change in Fund Balance</b>	<b>2,391,392</b>	<b>2,391,392</b>	<b>-</b>
<b>Fund Balance, Beginning of Year</b>	<b>29,602,085</b>	<b>29,602,085</b>	<b>-</b>
<b>Fund Balance, End of Year</b>	<b>\$ 31,993,477</b>	<b>\$ 31,993,477</b>	<b>\$ -</b>

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

**OTHER SCHEDULES**

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

**Exhibit 27**

**Board Members' Compensation  
For the Year Ended June 30, 2019**

<b>Name</b>	<b>Compensation Base (1)</b>	<b>Additional Compensation</b>	<b>Total</b>
Mary K. Bellisario	\$ 4,800	\$ -	\$ 4,800
Ronald "Ron" Bettencourt	9,600	-	9,600
James Braud	4,800	-	4,800
Dennis S. Cousin	9,600	-	9,600
Michael J. Dirmann	9,600	-	9,600
Sharon L. Drucker	9,600	-	9,600
Matthew E. Greene	4,800	-	4,800
Charles B. Harrell	4,800	-	4,800
Charles T. Harrell	4,800	-	4,800
Elizabeth B. Heintz (2)	10,200	-	10,200
Neal Hennegan	4,800	-	4,800
Richard S. Hursey	9,600	-	9,600
Willie B. Jeter	4,800	-	4,800
Tammy W. Lamy	4,800	-	4,800
Stephen J. "Jack" Loup, III	9,600	-	9,600
Robin Mullett (2)	5,400	-	5,400
Michael C. Nation	9,600	-	9,600
Lisa M. Page	4,800	-	4,800
Shelta J. Richardson	4,800	-	4,800
Peggy H. Seeley	4,800	-	4,800
Michael E. Winkler	4,800	-	4,800
Robert R. "Bob" Womack	4,800	-	4,800
<b>Total</b>	<b>\$ 145,200</b>	<b>\$ -</b>	<b>\$ 145,200</b>

**Notes:**

(1) Base compensation per member is \$800 per month.

(2) Presiding President of the Board receives \$900 per month in base compensation.

See independent auditor's report.

**Schedule of Compensation, Benefits, and Other Payments  
to Agency Head  
For the Year Ended June 30, 2019**

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**Agency Head**

William L. "Trey" Folse, III, Superintendent

<b>Purpose</b>	<b>Amount</b>
Annual Salary	\$223,795
One Time Stipends - All Employees	\$0
Benefits:	
Health Insurance	\$12,522
Retirement	\$61,756
Workers' Compensation	\$1,610
Life Insurance	\$2,691
Annuity	\$7,500
Unused Vacation Days (January 2018 to June 2019)	\$16,354
Auto Allowance	\$14,400
Cell Phone	\$577
Membership Dues	\$985
Per Diem	\$265
Travel Reimbursements	\$897
Registration Fees	\$1,545
Conference Travel	\$2,606
Special Meals	\$270

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,			
	2019	2018	2017	2016
<b>Governmental Activities</b>				
Net Investment in Capital Assets	\$ 226,874,221	\$ 287,107,377	\$ 278,725,385	\$ 275,818,647
Restricted	47,389,228	45,277,849	46,431,571	42,655,519
Unrestricted	(721,889,389)	(803,415,196)	(592,829,537)	(590,897,441)
<b>Total Governmental Activities</b>				
<b>Net Position</b>	<u>\$ (447,625,940)</u>	<u>\$ (471,029,970)</u>	<u>\$ (267,672,581)</u>	<u>\$ (272,423,275)</u>

