

FINANCIAL REPORT

COMPREHENSIVE ANNUAL



July 1, 2003 - June 30, 2004

1724 Kirkman Street
Lake Charles, Louisiana

"New Financial Reporting Model"
Prepared Pursuant to GASB Statement No 34

FINANCIAL REPORT

**CALCASIEU
PARISH SCHOOL
BOARD**

LAKE CHARLES, LOUISIANA

**COMPREHENSIVE
ANNUAL FINANCIAL
REPORT**

**(Prepared pursuant to GASB Statement No. 34
" New Financial Reporting Model ")**

**FOR THE FISCAL YEAR
JULY 1, 2003 - JUNE 30, 2004**

**Prepared by
Department of Management and Finance**

COMPREHENSIVE ANNUAL

CALCASIEU PARISH SCHOOL BOARD

Table of Contents

	<u>Page</u>
INTRODUCTORY SECTION	
Letter of Transmittal	i-xiii
ASBO Certificate of Excellence in Financial Reporting	xv
GFOA Certificate of Achievement for Excellence in Financial Reporting	xvi
Calcasieu Parish School System Officials	xvii
Organization Chart	xviii
FINANCIAL SECTION	<u>Statement</u>
Independent Auditors' Report	1-2
Required Supplemental Information	
Management's Discussion and Analysis (MD&A)	3-20
Basic Financial Statements	
Government-wide Financial Statements (GWFS)	
Statement of Net Assets	A 21
Statement of Activities	B 22-23
Fund Financial Statements (FFS)	
Government Funds:	
Balance Sheet	C 25
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Assets	D 27
Statement of Revenues, Expenditures, and Changes in Fund Balances	E 28-29
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities	F 30
Proprietary Funds:	
Statement of Net Assets	G 31
Statement of Revenues, Expenses, and Changes in Fund Net Assets	H 32
Statement of Cash Flows	I 33
Fiduciary Funds:	
Statement of Fiduciary Net Assets	J 34
Notes to the Basic Financial Statements	35-62

FINANCIAL SECTION (Continued)**Exhibit****REQUIRED SUPPLEMENTAL INFORMATION**

Budgetary Comparison Schedule	1	63-64
Notes to the Budgetary Comparison Schedule		65

OTHER SUPPLEMENTAL INFORMATION

Combining Non-Major Governmental Funds - By Fund Type		
Combining Balance Sheet - By Fund Type	2	67
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - By Fund Types	3	68-69
Non-Major Special Revenue Funds		
Combining Balance Sheet	4	72-73
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance	5	74-75
Budgetary Comparison Schedules		
Vocational Education Act	6-1	76
Adult Basic Education	6-2	77
IDEA	6-3	78
IASA	6-4	79
WIA	6-5	80
TANF	6-6	81
Education Improvement Grant	6-7	82
Community Tech Center	6-8	83
Technology Grant	6-9	84
Twenty First Century Learning Centers	6-10	85
School Food Service	6-11	86
Non-Major Debt Service Funds		
Combining Balance Sheet	7	88-89
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance	8	90-91
Non-Major Capital Projects		
Combining Balance Sheet	9	94-95
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance	10	96-97

FINANCIAL SECTION (Continued)**OTHER SUPPLEMENTAL INFORMATION (Continued)**

Internal Service Funds

Combining Statement of Net Assets	11	99
Combining Statement of Revenues, Expenses, and Changes in Fund Net Assets	12	100
Combining Statement of Cash Flows	13	101

Agency Funds

Combining Statement of Changes in Assets and Liabilities	14	103
School Activities Agency Fund		
Schedule of Changes in Deposits Due Others	15	104
Sales Tax Schedule of Changes in Deposits Due Others	16	105
Schedule of Changes in General Long-Term Debt	17	107
Schedule of Amounts Paid to Board Members	18	108

STATISTICAL SECTIONTable

Government-Wide Financial Statements

Government-Wide Expenses by Function	1	110
Government-Wide Revenues by Source	2	111

Fund Financial Statements

General Fund Revenue by Source	3	112-113
General Fund Expenditures by Function	4	114-115

Tax Revenues by Source

	5	116
--	---	-----

Assessed and Estimated Value of Taxable Property

	6	117
--	---	-----

Ad Valorem Tax Levies and Collections

	7	118-119
--	---	---------

Taxpayer Valuation for Ad Valorem Taxes By District

	8	120-121
--	---	---------

Property Tax Rates and Levies By District

	9	122-123
--	---	---------

Property Tax Millage Rates - Direct and Overlapping Governments

	10	124-125
--	----	---------

Calcasieu Parish Principal Ad Valorem Taxpayers

	11	126
--	----	-----

Ratio of Annual Debt Service Expenditures for General Obligation Bonded Debt to

Total General Expenditures	12	127
----------------------------	----	-----

Ratio of Net General Obligation Bonded Debt to Assessed Value and

Net General Obligation Bonded Debt Per Capita	13	128-129
---	----	---------

Computation of Legal Debt Margin

	14	130
--	----	-----

Computation of Direct and Overlapping Debt

	15	131
--	----	-----

Revenue Bond Coverage

	16	132
--	----	-----

Calcasieu Parish Property Value and Construction Value

	17	133
--	----	-----

STATISTICAL SECTION (Continued)

Demographic Statistics	18	134-135
Insurance Schedule	19	136-137
Miscellaneous Statistical Data	20	138-139

FINANCIAL REPORT

COMPREHENSIVE ANNUAL

INTRODUCTORY SECTION



JUDE W. THERIOT, SUPERINTENDENT

December 13, 2004

Board Members
Calcasieu Parish School Board
1724 Kirkman Street
Lake Charles, Louisiana 70601

Administrative Office

1724 Kirkman Street

Post Office Box 800

Lake Charles, LA 70602

Phone: (337) 491-1600

Fax: (337) 437-1293

Dear Board Members:

The Comprehensive Annual Financial Report (CAFR) of the Calcasieu Parish School Board (the School Board) for the fiscal year ended June 30, 2004 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 is accurate in all material respects and is reported in a manner designed to present fairly the financial position, results of operations, and cash flows of the proprietary funds 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.

The CAFR is presented in three sections: introductory, financial and statistical. The introductory section includes this transmittal letter, the table of contents, awards for financial reporting, a list of principal officials, and the School Board organizational chart. The financial section includes the Management's Discussion and Analysis (MD&A), the basic financial statements including the notes to the financial statements, required supplemental information, the combining and individual nonmajor fund financial statements that provide detailed information to the basic financial statements, and the independent auditor's report. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis.

While all parts of the report are critical, the MD&A provides a narrative introduction, overview, and analysis of the basic financial statements. This letter of transmittal should be read in conjunction with the MD&A, which can be found immediately after the report of the independent auditors.

The School Board is required to undergo an annual single audit in conformity with the provisions of the Single Audit Amendment of 1996, including the U.S. Office of Management and Budget's Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Information related to this single audit, including a Schedule of Expenditures of Federal Awards, the independent auditor's reports on internal controls and compliance with applicable laws and regulations, and a schedule of findings and questioned costs are included in a separately issued single audit report.

This report includes all funds of the School Board. The School Board is a legislative body authorized to govern the public education system of Calcasieu Parish, Louisiana. The School Board is governed by a fifteen member board with each board member serving a concurrent four-year term. The current board is in the second year of its term. It is the responsibility of the School Board to make public education available to the residents of Calcasieu 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 services include regular and enriched academic education, special education for handicapped children as well as vocational education. The School Board has a current enrollment of 32,622 and employs approximately 4,500 persons.

This report includes all entities or organizations that are required to be included in the School Board's reporting entity. The basic criteria for determining whether a governmental department, agency, institution, commission, public authority, or other governmental organization should be included in a governmental unit's reporting entity is financial accountability.

The School Board is also authorized to incur debt and levy taxes to pay for such debt through physically separate School Bond Districts. These Districts are established solely for the purpose of issuing bonds and levying and accumulating taxes to make principal and interest payments on outstanding debt. The members of the School Board as well as its officers also function as the governing board and officers of the School Bond Districts. All financial transactions of the School Bond Districts are included in this report.

ECONOMIC CONDITION AND OUTLOOK

Area

Following is an excerpt from "The Louisiana Economic Outlook: 2004 and 2005", prepared by Loren C. Scott and James A. Richardson of the Division of Economic Development and Forecasting, and A.M.M. Jamal of Southeastern Louisiana University.

For Department of Labor purposes, the Lake Charles Metropolitan Statistical Area (MSA) is presently composed of only one parish (Calcasieu), but in 2005 the DOL will add Cameron Parish to this MSA for reporting purposes. This MSA is now dominated by three industries. One is what is broadly referred to as the petrochemical industry. This phrase handily combines two closely related industries...chemicals and refining. Calcasieu Parish is the home to 23 different chemical plants and two refineries, which employ 6,455 workers paying an average wage of \$75,000 a year and another 2,057 contract workers according to research done by Dr. Daryl Burkel and Dr. Michael Kurth of McNeese University. The prominent role of these companies in the MSA's economy helps one to understand its varied history.

The second major industry is gambling. Lake Charles is home to four riverboat casinos that employed 3,021 people at the end of 2003. With the closest gambling establishments to the Houston metroplex, Lake Charles' four riverboat casinos were an instant success when they opened in the mid-1990s. Now that Delta Downs has added slot machines and become a "racino", it has added another 1,057 workers to the area's gambling industry. By early 2005, construction will be completed on a fifth riverboat casino/hotel complex by Pinnacle Entertainment.

The third key sector is aircraft repair. There are now two significant employers located at Chennault Industrial Airpark - Northrup Grumman and EADS. Changes in tenants at Chennault have had a major impact on the MSA's employment pattern over time.

This MSA suffered mightily between 1981-86 as the chemical industry reeled from a huge loss of sales in its foreign markets. The loss was caused by a large run up in the exchange value of the dollar. Not only did the industry itself reduce employment by one-third, but capital expansion plans were also halted, hammering the industrial construction sector at the same time.

At the same time, the Reagan Administration fully deregulated the price of crude oil in the early 1980s. One side effect of this action was that several marginal refineries found it increasingly difficult to remain competitive and shut down. The loss of jobs in the two highest-wage industries in Louisiana's manufacturing sector, combined with a shuddering halt to industrial construction and other negative multiplier effects, sent the Lake Charles economy into a serious, 5-year dive that did not stop until nearly 18 percent of the MSA's jobs had vanished.

Lake Charles was actually the first MSA in Louisiana to begin recovering from the terrible statewide recession of 1982-87. The key was the attraction of Boeing Aircraft to Chennault Field. Boeing created over 2,000 jobs to refurbish K-135 transport airplanes for the Air Force. That helped set Lake Charles off on a recovery mode. The recovery was further aided by a sudden drop in the exchange value of the dollar, which rejuvenated foreign markets for the chemical firms and set them off on a new round of hiring and capital expansions.

In 1992, Boeing announced the closure of its facility, and the job loss there caused Lake Charles' employment to slide sideways for two years. The next three years were excellent growth years for Lake Charles. Three factors powered this expansion. First, there were some unusually large capital projects under construction in the petrochemical sector. Citgo and Conoco/Pennzoil combined for \$1.6 billion in expansions during this period.

Secondly, it was during this period that the riverboat casinos came to Lake Charles. Thirdly, Boeing was replaced at Chennault Airpark by Northrup Grumman, a facility that takes 707s, strips them down, and installs the Joint System Target Attack Radar System (JSTARS) in them. This was an addition of 1,900 good-paying jobs for the Lake Charles economy.

Over 2001-03, Lake Charles lost 2,900 jobs or a 3.3% decline in its workforce. There were several contributors to this poor performance. First, as Northrup Grumman came near the end of its JSTARS contract, the firm began handling fewer aircraft and consequently began laying off workers. Northrup Grumman has laid off 400 workers this year alone and will reduce its workforce from 600 to 200. The attraction of EADS to Chennault has helped offset Northrup Grumman layoffs somewhat. Secondly, a combination of 9/11 and the national recession reduced trips to the area gambling establishments, prompting layoffs there. Thirdly, Xpedius moved its headquarters office in Lake Charles to St. Louis.

But by far the most important contributor to the downturn was the funk in the chemical industry. High natural gas prices have forced this vitally important industry in Lake Charles to hunker down and look for ways to reduce costs. One way was to reduce the number of employees. Too, the industry has placed capital expansion projects on hold and has delayed maintenance/repair work as much as is safely feasible. The result has been a significant reduction in industrial construction employment.

Forecast. Louisiana Economic Outlook (LEM) is projecting 4,800 new jobs for Lake Charles MSA over 2005-2006. This represents annual growth rates of 2.8% and 2.7% in 2005 and 2006, respectively. We are projecting that this MSA will be the fastest growing area of the State over the next two years.

That last sentence may seem incongruous given that chemicals are so dominant in the region and further problems are expected in that sector. In fact, we expect the region to lose another 500 jobs in its manufacturing sector, primarily in chemicals.

What, then, is expected to fuel this vigorous growth rate? The short answer is Citgo, LGN, and Pinnacle.

- Major construction projects are either underway or scheduled to come on line at Citgo Refinery over our forecast period. These include:
 - A \$300 million expansion of the refinery that will increase its capacity by 105,000 barrels per day, boosting Citgo from the 6th to the 4th largest refinery in the country.
 - Next summer, Citgo is expected to begin construction on a \$1.3 billion coke-fired cogeneration facility. The firm projects that 3,000 construction workers will be required on site for the project.
 - There is a good chance that the firm will begin a \$250 million diesel desulfurization project at the plant sometime during 2005-06.
- There are several, large LGN terminals either under construction or planned in the area. These include the following:
 - Southern Union-Trunkline has a \$116 million project under construction to double the size of its existing terminal.

- Semptra Energy is spending \$700 million on a new LNG terminal at Hackberry.
 - Shell Oil is getting the permits to build a \$700 million terminal just off the coast near Lake Charles.
 - Cheniere Energy has received approval from FERC to build a \$650 million terminal near the Sabine Pass in Cameron Parish.
 - Excelerate Energy plans to build an "Energy Bridge" about 116 miles off the coast below Lake Charles.
- Pinnacle Entertainment will open its new casino resort in early 2005. The company is spending \$365 million rather than the \$325 million originally planned. Its 26-story hotel will now have 746 rooms. Plans are to hire 1,522 employees at Pinnacle; however, it is unclear to what extent the gambling market in this region is saturated, and Pinnacle's new business may come out of the hide of existing casinos and Delta Downs. In fact, news reports indicate that Isle of Capri is already considering relocating one of its riverboats in Lake Charles to a spot near the Huey P. Long Bridge in New Orleans. Such a move would require approval by the Gaming Commission.

The Citgo activities and the LNG construction projects are the primary reason we have construction employment rising by 1,800 jobs over the next two years in the Lake Charles MSA. Normally, this number would be even higher; however we expect reduced industrial construction activity at the area chemical plants to act as a drag on construction employment.

Our favorable forecast for Lake Charles is also influenced by some planned changes at Chennault Airpark. These include:

- EADS is now at about 350 employees and expects to add 25-50 by the end of this year. If business develops as planned, the company will add two more "lines" at 75 new employees per line.
- Northrup Grumman is between the JSTARS and E10A contracts. The firm will drop from 600 employees down to 200 this year. Then in mid-2006, the E10A contract will start and the firm will add 200-250 employees, with plans to grow to the 750 range by 2008.

The Citgo, LNG, and Pinnacle projects are unusually large and should provide enough thrust on their own to the region's economy to make it the fastest growing area in the State.

School System

As with all Louisiana school systems, property and sales taxes are the primary sources of local funding. The overwhelming majority of the State funding comes from a block grant called the Minimum Foundation Program.

Effective with fiscal year 1992-93, the State of Louisiana adopted a new Minimum Foundation Program formula with stronger equalization provisions than the previous formula. As a result, the School Board fell into a category of "hold harmless" school systems whose state funding was frozen at existing levels because of its tax base and perceived ability to raise tax revenues locally. Calcasieu's funding level from the Minimum Foundation Program was frozen until the 1998-99 fiscal year, when the formula factors indicated that Calcasieu Parish was due additional state funding. In addition to having a frozen per pupil allotment from state funding, the School Board had a decrease in state funding caused by a steady reduction in the number of students attending school in the district. From 1995-2002, the school district had a drop in enrollment in each year with a cumulative decrease of 2,811 students over the seven-year period. The 2003-04 pupil count of 32,622 reflected an increase of 9 students. Fortunately, the State increased the amount allocated in the base funding from \$3,276 per pupil to \$3,366 per pupil to account for the normal rising costs of inflation. As a result of the State per-pupil increase, a greater number of special education children, more at-risk students, and a formulative reduction in the School Board's relative wealth, Calcasieu received \$102,654,853 in Minimum Foundation Program funds, an increase of \$8,500,371 over the amount received in 2002-03.

With the addition of these funds, the State required that a portion of the new revenues be used to provide raises for all teacher-based personnel. The School Board in 2003-2004 placed \$610 into the Teachers' Salary Schedule at all levels as mandated in the prior year State funding resolution and also provided a \$1,300 salary supplement to all teacher-based personnel as outlined in the current year State funding. The \$1,300 has been added into the Teacher's Salary Schedule at all levels for 2004-2005.

Additional State funding also helped to fund a \$477 raise for all support-based personnel, while local increases in property and sales tax revenues provided funds for a one-time salary supplement of \$500 and a local raise of \$300 for all full-time support positions.

MAJOR INITIATIVES

Capital Outlay Programs

The School Board has historically funded capital projects through individual bond elections in each of twelve districts throughout the parish. Many of the twelve districts have sponsored successful bond or tax elections over the last several years with construction still in progress. A summary of the bond projects includes the following:

<u>District Name</u>	<u>District Number</u>	<u>Date of Election</u>	<u>Voter Authorized Amount</u>	<u>Type of Bonds</u>	<u>Amount Left to Sell</u>
Westlake/Maplewood	23	11/20/99	\$27 million	General Obligation	
Iowa	25	11/20/99	\$7.2 million	General Obligation	
Vinton	26	1/20/01	\$7.925 million	General Obligation	
Bell City	28	5/04/02	10 mill tax		
Sulphur	30	10/20/01	\$14.5 million	General Obligation	
North Lake Charles	31	3/14/00	\$38 million	General Obligation	
Southeast Lake Charles	33	5/04/02	\$29.6 million	General Obligation	\$9.6 million
Southwest Lake Charles	34	7/20/02	\$35.75 million	General Obligation	\$14.0 million
Sales Tax District #3	3	7/18/00	\$14.77 million	Sales Tax Revenue	

The School Board began collection of a head tax remitted by riverboats in the parish in 1995. The tax is based on a percentage of casino revenues and has averaged approximately \$90,000 monthly. All proceeds from this revenue source have been dedicated to capital projects, which have thus far included land purchases, and new permanent classroom buildings to replace temporary classroom buildings throughout the parish. The School Board issued \$6.5 million of 10-year revenue certificates since 1999 to fund the permanent classrooms and the construction of canopies between remaining temporary classroom buildings. Projects funded with the certificate sale are complete; however, head tax revenue will continue to fund projects over the next 12 to 18 months.

With the replacement of temporary classroom buildings throughout the parish with permanent classrooms, 50 of 104 classroom buildings leased under a 10-year municipal lease with Academic Capital, Inc. were returned to the company through a return agreement and renegotiated lease on the remaining 54 buildings. The new lease documents called for ten annual payments of \$285,580 with the School Board owning the

buildings at the end of the 10-year period. Three of the ten payments were made before the capital lease was paid in full using the proceeds of \$2.0 million of revenue certificates issued in October, 2003. All of the buildings were retained by the School Board.

In July of 1997, the School Board signed a performance-based contract with Johnson Controls, Inc. for energy management and retrofitting services. The retrofitting portion of the contract, which was completed in January, 1999, called for upgrading lighting, plumbing and energy management systems at a total cost of \$3,334,629. This portion of the contract was financed with \$3,385,000 of 10-year revenue certificates purchased by First National Bank with an average interest rate of 4.9%. The performance-based nature of the contract, which began on January 1, 1999, provides that Johnson Controls, Inc. guarantees enough annual utility savings from retrofitting and energy management to fully pay for the cost of the contract, including debt service. Should the guaranteed savings not materialize, then Johnson Controls, Inc. must remit the shortfall to the School Board. The recently presented report on the contract by Johnson Controls, Inc. for the first four years indicated that guaranteed savings goals were achieved by the company. The School Board had an opportunity in 2002 to refinance the remaining \$2.255 million in outstanding debt on this issue at an average rate of 4.1% for five years. Three years of payments remain on the outstanding debt.

The State of Louisiana passed legislation allowing the creation of the Louisiana Local Government Environmental Facilities and Community Development Authority (LCDA), a financing conduit for public agencies throughout the state. As a member of the organization, the School Board became eligible to participate in a capital equipment financing pool. The Board has elected to use the pool to primarily finance bus purchases over a three-year period. In 2003-04, the School Board drew \$1,614,210 from the pool to finance the purchase of buses. Including the funds drawn in 2003-04, the School Board has now drawn a total of \$6,726,429.

The School Board approved an authorizing resolution to participate in the Qualified Zone Academy Bond (QZAB) program on October 16, 2001. The program is a result of the Taxpayer Relief Act of 1997 which allowed school districts to borrow at no interest costs. Under QZAB regulations, a 10% contribution from private sources is required in order to issue a QZAB. Interest on a QZAB is paid by the federal government in the form of an annual tax credit to a bank or other eligible institution that holds the QZAB. Eligible schools must be located in our Empowerment Zone or have at least 35% or more of its student population eligible for free or reduced

lunch. The Calcasieu Parish School Board borrowed \$1,264,668, which has been spent on renovation projects at 11 existing schools to be repaid over 13 years with 11 years remaining.

In the Fall of 1999, the School Board, in coordination with the City of Lake Charles, and the Calcasieu Parish Sheriff, entered into a tax incremental financing agreement (TIF) with the owner/developer of Prien Lake Mall in Lake Charles. Under the agreement, these three governmental bodies will utilize increased sales tax revenues from the expanded mall facility to reimburse the developer for a portion of the expansion costs. The School Board is responsible for a maximum of \$3,555,555 out of a total of \$8 million. Semi-annual payments are being made at 50 percent of the incremental sales tax revenue increase received by the School Board from the mall during a term not to exceed ten years from October 1, 1999, or \$3,555,555, whichever comes first. Thus far, the School Board has reimbursed \$1,200,283 in sales tax revenues under the agreement.

Educational Programs

The Calcasieu Parish School Board administers the Iowa Test of Basic Skills (ITBS) to students in grades 3, 5, 6 and 7 throughout the parish. Scores are reported by national percentile rank. A student's national percentile rank shows the student's relative position or rank as compared to a large, representative sample of students in the same grade from the entire nation. The composite scores for nearly every grade taking the test in Calcasieu Parish increased in 2004 over scores for 2003.

The State of Louisiana has instituted a new accountability program with performance standards measured by a statewide criterion reference test called the Louisiana Educational Assessment Program (LEAP). LEAP tests are administered in grades 4, 8 and 10. Passage to the next grade is contingent on achieving a satisfactory score on tests. Schools will be judged on student performance. Calcasieu schools showed improvement at nearly all levels in 2004.

FINANCIAL INFORMATION

Internal Controls. The School Board is responsible for establishing and maintaining internal control designed to ensure that the assets of the School Board are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles.

Internal control is 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 and state financial assistance, the School Board also is responsible for ensuring that adequate internal control is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control is subject to periodic evaluation by management and the internal audit staff of the School Board.

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

Budgetary Controls. In addition, the School Board maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the board. Activities of the general fund and special revenue funds are included in the annual appropriated budget. Project-length financial plans are adopted for the capital projects funds. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established by function within each fund. The School Board also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Open encumbrances are reported as a reservation of fund balance at year-end.

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.

Cash Management. Cash temporarily idle during the year was invested in demand deposits, certificates of deposit and obligations of the U.S. Treasury. The average yield on investments was 1.3%. The School Board earned interest revenue of \$1,081,499 on investments in all funds, including Internal Service Funds, for the year ended June 30, 2004.

The objective of the School Board's investment policy is to minimize credit and market risks while maintaining a competitive yield on its portfolio. Accordingly, all deposits were either insured by federal depository insurance or collateralized. All collateral on deposits was held by a third

party financial institution in the School Board's name.

Risk Management. The School Board created a Worker's Compensation fund in 1987 and a Safety and Worker's Compensation Department during 1988. Funds are being accumulated in the Worker's Compensation Fund to offset potential claims. In addition, various risk control techniques, including quarterly employee safety meetings, have been implemented in an attempt to minimize accident-related losses. In September, 1989, the Board authorized the development of a comprehensive risk management program to be directed by a risk manager. This addition continues to provide for identification and elimination of risks in several areas.

The School Board also carried various other forms of insurance with details regarding coverage, deductibles and premiums enumerated in Table 16 of the statistical section of this report.

OTHER INFORMATION

Independent Audit. State statutes require an annual audit by independent certified public accountants. The auditing firm of Allen, Green & Williamson, LLP was selected by the School Board to perform the 2004 audit. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Single Audit Act of 1996, and related OMB Circular A-133. The independent auditors' report on the basic financial statements and combining and individual nonmajor fund statements and schedules is included in the financial section of this report. The auditors' reports related specifically to the single audit, internal controls, and compliance with applicable laws and regulations can be found in a separately issued Single Audit Report.

AWARDS

GOVERNMENT FINANCE OFFICERS ASSOCIATION

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Calcasieu Parish School Board for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2003. This was the 16th consecutive year that the government has achieved this prestigious award.

In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement Program requirements, and we are submitting it to GFOA to determine its eligibility for another certificate.

ASSOCIATION OF SCHOOL BUSINESS OFFICIALS

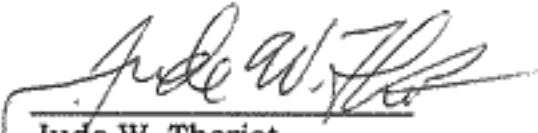
Calcasieu Parish School Board has also been awarded a Certificate of Excellence in Financial Reporting by the Association of School Business Officials (ASBO) stating that the School Board's Comprehensive Annual Financial Report for the fiscal year ended June 30, 2003, substantially conforms to the recommended principles and standards of financial reporting adopted by that organization. We believe that our current report continues to conform with the Certificate of Excellence Program requirements, and we are submitting it to ASBO to determine its eligibility for another certificate.

ACKNOWLEDGMENTS


The preparation of this comprehensive annual financial report was made possible by the dedicated service of the entire staff of the finance department. Each member of the department has our sincere appreciation for the contributions made in the preparation of this report.

In closing, without the leadership and support of the governing body of the School Board, preparation of this report would not have been possible.

Respectfully Submitted,



Jude W. Theriot
Superintendent



Karl E. Bruchhaus
Chief Financial Officer

(This page is intentionally blank)

**ASSOCIATION OF SCHOOL BUSINESS OFFICIALS
INTERNATIONAL**



This Certificate of Excellence in Financial Reporting is presented to

CALCASIEU PARISH SCHOOL SYSTEM

For its Comprehensive Annual Financial Report (CAFR)

For the Fiscal Year Ended June 30, 2003

Upon recommendation of the Association's Panel of Review which has judged the Report substantially conforms to principles and standards of ASBO's Certificate of Excellence Program

William F. Hall
President

Bonnie W. Keller
Executive Director

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Calcasieu Parish School System, Louisiana

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2003

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



President

Executive Director

CALCASIEU PARISH SCHOOL BOARD OFFICIALS

SUPERINTENDENT

Jude W. Theriot

SCHOOL BOARD MEMBERS

President

J. Pitre

Vice President

J. A. Andrepont

D. B. Bernard

J. Falgout

G. P Roberts

B. Breaux

F. L. Franklin

E. Stephens

C. F. Duhon

J. W. Karr

P. Tarver

J. L. Duhon

B. Larocque

R. L. Webb

S. A. Lavergne

Associate
Superintendent of
Curriculum & Instruction

Chief
Financial
Officer

Assistant Superintendent
of Personnel / Auxiliary
Services

Leo Miller, Jr.

Karl Bruchhaus

Wayne Savoy

Administrative Director
of High Schools

Administrative Director
of Middle Schools

Administrative Director
of Elementary Schools

William Jongbloed

Charlotte Gallemore

Dolores Hicks

Administrative Director of
Assessment / Research /
Special Services

Director of
Accounting
& Budget

Barbara Bankens

Dennis Bent

FINANCIAL REPORT

COMPREHENSIVE ANNUAL

FINANCIAL SECTION



ALLEN, GREEN & WILLIAMSON, LLP

CERTIFIED PUBLIC ACCOUNTANTS

P. O. Box 6075

Monroe, LA 71211-6075

2414 Ferrand Street

Monroe, LA 71201

Phone: (318) 388-4422

Fax: (318) 388-4664

Toll-free: (888) 741-0205

www.allengreencpa.com

Tim Green, CPA

Margie Williamson, CPA

Ernest L. Allen, CPA

(Retired)

1963 - 2000

INDEPENDENT AUDITORS' REPORT

Board Members
Calcasieu Parish School Board
Lake Charles, Louisiana

Financial Statements We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Calcasieu Parish School Board as of and for the year ended June 30, 2004, which collectively comprise the School Board's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the School Board's management. 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 of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the School Board as of June 30, 2004, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Government Auditing Standards In accordance with Government Auditing Standards, we have also issued under separate cover, our report dated December 13, 2004, 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 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

Required Supplemental Information The Management's Discussion and Analysis and the Budgetary Comparison Schedules are not a required part of the basic financial statements but are supplemental information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplemental information. However, we did not audit the information and express no opinion on it.

Other Supplemental Information Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the School Boards basic financial statements. The accompanying information identified in the table of contents as other supplemental information is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Introductory and Statistical Sections The information identified in the table of contents as the Introductory and Statistical Sections are presented for purposes of additional analysis and are not a required part of the basic financial statements of the School Board. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on it.

Allen, Green + Williamson, LLP

ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana
December 13, 2004

FINANCIAL REPORT

COMPREHENSIVE ANNUAL

**REQUIRED
SUPPLEMENTAL
INFORMATION**

CALCASIEU PARISH SCHOOL BOARD
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2004

This section of the Calcasieu Parish School Board's (School Board) Comprehensive Annual Financial Report presents management's discussion and analysis of the School Board's overall financial position and operating results for the year ended June 30, 2004. Please read this analysis in conjunction with the Transmittal letter at the front of this report and the School Board's financial statements, which follow. All amounts, unless otherwise indicated, are expressed in thousands of dollars.

The Management's Discussion and Analysis (MD&A) is an element of the new reporting model adopted by the Governmental Accounting Standards Board (GASB) in their Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments* issued in June, 1999. This is the third year that the School Board has prepared its annual financial report using the new reporting model, which is a combination of both government-wide and individual fund financial statements. The basic financial statements include the following components:

- 1.) Government-wide financial statements consist of a statement of net assets and a statement of activities. These statements are prepared on an accrual basis of accounting similar to methods used in the private sector. These statements distinguish between the governmental and business-type activities of the School Board.
- 2.) Fund financial statements present information for major governmental and enterprise funds rather than by fund type. Non-major funds are aggregated in one column.
- 3.) Notes to The Financial Statements provide additional information that is essential to the user's understanding of the basic financial statements. While notes are an integral part of the statements, they contain information that is not part of the financial statements.

FINANCIAL HIGHLIGHTS

Our financial statements provide these insights into the results of this year's operations:

-The assets of the Calcasieu Parish School Board exceeded its liabilities at the close of the 2004 fiscal year by \$33.6 million (net assets) compared to \$25.7 million at the close of fiscal year 2003. The unrestricted portion of net assets, \$8.2 million, may be used to meet the School Board's future costs of operations.

