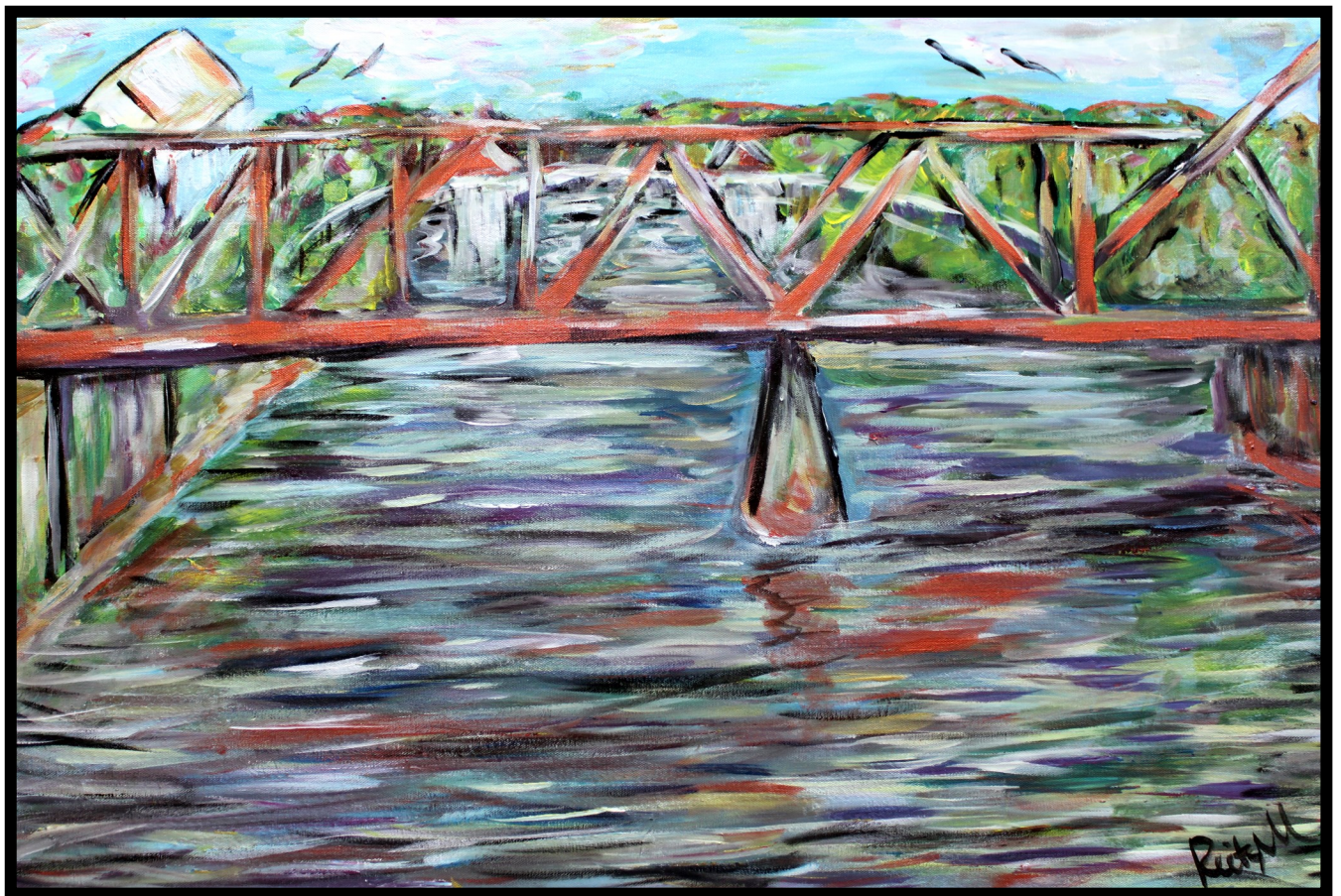
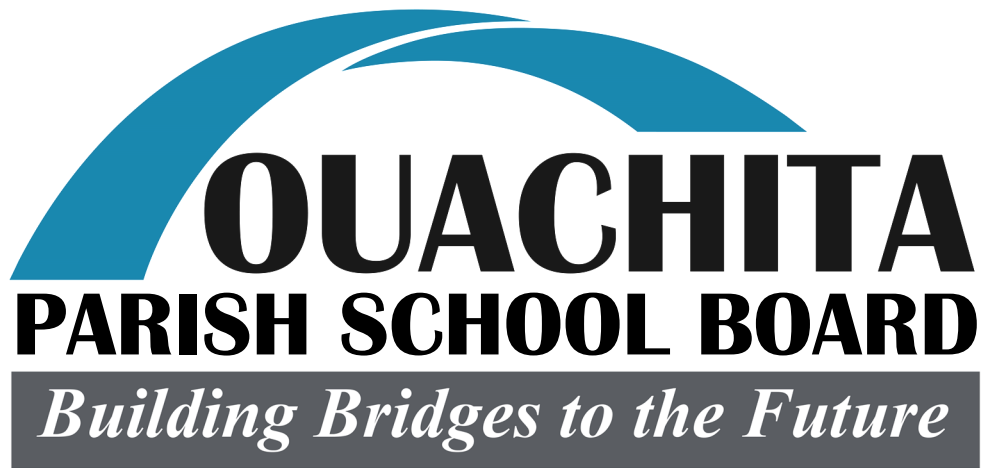




COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Year Ended June 30, 2017
Monroe, Louisiana



About our cover artist...

Leah Reitzell teaches Art at Sterlington High School. She has taught with Ouachita Parish School System for 13 years. Leah is the mother of three handsome boys who all attend Sterlington Elementary. She is married to Mac Reitzell, Sales Manager for Southern Glazers. The Reitzell family enjoys walks at Black Bayou and finding new great things to do in our Twin Cities. The painting seen here, “**View from Endom Bridge**” is an interpretative study in acrylic packed with color and texture. It was painted live during a city Art event. Says Reitzell, “Painting on Endom Bridge was such a wonderful opportunity. No traffic and the mighty Ouachita whirling below. Capturing that moment was a real thrill.”

COMPREHENSIVE ANNUAL FINANCIAL REPORT OF OUACHITA PARISH SCHOOL BOARD

Monroe, Louisiana

For the Fiscal Year
July 1, 2016 – June 30, 2017
With Report of Independent Auditors

Prepared by the
Business Department

Juanita H. Duke, CPA
Director of Business



100 Bry Street • Monroe, Louisiana 71201 • Phone: (318) 432-5000 • www.opsb.net

Don Coker, Ed.D.
Superintendent

coker@opsb.net
318-432-5204

March 31, 2018

Dear Citizens,

We are pleased to present this Annual Report to you on behalf of the Board Members, employees, and students of Ouachita Parish Schools. This report will inform our stakeholders, as well as newcomers to our area, of the highlights in Ouachita Parish School System over the past year. The 2016-17 school year saw many accomplishments throughout our district, including the opening of a new middle school campus to rival any in the state. As you read through our physical, financial, technological, and educational achievements, know that we are honored to impact our community, region, and state, as we serve the best interests of our students and faculty.