Source: Comprehensive Annual Financial Reports

**Table 1**

Fiscal Year Ended June 30,					
2015	2014	2013	2012	2011	2010
\$ 267,656,974	\$ 240,695,424	\$ 255,219,093	\$ 239,101,650	\$ 256,897,670	\$ 255,099,402
46,101,355	56,338,238	42,035,883	46,522,516	62,146,611	22,595,295
(627,358,207)	(78,819,873)	(149,625,491)	(121,600,475)	(127,169,111)	(38,945,775)
<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>	<u>\$ 238,748,922</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,			
	2019	2018	2017	2016
<b>Expenses:</b>				
Instruction:				
Regular Education Programs	\$ 165,005,374	\$ 176,463,724	\$ 175,753,408	\$ 165,509,231
Special Education Programs	75,635,791	82,624,452	82,805,092	74,641,615
Vocational Education Programs	6,193,859	6,628,374	6,747,530	6,043,428
Other Instructional Programs	9,355,961	9,999,800	9,946,540	9,267,676
Special Programs	13,871,919	14,705,015	14,272,772	12,849,790
Adult Education Programs	-	-	-	-
Support Services:				
Pupil Support	29,833,965	30,096,389	29,894,159	27,070,669
Instructional Staff Support	15,589,516	16,147,874	16,342,945	15,209,584
General Administration	9,057,451	9,262,301	9,685,533	13,198,874
School Administration	24,836,812	26,875,154	25,649,616	24,022,572
Business Administration	2,751,122	2,886,591	2,877,076	2,611,043
Operation and Maintenance of Plant	41,879,144	43,983,044	43,735,630	39,959,652
Pupil Transportation	33,502,274	35,572,668	35,491,892	34,382,966
Central Services	7,619,638	8,061,264	10,310,417	7,706,686
Food Services	23,430,083	24,227,820	24,951,943	23,429,865
Community Service Programs	1,377,656	1,431,830	1,435,367	1,417,803
Interest on Long-Term Debt	8,967,157	8,927,916	8,805,812	8,666,311
<b>Total Expenses</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	747,463	750,336	542,350	651,169
Food Services	3,753,070	3,710,602	3,606,992	3,302,346
Community Service Programs	1,121,194	1,205,095	1,210,581	1,209,313
Operating Grants and Contributions	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>54,401,505</b>	<b>56,948,012</b>	<b>52,837,366</b>	<b>51,373,136</b>
<b>Net Expense</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	135,189,702	133,607,159	131,360,661	126,034,974
Sales and Use Taxes	102,644,290	97,261,499	96,519,698	93,372,055
State Revenue Sharing	2,013,937	2,009,558	1,958,581	1,874,822
Grants and Contributions Not Restricted to Specific Programs - Minimum Foundation Program	215,695,128	214,079,001	217,614,516	214,216,311
Unrestricted State Appropriation	-	-	-	20,463
Restricted State Appropriation	-	-	1,201,689	2,981,344
HB 1 Appropriation	-	-	-	-
Act 55 Appropriation	-	-	-	-
B.P. Oil Settlement	-	-	-	15,432,238
Interest and Investment Earnings	3,406,483	1,616,221	893,043	950,572
Insurance Proceeds	-	-	-	-
Miscellaneous	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>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>\$ 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	2010
\$ 166,313,355	\$ 165,675,465	\$ 163,422,306	\$ 163,155,543	\$ 164,314,782	\$ 149,434,835
80,221,894	79,867,083	75,704,187	77,210,381	89,268,907	76,655,867
6,099,463	6,065,754	6,426,132	6,453,189	6,682,996	6,093,611
8,809,511	10,745,430	11,345,543	12,594,810	13,468,466	13,829,209
7,303,049	6,790,559	11,831,134	11,706,882	15,428,531	13,143,735
-	-	-	-	-	355,165
26,987,719	27,723,376	28,459,624	29,365,296	23,189,486	19,781,955
14,975,938	15,715,236	16,782,579	18,488,294	19,292,023	16,559,444
9,146,981	8,592,184	8,858,931	8,583,071	8,626,699	7,978,436
24,519,343	25,675,300	25,919,878	26,086,302	26,487,373	23,383,836
2,678,400	2,534,170	2,619,391	2,905,920	3,172,252	2,884,197
39,430,023	44,874,378	42,492,603	43,507,660	27,381,227	34,723,590
33,926,323	36,272,937	37,489,986	38,175,079	38,219,124	32,459,145
7,446,648	6,617,615	6,859,916	7,327,045	7,948,922	7,293,744
23,033,446	23,051,521	23,840,465	23,885,125	23,787,739	21,285,705
1,423,456	1,396,823	1,391,504	1,346,361	1,450,103	1,356,639
8,522,744	8,093,108	10,459,845	12,342,453	11,894,061	12,216,768
460,838,293	469,690,939	473,904,024	483,133,411	480,612,691	439,435,881
512,092	466,075	446,884	581,454	176,226	269,807
2,946,103	2,749,909	2,755,899	2,994,653	3,050,741	3,023,636
1,194,880	1,087,508	1,042,729	1,040,571	1,202,833	1,167,220
44,235,569	37,600,036	38,713,827	38,257,130	52,092,620	44,056,696
356,719	1,256,886	5,628,374	15,139,673	4,346,052	25,864,965
49,245,363	43,160,414	48,587,713	58,013,481	60,868,472	74,382,324
(411,592,930)	(426,530,525)	(425,316,311)	(425,119,930)	(419,744,219)	(365,053,557)
121,964,448	117,444,823	113,965,977	108,330,629	106,306,734	101,670,428
89,782,899	85,228,553	82,874,124	77,922,516	75,235,263	72,079,382
1,975,831	1,991,297	1,917,347	1,906,476	1,943,649	1,953,133
212,051,558	209,165,185	205,634,315	205,142,441	198,769,620	181,812,673
-	-	-	-	-	-
-	-	-	-	-	-
-	4,957,585	-	-	-	-
35,065	-	-	-	-	-
-	-	-	-	-	-
740,524	1,023,396	823,703	972,281	1,180,463	1,439,649
-	-	-	-	-	-
1,363,868	1,738,505	3,706,639	2,994,108	916,067	3,197,434
-	-	-	-	(13,829,699)	-
-	78,790,583	-	-	2,348,370	-
427,914,193	500,339,927	408,922,105	397,268,451	372,870,467	362,152,699
\$ 16,321,263	\$ 73,809,402	\$ (16,394,206)	\$ (27,851,479)	\$ (46,873,752)	\$ (2,900,858)

**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
2019	\$ 1,151,103	\$ 20,854,282	\$ 93,848,785	\$ 405,448	\$ 97,359,043	\$ 12,487,952	\$ 6,370,128
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
2010	6,544	20,854,282	30,511,953	444,531	123,314,896	141,477	22,018,055

Note: FY 2019, 2018, 2017, 2016, 2015, 2014, 2013, 2012, 2011, and 2010 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.