-During the year, the School Board's expenses were \$7.8 million less than the \$249.7 million generated in taxes and other revenues for governmental programs yielding a positive impact on net assets of the district of \$7.9 million after transfers and special items.

-In the School Board's business-type activities (extended day-care program), total collections were \$1.09 million compared to expenses and transfers out of \$1.09 million.

-The total cost of the School Board's programs for the year was \$241.9 million. After subtracting the portion of these costs paid for with charges, fees, interest earnings and other state and local miscellaneous revenues, the local taxpayers were left with the responsibility for funding \$108.8 million and the State Minimum Foundation Program funded \$102.7 million.

-The fund balance of the School Board's General Fund increased by a current operating surplus of \$3.57 million in 2003-04 to a total of \$26.5 million. This fund balance represents 13.7% of the fiscal year 2004 General Fund expenditures and other uses or approximately 58 days of expenditures compared to 12.4% and 45 days for 2003. \$6,736,369 of the fund balance is reserved or designated for specific purposes as more fully explained in the notes to the financial statements.

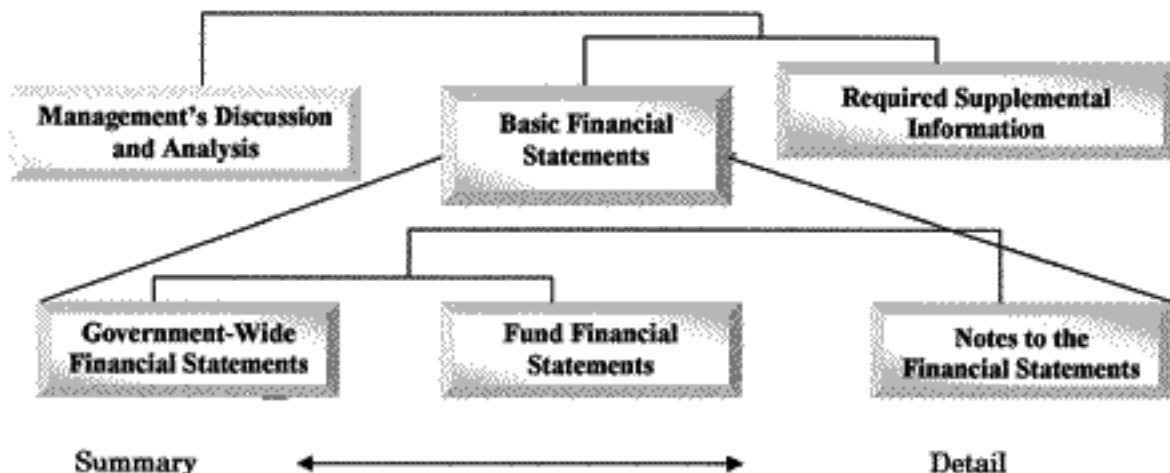
-General fund budgeted revenues exceeded actual figures by \$2.7 million with greater than expected property taxes, and sales tax revenues. Expenditures in the General Fund also ended with a positive budget variance of \$1.45 million, mostly because of conservative spending practices by department heads in equipment and supply line items, and money unspent in benefit categories.

OVERVIEW OF THE FINANCIAL STATEMENTS

The presentation format created by the implementation of the GASB 34 reporting model creates a financial section with five parts: the independent auditor's report issued by Allen, Green & Williamson, LLP, management's discussion and analysis (this section), basic financial statements, required supplemental information, and other supplemental information.

Figure A-1 below, shows how the various parts of the basic financial statements are arranged and relate to each other.

Figure A-1 Arrangement of Basic Financial Statements of Calcasieu Parish School Board:



• **Government-Wide Financial Statements:**

One of the more notable features of the new reporting model is the requirement for government-wide financial statements to include the following presentation objectives:

- Provide broad overview of finances as a whole and use accrual basis of accounting taking in all current year revenues and expenditures regardless of when received or paid, more like the private sector.
- Indicate both long-term and short-term information about overall financial status
- All activities of the School Board are classified in the government-wide financial statements as either governmental, including such items as student instruction, food service, employee benefits, transportation, maintenance and debt service, or as business-type which includes the extended-day child care program.
- Report capitalization of capital assets including depreciation and balances of long-term debt and other obligations.

There are two government-wide financial statements presented in the School Board's annual financial report.

-Statement of Net Assets - useful indicator of School Board's financial health or position at year end.

- Closely related to a balance sheet.
- Shows assets (what the School Board owns).
- Shows liabilities (what the School Board owes).
- Net assets - difference between revenues and expenditures accumulated over the current year and all past years combined.

-Statement of Activities - useful indicator of School Board's change in financial health or position over current fiscal year.

- Closely related to an income statement.
- Shows changes in current year net assets only.
- Shows net cost information for each major program or activity.
- Includes all current year revenues and expenses no matter when paid or received.

• **Fund Financial Statements:**

A fund is a group of related accounts used to keep track of specific sources of funding and spending on particular programs. Some funds are required by laws or accounting guidelines while others are used strictly to segregate and manage money for specific purposes. All of the funds of the School Board can be divided into three categories:

■ **Governmental Funds** - Most of the School Board's basic services are included in governmental funds. The current reporting model requires the presentation of information on each of the School Board's most important governmental funds or major funds to better track the significant governmental programs or dedicated revenue. The School Board's major funds include the General Fund and the Sulphur Capital Projects Fund with all other funds considered non-major and displayed collectively.

Governmental funds display the following characteristics:

- Modified accrual basis of accounting – revenues, expenditures and net assets recorded when measurable and available.
- Focus on near-term use and availability of spendable resources to help determine immediate financial needs.
- Account for nearly the same governmental activities reported in government-wide financial statements. A reconciliation of the two components and their relationship is shown on pages 27 and 30 of the financial statements.

■ **Proprietary Funds** – Services for which the School Board charges a fee are generally reported as proprietary funds. The School Board has two types of proprietary funds which are combined into statements beginning on page 31.

- **Enterprise Fund** – The School Board accounts for its extended child care program operated at a number of schools as an Enterprise Fund. The program provides before and after-school child care for which an external fee is charged. All expenses relative to the operation of the program are reported in this fund with 75% of all net proceeds distributed to schools and 25% of the net proceeds retained by the School Board.
- **Internal Service Funds** – The School Board has two internal service funds which accumulate and allocate costs internally among the School Board's various functions.
 - **Employees Health/Life** - The largest of the funds accounts for employee/retiree group health and life insurance programs and is financed through a combination of premiums paid by the School Board and individual employees/retirees.
 - **Worker's Compensation** - The other internal service fund accounts for the School Board's self-insured portion of the employee worker's compensation program. The program handles claims incurred by employees injured under the worker's compensation program which is financed entirely from premium contributions from the other funds.

■ **Fiduciary Funds** – The School Board is the trustee, or fiduciary, for assets that belong to others. All of the School Board's fiduciary activities including student activities funds, the sales tax collection fund, and the sales tax paid under protest fund are reported in a separate Statement of Fiduciary Assets and Liabilities on page 34. These funds are not available to the School Board to finance its operations and are not included in the government-wide financial statements.

■ **Notes to the Basic Financial Statements:**

- Provide essential additional information beginning on page 35.
- Integral part of statements – not an appendage to them.

■Supplemental Information - The new reporting model requires the presentation of certain supplemental information which includes Management's Discussion and Analysis and other useful information. The other useful required supplemental information beginning on page 63 provides a comparison of the original adopted budget to the final amended budget of one of the School Board's major funds (General Fund), which is then further compared to the actual operating results for the fiscal year. The comparison of this data allows users to assess management's ability to project and plan for its operations throughout the year. Following the required supplemental information, combining statements and budgetary information are presented for all non-major funds, combining statements for internal service funds and other information.

ANALYSIS OF THE SCHOOL BOARD'S OVERALL FINANCIAL POSITION

Net Assets - The School Board's assets exceeded liabilities by \$33.6 million at June 30, 2004 compared to \$25.7 million at the end of fiscal year 2003. As indicated earlier, net assets may serve over time as a useful indicator of a government's financial position. Refer to Table 1 when reading the following analysis of net assets.

- Of the School Board's total assets, 60.7 percent or \$178.1 million reflects the School Board's investment in capital assets (e.g., land, buildings & improvements, furniture and equipment, vehicles and construction in progress), less accumulated depreciation. The comparable numbers for 2003 were 52.5 percent or \$142.3 million. Since these capital assets are used in governmental activities, this portion of net assets is not available for future spending or funding of operations.
- Net assets invested in capital assets, net of related debt represent 23.2 percent or \$7.8 million of total net assets. The amount of completed construction and construction in progress in the school district helped to increase this portion of net assets by \$2.3 million from the \$5.5 million at the end of fiscal year 2003.
- Restricted net assets account for 52.4 percent or \$17.6 million of total net assets compared to 56.4 percent or \$14.5 million for 2003. Restricted net assets are reported separately to show the external legal constraints from debt covenants and enabling legislation that limit the School Board's ability to use those net assets for day-to-day operations.
- The remaining balance of unrestricted net assets of \$8.2 million may be used at the School Board's discretion to meet ongoing obligations to citizens and creditors and for future operations. Unrestricted net assets increased by \$2.5 million from the \$5.7 million reported in 2003.

**Table I: Summary of Net Assets
As of June 30
(In Millions)**

	Governmental Activities		Difference	% Difference	Business - Type Activities		Difference	% Difference
	2004	2003			2004	2003		
Current and Other Assets	\$115.5	\$128.7	\$-13.2	-10.3%	\$.2	\$.2	\$.0	0%
Capital Assets	178.1	142.3	35.8	25.2	:	:	:	:
Total Assets	293.6	271.0	22.6	8.3	.2	.2	.0	0%
Current and Other Liabilities	51.3	48.8	2.5	5.1	.2	.2	.0	0%
Long-term Liabilities	208.7	196.5	12.2	6.2	:	:	:	:
Total Liabilities	260.0	245.3	14.7	6.0	.2	.2	.0	0%
Net Assets:								
Invested In Capital Assets, Net of Related Debt	7.8	5.5	2.3	41.8
Restricted	17.6	14.5	3.1	21.4
Unrestricted	8.2	5.7	2.5	43.9	:	:	:	:
Total Net Assets	\$33.6	\$25.7	\$7.9	30.7%	\$.	\$.	\$.	-%

At the end of the current fiscal year, the School Board is able to report positive balances in all three categories of net assets: Invested in Capital Assets, Net of Related Debt, Restricted, and Unrestricted.

The School Board's improved financial position is the product of many factors. But most significantly, this is the result of increases in local property taxes, additional state funding received for instructional spending and teacher raises, and the improvement in capital assets from the funding of capital projects.

The results of this fiscal year's operations as a whole are reported in detail in the Statement of Activities on pages 22 and 23. Table 2 below condenses the results of operations for the fiscal year into a format where the reader can easily see the total revenues of the School Board for the year. It also shows the impact the operations had on changes in net assets as of June 30, 2004.

**Table 2:
Summary of Changes In Net Assets From Operating Results
Years Ended June 30
(In Millions)**

	Governmental Activities		Difference	% Difference	Business - Type Activities		Difference	% Difference
	2004	2003			2004	2003		
REVENUES								
Program Revenues:								
Charges for services	\$3.3	\$2.1	\$1.2	57.1%	1.1	\$1.1	-	-
Operating grants and contributions	31.4	31.4	-	-				
General Revenues:								
Local property taxes	39.3	37.9	1.4	3.7				
Local sales taxes	66.1	62.6	3.5	5.6				
State equalization	102.7	94.2	8.5	9.0				
Other	6.9	4.3	2.6	60.5				
Total Revenues	249.7	232.5	17.2	7.4	1.1	1.1	-	-
EXPENSES								
Regular instruction	83.0	80.1	2.9	3.6				
Special education instruction	27.6	26.9	.7	2.6				
Other instructional programs	17.3	16.8	.5	3.0				
Pupil support	12.1	13.2	-1.1	-8.3				
Instructional staff	13.2	10.6	2.6	24.5				
General administration	7.2	5.2	2.0	38.5				
School administration	11.3	10.9	.4	3.7				
Business services	2.3	2.4	-.1	-4.2				
Plant services	24.6	21.1	3.5	16.6				
Student transportation	9.6	8.3	1.3	15.7				
Food service	13.3	12.5	.8	6.4				
Interest expense	10.9	11.8	-.9	-7.6				
Unallocated depreciation	5.1	2.9	2.2	75.9				
Other	4.4	3.2	1.2	37.5	1.0	1.0	-	-
Total Expenses	241.9	235.9	16.0	7.1	1.0	1.0	-	-
Excess (Deficiency) before transfers and special items	7.8	6.6	1.2	18.2	.1	.1	-	-
Transfers & special items	.1	.1	-	-	-.1	-.1	-	-
Increase in net assets	7.9	6.7	1.2	17.9	-	-	-	-
Net Assets - Beginning	25.7	19.0	6.7	35.3	-	-	-	-
Net Assets-Ending	\$33.6	\$25.7	\$7.9	30.7	-	-	-	-

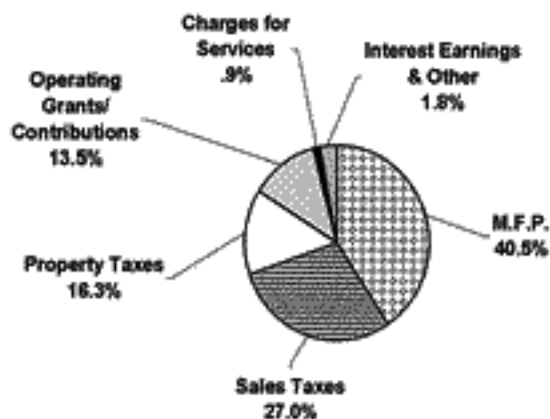
Changes in Net Assets - The School Board's net assets increased by \$8.4 million during the current fiscal year. Again, this is mainly attributed to:

- Increases in property tax revenues because of an increase in parish wide assessed valuations.
- Increases in sales taxes because of a growing local retail economy.
- Increase in state M.F.P. funds because of state-raises given and increased funding on a cost per pupil basis.
- Improvements in capital assets (buildings) from taxpayer funded capital projects.

Governmental Activities. As shown in Table 2, the cost of services rendered from the School Board's governmental activities for the year ended June 30, 2004 was \$241.9 million compared to \$225.9 million in 2003. It is important to note the \$249.7 million in revenues received exceeded what was needed to provide for the cost of services. However, not all of these costs were borne by the taxpayers of Calcasieu Parish:

- Some of the cost, \$3.3 million, was paid by users who benefited from services provided during the year, such as school lunches, summer school, and drivers' education instruction. The cost compares to \$2.1 million for the same period in 2003.
- State and federal governments subsidized certain programs with grants and contributions totaling \$31.4 million, no change from 2003.
- Other general revenue sources, such as interest earnings, state revenue sharing, etc. provided for \$6.9 million in revenues, a \$2.6 increase from 2003.
- Most of the School Board's costs (\$208.1 million) were financed by district and state taxpayers. This portion of governmental activities was financed with \$39.3 million in property taxes, \$66.1 million in sales taxes, and \$102.7 million in unrestricted state aid through the M.F.P, compared to 2003 figures of \$37.9 million in property taxes, \$62.6 million in sales taxes and \$94.2 million in M.F.P. revenues.

Sources of Calcasieu Parish School Board Revenues
For Fiscal Year 2003



Sources of Calcasieu Parish School Board Revenues
For Fiscal Year 2004

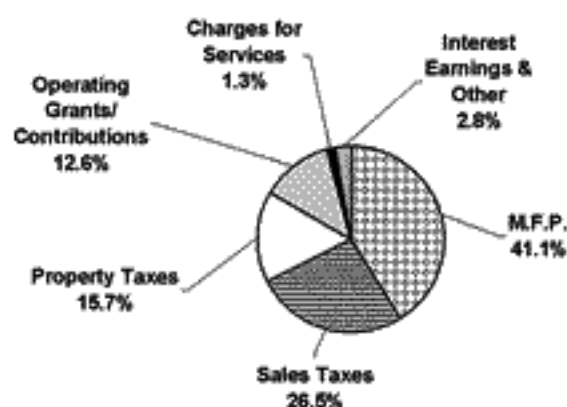


Table 3 is a condensed statement taken from the *Statement of Activities* on page 22, showing the total cost for providing identified services for seven major School Board activities. Total cost of services is compared to the net cost of providing these services. The net cost of services is the remaining cost of services after subtracting operating grants and charges for services that the School Board used to offset the program's total cost. In other words, the net cost shows the financial burden that was placed on all taxpayers for each of these activities. This information allows citizens to consider the cost of each program in comparison to the benefits they believe are provided.

TABLE 3: NET COST OF GOVERNMENTAL ACTIVITIES
Years Ended June 30
(In Millions)

	Total Cost of Services				Net Cost of Services			
	2004	2003	Differ- ence	% Differ- ence	2004	2003	Differ- ence	% Differ- ence
Regular instruction	\$83.0	\$80.1	\$2.9	3.6%	\$82.2	\$78.1	\$4.1	5.2%
Special education instruction	27.6	26.9	.7	2.6	27.4	26.2	1.2	4.6
Other instructional programs	17.3	16.8	.5	3.0	5.1	5.8	-.7	-12.1
Student Services	12.1	13.2	-1.1	-8.3	8.3	8.7	-.4	-4.6
Instructional Staff	13.2	10.6	2.6	24.5	7.6	7.6	-	-
School administration	11.3	10.9	.4	3.7	11.2	10.7	.5	4.7
Plant services	24.6	21.1	3.5	16.6	24.4	20.7	3.7	17.9
Food service	13.3	12.5	.8	6.4	3.2	2.7	.5	18.5
All other programs	39.5	33.8	5.7	16.9	37.8	32.0	5.6	18.1
TOTAL	\$241.9	\$225.9	\$16.0	7.1%	\$207.2	\$192.5	\$14.7	7.6%

PERFORMANCE OF SCHOOL BOARD FUNDS

As noted earlier, the School Board uses fund accounting to control and manage resources in order to ensure compliance with finance-related legal requirements. Using funds to account for resources for particular purposes helps the reader to determine whether the School Board is being accountable for the resources provided by taxpayers and other entities, and it may also help to provide more insight into the School Board's overall financial health. The following analysis of the School Board's funds should be read in reference to the *fund financial statements* which begin on page 25.

- **Governmental Funds.** The focus of the School Board's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the School Board's financial requirements. (The reader should note that the information

presented in the governmental *fund financial statements* differs from the information provided in the *government-wide financial statements*.) The relationship between the two sets of statements are reconciled in the financial statements on pages 27 and 30.

The strong financial performance of the School Board as a whole is reflected in its governmental funds as well. At the end of the fiscal year, the School Board's governmental funds reported combined ending fund balances of \$64.5 million compared to \$80.5 million for 2003.

- Approximately \$19.8 million of this amount constitutes unreserved fund balance of the General Fund which is available as of the end of the fiscal year for spending on future operations.
- The Special Revenue Funds have an unreserved fund balance of \$1.54 million with \$.85 million belonging to the School Food Service fund and \$.69 million belonging to TANF programs.
- The debt service funds ended the year with a reserved balance of \$16.63 million, an increase of \$2.08 million over the year due to the increase in financing requirements needed to meet future debt payments.
- Capital projects funds record unreserved fund balance of (\$8.9) million, with the majority of the fund balance, \$28.5 million, reserved for pending projects. The negative unreserved fund balance in the capital projects funds will be absorbed by the sale of additional bonds in District 33 and District 34 over the next several months.

The general fund is the primary operating fund of the School Board with revenues of \$193.2 million for 2004, an increase of \$11.8 million or 6.5% over 2003. The various general fund sources of revenue are detailed below in Table 4.

**TABLE 4: GENERAL FUND REVENUES
2003-2004
(Whole Dollars)**

	<u>Amount</u>	<u>Percent of Total (%)</u>	<u>Increase (Decrease) From 2003</u>	<u>Percentage Increase (Decrease) (%)</u>
Local Sources:				
Ad Valorem Taxes	\$ 18,133,337	9.4	\$ 663,274	3.8
Sales Taxes	64,298,649	33.3	3,616,320	6.0
Interest	455,555	0.2	(206,394)	-31.2
Other Local Revenues	<u>2,728,226</u>	<u>1.4</u>	<u>259,324</u>	10.5
Total Local Sources	85,615,767	44.3	4,332,524	5.3
State Sources:				
Equalization - (Minimum Foundation Program)	102,272,005	53.0	8,500,371	9.1
Other State Support	<u>5,277,535</u>	<u>2.7</u>	<u>(1,019,730)</u>	-16.2
Total State Sources	107,549,540	55.7	7,480,641	7.5
Federal Sources:				
Total Federal Sources	<u>61,492</u>	<u>0.0</u>	<u>9,388</u>	18.0
TOTAL REVENUES	\$ 193,226,799	100.0	\$11,822,553	6.5

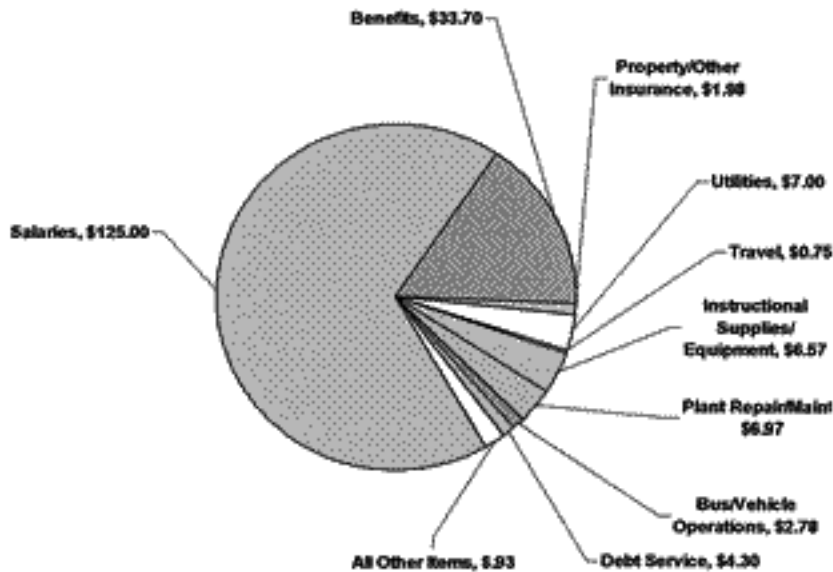
Major changes in local revenues included a 3.8% increase in ad valorem tax revenues as a result of increased taxable values of property, and a 6.0% increase in sales tax revenues, mostly in the areas of automobile sales, miscellaneous services, manufacturing and utilities.

State revenues increased by 7.5%, with Minimum Foundation Program funds going up 9.1% and other State support funding decreasing by 16.2%. Other State support includes grants and a support employee one-time salary supplement issued during the previous year.

Expenditures for the general fund totaled \$189.98 million for 2004. This represents an increase of \$7.3 million or 4.0% from 2003. Major general fund expenditure changes included funding raises and supplements as discussed earlier in the amount of \$1.23 million, increased health and retirement insurance costs in the amount of \$3.82 million, increased utility costs of \$.97 million, the purchase of new buses in the amount of \$.97 million, and refinancing of debt reflecting an increase of \$2.1 million.

Chart I below details expenditures for fiscal year 2004:

**CHART I
GENERAL FUND IN EXPENDITURES
IN MILLIONS (\$189.98)**



One of the School Board's special revenue funds, School Food Service, ran a deficit for the current year in the amount of \$.87 million after revenues and transfers in of \$12.18 million and expenditures of \$13.05 million. Total Special Revenue Fund reserves and other financing sources were \$32.05 million compared to expenditures and other financing uses of \$32.37 million.

The School Board maintains individual districts to account for debt administration and capital outlay.

On June 30, 2004, the School Board had debt issues outstanding in all twelve of the individual districts in the parish. Four of twelve debt service funds incurred current operating deficits totaling \$.41 million as fund balance on hand was intentionally used to pay current debt payments. The total amount of debt outstanding was \$193,099,850 of which \$14,740,000 are sales tax revenue bonds issued from District No. 27, (Sales Tax District No. 3). Also included in the outstanding amount are revenue certificates issued in the amount of \$7,615,000, of which \$4,205,000 is to be paid with riverboat capital project funds and \$3,410,000 is to be paid with general funds. These revenue certificate issues are included in the Notes to the Financial Statements under Long-Term Debt in the table listing pertinent information on each outstanding issue.

The remaining debt items addressed pertain to the loans originated during 2000-2004 through the Louisiana Local Government Environmental Facilities and Community Development Authority (LCDA) for buses, maintenance vehicles, and a sales tax building.

There are currently twelve individual capital projects funds which have fund balances at June 30, 2004 of \$19.4 million. The ending fund balance, a decrease of \$21.4 million from the beginning fund balance of \$40.8 million, includes active bond district accounts, proceeds from riverboat programs, and the remaining cash available from the energy retrofit program and QZAB programs. Nine of twelve capital projects funds incurred current operating deficits because of bonds sold in an earlier or later fiscal year and proceeds spent in the current year. Capital projects are ongoing with funds expected to be spent over the next 24 months.

Overall, the School Board's governmental funds had more expenditures and other uses of funds than revenues and other sources of funds at the end of the fiscal year, thereby contributing to the \$16.1 million decrease in the total fund balance, all the result of capital projects.

- **Proprietary Funds.**

- **Enterprise Funds**

The Extended Day Child Care Program, the School Board's only enterprise fund had an increase of \$77 over the prior year's net assets. At year end, the fund had total unrestricted net assets of \$11,169.

- **Internal Service Funds**

As previously stated, the School Board maintains two internal service funds: one for the Employee's Health/Life Plan and another for the Workers' Compensation Program. These fund financial statements appear on pages 99-101. The net assets of these funds were \$3.39 million at the end of the year. This is an increase of \$.52 million over the prior year's net assets of \$2.87 million, which is due to additional contributions from the School Board in both the Employee's Health/Life Plan and the Worker's Compensation Program and from increased premiums charged to employees beginning May, 2002 for health insurance benefits.

Fiduciary Funds. The Fiduciary Fund or Agency-Type financial statements appear on pages 103-105. Only a *Combining Statement of Changes in Assets and Liabilities* is presented, as the School Board serves as the custodian of these funds which are held in school accounts, the sales tax collection account, and the sales taxes paid under protest account.

BUDGETARY HIGHLIGHTS OF MAJOR FUNDS

Over the course of the year, the School Board revised the annual operating budget three times. The School Board adopted its original budget in July, 2003 with the final revision in May, 2004. (Budgeting methods and practices are further discussed in the Notes to the Financial Statements on pages 46-47). For the purposes of this budgetary analysis, only the major fund of the school board (General Fund), with an adopted budget, is discussed in accordance with the new reporting model. While the Sulphur Capital Projects Fund is considered a major fund, no budgets are adopted for capital projects funds.

General Fund. The comparisons of the general fund original budget, the final amended budget, and the actual operating results are on pages 63 and 64. The differences between budgeted revenues and the actual revenues of the School Board were \$2.7 million. The final revenue budget exceeded the original revenue budget by \$10.26 million. Major changes between actual revenues and budget estimates are outlined below.

- Property taxes were greater than expected by \$.82 million because of the increased parish-wide assessed valuation for 2003 which was set after the original budget adoption and conservatively only revised upward to an estimated collection level of \$17.3 million, \$.2 million greater than the original budget.
- Sales taxes were very sporadic throughout the year with no established cyclical pattern and ended the year on a high note for a positive budget variance of \$1.7 million or 2.7%. The original budget was revised upward by \$1.0 million to a final budget figure of \$62.6 million.
- Interest revenues were \$.79 million below budget because of continuously declining earnings rates throughout the year. The budget was not revised during the year as rising rates were continually expected.
- Other local revenues exceeded budget by \$.96 million and included greater than expected indirect cost reimbursements, grant contributions, and e-rate reimbursements.
- While there was no variance between the final adopted budget and actual revenues for State equalization, the final budget reflected an increase of \$8.5 million from the original budget as the School Board received considerably more funding from the State.

The positive variance of \$1.45 million between budgeted and actual expenditures occurred after the original budget was increased during the year by \$11.72 million to \$191.4 million. Major changes in the various function budgets were mostly a result of increased salary and benefit costs associated with State raises, increased insurance costs, increased maintenance and utility costs, and increased supply and equipment costs.

- Total benefits had a net positive variance of \$2.05 million, mostly a result of \$.95 million in unspent health insurance and \$1.45 million in unspent retirement expenditures which are reflected across all function areas within the budgets that have salary and benefit expenditures, but mostly in regular instruction.
- Total salary variances were negative in the amount of \$1.04 million which aggregated from many individual salary line items, but mostly the result of the costs for substitute teachers and bus drivers.
- While utility costs exceeded budgets by \$.62 million, instructional materials, supplies and equipment budgets were greater than actual costs by \$.63 million.

The variance areas listed above were prevalent in major function categories with changes between the original and final budgets and between final budgets and actual results.

Instructional expenditures, the largest area of the budget, were less than the final budget by \$1.7 million. The final budget was greater than the original budget by \$4.8 million since most employee salaries and benefits are in this area.

Plant services expenditures exceeded the final budget by \$.7 million because of increased unanticipated utility costs and maintenance projects. During the year, the plant services budget items were increased by \$4.03 million to help cover the costs of increased expenditures.

Student transportation expenditures exceeded the final budget by \$.5 million because of rising fuel costs. The final student transportation budget exceeded the original budget by \$1.8 million to pay for additional bus purchases and rising fuel costs.

Expenditures in all other function areas were less than the final budget by \$.95 million. The final budget for all of these other areas was \$1.08 million greater than the original budget.

Overall, the final amended budget is reflective of the actual operating activity for the year, actual revenues were less than budgetary estimates, and actual expenditures were also less than budgetary estimates, resulting in an outcome that was better than expected.

CAPITAL ASSETS AND DEBT ADMINISTRATION

- **Capital Assets.** The School Board's investment in capital assets for its governmental activities at June 30, 2004, amounted to \$178.1 million, net of accumulated depreciation compared to \$142.3 million at June 30, 2003. The School Board's investment in capital assets includes land, buildings & improvements, furniture and equipment, vehicles and construction in progress as shown in *Table 5*.

TABLE 5: CAPITAL ASSETS (Net of Accumulated Depreciation)
June 30
(In Millions)

	<u>Governmental Activities</u>		<u>Total Change</u>	<u>Total Percentage Change (%)</u>
	2004	2003		
Land	\$4.8	\$4.8	\$ -	- %
Buildings & Improvements	130.3	68.6	61.7	89.9
Machinery & Equipment	14.2	15.7	-1.5	-9.6
Construction In Progress	28.8	53.2	-24.4	-45.9
TOTAL	\$178.1	\$142.3	\$35.8	25.2%

Net capital assets increased by \$35.8 million for the 2004 fiscal year. The School Board expended available resources to acquire \$47.1 million in capital asset additions during the year. These additions are reduced by the current year's depreciation expense of \$9.3 million and \$2.0 million in net capital assets taken out of service during the year. (Additional information on the School Board's capital assets is presented in Note III D that accompanies the financial statements.)

The additions to capital assets were primarily for the following:

- Several hundred new computers were purchased for use in instructional and administrative areas.
- Thirty-two new buses were purchased to continue the updating of the School Board fleet and new trucks were purchased for the maintenance department.
- Numerous capital projects were initiated throughout the system as funded by bond sales in the various School Board districts. Projects included new buildings, building renovations, new treatment plants, new heating/air conditioning systems, boilers and roofs. Other construction included parking lots, stadium improvements and playground equipment.

