
Pursuant to LRS 42:19A (1)
any matter not on the published agenda
may be taken up by board only upon
unanimous approval of the members
present.

An individual wishing to place a matter on
the agenda shall submit a request to the
Superintendent at least eight (8) days
prior to the meeting date, stating the nature
of the matter and the time required to
present it. (CPSB Policy File: BCBI)

AGENDA
CALCASIEU PARISH SCHOOL BOARD
LONG RANGE PLANNING COMMITTEE
3310 BROAD STREET
LAKE CHARLES, LOUISIANA
Tuesday, February 27, 2018

1. Roll Call

2. Take Appropriate Action

A. Consideration of Minimum Unassigned General Fund Reserve Level

1. Current policy and definitions
2. History of Reserves
3. General Fund Activity Analysis 2013-2017
4. Recommendation on minimum General Fund Reserve Level

B. Consideration of General Fund Capital Outlay Plan

1. Scenarios for possible General Fund Capital Outlay

C. Prior and Future Long Range Planning Topics

CALCASIEU PARISH SCHOOL BOARD
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2017

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

C. **Assets, Liabilities, Deferred Outflows/Inflows and Equity** (continued)

Equity Classifications

Government-wide Financial Statements:

Equity is classified as net position and displayed in three components:

- a. Net investment in capital assets - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced generally by the outstanding balances of any bonds, mortgages, notes, deferred charged on refundings, or other borrowings less any unspent debt proceeds that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position - Consists of net position with constraints placed on the use whether by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislations. Net position restricted by enabling legislation consists of two tax propositions which have been dedicated for salary enhancements in the amounts of \$13,506,395 and \$17,491,507, respectively.
- c. Unrestricted net position - The amount of net position that does not meet the definition of "restricted" or "net investment in capital assets."

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

Fund Financial Statements:

Accounting standards require the fund balance amounts to be reported within the fund balance categories as follows:

- a. **Non-spendable**: Fund balance that is not in spendable form or legally or contractually required to be maintained intact. This category includes items that are not easily converted to cash such as inventories and prepaid items.
- b. **Restricted**: Fund balance that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation.
- c. **Committed**: Fund balance that can only be used for specific purposes determined by the School Board's highest level of decision making authority. The Board is the highest level of decision making authority for the School Board that can, by adoption of a resolution prior to the end of the fiscal year, commit fund balance. Committed amounts cannot be used for any other purpose unless the Board removes or changes the specified use by taking the same type of action it employed to previously commit the funds.

CALCASIEU PARISH SCHOOL BOARD
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2017

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Assets, Liabilities, Deferred Outflows/Inflows and Equity (continued)

Equity Classifications (continued)

Fund Financial Statements: (continued)

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- a. Assigned: Fund balance that is constrained by the School Board's intent to be used for specific purposes, but are neither restricted nor committed. The School Board's policy does not address assignment of fund balance.
 - b. Unassigned: Fund balance that is the residual classification for the general fund. A negative unassigned fund balance may be reported if expenditures incurred for specific purposes exceeded the amounts restricted, committed, or assigned to those purposes.
 - c. Minimum fund balance: The School Board has a policy to maintain a minimum fund balance in the general fund of equal to eight percent of the following current year's budget revenues.

Restricted amounts are considered to have been spent first when an expenditure is incurred for purposes for which both restricted and unrestricted fund balances are available. The School Board reduces committed amounts, followed by assigned amounts and then unassigned amounts when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

D. Revenues, Expenditures, and Expenses

Sales and Ad Valorem Taxes

Ad valorem taxes consist of those dedicated and pledged to various general obligation bonds of taxing districts within School System and three separate taxes for system-wide operations. The constitutional tax, levied at 5.13 mills has no expiration. Two 10-year renewable taxes levied at 8.76 mills and 3.34 mills were renewed in 2012 and 2014, respectively. All property taxes are collected by the Calcasieu Parish Sheriff and remitted to the Board on a monthly basis. Assessed values are established by the Parish Assessor's Office each year based generally on 10% of the assumed market value of residential property and commercial land, on 15% of assumed market value of commercial buildings and personal property, and 25% of public utilities. The tax rolls must be submitted to the State Tax Commission for approval.

Ad valorem taxes were levied by School Board on July 12, 2016. Taxes are due and payable by December 31st, the date on which an enforceable lien attaches on the property. As of January 1st, taxes become delinquent and interest and penalty accrue. Historically, virtually all ad valorem taxes receivable were collected since they are secured by property.