Source: Comprehensive Annual Financial Reports



**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,			
	2019	2018	2017	2016
<b>Revenues</b>				
Local Sources:				
Ad Valorem Taxes	\$ 135,189,702	\$ 133,740,734	\$ 131,360,661	\$ 126,034,974
Sales and Use Taxes	102,644,290	97,261,499	96,519,698	93,372,055
Tuition	1,868,657	1,821,856	1,752,931	1,860,482
Earnings on Investments	3,267,063	1,636,968	1,127,346	993,400
Net Increase (Decrease) in the Fair Value of Investments	139,420	(20,747)	(234,303)	(42,828)
Food Service	3,753,070	3,710,602	3,606,992	3,302,346
B.P. Oil Settlement	-	-	-	15,432,238
Other	7,503,189	7,866,466	4,775,922	5,826,638
State Sources:				
Minimum Foundation Program	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	10,136	15,011	18,615	23,706
Revenue Sharing	2,013,937	2,009,558	1,958,581	1,874,822
Professional Improvement Program	41,866	58,858	72,999	89,728
Other	3,179,265	3,184,897	3,188,538	1,927,694
Federal Sources	36,546,044	38,813,139	38,735,548	37,553,460
<b>Total Revenues</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	166,647,814	167,383,628	162,894,510	162,257,065
Special Education Programs	76,388,661	78,372,934	76,746,705	73,070,453
Other Education Programs	29,714,599	29,720,912	28,701,170	27,712,046
Support Services:				
Pupil Support	30,130,928	28,547,751	27,706,970	26,538,745
Instructional Staff Support	15,744,693	15,316,971	15,147,222	14,910,725
General Administration	9,147,607	8,785,701	8,976,897	12,939,524
School Administration	25,084,035	25,492,267	23,772,976	23,550,542
Business Administration	2,778,506	2,738,059	2,666,577	2,559,738
Operation and Maintenance of Plant	42,296,003	41,719,856	40,535,737	39,174,468
Pupil Transportation	33,835,752	33,742,244	32,895,149	33,707,361
Central Services	7,695,483	7,646,464	9,556,062	7,555,254
Food Services	23,663,303	22,981,155	23,126,347	22,969,482
Community Service Programs	1,391,369	1,358,154	1,330,349	1,389,944
Facilities Acquisition and Construction	11,129,921	23,210,503	43,583,177	46,615,084
Debt Service - Legal Fees	-	-	-	-
Debt Service - Bond Issuance Costs	92,208	196,713	137,236	23,245
Debt Service - Principal	19,696,113	23,917,790	20,949,542	23,596,612
Debt Service - Interest	10,549,935	9,934,144	9,560,284	9,597,540
<b>Total Expenditures</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>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	-	(24,256,817)	(11,115,578)	-
Premium Received on Bonds Issuance	-	8,999,971	3,568,548	-
Discount on Bonds Issuance	-	(427,980)	(59,340)	-
Bonds Issuance	-	71,330,000	39,890,000	-
Capital Lease Issuance	-	-	-	1,567,575
Transfers In	23,284,907	8,474,786	6,737,699	6,075,830
Transfers Out	(23,284,907)	(8,474,786)	(6,737,699)	(6,075,830)
<b>Total Other Financing Sources (Uses)</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>\$ 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>6.11%</b>	<b>6.64%</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	2010
\$ 121,980,372	\$ 117,617,828	\$ 113,777,048	\$ 108,701,407	\$ 106,080,018	\$ 103,654,878
89,782,899	85,228,553	82,874,124	77,922,516	75,235,263	72,079,382
1,706,972	1,553,583	1,489,613	1,622,025	1,379,059	1,437,027
833,362	1,023,396	823,703	972,281	1,180,463	1,439,649
(92,838)	-	-	-	-	-
2,946,103	2,749,909	2,755,899	2,994,653	3,050,741	3,023,636
-	-	-	-	-	-
4,743,693	2,985,272	4,189,300	3,236,116	3,347,668	3,769,904
212,051,558	209,165,185	205,634,315	205,142,441	198,769,620	181,812,673
-	4,957,585	-	-	-	-
35,065	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
31,439	40,792	46,594	41,862	38,640	45,712
1,975,831	1,991,297	1,917,347	1,906,476	1,943,649	1,953,133
103,102	135,943	176,606	225,250	267,972	342,811
3,562,090	3,865,488	2,068,473	1,779,359	2,511,755	6,819,254
35,877,268	33,567,932	41,567,867	51,108,324	51,459,119	62,141,414
475,536,916	464,882,763	457,320,889	455,652,710	445,263,967	438,519,473
160,269,991	152,112,414	146,164,152	147,685,477	142,077,073	144,341,429
77,306,852	73,328,752	67,709,473	69,889,456	77,187,609	74,043,093
21,404,901	21,669,584	26,476,614	27,838,768	30,764,740	32,282,559
26,007,063	25,453,797	25,454,155	26,580,941	20,051,113	19,107,698
14,431,754	14,428,707	15,010,261	16,735,273	16,681,117	15,995,024
8,814,605	7,888,783	7,923,386	7,769,242	7,459,196	7,706,495
23,628,377	23,573,387	23,182,618	23,612,854	22,902,677	22,586,811
2,581,073	2,326,710	2,342,771	2,630,386	2,742,932	2,785,891
37,997,246	41,200,729	38,005,186	39,382,356	35,624,333	33,540,055
32,693,535	33,303,447	33,530,869	34,555,398	33,046,700	31,352,793
7,176,058	6,075,864	6,135,477	6,632,309	6,873,146	7,045,141
22,196,474	21,164,406	21,322,800	21,620,388	20,577,669	20,560,193
1,371,732	1,282,471	1,244,554	1,218,701	1,253,851	1,310,398
24,313,023	9,853,782	13,264,829	22,047,234	62,895,583	86,491,105
1,231	14,135	-	49,226	66,672	102,078
428,521	76,266	5,857	7,057	10,898	17,249
21,378,333	19,293,333	21,183,334	38,003,333	19,533,333	18,095,000
8,714,751	8,703,435	9,022,154	10,656,706	10,599,005	10,012,977
490,715,520	461,750,002	457,978,490	496,915,105	510,347,647	527,375,989
(15,178,604)	3,132,761	(657,601)	(41,262,395)	(65,083,680)	(88,856,516)
(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	1,275,312
-	(72,540)	(108,180)	(113,400)	-	-
94,765,000	32,090,000	18,030,000	38,230,000	20,000,000	30,000,000
-	-	-	-	-	-
5,450,535	23,076,524	6,671,301	17,643,714	10,170,630	152,558,101
(5,450,535)	(23,076,524)	(6,671,301)	(17,643,714)	(10,170,630)	(152,558,101)
64,801,847	20,949,799	(60,437)	19,249,205	20,108,488	31,275,312
\$ 49,623,243	\$ 24,082,560	\$ (718,038)	\$ (22,013,190)	\$ (44,975,192)	\$ (57,581,204)
6.48%	6.22%	6.90%	10.41%	6.79%	6.51%

**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>						
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%
2010	1,418,336,365	552,132,297	1,970,468,662	17,864,245,630	68.45	11.03%

\*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.