Major deletions included, the discarding of junked furniture, equipment, and vehicles, and the sale of surplus assets through required procedures, along with the completion of construction projects in progress.

- **Long-Term Debt.** At year-end, the School Board had \$208.7 million in general obligation bonds and other long-term debt outstanding. This is an increase of \$12.3 million or 6.3 percent in debt from the \$196.4 million at June 30, 2003, as shown in *Table 6* below.

TABLE 6: OUTSTANDING LONG-TERM DEBT
June 30
(In Millions)

	<u>Total School Board</u>		<u>Total Change</u>	<u>Total Percentage Change (%)</u>
	<u>2004</u>	<u>2003</u>		
General obligation bonds (financed with property taxes)	\$170.7	\$159.0	\$11.7	7.4%
Sales Tax Revenue Bonds	14.7	14.0	.7	5.0
Revenue Certificates	7.6	6.3	1.3	20.6
Sales Tax Investment Financing Agreement	2.4	2.5	(.1)	(4.0)
Compensated absences	9.7	9.4	.3	3.2
Accrued Workers' Compensation Liability	.3	.2	.1	50.0
Capital Leases	-	1.8	(1.8)	(100.0)
Other Debt	<u>3.3</u>	<u>3.2</u>	<u>.1</u>	3.1
TOTAL	208.7	\$196.4	\$12.3	6.3%

Long-term debt activity for the year consisted of the following:

- New bonds, exclusive of refunding bonds, were sold in Southeast Lake Charles (District 33-\$10.0 million) and Southwest Lake Charles (District 34-\$10.0 million).
- The School Board continued to pay down its General Obligation, Sales Tax, and Revenue Certificate debt in all districts, retiring a total of \$32.2 million in outstanding bonds and certificates during fiscal year 2004 through both ordinary principal payments and refinancings.
- Revenue certificates (\$2.0 million) were sold to refund outstanding capital leases on temporary classrooms used throughout the district.
- The liability for compensated absences increased primarily because of an increase in the average daily rate of pay for all employees resulting from both state and local raises given during the fiscal year.
- Several workers' compensation claims were reevaluated during the fiscal year resulting in an increase in the liability accrued for workers' compensation.
- Other debt increased primarily because of additional borrowing for buses.

The general obligation bonds for the two districts with bonded debt sold during the 2004 fiscal year are rated as follows by Standard & Poors:

Southeast Lake Charles	District 33	\$10.0 million	A- Rating
Southwest Lake Charles	District 34	\$10.0 million	A- Rating

The issues refinanced during 2003-2004 are listed in detail on page 54 in the Notes to the Financial Statements.

Other more detailed information on long-term debt can be found on page 51-55 of the Notes to the Financial Statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The following are currently known Calcasieu Parish economic factors considered in going into 2004-2005 fiscal year.

- Unemployment rates for Calcasieu Parish have been consistently in the 6% to 7% range for the last several years but have recently improved with the improvement in the local economy. The 4.4% rate for the month ending September, 2004 is considerably better than the State rate of 5.0%.
- The population of Calcasieu Parish grew by 9.2% from 1990-2000 with the 2000 census totaling 183,577 parishwide.
- The land area of Calcasieu Parish at 1,094.5 square miles continues to provide challenges for government service providers including education transportation services.
- The aerospace industry may continue to provide new jobs through EADS Aeroframe and several Calcasieu Parish chemical companies appear poised for construction growth over the next two years. New construction at Pinnacle Casino will also help to supplement employment in the area.
- The property tax base in Calcasieu Parish has grown from a taxable value of \$852 million in 2002 to \$883 million in 2003, a 3.6% increase. The \$883 million valuation was used to project 2004 property tax revenues.
- Sales tax revenue increased by \$3.4 million or 5.4% for 2003-2004 and has been steady, causing optimism for the budgeting of local revenues over the next six months.

At the time these financial statements were prepared and audited, the School Board was aware of the following circumstances that could significantly affect the School Board's financial health in the future:

- The proposed 2004-05 budget continues the use of a program-based strategy that requires that all expenditures be organized into functions and then programmatic components. This format closely aligns the budget with the coding required by the State of Louisiana in the Louisiana Accounting and Uniform Government Handbook. Staff members then took each program within each major function area and completed very detailed justification sheets for each requested line item to incorporate a form of zero-based budgeting. The 2004-05 budget adopted on July 20, 2004 reflected a projected increase in retirement costs of \$4.05 million as both major school employee retirement systems raised employer contribution rates for the year. Other major budget changes projected include \$.35 million for utility cost increases and \$.5 million in School Lunch support. The General Fund Budget for 2004-2005 contains revenues and other sources of \$192.0 million, and total expenditures and other uses of \$192.0 presenting a continued emphasis by the School Board on adopting a balanced budget.
- Health insurance claims and trend analysis for the School Board health insurance plan point to premium increases for the 2005 plan year that will be 7.5% to 10%. This will require additional School Board contributions of greater than \$2 million for next budget year according to the School Board's current premium structure.
- While low interest rates have provided great opportunities for the School Board to lock in long-term debt at very attractive rates, earnings on investments for all funds continue to be minimal.
- The School Board will likely complete its massive construction program ongoing since 1999 in nearly every area of the school system over the next twelve to fifteen months.

- The October 1, 2004 student count appears to reflect a possible increase of nearly 100 students, which could result in additional State funding through the Minimum Foundation Program for 2004-05 with official notification scheduled for February, 2005.

CONTACTING THE SCHOOL BOARD'S FINANCIAL MANAGEMENT

This financial report is designed to provide citizens, taxpayers, investors, and creditors with a general overview of the School Board's finances and to demonstrate the School Board's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact Mr. Karl E. Bruchhaus, Chief Financial Officer, Calcasieu Parish School Board, 1724 Kirkman Street, Lake Charles, Louisiana, 70601 or by calling (337)491-1649 during regular office hours, Monday through Friday, from 8:00 a.m. to 4:30 p.m., central standard time.

FINANCIAL REPORT

COMPREHENSIVE ANNUAL

BASIC FINANCIAL STATEMENTS: GOVERNMENT-WIDE FINANCIAL STATEMENTS (GWFS)

CALCASIEU PARISH SCHOOL BOARD

STATEMENT OF NET ASSETS

June 30, 2004

	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
ASSETS			
Cash and cash equivalents	\$ 84,975,548	\$ 379,218	\$ 85,354,766
Investments	6,143,611	-	6,143,611
Receivables	21,371,868	-	21,371,868
Internal balances	168,264	(168,264)	-
Inventory	930,656	-	930,656
Prepaid items	1,927,487	39	1,927,526
Capital assets:			
Land	4,801,590	-	4,801,590
Construction in progress	28,746,221	-	28,746,221
Depreciable, net of depreciation	144,551,216	-	144,551,216
Total Assets	\$ 293,616,461	\$ 210,993	\$ 293,827,454
LIABILITIES			
Accounts, salaries and other payables	\$ 39,867,427	\$ 199,824	\$ 40,067,251
Interfund payable	-	-	-
Deferred revenue	1,114,178	-	1,114,178
Interest payable	3,670,210	-	3,670,210
Claims payable	6,670,627	-	6,670,627
Long term liabilities			
Due within one year	13,153,705	-	13,153,705
Due in more than one year	195,569,879	-	195,569,879
Total Liabilities	260,046,026	199,824	260,245,850
NET ASSETS			
Invested in capital assets, net of related debt	7,776,215	-	7,776,215
Restricted for:			
School food service	1,305,263	-	1,305,263
TANF programs	688,760	-	688,760
Debt service	12,955,582	-	12,955,582
Sales tax salary enhancements	1,748,261	-	1,748,261
Erate funding	941,446	-	941,446
Unrestricted	8,154,908	11,169	8,166,077
Total Net Assets	\$ 33,570,435	\$ 11,169	\$ 33,581,604

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

CALCASIEU PARISH SCHOOL BOARD
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2004

	PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGES IN NET ASSETS
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	
FUNCTIONS/PROGRAMS				
<i>Governmental activities:</i>				
Instruction:				
Regular	\$ 82,961,541	\$ 285,673	\$ 500,227	\$ (82,175,641)
Special education	27,617,503	-	216,836	(27,400,667)
Vocational education	5,163,403	-	443,343	(4,720,060)
Other instructional	2,109,996	187,014	2,012,782	89,800
Special programs	9,420,582	-	8,935,197	(485,385)
Adult education	638,573	-	623,335	(15,238)
Support Service				
Student services	12,060,326	515	3,765,862	(8,293,949)
Instructional staff	13,237,348	14,703	5,599,641	(7,623,004)
General administration	7,178,125	698,051	49,163	(6,430,911)
School administration	11,305,973	236	74,312	(11,231,425)
Business services	2,246,124	-	630,188	(1,615,936)
Plant services	24,590,751	-	206,314	(24,384,437)
Student transportation	9,588,608	-	262,689	(9,325,919)
Central services	2,603,642	-	2,110	(2,601,532)
Food services	13,321,605	2,039,482	8,086,476	(3,195,647)
Other operations	36,660	-	-	(36,660)
Community services	122,662	78,771	-	(43,891)
Interest expense and fiscal charges	10,926,763	-	-	(10,926,763)
Gain (loss) on capital asset disposition	1,665,293	-	-	(1,665,293)
Unallocated depreciation (excludes direct depreciation expense)	5,137,704	-	-	(5,137,704)
Total Governmental Activities	241,933,182	3,304,445	31,408,475	(207,220,262)
<i>Business-type activities:</i>				
Extended day program	967,729	1,092,593	-	124,864
Totals	242,900,911	4,397,038	31,408,475	(207,095,398)

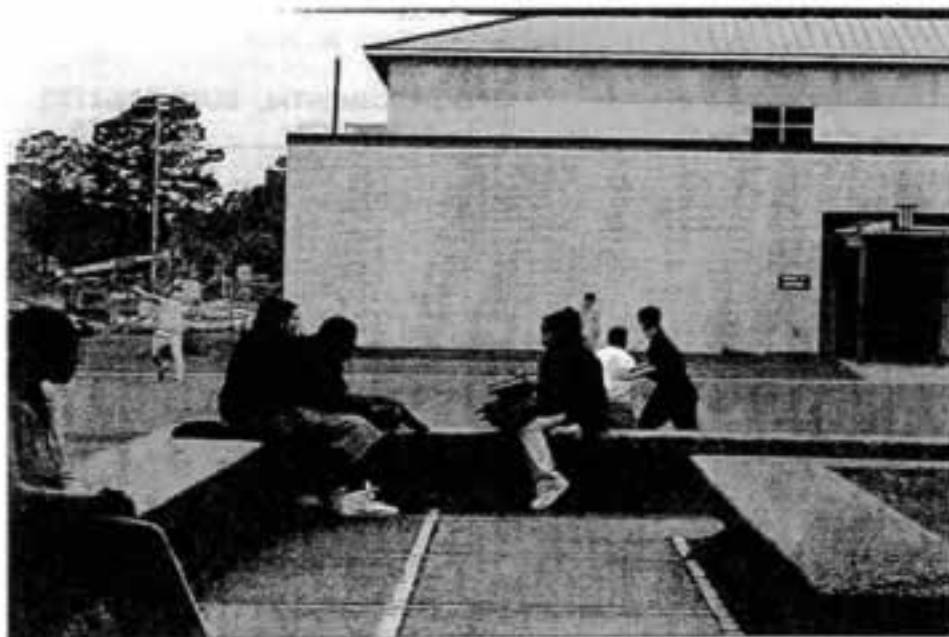
(continued)

**CALCASIEU PARISH SCHOOL BOARD
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2004**

	<u>GOVERNMENTAL ACTIVITIES</u>	<u>BUSINESS-TYPE ACTIVITIES</u>	<u>TOTAL</u>
Changes in net assets:			
Net (expense) revenue	(207,220,262)	124,884	(207,095,398)
General revenues:			
Taxes:			
Property taxes, levied for general purposes	18,218,584	-	18,218,584
Property taxes, levied for debt services	21,083,727	-	21,083,727
Sales taxes, levied for general purposes	48,146,995	-	48,146,995
Sales taxes, levied for salaries	16,151,654	-	16,151,654
Sales taxes, levied for debt service	1,749,392	-	1,749,392
State revenue sharing	980,785	-	980,785
Riverboat revenue taxes	2,423,170	-	2,423,170
Grants and contributions not restricted to specific programs			
Minimum Foundation Program	102,654,853	-	102,654,853
Erate	450,762	-	450,762
Medicaid	271,766	-	271,766
Earnings on investments	1,081,500	-	1,081,500
Miscellaneous	1,742,452	-	1,742,452
Total general revenues	<u>214,955,640</u>	<u>-</u>	<u>214,955,640</u>
Transfers in (out)	<u>124,787</u>	<u>(124,787)</u>	<u>-</u>
Changes in net assets	7,860,165	77	7,860,242
Net assets - beginning	<u>25,710,270</u>	<u>11,092</u>	<u>25,721,362</u>
Net assets - ending	<u>\$ 33,570,435</u>	<u>\$ 11,169</u>	<u>\$ 33,581,604</u>

(concluded)

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.



Barbe High School Students



Construction underway at A. M. Barbe High School

FINANCIAL REPORT

COMPREHENSIVE ANNUAL

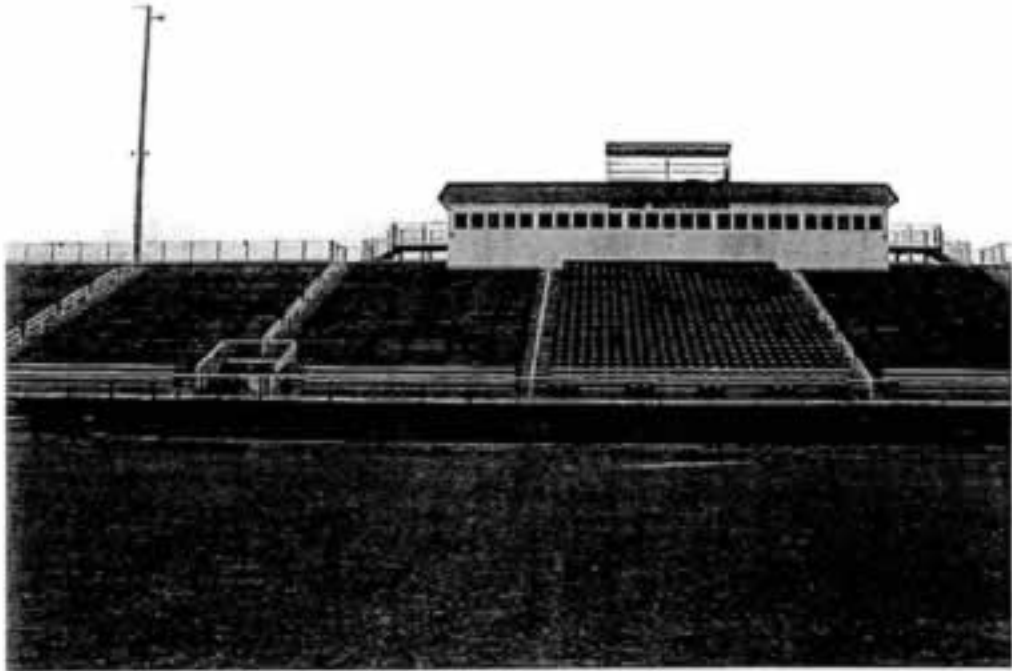
BASIC FINANCIAL STATEMENTS:

**FUND
FINANCIAL
STATEMENTS
(FFS)**

CALCASIEU PARISH SCHOOL BOARD
GOVERNMENTAL FUNDS
BALANCE SHEET
June 30, 2004

	GENERAL	SULPHUR CAPITAL PROJECTS	OTHER GOVERNMENTAL FUNDS	TOTAL
ASSETS				
Cash and cash equivalents	25,586,642	11,410,938	\$ 42,664,519	\$ 79,662,099
Investments	4,895,611	-	1,248,000	6,143,611
Receivables	8,431,386	-	7,494,661	15,926,047
Due from other funds	15,894,915	-	31,841	15,926,556
Inventory	474,338	-	456,318	930,656
Prepaid items	1,846,557	-	-	1,846,557
Total Assets	\$ 57,129,449	\$ 11,410,938	\$ 51,895,139	\$ 120,435,526
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts, salaries and other payables	\$ 29,992,719	\$ 982,610	\$ 8,251,644	\$ 39,226,973
Due to other funds	-	8,307,568	7,308,896	15,616,464
Deferred revenue	645,672	-	468,506	1,114,178
Total Liabilities	30,638,391	9,290,178	16,029,046	55,957,615
Fund Balances:				
Reserved:				
Encumbrances	548,953	1,175,257	27,282,208	29,006,418
Inventory	474,338	-	456,318	930,656
Prepaid items	1,524,615	-	-	1,524,615
Long term receivables	398,756	-	-	398,756
Erate funding	941,446	-	-	941,446
Sales tax salary enhancements	1,748,261	-	-	1,748,261
Debt service	-	-	16,625,792	16,625,792
Unreserved, reported in:				
General Fund				
Designated:				
Trust fund	1,000,000	-	-	1,000,000
Insurance deductible	100,000	-	-	100,000
Undesignated	19,754,689	-	-	19,754,689
Special revenue funds	-	-	1,537,705	1,537,705
Capital projects funds	-	945,503	(10,035,930)	(9,090,427)
Total Fund Balances	26,491,058	2,120,760	35,866,093	64,477,911
Total Liabilities and Fund Balances	\$ 57,129,449	\$ 11,410,938	\$ 51,895,139	\$ 120,435,526

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT



A. M. Barbe High School Football Stadium



Barbe High School students at lunch

Calcasieu Parish School Board
 Reconciliation of the Governmental Funds
 Balance Sheet to the Statement of Net Assets
 June 30, 2004

Total fund balances - governmental funds \$ 64,477,911

The cost of capital assets (land, buildings, furniture, equipment and vehicles) purchased or constructed is reported as an expenditure in governmental funds. The Statement of Net Assets includes those capital assets among the assets of the School Board as a whole. The cost of those capital 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	\$ 379,068,472	
Depreciation expense to date	<u>(200,969,445)</u>	
		178,099,027

Net assets (deficit) of the internal service fund are reported as a proprietary fund type in the fund financial statement but included as governmental activities in the government-wide financial statement less interfund receivables eliminated in the consolidation into the governmental activities. 3,387,291

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 Assets.

Balances at June 30, 2004 are:

Long-term liabilities	(5,622,793)	
Compensated absences payable	(9,722,572)	
Bonds payable	(193,099,850)	
Workers compensation payable	(278,369)	
Interest payable	<u>(3,670,210)</u>	
		<u>(212,393,794)</u>

Net Assets - Governmental Activities \$ 33,570,435

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

CALCASIEU PARISH SCHOOL BOARD
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2004

	GENERAL	SULPHUR CAPITAL PROJECTS	OTHER GOVERNMENTAL	TOTAL
REVENUES				
Local sources:				
Taxes:				
Ad valorem	\$ 18,133,337	\$ -	\$ 21,168,974	\$ 39,302,311
Sales and use	64,298,649	-	1,749,392	66,048,041
Earnings on investments	455,555	109,539	481,688	1,046,782
Food services	-	-	2,043,215	2,043,215
Other	2,728,226	4,120	2,603,268	5,335,614
State sources:				
Equalization	102,272,005	-	382,848	102,654,853
Other	5,277,535	-	-	5,277,535
Federal sources				
	61,492	-	27,863,999	27,925,491
Total Revenues	193,226,799	113,659	56,293,384	249,633,842
EXPENDITURES				
Current:				
Instruction:				
Regular programs	82,398,509	74,319	431,811	82,904,639
Special education	27,475,994	-	115,537	27,591,531
Vocational education	4,724,415	-	456,639	5,181,054
Other instructional	1,538,812	2,497	592,354	2,133,663
Special programs	1,159,049	-	8,536,681	9,695,730
Adult education	318,636	-	307,882	626,518
Support services:				
Student services	8,176,125	-	3,711,189	11,887,314
Instructional staff	8,802,642	10,986	4,464,253	13,277,881
General administration	3,554,345	-	1,059,857	4,614,202
School administration	11,208,872	28,352	66,697	11,303,921
Business services	1,712,881	-	633,787	2,346,668
Plant services	23,574,816	119,515	777,247	24,471,578
Student transportation	9,884,665	-	563,419	10,448,084
Central services	2,594,542	-	2,110	2,596,652
Food services	14,179	83,787	13,283,582	13,381,548
Other operations	31,399	-	-	31,399
Community service programs	121,762	-	-	121,762
Capital outlay	381,610	8,186,832	33,612,966	42,181,408
Debt service - principal	1,990,170	-	10,003,787	11,993,957
- interest and fiscal charges	321,325	-	10,475,094	10,796,419
Total Expenditures	189,984,748	8,506,288	89,094,892	287,585,928

(continued)

CALCASIEU PARISH SCHOOL BOARD
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2004

	<u>GENERAL</u>	<u>SULPHUR CAPITAL PROJECTS</u>	<u>OTHER GOVERNMENTAL</u>	<u>TOTAL</u>
Excess (Deficiency) of Revenues Over Expenditures	3,242,051	(8,392,629)	(32,801,508)	(37,952,086)
Other Financing Sources (Uses):				
Transfers in	124,787	-	3,144,983	3,269,770
Transfers (out)	(1,744,050)	-	(1,400,933)	(3,144,983)
Proceeds from loans or the sale of bond:	3,652,414	-	44,152,389	47,804,803
Debt service payment to escrow agent on refunded bonds	(1,988,234)	-	(24,327,269)	(26,315,503)
Proceeds from sale of assets	286,531	-	-	286,531
Total Other Financing Sources (Uses)	331,448	-	21,569,170	21,900,618
Net changes in fund balance	3,573,499	(8,392,629)	(11,232,338)	(16,051,468)
Fund Balance, Beginning of Year	22,917,559	10,513,389	47,098,431	80,529,379
Fund Balance, End of Year	<u>\$ 26,491,058</u>	<u>\$ 2,120,760</u>	<u>\$ 35,866,093</u>	<u>\$ 64,477,911</u> (concluded)

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

Calcasieu Parish School Board
 Reconciliation of the Governmental Funds
 Statement of Revenues, Expenditures and Changes in Fund Balance to the Statement of Activities
 For Year Ended June 30, 2004

Total net change in fund balances - governmental funds \$ (16,051,468)

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 in the period:

Capital outlays	\$ 47,055,783	
Depreciation expense	<u>(9,281,757)</u>	37,774,026

Repayment of bond principal and capital leases is an expenditure in governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets	12,023,377
--	------------

Refunding of outstanding debt is shown as an other use of resources in governmental fund activities. Refunding reduces the long-term liabilities in the Statement of Net Assets	23,736,939
---	------------

Debt proceeds are reported as financing sources in the governmental funds and thus contribute to the change in fund balance. In the statement of net assets, however, issuing debt increases long-term liabilities and does not affect the statement of activities.	(47,699,210)
---	--------------

Interest on long-term debt in the Statement of Activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the Statement of Activities, however, interest expense is recognized as the interest accrues, regardless of when it is due.	(130,344)
---	-----------

In the Statement of Activities, certain operating expenses - compensated absences (vacations/sick leave) and workers compensation- 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). This year, vacation and sick time earned exceeded the amounts used by \$326,548. Worker's compensation earned exceeded amounts actually paid by \$33,047.	(359,595)
--	-----------

The Statement of Activities reflects the effects of the disposition of capital assets during the year. The cost less the depreciation (net value) of the items disposed of during the year are not reflected in the fund balance.	(1,951,824)
---	-------------

All revenues, expenses and changes in fund net assets (deficits) of the internal service fund are reported as proprietary fund type in the financial statement but included as governmental activities in the government-wide financial statement.	<u>518,264</u>
--	----------------

Change in net assets of governmental activities	<u>\$ 7,860,165</u>
---	---------------------

CALCASIEU PARISH SCHOOL BOARD
 PROPRIETARY FUNDS
 STATEMENT OF NET ASSETS
 JUNE 30, 2004

Statement G

	<u>EXTENDED DAY PROGRAM</u>	<u>INTERNAL SERVICE FUNDS</u>
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 379,218	\$ 5,313,448
Accounts receivable	-	5,414,180
Prepaid items	39	80,931
Total assets	\$ 379,257	\$ 10,808,559
LIABILITIES		
Current liabilities:		
Accounts, salaries and other payables	\$ 199,824	\$ 640,454
Due to other funds	168,264	110,187
Incurred but not reported claims		6,670,627
Total current liabilities	368,088	7,421,268
NET ASSETS		
Unrestricted	11,169	3,387,291
TOTAL LIABILITIES AND NET ASSETS		
	\$ 379,257	\$ 10,808,559

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

CALCASIEU PARISH SCHOOL BOARD
 PROPRIETARY FUNDS
 STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS
 FOR THE YEAR ENDED JUNE 30, 2004

	<u>EXTENDED DAY PROGRAM</u>	<u>INTERNAL SERVICE FUNDS</u>
OPERATING REVENUES		
Charges for services	\$ 1,092,593	\$ -
Premiums	-	29,752,046
Total operating revenues	1,092,593	29,752,046
OPERATING EXPENSES		
Enterprise operation expenses	967,729	-
Administrative expenses	-	1,514,589
Premium payments	-	2,933,694
Benefit payments	-	24,820,216
Total Operating Expenses	967,729	29,268,499
Operating Income (Loss)	124,864	483,547
NONOPERATING REVENUES		
Interest income	-	34,717
Income before transfers	124,864	518,264
Transfers in (out)	(124,787)	-
Change in net assets	77	518,264
Total Net Assets, Beginning of Year	11,092	2,869,027
Total Net Assets, End of Year	<u>\$ 11,169</u>	<u>\$ 3,387,291</u>

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

CALCASIEU PARISH SCHOOL BOARD
 PROPRIETARY FUNDS
 STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED JUNE 30, 2004

Statement I

	BUSINESS TYPE	GOVERNMENTAL ACTIVITIES
	EXTENDED DAY PROGRAM	INTERNAL SERVICE FUNDS
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from charges to users	\$ 1,092,593	\$ 28,976,556
Cash received for premiums	-	28,976,556
Cash paid for benefits	(52,870)	(24,229,385)
Cash paid for excess insurance	-	(2,939,084)
Cash paid to employees	(417,392)	(615,941)
Cash paid to suppliers	(330,251)	(573,350)
	<u>292,080</u>	<u>618,796</u>
Net Cash Provided (Used) By Operating Activities		
CASH FLOWS USED IN NONCAPITAL FINANCING ACTIVITIES		
Transfers to other funds	(124,787)	-
	<u>(124,787)</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Earning on invested proceeds	-	34,718
	<u>-</u>	<u>34,718</u>
Net Increase (Decrease) in Cash	167,293	653,514
Cash and cash equivalents, Beginning of Year	211,925	4,659,934
	<u>211,925</u>	<u>4,659,934</u>
Cash and cash equivalents, End of Year	\$ 379,218	\$ 5,313,448
	<u>\$ 379,218</u>	<u>\$ 5,313,448</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
Operating income (loss)	\$ 124,864	\$ 483,547
Change in assets and liabilities -		
(Increase) decrease in accounts receivable	-	(1,133,960)
(Increase) decrease in due from other governments	-	259,984
(Increase) decrease in due from other funds	-	208,693
(Increase) decrease in prepaid items	9,013	(7,310)
Increase (decrease) in accounts payable	(4,367)	174,984
Increase (decrease) in payroll deductions, withholdings and accrued salaries	(5,694)	18,733
Increase (decrease) in due to other funds	168,264	-
Increase (decrease) in incurred but not reported claims	-	614,145
	<u>167,216</u>	<u>135,249</u>
Total Adjustments	167,216	135,249
	<u>167,216</u>	<u>135,249</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	\$ 292,080	\$ 618,796
	<u>\$ 292,080</u>	<u>\$ 618,796</u>

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

CALCASIEU PARISH SCHOOL BOARD
FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY ASSETS
JUNE 30, 2004

Statement J

	<u>Agency Funds</u>
ASSETS	
Cash and cash equivalents	\$ 8,251,169
Total Assets	<u>\$ 8,251,169</u>
LIABILITIES	
Due to student and employee groups	\$ 4,352,173
Protested taxes payable	<u>3,898,996</u>
Total Liabilities	<u>\$ 8,251,169</u>

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

**CALCASIEU PARISH SCHOOL BOARD
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2004**

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Calcasieu Parish School Board (the Board) conform to accounting principles generally accepted in the United States as applicable to governmental units. The following is a summary of the more significant policies:

A. Reporting Entity

The Board is a legislative body authorized to govern the public education system for Calcasieu Parish, Louisiana. The Board, whose legal authority is vested in its political charter as a corporation (enacted in 1841), consists of fifteen members elected from legally established districts. Board members are elected by the public and have decision-making authority, the power to designate management, the ability to significantly influence operations and primary accountability for fiscal matters.

The Board's financial statements include all accounts of the Board's operations. The basic criterion for determining whether a governmental department, agency, institution, commission, public authority, or other governmental organization should be included in a primary governmental unit's reporting entity for general-purpose financial statements as a component unit is financial accountability. Financial accountability includes the ability of the primary government to impose its will on the organization or if there is a financial benefit/burden relationship. In addition, an organization that is fiscally dependent on the primary government should be included in its reporting entity. Based on these criteria, the Board has no component units.

The school system is composed of a central office, 58 schools, and 6 educational support facilities. Student enrollment as of October, 2003 was approximately 32,622 regular and special education students. The Board employs approximately 4,500 persons, providing instructional and ancillary support such as general administration, repair and maintenance, bus transportation, etc. The regular school term normally begins in late August and runs until late May.

B. Measurement Focus, Basis of Accounting and Basis of Presentation.

1. Government-wide Financial Statements (GWFS)

The Statement of Net Assets and the Statement of Activities displays information about the reporting government as a whole. Fiduciary funds are not included in the GWFS. Fiduciary funds are reported only in the Statement of Fiduciary Net Assets at the fund financial statement level.

The Statement of Net Assets and the Statement of Activities were prepared 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, expenses, gains, losses, assets, and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33 "Accounting and Financial Reporting for Nonexchange Transactions."

Internal Activities The workers' compensation and employee's health/life internal service funds provide services to the governmental funds. Accordingly, the internal service funds activities were rolled up into the governmental activities. Pursuant to GASB 34, as much as possible, the internal activities have been eliminated in order to avoid the "grossing-up" effect of a straight inclusion.

Program revenues Program revenues include 1) charges for services provided, 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 group health insurance premiums, cafeteria sales, and miscellaneous student fees. Operating grants and contributions consist of the many educational grants received from the federal and state government.

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 identified 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 are not allocated.

2. **Fund Financial Statements (FFS)**

The accounts of the Board are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures (or expenses) as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. Separate financial statements are provided for governmental funds, proprietary fund types and fiduciary funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

The government has the following fund types:

Governmental funds are those through which most governmental functions of the Board are financed. The acquisition and use of the Board's expendable financial resources and the related liabilities (except those accounted for in proprietary funds) are accounted for through governmental funds. The measurement focus is upon determination of changes in financial position, rather than upon net income determination.

The Board reports the following major governmental funds:

The *general fund* is the primary operating fund of the Board and receives most of the revenues derived by the Board from local sources (principally property and sales taxes) and state sources (principally equalization funding). General Fund expenditures represent the costs of general school system operations and include functional categories of instructional and support services. The General Fund is used to account for all financial resources and expenditures except those required to be accounted for in another fund.