The School Board levies a total of 2.5 cents of parish-wide sales and use taxes originally from several different referendums. These taxes support various aspects operations of the School Board and are accounted for within the general fund. Included in the 2.5 cents are two half-cent taxes restricted for salary and benefits for teachers and other employees.

General Fund Balance History**July 1 - June 30**

<u>Fiscal Year</u>	<u>Reserved/ Designated</u>	<u>Fund Balance Unreserved/ Undesignated Unassigned</u>	<u>Total</u>	<u>Expenditures/ Other Uses</u>
2006-07	\$ 13,606,577	\$ 35,108,151	\$ 48,714,728	\$ 244,986,534
2007-08	\$ 12,009,244	\$ 35,666,206	\$ 47,675,450	\$ 279,789,496
2008-09	\$ 12,345,517	\$ 33,273,334	\$ 45,618,851	\$ 287,721,674
2009-10	\$ 11,644,624	\$ 29,326,014	\$ 40,970,638	\$ 269,740,471
2010-11	\$ 11,634,051	\$ 33,813,820	\$ 45,447,871	\$ 263,855,286
2011-12	\$ 10,968,558	\$ 39,583,969	\$ 50,552,527	\$ 279,320,908
2012-13	\$ 8,122,739	\$ 38,226,875	\$ 46,349,614	\$ 284,762,766
2013-14	\$ 6,896,195	\$ 43,632,767	\$ 50,528,962	\$ 295,428,210
2014-15	\$ 8,788,199	\$ 45,893,890	\$ 54,682,089	\$ 303,903,616
2015-16	\$ 19,932,359	\$ 51,529,521	\$ 71,461,880	\$ 336,411,964
2016-17	\$ 36,717,452	\$ 55,434,701	\$ 92,152,153	\$ 343,574,857

	<u>Reserved</u>	<u>Ratio Unreserved</u>	<u>Total</u>
2006-07	5.6%	14.3%	19.9%
2007-08	4.3%	12.7%	17.0%
2008-09	4.3%	11.6%	15.9%
2009-10	4.3%	10.9%	15.2%
2010-11	4.4%	12.8%	17.2%
2011-12	3.9%	14.2%	18.1%
2012-13	2.9%	13.4%	16.3%
2013-14	2.3%	14.8%	17.1%
2014-15	2.9%	15.1%	18.0%
2015-16	5.9%	15.3%	21.2%
2016-17	10.7%	16.1%	26.8%

Note : School Lunch Transfers Are Included In Expenditures

<u>Fiscal Year</u>	<u>Beginning Fund Balance</u>	<u>Surplus (Deficiency)</u>	<u>Ending Fund Balance</u>	<u>Board Approved Supplements/ Raises</u>	<u>Surplus/ Deficiency Without Supplements</u>
2006-07	\$ 54,159,473	\$ (5,444,745)	\$ 48,714,728	\$ 20,748,000	\$ 15,303,255
2007-08	\$ 48,714,728	\$ (1,039,278)	\$ 47,675,450	\$ 12,963,600	\$ 11,924,322
2008-09	\$ 47,675,450	\$ (2,056,599)	\$ 45,618,851	\$ 7,800,000	\$ 5,743,401
2009-10	\$ 45,618,851	\$ (4,648,213)	\$ 40,970,638	\$ -	\$ (4,648,213)
2010-11	\$ 40,970,638	\$ 4,477,233	\$ 45,447,871	\$ -	\$ 4,477,233
2011-12	\$ 45,447,871	\$ 5,104,656	\$ 50,552,527	\$ -	\$ 5,104,656
2012-13	\$ 50,552,527	\$ (4,202,913)	\$ 46,349,614	\$ 4,992,000	\$ 789,087
2013-14	\$ 46,349,614	\$ 4,179,348	\$ 50,528,962	\$ 2,304,432	\$ 6,483,780
2014-15	\$ 51,275,392	\$ 3,406,697	\$ 54,682,089	\$ 5,790,376	\$ 9,197,073
2015-16	\$ 54,682,089	\$ 16,779,791	\$ 71,461,880	\$ 7,364,057	\$ 24,143,848
2016-17	\$ 71,461,880	\$ 20,690,273	\$ 92,152,153	\$ 8,940,560	\$ 29,630,833