Source: Louisiana Tax Commission Annual Reports

**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, 2019			June 30, 2010		
		Assessed Valuation	Rank	Percentage of Total Assessed Valuation	Assessed Valuation	Rank	Percentage of Total Assessed Valuation
Central La. Electric Co.	Utility	\$ 48,867,250	1	2.36%	\$ 37,507,470	1	2.55%
Florida Marine Transporters	Transportation	14,339,810	2	0.69%			
Associated Wholesale Grocers	Retail	12,333,780	3	0.60%			
Chevron USA Inc.	Energy	11,427,970	4	0.55%	10,600,950	3	0.72%
Atmos Energy Louisiana	Utility	11,397,740	5	0.55%	5,899,250	10	0.40%
Tri-States NGL Pipeline, Inc	Energy	10,495,160	6	0.51%			
Bellsouth Telecommunications	Telephone	10,201,600	7	0.49%			
Parkway Pipeline LLC	Energy	9,345,220	8	0.45%			
Regions Bank	Bank	8,649,565	9	0.42%			
JP Morgan Chase Bank	Bank	7,326,495	10	0.35%	7,828,873	4	0.53%
AT&T Southeast	Telephone				18,553,760	2	1.26%
Capital One Bank	Bank				7,567,500	5	0.51%
Verizon Wireless	Telephone				7,017,160	6	0.48%
AT&T Mobilty	Telephone				6,139,180	7	0.42%
Whitney Bank	Bank				6,123,713	8	0.42%
Wash-St. Tammany Elec Coop	Utility				5,969,650	9	0.41%
		<u>\$ 144,384,590</u>		<u>6.97%</u>	<u>\$ 113,207,506</u>		<u>7.70%</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	Bond and Interest - District No. 12 Millage	Total School Board
<u>RATE PER \$1,000 OF ASSESSED VALUE</u>						
2019	3.65	7.53	3.30	34.03	15.90	64.41
2018	3.65	7.53	3.30	34.03	16.90	65.41
2017	3.65	7.53	3.30	34.03	17.90	66.41
2016	3.78	7.81	3.42	35.27	17.90	68.18
2015	3.78	7.81	3.42	35.27	17.90	68.18
2014	3.78	7.81	3.42	35.27	17.90	68.18
2013	3.78	4.81	3.42	35.27	20.90	68.18
2012	3.80	4.84	3.44	35.47	20.90	68.45
2011	3.80	4.84	3.44	35.47	20.90	68.45
2010	3.80	4.84	3.44	35.47	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	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
19.54	11.73	2.73	15.86	23.04	8.59	16.00	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>
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
2010	101,723,628	99,091,851	97.4	2,425,786	101,517,637	97.8

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>
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
2010	36,039,691	36,039,691	72,079,382

Source: Comprehensive Annual Financial Reports

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

**Table 10**

**Principal Sales Tax Payers  
June 30, 2019  
(Unaudited)**

<b>Type of Business</b>	<b>Percentage of Total</b>	<b>Total</b>
Grocery/Discount Retailer	2.36 %	
Grocery/Discount Retailer	1.66	
Grocery/Discount Retailer	1.62	
Grocery/Discount Retailer	1.43	
Building Materials	1.42	
Grocery/Discount Retailer	1.10	
Grocery/Discount Retailer	1.08	
Internet/Retailer	0.99	
Building Materials	0.77	
Grocery/Discount Retailer	0.64	
Grocery/Discount Retailer	0.64	
Building Materials	0.59	
Grocery/Discount Retailer	0.58	
Electronics Retailer	0.50	
Grocery/Discount Retailer	0.50	
Grocery/Discount Retailer	0.47	
Grocery/Discount Retailer	0.46	
Sporting Goods Retailer	0.45	
Grocery/Discount Retailer	0.44	
Grocery/Discount Retailer	<u>0.44</u>	
Total - 20 Largest Taxpayers	18.14 %	\$ 18,619,674
Total - All Other Taxpayers	<u>81.86 %</u>	<u>84,024,616</u>
All Taxpayers	<u>100.00 %</u>	<u>\$ 102,644,290</u>

Source: St. Tammany Parish Sheriff's Office



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

**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>
2019	\$ 256,716,424	\$ 2,000,000	\$ -	\$ 960,852	\$ 259,677,276
2018	277,825,445	2,333,334	-	1,108,631	281,267,410
2017	245,875,176	2,666,667	-	1,253,088	249,794,931
2016	234,326,228	3,000,000	-	1,394,297	238,720,525
2015	241,790,000	3,333,334	-	-	245,123,334
2014	205,170,000	3,666,667	-	-	208,836,667
2013	204,540,000	4,000,000	65,766,016	-	274,306,016
2012	226,210,000	4,333,334	65,766,016	-	296,309,350
2011	244,625,000	4,666,667	65,766,016	-	315,057,683
2010	243,825,000	5,000,000	67,843,971	-	316,668,971

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.

**Table 11**

(1) Percentage of Total Personal Income	(1) Total Debt Per Capita
(2)	\$ 1,006
1.98%	1,097
1.90%	985
1.67%	892
1.89%	997
1.71%	862
2.34%	1,146
2.63%	1,251
2.95%	1,343
3.09%	1,370

**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>
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
2010	243,825,000	-	243,825,000	22,595,295	221,229,705

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		Net Debt		Percentage	Percentage
Per Capita		Per		of Net Debt	of Net Debt
		Student		to Assessed	to Estimated
				Value	Actual Value
\$	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%
	957		6,071	11.23%	1.24%

**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>						
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%
2010	1,970,468,662	689,664,032	248,825,000	22,595,295	463,434,327	67.20%

**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, 2019  
(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>\$ 259,677,276</u>	100.00%	<u>\$ 259,677,276</u>
<u>Overlapping Debt</u>			
Town of Abita Springs	1,123,410	100.00%	1,123,410
City of Covington	5,464,000	100.00%	5,464,000
City of Mandeville	515,000	100.00%	515,000
Town of Pearl River	59,837	100.00%	59,837
City of Slidell	19,279,144	100.00%	19,279,144
Fire Protection Districts	12,953,811	100.00%	12,953,811
Gravity Drainage District No. 5	415,000	100.00%	415,000
Northshore Harbor Center	1,655,000	100.00%	1,655,000
Sub-Drainage Districts	51,000	100.00%	51,000
Recreation Districts	30,453,376	100.00%	30,453,376
Sewerage Districts	120,687	100.00%	120,687
Sheriff	18,873,788	100.00%	18,873,788
Hospital Service District No. 2	50,240,000	100.00%	50,240,000
Water District No. 2	1,335,000	100.00%	1,335,000
Water District No. 3	2,077,842	100.00%	2,077,842
Communications District No. 1	5,990,000	100.00%	5,990,000
Parish Council	<u>55,805,573</u>	100.00%	<u>55,805,573</u>
<b>Total Overlapping Debt</b>	<u>206,412,468</u>		<u>206,412,468</u>
<b>Total Direct and Overlapping Debt</b>	<u><u>\$ 466,089,744</u></u>		<u><u>\$ 466,089,744</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		
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	
2010	72,079,382	-	-	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>
2019	258,111	(2)	(2)	38,542	4.3%
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%
2010	231,224	10,282,762,504	44,471	36,441	5.3%

Note: All information is parish wide.