Additionally, the Board reports the following governmental fund types:

The *special revenue funds* are used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specified purposes. These funds account for the revenues and expenditures related to Federal grant and entitlement programs for various educational objectives.

The *debt service fund* is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs. The *debt service fund* is divided into twelve bonding (taxing) districts. Each district has the authority to raise its own debt and the responsibility to meet the obligations of that debt. Ad valorem taxes are levied separately for each district.

The *capital projects fund* accounts for financial resources to be used for the acquisition, construction, equipping, and renovation of major capital facilities (other than capital outlays from the General Fund and Special Revenue Funds). The *capital projects fund* is divided into twelve bonding (taxing) districts. Each district may include a number of capital projects.

Proprietary Funds are used to account for the Board's ongoing activities that are similar to those often found in the private sector. The measurement focus is upon determination of net income. The following are the Board's proprietary fund types:

Enterprise – Extended Day Care Program – This fund is used to account for the operations of the after school child care program for which a fee is charged to external users for services to cover the cost of providing services.

Internal service - Insurance Funds - (Employees Health/Life and Worker's Compensation) - These funds are used to account for the accumulation of resources for and payment of benefits by the Board's programs. The Board is self-insured for group health insurance and worker's compensation. The Board carries stop loss coverage that limits the Board's maximum liability under the health insurance program. The other funds are charged premiums by the insurance funds. The accrued liabilities for estimated claims represents an estimate of eventual losses on claims arising prior to year-end including claims incurred and not yet reported.

Fiduciary funds are used to account for assets held by the Board in a trustee or agency capacity.

Agency funds are custodial in nature (assets equal liabilities) and do not present results of operations or have a measurement focus. Agency funds are accounted for using accrual basis of accounting. This fund is used to account for assets that the government holds for others in an agency capacity. The agency fund is as follows:

Student Activities Fund - The Student Activities Fund is used to account for those monies collected by pupils and school personnel for school and school related purposes.

Each school maintains accounts for its individual student body organizations. These accounts are under the supervision of the school principals, who are responsible for collecting, controlling, disbursing and accounting for all student activity funds, in accordance with the School Activity Funds Principles and Procedures manual.

Sales Tax Collection Fund – The School Board is responsible for administering the collections of sales tax in our parish. This fund is used to account for sales tax collections and distributions to the various taxing districts.

Sales Tax Paid Under Protest – This fund is used to account for monies deposited per Louisiana law as a result of disputed sales tax assessments. These deposits remain legally segregated until settled.

Measurement focus and basis of accounting - The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources

measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases and decreases in net current assets. All proprietary funds are accounted for on a flow of economic resources measurement focus. With this focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. Proprietary fund type operating statements present increases and decreases in net total assets.

The Governmental fund financial statements are maintained on the modified accrual basis of accounting. Revenues are recognized when they become both "measurable and available". "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The government considers all revenues available if they are collected within 60 days after year-end. Expenditures are recorded when the related fund liability is incurred, except for interest and principal payments on general long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

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.

With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present increases and decreases in net current assets. The governmental funds use the following practices in recording revenues and expenditures:

Revenues

Ad valorem taxes and sales taxes are susceptible to accrual.

Entitlements and shared revenues (which include state equalization and state revenue sharing) are recorded as unrestricted grants-in-aid at the time of receipt of earlier if the susceptible to accrual criteria are met. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met.

Other receipts become measurable and available when cash is received by the School Board and are recognized as revenue at that time.

Expenditures

Salaries are recorded as paid. Unpaid salaries for nine-month employees who are paid over twelve months are accrued at June 30. Substantially all other expenditures are

recognized when the related fund liability has been incurred.

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

Proprietary Funds Proprietary funds are accounted for on the flow of economic resources measurement focus and use the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time the liabilities are incurred. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. The school board has elected pursuant to GASB Statement No. 20, to apply all GASB pronouncements and only Financial Accounting Standards Board pronouncements issued before November 30, 1989.

Operating Revenues and Expenses Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services in connection with the fund's principal ongoing operations. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Fiduciary Funds The *agency fund* is custodial in nature and does not present results of operations or have a measurement focus. Agency funds are accounted for using the accrual basis of accounting.

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

C. Assets, Liabilities and Equity

1. Deposits and Investments

Cash balances of all funds are combined and invested. Interest earned on these investments is distributed to the individual funds on the basis of invested balances of the participating funds during the year. All highly liquid debt instruments with an original maturity of three months or less from date of purchase are considered cash equivalents. Amortization of premiums and discounts are recognized as incomes using the level yield method.

The Board has reported their investments, with a remaining maturity at time of purchase of one year or less, at amortized cost. Investments with maturity at time of purchase of greater than one year are presented at fair value at June 30, 2004. Fair value was determined by obtaining "quoted" year-end market prices.

As of June 30, 2004, the School Board has a portion of its assets in an investment portfolio managed by a professional investment manager. The investment manager complies with the requirements of the School Board Investment Policy. For the purposes of this disclosure this investment portfolio will be referred to as the Reliant Portfolio.

The Reliant Portfolio has a fair market value of approximately \$5,030,000 as of June 30, 2004. This amount represents approximately 80% of the School Board investments as of this date.

The overall market-weighted quality rating of the Reliant Portfolio on June 30, 2004 was an Aaa by Moody's Investor's Service which complies with the requirements of the School Board Investment Policy.

Custody of the Reliant Portfolio on June 30, 2004 was held in the name of the School Board by a third party independent custodian that is unrelated to the investment advisor.

The Reliant Portfolio had concentration of credit risk on June 30, 2004 due to the holdings of securities issued by the following U.S. Agencies that are both permitted by Statute and by the School Board Investment Policy. Approximately 47% of the Reliant Portfolio consisted of securities issued by the Federal Home Loan Bank and approximately 23% of the Reliant Portfolio consisted of securities issued by the Federal National Mortgage Association.

The Reliant Portfolio exhibited very low interest rate risk on June 30, 2004. The average maturity of the portfolio was well within the maturity restrictions imposed by the School Board Investment Policy. The policy permits a maximum average maturity of 1.5 years. The Reliant Portfolio had a weighted average maturity on June 30, 2004 of 0.8 years. The longest maturity of a security in the portfolio on June 30, 2004 was approximately 18 months which complied with the School Board Investment Policy. None of the securities held in the Reliant Portfolio were considered to be subject to their fair value to being highly sensitive to interest rate changes.

The Board is authorized by state statutes to open depositories in only those banks with branch offices in the state. State statutes also authorize the Board to invest in U. S. Bonds and Treasury Notes and other federally insured instruments. Investments in time certificates of deposit can be placed with Louisiana state banks or with national banks having their principal office in the state. See also Note III. A. for additional disclosures relating to cash and investments.

The School Board participates in the Louisiana Asset Management Pool, Inc. (LAMP) which is an external investment pool that is not SEC-registered. Because the LAMP is an arrangement sponsored by a type of governmental entity, it is exempt by statute from regulation by the SEC.

The investment objective of the LAMP is the preservation of capital and the maintenance of liquidity and, to the extent with such objective, current yield.

The LAMP was established as a cooperative endeavor to enable public entities of the state of Louisiana to aggregate funds for investment. This pooling is intended to improve administrative efficiency and increase investment yield. The Board of Directors of LAMP provides certain management and administrative services to LAMP and, through a competitive bidding process, selects a custodial bank and an investment advisor. The custodial bank holds the assets of LAMP and the investment advisor makes the investment decisions. Both the custodial bank and the investment advisor are subject to the review and oversight of LAMP.

An annual audit of LAMP is conducted by an independent certified public accountant. The Legislative Auditor of the state of Louisiana has full access to the records of the LAMP.

The LAMP may invest in U. S. Government Securities and is designed to comply with restriction on investments by municipalities, parishes, and other types of political subdivisions imposed under Louisiana Revised Statute 33:2955.

The LAMP seeks to maintain a stable net asset value of \$1.00 per unit, but there can be no assurance that the LAMP will be able to achieve this objective. The LAMP's portfolio securities are valued at fair value. The LAMP operates in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940, as amended, which governs money market funds (although the LAMP is not a money market fund and has no obligation to conform to this rule.) In addition, the LAMP will generally comply with other aspects of that rule, including the requirements that all portfolio securities acquired by the LAMP must have, at the time of purchase, a maximum remaining maturity of less than 60 days and meet certain additional quality standards and that the LAMP maintain a dollar-weighted average portfolio maturity of not more than 31 days.

The fair value of the position in the pool is the same as the value of the pool shares.

2. Due from Other Governments

Amounts due from other governments 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.

3. Inventories and Prepaid Items

Inventories are valued at cost using the first-in, first-out method of accounting. Inventory in the General Fund consists of expendable supplies and maintenance materials held for consumption. Using the consumption method of recording inventories, expenditures are accounted for as the inventory is used.

Inventories of the Food Service Special Revenue Fund consist of purchased and donated commodities, lunchroom materials and supplies. Such inventories are valued at cost with the exception of donated commodities that are valued at fair market value at the time of donation. Expenditures are recorded as the inventories are consumed. Unused commodity inventories at year-end are recorded as deferred revenues.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

4. Capital Assets

Capital Assets are recorded at historical cost or estimated historical cost and depreciated over their estimated useful life (excluding salvage value) which is based on past experience. The capitalization threshold is \$1,000. Donated capital assets are recorded at their estimated fair value at the date of donation. Straight-line depreciation is used based on the following estimated useful lives:

Buildings	20-45 years
Improvements	10-25 years
Furniture and equipment	5-15 years
Vehicles	5-8 years

5. Compensated Absences

a. *Vacation* - The majority of the Board's employees, teachers (9 month employees), earn no vacation. Eligible employees annually earn two to four weeks of vacation based on length of service. Vacation time must be used within one year of the date earned or it is lost. Upon termination or retirement, an employee receives any unused earned vacation for that year in the form of time served; no separate payment is made.

b. *Sick Leave* - Nine-month employees earn ten sick leave days two of which can be used for personal business. Other employees earn twelve sick leave days yearly. These days may be accumulated from one year to the next. On retirement, an employee receives payment for a maximum of 25 accumulated days and the balance is credited towards retirement per Louisiana Revised Statute 17:425.

c. *Sabbatical Leave* - Any employee with a teaching certificate is entitled to one semester of sabbatical leave after three years service or two semesters after six years service. No more than two semesters of sabbatical leave may be accumulated. Leave may be taken for medical purposes or professional and cultural improvement.

In the General Fund and Food Service Special Revenue Fund, a liability for compensated absences is recorded when expected to be paid with expendable, available financial resources. The General Fund liability amounted to \$724,789 and School Food Service Fund to \$12,116 at June 30, 2004, and includes a provision for salary related payments in accordance with the provisions of GASB Code Sec. C60.108.

The amount of accrued compensated absences and related benefits not expected to be paid within the next fiscal year from expendable, available financial resources is recorded in the government wide financial statements in the amount of \$9,722,572 at June 30, 2004.

6. Equity Classifications

Government-wide Financial Statements:

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

- a. Invested in capital assets, net of related debt – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced generally by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net assets – Consists of net assets 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.
- c. Unrestricted net assets – All other net assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

Fund Financial Statements:

Government fund equity is classified as fund balance. Fund balance is further classified as reserved and unreserved, with unreserved further split between designated and undesignated. Proprietary fund equity is classified the same as in the government-wide statements.

D. Revenues, Expenditures, and Expenses

1. Sales and Ad Valorem Taxes

4. Interfund Transfers

Permanent transfers of resources between funds of the reporting entity are classified as interfund transfers. For the purposes of the Statement of Activities, all interfund transfers between individual governmental funds have been eliminated.

II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgets and Budgetary Accounting

Title 17, Section 88 of the Louisiana Revised Statutes, as amended by Act 183 of 1981, requires that the Board adopt not later than September 15, a budget for the general fund and all special revenue funds of expected revenues and probable expenditures for the year, and that copies of the budget be submitted to the State Superintendent of Public Education for review and approval. The receipts in the budget must be those normally expected from constitutional, statutory, and regular sources and must not include probable receipts that may arise from doubtful or contingent sources. The statute provides that the revenues, expenditures and disbursements shall be listed and classified on such forms and in such manner and substance as prescribed by the State Superintendent, and shall detail as nearly as possible the several items of expected cost, expenditures and disbursements, the total of which shall not exceed the total of estimated funds available. No items of cost, expenditures and disbursement not included in the detailed estimates shall be paid by the treasurer, or ex officio treasurer, of the Board under the penalty that he or his surety or bondsman shall be personally liable for any items so paid and not included in the budgeted expenditures. If, during the course of the year, receipts from any unexpected or contingent sources are realized, the Board shall, before any such funds are allocated, committed, expended or disbursed, prepare and adopt an amended budget.

The Board follows these procedures in establishing the budgetary data recorded in the financial statements:

1. The Chief Financial Officer submits a proposed annual budget of expected revenues and expenditures for the General and Special Revenue Funds. The budgets are prepared under the modified accrual basis of accounting. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established by function within each fund. A public hearing is advertised and conducted to obtain public input. Upon Board approval, the budget is then sent to the State Department of Education for approval.
2. Management can transfer appropriations from one area to another in amounts not exceeding \$10,000 without prior Board approval. Management cannot add expenditures to the budget without Board approval. The Board approves all General Fund budget revisions. Revisions approved during the year increased the General Fund budgeted revenues and other sources by \$13.1 million primarily due to state funding increases, sales tax growth, and debt refinancing and issuance. Budgeted expenditures and other uses increased by \$13.9 million due to state and local salary increases and salary supplements, increased instructional supply

and equipment costs, greatly increased utility costs, and transactions associated with refinancing debt. It is the Board's policy that total expenditures not exceed revenues and fund balance. No legal restrictions, other than those mentioned previously, are placed on the General Fund budget.

3. Special Revenue Fund federal projects may not exceed budgeted amounts unless a budget revision is approved by the State Department of Education. School Food Service expenditures cannot exceed the total estimated funds available.

4. The Debt Service Fund is controlled by related bond ordinances. The Debt Service Fund is not budgeted on an annual basis; therefore, a budget to actual comparison is not presented for this fund.

5. The Capital Projects Fund is controlled on a project basis through the use of formal bidding. All projects remain programmed and funded until completed or until the board decides to eliminate the project. The Capital Projects Fund is not budgeted on an annual basis; therefore, a budget to actual comparison is not presented for this fund.

6. There are no legal requirements that budgets be adopted for the Enterprise or Internal Service Funds and no budgets are adopted or presented.

7. General Fund and Special Revenue Fund appropriations lapse at the end of the fiscal year.

B. Deficit Fund Equity

The Board maintains a *Worker's Compensation Internal Service Fund* that pays all workers' compensation benefits. Charging premiums to all funds that employ personnel finances the fund. At the end of the current year, the fund had a deficit fund equity of (\$72,666). Premium increases are expected to eliminate the deficit in a year.

The capital projects fund for Bell City has a deficit fund balance of (\$150,635). The deficit balance will be funded by property taxes assessed and due in 2005 and 2006. The School Board has authorized an interim general fund loan to cover the deficit balance until tax revenues are received.

III. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

In accordance with the Board's fiscal agency agreement, demand deposits are maintained with a local bank that is a member of the Federal Reserve System. Demand deposits of the Board are maintained under a banking agreement in which account balances are swept into an automatic overnight repurchase agreement utilizing United States Treasury and government agency securities.

The Board invests only in U. S. Treasuries, other obligations of the United States or its agencies, repurchase agreements and Certificates of Deposit. The Board also participates in the Louisiana Asset Management Pool, Inc. (LAMP), which is an external investment pool that is not SEC-registered. Because the LAMP is an arrangement sponsored by a type of governmental entity, it is exempt by statute from regulation by the SEC. (See also Note I.C.I for additional information.)

Deposits:

Governmental Accounting Standards Board (GASB) Statement 40 requires that all deposits be evaluated for potential credit risk, concentration of credit risk, interest rate risk and foreign currency risk. School Board policies require that all deposits and investments be governed by the following priority of goals: 1) Safety of Principal, 2) Liquidity, and 3) Yield. The policies also address credit risk, which is extremely low because of Louisiana laws governing allowable investments of public funds and their conservative nature.

Disclosures must now be made in all instances where deposits are: (a) uncollateralized, (b) collateralized with securities held by the pledging financial institution or, (c) collateralized with securities held by the pledging financial institution's trust department or agent but not in the depositor – government's name.

Although the School Board, at June 30, 2004, had deposits of \$40,430,218, none required disclosure pursuant to GASB Statement 40.

Investments:

School Board policy indicates that all investment objectives should reflect the primary mandate to manage public funds prudently. This process involves mitigating both credit and interest rate risk. The policy also clearly outlines, within Louisiana statutes, those investments that are allowable, and those that are not, by School Board investment representatives.

Investment disclosure requirements of GASB Statement 40 include investment securities that are uninsured, are not registered in the name of the government, and are held by either (a) the counterparty or (b) the counterparty's trust department or agent but not in the name of the School Board.

While the School Board did have cumulative investments at June 30, 2004, in the amount of \$42,165,717 none of the investments are types requiring disclosure pursuant to GASB Statement 40.

B. Reserves and Designations of Fund Balance (FFS Level Only)

Governmental Funds - Reserves in the governmental funds represent portions of fund balance which are not appropriable for expenditures or have been segregated for specific future uses, while designations of fund balance represent tentative plans for financial resource utilization in a future period.

C. Receivables

Receivables as of June 30, 2004 for the governmental funds are as follows:

	<u>General Fund</u>	<u>Other Nonmajor</u>	<u>Total</u>
Property Taxes	\$ 111,689	\$ 166,102	\$ 277,791
Sales Taxes	5,779,835	186,604	5,966,439
Interest	30,355	11,695	42,050
Installment Sale	398,756	-	398,756
Grants	1,666,665	6,995,929	8,662,594
Other	<u>444,086</u>	<u>165,972</u>	<u>610,058</u>
Totals	<u>\$8,431,386</u>	<u>\$7,526,302</u>	<u>\$15,957,688</u>

The School Board has sold two school sites on the installment sale method. The interest rate on these notes is 6%. As principal and interest are received, revenue is recognized. The balance of the notes is shown as non-current receivables and a reservation of fund balance.

No allowance for doubtful accounts has been established as the Board expects to collect the full balance.

D. Capital Assets

Changes in capital assets during fiscal year ended June 30, 2004 are as follows:

	<u>Balance July 1, 2003</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2004</u>
Governmental Activities:				
<u>Non-Depreciable:</u>				
Land	\$ 4,779,657	\$ 23,933	\$ (2,000)	\$ 4,801,590
Construction in Progress	<u>53,174,835</u>	<u>28,746,221</u>	<u>(53,174,835)</u>	<u>28,746,221</u>
Subtotal	<u>\$57,954,492</u>	<u>\$28,770,154</u>	<u>\$(53,176,835)</u>	<u>\$33,547,811</u>
<u>Depreciable:</u>				
Buildings & Improvements	\$233,865,960	\$ 66,802,791	\$ (108,967)	\$300,559,784
Machinery & Equipment	<u>46,140,801</u>	<u>4,657,673</u>	<u>(5,837,597)</u>	<u>44,960,877</u>
Subtotal	<u>\$280,006,761</u>	<u>71,460,464</u>	<u>(5,946,564)</u>	<u>345,520,661</u>
Totals at cost	<u>\$337,961,253</u>	<u>\$100,230,618</u>	<u>\$(59,123,399)</u>	<u>\$379,068,472</u>
Less accumulated depreciation:				
Buildings & Improvements	(\$165,243,591)	(\$ 5,090,326)	\$ 108,967	(\$170,224,950)
Machinery & Equipment	<u>(30,440,833)</u>	<u>(4,191,431)</u>	<u>3,887,769</u>	<u>(30,744,495)</u>
Total Depreciation	<u>(195,684,424)</u>	<u>(9,281,757)</u>	<u>3,996,736</u>	<u>(200,969,445)</u>
Capital Assets-Net	<u>\$142,276,829</u>	<u>\$90,948,861</u>	<u>\$(55,126,663)</u>	<u>\$178,099,027</u>

Depreciation expense was charged to governmental activities as follows:

Regular Instruction	\$ 775,484
Special Education	150,765
Vocational Education	83,251
Other Instructional	151,365
Special Programs	52,396
Adult Education	17,110
Student Services	1,007,803
Instructional Staff	320,406
General Administration	33,265
School Administration	37,377
Business Services	6,733
Plant Services	240,716
Student Transportation	881,396
Central Services	171,665
Food Services	202,992
Other Operations	4,511
Community Services	6,818
Unallocated	<u>5,137,704</u>
Total Depreciation Expense	<u>\$9,281,757</u>

Construction commitments at June 30, 2004 are composed of the following:

Project Location	Project Authorization	Expended to June 30, 2004	Committed
District 23	\$ 1,828,076	\$ 1,331,369	\$ 496,707
District 25	491,157	424,653	66,504
District 26	1,870,603	1,667,551	203,052
District 27	1,051,052	955,952	95,100
District 30	295,280	84,162	211,118
District 31	1,741,872	1,504,128	237,744
District 33	20,624,902	12,631,034	7,993,868
District 34	26,099,765	8,111,479	17,988,286
Riverboat	<u>1,695,442</u>	<u>827,343</u>	<u>868,099</u>
Total	<u>\$55,698,149</u>	<u>\$27,537,671</u>	<u>\$28,160,478</u>

E. Accounts, Salaries and Other Payables

The payables at June 30, 2004 are as follows:

	<u>General</u>	<u>Other Governmental</u>	<u>Total</u>
Accounts	\$2,993,638	\$5,310,059	\$8,303,697
Salaries, benefits and withholdings	26,274,292	2,348,349	28,622,641
Retainages	-	1,563,730	1,563,730
Compensated absences	<u>724,789</u>	<u>12,116</u>	<u>736,905</u>
Total	<u>\$29,992,719</u>	<u>\$9,234,254</u>	<u>\$39,226,973</u>

F. Long-Term Debt

The changes in general long-term debt for the year ended June 30, 2004 are as follows:

<u>Description</u>	<u>Balance July 1, 2003</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2004</u>	<u>Amounts Due Within One Year</u>
General Obligation Bonds	\$159,019,434	\$31,435,000	\$19,709,584	\$170,744,850	\$10,087,213
Sales Tax Revenue Bonds	13,945,000	12,650,000	11,855,000	14,740,000	560,000
Revenue Certificates	6,280,000	2,000,000	665,000	7,615,000	1,375,000
Sales Tax Incremental Financing Agreement	2,488,072	-	132,800	2,355,272	*130,000
Accrued Compensated Absences	9,396,024	326,548	-	9,722,572	*150,000
Accrued Workers' Compensation Liability	245,322	33,047	-	278,369	*40,000
Capital Leases	1,801,577	-	1,801,577	-	-
Other Debt	<u>3,249,666</u>	<u>1,614,210</u>	<u>1,596,355</u>	<u>3,267,521</u>	<u>1,216,195</u>
Total Long-Term Debt	<u>\$196,425,095</u>	<u>\$48,058,805</u>	<u>\$35,760,316</u>	<u>\$208,723,584</u>	<u>\$13,558,408</u>

*Annual payment requirements for the Sales Tax Investment Finance Agreement, the Accrued Compensated Absences and the Accrued Workers' Compensation Liability are dependent on yearly occurrences not conducive to simple amortization. The majority of all payments made in these categories will be funded by the School Board General Fund and will be appropriated in the year of payment as necessary. Amounts listed are estimates based on prior experience.

The annual requirements to amortize outstanding bonds payable including related interest costs as of June 30, 2004 are as follows:

Year Ending June 30	General Obligation Bond Principal	General Obligation Bond Interest	Sales Tax Revenue Bond Principal	Sales Tax Revenue Bond Interest	Revenue Certificate Principal	Revenue Certificate Interest	Total
2005	\$10,087,213	\$ 9,720,401	\$ 560,000	\$605,363	\$1,375,000	\$272,077	\$22,620,054
2006	10,202,637	7,327,248	640,000	527,879	1,405,000	215,864	20,318,628
2007	10,295,000	6,582,810	670,000	483,429	1,460,000	168,976	19,660,215
2008	10,695,000	6,162,769	705,000	441,092	1,010,000	118,566	19,132,427
2009	9,955,000	5,738,829	745,000	414,055	1,040,000	88,331	17,981,215
2010-2014	44,715,000	23,094,312	4,100,000	1,792,993	1,325,000	87,456	75,114,761
2015-2019	44,025,000	13,448,667	4,980,000	1,053,623	-	-	63,507,290
2020-2024	<u>30,770,000</u>	<u>3,150,737</u>	<u>2,340,000</u>	<u>97,650</u>	-	-	<u>36,358,387</u>
TOTALS	\$170,744,850	\$75,225,773	\$14,740,000	\$5,416,084	7,615,000	\$951,270	\$274,692,977

The following table lists the pertinent information on each outstanding issue:

Date of Issuance	School District Number	Type of Debt	Maturity Date	Interest Rate %	Original Amount of Issue	Outstanding as of June 30, 2004	Annual Principal Installment Due for Year End June 30, 2005
4/1/2003	21	G.O.	4/1/2008	1.40-2.30	\$ 2,390,000	\$ 1,065,000	\$ 255,000
2/1/1994	22	G.O.	7/15/2004	2.60-5.15	\$ 6,005,000	\$ 665,000	\$ 665,000
12/18/2002	22	G.O.	2/1/2009	2.35-3.30	\$ 7,550,000	\$ 6,380,000	\$ 1,195,000
10/1/2003	22	G.O.	1/15/2011	2.00-3.50	\$ 2,820,000	\$ 2,820,000	\$ 365,000
4/20/2004	22	G.O.	7/15/2010	1.10-2.45	\$ 5,075,000	\$ 5,075,000	\$ -
11/27/1985	23	G.O.	2/1/2005	6.90-9.50	\$13,529,427	\$ 223,458	\$ 223,458
2/23/2000	23	G.O.	2/15/2020	5.10-12.00	\$10,000,000	\$ 8,840,000	\$ 340,000
8/31/2001	23	G.O.	8/15/2021	4.10-6.00	\$10,000,000	\$ 9,425,000	\$ 310,000
10/1/2002	23	G.O.	10/1/2022	3.00-7.00	\$ 7,000,000	\$ 6,790,000	\$ 225,000
5/1/2003	24	G.O.	7/15/2012	1.05-3.30	\$ 1,605,000	\$ 1,565,000	\$ 155,000
2/23/2000	25	G.O.	2/15/2020	5.15-8.00	\$ 7,200,000	\$ 6,385,000	\$ 245,000
4/1/2003	25	G.O.	3/1/2006	1.10-2.60	\$ 2,435,000	\$ 565,000	\$ 280,000
11/27/1985	26	G.O.	2/1/2006	6.90-9.50	\$ 4,332,401	\$ 120,880	\$ 63,243
3/26/2001	26	G.O.	4/1/2021	4.30-6.00	\$ 2,000,000	\$ 1,825,000	\$ 65,000
5/8/2002	26	G.O.	5/1/2022	3.90-7.75	\$ 5,925,000	\$ 5,560,000	\$ 200,000
11/30/2000	27	S/T	11/1/2020	4.65-8.00	\$14,770,000	\$ 2,090,000	\$ 475,000
4/22/2004	27	S/T	11/1/2020	2.00-4.50	\$12,650,000	\$ 12,650,000	\$ 85,000
2/22/1996	28	G.O.	7/15/2011	4.00-5.55	\$ 1,595,000	\$ 1,250,000	\$ 130,000
7/15/1995	30	G.O.	7/15/2015	5.00-12.00	\$10,000,000	\$ 895,000	\$ 435,000
2/15/1996	30	G.O.	2/15/2016	5.00-12.00	\$ 5,000,000	\$ 445,000	\$ 215,000
12/1/1998	30	G.O.	5/1/2014	3.05-4.50	\$ 7,145,000	\$ 6,745,000	\$ 555,000
2/20/2002	30	G.O.	2/15/2022	4.00-5.00	\$14,500,000	\$ 13,690,000	\$ 445,000
3/1/2003	30	G.O.	7/15/2015	2.00-3.875	\$ 7,160,000	\$ 7,090,000	\$ 95,000
5/1/2003	30	G.O.	8/1/2007	1.05-3.00	\$ 3,595,000	\$ 3,415,000	\$ 835,000
4/22/2004	30	G.O.	2/15/2016	2.00-3.45	\$ 3,540,000	\$ 3,540,000	\$ 40,000
11/27/1985	31	G.O.	2/1/2005	6.90-9.50	\$15,957,019	\$ 185,512	\$ 185,512
5/24/2000	31	G.O.	5/1/2020	5.20-7.00	\$15,000,000	\$ 13,215,000	\$ 515,000
3/27/2002	31	G.O.	3/1/2022	4.05-7.35	\$13,000,000	\$ 12,195,000	\$ 435,000
10/1/2002	31	G.O.	10/1/2022	3.30-5.875	\$10,000,000	\$ 9,700,000	\$ 320,000
7/15/2002	33	G.O.	7/15/2022	4.00-6.00	\$10,000,000	\$ 9,700,000	\$ 320,000
1/21/12004	33	G.O.	1/15/2024	3.00-7.00	\$10,000,000	\$ 10,000,000	\$ 300,000
10/1/2002	34	G.O.	11/1/2022	3.50-7.10	\$10,000,000	\$ 9,700,000	\$ 320,000

<u>Date of Issuance</u>	<u>School District Number</u>	<u>Type of Debt</u>	<u>Maturity Date</u>	<u>Interest Rate %</u>	<u>Original Amount of Issue</u>	<u>Outstanding as of June 30, 2004</u>	<u>Annual Principal Installment Due for Year End June 30, 2005</u>
10/1/2002	34	G.O.	11/1/2022	3.70-7.20	\$ 1,750,000	\$ 1,695,000	\$ 55,000
1/22/2004	34	G.O.	1/15/2024	3.25-7.00	\$10,000,000	\$ 10,000,000	\$ 300,000
2/1/2002	ALL	R	2/1/2007	2.00-4.25	\$ 2,255,000	\$ 1,410,000	\$ 50,000
2/21/2002	ALL	R	2/1/2012	2.00-3.875	\$ 2,000,000	\$ 1,690,000	\$ 75,000
6/1/2003	ALL	R	6/1/2009	1.05-3.00	\$ 2,585,000	\$ 2,515,000	\$ 470,000
10/23/2003	ALL	R	7/1/2010	3.00-3.15	\$ 2,000,000	\$ 2,000,000	\$ 280,000
						<u>\$193,099,860</u>	<u>\$ 12,022,213</u>

**G.O. - General Obligation, S/T - Sales Tax, R - Revenue Certificates

At June 30, 2004, \$16,625,792 is available in the Debt Service Funds to service the above debt.

The Board is legally restricted from incurring long-term debt in excess of thirty-five percent of the assessed value of taxable property. At June 30, 2004, the statutory limit was \$445,181,394 and the remaining debt margin was \$285,956,455.

The following two sections on Capital Leases and Other Debt include descriptions of debt outstanding along with the annual repayment requirements in each class for future years.

1. Capital Leases

The Board previously entered into lease agreements as lessee for the acquisition of temporary buildings. In July 2004, all capital lease agreements for temporary buildings were refunded and paid in full with proceeds from the sale of \$2.0 million in revenue certificates. All buildings financed with the revenue certificates are recorded as assets with the corresponding debt obligation in the accompanying financial statements.