As Ouachita Parish Schools meet and exceed accountability growth targets and continue to grow in academic achievement, the district earned a “B” District Performance Score issued by the Louisiana Department of Education. Our schools continue to show academic success. School Performance Scores issued for spring 2017 reflected growth in educational performance for a majority of schools, with two schools receiving recognition for Top Gains from the State of Louisiana, indicating remarkable growth and improvement. Overall, I credit our success to the outstanding support of our caring Board Members, exceptional leadership of district and school administrators, hard work of our amazing teachers and support staff, and willingness of our students to work hard and excel.

Our vision of Building Bridges to the Future involves collaboration with students, parents, educators, and community stakeholders to connect student learning to 21st century skills in order to prepare students for a global society. As district leaders, my team and I are grateful for the support of our citizens and the confidence you bestow in the Ouachita Parish School System. This has been evidenced through our steady student enrollment, passage of tax proposals, and renewal of bonds to create state-of-the-art school facilities. With the goal of remaining a strong, viable entity for future generations, we are focused on sound fiduciary practices and excellent educational programs. Through the steadfast effort of all stakeholders, we make the greatest difference in the lives of our students, our future generation of leaders.

Sincerely,

Don Coker, Ed.D.
Superintendent

Ouachita Parish School Board
Monroe, Louisiana

Comprehensive Annual Financial Report
Fiscal Year Ended June 30, 2017

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Monroe, Louisiana

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Monroe, Louisiana

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Ouachita Parish School Board

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INTRODUCTORY SECTION



*Alexia - Grade 8
Calhoun Middle School*



*Ryan - Grade 11
West Monroe High School*



*Lauren - Grade 12
West Ouachita High School*



*Landon - Grade 7
Pinecrest Middle School*

OUACHITA PARISH SCHOOL BOARD PRINCIPAL OFFICIALS

SUPERINTENDENT

Dr. Don Coker

SCHOOL BOARD MEMBERS

PRESIDENT

Jerry R. Hicks

VICE-PRESIDENT

Greg Manley

Tommy Comeaux

Scott Robinson

Rev. John Russell

A.R. “Red” Sims

Carey Walker

Ouachita Parish School Board



Mr. Tommy Comeaux
District A
238 G.B. Cooley Road
West Monroe 71291
318-396-9818

Schools:
Boley Elementary
Crosley Elementary
George Welch Elementary
Good Hope Middle

Highland Elementary
Kiroli Elementary
West Monroe High



Mr. Scott Robinson
District B
805 Avant Road
West Monroe 71291
318-397-9953

Schools:
Calhoun Elementary
Calhoun Middle
Central Elementary
Claiborne Elementary
Drew Elementary

George Welch Elementary
West Monroe High
West Ouachita High
West Ridge Middle



Mr. A. R. "Red" Sims
District C
339 Marion Sims Road
West Monroe 71292
318-322-3399

Schools:
Calhoun Elementary
Calhoun Middle
Central Elementary
Pinecrest School

West Ouachita High
Woodlawn Elementary
Woodlawn Junior High



Mr. Jerry R. Hicks, President
District D
351 Kendallwood Road
West Monroe 71292
318-396-7118

Schools:
Claiborne Elementary
Highland Elementary
Lenwil Elementary
Riser Elementary

Riser Middle
West Monroe High
West Ridge Middle



Rev. John Russell
District E
P.O. Box 4425
Monroe 71211
318-387-1667

Schools:
Crosley Elementary
Ouachita Junior High
Richwood High
Richwood Middle
Riser Middle

Riverbend Elementary
Robinson Elementary
Shady Grove Elementary
Swayze Elementary



Mr. Carey Walker
District F
58 Quail Ridge Drive
Monroe 71203
318-343-7272

Schools:
East Ouachita Middle
Jack Hayes Elementary
Lakeshore Elementary
Ouachita Parish High

Shady Grove Elementary
Swartz Lower Elementary
Swartz Upper Elementary



Mr. Greg Manley, Vice President
District G
1221 Finks Hideaway Road
Monroe 71203
318-855-5646

Schools:
Jack Hayes Elementary
Lakeshore Elementary
Ouachita Junior High
Ouachita Parish High

Sterlington Elementary
Sterlington Middle
Sterlington High

SELECTED ADMINISTRATIVE OFFICIALS

Superintendent.....	Dr. Don Coker
Director of Personnel.....	Todd Guice
Director of Business	Juanita Duke
Director of Child Welfare.....	Anthony Moore
Director of Elementary Schools/ Professional Accountability	Tereatha Chisley
Director of Elementary Schools/Testing, Accountability and Curriculum	Curtis Pate
Director of Federal Programs	Anthony Killian
Director of Middle Schools	Werner Aswell
Director of High Schools.....	Gary “Mickey” Merritt
Director of Information Technology	Ken Monroe
Director of School Food Services	Jo Lynne Correro
Director of Student Support Services.....	Brenda Adams
Director of Transportation	Prentiss Boyd
Supervisor of Maintenance	Robert Nugent
Supervisor of Special Projects and Safety	Ken Slusher
Supervisor of Warehouse & Custodial Services.....	George Booth

Ouachita Parish School Board

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OUACHITA PARISH SCHOOL BOARD

March 31, 2018

To the Elected School Board Members and
Citizens of Ouachita Parish:

RE: Financial Statement Transmittal Letter for the
Fiscal Year Ended June 30, 2017

Louisiana Law requires annual sworn financial statements be furnished to the Legislative Auditor within six months of the close of each fiscal year in accordance with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards (GAAS) by a certified public accountant. Additionally, to comply with the school board's obligation under continuing disclosure agreements entered into with bond underwriters and investors in accordance with Securities and Exchange Commission (SEC) Rule 15c2-12, the School Board as the issuer of municipal bonds, is also required to file audited financial statements as part of its annual report to the Municipal Securities Rulemaking Board (MSRB) by no later than December 31st each year for the life of the municipal debt. As such, the Comprehensive Annual Financial Report (CAFR) of the Ouachita Parish School Board is hereby issued for the fiscal year ended June 30, 2017.

This financial report represents a comprehensive portrait of the School Board's financial condition, and presents the results of its operations for the year ended June 30, 2017 and other significant financial and operating data. The report is structured in such a manner as to be both a useful management instrument and an informative public document. The layout of this report is further described in the *Using this Report* section of the **Management's Discussion and Analysis** part of this document.