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

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

**Table 17**

**Principal Employers  
Current Year and Nine Years Ago  
(Unaudited)**

Employer	Location	2019			2010		
		Employees	Rank	% of Total St. Tammany Parish Employment	Employees	Rank	% of Total St. Tammany Parish Employment
St. Tammany Parish School Board	Parish Wide	5,549	1	4.92%	5,685	1	5.41%
St. Tammany Parish Hospital	Covington	1,611	2	1.43%	1,684	2	1.60%
Ochsner Health System	Parish Wide	1,359	3	1.21%			
Home Health of St Tammany Hospice	Parish Wide	1,000	4	0.89%			
Slidell Memorial Hospital	Slidell	959	5	0.85%	1,008	3	0.96%
Textron Systems Marine & Land	Slidell	901	6	0.80%	621	7	0.59%
Lakeview Regional Medical Center	Mandeville	740	7	0.66%	745	4	0.71%
St. Tammany Parish Sheriff's Office	Parish Wide	700	8	0.62%	734	5	0.70%
St. Tammany Parish Government	Parish Wide	675	9	0.60%	630	6	0.60%
Covington Behavioral Health	Covington	500	10	0.44%			
Southeast Louisiana Hospital	Mandeville				480	8	0.46%
Northshore Regional Medical Center	Slidell				448	9	0.43%
City of Slidell	Slidell				394	10	0.38%
<b>TOTAL - 10 LARGEST EMPLOYERS</b>		<u>13,994</u>		<u>12.42%</u>	<u>12,429</u>		<u>11.84%</u>
<b>TOTAL - ALL EMPLOYERS</b>		<u>112,244</u>			<u>116,407</u>		

Note: Information listed is for St. Tammany Parish.

Sources:

2019 information: Book of Lists 2018, New Orleans City Business

2010 information: Book of Lists 2009, 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,			
	2019	2018	2017	2016
<b><u>EXPENDITURES</u></b>				
Current:				
Instruction:				
Regular Education Programs	\$ 166,174,763 40.8%	\$ 166,225,122 0.0%	\$ 161,498,322 40.5%	\$ 160,856,566 40.9%
Special Education Programs	70,095,104 17.2%	71,624,777 17.5%	69,416,475 17.4%	66,852,638 17.0%
Other Education Programs	17,647,752 4.3%	17,764,279 4.3%	17,279,735 4.3%	16,447,300 4.2%
Support Services:				
Pupil Support	25,177,216 6.2%	26,145,311 6.4%	25,350,753 6.4%	24,483,384 6.2%
Instructional Staff Support	10,231,979 2.5%	10,229,252 2.5%	9,839,094 2.5%	9,877,687 2.5%
General Administration	8,065,397 2.0%	7,650,870 1.9%	7,810,955 2.0%	7,998,969 2.0%
School Administration	25,077,867 6.2%	25,486,202 6.2%	23,765,632 6.0%	23,544,619 6.0%
Business Administration	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	38,594,207 9.5%	38,363,868 9.4%	37,158,025 9.3%	36,993,838 9.4%
Pupil Transportation	33,710,146 8.3%	33,690,085 8.2%	32,528,734 8.1%	33,488,455 8.5%
Central Services	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%
Community Service Programs	1,391,369 0.3%	1,358,154 0.3%	1,330,349 0.3%	1,389,944 0.4%
Facility Acquisition and Construction	645,866 0.2%	920,661 0.2%	1,026,755 0.3%	1,104,479 0.3%
<b>Total</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)	38,542	38,549	38,681	38,439
Average Expenditures per Pupil	\$ 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	2010
\$ 153,080,158	\$ 150,227,695	\$ 139,221,054	\$ 138,129,144	\$ 127,638,638	\$ 141,575,240
40.8%	40.2%	39.0%	37.9%	36.4%	39.6%
64,560,078	65,058,237	61,472,195	62,475,444	72,393,596	66,511,757
17.2%	17.4%	17.2%	17.1%	20.7%	18.6%
15,022,276	16,046,187	16,916,287	18,062,290	18,018,922	19,770,194
4.0%	4.3%	4.7%	5.0%	5.1%	5.5%
22,786,038	22,450,802	21,567,548	22,768,533	16,247,433	15,317,509
6.1%	6.0%	6.0%	6.2%	4.6%	4.3%
9,768,790	9,757,477	9,681,273	12,145,627	12,307,671	12,263,416
2.6%	2.6%	2.7%	3.3%	3.5%	3.4%
7,767,484	6,915,707	6,752,193	6,664,466	6,371,730	5,771,159
2.1%	1.8%	1.9%	1.8%	1.8%	1.6%
23,124,874	23,565,806	22,823,310	23,180,018	18,802,241	22,586,811
6.2%	6.3%	6.4%	6.4%	5.4%	6.3%
2,531,571	2,326,710	2,300,737	2,570,734	2,742,932	2,785,891
0.6%	0.6%	0.6%	0.7%	0.8%	0.8%
35,906,072	36,574,084	35,805,731	36,572,270	30,751,904	27,724,037
9.6%	9.8%	10.0%	10.0%	8.8%	7.8%
31,655,905	33,221,239	32,810,682	33,620,868	32,764,770	30,878,619
8.4%	8.9%	9.2%	9.2%	9.4%	8.6%
6,996,124	6,015,842	5,978,237	6,461,713	6,819,001	6,994,544
1.8%	1.6%	1.7%	1.8%	1.9%	2.0%
-	22,740	21,810	26,041	3,705,046	4,643,040
0.0%	0.0%	0.0%	0.0%	1.1%	1.3%
1,371,732	1,282,471	1,244,554	1,218,701	1,253,851	41,572
0.4%	0.3%	0.3%	0.3%	0.4%	0.0%
589,132	597,756	386,670	453,760	499,088	550,933
0.2%	0.2%	0.1%	0.1%	0.1%	0.2%
\$ 375,160,234	\$ 374,062,753	\$ 356,982,281	\$ 364,349,609	\$ 350,316,823	\$ 357,414,722
38,193	38,044	37,926	37,508	37,112	36,441
\$ 9,823	\$ 9,832	\$ 9,413	\$ 9,714	\$ 9,439	\$ 9,808