2. Other Debt

On January 1, 1999 the board entered into a loan agreement with the Louisiana Local Government Environmental Facilities and Community Development Authority (LCDA). The LCDA is a political subdivision of the State of Louisiana created to assist in financing political subdivisions that are members of the LCDA. The Board, having met the requirements to become a LCDA member, borrowed \$1,091,668 in the year ended June 30, 2001, \$1,261,142 in the year ended June 30, 2002, \$877,108 in the year ended June 30, 2003, and \$1,614,210 in the year ended June 30, 2004.

The following is a schedule of the annual requirements to amortize the loan.

<u>Year</u>	<u>Principal</u>
2005	\$1,131,492
2006	781,733
2007	<u>380,210</u>
*	<u>\$2,293,435</u>

*Amounts for interest requirements have not been calculated. The interest rate is a variable rate computed weekly equal to The Bond Market Association Index plus 90 basis points (.90%) as per the loan agreement between the Board and the Louisiana Community Development Authority (LCDA) and approved by the bond insurer. At June 30, 2004 the rate was 2.47%.

In connection with the expansion and renovation of Prien Lake Mall Shopping Center, the Board has entered into an agreement which provides for a portion of future sales tax collections from establishments located at the project site to be reimbursed to the mall developer, contingent upon completion and occupancy of the project. The reimbursement obligation, which was limited to a maximum total of \$3,555,555, is payable semiannually without interest solely from a 44.4 percent portion of the incremental increase in sales tax collections generated from the project site within a maximum period of ten years from completion of construction. The reimbursement obligation is being recognized as general long-term debt in the Government-Wide Statement of Net Assets.

The School board participates in the Louisiana Local Government Environmental Facilities and Community Development Authority (the Authority) Qualified Zone Academy Bond Program (QZAB). The Authority created a loan pool from which the School board drew \$1,164,668 as a loan to finance various projects. The loan carries no interest charges as the bondholders receive a tax credit. The annual requirements to amortize the debt outstanding are as follows:

2005	84,703
2006	84,703
2007	84,703
2008	84,703
2009	84,703
2010-2014	423,516
2015-2016	<u>127,055</u>
	<u>\$974,086</u>

G. Defeasance of Prior Debt

The School Board approved the sale of bonds and revenue certificates during the year for the purpose of refunding a number of outstanding issues. Information concerning those refundings is listed below:

District	Refunding Amount New Issue	Date Proceeds Transferred to Paying Agent	Certificate Call Date	Present Value Savings	Issue Defeased
22	\$2,820,000	10/01/2004	1/15/2004	\$117,095	1993 G.O. Bonds
22	\$5,075,000	4/20/2004	7/15/2004	\$278,073	1993 G.O. Bonds
27	\$12,650,000	4/22/2004	11/01/2007	\$413,971	2000 S/T Bonds
30	\$3,540,000	4/22/2004	2/15/2006	\$123,173	1993 G.O. Bonds
ALL	\$2,000,000	10/23/2003	10/23/2003	<u>\$ 20,747</u>	Capital Lease on Temporary Buildings
Total Present Value Savings				<u>\$953,059</u>	

Net present value savings from refundings incurred during the current fiscal year were \$953,059. In prior years, the Board defeased certain outstanding general obligation bonds by issuing \$90,148,846 in new general obligation bonds. Proceeds from the issuance of the new general obligation bonds invested in U.S. Treasury obligations that, together with interest earned thereon, will provide amounts sufficient for payment of all principal and interest on the refunded bonds on each of their respective payment dates. Accordingly, the refunded general obligation bonds are not included in the Board's financial statements. At June 30, 2004 the outstanding balance on all bonds considered defeased is \$54,345,000.

H. Interfund Receivables and Payables

The School Board's consolidated cash account holds the cash of all funds not required to have their own cash account. As a result, negative cash balances occur in certain funds and are in essence financed by other funds, while negative cash balances are included in "Due to other funds" on the combined balance sheet.

The interfund balances for the year ended June 30, 2004 are as follows:

		DUE TO:
		<u>General Fund</u>
FROM:	Sulphur Capital Projects	\$8,307,568
	Non Major Governmental	7,308,896
	Proprietary	<u>278,451</u>
	Total	<u>\$15,894,915</u>

I. Interfund Transfers

The interfund transfers as of June 30, 2004 are as follows:

<u>TRANSFERS OUT:</u>	<u>TRANSFERS IN:</u>		
	<u>General Fund</u>	<u>Non Major Governmental</u>	<u>Total</u>
General	\$ -	\$1,744,050	\$1,744,050
Non-Major Governmental	-	1,400,933	1,400,933
Proprietary	<u>124,787</u>	<u>-</u>	<u>124,787</u>
Total	<u>\$ 124,787</u>	<u>\$3,144,983</u>	<u>\$3,269,770</u>

Transfers from the General Fund to the Non major Governmental Funds are to supplement the Food Service Fund and to assist the funding of capital projects. Non major Governmental transfers were for debt service and to assist funding of other capital projects. Proprietary transfers were for the Extended Day Program.

IV. OTHER INFORMATION

A. Risk Management

The School Board maintains health insurance and worker's compensation insurance programs that have self-insured components. Both funds, the Health/Life Insurance Fund and Worker's Compensation Fund (Internal Service Funds) are used to account for premium collections and payments in the form of benefits payments, premium costs, and administrative costs. The Health/Life Insurance Plan year operates from May 1 to April 30 of each year, a cycle different than the fiscal year of the School Board. Within the 2003-2004 plan year, the Calcasieu Parish School Board was responsible for up to \$25.1 million of actual claims cost plus premium costs and any local administrative costs required to pay claims, which was a process completed in-house by School Board personnel. Reinsurance was purchased from Trustmark Insurance to assume any claims exceeding \$25.1 million of actual claims cost for the plan year or to assume claims costs exceeding \$200,000 on any individual participant for the plan year. On May 1, 2004, claims payment and reinsurance responsibilities were converted to Blue Cross/Blue Shield of Louisiana with a traditional P.P.O. oriented plan.

Under the Trustmark Plan, agreements were reached with local doctors and hospitals whereby 25% of each hospital claim and 20% of each doctor claim were reserved at the time of payment to be distributed at the end of the plan year according to a contractually calculated formula. For the 2003-04 plan year, the reserved amount was \$3.45 million. Once the very technical formula involving a comparison of total paid claims to an established target level was applied, the full \$3.45 million was due the School Board. A receivable in the amount of \$2.6 million was recorded as a reduction of claims expense. The remaining \$853,000 was received prior to June 30, 2004, and was also reflected as a reduction of claims expense.

Premiums collected in the 2003-04 plan year from the combination of participants and School Board funds were more than sufficient to cover actual claims plus premium and administration costs, which created a positive change in net assets of \$421,293. Together with retained earnings accumulated through the end of June 30, 2003 retained earnings at June 30, 2004 amounted to \$3,459,957.

All full-time employees are eligible to join the program and all retirees have the option to continue coverage upon retirement. The School Board and the insured participant contribute to the fund at varying rates depending on coverage classes. In an effort to provide more consistency in the premium rate structure, the School Board adopted new employer contribution rates for the plan year beginning May 1, 2001. The School Board now funds 62% of employee only coverage and 50% of any dependent coverage with the employee responsible for the remainder of the premium. The estimated liability of \$4.74 million for claims incurred but not reported and reported but not paid is based on historical claims and industry trends and is recorded as required by Governmental Accounting Standards Board Statement No. 10.

Current participant health plan benefits include \$2 million lifetime maximum benefits, \$300 deductibles, \$1,500 maximum out-of-pocket expenses per plan year, and drug and doctor visit co-payments. Each employee has the option of carrying life insurance coverage to a maximum \$50,000 with eligibility based on current salary. Life insurance coverage is purchased from a commercial carrier and funded by both the employee and the School Board. The Board's premium for the life insurance coverage is under a retrospectively rated policy and the initial premium is adjusted based on actual experience during the period of coverage.

The School Board maintains a partially self-insured worker's compensation program that was established in 1987. The Worker's Compensation Fund provides coverage to a maximum of \$300,000 for each claim. The Board purchases excess insurance coverage for the amount of each claim that exceeds \$300,000 from Republic Western Underwriters. All School Board funds make contributions to the Worker's Compensation Fund based on the total payroll and total claims history of each fund. The actual fund deficit at June 30, 2004 totaled (\$72,666) including a positive change in net assets of \$96,971 for 2003-04. Estimated claims payable are reported at \$1.94 million based on actuarial estimates including claims incurred but not reported as required in Governmental Accounting Standards Statement 10.

Based on actuarial estimates, an unfunded liability of \$278,369 is reported in the government-wide financial statements for those claims incurred prior to the establishment of the Worker's Compensation Fund in 1987. These claims will ultimately be paid by the general fund annually as they occur.

Changes in each Fund's claims liability amounts are:

Employees Health/Life Fund

	<u>Beginning of Year Liability</u>	<u>Current Year Claims and Changes in Estimates</u>	<u>Claims Paid</u>	<u>End of Year Liability</u>
2002	\$4,685,264	\$17,892,349	\$(17,669,899)	\$ 4,907,714
2003	\$4,907,714	\$18,832,706	\$(19,240,420)	\$ 4,500,000
2004	\$4,500,000	\$22,649,268	\$(22,414,201)	\$ 4,735,067

Worker's Compensation

	<u>Beginning of Year Liability</u>	<u>Current Year Claims and Changes in Estimates</u>	<u>Claims Paid</u>	<u>End of Year Liability</u>
2002	\$1,364,978	\$1,857,154	\$(1,624,869)	\$1,597,263
2003	\$1,597,263	\$1,416,287	\$(1,457,068)	\$1,556,482
2004	\$1,556,482	\$2,784,022	\$(2,404,944)	\$1,935,560

The Board purchases commercial insurance for property (all risks), general liability, and fleet coverages, all with \$100,000 deductibles per occurrence. The property insurance coverage covers losses up to \$35 million in value, while the fleet and general liability policies have limits of \$1 million per occurrence. The School Board also purchases umbrella coverage to raise loss limits on fleet and liability claims to \$5,000,000 per policy year. Other commercial coverages include policies for computers (electronic equipment), employee dishonesty bonds, errors and omissions, and boiler insurance. The current policy limits on most commercial coverages have been in effect for multiple years. Settled claims have not exceeded commercial excess coverages in any of the last three years.

B. Post-Employment Benefits

Louisiana Revised Statutes Title 42 Chapter 12 requires School Boards to allow retiring employees to continue carrying any group insurance coverage that the individual carried as an

employee. However, the Board is not required to pay for any part of such coverage.

Life insurance is purchased from a commercial carrier; the Board has no liability for life claims.

Contributions for health insurance benefits by the Board and the retiree vary based on the type of coverage carried by the retiree and his dependents. In an effort to provide more consistency in the premium rate structure, the School Board adopted new employer contribution rates for the plan year beginning May 1, 2001. The School Board now funds 62% of retiree only coverage and 50% of any dependent coverage with the retiree responsible for the remainder of the premium. Claims paid for the approximately 1,825 retirees participating in the program for the fiscal year ended June 30, 2004, totaled \$8,149,055.

C. Contingencies

The Board participates in a number of Federal Awards Programs. Although the grant programs have been audited in accordance with the Single Audit of 1984 and the 1996 amendments as well as OMB Circular A-133 through June 30, 2004, these programs are still subject to financial and compliance audits and resolution of any previously identified questioned costs. The amount of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the Board expects such amount, if any, to be immaterial. The compliance audit report is not included within the report but will be issued as a supplementary report.

The Calcasieu Parish School Board received notice as of June 6, 2003 that funds from the sale of the Louisiana proceeds of the legal settlements with tobacco companies were available for distribution to each school system in the State. In order to draw its \$2,823,605.66, the School Board will be required to submit an "Expenditure Plan". The Expenditure Plan must outline how the School Board will spend funds for kindergarten through twelfth grade instructional enhancements for students. The School Board has explored options to draw all funds for investment in a local trust fund with interest proceeds to be spent according to guidelines established by the Louisiana Department of Education. While the School Board continues to pursue the clearance to draw all funds for investment, the funds remain with the Department of Education earning interest. If the School Board is unsuccessful in the final attempts to draw the funds for investment, it will submit an "Expenditure Plan" at which time the funds will be recorded as an asset of the School Board and drawn for spending.

As of June 30, 2004, the School Board is a defendant in a number of lawsuits. In the opinion of the Board, the amount of the liability for the remaining lawsuits is not considered to be material or cannot be estimated at present.

D. On-Behalf Payments for Salaries and Benefits

GASB Statement 24 Accounting and Financial Reporting for Certain Grants and Other Financial Assistance requires the Board to report in the financial statements on-behalf salary

and fringe benefits payments. The Parish Tax Collector makes retirement remittances to the teacher's retirement system of the State of Louisiana. These remittances are a portion of the property taxes and state revenue sharing collected which are statutorily set aside for teacher's retirement. The basis for recognizing the revenue and expenditure payments is the actual contribution made by the Tax Collector's office. For 2004, the Tax Collector paid the Teacher's Retirement System \$1,067,546. These amounts are reflected in the financial statements for the General Fund.

E. Retirement Systems

Substantially all employees of the school board are members of two statewide retirement systems. In general, professional employees (such as teachers and principals) and lunchroom workers are members of the Teachers' Retirement System of Louisiana; other employees, such as custodial personnel and bus drivers, are members of the School Employees' Retirement System. These systems are cost sharing, multiple-employer defined benefit pension plans administered by separate boards of trustees. Pertinent information relative to each plan follows:

1. Teacher's Retirement System of Louisiana (TRS)

Plan Description. The TRS consists of two membership plans: Regular Plan and Plan A. The TRS provides retirement benefits as well as disability and survivor benefits. Ten years of service credit is required to become vested for retirement benefits and five years to become vested for disability and survivor benefits. Benefits are established and amended by state statute. The TRS issues a publicly available financial report that includes financial statements and required supplementary information for the TRS. That report may be obtained by writing to the Teachers' Retirement System of Louisiana, Post Office Box 94123, Baton Rouge, Louisiana 70804-9123, or by calling (225) 925-6446.

Funding Policy. Plan members are required to contribute a percentage of their annual covered salary for the Regular Plan and Plan A. The School Board is required to contribute at an actuarially determined rate. State law establishes member contributions and the Public Retirement Systems' Actuarial Committee establishes employer contributions for the TRS and rates. The School Board's employer contribution for the TRS, as provided by state law, is funded by the State of Louisiana through annual appropriations, by deductions from local ad valorem taxes, and by remittances from the School Board.

Contributions required and made to the TRS were as follows:

Fiscal Year Ended June 30,	<u>2004</u>	<u>2003</u>	<u>2002</u>
Member contribution %	8.00%	8.00%	8.00%
Employer contribution %	13.8%	13.10%	13.10%
Employer contribution	\$16,178,112	\$14,983,333	\$14,696,036

The payroll for Board employees covered by the TRS for the year ended June 30, 2004, was \$117,232,693.

2. Louisiana School Employee's Retirement System (LSERS)

Plan Description. The LSERS provides retirement benefits as well as disability and survivor benefits. Ten years of service credit is required to become vested for retirement benefits and five years to become vested for disability and survivor benefits. Benefits are established and amended by state statute. The LSERS issues a publicly available financial report that includes

financial statements and required supplementary information for the LSERS. That report may be obtained by writing to the Louisiana School Employees' Retirement System, Post Office Box 44516, Baton Rouge, Louisiana, 70804, or by calling (225) 925-6484.

Funding Policy. Plan members are required to contribute a percentage of their annual covered salary and the School Board is required to contribute at an actuarially determined rate. State law establishes member contributions and the Public Retirement Systems' Actuarial Committee establishes employer contributions for the LSERS and rates. The School Board funds by the state of Louisiana through annual appropriations and by remittances the School Board's employer contributions for the LSERS.

Contributions required and made to the LSERS were as follows:

Fiscal Year Ended June 30,	2004	2003	2002
Member contribution %	7.50%	7.50%	6.35%
Employer contribution %	8.50%	0.00%	0.00%
Employer contribution \$	\$938,319	\$0.00	\$0.00

The payroll for Board employees covered by the LSERS for the year ended June 30, 2004, was \$11,039,052. The Board's total payroll was \$141,254,462.

F. Joint Service Agreements

The School Board serves as the collecting agent for sales taxes levied by all local entities in Calcasieu Parish. All sales taxes collected by the Calcasieu Parish School Board Sales Tax Department are remitted periodically to each levying entity through electronic transfers. The School Board collects a fee to cover the cost of administering sales tax collections for the Parish. This fee is based on the relationship of the individual sales tax jurisdiction collections to total collections applied against the sales tax office expenditures. Total fees for sales tax collection in the period ending June 30, 2004 amounted to \$698,051.

Calcasieu Parish has a three percent parish wide hotel-motel tax that is collected by the School Board Sales Tax Department. All proceeds of the tax, less a collection fee that amounted to \$11,561 for the period ending June 30, 2004, were remitted to the Lake Charles-Calcasieu Parish Convention and Tourist Commission.

The School Board has also entered into other cooperative agreements with various agencies and governmental entities on land use issues and consolidated services for recreational and educational benefits.

G. Changes in Agency Balances

The changes in agency balances for the year ended June 30, 2004 are as follows:

	<u>July 1, 2003</u>	<u>Additions</u>	<u>Deductions</u>	<u>June 30, 2004</u>
Due to student and employee groups	\$4,048,707	\$11,758,702	\$11,455,236	\$4,352,173
Due to other governments	-	148,079,579	148,079,579	-
Protested taxes payable	<u>4,415,734</u>	<u>1,320,081</u>	<u>1,836,819</u>	<u>3,898,996</u>
Total	<u>\$8,464,441</u>	<u>\$161,158,362</u>	<u>\$161,371,634</u>	<u>\$8,251,169</u>

H. Economic Dependency

Statement of Financial Accounting Standards (SFAS) NO. 14 requires disclosure in financial statements of a situation where one entity provides more than 10% of the audited entities' revenue. The Minimum Foundation funding provided by the state to all public school systems in Louisiana is primarily based on October 1 student count. The state provided \$102,654,853 to the School Board, which represents approximately 40% of the School Board's total revenues for the year.

I. Changes in Presentation

In the first two years under GASB 34 reporting guidelines, 2001-2002 and 2002-2003, the General Fund was the only fund classified as a "major" fund of the School Board. The Sulphur Capital Projects Fund met requirements to be classified as a major fund and is reported accordingly in the corresponding financial statements for the fiscal year ending June 30, 2004.

FINANCIAL REPORT

COMPREHENSIVE ANNUAL

REQUIRED SUPPLEMENTAL INFORMATION MANAGEMENT DISCUSSION AND ANALYSIS (MD&A)

FINANCIAL REPORT

COMPREHENSIVE ANNUAL

BUDGETARY COMPARISON SCHEDULES

General Fund Legally Adopted Annual Budget

General Fund

The General Fund is the primary operating fund of the Board and receives and expends monies for the general school operations including instruction and support services. The General Fund is used to account for all financial resources and expenditures except those required to be accounted for in another fund.

CALCASIEU PARISH SCHOOL BOARD
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2004

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		Over (Under)
REVENUES				
Local sources:				
Ad valorem taxes	\$ 17,093,920	\$ 17,311,920	\$ 18,133,337	\$ 821,417
Sales tax	61,575,000	62,575,000	64,298,649	1,723,649
Interest on investments	1,250,000	1,250,000	455,555	(794,445)
Other	1,823,451	1,771,951	2,728,226	956,275
Total Revenues from Local Sources	81,742,371	82,908,871	85,615,767	2,706,896
State sources:				
Equalization	93,771,634	102,272,005	102,272,005	-
Other	4,668,613	5,259,267	5,277,535	18,268
Total Revenues from State Sources	98,440,247	107,531,272	107,549,540	18,268
Federal sources:				
Federal revenues	72,000	72,000	61,492	(10,508)
Total Revenues from Federal Sources	72,000	72,000	61,492	(10,508)
TOTAL REVENUES	180,254,618	190,512,143	193,226,799	2,714,656
EXPENDITURES				
Current:				
Instructional				
Regular	80,927,673	84,010,153	82,398,509	1,611,644
Special education	26,135,545	27,557,073	27,475,994	81,079
Vocational education	4,809,753	4,705,053	4,724,415	(19,362)
Other instructional	1,175,100	1,555,540	1,538,812	16,728
Special programs	1,318,075	1,197,715	1,159,049	38,666
Adult education	158,200	301,042	318,636	(17,594)
Support Service				
Pupil support	7,665,248	7,587,866	8,176,125	(588,259)
Instructional staff	9,094,996	9,651,072	8,802,642	848,430
General administration	3,692,533	3,683,972	3,554,345	129,627
School administration	11,201,494	11,385,459	11,208,872	176,587
Business services	1,906,267	2,032,828	1,712,881	319,947
Plant services	18,811,119	22,840,534	23,574,816	(734,282)
Student transportation	7,593,076	9,402,918	9,884,665	(481,747)
Central services	2,658,505	2,776,615	2,594,542	182,073
Food services	-	-	14,179	(14,179)
Other operations	23,830	31,913	31,399	514
Community services	40,500	42,720	121,762	(79,042)
Capital outlay	570,357	642,666	381,610	261,056
Debt service -principal	1,700,895	1,700,895	1,990,170	(289,275)
-interest and fiscal charges	228,972	324,443	321,325	3,118
TOTAL EXPENDITURES	179,712,138	191,430,477	189,984,748	1,445,729
Excess of Revenues Over (Under) Expenditures	542,480	(918,334)	3,242,051	4,160,385

(continued)

CALCASIEU PARISH SCHOOL BOARD
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2004

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		Over (Under)
Other Financing Sources (Uses):				
Transfers in	-	130,000	124,787	(5,213)
Transfers (out)	(1,442,480)	(1,660,480)	(1,744,050)	(83,570)
Proceeds from sale of bonds and loans	900,000	3,652,414	3,652,414	-
Debt service payment to escrow agent on refunded bonds	-	(1,988,234)	(1,988,234)	-
Proceeds from sales of fixed assets	-	-	286,531	286,531
Total Other Financing Sources (Uses)	(542,480)	133,700	331,448	197,748
Net change in fund balance	-	(784,634)	3,573,499	4,358,133
Fund Balance, Beginning of Year	22,021,776	22,917,559	22,917,559	-
Fund Balance, End of Year	\$ 22,021,776	\$ 22,132,925	\$ 26,491,058	\$ 4,358,133 (concluded)

NOTES TO BUDGETARY COMPARISON SCHEDULES
For the Year Ended June 30, 2004

A. BUDGETS

General Budget Policies. The School Board follows these procedures in establishing the budgetary data reflected in the budgetary comparison schedules.

State statute requires budgets be adopted for the general fund and all special revenue funds.

Each year prior to September 15, the Superintendent submits to the School Board proposed annual budgets for the general fund and special revenue funds' budgets. Public hearings are conducted, prior to the School Board's approval, to obtain citizen comments. The operating budgets include proposed expenditures and the means of financing them. Budgets are prepared using the modified accrual basis.

Appropriations (unexpended budget balances) lapse at year end.

Formal budget integration (within the accounting records) is employed as a management control device. Budget amounts included in the accompanying financial statements include the original adopted budget and all subsequent amendments. These revisions were considered insignificant by the School Board. All budget revisions are approved by the School Board.



Pam Quebodeaux, principal at Dolby Elementary was named Elementary Principal of the Year by the Louisiana Department of Education



Martin Guillory was named Middle School Principal of the Year

FINANCIAL REPORT

COMPREHENSIVE ANNUAL

**OTHER
SUPPLEMENTAL
INFORMATION**

FINANCIAL REPORT

COMPREHENSIVE ANNUAL

COMBINING NON MAJOR GOVERNMENTAL FUNDS

BY FUND TYPE

CALCASIEU PARISH SCHOOL BOARD
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET BY FUND TYPE
JUNE 30, 2004

	<u>SPECIAL REVENUE</u>	<u>DEBT SERVICE</u>	<u>CAPITAL PROJECTS</u>	<u>TOTAL NONMAJOR GOVERNMENTAL</u>
ASSETS				
Cash and cash equivalents	\$ 2,461,255	\$ 15,302,321	\$ 24,900,943	\$ 42,664,519
Investments	-	1,248,000	-	1,248,000
Receivables	6,995,930	208,715	290,016	7,494,661
Due from other governments	31,641	-	-	31,641
Inventory	456,318	-	-	456,318
Total Assets	\$ 9,945,144	\$ 16,759,036	\$ 25,190,959	\$ 51,895,139
LIABILITIES AND FUND BALANCE				
Liabilities:				
Accounts, salaries and other payables	\$ 3,829,973	\$ 16,144	\$ 4,405,527	\$ 8,251,644
Due to other funds	3,769,742	-	3,539,154	7,308,896
Deferred revenue	351,406	117,100	-	468,506
Total Liabilities	7,951,121	133,244	7,944,681	16,029,046
Fund Balance:				
Reserved:				
Encumbrances	-	-	27,282,208	27,282,208
Inventory	456,318	-	-	456,318
Debt service	-	16,625,792	-	16,625,792
Unreserved, reported in:				
Special revenue funds	1,537,705	-	-	1,537,705
Capital projects funds	-	-	(10,035,930)	(10,035,930)
Total Fund Balances	1,994,023	16,625,792	17,246,278	35,866,093
Total Liabilities and Fund Balances	\$ 9,945,144	\$ 16,759,036	\$ 25,190,959	\$ 51,895,139

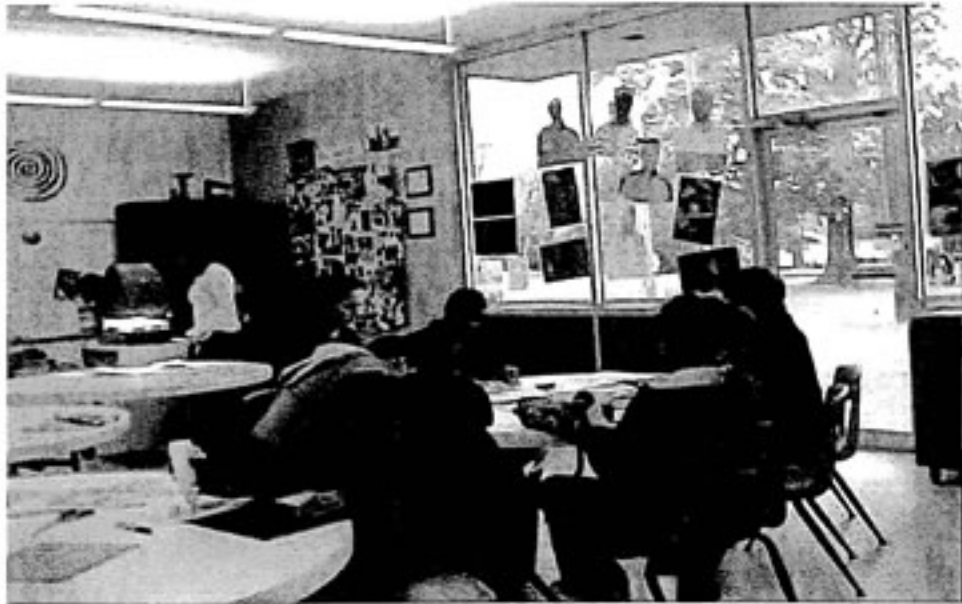
CALCASIEU PARISH SCHOOL BOARD
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES BY FUND TYPE
FOR THE YEAR ENDED JUNE 30, 2004

	<u>SPECIAL REVENUE</u>	<u>DEBT SERVICE</u>	<u>CAPITAL PROJECTS</u>	<u>TOTAL NONMAJOR GOVERNMENTAL</u>
REVENUES				
Local sources:				
Taxes:				
Ad valorem	\$ -	\$ 21,083,727	\$ 85,247	\$ 21,168,974
Sales and use	-	-	1,749,392	1,749,392
Earnings on investments	17,586	265,335	198,767	481,688
Food services	2,043,215	-	-	2,043,215
Other	84,471	45,229	2,473,568	2,603,268
State sources:				
Equalization	382,848	-	-	382,848
Federal sources				
	<u>27,863,999</u>	<u>-</u>	<u>-</u>	<u>27,863,999</u>
Total Revenues	<u>30,392,119</u>	<u>21,394,291</u>	<u>4,506,974</u>	<u>56,293,384</u>
EXPENDITURES				
Current:				
Instruction:				
Regular programs	190,283	-	241,528	431,811
Special education	115,537	-	-	115,537
Vocational education	443,343	-	13,296	456,639
Other instructional	592,354	-	-	592,354
Special programs	8,536,681	-	-	8,536,681
Adult education	307,882	-	-	307,882
Support services:				
Student services	3,704,502	-	6,687	3,711,189
Instructional staff	4,456,617	-	7,636	4,464,253
General administration	49,163	993,925	16,769	1,059,857
School Administration	-	-	66,697	66,697
Business services	630,132	-	3,655	633,787
Plant services	192,752	-	584,495	777,247
Student transportation	97,226	-	468,193	563,419
Central services	2,110	-	-	2,110
Food services	13,050,141	-	233,441	13,283,582
Capital outlay	-	-	33,612,966	33,612,966
Debt service - principal	-	9,444,582	559,205	10,003,787
- interest and fiscal charges	-	10,102,605	372,489	10,475,094
Total Expenditures	<u>32,368,723</u>	<u>20,541,112</u>	<u>38,185,057</u>	<u>89,094,892</u>

(continued)

CALCASIEU PARISH SCHOOL BOARD
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES BY FUND TYPE
FOR THE YEAR ENDED JUNE 30, 2004

	<u>SPECIAL REVENUE</u>	<u>DEBT SERVICE</u>	<u>CAPITAL PROJECTS</u>	<u>TOTAL NONMAJOR GOVERNMENTAL</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(1,976,604)</u>	<u>853,179</u>	<u>(31,678,083)</u>	<u>(32,801,508)</u>
Other Financing Sources (Uses):				
Transfers in	1,660,480	1,400,933	83,570	3,144,983
Transfers (out)	-	-	(1,400,933)	(1,400,933)
Payments to bond escrow agent	-	(24,327,269)	-	(24,327,269)
Proceeds from loans or the sale of bonds	-	<u>24,152,389</u>	<u>20,000,000</u>	<u>44,152,389</u>
Total Other Financing Sources (Uses)	<u>1,660,480</u>	<u>1,226,053</u>	<u>18,682,637</u>	<u>21,569,170</u>
Net change in fund balance	(316,124)	2,079,232	(12,995,446)	(11,232,338)
Fund Balance, Beginning of Year	<u>2,310,147</u>	<u>14,546,560</u>	<u>30,241,724</u>	<u>47,098,431</u>
Fund Balance, End of Year	<u>\$ 1,994,023</u>	<u>\$ 16,625,792</u>	<u>\$ 17,246,278</u>	<u>\$ 35,866,093</u> (concluded)



Students in class at S. P. Arnett Middle School



Outstanding School Support Employees of the Year
Kathy Breaux, St. John Elementary School
Ashton Richard, Moss Bluff Middle School
Jack Thigpen, Sam Houston High School

FINANCIAL REPORT

COMPREHENSIVE ANNUAL

NON MAJOR SPECIAL REVENUE FUNDS

Special Revenue Funds account for the proceeds of specific revenue sources that are legally restricted for specific purposes. The Board maintains the following Special Revenue Funds:

Vocational Education Act - Funds to enhance vocation programs and training for eligible students.

Adult Basic Education - To provide an opportunity for adults to earn a high school diploma.

Individuals with Disabilities Education Act (I.D.E.A.) - The purpose of I. D. E. A. is to seek out and identify every child within the jurisdiction of the Board who is suspected of being an exceptional child and in need of special education and related services; and to provide individualized education programs for those in need of specially designed instruction.