Management's Representations & Internal Control Framework

This report consists of management's representations concerning the finances of the Ouachita Parish School Board. It is the responsibility of the Ouachita Parish School Board to establish and provide adequate internal controls that will protect the School Board's assets from loss, theft, or misuse and ensure proper reporting of its financial information in accordance with GAAP. Ouachita Parish School Board has established, through the various policies it has adopted, a comprehensive internal control framework for these purposes. Consequently, the Superintendent and the Director of Business assumes full responsibility for the completeness and reliability of all of the information presented in this report in adherence to the comprehensive internal control framework. Because the cost of internal controls should not out-weight their benefits, the Ouachita Parish School Board's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief this financial report is complete and reliable in all material respects.

BOARD	Tommy	Scott	A. R. "Red"	Jerry Hicks	Rev. John	Carey	Greg Manley
MEMBERS:	Comeaux	Robinson	Sims	President	Russell	Walker	Vice-President
	District A	District B	District C	District D	District E	District F	District G

Independent Auditor's Review of Financial Statements

The Ouachita Parish School Board's financial statements have been audited by Allen, Green & Williamson, LLP, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance the financial statements of the Ouachita Parish School Board for the fiscal year ended June 30, 2017 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the Ouachita Parish School Board's financial statements for the fiscal year ended June 30, 2017 are fairly presented in conformity with (GAAP). The independent auditors' report is presented as the first component of the financial section of this report. It should be noted here that the CAFR includes information in the Introduction Section and the Statistical Section which were not audited and management of the School Board is solely responsible for these contents.

The independent audit of the financial statements of the Ouachita Parish School Board was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in the Ouachita Parish School Board's separately issued Single Audit Report.

Management's Discussion & Analysis (MD&A)

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). The MD&A immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements and should be read in conjunction with the financial statements, the related notes to the financial statements, and this letter of transmittal.

Profile of the Ouachita Parish School Board

The Ouachita Parish School Board was created by Louisiana Revised Statute (LSA-R.S.) 17:51 to provide public education for the children within Ouachita Parish, excluding the City of Monroe. The School Board is authorized by LSA-R.S. 17:81 to establish policies and regulations for its own government consistent with the laws of the state of Louisiana and the regulations of the Louisiana Board of Elementary and Secondary Education. The School Board is comprised of 7 members who are elected from 7 districts to serve a concurrent term of four years. It is the responsibility of the School Board to provide for the public education of K -12 students who earn high school diplomas or career certificates and produce college-bound and career-ready pupils who will become effective and contributing citizens in our communities and workforce.

The School Board currently operates 35 school campuses and one alternative program site within the parish and has a total enrollment that exceeds 19,600 students. The School Board employs over 2,800 full time positions, of which 1,227 are classroom teachers. The remaining positions provide ancillary support services such as general administration, repair and maintenance, bus transportation and food service. In conjunction with the regular educational programs, many of these schools offer early childhood (4-years of age), special education, vocational or career and technical education programs. The School Board also

provides services for expelled students, home bound students, transportation to and from school, and meals for breakfast and lunch. The regular school term normally begins during the middle of August and ends mid-to-late May.

Consideration was given to the relationships the School Board has with other governments and external organizations, including charter schools, to determine if their financial results should be included in this financial report as either a *component unit* or a *potential component unit* based on the degree of financial accountability that exists with the School Board. Financial accountability is assessed based on the entity's fiscal dependence on the School Board for its operations, the financial burden or benefit the School Board derives from the relationship, the degree of control the School Board exercises over the entity's operations and leadership, or whether the relationship with the entity is a significant benefit to and identifiable with the School Board's operations. In management's opinion, there are no component unit or potential component unit relationships that currently exist with the School Board that would qualify the inclusion of another entity's financial and operating information in this year's report.

Major Initiatives During 2016-2017

Accredited district wide by AdvancEd, Ouachita Parish School System remains one of the highest-performing school districts in the state, and is the largest district in northeast Louisiana. Thirty-seven campuses serve more than 19,000 diverse students. Priorities in the district include improving literacy and maintaining safety for students and employees alike. Today's education demands more than mastery of basic skills. In addition to core curriculum, students in Ouachita Parish enjoy courses designed for learning technology, mastering art and music, maintaining physical education, and a multitude of advanced classes for those students who are academically gifted. Administrators, teachers and staff in Ouachita Parish Schools are diligent in providing a quality education and building bridges to the future.

Educational Performance & Opportunities

As Ouachita Parish Schools meet and exceed accountability growth targets and continue to grow in academic achievement, the district earned a "B" District Performance Score issued by the Louisiana Department of Education. School Performance Scores issued for Spring 2017 reflected growth in educational performance for a majority of Ouachita Parish Schools, and two schools received recognition for Top Gains from the State of Louisiana.

Highlights of spring 2017 assessment performance include:

- District Performance Score of 99.2, which is a letter grade of "B", for the 2016-17 school session performance compared to the state's overall score of 86.8 "B". The district continued to progress over the last three years by 4.3 points compared to the state's 2 point decrease over the same time period.
- 37% of students in grades 3-8 scored Mastery or above on the 2017 English Language Arts, Math, and Science Assessments combined, compared to the state average of 33%.
- Average ACT composite score for high school 12th graders who took the exam in 2016-17 was 19.8 compared to the State average of 19.6. Special Education students with disabilities in the district scored an average composite of 16 on the ACT compared to the state average of 15.4. This subgroup average is ranked in the top 8 districts in the state.
- Advanced Placement tests showed 46.7% of the students scoring 3+ in the district compared to the state average of 34%. Ouachita Parish ranked in the top five districts in the state in passing rate for Advanced Placement tests.

- 66% of high school students taking the End of Course tests scored *Good* or *Excellent* compared to the state average of 61%.

The Ouachita Parish School Board had 23 of its 35 schools (65.7%) achieve a School Performance letter grade of “A” or “B” in 2017. The remaining schools showed 7 scoring a “C” and 5 schools received a “D”. This is an improvement over last year. Sterlington High and Lenwil Elementary were recognized as Top Gains schools for their exceptional growth in School Performance Scores. The district earned the maximum of 10 progress points for students previously below Good/Basic on English Language Arts and Math Assessments who exceeded state expectations in the current year.

The district is in year two implementation of Literacy Design Collaborative and Math Design Collaborative (MDC). These two initiatives, provided by a grant from the Southern Regional Education Board, implement literacy and math strategies in our middle and high schools. Teachers participate in professional development to learn strategies for designing instruction aligned with state College and Career Readiness Standards. Participants are provided tools to create active learning environments where students develop critical literacy skills while focusing on important content standards. MDC provides teachers with instructional tools and strategies to address the college and career-readiness mathematics standards. The focus is on deepening mathematical reasoning, understanding and application.