2013-2014 2014-2015 2015-2016 2016-2017 Change
 2014-2017

Total Revenues/Other Sources-Uses	<u>2013-2014</u>	<u>2014-2015</u>	<u>2015-2016</u>	<u>2016-2017</u>	<u>Change</u> 2014-2017
	\$ 297,562,620	\$ 306,692,356	\$ 351,305,488	\$ 360,615,205	\$ 63,052,585
Ad Valorem Taxes	\$ 32,716,472	\$ 34,533,006	\$ 35,936,073	\$ 37,049,603	\$ 4,333,131
Sales Taxes	\$ 94,775,224	\$ 107,822,992	\$ 150,135,429	\$ 164,461,953	\$ 69,686,729
Other Local	\$ 4,584,093	\$ 5,844,832	\$ 6,057,478	\$ 5,181,724	\$ 597,631
MFP	\$ 149,066,034	\$ 153,808,051	\$ 153,008,068	\$ 147,113,673	\$ (1,952,361)
Other State	\$ 8,026,572	\$ 5,167,303	\$ 4,439,275	\$ 5,734,251	\$ (2,292,321)
Federal	\$ 132,216	\$ 134,129	\$ 124,356	\$ 330,076	\$ 197,860
Sources/Uses	\$ 8,262,009	\$ (617,957)	\$ 1,604,809	\$ 743,925	\$ (7,518,084)

Total Expenditures	<u>2013-2014</u>	<u>2014-2015</u>	<u>2015-2016</u>	<u>2016-2017</u>	<u>Change</u> 2014-2017
	\$ 293,520,948	\$ 303,285,659	\$ 334,525,697	\$ 340,472,159	\$ 46,951,211
Salaries	\$ 168,279,779	\$ 170,020,557	\$ 187,810,178	\$ 194,063,512	\$ 25,783,733
Health Insurance	\$ 26,029,986	\$ 27,504,184	\$ 29,058,238	\$ 33,460,368	\$ 7,430,382
Retirement	\$ 44,193,175	\$ 45,887,630	\$ 47,161,754	\$ 46,943,977	\$ 2,750,802
Medicare	\$ 2,107,540	\$ 2,158,527	\$ 2,421,737	\$ 2,489,199	\$ 381,659
Other Benefits	\$ 3,840,847	\$ 3,817,579	\$ 4,104,759	\$ 3,538,111	\$ (302,736)
All Other	\$ 9,080,575	\$ 12,311,839	\$ 11,652,185	\$ 10,038,991	\$ 958,416
Maintenance Costs	\$ 22,226,599	\$ 21,109,491	\$ 22,834,448	\$ 24,084,403	\$ 1,857,804
Transportation Costs	\$ 2,750,988	\$ 1,860,515	\$ 6,313,944	\$ 3,745,128	\$ 994,140
Other Supplies, Equipment, Textbooks	\$ 7,527,497	\$ 9,542,103	\$ 12,856,954	\$ 9,351,506	\$ 1,824,009
Charter Transfers	\$ 7,483,962	\$ 9,073,234	\$ 10,211,287	\$ 12,756,964	\$ 5,273,002

Surplus Deficit	\$ 4,041,672	\$ 3,406,697	\$ 16,779,791	\$ 20,143,046	
Fund Balance	\$ 50,528,962	\$ 54,682,089	\$ 71,461,880	\$ 92,152,153	\$ 41,623,191

Change In Listed Expenditures & Fund Balance

#Employees	4850	4766	4823	4891	
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*** W/Out Salaries/Benefits

Calcasieu Parish School Board

Current policy is 8% of budgeted revenues

<u>Revision #1</u>	<u>8%</u>	<u>Revision #2</u>
<u>Revenues</u>		<u>Estimated</u>
\$ 330,166,556	\$ 26,413,324	<u>Revenues</u>
		\$ 368,000,000
		\$ 29,440,000
		<u>8%</u>

General Fund Reserves

	<u>6/30/2017</u>	<u>%</u>	<u>Estimated</u>	<u>Estimated</u>
			<u>Net</u>	<u>Balance</u>
			<u>Additions</u>	<u>6/30/2018</u>
			<u>2017-2018</u>	<u>%</u>
Unassigned	\$ 55,434,701	16.79%	\$ 11,238,000	\$ 66,672,701
Restricted for Sales Tax #1 - 1995	\$ 13,506,395		\$ 54,000	\$ 13,560,395
Restricted for Sales Tax #2 - 2015	\$ 17,491,507		\$ 15,850,000	\$ 33,341,507
Subtotal	<u>\$ 86,432,603</u>		<u>\$ 27,142,000</u>	<u>\$ 113,574,603</u>