Improving America's Schools Act (I.A.S.A.) - The purpose of I. A. S. A. is to provide opportunities for eligible children served to acquire the knowledge and skills to meet the challenging State performance standards.

Work Force Investment Act (WIA) - This project is to help youth with job development, training and placement.

Temporary Assistance For Needy Families (TANF) - Funding provided to assist educating disadvantaged youth.

Education Improvement Grant - Program to assist effective teaching of American History.

Community Tech Center - A program to intergrate educational technology into classrooms

Technology Grant - Provides funding for professional development in the use of technologies that enhance teacher effectiveness and support student learning and achievement.

Twenty First Century - Provides after school programs to supplement Elementary education.

School Food Service - School Food Service accounts for the operation of the Board's food service department.



Students at Combre - Fondel Elementary School



Students Art work at S. P. Arnett Middle School

CALCASIEU PARISH SCHOOL BOARD
NONMAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2004

	Vocational Education Act	Adult Basic Education	IDEA	IASA	WIA
ASSETS					
Cash and cash equivalents	\$ -	\$ -	\$ 317	\$ -	\$ -
Accounts receivable	-	-	-	-	-
Due from other governments	307,024	77,882	2,398,803	3,290,084	60,062
Inventory	-	-	-	-	-
Total Assets	\$ 307,024	\$ 77,882	\$ 2,399,120	\$ 3,290,084	\$ 60,062
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts, salaries, and other payables	\$ 88,865	\$ 26,724	\$ 977,252	\$ 1,185,031	\$ 26,117
Due to other funds	218,159	51,087	1,279,643	2,105,053	33,945
Deferred revenue	-	71	142,225	-	-
Total Liabilities	307,024	77,882	2,399,120	3,290,084	60,062
Fund Balances:					
Reserved for inventory	-	-	-	-	-
Unreserved/undesignated	-	-	-	-	-
Total Fund Balances	-	-	-	-	-
Total Liabilities and Fund Balances	\$ 307,024	\$ 77,882	\$ 2,399,120	\$ 3,290,084	\$ 60,062

Exhibit 4

<u>TANF</u>	<u>Education Improvement Grant</u>	<u>Community Tech Center</u>	<u>Technology Grant</u>	<u>Twenty First Century</u>	<u>School Food Service</u>	<u>Total</u>
\$ 450,688	\$ -	\$ -	\$ -	\$ -	\$ 2,010,250	\$ 2,461,255
-	-	-	-	-	31,641	31,641
889,558	27,042	28,286	110,274	26,915	-	6,995,930
-	-	-	-	-	456,318	456,318
<u>\$ 1,120,246</u>	<u>\$ 27,042</u>	<u>\$ 28,286</u>	<u>\$ 110,274</u>	<u>\$ 26,915</u>	<u>\$ 2,498,209</u>	<u>\$ 9,945,144</u>
\$ 415,389	\$ 11,697	\$ 19,508	\$ 81,903	\$ 13,651	\$ 983,836	\$ 3,829,973
16,097	15,345	8,778	26,371	13,284	-	3,769,742
-	-	-	-	-	209,110	351,408
<u>431,486</u>	<u>27,042</u>	<u>28,286</u>	<u>110,274</u>	<u>26,915</u>	<u>1,192,946</u>	<u>7,951,121</u>
-	-	-	-	-	456,318	456,318
688,760	-	-	-	-	848,945	1,537,705
<u>688,760</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,305,263</u>	<u>1,994,023</u>
<u>\$ 1,120,246</u>	<u>\$ 27,042</u>	<u>\$ 28,286</u>	<u>\$ 110,274</u>	<u>\$ 26,915</u>	<u>\$ 2,498,209</u>	<u>\$ 9,945,144</u>

CALCASIEU PARISH SCHOOL BOARD
NONMAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2004

	Vocational Education Act	Adult Basic Education	IDEA	IASA	WIA
REVENUES					
Local Sources:					
Earnings on investments	\$ -	\$ -	\$ -	\$ -	\$ -
Food Services	-	-	-	-	-
Other	-	-	-	-	-
State sources:					
Equalization	-	-	-	-	-
Revenues from federal sources	546,943	317,588	5,379,915	8,379,630	217,466
Total Revenues	546,943	317,588	5,379,915	8,379,630	217,466
EXPENDITURES					
Current:					
Instructional					
Regular	-	-	-	-	164,717
Special	-	-	115,537	-	-
Vocational education	443,343	-	-	-	-
Other instructional	-	-	-	-	-
Special programs	-	-	-	5,982,630	-
Adult education	-	307,882	-	-	-
Support service					
Pupil support	-	-	3,155,768	544,380	-
Instructional staff	103,600	-	1,774,864	1,414,585	52,749
General administration	-	-	2,612	46,551	-
School administration	-	-	-	-	-
Business services	-	9,706	173,756	312,168	-
Operation and maintenance	-	-	123,083	61,771	-
Student transportation	-	-	34,295	17,545	-
Central services	-	-	-	-	-
Food service	-	-	-	-	-
Total Expenditures	546,943	317,588	5,379,915	8,379,630	217,466
Excess (Deficiency) of Revenues Over Expenditures	-	-	-	-	-
Other Financing Sources (Uses):					
Transfers in	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-
Net change in fund balance	-	-	-	-	-
Fund Balances, Beginning of Year	-	-	-	-	-
Fund Balances, End of Year	\$ -	\$ -	\$ -	\$ -	\$ -

Exhibit 5

TANF	Education Improvement Grant	Community Tech Center	Technology Grant	Twenty First Century	School Food Service	Total
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 17,586	\$ 17,586
-	-	-	-	-	2,043,215	2,043,215
84,471	-	-	-	-	-	84,471
-	-	-	-	-	382,848	382,848
<u>3,722,645</u>	<u>232,669</u>	<u>205,047</u>	<u>523,556</u>	<u>266,244</u>	<u>8,072,296</u>	<u>27,863,999</u>
<u>3,807,116</u>	<u>232,669</u>	<u>205,047</u>	<u>523,556</u>	<u>266,244</u>	<u>10,515,945</u>	<u>30,392,119</u>
-	18,118	-	7,448	-	-	190,283
-	-	-	-	-	-	115,537
-	-	-	-	-	-	443,343
351,973	-	118,471	-	121,910	-	592,354
2,554,051	-	-	-	-	-	8,536,681
-	-	-	-	-	-	307,882
-	-	-	-	4,354	-	3,704,502
205,897	205,508	80,732	516,108	102,574	-	4,456,617
-	-	-	-	-	-	49,163
-	-	-	-	-	-	-
109,262	9,043	5,844	-	10,353	-	630,132
3,172	-	-	-	4,726	-	192,752
23,059	-	-	-	22,327	-	97,226
2,110	-	-	-	-	-	2,110
-	-	-	-	-	13,050,141	13,050,141
<u>3,249,524</u>	<u>232,669</u>	<u>205,047</u>	<u>523,556</u>	<u>266,244</u>	<u>13,050,141</u>	<u>32,368,723</u>
<u>557,592</u>	-	-	-	-	<u>(2,534,196)</u>	<u>(1,976,604)</u>
-	-	-	-	-	1,660,480	1,660,480
-	-	-	-	-	1,660,480	1,660,480
557,592	-	-	-	-	(873,716)	(316,124)
131,168	-	-	-	-	2,178,979	2,310,147
<u>\$ 688,760</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,305,263</u>	<u>\$ 1,994,023</u>

CALCASIEU PARISH SCHOOL BOARD
NONMAJOR SPECIAL REVENUE FUNDS
VOCATIONAL EDUCATION ACT
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Revenues from federal sources	\$ 533,351	\$ 548,925	\$ 546,943	\$ (1,982)
Total Revenues	<u>533,351</u>	<u>548,925</u>	<u>546,943</u>	<u>(1,982)</u>
EXPENDITURES				
Current:				
Instructional :				
Vocational education	428,551	444,125	443,343	782
Support service:				
Instructional staff	<u>104,800</u>	<u>104,800</u>	<u>103,600</u>	<u>1,200</u>
Total Expenditures	<u>533,351</u>	<u>548,925</u>	<u>546,943</u>	<u>1,982</u>
Excess of Revenues Over Expenditures	-	-	-	-
Fund Balance, Beginning of Year	-	-	-	-
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CALCASIEU PARISH SCHOOL BOARD
 NONMAJOR SPECIAL REVENUE FUNDS
 ADULT BASIC EDUCATION
 BUDGETARY COMPARISON SCHEDULE
 FOR THE YEAR ENDED JUNE 30, 2004

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		Over (Under)
REVENUES				
Revenues from federal sources	\$ 330,289	\$ 361,683	\$ 317,588	\$ (44,095)
Total Revenues	<u>330,289</u>	<u>361,683</u>	<u>317,588</u>	<u>(44,095)</u>
EXPENDITURES				
Current:				
Instructional :				
Adult education	320,067	351,489	307,882	43,607
Support service:				
Instructional staff	-	-	-	-
Business services	<u>10,222</u>	<u>10,194</u>	<u>9,706</u>	<u>488</u>
Total Expenditures	<u>330,289</u>	<u>361,683</u>	<u>317,588</u>	<u>44,095</u>
Excess of Revenues Over Expenditures	-	-	-	-
Fund Balance, Beginning of Year	-	-	-	-
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CALCASIEU PARISH SCHOOL BOARD
NONMAJOR SPECIAL REVENUE FUNDS
IDEA
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2004

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		Over (Under)
REVENUES				
Revenues from federal sources	\$ 7,141,593	\$ 7,940,624	\$ 5,379,915	\$ (2,560,709)
Total Revenues	<u>7,141,593</u>	<u>7,940,624</u>	<u>5,379,915</u>	<u>(2,560,709)</u>
EXPENDITURES				
Current:				
Instructional :				
Special education	146,653	172,152	115,537	56,615
Support service:				
Pupil support	3,803,610	4,377,989	3,155,768	1,222,221
Instructional staff	2,826,767	2,818,566	1,774,864	1,043,702
General administration	3,500	-	2,612	(2,612)
Business services	256,713	267,353	173,756	93,597
Plant services	68,976	261,585	123,083	138,502
Transportation	31,193	38,798	34,295	4,503
Central Services	4,181	4,181	-	4,181
Total Expenditures	<u>7,141,593</u>	<u>7,940,624</u>	<u>5,379,915</u>	<u>2,560,709</u>
Excess of Revenues Over Expenditures	-	-	-	-
Fund Balance, Beginning of Year	-	-	-	-
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CALCASIEU PARISH SCHOOL BOARD
NONMAJOR SPECIAL REVENUE FUNDS
IASA
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2004

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		Over (Under)
REVENUES				
Revenues from federal sources	\$ 9,560,757	\$ 11,247,364	\$ 8,379,630	\$ (2,867,734)
Total Revenues	9,560,757	11,247,364	8,379,630	(2,867,734)
EXPENDITURES				
Current:				
Instructional :				
Special programs	7,183,353	8,514,836	5,982,630	2,532,206
Support service:				
Pupil support	476,266	628,213	544,380	83,833
Instructional staff	1,425,334	1,534,293	1,414,585	119,708
General administration	47,650	68,559	46,551	22,008
Business services	360,408	420,674	312,168	108,506
Operation and maintenance	53,350	54,849	61,771	(8,922)
Transportation	6,970	18,079	17,545	534
Central services	7,426	7,861	-	7,861
Total Expenditures	9,560,757	11,247,364	8,379,630	2,867,734
Excess of Revenues Over Expenditures	-	-	-	-
Fund Balance, Beginning of Year	-	-	-	-
Fund Balance, End of Year	\$ -	\$ -	\$ -	\$ -

CALCASIEU PARISH SCHOOL BOARD
NONMAJOR SPECIAL REVENUE FUNDS
WIA
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2004

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		Over (Under)
REVENUES				
Revenues from federal sources	\$ 165,946	\$ 230,946	\$ 217,466	\$ (13,480)
Total Revenues	<u>165,946</u>	<u>230,946</u>	<u>217,466</u>	<u>(13,480)</u>
EXPENDITURES				
Current:				
Instructional :				
Regular instruction	120,214	174,376	164,717	9,659
Support service:				
Instructional staff	45,732	56,570	52,749	3,821
Total Expenditures	<u>165,946</u>	<u>230,946</u>	<u>217,466</u>	<u>13,480</u>
Excess of Revenues Over Expenditures	-	-	-	-
Fund Balance, Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CALCASIEU PARISH SCHOOL BOARD
NONMAJOR SPECIAL REVENUE FUNDS
TANF
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2004

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		Over (Under)
REVENUES				
Revenues from local sources	\$ -	\$ -	\$ 84,471	\$ 84,471
Revenues from federal sources	3,777,556	3,900,993	3,722,645	(178,348)
Total Revenues	3,777,556	3,900,993	3,807,116	(93,877)
EXPENDITURES				
Current:				
Instructional:				
Other instructional	328,582	353,582	351,973	1,609
Special programs	2,920,724	3,019,161	2,554,051	465,110
Support service:				
Pupil support	14,635	14,635	-	14,635
Instructional staff	253,071	255,071	205,897	49,174
General administrative	850	850	-	850
Business services	125,200	125,200	109,262	15,938
Operation & Maintenance	8,253	8,253	3,172	5,081
Transportation	121,741	119,741	23,059	96,682
Central services	4,500	4,500	2,110	2,390
Total Expenditures	3,777,556	3,900,993	3,249,524	651,469
Excess of Revenues Over Expenditures	-	-	557,592	557,592
Fund Balance, Beginning of Year	-	-	131,168	131,168
Fund Balance, End of Year	\$ -	\$ -	\$ 688,760	\$ 688,760

CALCASIEU PARISH SCHOOL BOARD
NONMAJOR SPECIAL REVENUE FUNDS
EDUCATION IMPROVEMENT GRANT
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		<u>Over (Under)</u>
REVENUES				
Revenues from federal sources	\$ 310,770	\$ 310,770	\$ 232,669	\$ (78,101)
Total Revenues	<u>310,770</u>	<u>310,770</u>	<u>232,669</u>	<u>(78,101)</u>
EXPENDITURES				
Current:				
Instructional:				
Other	10,235	20,235	18,118	2,117
Support service:				
Instructional staff	285,816	275,816	205,508	70,308
Business services	14,719	14,719	9,043	5,676
Total Expenditures	<u>310,770</u>	<u>310,770</u>	<u>232,669</u>	<u>78,101</u>
Excess of Revenues Over Expenditures	-	-	-	-
Fund Balance, Beginning of Year	-	-	-	-
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CALCASIEU PARISH SCHOOL BOARD
NONMAJOR SPECIAL REVENUE FUNDS
COMMUNITY TECH CENTER
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		<u>Over (Under)</u>
REVENUES				
Revenues from federal sources	\$ 351,656	\$ 388,930	\$ 205,047	\$ (183,883)
Total Revenues	<u>351,656</u>	<u>388,930</u>	<u>205,047</u>	<u>(183,883)</u>
EXPENDITURES				
Current:				
Instructional:				
Other instructional	128,778	161,401	118,471	42,930
Support service:				
Instructional staff	209,204	213,622	80,732	132,890
Business services	<u>13,674</u>	<u>13,907</u>	<u>5,844</u>	<u>8,063</u>
Total Expenditures	<u>351,656</u>	<u>388,930</u>	<u>205,047</u>	<u>183,883</u>
Excess of Revenues Over Expenditures	-	-	-	-
Fund Balance, Beginning of Year	-	-	-	-
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CALCASIEU PARISH SCHOOL BOARD
NONMAJOR SPECIAL REVENUE FUNDS
TECHNOLOGY GRANT
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		<u>Over (Under)</u>
REVENUES				
Revenues from federal sources	\$ 554,316	\$ 612,613	\$ 523,556	\$ (89,057)
Total Revenues	<u>554,316</u>	<u>612,613</u>	<u>523,556</u>	<u>(89,057)</u>
EXPENDITURES				
Current:				
Instructional:				
Other	10,235	12,492	7,448	5,044
Support service:				
Instructional staff	<u>544,081</u>	<u>600,121</u>	<u>516,108</u>	<u>84,013</u>
Total Expenditures	<u>554,316</u>	<u>612,613</u>	<u>523,556</u>	<u>89,057</u>
Excess of Revenues Over Expenditures	-	-	-	-
Fund Balance, Beginning of Year	-	-	-	-
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CALCASIEU PARISH SCHOOL BOARD
NONMAJOR SPECIAL REVENUE FUNDS
TWENTY FIRST CENTURY
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2004

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		Over (Under)
REVENUES				
Revenues from federal sources	\$ 295,241	\$ 295,241	\$ 266,244	\$ (28,997)
Total Revenues	<u>295,241</u>	<u>295,241</u>	<u>266,244</u>	<u>(28,997)</u>
EXPENDITURES				
Current:				
Instructional				
Other instructional	136,490	136,323	121,910	14,413
Support service:				
Pupil support	1,990	4,560	4,354	206
Instructional staff	104,031	106,054	102,574	3,480
Business services	11,210	11,480	10,353	1,127
Plant services	4,044	3,891	4,726	(835)
Transportation	37,476	32,933	22,327	10,606
Total Expenditures	<u>295,241</u>	<u>295,241</u>	<u>266,244</u>	<u>28,997</u>
Excess of Revenues Over Expenditures	-	-	-	-
Fund Balance, Beginning of Year	-	-	-	-
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CALCASIEU PARISH SCHOOL BOARD
NONMAJOR SPECIAL REVENUE FUNDS
SCHOOL FOOD SERVICE
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2004

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		Over (Under)
REVENUES				
Interest on investments	\$ 30,000	\$ 30,000	\$ 17,586	\$ (12,414)
Revenues from local sources	2,137,541	2,137,541	2,043,215	(94,326)
Revenues from state sources	382,848	382,848	382,848	-
Revenues from federal sources	7,506,500	7,506,500	8,072,296	565,796
Total Revenues	10,056,889	10,056,889	10,515,945	459,056
EXPENDITURES				
Current:				
Food service	12,801,870	12,801,870	13,050,141	(248,271)
Total Expenditures	12,801,870	12,801,870	13,050,141	(248,271)
Excess (Deficiency) of Revenues Over Expenditures	(2,744,981)	(2,744,981)	(2,534,196)	210,785
Other Financing Sources (Uses):				
Transfers in	1,242,480	1,242,480	1,660,480	(418,000)
Total Other Financing Sources (Uses)	1,242,480	1,242,480	1,660,480	(418,000)
Net change in fund balance	(1,502,501)	(1,502,501)	(873,716)	628,785
Fund Balance, Beginning of Year	1,094,481	2,178,979	2,178,979	-
Fund Balance, End of Year	\$ (408,020)	\$ 676,478	\$ 1,305,263	\$ 628,785

FINANCIAL REPORT

COMPREHENSIVE ANNUAL

NON MAJOR DEBT SERVICE FUNDS

The Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs. The Funds reflect the debt service activity of administrative districts created by the Board.

The Debt Service Funds are comprised of the following funds:

DeQuincy	Moss Bluff
South Lake Charles	Southeast Lake Charles
Westlake / Maplewood	Southwest Lake Charles
Starks	Bell City
Iowa	Sulphur
Vinton	North Lake Charles



Christmas Village Winners at S. P. Arnett



Students in class at S. P. Arnett Middle

CALCASIEU PARISH SCHOOL BOARD
NONMAJOR GOVERNMENTAL FUNDS
DEBT SERVICE FUND
COMBINING BALANCE SHEET
BY BONDING DISTRICTS OF CALCASIEU PARISH
JUNE 30, 2004

	DeQuincy	South Lake Charles	Westlake/ Maplewood	Starks	Iowa	Vinton
ASSETS						
Cash and cash equivalents	\$ 109,476	\$ 2,782,640	\$ 1,864,271	\$ 230,907	\$ 156,152	\$ 582,825
Investments	-	-	-	-	-	-
Receivables	3,259	27,810	5,903	254	7,772	4,386
Total Assets	\$ 112,735	\$ 2,810,450	\$ 1,870,174	\$ 231,161	\$ 163,924	\$ 587,211
LIABILITIES AND FUND BALANCES						
Liabilities						
Accounts, salaries and other payables	-	-	-	-	-	-
Deferred Revenue	-	-	-	-	-	-
Total Liabilities	-	-	-	-	-	-
Fund Balances:						
Reserved for debt service	112,735	2,810,450	1,870,174	231,161	163,924	587,211
Total Liabilities and Fund Balances	\$ 112,735	\$ 2,810,450	\$ 1,870,174	\$ 231,161	\$ 163,924	\$ 587,211

<u>Moss Bluff</u>	<u>Southeast Lake Charles</u>	<u>Southwest Lake Charles</u>	<u>Bell City</u>	<u>Sulphur</u>	<u>North Lake Charles</u>	<u>Total</u>
\$ 945,480	\$ 1,458,367	\$ 1,642,852	\$ 278,330	\$ 3,348,260	\$ 1,902,761	\$ 15,302,321
1,248,000	-	-	-	-	-	1,248,000
29,501	22,053	11,944	46	43,388	52,399	208,715
<u>\$ 2,222,981</u>	<u>\$ 1,480,420</u>	<u>\$ 1,654,796</u>	<u>\$ 278,376</u>	<u>\$ 3,391,648</u>	<u>\$ 1,955,160</u>	<u>\$ 16,759,036</u>
-	7,415	8,729	-	-	-	\$ 16,144
117,100	-	-	-	-	-	117,100
117,100	7,415	8,729	-	-	-	\$ 133,244
<u>2,105,881</u>	<u>1,473,005</u>	<u>1,646,067</u>	<u>278,376</u>	<u>3,391,648</u>	<u>1,955,160</u>	<u>16,625,792</u>
<u>\$ 2,222,981</u>	<u>\$ 1,480,420</u>	<u>\$ 1,654,796</u>	<u>\$ 278,376</u>	<u>\$ 3,391,648</u>	<u>\$ 1,955,160</u>	<u>\$ 16,759,036</u>

CALCASIEU PARISH SCHOOL BOARD
NONMAJOR GOVERNMENTAL FUNDS
DEBT SERVICE FUND
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BY BONDING DISTRICTS OF CALCASIEU PARISH
FOR THE YEAR ENDED JUNE 30, 2004

	DeQuincy	South Lake Charles	Westlake/ Maplewood	Starks	Iowa	Vinton
REVENUES						
Revenues from local sources:						
Ad valorem taxes	\$ 303,400	\$ 2,889,848	\$ 3,685,304	\$ 179,394	\$ 877,274	\$ 1,282,049
Earnings on investments	3,854	32,861	20,379	1,944	5,179	8,512
Other	343	5,771	-	-	520	-
Total Revenues from Local Sources	307,397	2,928,280	3,705,683	181,338	882,973	1,270,561
EXPENDITURES						
Current:						
Support service:						
General administration	10,307	208,243	120,835	6,490	30,384	42,735
Debt service:						
Principal retirement	255,000	2,105,000	1,065,190	156,147	480,000	319,393
Interest and fiscal charges	26,434	592,267	2,391,333	28,506	406,162	685,689
Total Expenditures	291,741	2,905,510	3,577,358	191,143	916,526	1,047,817
Excess (Deficiency) of Revenues Over (Under) Expenditures	15,656	22,770	128,325	(9,805)	(33,553)	222,744
Other Financing Sources (Uses):						
Transfers in	-	-	-	-	-	-
Payments to bond escrow agent	-	(7,815,104)	-	-	-	-
Proceeds of refunding bonds	-	7,887,780	-	-	-	-
Total Other Financing Sources	-	72,676	-	-	-	-
Net change in fund balance	15,656	95,446	128,325	(9,805)	(33,553)	222,744
Fund Balances, Beginning of Year	97,079	2,715,004	1,741,849	240,966	197,477	364,467
Fund Balances, End of Year	\$ 112,735	\$ 2,810,450	\$ 1,870,174	\$ 231,161	\$ 163,924	\$ 587,211

Exhibit 8

<u>Moss Bluff</u>	<u>Southeast Lake Charles</u>	<u>Southwest Lake Charles</u>	<u>Bell City</u>	<u>Sulphur</u>	<u>North Lake Charles</u>	<u>Total</u>
\$ -	\$ 1,851,795	\$ 1,804,798	\$ 205,357	\$ 4,331,449	\$ 3,893,059	\$ 21,083,727
89,505	13,003	14,447	2,000	32,910	41,140	265,335
32,209	-	345	-	8,041	-	45,229
<u>121,715</u>	<u>1,664,798</u>	<u>1,819,590</u>	<u>207,357</u>	<u>4,370,400</u>	<u>3,934,199</u>	<u>21,394,291</u>
124,259	55,427	61,033	6,978	197,446	128,808	993,925
455,000	300,000	355,000	130,000	2,429,923	1,393,929	9,444,582
773,507	470,039	528,215	69,155	1,455,672	2,875,626	10,102,605
<u>1,352,766</u>	<u>826,466</u>	<u>944,248</u>	<u>206,133</u>	<u>4,083,041</u>	<u>4,198,363</u>	<u>20,541,112</u>
<u>(1,231,051)</u>	<u>838,332</u>	<u>875,342</u>	<u>1,224</u>	<u>287,359</u>	<u>(264,164)</u>	<u>853,179</u>
1,400,933	-	-	-	-	-	1,400,933
(13,015,628)	-	-	-	(3,496,537)	-	(24,327,269)
12,741,498	-	-	-	3,523,111	-	24,152,389
<u>1,126,803</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>26,574</u>	<u>-</u>	<u>1,226,053</u>
(104,248)	838,332	875,342	1,224	313,933	(264,164)	2,079,232
<u>2,210,129</u>	<u>834,673</u>	<u>770,725</u>	<u>277,152</u>	<u>3,077,715</u>	<u>2,219,324</u>	<u>14,546,560</u>
<u>\$ 2,105,881</u>	<u>\$ 1,473,005</u>	<u>\$ 1,646,067</u>	<u>\$ 278,378</u>	<u>\$ 3,391,648</u>	<u>\$ 1,955,160</u>	<u>\$ 16,625,792</u>



Students from S. P. Arnett Middle School



S. P. Arnett Middle School

FINANCIAL REPORT

COMPREHENSIVE ANNUAL

NON MAJOR CAPITAL PROJECTS FUNDS

The Capital Projects Funds account for the receipts and disbursement of proceeds of general bond issues and other designated revenues used for acquisition of major capital facilities. The funds reflect the activity of administrative districts created by the Board. The Capital Projects funds are comprised of the following funds:

Westlake / Maplewood
Starks
Iowa
Vinton
Moss Bluff
Southeast Lake Charles

Southwest Lake Charles
Bell City
North Lake Charles
Riverboat
Qualified Zone Academy
Bonds (QZAB)



Construction underway for the new St. John Elementary School



Additional construction underway for the new St. John Elementary School

CALCASIEU PARISH SCHOOL BOARD
NONMAJOR GOVERNMENTAL FUNDS
CAPITAL PROJECTS FUND
COMBINING BALANCE SHEET
BY BONDING DISTRICTS OF CALCASIEU PARISH
June 30, 2004

	<u>Westlake/ Maplewood</u>	<u>Starks</u>	<u>Iowa</u>	<u>Vinton</u>	<u>Moss Bluff</u>
ASSETS					
Cash and cash equivalents	\$ 921,947	\$ 816	\$ 122,479	\$ 102,118	\$ 3,769,910
Receivables	-	-	-	-	186,604
Total Assets	\$ 921,947	\$ 816	\$ 122,479	\$ 102,118	\$ 3,956,514
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts, salaries, and other payables	\$ 129,276	\$ -	\$ 45,318	\$ 8,900	\$ 6,180
Due to other funds	-	-	-	-	-
Total Liabilities	129,276	-	45,318	8,900	6,180
Fund Balances:					
Reserved					
Encumbrances	480,243	-	24,236	75,141	78,528
Unreserved					
Undesignated	312,428	816	52,925	18,075	3,871,806
Total Fund Balances	792,671	816	77,161	93,216	3,950,334
Total Liabilities and Fund Balances	\$ 921,947	\$ 816	\$ 122,479	\$ 102,118	\$ 3,956,514

<u>Southeast Lake Charles</u>	<u>Southwest Lake Charles</u>	<u>Bell City</u>	<u>North Lake Charles</u>	<u>Riverboat</u>	<u>QZAB</u>	<u>Total</u>
\$ 5,114,786 5	\$ 10,597,802 -	\$ - 20	\$ 3,677,474 -	\$ 556,154 103,387	\$ 37,459 -	\$ 24,900,943 290,016
<u>\$ 5,114,791</u>	<u>\$ 10,597,802</u>	<u>\$ 20</u>	<u>\$ 3,677,474</u>	<u>\$ 659,541</u>	<u>\$ 37,459</u>	<u>\$ 25,190,959</u>
\$ 2,479,300	\$ 1,523,364	\$ - 150,655	\$ - 3,388,499	\$ 213,189 -	\$ - -	\$ 4,405,527 3,539,154
<u>2,479,300</u>	<u>1,523,364</u>	<u>150,655</u>	<u>3,388,499</u>	<u>213,189</u>	<u>-</u>	<u>7,944,681</u>
8,240,457	17,495,371	1,912	5,329	890,991	-	27,282,208
<u>(5,604,966)</u>	<u>(8,420,933)</u>	<u>(152,547)</u>	<u>283,646</u>	<u>(434,639)</u>	<u>37,459</u>	<u>(10,035,930)</u>
<u>2,635,491</u>	<u>9,074,438</u>	<u>(150,635)</u>	<u>288,975</u>	<u>446,352</u>	<u>37,459</u>	<u>17,246,278</u>
<u>\$ 5,114,791</u>	<u>\$ 10,597,802</u>	<u>\$ 20</u>	<u>\$ 3,677,474</u>	<u>\$ 659,541</u>	<u>\$ 37,459</u>	<u>\$ 25,190,959</u>

CALCASIEU PARISH SCHOOL BOARD
NONMAJOR GOVERNMENTAL FUNDS
CAPITAL PROJECTS FUND
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BY BONDING DISTRICTS OF CALCASIEU PARISH
FOR THE YEAR ENDED JUNE 30, 2004

	Westlake/ Maplewood	Starks	Iowa	Vinton	Moss Bluff
REVENUES					
Ad valorem taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Sales tax collections	-	-	-	-	1,749,392
Interest on investments	9,778	3	2,307	5,193	28,693
Other	1,507	424	3,180	-	-
Total Revenues	11,285	427	5,487	5,193	1,778,085
EXPENDITURES					
Current:					
Regular instruction	51,091	-	288	486	143,154
Vocational instruction	-	-	-	-	-
Other instructional	-	-	-	-	-
Pupil support	6,687	-	-	-	-
Instructional staff	-	-	-	-	-
General administration	-	-	-	-	5,599
School administration	61,304	-	-	4,201	-
Business services	1,828	-	-	-	344
Plant services	56,825	-	815	18,102	10,674
Transportation	-	-	-	-	-
Food services	-	-	-	24,418	13,571
Capital outlay	2,469,760	-	473,779	1,627,023	434,348
Debt service - principal	-	-	-	-	-
- interest and fiscal charges	-	-	-	-	-
Total Expenditures	2,647,095	-	474,882	1,674,230	607,690
Excess (Deficiency) of Revenues Over Expenditures	<u>(2,635,810)</u>	<u>427</u>	<u>(469,395)</u>	<u>(1,669,037)</u>	<u>1,170,395</u>
Other Financing Sources (Uses):					
Transfers in	83,570	-	-	-	-
Transfers (out)	-	-	-	-	(1,400,933)
Proceeds from sale of bonds	-	-	-	-	-
Total Other Financing Sources (Uses)	83,570	-	-	-	(1,400,933)
Net change in fund balance	(2,552,240)	427	(469,395)	(1,669,037)	(230,538)
Fund Balance, Beginning of Year	3,344,911	389	546,556	1,762,253	4,180,872
Fund Balance, End of Year	\$ 792,671	\$ 816	\$ 77,161	\$ 93,216	\$ 3,950,334

Exhibit 10

Southeast Lake Charles	Southwest Lake Charles	Bell City	North Lake Charles	Riverboat	OZAB	Total
\$ -	\$ -	\$ 85,247	\$ -	\$ -	\$ -	\$ 85,247
-	-	-	-	-	-	1,749,392
50,166	61,607	-	35,855	4,680	485	198,767
3,318	2,070	-	39,899	2,423,170	-	2,473,568
<u>53,484</u>	<u>63,677</u>	<u>85,247</u>	<u>75,754</u>	<u>2,427,850</u>	<u>485</u>	<u>4,506,874</u>
32,870	500	3,043	10,096	-	-	241,528
-	-	-	13,296	-	-	13,296
-	-	-	-	-	-	-
-	-	-	-	-	-	6,687
-	7,636	-	-	-	-	7,636
2,290	-	2,850	6,030	-	-	16,769
1,192	-	-	-	-	-	66,697
-	-	-	450	1,233	-	3,655
196,309	85,987	2,426	181,861	14,813	16,883	584,495
-	-	-	-	466,193	-	466,193
7,981	-	186,040	1,431	-	-	233,441
15,055,971	9,812,003	-	2,699,684	1,040,398	-	33,612,966
-	-	-	-	559,205	-	559,205
69,830	69,933	-	-	232,726	-	372,489
<u>15,366,443</u>	<u>9,976,059</u>	<u>194,359</u>	<u>2,912,848</u>	<u>2,314,568</u>	<u>16,883</u>	<u>36,185,057</u>
<u>(15,312,959)</u>	<u>(9,912,382)</u>	<u>(109,112)</u>	<u>(2,837,094)</u>	<u>113,282</u>	<u>(16,398)</u>	<u>(31,678,083)</u>
-	-	-	-	-	-	83,570
-	-	-	-	-	-	(1,400,933)
<u>10,000,000</u>	<u>10,000,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>20,000,000</u>
<u>10,000,000</u>	<u>10,000,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>18,682,637</u>
<u>(5,312,959)</u>	<u>87,618</u>	<u>(109,112)</u>	<u>(2,837,094)</u>	<u>113,282</u>	<u>(16,398)</u>	<u>(12,995,446)</u>
<u>7,948,450</u>	<u>8,986,820</u>	<u>(41,523)</u>	<u>3,128,069</u>	<u>333,070</u>	<u>53,857</u>	<u>30,241,724</u>
<u>\$ 2,635,491</u>	<u>\$ 9,074,438</u>	<u>\$ (160,635)</u>	<u>\$ 288,975</u>	<u>\$ 446,352</u>	<u>\$ 37,459</u>	<u>\$ 17,246,278</u>



Gym Class at S. P. Arnett Middle School



One on One with a student at Combre-Fondel Elementary School

**COMBINING
INTERNAL
SERVICE
FUNDS**

The Internal Service Funds account for the receipt of premiums and expenditures for the claims and administrative costs for the Board's self-insurance programs.