The Ouachita Parish School System continues to provide curriculum, best instructional practices, and standard-aligned assessments to ensure all students are afforded opportunities for learning and to develop higher order thinking skills, as well as life skills, leading to success at the next level. Our school system offers Advanced Placement, Dual Enrollment, and a variety of Jumpstart courses to provide post-secondary opportunities for all students to become college and career ready. Our vision of Building Bridges to the Future involves collaboration with students, parents, educators, and community stakeholders to connect student learning to 21st century skills in order to prepare students for the global society.

Career & Technical Education

Ouachita Parish will have its first graduates from Jump Start Pathways. An estimated 22 percent of our graduates will boast the Jump Start Tops Tech diploma. Recently, the brand new Ag-Science building was completed at West Monroe High School. All five of our high schools now utilize Ag-Science facilities on campus for vocational education. Prior to the beginning of this school year, we were fortunate enough to have Ag-Science teachers certified in Certification for Manufacturing (C4M). With these teachers certified, Ouachita Parish is now able to add a new Jump Start graduation pathway offering—Manufacturing, Construction Crafts, and Logistics. Students who finish in this pathway earn the culminating credential C4M which is recognized throughout Louisiana manufacturing companies.

Last fall, more than 100 students from West Ouachita and West Monroe High Schools, as well as their feeder schools, participated in job-shadowing—a collaborative effort with the West Monroe Chamber of Commerce. During the job-shadowing event, local businesses host a half-day experience during which students can observe the real-world day-to-day operations of career fields in our area. The project’s goal is to help students who are deciding on career paths—whether through college or vocational education—get a feel for “a day in the life” of their field of interest. Another opportunity for students to get first-hand experience in the manufacturing field is during Manufacturing Day. This project, in collaboration with the Monroe Chamber of Commerce, sent high school students to visit plant sites of manufacturing companies. Students were able to tour the businesses as well as visit the Monroe and West Monroe Louisiana Delta Community College campuses.

To the Elected School Board Members and
Citizens of Ouachita Parish
March 31, 2018

Through another collaborative effort with Louisiana Delta Community College, and with the use of state provided monies, our district was able to fund more than 40 dual-enrollment courses for 11th and 12th grade students in our high schools. This endeavor saved parents more than \$15,000 in costs of courses throughout fall semester. During spring, students with required qualifications have the same opportunity to partake in Career and Technical education classes at Louisiana Delta Community College.

Technology Initiatives

Ouachita Parish Schools accept the continued challenge to provide rich technological experiences for both our teachers and students. State-of-the-art computer labs and classrooms ensure the tools are available for our digitally-minded youth as well as for our tech-savvy instructional leaders. Communication between schools, parents, and community stakeholders is made easier with the technology such interactive student and teacher information systems made available online and accessible through our district mobile App. These communication tools enable parents to log in for progress reports and students can log in to manage classwork, notes, and homework postings, in addition to calendars and announcements.

There is a constant demand to keep up with continual technological advances. Our school system is striving to find ongoing financial resources through the braiding of funds available from federal and state monies, grants, and community partnerships to ensure we remain a leader in this age of technology. Thousands of new Chromebooks have been purchased and placed in classrooms across our district to enhance the learning experiences of both teachers and students. Some of our schools have now accomplished a 1:1 ratio of students to devices.

Teachers are gaining the capability of implementing Google Classroom with proficiency as they are participating in professional development opportunities that will enable them to bring this tool into their instructional practices. Many of our schools are offering opportunities for elementary, middle, and high school students to engage in STEM (Science Technology Engineering and Math) activities to increase skills in advanced science studies and prepare them to compete for careers involving science and technology.

This past year the district has made strides to provide faster and safer access to programs from around the world that are accessed through our network, telecommunications, and internet services. This includes installing a pilot Voice-Over-Internet-Protocol (VOIP) phone system in our newly constructed middle school. This system brings many new features and an approximately 70 percent savings in maintenance cost over the current VOIP system. Future goals are to fully implement the new VOIP service district-wide and replace aging interactive white boards in classrooms. Additionally, network and internet security is a major priority as utilization of online technology resources increases. With the high stakes of online classroom instruction and testing, the district continually strives to minimize network down-time with the ongoing implementation of hardware and software solutions to pro-actively secure its networks and online technology devices.

School Safety

The number one priority for the district is safety of students and employees. Management works hand-in-hand with law enforcement and community agencies to maintain healthy environments on secure school campuses. In past years management made renovations to improve safety by restricting public access in schools, among which included installing emergency calling systems at every school that immediately alerts local law enforcement in the event of a crisis, securing campus entrances with fencing and locked building entrances, and upgrading intercom systems and surveillance systems.

School leaders in cooperation with local law enforcement officers conduct random, unannounced lock-down drills in the district at least once per semester. A debriefing is completed after each event to identify

To the Elected School Board Members and
Citizens of Ouachita Parish
March 31, 2018

years (*The Louisiana Economic Outlook: 2018 and 2019*, October 2017) and is expected to set a new employment record in 2018.

Monroe City in Ouachita Parish is home to one of two Louisiana Fortune 500 firms – CenturyLink currently employs about 2,300 in the region and continues to make acquisitions to expand operations nationally. CenturyLink has become the largest Ethernet based telecommunications company in the U.S. (ahead of AT&T) after the \$34 billion merger with Level 3 Communications was completed in November 2017, according to Vertical Systems Group’s leaderboard. (Providers must have 4% or higher market share of US Ethernet Services market to appear on the leaderboard.) CenturyLink opened its newly constructed Technology Center of Excellence, a 250,000-square-foot research and development facility next to their headquarters located in Monroe, in March 2016. This expansion will continue increase up to 800 new direct jobs over the next several years in the areas of finance, marketing, network engineering, information technology, network operations and human resources. The expansion has created increased demand for related workforce talent, housing, public services, and capacity in nearby schools.

In partnering with CenturyLink to expand its operations to Ouachita Parish and to better serve its clients here and across the country, IBM began construction in March 2017 of its newly established applications and development center across from CenturyLink’s corporate headquarters in northeastern Ouachita Parish on its 88-acre technology and mixed-use development, Century Village. The IBM project will create 400 new jobs a year in 2018-19 in engineering, computer science, mathematics and science, as well as provide internships for university students in the region. IBM currently has its temporary operations in downtown Monroe until the facility is completed.

Graphic Packaging International (GPI) and DHL Supply Chain are making a combined investment of \$274 million in Ouachita Parish and 93 new jobs. GPI and DHL are constructing a new \$154-million carton converting and logistics center in eastern Ouachita Parish, which involves the construction of a new 1.27 million-square-foot carton converting/logistics facility currently underway. This new facility will replace the current outdated facility in western Ouachita Parish. Also, GPI plans to invest \$120 million in upgrades to its existing paper mill in West Monroe.

Vantage Health Plan continues to update and renovate office space in downtown Monroe which includes its \$24 million specialty office facility and a \$20 million renovation of a state office building. With 1,400 employees, Vantage is planning to add 140 more in 2018.