**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,			
	2019	2018	2017	2016
<b><u>EXPENDITURES</u></b>				
Current:				
Instruction:				
Regular Education Programs	\$ 4,312 40.8%	\$ 4,312 40.6%	\$ 4,176 40.5%	\$ 4,184 40.9%
Special Education Programs	1,819 17.2%	1,858 17.5%	1,794 17.4%	1,739 17.0%
Other Education Programs	458 4.3%	461 4.3%	447 4.3%	428 4.2%
Support Services:				
Pupil Support	653 6.2%	678 6.4%	655 6.4%	637 6.2%
Instructional Staff Support	265 2.5%	265 2.5%	254 2.5%	257 2.5%
General Administration	209 2.0%	198 1.9%	202 2.0%	208 2.0%
School Administration	651 6.2%	661 6.2%	614 6.0%	613 6.0%
Business Administration	72 0.6%	69 0.6%	69 0.6%	67 0.6%
Operation and Maintenance of Plant	1,001 9.5%	995 9.4%	960 9.3%	962 9.4%
Pupil Transportation	875 8.3%	874 8.2%	841 8.1%	871 8.5%
Central Services	198 1.8%	198 1.8%	245 2.3%	195 1.8%
Food Service	- 0.0%	- 0.0%	- 0.0%	- 0.0%
Community Service Programs	36 0.3%	35 0.3%	34 0.3%	36 0.4%
Facility Acquisition and Construction	17 0.2%	24 0.2%	27 0.3%	29 0.3%
<b>Total</b>	<b>\$ 10,566</b>	<b>\$ 10,629</b>	<b>\$ 10,318</b>	<b>\$ 10,226</b>
 Pupil Count - October 1* (1)	 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	2010
\$ 4,008	\$ 3,949	\$ 3,671	\$ 3,683	\$ 3,439	\$ 3,885
40.8%	40.2%	39.0%	37.9%	36.4%	39.6%
1,690	1,710	1,621	1,666	1,951	1,825
17.2%	17.4%	17.2%	17.1%	20.7%	18.6%
393	422	446	482	486	543
4.0%	4.3%	4.7%	5.0%	5.1%	5.5%
597	590	569	607	438	420
6.1%	6.0%	6.0%	6.2%	4.6%	4.3%
256	256	255	324	332	337
2.6%	2.6%	2.7%	3.3%	3.5%	3.4%
203	182	178	178	172	158
2.1%	1.8%	1.9%	1.8%	1.8%	1.6%
605	619	602	618	507	620
6.2%	6.3%	6.4%	6.4%	5.4%	6.3%
66	61	61	69	74	76
0.6%	0.6%	0.6%	0.7%	0.8%	0.8%
940	961	944	975	829	761
9.6%	9.8%	10.0%	10.0%	8.8%	7.8%
829	873	865	896	883	847
8.4%	8.9%	9.2%	9.2%	9.4%	8.6%
183	158	158	172	184	192
1.8%	1.6%	1.7%	1.8%	1.9%	2.0%
-	1	1	1	100	127
0.0%	0.0%	0.0%	0.0%	1.1%	1.3%
36	34	33	32	34	1
0.4%	0.3%	0.3%	0.3%	0.4%	0.0%
15	16	10	12	13	15
0.2%	0.2%	0.1%	0.1%	0.1%	0.2%
\$ 9,823	\$ 9,832	\$ 9,413	\$ 9,714	\$ 9,439	\$ 9,808
38,193	38,044	37,926	37,508	37,112	36,441

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

**Full-Time Equivalents (FTE) Employees  
Last Ten Fiscal Years  
(Unaudited)**

	Fiscal Year			
	2019	2018	2017	2016
<b><u>Regular Employees: CERTIFICATED</u></b>				
<b>Instructional:</b>				
Supervising Instructors	2	2	2	1
Classroom Teachers - Regular Education	1,867	1,857	1,850	1,819
Classroom Teachers - Special Education	631	642	634	621
Classroom Teachers - Vocational Education	58	59	59	61
Classroom Teachers - Other Instructional Programs	29	30	31	31
Classroom Teachers - Special Programs	90	92	86	89
Classroom Teachers - Adult/Continuing Ed Programs	-	-	-	-
Classroom Teachers - Community College Programs	-	-	-	-
<i>Total Classroom Teachers</i>	<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>2,680</u>	<u>2,682</u>	<u>2,663</u>	<u>2,626</u>
<b>Instructional Support:</b>				
Supervisors - Instructional Support Functions	42	42	35	35
Librarians/Media-Based Teachers/Staff Instructors - Instr Spt	46	44	44	56
Therapist/Specialist/Counselor - Instructional Support Functions	299	299	300	277
Sabbatical Leave - Instructional Support Functions	-	2	-	-
<i>Total Certificated - Instructional Support</i>	<u>387</u>	<u>387</u>	<u>379</u>	<u>368</u>
<b>Support Services:</b>				
Superintendents	1	1	1	1
Assistant/Associate/Deputy Superintendents	3	3	3	3
School Principals	55	55	55	56
School Assistant Principals	83	80	76	78
Other School Administrators	14	10	3	2
Sabbatical Leave - Support Services	-	-	-	-
<i>Total Certificated - Support Services</i>	<u>156</u>	<u>149</u>	<u>138</u>	<u>140</u>
<b>Total Certificated</b>	<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	2010
1	1	1	1	-	-
1,810	1,783	1,761	1,770	1,712	1,661
607	595	582	601	634	738
61	60	59	61	63	65
30	28	31	50	54	57
86	63	81	81	81	76
-	-	-	-	-	3
-	15	16	16	16	16
2,595	2,545	2,531	2,580	2,560	2,616
-	-	-	-	-	1
4	-	-	-	-	30
2,599	2,545	2,531	2,580	2,560	2,647
35	33	38	42	42	31
55	54	71	73	72	70
271	274	262	276	277	273
-	-	-	-	-	4
361	361	371	391	391	378
1	1	1	1	1	1
2	2	3	3	3	3
55	56	57	57	55	58
81	76	74	77	76	76
2	2	2	3	-	-
-	-	-	-	-	1
141	137	137	141	135	139
3,101	3,043	3,039	3,112	3,086	3,164