The Board maintains the following self-insurance funds:

Employee's Health/Life
Worker's Compensation

CALCASIEU PARISH SCHOOL BOARD
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF NET ASSETS (DEFICITS)
JUNE 30, 2004

	<u>Employees Health/Life</u>	<u>Worker's Compensation</u>	<u>Totals</u>
ASSETS			
Cash and cash equivalents	\$ 3,841,958	\$ 1,471,490	\$ 5,313,448
Receivables:			
Accounts	4,904,171	510,009	5,414,180
Prepaid items	<u>1,600</u>	<u>79,331</u>	<u>80,931</u>
Total Assets	<u>\$ 8,747,729</u>	<u>\$ 2,060,830</u>	<u>\$ 10,808,559</u>
LIABILITIES AND NET ASSETS			
Liabilities:			
Accounts, salaries and benefits payable	\$ 442,518	\$ 197,936	\$ 640,454
Due to other funds	110,187	-	110,187
Incurred but not reported claims	<u>4,735,067</u>	<u>1,935,560</u>	<u>6,670,627</u>
Total Liabilities	<u>5,287,772</u>	<u>2,133,496</u>	<u>7,421,268</u>
Net Assets:			
Unrestricted	<u>3,459,957</u>	<u>(72,666)</u>	<u>3,387,291</u>
Total Net Assets (Deficits)	<u>3,459,957</u>	<u>(72,666)</u>	<u>3,387,291</u>
Total Liabilities and Net Assets (Deficits)	<u>\$ 8,747,729</u>	<u>\$ 2,060,830</u>	<u>\$ 10,808,559</u>

CALCASIEU PARISH SCHOOL BOARD
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES
IN NET ASSETS (DEFICITS)
FOR THE YEAR ENDED JUNE 30, 2004

	<u>Employees Health/Life</u>	<u>Worker's Compensation</u>	<u>Total</u>
OPERATING REVENUES			
Premiums	<u>\$ 26,764,679</u>	<u>\$ 2,987,367</u>	<u>\$ 29,752,046</u>
OPERATING EXPENSES			
Administrative expenses	1,203,541	311,048	1,514,589
Premium payments	2,749,893	183,801	2,933,694
Benefit payments	<u>22,414,201</u>	<u>2,406,015</u>	<u>24,820,216</u>
Total Operating Expenses	<u>26,367,635</u>	<u>2,900,864</u>	<u>29,268,499</u>
Operating Income (Loss)	397,044	86,503	483,547
NONOPERATING REVENUES			
Interest income	<u>24,249</u>	<u>10,468</u>	<u>34,717</u>
Change in net assets	421,293	96,971	518,264
Net Assets, Beginning of Year	<u>3,038,664</u>	<u>(169,637)</u>	<u>2,869,027</u>
Net Assets, End of Year	<u>\$ 3,459,957</u>	<u>\$ (72,666)</u>	<u>\$ 3,387,291</u>

CALCASIEU PARISH SCHOOL BOARD
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2004

	Employees Health/Life	Worker's Compensation	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received for premiums	\$ 26,327,566	\$ 2,648,990	\$ 28,976,556
Cash paid for benefits	(22,179,133)	(2,050,252)	(24,229,385)
Cash paid for excess insurance	(2,733,733)	(205,351)	(2,939,084)
Cash paid to employees	(378,868)	(237,073)	(615,941)
Cash paid to suppliers	(572,294)	(1,056)	(573,350)
Net Cash Provided (Used) By Operating Activities	<u>463,538</u>	<u>155,258</u>	<u>618,796</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Earning on invested proceeds	<u>24,250</u>	<u>10,468</u>	<u>34,718</u>
Net Increase (Decrease) in Cash	487,788	165,728	653,514
Cash and cash equivalents, Beginning of Year	<u>3,354,170</u>	<u>1,305,764</u>	<u>4,659,934</u>
Cash and cash equivalents, End of Year	<u>\$ 3,841,958</u>	<u>\$ 1,471,490</u>	<u>\$ 5,313,448</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES			
Operating income (loss)	\$ 397,044	\$ 86,503	\$ 483,547
Change in assets and liabilities -			
(Increase) decrease in accounts receivable	(795,583)	(338,377)	(1,133,960)
(Increase) decrease in due from other governments	259,964	-	259,964
(Increase) decrease in due from others	208,693	-	208,693
(Increase) decrease in prepaid items	14,240	(21,550)	(7,310)
Increase (decrease) in accounts payable	149,340	25,644	174,984
Increase (decrease) in payroll deductions, withholdings and accrued salaries	(5,227)	23,960	18,733
Increase (decrease) in incurred but not reported claims	235,067	379,078	614,145
Total Adjustments	<u>66,494</u>	<u>68,755</u>	<u>135,249</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>\$ 463,538</u>	<u>\$ 155,258</u>	<u>\$ 618,796</u>



Computer Lab at Combre-Fondel Elementary School



Band class at S. P. Arnett Middle School

FINANCIAL REPORT

COMPREHENSIVE ANNUAL

AGENCY FUNDS

Agency Funds account for assets held in a trustee capacity by the School Board. The Board maintains the following Agency Funds:

Student Activities Fund - The Student Activity Funds account for monies collected and expended by the individual schools. This money is held in an agency capacity.

Sales Tax Collection Fund - The Sales Tax Fund accounts for monies collected by the School Board, acting as the Sales Tax Commission in Calcasieu Parish, on behalf of the other taxing bodies.

Sales Taxes Paid Under Protest Fund - This fund accounts for sales taxes collected but paid under protest. These funds are held in the agency fund pending settlement of the protest.

CALCASIEU PARISH SCHOOL BOARD
AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FOR THE YEAR ENDED JUNE 30, 2004

	Student Activities Funds			Balance June 30, 2004
	Balance July 1, 2003	Additions	Deductions	
ASSETS				
Cash and cash equivalents	\$ 4,048,707	\$ 11,758,702	\$ 11,455,236	\$ 4,352,173
Total Assets	\$ 4,048,707	\$ 11,758,702	\$ 11,455,236	\$ 4,352,173
LIABILITIES				
Due to student and employee groups	\$ 4,048,707	\$ 11,758,702	\$ 11,455,236	\$ 4,352,173
Total Liabilities	\$ 4,048,707	\$ 11,758,702	\$ 11,455,236	\$ 4,352,173
Sales Tax Collection Fund				
ASSETS				
Cash and cash equivalents	\$ -	\$ 148,079,579	\$ 148,079,579	\$ -
Total Assets	\$ -	\$ 148,079,579	\$ 148,079,579	\$ -
LIABILITIES				
Due to other governments	\$ -	\$ 148,079,579	\$ 148,079,579	\$ -
Total Liabilities	\$ -	\$ 148,079,579	\$ 148,079,579	\$ -
Sales Taxes Paid Under Protest Fund				
ASSETS				
Cash and cash equivalents	\$ 4,415,734	\$ 1,320,081	\$ 1,836,819	\$ 3,898,996
Total Assets	\$ 4,415,734	\$ 1,320,081	\$ 1,836,819	\$ 3,898,996
LIABILITIES				
Protested taxes payable	\$ 4,415,734	\$ 1,320,081	\$ 1,836,819	\$ 3,898,996
Total Liabilities	\$ 4,415,734	\$ 1,320,081	\$ 1,836,819	\$ 3,898,996
All Agency Funds				
ASSETS				
Cash and cash equivalents	\$ 8,464,441	\$ 161,158,362	\$ 161,371,634	\$ 8,251,169
Total Assets	\$ 8,464,441	\$ 161,158,362	\$ 161,371,634	\$ 8,251,169
LIABILITIES				
Due to student and employee groups	\$ 4,048,707	\$ 11,758,702	\$ 11,455,236	\$ 4,352,173
Due to other governments	-	148,079,579	148,079,579	-
Protested taxes payable	4,415,734	1,320,081	1,836,819	3,898,996
Total Liabilities	\$ 8,464,441	\$ 161,158,362	\$ 161,371,634	\$ 8,251,169

CALCASIEU PARISH SCHOOL BOARD
 AGENCY FUND - STUDENT ACTIVITIES FUNDS
 SCHEDULE OF CHANGES IN DEPOSITS DUE OTHERS - BY SCHOOL
 FOR THE YEAR ENDED JUNE 30, 2004

School	Balance June 30, 2003	Additions	Deductions	Balance June 30, 2004
Adult Education	\$ 22,748	\$ 9,302	\$ 9,470	\$ 22,580
S. P. Arnett Middle School	25,006	106,343	100,159	31,190
Barbe Elementary School	4,927	21,949	19,936	6,940
A. M. Barbe High School	344,535	1,303,515	1,307,826	340,224
Bell City High School	75,680	230,093	238,182	67,591
Brentwood Elementary School	11,037	38,772	37,711	12,098
Calcasieu Career Center	21,749	40,798	36,293	26,254
J. D. Clifton Elementary School	20,433	51,122	56,462	15,093
College Oaks Elementary School	24,827	96,889	90,890	30,826
College Street T & I	34,012	12,534	7,148	39,398
D. A. Combre Elementary School	53,901	29,565	26,770	56,696
T. S. Cooley Elementary School	40,546	131,259	123,564	48,241
DeQuincy Elementary School	46,230	129,959	104,076	72,113
DeQuincy High School	78,358	260,195	252,718	85,835
DeQuincy Middle School	63,689	107,657	115,976	55,370
Dolby Elementary School	45,544	177,517	175,586	47,475
Fairview Elementary School	68,044	75,383	78,273	65,154
Frasch Elementary School	25,142	93,994	98,052	21,084
Gillis Elementary School	57,900	174,838	150,829	81,809
W. T. Henning Elementary School	37,706	94,600	102,560	29,746
Henry Heights Elementary School	33,564	76,548	74,443	35,669
Sam Houston High School	220,587	746,749	730,847	236,589
Iowa High School	132,150	363,308	342,198	163,260
J. J. Johnson Elementary School	18,641	45,881	29,015	35,507
M. J. Kaufman Elementary School	25,500	63,064	54,194	34,370
J. F. Kennedy Elementary School	5,323	32,767	30,020	8,070
E. K. Key Elementary School	16,017	115,419	117,383	14,053
LaGrange Senior High School	136,217	484,984	473,463	147,738
Lake Charles/Boston High School	31,808	312,589	306,966	37,431
LeBlanc Middle School	39,594	118,326	118,237	39,683
Lebleu Settlement School	19,178	97,885	95,642	21,421
W. W. Lewis Middle School	103,967	246,363	258,363	91,967
Maplewood Middle School	93,287	285,653	257,767	121,173
R. D. Molo Middle School	25,169	70,202	82,287	13,084
Moss Bluff Elementary School	79,750	257,997	250,121	87,626
Moss Bluff Middle School	130,154	316,674	337,413	109,415
A. A. Nelson Elementary School	68,421	238,383	212,480	94,324
Oak Park Elementary School	11,836	73,259	74,187	10,908
Oak Park Middle School	31,475	114,081	101,273	44,283
D. S. Perkins Elementary School	18,468	49,191	48,086	19,573
Prien Lake Elementary School	109,122	252,319	278,534	82,907
Reynaud Middle School	7,588	37,532	38,566	6,554
St. John Elementary School	44,099	197,412	197,473	44,038
Starks High School	48,987	113,015	116,195	45,807
Sulphur High School	675,886	1,458,859	1,346,369	788,176
R. W. Vincent Elementary School	28,061	96,609	93,979	30,691
Vincent Settlement Elementary School	54,361	173,000	134,595	92,766
Vinton Elementary School	42,487	62,950	58,945	46,492
Vinton High School	119,663	178,248	184,534	113,377
Vinton Middle School	42,386	87,565	85,506	44,445
Washington/Marion High School	60,718	338,988	326,837	72,869
T. H. Watkins Elementary School	21,528	52,113	58,351	15,290
J. I. Watson Elementary School	60,208	141,849	142,143	59,914
Pearl Watson Elementary School	20,582	71,876	61,207	31,251
S. J. Welsh Middle School	93,001	351,196	344,046	100,151
Western Heights Elementary School	55,654	46,894	50,050	52,298
Westlake High School	99,130	473,513	461,842	110,801
Westwood Elementary School	59,018	152,162	157,799	53,381
F. K. White Middle School	54,146	134,636	147,975	40,807
R. F. Wilson Elementary School	9,162	42,559	43,424	8,297
Total	\$ 4,048,707	\$ 11,758,702	\$ 11,455,236	\$ 4,352,173

CALCASIEU PARISH SCHOOL BOARD
 SALES TAX COLLECTION AGENCY FUND
 SCHEDULE OF CHANGES IN DEPOSITS DUE OTHERS
 FOR THE YEAR ENDED JUNE 30, 2004

	Total
DEPOSIT BALANCE AT BEGINNING OF YEAR	\$ -
ADDITIONS	
Tax collections	\$ 148,079,579
DEDUCTIONS	
Payments to:	
Parish School Board	\$ 65,688,615
Parish Policy Jury	23,296,614
City of Lake Charles	35,099,068
City of Sulphur	9,382,096
Town of Iowa	1,018,790
Town of DeQuincy	922,647
Town of Vinton	565,739
Town of Westlake	2,768,963
Law Enforcement District #1	8,084,323
Southwest Tourist Bureau	1,252,724
Total deductions	\$ 148,079,579
DEPOSIT BALANCE AT END OF YEAR	\$ -



Susan Couch, teacher at Nelson Elementary School
received the National Milken Education Award



Susan Couch with State Superintendent Picard and
our Superintendent Jude Theriot

FINANCIAL REPORT

COMPREHENSIVE ANNUAL

LONG TERM DEBT

SCHEDULE OF AMOUNTS PAID TO BOARD MEMBERS

CALCASIEU PARISH SCHOOL BOARD
 SCHEDULE OF CHANGES IN GENERAL LONG-TERM DEBT
 FOR THE YEAR ENDED JUNE 30, 2004

	BEGINNING BALANCE	ADDITIONS	PAYMENTS	DEBT SERVICE FUND OPERATIONS	ENDING BALANCE
Amount available in Debt Service Funds	\$ 14,546,559	-	-	2,079,232	\$ 16,625,791
Amount to be provided for retirement of:					
Bonds payable	165,862,543	46,085,000	(32,229,585)	(2,079,232)	177,638,726
Capital leases payable	1,801,577	-	(1,801,577)	-	-
Notes and other debt payable	4,573,071	1,614,210	(1,729,155)	-	4,458,126
Amount to be provided for accrued compensated absences	9,396,024	326,548	-	-	9,722,572
Amount to be provided for accrued workers' compensation liability	245,322	33,047	-	-	278,369
	<u>196,425,096</u>	<u>48,058,805</u>	<u>(35,760,317)</u>	<u>-</u>	<u>208,723,584</u>
Long-term debt payable:					
Bonds payable	159,019,434	31,435,000	(19,709,584)	-	170,744,850
Revenue certificates	6,280,000	2,000,000	(665,000)	-	7,615,000
Revenue bonds payable	13,945,000	12,650,000	(11,855,000)	-	14,740,000
Capital leases payable	1,801,577	-	(1,801,577)	-	-
Notes and other debt payable	3,249,666	1,614,210	(1,596,355)	-	3,267,521
Sales tax financing agreement	2,488,072	-	(132,800)	-	2,355,272
Compensated absences payable	9,396,024	326,548	-	-	9,722,572
Workers' compensation liability	245,322	33,047	-	-	278,369
Totals	<u>\$ 196,425,095</u>	<u>\$ 48,058,805</u>	<u>\$ (35,760,318)</u>	<u>\$ -</u>	<u>\$ 208,723,584</u>

CALCASIEU PARISH SCHOOL BOARD
 SCHEDULE OF COMPENSATION AND OTHER EXPENSES
 PAID TO SCHOOL BOARD MEMBERS
 FOR THE YEAR ENDED JUNE 30, 2004

<u>Board Members</u>	<u>Election District</u>	<u>School Districts Represented</u>	<u>Per Diem</u>	<u>Expenses</u>	<u>Total</u>
R. L. Webb	1	22,25,27,28	\$ 9,600	-	9,600
S. A. LaVergne	2	31	9,600	3,589	13,189
C. F. Duhon	3	22,31	9,600	4,002	13,602
G. P. Robert	4	22,31	10,200	105	10,305
D. B. Bernard	5	22,31	9,600	951	10,551
P. E. Tarver	6	22	9,600	-	9,600
J. M. Falgout	7	22	10,200	-	10,200
J. W. Pitre	8	22	9,600	84	9,684
E. Stephens	9	23,30	9,600	106	9,706
J. W. Karr, Sr.	10	21,24,30	9,600	126	9,726
J. L. Duhon	11	26,30	9,600	-	9,600
J. A. Andrepont	12	30	9,600	-	9,600
B. Breaux	13	23,30	9,600	1,144	10,744
J. L. Franklin	14	22,31	9,600	1,292	10,892
B. LaRocque	15	27,31	9,600	1,596	11,196
			<u>\$ 145,200</u>	<u>\$ 12,995</u>	<u>\$ 158,195</u>

In accordance with House Concurrent Resolution No. 54 of the 1979 Session of the Legislature, the above is a schedule of compensation (up to \$800 per month paid to Board Members in lieu of per diem) and reimbursed travel expenses to School Board Association conventions. The president of the Board is paid an additional \$100 per month for fulfilling the duties of the president.

FINANCIAL REPORT

COMPREHENSIVE ANNUAL

STATISTICAL SECTION (UNAUDITED)



Students in class at S. P. Arnett Middle School



Students in the Library at A. M. Barbe High School

TABLE 1

**CALCASIEU PARISH SCHOOL BOARD
GOVERNMENT-WIDE EXPENSES BY FUNCTION
FISCAL YEARS ENDED JUNE 30**

	<u>2004</u>	<u>2003</u>	<u>2002</u>
Governmental activities:			
Instruction:			
Regular programs	\$ 82,961,541	\$ 80,140,275	\$ 77,469,855
Special education	27,617,503	26,935,036	26,307,882
Vocational education	5,163,403	5,238,944	5,016,581
Other instructional	2,109,996	658,446	812,185
Special programs	9,420,582	10,344,802	8,281,016
Adult education	638,573	569,042	451,081
Support services:			
Student services	12,060,326	13,175,492	12,333,066
Instructional staff	13,237,348	10,623,999	9,645,650
General administration	7,178,125	5,190,678	3,916,206
School Administration	11,305,973	10,912,863	10,339,484
Business services	2,246,124	2,413,176	2,691,486
Plant services	24,590,751	21,084,497	18,765,926
Student transportation	9,588,608	8,295,186	7,803,958
Central services	2,603,642	2,952,686	1,782,866
Food services	13,321,605	12,542,748	12,300,239
Enterprise operations	36,660	45,046	25,778
Community service programs	122,662	44,282	60,377
Capital outlay	-	53,271	8,240,240
Interest expense	10,926,763	11,774,069	2,583,720
Gain (loss) on capital asset disposition	1,665,293	1,775,805	-
Unallocated depreciation expense	5,137,704	2,946,279	-
Total governmental activities	<u>\$ 241,933,182</u>	<u>\$ 227,716,622</u>	<u>\$ 208,627,596</u>
Business-type activities:			
Enterprise operations	<u>967,729</u>	<u>975,634</u>	<u>580,232</u>
Totals	<u>\$ 242,900,911</u>	<u>\$ 228,692,256</u>	<u>\$ 209,207,828</u>

Note: Statements presented on government-wide basis upon adoption of GASB 34 in year 2002.

TABLE 2

CALCASIEU PARISH SCHOOL BOARD
GOVERNMENT-WIDE REVENUES BY SOURCE
FISCAL YEARS ENDED JUNE 30

	<u>2004</u>	<u>2003</u>	<u>2002</u>
Program revenues:			
Charges for services	\$ 3,304,445	\$ 3,219,488	\$ 3,166,601
Operating grants and contributions	31,408,475	31,357,759	26,899,332
Total program revenues	<u>\$ 34,712,920</u>	<u>\$ 34,577,247</u>	<u>\$ 30,065,933</u>
General revenues:			
Taxes			
Property taxes, levied for general purposes	18,218,584	17,558,869	17,017,553
Property taxes, levied for debt service	21,083,727	20,308,639	14,175,754
Sales taxes, levied for general purposes	48,146,995	45,606,471	47,488,621
Sales taxes, levied for salaries	16,151,654	15,075,858	15,760,918
Sales taxes, levied for debt service	1,749,392	1,952,575	1,935,095
State revenue sharing	980,785	981,235	982,829
Riverboat revenue taxes	2,423,170	1,285,098	1,393,352
Grants and contributions not restricted to specific programs	102,654,853	94,154,484	90,399,357
Erate	450,762	451,185	370,334
Medicaid	271,766	187,108	42,870
Unrestricted investment earnings	1,081,500	2,180,364	3,007,082
Miscellaneous	1,742,452	1,067,759	1,833,876
Total general revenues	<u>\$ 214,955,640</u>	<u>\$ 200,809,645</u>	<u>\$ 194,407,641</u>
Total governmental revenues	\$ 284,381,480	\$ 269,964,139	\$ 254,539,507
Business-type activities:			
Enterprise operations	1,092,593	1,105,436	1,018,037
Totals	<u>\$ 285,474,073</u>	<u>\$ 271,069,575</u>	<u>\$ 255,557,544</u>

Note: Statements presented on government-wide basis upon adoption of GASB 34 in year 2002.

CALCASIEU PARISH SCHOOL BOARD
GENERAL FUND REVENUES BY SOURCE
LAST TEN FISCAL YEARS
(UNAUDITED)

	<u>2003</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>
Revenues from Local Sources:				
Ad valorem taxes	\$18,133,337	\$17,470,063	\$17,017,553	\$16,189,132
Sales Tax	64,298,649	60,682,329	63,052,488	59,776,945
Earnings on Investments	455,555	661,949	949,753	1,582,426
Other local revenues	<u>2,728,226</u>	<u>2,468,902</u>	<u>2,481,868</u>	<u>2,431,951</u>
Total Revenues from Local Sources	<u>85,615,767</u>	<u>81,283,243</u>	<u>83,501,662</u>	<u>79,980,454</u>
Revenues from State Sources:				
Equalization	102,272,005	93,771,634	90,016,509	85,906,901
Other state revenues	<u>5,277,535</u>	<u>6,297,265</u>	<u>5,305,192</u>	<u>5,170,428</u>
Total Revenues from State Sources	<u>107,549,540</u>	<u>100,068,899</u>	<u>95,321,701</u>	<u>91,077,329</u>
Revenues from Federal Sources (2)	<u>61,492</u>	<u>52,104</u>	<u>41,776</u>	<u>40,340</u>
TOTAL REVENUES	<u>\$193,226,799</u>	<u>\$181,404,246</u>	<u>\$178,865,139</u>	<u>\$171,088,123</u>

(1) Voters approved a new 1/2% sales tax for salaries.

(2) In previous years, Federal Revenue for Vocational and Adult Education was reported in the General Fund. These revenues are now reported in the Special Revenue Fund.

Source: Information from the School Board's financial statements

TABLE 3

<u>2000</u>	<u>1999</u>	<u>1998</u>	<u>1997</u>	<u>1996</u>	<u>1995</u>
\$15,035,787	\$14,717,695	\$14,422,187	\$13,830,632	\$12,876,772	\$12,650,570
59,399,229	57,481,618	57,634,559	56,391,820	52,915,327 (1)	36,197,493
1,590,219	1,404,001	1,892,394	2,283,237	1,923,942	1,696,992
<u>1,916,944</u>	<u>2,357,478</u>	<u>1,577,771</u>	<u>1,535,249</u>	<u>1,340,549</u>	<u>1,122,194</u>
<u>77,942,179</u>	<u>75,960,792</u>	<u>75,726,911</u>	<u>74,040,938</u>	<u>69,056,590</u>	<u>51,687,249</u>
77,177,310	79,235,418	76,025,506	71,627,513	70,180,853	70,193,205
<u>5,157,671</u>	<u>6,560,144</u>	<u>6,657,659</u>	<u>4,001,328</u>	<u>4,263,540</u>	<u>6,593,935</u>
<u>82,334,981</u>	<u>85,795,562</u>	<u>82,683,165</u>	<u>75,628,841</u>	<u>74,444,393</u>	<u>76,787,140</u>
<u>37,454</u>	<u>107,443</u>	<u>257,648</u>	<u>115,187</u>	<u>80,570</u>	<u>72,034</u>
<u>\$160,314,614</u>	<u>\$161,863,797</u>	<u>\$158,667,724</u>	<u>\$149,784,966</u>	<u>\$143,581,553</u>	<u>\$128,526,423</u>

CALCASIEU PARISH SCHOOL BOARD
GENERAL FUND EXPENDITURES BY FUNCTION
LAST TEN FISCAL YEARS
(UNAUDITED)

	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>
Current:					
Instructional:					
Regular	\$ 82,398,509	\$ 80,853,225	\$ 78,208,848	\$ 73,857,045	\$ 74,144,555
Special	27,475,994	26,608,271	25,597,880	23,734,990	23,546,359
Vocational education	4,724,415	4,690,449	4,522,630	4,318,187	4,023,729
Other instructional	1,538,812	542,567	535,974	500,494	527,876 (2)
Special programs	1,159,049	1,548,770	1,324,567	1,294,576	1,222,847 (2)
Adult education	318,536	265,864	185,593	174,723	76,336
Support Service:					
Pupil support	8,176,125	8,341,026	7,939,524	7,460,022	7,470,128
Instructional staff	8,802,642	8,957,553	8,744,575	7,894,606	7,899,426
General administration	3,554,345	3,641,114	3,470,590	2,873,481	2,341,802
School administration	11,208,872	10,885,334	10,336,491	10,068,901	10,065,319
Business services	1,712,881	1,758,550	1,663,349	1,683,351	1,786,318
Operation and maintenance	23,574,816	20,508,218	18,756,483	17,742,341	15,875,381
Bus transportation	9,884,665	8,285,993	7,978,144	7,941,577	7,323,287
Central services	2,594,542	3,163,759	1,841,494	1,809,578	1,761,330 (2)
Food Service	14,179	150,384	137,160	7,304	3,959
Other operations	31,399	40,356	36,227	30,198	30,022
Community service	121,762	37,657	52,668	55,065	28,112
Capital outlay	381,610	385,828	409,814	610,557	1,401,261
Debt Service	<u>2,311,495</u>	<u>2,192,561</u>	<u>1,718,363</u>	<u>1,676,261</u>	<u>1,301,819</u>
Total Expenditures	<u>189,984,748</u>	<u>182,657,279</u>	<u>173,460,374</u>	<u>163,733,257</u>	<u>160,829,666</u>

(1) Federal funding for Adult Education was previously reported in the General Fund. As of 1997, this program is being reported in Special Revenue Funds.

(2) Categories represent a reclassification of expenditures previously reported in other categories. New items correlate to Louisiana Department of Education reporting format for financial information.

Source: Information from the School Board's financial statements

TABLE 4

	1992	1998	1997	1996	1995
\$	75,545,358	\$ 71,858,237	\$ 70,339,208	\$ 64,475,175	\$ 58,439,872
	24,574,311	22,894,782	21,816,254	20,088,447	18,248,151
	4,070,295	3,825,355	2,891,870	2,909,124	2,918,300
	-	-	-	-	-
	-	-	-	-	-
	104,379	99,169	98,207 (1)	237,031	266,122
	7,494,022	7,031,425	6,779,906	5,932,059	4,875,002
	7,565,017	9,460,391	6,007,441	5,923,223	5,550,573
	2,851,139	3,586,842	2,655,136	2,372,253	3,639,918
	9,740,305	9,441,626	9,192,578	8,196,708	7,496,643
	3,467,457	3,746,750	3,674,734	2,908,157	2,797,392
	16,399,750	16,953,961	16,425,944	16,762,114	13,943,447
	6,817,705	6,532,968	6,727,886	6,853,102	6,488,054
	-	-	48,750 (2)	-	-
	30,333	30,585	33,598 (2)	-	-
	36,280	47,346	63,946 (2)	-	-
	1,133,363	1,991,969	2,546,128	437,452	616,270
	928,055	-	-	-	-
	<u>160,857,769</u>	<u>\$ 157,401,426</u>	<u>\$ 149,501,586</u>	<u>\$ 137,094,845</u>	<u>\$ 125,281,744</u>

TABLE 5

CALCASIEU PARISH SCHOOL BOARD
TAX REVENUES BY SOURCE
GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(UNAUDITED)

<u>Fiscal Year</u>	<u>Ad Valorem Taxes</u>	<u>Sales Tax</u>	<u>Total Taxes</u>
2004	\$ 39,302,311	\$ 66,048,041	\$ 105,350,352
2003	37,867,513	62,634,904	100,502,417
2002	31,193,307	64,987,583	96,180,890
2001	29,608,937	61,543,820	91,152,757
2000	24,686,530	61,154,413	85,840,943
1999	23,769,220	59,143,572	82,912,792
1998	27,165,596	59,388,397	86,553,993
1997	27,564,932	57,824,196	85,389,128
1996	25,825,136	54,264,894 (1)	80,090,030
1995	25,950,502	37,307,305	63,257,807

(1) In Fiscal Year 1996 the Board passed an additional 1/2 cent sales tax dedicated to employee salaries.