So there are many great economic opportunities happening in Ouachita Parish and growth is in the future. The *2017 Annual Average Cost of Living Index* published by the Council for Community and Economic Research ranks the Monroe Metropolitan Statistical Area (MSA) among the most affordable places to live in Louisiana at 92.2 percent of the average cost of living nationwide, largely in part by the low average cost of housing and health care. The *2016 Competitive Alternatives* study conducted by KPMG, LLP ranks Monroe MSA as the most competitive place to do business among 81 U.S. cities, having the lowest cost to do business with a cost index of 91.3 percent compared to the national average, which makes the region prime for further development of its information technology corridor.

According to the Louisiana Workforce Commission-Labor Market Information reports, the unemployment rate (unadjusted) in Ouachita Parish has improved from 7.0% in June 2016 to 5.8% in June 2017. This is evidence of slow steady growth in the area as businesses expand and locate in Ouachita Parish. Future job growth is predicted to be 34.41% over the next 10 years according to *Sperling’s Best Places* (www.bestplaces.net, December, 2016).

Sales tax collections on goods and services continue to increase at a steady rate over the past 10 years as show in the chart on the next page. This is another clear indication of the economic stability in our region. However, there was an overall drop in collections in 2016-17 of 1.15% from the previous fiscal year. This is primarily due to the changing trend in how consumers make purchases. More purchases are being made through the internet. With the convenience of purchasing online, with offers of free shipping and federal restrictions on collection of sales and use tax for on sales from out-of-state vendors who do not have a nexus in the State of Louisiana, sales at brick-and-mortar establishments within the parish are in decline. This is a nationwide trend and an issue the U.S. Supreme Court has agreed to hear in an appeal from the State of South Dakota in April 2018 to overturn the restriction on out-of-state sales tax collections.



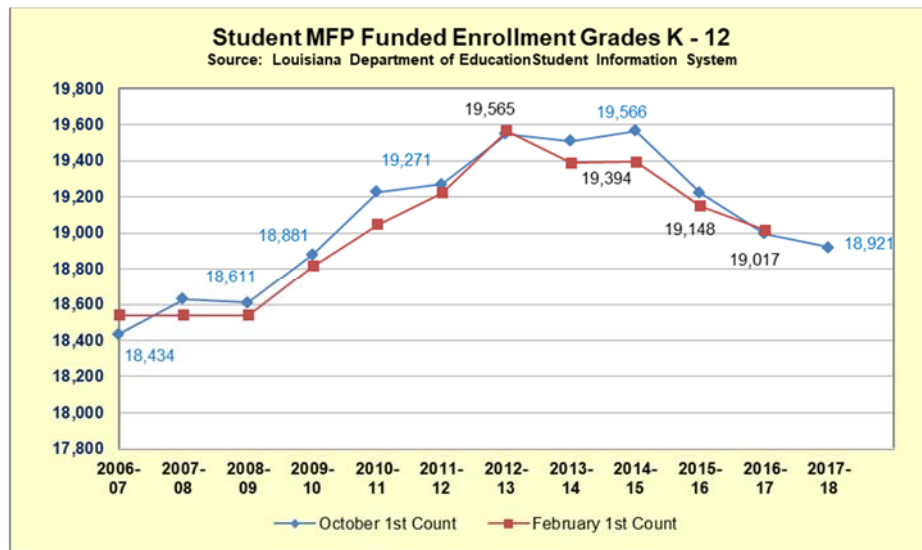
Ouachita Parish, and all of North Louisiana, are very fortunate to have the North Louisiana Economic Partnership (NLEP) working to garner economic development in part of the state. NLEP is an Accredited Economic Development Organization (AEDO) that provides professional economic development services to a 14-parish region, including lead generation and prospect management, acting as a facilitator to ensure the economic development potential of the region is realized, with a vision for North Louisiana to be a destination for high quality talent, innovative companies, and global investment.

(Sources: [North Louisiana Economic Partnership](#), Louisiana Workforce Commission: [Labor Market Information](#), [U.S. Census Bureau](#), and [The Louisiana Economic Outlook: 2018 and 2019](#), Scott, Loren C., October, 2017.)

Long-term Financial Planning

Student enrollment. This graph depicts a 10-year trend of Kindergarten through twelfth grade funded student membership. *Funded* membership consists of those students identified for funding under the Louisiana Minimum Foundation Program formula classifications, which excludes preschool students 4 years old and under who have not been identified for special education services. The historical trend has been a steady upward growth through October 2014, but then a steady decline in funded students through the current year.

To the Elected School Board Members and
Citizens of Ouachita Parish
March 31, 2018



We have also seen student enrollment shifts over the past five years to other school zones within the district due to federally funded school choice programs and the development of the Town of Sterlington as the newest bedroom community in the MSA region. The Sterlington zone is our fastest growing community due to the expanding housing market centered around the CenturyLink expansion and the new IBM center currently under construction. Further impacting enrollment are student exits and lower birth rates evidenced by lower Kindergarten enrollments district-wide. Management anticipates the declining enrollments to level off in the near future and then continue on a path of gradual growth.

The chart below depicts the changes in student growth over the past five years for all enrolled students classified by feeder school communities:

Student Enrollment* by Community (School Feeder Zones)

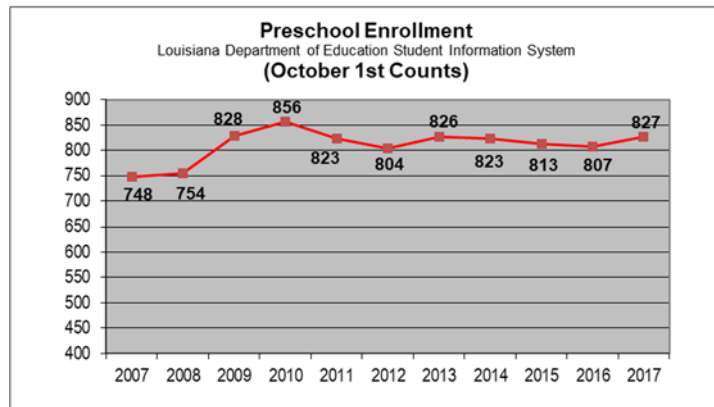
(Source: Louisiana Department of Education Student Information System Reports)

Feeder Zone	Total 5-Year Change	October 1st					
		2017 Enrolled	2016 Enrolled	2015 Enrolled	2014 Enrolled	2013 Enrolled	2012 Enrolled
West Monroe	(454)	7,817	7,941	8,029	8,350	8,219	8,271
Ouachita	(35)	4,304	4,267	4,319	4,272	4,309	4,339
West Ouachita	(95)	3,766	3,881	3,864	3,848	3,819	3,861
Richwood	(415)	1,915	1,881	1,971	2,170	2,299	2,330
Sterlington	332	1,605	1,561	1,507	1,397	1,360	1,273
Homebound	34	119	90	119	125	99	85
Total	(633)	19,526	19,621	19,809	20,162	20,105	20,159

* includes preschool

To the Elected School Board Members and
Citizens of Ouachita Parish
March 31, 2018

Our total preschool enrollment in 2017-18 is currently 827 students in 40 preschool classrooms and natural environment settings which are funded through federal, state and local funds. These are classrooms for 4-year olds classified as economically disadvantaged or identified with a learning disability.