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

**Full-Time Equivalents (FTE) Employees (Continued)  
Last Ten Fiscal Years  
(Unaudited)**

	Fiscal Year			
	2019	2018	2017	2016
<b><u>Regular Employees: NON-CERTIFICATED</u></b>				
<b>Instructional:</b>				
Aide - Instructional Programs	683	680	671	633
<i>Total Non-Certificated - Instructional Programs</i>	683	680	671	633
<b>Instructional Support:</b>				
Clerical/Secretarial - Instructional Support Functions	35	36	36	36
Aide - Instructional Support Functions	8	13	16	17
Degreed Professional - Instructional Support Functions	29	31	30	29
Other Personnel - Instructional Support Functions	18	17	20	19
<i>Total Non-Certificated - Instructional Support</i>	90	97	102	101
<b>Support Services:</b>				
Supervisors/Managers/Administrators/Support Services	130	130	140	139
Clerical/Secretarial - Support Services	209	211	211	213
Aide - Support Services	123	122	121	117
Service Worker - Support Services	920	926	926	948
Skilled Craftsman - Support Services	100	96	96	95
Degreed Professional - Support Services	46	47	47	44
Other Personnel - Support Services	7	7	8	8
<i>Total Non-Certificated - Support Services</i>	1,535	1,539	1,549	1,564
<b>Total Non-Certificated</b>	2,308	2,316	2,322	2,298
<b>Total Regular Employees (Certificated and Non-Certificated)</b>	5,531	5,534	5,502	5,432
<b><u>Other Reported Personnel</u></b>				
School Board Members	15	15	15	15
<i>Total Other Reported Personnel</i>	15	15	15	15
<b>Grand Total</b>	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	2010
613	574	539	560	547	541
613	574	539	560	547	541
34	36	36	38	50	53
18	21	20	23	26	35
29	27	29	31	21	20
18	13	16	16	25	30
99	97	101	108	122	138
137	139	138	141	145	148
213	215	212	215	206	216
120	122	121	118	107	107
939	934	946	941	918	945
89	81	88	98	103	109
46	42	50	57	58	58
8	9	9	10	7	4
1,552	1,542	1,564	1,580	1,544	1,587
2,264	2,213	2,204	2,248	2,213	2,266
5,365	5,256	5,243	5,360	5,299	5,430
15	15	15	15	15	15
15	15	15	15	15	15
5,380	5,271	5,258	5,375	5,314	5,445

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

**Table 21**

**Capital Asset Information  
June 30, 2019  
(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	672
Abney Elementary	1964	109,416	887
Abney Elementary Early Childhood Center	2011	26,266	261
Alton Elementary	1957	46,871	198
Bayou Woods Elementary	1985	101,722	394
Bonne Ecole Elementary	1973	90,491	732
Brock Elementary	1930	49,031	334
Chahta-Ima Elementary	1952	52,455	299
Covington Elementary	1956	81,561	569
Cypress Cove Elementary	1994	101,061	683
Florida Avenue Elementary	1956	80,108	568
Folsom Elementary	1949	76,941	421
Honey Island Elementary	1987	79,100	611
Lancaster Elementary	2011	119,582	1,254
Little Pearl Elementary	2008	42,124	138
Lyon Elementary	1963	79,882	606
Madisonville Elementary	1956	84,509	1,076
Magnolia Trace Elementary	1999	87,825	385
Mandeville Elementary	1966	72,693	547
Marigny Elementary	2009	81,627	496
Mayfield Elementary	2012	106,309	784
Pontchartrain Elementary	1994	106,589	780
Riverside Elementary	1986	85,989	422
Sixth Ward Elementary	1949	97,262	315
Whispering Forest Elementary	1989	89,887	540
Woodlake Elementary	1962	72,210	589
<b>Totals</b>		<b>2,123,610</b>	<b>14,561</b>



Capital Asset Information (Continued)  
June 30, 2019  
(Unaudited)

Junior High/Middle Schools

Schools	Year Opened	Square Footage	Enrollment
Abita Springs Middle	1923	89,618	512
Bayou Lacombe Middle	1956	53,303	204
Boyet Junior High	1963	104,585	753
Carolyn Park Middle	1966	68,785	270
Clearwood Junior High	1978	95,061	644
Creekside Junior High	2002	105,799	563
Fifth Ward Junior High	1949	116,301	474
Folsom Junior High	1957	55,901	220
Fontainebleau Junior High	1996	134,666	961
Lake Harbor Middle School	2001	80,714	638
Lee Road Junior High	1964	108,603	836
Little Oak Middle	1980	111,456	1,012
Madisonville Junior High	1949	75,264	563
Mandeville Junior High	1956	97,072	601
Mandeville Middle	1985	79,677	659
Monteleone Junior High	2005	92,407	423
Pine View Middle	1965	88,474	719
Pitcher Junior High	1964	100,687	300
St. Tammany Junior High	1966	77,141	650
Slidell Junior High	1956	114,734	776
Tchefuncte Middle	1994	97,813	791
<b>Totals</b>		<b>1,948,061</b>	<b>12,569</b>

Capital Asset Information (Continued)  
June 30, 2019  
(Unaudited)

<u>High Schools</u>			
Schools	Year Opened	Square Footage	Enrollment
Covington High	1973	218,184	1,552
Fontainebleau High	1994	285,690	1,703
Lakeshore High	2009	201,293	1,045
Mandeville High	1977	189,203	1,948
Northshore High	1982	204,181	1,554
Pearl River High	1967	130,794	699
Salmen High	2006	217,037	935
Slidell High	1949	217,455	1,703
<b>Totals</b>		<u>1,663,837</u>	<u>11,139</u>

<u>Special Education</u>			
Other Location	Year Opened	Square Footage	Enrollment
Harrison Center	1953	50,886	273
<b>Totals</b>		<u>50,886</u>	<u>273</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>
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%
2009-2010	36.48%	8.31%	44.79%

Source: Louisiana Department of Education website

**History of High School Graduates  
Last Ten Fiscal Years  
(Unaudited)**

<b>School Year</b>	<b>Total</b>
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
2010	2,173

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, 2019, 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 19, 2019.