Source: Information from the School Board's financial statements

CALCASIEU PARISH SCHOOL BOARD
 ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
 LAST TEN CALENDAR YEARS
 (UNAUDITED)

<u>Year</u>	<u>Net Assessed Value</u>	<u>Total Estimated Actual Value</u>	<u>Ratio of Total Net Assessed to Total Estimated Actual Value</u>
2003	\$ 1,120,952,950	\$ 11,209,529,500	10%
2002	1,085,578,800	10,855,788,000	10%
2001	1,060,298,690	10,602,986,900	10%
2000	1,026,152,610	10,261,526,100	10%
1999	986,943,540	9,869,435,400	10%
1998	965,461,960	9,654,619,600	10%
1997	942,526,170	9,425,261,700	10%
1996	917,427,870	9,175,288,700	10%
1995	812,982,420	8,129,824,200	10%
1994	800,928,340	8,009,283,400	10%

Note: Net assessed value above is the total valuation (\$1,271,946,840 for 2003) less the total exempt valuation (\$150,993,890 for 2003).

Source: Information obtained from the Calcasieu Parish Tax Assessor

CALCASIEU PARISH SCHOOL BOARD
AD VALOREM TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(UNAUDITED)

General Fund

	<u>Levy</u>	<u>Supplemental Adjustments</u>	<u>Unpaid</u>	<u>Collected</u>
2004	\$ 17,278,338	\$ (114,570)	\$ (404,057)	\$ 12,444,281
2003	16,668,999	(800,151)	(225,947)	15,642,901
2002	16,242,867	(43,928)	(173,572)	16,025,367
2001	15,622,764	(270,248)	(313,607)	15,038,909
2000	14,461,271	(120,117)	(204,677)	14,136,477
1999	14,140,460	(157,920)	(139,713)	13,842,827
1998	13,787,931	(135,425)	(98,143)	13,554,363
1997	13,386,419	(321,432)	(111,434)	12,953,553
1996	12,177,874	(65,370)	(53,054)	12,059,450
1995	12,025,364	(90,138)	(40,266)	11,894,960

Note: Above amounts are reported by the Tax Collector on a cash basis. Calcasieu Parish School Board reports on a modified accrual basis.

Source: Information obtained from the Calcasieu Parish Tax Assessor

TABLE 7

Debt Service Fund

<u>Levy</u>	<u>Supplemental Adjustments</u>	<u>Unpaid</u>	<u>Collected</u>
\$ 21,445,978	\$ (153,836)	\$ (512,513)	\$ 20,779,629
20,803,794	(669,890)	(337,222)	19,796,682
14,427,917	(34,860)	(187,163)	14,205,894
13,685,216	(313,304)	(356,349)	13,015,563
9,846,016	(104,568)	(140,919)	9,600,529
9,196,926	(117,738)	(100,253)	8,978,935
12,978,919	(344,372)	(112,785)	12,521,762
14,859,948	(471,879)	(159,199)	14,228,870
13,052,339	(109,581)	(80,129)	12,862,629
13,400,905	(52,984)	(47,989)	13,299,932

CALCASIEU PARISH SCHOOL BOARD
 TAXPAYER VALUATION FOR AD VALOREM TAXES - BY DISTRICT
 DECEMBER 31, 2003
 (UNAUDITED)

<u>Description</u>	<u>Millage</u>		<u>Total Property Valuation</u>		<u>Total Exempt Valuation</u>
Constitution Tax	5.82	\$	1,271,946,840	\$	388,596,730
Special School Tax	13.74		1,271,946,840		388,596,730
District No. 21-DeQuincy	16.20		32,320,170		13,394,590
District No. 22-South LC	12.80		377,272,320		149,516,750
District No. 23-Westlake/Maplewood	12.60		328,534,690		32,928,560
District No. 24-Starks	20.00		13,406,480		3,551,010
District No. 25-Iowa	50.00		30,797,920		12,785,750
District No. 26-Vinton	47.00		36,855,010		9,175,930
District No. 27-Moss Bluff	0.00		60,582,670		34,596,060
District No. 28-Bell City	31.00		12,730,050		3,088,350
District No. 30-Sulphur/Carlyss	32.00		195,420,630		58,835,940
District No. 31-North Lake Charles	35.00		182,791,630		70,725,790
District No. 33-South Lake Charles	17.80		161,911,930		67,132,980
District No. 34-South Lake Charles	13.70		215,360,390		82,383,770
Totals					

Note: exempt valuation includes homestead exemption

* Difference in these amounts and computation of millage rate times valuation is due to millages being applied to individual assessments not totals.

Information is as of December 31, 2003

Source: Information obtained from the Calcasieu Parish Tax Assessor

TABLE 8

<u>Taxpayers Valuation</u>	<u>Total* Taxes</u>	<u>Exempt* Taxes</u>	<u>Taxpayers* Taxes</u>
\$ 883,350,110	\$ 6,523,951	\$ 1,382,848	\$ 5,141,103
883,350,110	15,401,900	3,264,665	12,137,235
18,925,580	451,871	145,277	306,594
227,755,570	4,160,403	1,245,132	2,915,271
295,606,130	3,990,395	265,757	3,724,638
9,855,470	243,799	46,690	197,109
18,012,170	1,358,023	457,414	900,609
27,679,080	1,575,620	274,703	1,300,917
25,986,610	-	-	-
9,643,700	364,697	65,743	298,954
136,584,690	5,629,148	1,258,487	4,370,661
112,065,840	4,737,240	814,936	3,922,304
94,778,950	2,389,147	702,082	1,687,065
132,976,620	<u>2,614,100</u>	<u>792,314</u>	<u>1,821,786</u>
	<u>\$ 49,440,294</u>	<u>\$ 10,716,048</u>	<u>38,724,246</u>

**CALCASIEU PARISH SCHOOL BOARD
PROPERTY TAX RATES AND LEVIES - BY DISTRICT
LAST TEN CALENDAR YEARS
(UNAUDITED)**

	2003		2002		2001		2000		1999	
	Tax Rates (Mills)	Tax (1) Levies (Total Taxes)	Tax Rates (Mills)	Tax (1) Levies (Total Taxes)	Tax Rates (Mills)	Tax (1) Levies (Total Taxes)	Tax Rates (Mills)	Tax (1) Levies (Total Taxes)	Tax Rates (Mills)	Tax (1) Levies (Total Taxes)
Constitutional School Tax(2)	5.82	\$ 6,523,951	5.82	\$ 6,318,074	5.82	\$6,170,944	5.82	\$5,972,213	5.83	\$5,556,571
Special School Tax(2)	13.74	15,401,900	13.74	14,915,880	13.74	14,568,510	13.74	14,098,344	13.30	13,126,396
DeQuincy (3)	16.20	451,871	16.20	433,806	16.50	445,391	17.50	461,332	17.50	450,465
South LC (3)	12.80	4,160,403	13.50	4,273,177	13.50	4,079,797	14.75	4,256,644	15.00	4,207,087
Westlake/Maplewood (3)	12.80	3,890,395	12.80	3,805,599	11.50	3,473,867	9.20	2,694,374	4.8	1,410,818
Starks (3)	20.00	243,799	20.00	250,210	22.00	283,762	22.00	255,760	35.5	425,326
Iowa (3)	50.00	1,358,023	55.50	1,528,451	55.50	1,487,366	55.50	1,509,297	19	489,978
Vinton (3)	47.00	1,575,620	58.00	1,543,362	30.50	819,293	22.00	555,017	22	531,260
Moss Bluff (3)	0.00	-	0.00	-	0.00	-	0.00	-	0.00	-
Bell City (3)	31.00	364,697	35.00	405,395	28.00	282,821	31.50	304,241	31.5	289,022
Sulphur/Carlyss (3)	32.00	5,628,148	35.70	5,963,224	25.00	4,034,280	27.00	4,284,331	30	4,114,410
North LC (3)	35.00	4,737,240	39.50	5,543,056	25.00	3,462,021	27.00	3,652,119	9.75	1,276,061
Southeast LC (3)	17.80	2,389,147	10.00	1,370,978	0.00	-	0.00	-	0.00	-
Southwest LC (3)	13.70	2,614,100	8.20	1,522,975	0.00	-	0.00	-	0.00	-

Notes:

- (1) Tax Levies (Total Taxes) represent the grand total of all taxes upon assessed valuation of property at applicable millage rates and includes exempt taxes primarily relating to exempt manufacturing plants under ten year contract and total tax on amount of homestead exemptions.
- (2) Actual Constitutional and Special School Tax Revenues differ from Tax Levies (Total Taxes) principally due to the amount of tax exempted through the homestead exemption on assessed valuation. A substantial part of this difference is received by the Board through Revenue Sharing from the State.
- (3) Actual District Debt Service Fund Tax Revenues differ from Tax Levies (Total Taxes) principally due to the amount of tax exempted through the homestead exemption on assessed valuation. Any differences arising from the homestead exemption, either in the present fiscal year or in future years, can be recovered through increased millage.

Source: Information obtained from Calcasieu Parish Tax Assessors' Office

TABLE 9

1998		1997		1996		1995		1994	
Tax Rates (Mills)	Tax (1) Levies (Total Taxes)	Tax Rates (Mills)	Tax (1) Levies (Total Taxes)	Tax Rates (Mills)	Tax (1) Levies (Total Taxes)	Tax Rates (Mills)	Tax (1) Levies (Total Taxes)	Tax Rates (Mills)	Tax (1) Levies (Total Taxes)
5.63	\$5,953,890	5.63	\$5,776,398	5.63	\$5,630,089	5.75	\$5,117,975	5.75	\$5,037,011
13.30	14,065,141	13.30	13,645,838	13.30	13,300,234	13.58	12,087,321	13.58	11,898,105
16.20	442,407	16.20	530,034	24.70	660,370	28.10	670,479	31.10	711,422
14.10	4,146,023	14.10	6,434,292	23.70	6,544,658	28.00	6,376,360	32.10	6,567,420
4.75	1,405,387	4.75	1,464,072	5.10	1,399,066	5.00	1,328,697	5.20	1,396,694
35.00	419,889	35.00	420,012	36.00	439,123	38.40	416,479	39.10	421,873
16.70	424,521	16.70	564,433	22.60	568,770	27.90	628,482	30.50	626,168
19.50	483,140	19.50	558,740	31.00	762,248	32.30	756,264	33.50	758,073
0.00	-	32.80	1,503,505	33.90	1,484,469	49.70	1,672,968	55.00	1,760,350
26.00	245,749	26.00	315,437	30.00	274,207	36.90	314,905	38.90	312,442
30.40	4,889,482	30.40	4,583,481	44.20	6,183,940	37.00	4,771,437	35.30	4,450,681
8.80	1,390,797	8.80	3,175,770	20.50	3,046,639	24.60	3,078,125	26.00	3,077,662
0.00	-	0.00	-	0.00	-	0.00	-	0.00	-
0.00	-	0.00	-	0.00	-	0.00	-	0.00	-

CALCASIEU PARISH SCHOOL BOARD
 PROPERTY TAX MILLAGE RATES - DIRECT AND OVERLAPPING GOVERNMENTS (1)
 (PER \$1,000 OF ASSESSED VALUE)
 LAST TEN CALENDAR YEARS
 (UNAUDITED)

Calendar Year	Direct - Calcasieu Parish School Board			Overlapping:	
	General Fund	Debt Service Funds (2)	Total	Parish	Road Districts
2003	19.56	288.10	307.66	33.03	4.06
2002	19.56	302.20	321.76	20.77	4.06
2001	19.56	227.50	247.06	25.94	4.06
2000	19.56	226.45	246.01	25.94	45.70
1999	18.93	185.05	203.98	42.55	6.93
1998	18.93	171.45	190.38	49.47	5.40
1997	18.93	243.00	261.93	49.02	5.40
1996	18.93	271.70	290.63	47.46	8.16
1995	19.33	307.90	327.23	51.91	4.01
1994	19.33	326.70	346.03	45.21	9.81

(1) Information obtained from Property Tax Rolls.

(2) Represents aggregate millage of all debt service districts.

(3) Includes the cities of Lake Charles, Sulphur, Westlake, DeQuincy, Vinton, and Iowa.

Source: Information obtained from Calcasieu Parish Tax Assessors' Office

TABLE 10

<u>Gravity Drainage</u>	<u>Recreation and Community Center</u>	<u>Fire Protection</u>	<u>Airport Harbor and Terminal</u>	<u>Cities (3)</u>	<u>Parish Water and Sewage</u>
71.17	69.15	176.29	5.25	50.87	70.57
70.88	61.56	163.57	5.88	57.27	52.53
70.88	59.7	150.57	5.88	55.46	51.53
70.88	53.04	158.88	5.88	58.22	75.48
69.74	52.08	153.11	5.75	54.49	75.13
66.60	51.42	155.11	5.75	54.49	83.30
63.76	47.41	139.20	5.75	63.81	76.78
63.76	47.51	137.54	5.75	61.77	87.85
67.95	44.29	174.42	5.95	61.89	108.86
68.15	49.13	171.57	5.95	62.56	105.40

TABLE 11

CALCASIEU PARISH SCHOOL BOARD
 CALCASIEU PARISH PRINCIPAL AD VALOREM TAXPAYERS
 DECEMBER 31, 2003
 (UNAUDITED)

<u>Company</u>	<u>Assessment</u>	<u>Per Cent of Total Assessed Valuation</u>
Entergy Gulf States Inc	\$62,573,670	4.92%
Conoco-Phillips Co.	42,065,970	3.31%
PPG Industries, Inc.	35,385,470	2.78%
Sasol North America, Inc.	19,021,760	1.50%
Bellsouth Telecommunications	16,762,920	1.32%
Citgo Petroleum Corp.	15,785,810	1.24%
Lyondell Chemical Co.	13,109,030	1.03%
Basell USA, Inc.	11,456,720	0.90%
Westlake Petrochemicals, Inc.	11,063,930	0.87%
Hibernia National Bank	<u>10,287,520</u>	<u>0.81%</u>
Total For Principal Taxpayers	237,512,800	18.68%
Total For All Other Taxpayers	<u>1,034,434,040</u>	<u>81.32%</u>
Totals	<u>\$1,271,946,840</u>	<u>100.00%</u>

Source: Information obtained from Calcasieu Parish Tax Assessors' Office

TABLE 12

CALCASIEU PARISH SCHOOL BOARD
 RATIO OF ANNUAL DEBT SERVICE EXPENDITURES
 FOR GENERAL OBLIGATION BONDED DEBT TO TOTAL GENERAL EXPENDITURES
 LAST TEN FISCAL YEARS
 (UNAUDITED)

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest and Fiscal Charges</u>	<u>Total Debt Service</u>	<u>Total General Fund Expenditures</u>	<u>Ratio Of Debt Service To Total General Fund Expenditures</u>
2004	\$ 8,989,582	\$ 9,329,098 (2)	\$ 18,318,680 (2)	\$ 189,984,748	9.64%
2003	7,628,096	10,483,181 (2)	18,111,277 (2)	182,657,279	9.92%
2002	6,907,224	7,790,063 (2)	14,697,287 (2)	173,460,374	8.47%
2001	6,791,744	7,069,868 (2)	13,861,612 (2)	163,733,257	8.47%
2000	4,819,990	5,447,692 (2)	10,267,682 (2)	160,829,865	6.38%
1999	5,023,472	5,359,885 (2)	10,383,357 (2)	163,489,137	6.35%
1998	5,490,655	7,393,749	12,884,404	157,401,426	8.19%
1997	5,995,011	8,096,497	14,091,508	149,501,586	9.43%
1996	5,628,950	7,516,147	13,145,097	137,094,845	9.59%
1995	5,228,516 (1)	6,752,644 (1)	11,981,160	125,281,744	9.56%

(1) Excludes Debt Service on revenue bonds.

(2) Excludes charges related to current year refundings

Source: School Board financial statements

CALCASIEU PARISH SCHOOL BOARD
 RATIO OF NET GENERAL OBLIGATION BONDED DEBT
 TO ASSESSED VALUE AND NET GENERAL OBLIGATION BONDED DEBT PER CAPITA
 LAST TEN FISCAL YEARS
 (UNAUDITED)

Fiscal Year	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>
Estimated Population (1)	<u>184,005</u>	<u>183,577</u>	<u>184,700</u>	<u>183,577</u>
Total Assessed Value (2)	<u>\$ 1,271,946,840</u>	<u>\$ 1,230,077,780</u>	<u>\$1,202,967,430</u>	<u>\$1,133,791,820</u>
Gross Bonded Debt (3)	170,744,850	159,019,434	126,116,460	89,198,684
Less Debt Service Funds	<u>(14,519,911)</u>	<u>(12,336,431)</u>	<u>(11,001,544)</u>	<u>(10,447,735)</u>
Net Bonded Debt	<u>156,224,939</u>	<u>146,683,003</u>	<u>115,114,916</u>	<u>78,750,949</u>
Ratio of Net Bonded Debt to Assessed Value	<u>12.3%</u>	<u>11.9%</u>	<u>9.6%</u>	<u>6.9%</u>
Net Bonded Debt Per Capita	<u>\$849</u>	<u>\$799</u>	<u>\$623</u>	<u>\$429</u>

Source: Tax Assessors' office, School Board's financial statements, parish chamber of commerce
 Notes:

- (1) Census information was an estimate obtained from the parish Chamber of Commerce.
- (2) The source of assessment is Calcasieu Parish Assessor's tax rolls. Assessed values are established by the Parish Assessor's Office each year based on 10% of the assumed market value of residential property and commercial land and on 15% of assumed market value of commercial buildings, public utilities and personal property as required by the State Constitution effective January 1, 1978. A reassessment of all property is required to be completed no less than every four years. The first revaluation was completed for the tax roll for 1982.
- (3) Excludes Revenue Bonds (Sales Tax District 27) of \$14,740,000 and excess revenue certificates of \$7,615,000 outstanding at 6/30/2004 from Total Bonds Payable of \$193,099,850.
- (4) Debt service funds available for revenue bonds are excluded from the amount reported as debt service funds

TABLE 13

<u>2000</u>	<u>1999</u>	<u>1998</u>	<u>1997</u>	<u>1996</u>	<u>1995</u>
<u>186,500</u>	<u>183,400</u>	<u>179,400</u>	<u>180,200</u>	<u>176,100</u>	<u>172,200</u>
<u>\$1,086,078,110</u>	<u>\$1,057,529,420</u>	<u>\$1,026,002,840</u>	<u>\$1,000,017,630</u>	<u>\$890,082,560</u>	<u>\$876,001,840</u>
99,210,735	71,593,981	71,102,454	72,918,107	78,638,119	68,812,070
<u>(7,513,585)</u>	<u>(6,730,558)</u>	<u>(7,242,510)</u>	<u>(6,828,604)</u>	<u>(6,761,647)</u>	<u>(6,430,294)</u>
<u>91,697,150</u>	<u>64,863,423</u>	<u>63,859,944</u>	<u>66,089,503</u>	<u>71,876,472</u>	<u>62,381,776</u>
<u>8.4%</u>	<u>6.1%</u>	<u>6.2%</u>	<u>6.6%</u>	<u>8.1%</u>	<u>7.1%</u>
<u>\$492</u>	<u>\$354</u>	<u>\$356</u>	<u>\$367</u>	<u>\$408</u>	<u>\$362</u>

TABLE 14

CALCASIEU PARISH SCHOOL BOARD
COMPUTATION OF LEGAL DEBT MARGIN
FISCAL YEAR ENDED JUNE 30, 2004
(UNAUDITED)

Total Assessed Value		<u>\$ 1,271,946,840</u>
Debt Limit of Thirty-Five Percent (35%) of Total Assessed Value (1)		\$445,181,394
Debt applicable to limitation:		
Total Bonded Debt	\$ 193,099,850	
Less: Sales Tax Revenue Bonds	(14,740,000)	
Excess Revenue Certificates	<u>(7,615,000)</u>	
Total Debt Applicable to limitation		\$ 170,744,850
Less Amounts Available in Debt Service Funds		
Total Available in Debt Service Funds	\$ 16,625,792	
Less Amounts Attributable to Revenue bonds	<u>(2,105,881)</u>	
Total Available in Debt Service for general obligation bonds		14,519,911
Net Bonded Debt		<u>156,224,939</u>
Legal Debt Margin		<u>\$ 288,956,455</u>

Source: Tax Assessors' office, School Board's financial statements

Notes:

- (1) Legal debt limit is established by Louisiana Revised Statute Title 39, Section 562, and is 35% of assessed value for school boards.

TABLE 15

CALCASIEU PARISH SCHOOL BOARD
 COMPUTATION OF DIRECT AND OVERLAPPING DEBT
 JUNE 30, 2004
 (UNAUDITED)

<u>Jurisdiction</u>	<u>Net General Obligation Bonded Debt Outstanding</u>	<u>Percentage Applicable to Calcasieu Parish School Board (2)</u>	<u>Amount Applicable to Calcasieu Parish School Board</u>
Direct:			
Calcasieu Parish School Board	<u>\$170,744,850</u>	100%	<u>\$170,744,850</u>
Overlapping:			
Parish	31,097,382	100%	31,097,382
Cities(1)	<u>8,276,107</u>	100%	<u>8,276,107</u>
Total Overlapping Debt:	<u>\$39,373,489</u>		<u>\$39,373,489</u>
Total Debt:	<u>\$210,118,339</u>		<u>\$210,118,339</u>

(1) Includes the cities of Lake Charles, Sulphur, Westlake, DeQuincy, Vinton, and Iowa.

(2) All property within Calcasieu Parish must bear the debt of the Calcasieu Parish School Board; therefore, all other reporting entities within the Parish fall under the Board's jurisdiction. The computation of the amount of debt applicable to the Board, within the context that such debt will be serviced through levies upon the same properties which the Board taxes, is determined by applying the above percentages to the net amount of debt outstanding.

Source: School Board's financial statements and Parish and city governments.

TABLE 16

CALCASIEU PARISH SCHOOL BOARD
 REVENUE BOND COVERAGE
 SALES TAX DISTRICT #3
 \$2,090,000 UNREFUNDED PUBLIC SCHOOL IMPROVEMENT
 S/T SERIES 2000 AND
 \$12,650,000 PUBLIC SCHOOL IMPROVEMENTS S/T SERIES 2004
 LAST NINE FISCAL YEARS
 (UNAUDITED)

Fiscal Year	Revenue	Net Revenue Available For Debt Service	Debt Service Requirements (1)			Coverage
			Principal	Interest	Total	
2003-2004	\$ 1,749,392	\$ 1,749,392	\$ 560,000	\$ 605,363	1,165,363	1.50
2002-2003	1,952,575	1,952,575	425,000	805,368	1,230,368	1.59
2001-2002	1,935,095	1,935,095	400,000	836,388	1,236,388	1.57
2000-2001	1,766,855	1,766,855	375,000 (3)	617,931 (4)	992,931	1.78
1999-2000	1,755,184	1,755,184	350,000	176,900	526,900	3.33
1998-1999	1,661,954	1,661,954	330,000	197,025	527,025	3.15
1997-1998	1,553,838	1,553,838	290,000	241,175	531,175	2.93
1996-1997	1,432,376	1,432,376	275,000	261,828	536,828	2.67
1995-1996	1,349,567	1,349,567	275,000	271,969	546,969	2.47
1994-1995	1,109,812	1,109,812	255,000	291,094	546,094	2.03

(1) Includes principal and interest on revenue bonds only. See following notes.

(2) Note that revenue bonds approved by the public in 1994 were called in 2001. Available cash in the district capital projects fund was used to defease the bonds in September 2000 and pay off the outstanding issues in March of 2001. New bonds were issued in November 2000.

(3) Principal was paid on the Series 1994 prior to cash defeasance. No principal was due on the Series 2000 in fiscal year 2001.

(4) Interest of \$92,737 was paid on the Series 1994 prior to defeasance. The balance of \$525,194 was paid on the Series 2000 issue.

(5) Note that the 2000 series was partially refunded in the amount of \$11,400,000 during the current year.

Source: School Board's financial statements

TABLE 17

CALCASIEU PARISH SCHOOL BOARD
 CALCASIEU PARISH PROPERTY VALUE AND CONSTRUCTION VALUES
 LAST TEN CALENDAR YEARS
 (UNAUDITED)

<u>Year</u>	(1) <u>Property Value</u>	(2) <u>Construction</u>
2003	\$ 11,209,529,500	\$ 92,868,720
2002	10,855,788,000	193,619,201
2001	10,602,986,900	82,749,037
2000	10,261,526,100	124,054,995
1999	9,869,435,400	48,602,395
1998	9,654,619,600	60,898,796
1997	9,425,261,700	69,399,937
1996	9,175,288,700	245,989,593
1995	8,129,824,200	69,118,123
1994	8,009,283,400	66,645,173

1. Source: Calcasieu Parish Tax Assessor
2. Source: Parish Planning and Development Office

CALCASIEU PARISH SCHOOL BOARD
 DEMOGRAPHIC STATISTICS
 LAST TEN FISCAL YEARS
 (UNAUDITED)

<u>Fiscal Year</u>	<u>Population (1)</u>	<u>Per Capita Income (1)</u>	<u>Median Age (1)</u>	<u>Public School Enrollment (4)</u>
2003	184,005	\$ 22,794	35	31,909
2002	184,700	\$ 22,850	34	31,228
2001	183,577	22,701	34	32,261
2000	186,500	22,139	32	32,590
1999	183,400	20,901	33	32,881
1998	179,400	20,901	32	33,534
1997	180,200	20,690	35	33,453
1996	176,100	18,079	33	33,503
1995	172,200	13,656	32	33,905
1994	172,611	11,416	32	33,939

- (1) Census information for fiscal years 1994 through 2003 was obtained from the local Chamber of Commerce.
- (2) Calcasieu Parish Schools Membership Report - end of school term.
- (3) Calcasieu Parish School Board Testing Program.
- (4) Louisiana Department of Education Annual Statistical Report.

TABLE 18

<u>High School Graduates (4)</u>	<u>Average Composite ACT Score (3)</u>	<u>Expenditures Per Student (4)</u>	<u>Pupil/Teacher Ratio (4)</u>
1,768	19.8	\$ 6,482	14.7
1,747	20.1	6,115	14.5
1,896	20.0	5,647	14.3
1,963	19.7	5,470	14.9
1,849	20.1	4,920	13.2
1,874	20.0	4,797	13.6
1,764	19.7	4,797	13.6
1,742	19.5	4,487	16.3
1,890	19.1	4,165	17.0
1,777	19.0	3,865	17.5

CALCASIEU PARISH SCHOOL BOARD
 INSURANCE SCHEDULE
 2003-2004
 (UNAUDITED)

POLICY PERIOD	POLICY NUMBER	COMPANY
7/1/03 - 7/1/04	D35887118	WESCHESTER FIRE
7/1/03 - 7/1/04	RAF102425	AXIS
7/1/03 - 7/1/04	467023618	INS CO OF THE ST OF PA
7/1/03 - 7/1/04	002998477	NATL UNION FIRE INS CO
7/1/03 - 7/1/04	01-A2-UM-0000419-03	AMERICAN ALTERNATIVE
7/1/03 - 7/1/04	467023618	INS CO OF THE ST OF PA
7/12/03-04	170008082860-62	BANKERS INS
7/1/03 - 7/1/04	FBP9532030	HARTFORD STEAMBOILER
6/30/03-6/30/04	QT6607844A759TIL03	HARTFORD STEAMBOILER
7/1/03 - 7/1/04	H35-1701945	INS CORP OF HANNOVER
1/15/04-12/31/04	POB750215000	FIDELITY AND DEPOSIT
7/1/02-1/1/05	30674337	FIDELITY AND DEPOSIT
8/1/03-8/1/04	820-65535	STUDENT INS DIVISION
7/1/03 - 7/1/04	CCP137323409	FIDELITY AND DEPOSIT
7/1/03-04	CCP001284106	FIDELITY AND DEPOSIT
PUBLIC OFFICIAL BONDS:		
7/1/03-04	POB000284107	FIDELITY AND DEPOSIT
6/2/03-04	30333183	
7/1/03-04	POB000754005	
12/8/03-12/8-04	CCP004118604	FIDELITY AND DEPOSIT

TABLE 19

COVERAGE	LIMITS	DEDUCTIBLE	PREMIUM
PRIMARY PROPERTY - ALL RISK	\$10,000,000	\$250,000	\$420,000
PROPERTY - ALL RISK	10,000,000		420,000
GENERAL LIABILITY	1,000,000	250,000	400,000
EDUCATOR LEGAL LIABILITY	1,000,000	10,000	51,366
UMBRELLA	3,000,000	10,000	156,800
AUTO LIABILITY	1,000,000	250,000	414,000
FLOOD	500,000 BLDG, CONTENTS (EA)	5,000	18,138
BOILER AND MACHINERY	25,000,000	2,500	15,441
COMPUTER POLICY	16,180,967	1,000	29,015
EXCESS WORKERS COMP	STATUTORY	300,000	57,780
BOARD PRESIDENT BOND	25,000	N/A	100
SUPERINTENDENT BOND	25,000	N/A	250
ATHLETIC POLICY	25,000	100	259,447
CRIME POLICY	50,000	N/A	3,248
EMPLOYEE DISHONESTY	225,000/25,000	N/A	1,481
FINANCE OFFICERS BONDS	(EACH) 25,000	N/A	100 250 100
PUBLIC EMPLOYEE DISHONESTY	1,000,000	10,000	1876

CALCASIEU PARISH SCHOOL BOARD
 MISCELLANEOUS STATISTICAL DATA
 JUNE 30, 2004
 (UNAUDITED)

Year of incorporation	1841
Form of government	President/School Board
Area of parish	1094.5 square miles
Regular school days	180
<u>Number of schools:</u>	
K-5	32
K-8	2
K-12	2
Junior highs and middle schools (6-8 only)	11
High Schools (9-12 only)	<u>12</u>
Total	<u><u>59</u></u>
 <u>Enrollment (public school only):</u>	
Pre-School/Pre-Kindergarten	1,542
Kindergarten	2,598
Grades 1-5	12,542
Grades 6-8	7,437
Grades 9-12	8,498
Ungraded	<u>105</u>
Total	<u><u>32,622</u></u>

TABLE 20

Number of Classroom Teachers by Experience

<u>Years of Experience</u>	<u>Number of Teachers</u>	<u>% of Total</u>
0-1	209	9.6%
2-3	182	8.4%
4-10	563	25.9%
11-14	261	12.0%
15-19	238	11.0%
20-24	213	9.8%
25-Over	<u>507</u>	<u>23.3%</u>
Total	<u>2,173</u>	<u>100.0%</u>

Note: Number of Classroom Teachers by Experience is for Fiscal Year 2003, the latest information available



Charles Allen, Barbe High was named High School Principal of the Year



Students in Computer Class