Other Items

Grants	\$ 942,761
Inventory/Prepaid Items	\$ 1,371,798
Encumbrances	\$ 1,404,991
E-Rate	\$ 1,000,000
Insurance Deductibles	\$ 1,000,000
Grand Total	<u>\$ 92,152,153</u>

Staff Recommendation For Reserves:

Maintain 9% of Current Budgeted Expenditures But Not Less Than \$30,000,000

Scenarios For Possible General Fund Capital Outlay

	Assign For Capital <u>Outlay</u>	Amount From Unassigned <u>Reserves</u>	Amount To <u>Borrow</u>	Average (10 Year) Estimated		Left In Unassigned <u>Reserves</u>
				Yearly Payment On <u>Debt</u>	Assign To Pay <u>Future Debt</u>	
\$	50,000,000	\$ 30,000,000	\$ 20,000,000	\$ 2,436,000	\$ 6,672,701	\$ 30,000,000
\$	40,000,000	\$ 20,000,000	\$ 20,000,000	2,436,000	\$ 6,672,701	\$ 30,000,000
\$	30,000,000	\$ 15,000,000	\$ 15,000,000	1,827,000	\$ 11,672,701	\$ 30,000,000

Since all scenarios reduce unassigned reserves:

Assign \$20,000,000 of reserves from 2015 1/2cent sales to future salary support in the event of reduction in state or local funding. **(MFP reduction predicted)**

This would leave an estimated \$13,341,507 in restricted balance from 2015 1/2 cent sales tax.

2015 Long Range Planning Process

Item C.

Operations

Votes: 9/17/15

A	Facility: Growth, Capacity/Conditions, Roof Analysis & Timeline	13
E	Buses: Purchase Plans, Routes & Trips	13
O	Uniform School Safety Issues: Fences, Cameras, Officers	13
F	Food Service - Staffing & Food Options	9
G	Employee Retention & Recruitment	9
K	Outsourcing of Select Support Services	8
L	Centralized Copy Machine Contracts for Schools	8
Q	Mechanic Shop & Employees	6
P	Central Office Org Chart	5
C	Student Attendance Zones	4
I	Employee Exit Interviews	4
B	Desegregation Issues	3
J	Three-Year Teacher Transfer Policy	3
M	Superintendent: Contract, Vision & Goals	3
H	Felony/Misdemeanor Hires	2
D	School Consolidations	1
N	Student Rep on School Board	0
R	ADA Issues	0

F	Riverboat Funds Allocations: Parishwide vs. District	15
A	Facility Financing/Bonding	12
P	Employee Pharmacy/Medical Clinic	12
C	Capital Financing: Sales Tax Pre-Payments by Vendors	10
B	Structure of Bonding Issues	9
D	Use of General Funds/Property Taxes for Capital Financing	9
G	Plan for Emergency: Unexpected Expenditures	9
	Reserve Target Level For General Funds as a % of Revenues	
L	School Staffing Formulas	7
N	Salary Schedule Corrections & Inequities	7
O	One-Day Review of Budget Prior to Official Presentation	6
K	School/Dept Based Budgets & Operational Plans	4
H	Accumulation & Accrual of Employee Vacation Days	2
E	Ward 3 Sales Tax: Walmart Payment from City of LC	1
J	School Lunch Student Debt	1
I	Employee Board Travel Policies	0
M	Charter School Financing & Growth	0

E	Student Conduct/Discipline: PBIS, Bullying Prevention/Reduction	13
D	Jump Start & Curriculum Integration	12
J	After-School Tutoring & Supplemental Instruction	12
A	School Accountability Improvements	11
I	Counselor Duties & Student Ratios	11
B	Parental Involvement	10
F	Alternative School Plan	10
C	Student Assessment	9
M	LCB Academy - Structure & Mission	9
P	Alignment of Curriculum to Business & Industry Needs	9
K	Teacher Certification Balance Across District	4
N	School/Corporate Partner Program	4
O	Parent/Teacher Curriculum Advisory Committee	4
H	Curriculum & Textbook Adoption Cycle	2
L	Technology & Instructional Supply Equity	2
G	Professional Development for Employees	1