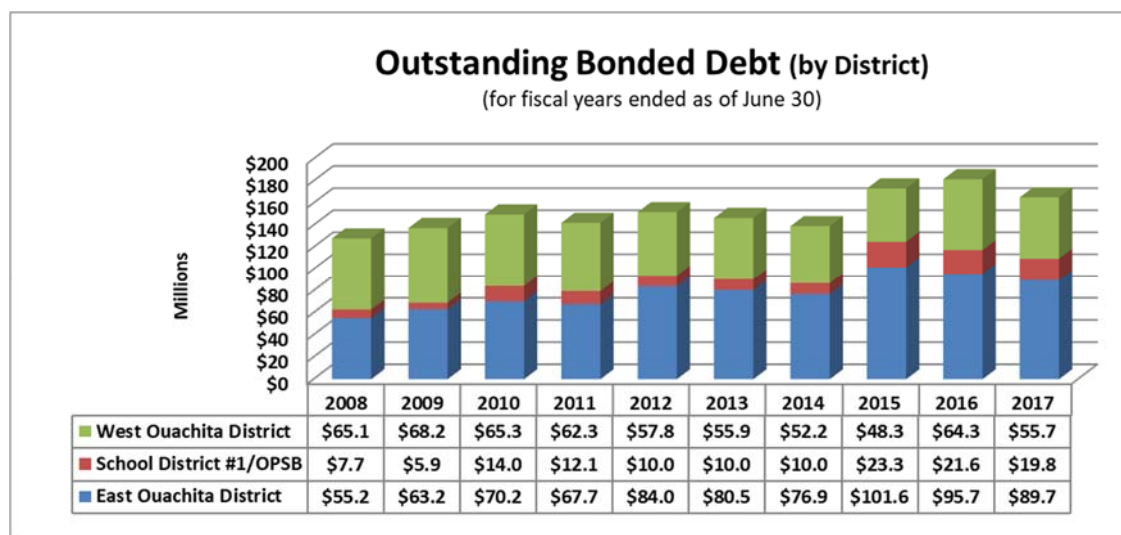
The Ouachita Parish School Board has not authorized charter schools to operate under its governance or within the geographical boundaries of the district; nor has the state directly authorized any charter schools to operate under state authority or oversight within district boundaries. However, there are a few charter schools in adjacent school districts that have been authorized by the State Board of Education. The Ouachita Parish School Board has a limited relationship with charter schools when they are authorized by the state or other local education agency. However, a deduction in MFP state funds allocated to the School Board is made for any Ouachita student residents who enroll in a state authorized charter school. The reduction is representative of the School Board's annual "local revenue" per pupil in the MFP formula which is transferred by the state to the charter school. Outside of this funding mechanism, the Ouachita Parish School Board does not have management oversight or authority over the operations of any charter schools.

Capital Projects. Planning for growth and educational needs in Ouachita Parish is an ongoing endeavor. While the overall enrollment is trending downward, certain communities are growing and population is shifting. With the completion and opening of the new East Ouachita Middle School, the East Ouachita School District Capital Improvements program will come to a close this next year. However, the growth of the Sterlington community is being monitored for future capital expansion needs. The West Ouachita School District completed stadium renovations at West Monroe High School and parking lot expansions at West Ouachita High School. Plans are currently underway this next year to consolidate and relocate central administration programs to one facility which will require renovations to the current alternative school program facility and relocating the alternative school program to another facility. This consolidation will help to improve administrative efficiency and reduce fixed operating costs. Assessment of school campus drainage and other facility capital maintenance items are currently underway for future capital improvement plan development.

More detailed information on our school facilities can be found in the Management's Discussion and Analysis section of this report under *Capital Assets* and in the Statistical Section of this report under *Operating Information: School Building Information*. Our communities have time after time provided tremendous support in our efforts to improve and maintain our facilities and improve the learning environment of our students.

To the Elected School Board Members and
Citizens of Ouachita Parish
March 31, 2018

The chart below shows the outstanding bonded debt at the end of each fiscal year for the past 10 years by taxing district.



The decrease of \$16.4 million in outstanding municipal bonded debt in fiscal year 2016-17 is the result of maturing principal and the refinancing of seven existing bond issues. The School Board took advantage of bond refinancing opportunities this past year when the municipal markets were favorable through the combination of advance and current refundings of 7 existing bond issues which saved taxpayers \$3.78 million in future debt service payments. With the passage of the 2018 Tax Reform bill, only the current refunding will be available for future refundings.

The Ouachita Parish School Board currently has a capacity to incur general obligation debt up to 50% of its taxable assessed property value. This creates the capacity of the school board to make decision to meet the needs of its changing population across the parish for areas of expected growth in this area in years to come.

More information regarding the bonded debt of the School Board can be found in *Management's Discussion and Analysis* and the *Notes to the Financial Statements*.

Accounting System and Budgetary Control

An explanation of the School Board's accounting and budgetary policies is contained in the Notes to the Financial Statements and the Notes to Budgetary Comparison Schedules. Explained in detail in the Notes to the Financial Statements are the basis of accounting, fund structure and other significant information regarding accounting and budgetary policies. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the School Board. Activities of the General Fund, Special Revenue Funds, and Debt Service Funds are included in the annual appropriated budget.

Formal budgetary integration is employed as a management control device during the year for the General Fund and Special Revenue Funds. All budgets are operational at the departmental or project level. The Superintendent and Director of Business of the School Board are authorized to transfer budget amounts between budget line items and between any functions of an individual fund; however, any supplemental appropriation that amends total expenditures of any fund by more than 5% requires a School Board resolution. The School Board also maintains an encumbrance accounting system as one technique of

To the Elected School Board Members and
Citizens of Ouachita Parish
March 31, 2018

accomplishing budgetary control. Budget-to-actual comparisons are provided in this report for the General Fund, each individual Special Revenue Fund, and Debt Service Funds.

Relevant Financial Policies

The School Board's formal policy on fund balance requires the General Fund's to maintain its balances within a limit of 10 to 15 percent of total General Fund expenditures. Management has been able to maintain this fund balance requirement through the economic downturn that began in 2008 and through these recent years of economic recovery.

Management of the School Board has committed \$0.5 million of the General Fund's fund balance to be maintained for major air conditioning repairs and replacements that may occur on an as needed basis. With the age of many of our facilities and the number of facilities operating chiller based heating and cooling systems, management believes that maintaining this assignment annually should be sufficient to meet unforeseen major air conditioning or heating repairs in the next several years.