**Internal Control Over Financial Reporting**

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

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

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

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the School Board's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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 "LaPorte".

A Professional Accounting Corporation

Covington, LA  
December 19, 2019

**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, 2019. 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, 2019.

**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, 2019, 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 19, 2019, 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 "LaPorte".

A Professional Accounting Corporation

Covington, LA  
December 19, 2019

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

**Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2019**

<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>			
Commodities Program	10.555	NONE	\$ 1,339,131
National School Lunch Program	10.555	NONE	8,200,689
			<u>9,539,820</u>
School Breakfast Program	10.553	NONE	2,505,441
Summer Food Service Program	10.559	NONE	58,552
			<u>12,103,813</u>
<b>Total Child Nutrition Cluster</b>			<u>12,103,813</u>
<b>Total United States Department of Agriculture</b>			<u>12,103,813</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	8,301,215
Title I Direct Student Services	84.010A	S010A180018	169,842
			<u>8,471,057</u>
Title II Teacher and Principal Training	84.367A	S367A180017	1,510,431
Title III English Language Acquisition	84.365A	S354A180018	98,345
Title III English Immigrant Set Aside	84.365A	S365A180018	6,582
			<u>104,927</u>
Title IV Student Support & Academic Enrichment	84.424A	S424A180019	69,532
			<u>10,155,947</u>
<b>Total ESSA</b>			<u>10,155,947</u>
<b>Special Education Cluster</b>			
Special Education - IDEA Part B	84.027A	H027A180033	9,022,413
Special Education - High Cost Services	84.027A	H027A170033	19,296
Special Education - High Cost Services	84.027A	H027A180033	386,369
Formula Transition	84.027A	H027A180033	28,500
			<u>9,456,578</u>
Special Education - IDEA Preschool	84.173A	H173A180082	290,521
EC Network Lead Agency	84.173	H173A170082	14,772
			<u>9,761,871</u>
<b>Total Special Education Cluster</b>			<u>9,761,871</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, 2019**

<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	107,910
Hurricane Education Recovery for Homeless Children	84.938B	NONE	2,977
Jobs for America's Graduates	84.126A	NONE	135,900
21st Century Community Learning Centers	84.287C	S287C170018	494,713
Striving Readers Comprehensive Literacy Program	84.371C	S371C170015	8,767
<b>Total Other Federal</b>			<u>750,267</u>
Carl Perkins - Career and Technical Education	84.048	V048A180018	<u>423,052</u>
<b>Total Carl Perkins</b>			<u>423,052</u>
<b>Total United States Department of Education</b>			<u>21,091,137</u>
<b><u>UNITED STATES DEPARTMENT OF HEALTH AND HUMAN SERVICES</u></b>			
Passed through the Louisiana Department of Education			
TANF - LA 4 Early Childhood	93.558B	NONE	2,401,309
Early Childhood Community Network Pilots - CCDF	93.575	NONE	<u>71,068</u>
<b>Total United States Department of Health and Human Services</b>			<u>2,472,377</u>
<b><u>UNITED STATES DEPARTMENT OF DEFENSE</u></b>			
Direct Aid			
Army - JROTC	12.998	NONE	290,199
Marines - JROTC	12.998	NONE	58,717
Navy - JROTC	12.998	NONE	<u>230,228</u>
<b>Total United States Department of Defense</b>			<u>579,144</u>
<b><u>UNITED STATES DEPARTMENT OF JUSTICE</u></b>			
Direct Aid			
STOP School Violence	16.839	2018-YS-BX-0171	<u>813</u>
<b>Total United States Department of Justice</b>			<u>813</u>
<b><u>UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u></b>			
Passed through the Louisiana Office of Community Development			
Community Development Block Grant	14.228	671-859	<u>298,760</u>
<b>Total United States Department of Housing and Urban Development</b>			<u>298,760</u>
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>			<u>\$ 36,546,044</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, 2019**

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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, 2019. 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:

Special Education Cluster (CFDA 84.027A, 84.173A, 84.173)  
Junior Reserve Officer's Training Corps (CFDA 12.998)

**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, 2019. 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	\$ 579,144
Special Revenue Funds	<u>35,966,900</u>
Subtotal Federal Sources	36,546,044
Carryover Expenditures	<u>-</u>
<b>Total Reported on Schedule of Expenditures of Federal Awards</b>	<b><u>\$ 36,546,044</u></b>

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

**Notes to Schedule of Expenditures of Federal Awards (Continued)  
For the Year Ended June 30, 2019**

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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, 2019, which will differ from the schedule by the amount of receivables as of June 30, 2019, liquidated to the dates of the reports.

**Note 5. De Minimis 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, 2019**

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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?   | None          |
| b. Significant deficiencies identified not considered to be material weaknesses? | None Reported |
| c. Noncompliance material to the financial statements noted?                     | None          |

**Federal Awards**

- |  |               |
|--|---------------|
| 3. Internal control over major programs  |               |
| a. Material weaknesses identified?   | None          |
| 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  |               |
| Special Education Cluster (CFDA 84.027A, 84.173A, 84.173)  |               |
| Junior Reserve Officer's Training Corps (CFDA 12.998)  |               |
| 7. Dollar threshold used to distinguish between Type A and B programs                                    | \$1,096,381   |
| 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, 2019**

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**B. Financial Statement Findings**

None.

**C. Federal Awards Findings and Questioned Costs**

None.

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

**Summary Schedule of Prior Audit Findings  
For the Year Ended June 30, 2019**

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**B. Financial Statement Findings**

None.

**C. Federal Awards Findings and Questioned Costs**

None.