Operations	Votes	Discussion Points
Facility, Growth, Capacity/Conditions, Roof Analysis & Timeline	13	Where should new schools be? Are there overcrowded schools based on standards? Inventory of capital outlay events Roof survey & replacement timeline
Buses: Purchase Plans, Routes & Trips	13	New routing software Audit routes and capacities Preventative maintenance schedule on buses Driver & mechanic pay Replacement calendar & timeline
Uniform School Safety Issues: Fences, Cameras, Officers	13	Inventory of fences Inventory of cameras Discuss Resource Officer program Discuss Crossing Guard program Examine drills and compliance
Food Service - Staffing & Food Options	9	Identify areas for program improvement Student menu survey Review other school system ideas to increase participation Explore limits of USDA guidelines Staffing opportunities
Employee Retention & Recruitment	9	Job Fairs Alternative certification programs with universities Teacher transfer policy Mentoring program New teacher support Certified teachers
Outsourcing of Select Support Services	8	Review current items outsourced Examine potential opportunities for outsourcing Conduct cost/benefit analysis
Centralized Copy Machine Contracts for Schools	8	Review current copier acquisition process Inventory current copiers and lease periods Research costs associated with centralized bid

Financial	Discussion Points	Votes
Riverboat Funds Allocations: Parishwide vs. District	Divide funds per Board Member district Divide funds per Bond district POD program Allowable expenditures Stability of revenues	15
Facility Financing/Bonding	Current Bonding Districts Parishwide financing Absorb current debt or leave outstanding Combine some Bonding Districts but not all Growth areas	12
Employee Pharmacy/Medical Clinic	Cost/benefit analysis Review successful models from other entities Define benefit offerings One east/one west location Alignment with health insurance carrier	12
Capital Financing: Sales Tax Pre-Payments by Vendors	Opportunities for pilot programs	10
Structure of Bond Issues	Discuss 10 year tax exemption on expansion Incentives for districts with less capacity 20 year property tax issue	9
Use of General Funds/Property Taxes for Capital Financing	What is paid for now from General Fund? Set aside reserves for capital outlay	9
Plan for Emergency: Unexpected Expenditures Reserve Target Level For General Funds as a % of Revenues	Current reserve target Industry standard Types of reservations Dedicated tax revenues	9
School Staffing Formulas	Curriculum Coordinators Current staffing ratios Grant positions Enrichment classes Optional programs SPED ratios	7
Salary Schedule Corrections & Inequities	Examine supplemental pay areas Review school administration months worked & pay Review vacation policy	7

Academics	Votes	Discussion Points
Student Conduct/Discipline: PBIS, Bullying Prevention/Reduction	13	<ul style="list-style-type: none"> Presentation to Board made on PBIS Student to student peer mentoring Coordinate class behavior with extra curricular District Attorney program - FINS Examine discipline statistics for high frequency
Jump Start & Curriculum Integration	12	<ul style="list-style-type: none"> Study Pathways Provide statistics on anticipated student participation Outline certifications
After-School Tutoring & Supplemental Instruction	12	<ul style="list-style-type: none"> Fully discuss Response to Intervention Present options to Board at C&I Meeting- November
School Accountability Improvements	11	<ul style="list-style-type: none"> Review state model in place Look at district areas for Improvement Analyze individual indicators by school
Counselor Duties & Student Ratios	11	<ul style="list-style-type: none"> Discuss Counselor responsibilities and job descriptions Review days worked Review options for assistance
Parental Involvement	10	<ul style="list-style-type: none"> Current Title I model Review calendar of school events to promote Review participation in promotional events
Alternative School Plan	10	<ul style="list-style-type: none"> Ways to keep students on regular campus Full day alternative programs Examine virtual curriculum being used - Plato Review alternative grade distribution Limit Alternative School to Tier 3 issues Structure of in-school suspensions
Student Assessment	9	<ul style="list-style-type: none"> Align all levels for consistency Only give assessments that directly affect instruction List mandatory assessments
LCB Academy - Structure & Mission	9	<ul style="list-style-type: none"> Review original purpose Examine current participation and course offerings Look at transportation efficiency Review Jumpstart opportunities for LCBA
Alignment of Curriculum to Business & Industry Needs	9	<ul style="list-style-type: none"> Continue to interact with workforce development groups Gather feedback from business and industry Promote coursework with direct job opportunities