The School Board has opted to fund only the contributions needed to pay retiree insurance premiums that come due in the current year and not the full other post-employment benefits (OPEB) annual required contribution (ARC) of \$16 million. Therefore, we are funding our OPEB obligation on a "pay-as-you-go" basis as we have always done in the past. As a result, the School Board has an unfunded OPEB obligation at June 30, 2017 of \$87 million. General Fund resources are used to pay the cost of OPEB benefits as they come due.

The fund balances of Ouachita Parish School Board are reported in accordance with GASB 54, *Fund Balance Reporting and Governmental Fund-Type Definitions*. See Note 1, *Summary of Significant Accounting Policies*, in the *Notes to the Financial Statements* for more detailed information regarding the classification of the School Board's fund balances at June 30, 2017.

The School Board has established an Internal Service Fund for self-insured contingencies for general liabilities and worker's compensation claims. Self-insured claims are funded through transfers from the General Fund. The School Board funds the current year expenditures plus the reserve established by the third party administrator for outstanding workers compensation claims and general liability claims as recommended by the School Board attorney.

GFOA Certificate of Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the School Board for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2016. This was the twenty-ninth consecutive year that the School Board has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized Comprehensive Annual Financial Report. This report 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 that our current Comprehensive Annual Financial Report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

ASBO Certificate of Excellence

For the twenty-ninth consecutive year, the School Board received the Association of School Business Officials International (ASBO) Certificate of Excellence in Financial Reporting for the fiscal year ended June 30, 2016. This award certifies this Comprehensive Annual Financial Report substantially conforms to the principles and standards of financial reporting industry standards and the criteria adopted by the Association of School Business Officials International. Being a continual recipient of this award shows our community the Ouachita Parish School System is credible and committed to fiscal integrity, helps to achieve a better bond rating for the system by clearly disclosing all required information for credit evaluations, demonstrates our transparency by sharing information above and beyond what is required by GAAP, and improves our CAFR by undergoing a rigorous review by other expert finance professionals who provide comments for making improvements.

The recommendations of these finance professionals have been taken into consideration by management in the preparation of the Comprehensive Annual Financial Report for the fiscal year ended June 30, 2017. Management believes this year's report complies with the standards and principles of ASBO and will be submitting it with an application for ASBO's consideration for the award again.

Acknowledgments

It is our desire that this report contains the necessary information and data that will provide a better understanding of the operations of the School Board. It is further hoped that this report has been designed in a manner to be used as an administrative tool and general source of information so as to enhance our accountability to the public.

We would like to take this opportunity to express our sincere appreciation to the entire staff of the Business Department, the Communication Coordinator, and the Graphic Arts Department whose extraordinary efforts contributed significantly to the preparation of this report.

In closing, without the support of the Ouachita Parish School Board, preparation of this report would not have been possible.


Don Coker, Ed.D., Superintendent
Ouachita Parish Schools


Juanita H. Duke
Director of Business

Ouachita Parish School Board

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Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**Ouachita Parish School Board
Louisiana**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2016

Executive Director/CEO



**ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL**

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

Ouachita Parish School System

**for its Comprehensive Annual Financial Report (CAFR)
for the Fiscal Year Ended June 30, 2016.**

The CAFR has been reviewed and met or exceeded
ASBO International's Certificate of Excellence standards.

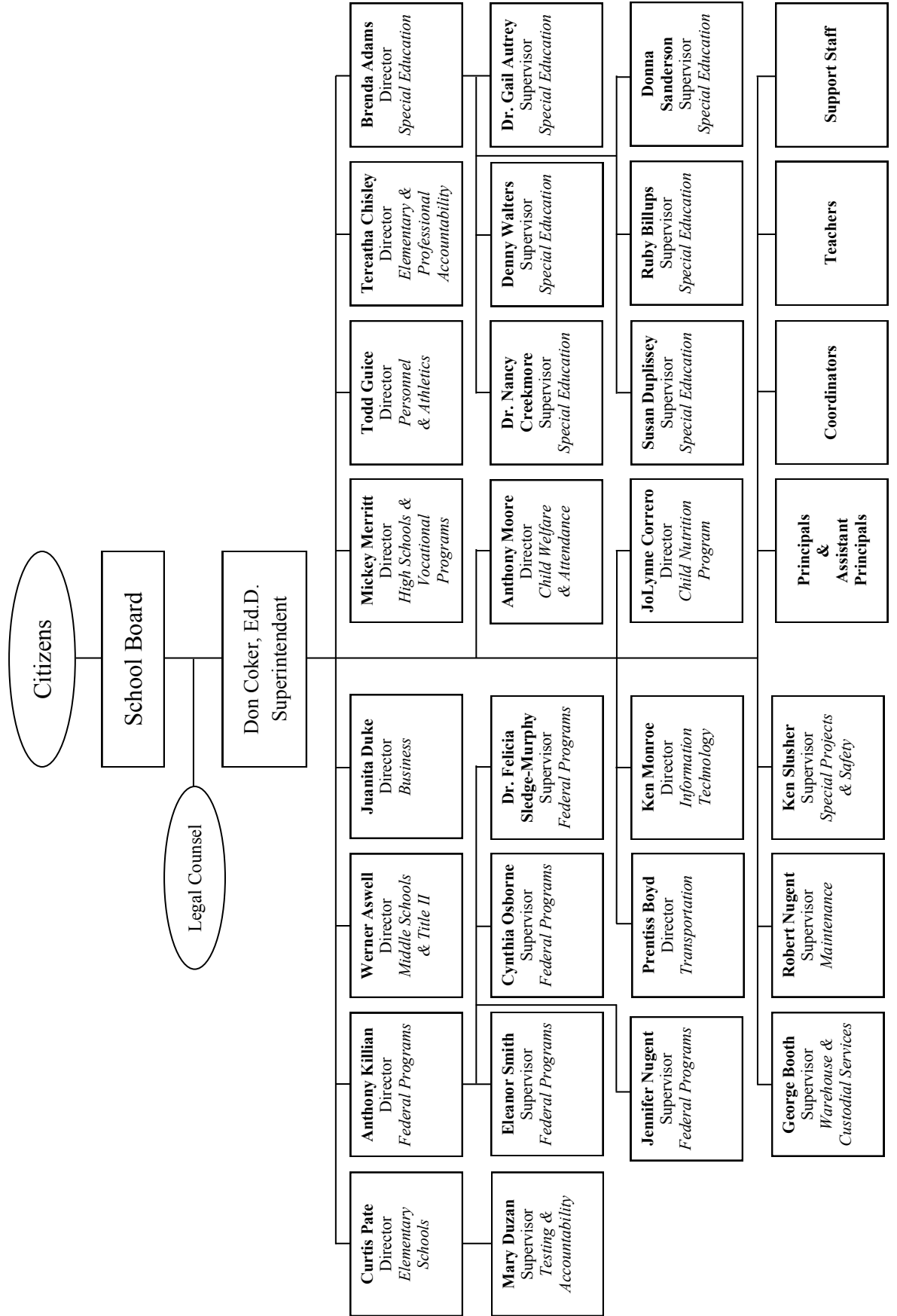


Anthony N. Dragona, Ed.D., RSBA
President

John D. Musso, CAE
Executive Director

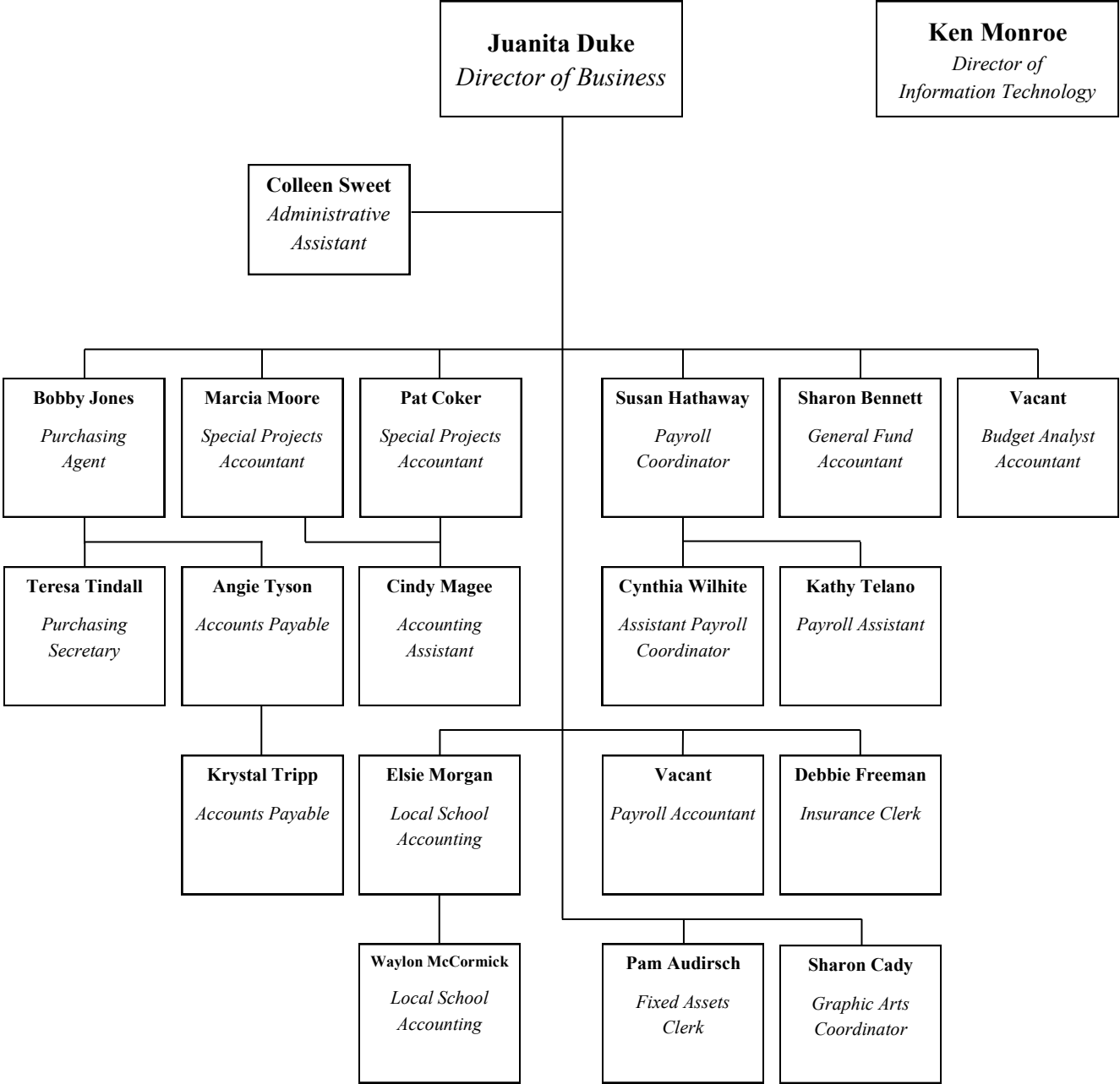
Ouachita Parish School System

ORGANIZATIONAL STRUCTURE



BUSINESS DEPARTMENT

ORGANIZATIONAL STRUCTURE





Vision: Building Bridges to the Future

Mission: As a community, Ouachita Parish Schools will connect learning to 21st Century skills needed for college and career ready students who will excel in a global society.

Beliefs:

Ouachita Parish students will learn at high levels.

Parents, students, teachers, and community matter.

Safe schools are a top priority.

Bridges connect past and present learning to future dreams.



This Comprehensive Annual Financial
Report was prepared by:

Juanita Duke, Director of Business

Sharon Bennett, General Fund Accountant

Sharon Cady, Graphic Arts Coordinator

Marcia Moore, Special Projects Accountant

Pat Coker, Special Projects Accountant

Colleen Sweet, Administrative Assistant

Aline Smead, Communications Coordinator

FINANCIAL SECTION

2016-17 Ouachita Parish Principals of the Year



Dr. Don Coker, Superintendent

Dr. Sharilynn Loche, Richwood High School

Twainna Calhoun, Good Hope Middle School

Judy Manning, Swartz Lower Elementary School



ALLEN, GREEN & WILLIAMSON, LLP

CERTIFIED PUBLIC ACCOUNTANTS

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Aimee Buchanan, CPA
Nicia Mercer, CPA, CFE
Principal: Cindy Thomason, CPA

Eddi Hernandez, CPA
Jennie Henry, CPA
Ronnie Jacola, CPA
Audit Manager: Margie Williamson, CPA

Ernest L. Allen, CPA
(Retired) 1963 - 2000

Independent Auditor's Report

Board Members
Ouachita Parish School Board
Monroe, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Ouachita Parish School Board, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the School Board's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the School Board's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School Board's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the School Board, as of June 30, 2017, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Schedule of Funding Progress for Other Post Employment Benefit Plan, Schedule of Employer's Proportionate Share of the Net Pension Liability, Schedule of Employer Contributions to Pension Plans, the Budgetary Comparison Schedules, and the notes to required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Ouachita Parish School Board's basic financial statements. The accompanying supplementary information, as listed in the table of contents, and the other information, such as the introductory and statistical sections, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The accompanying supplementary information, as listed in the table of contents, is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information, as listed in the table of contents, is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The accompanying other information, listed as the introductory and statistical sections in the table of contents, has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report, under separate cover, dated March 31, 2018 on our consideration of the Ouachita Parish 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 effectiveness of the School Board's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School Board's internal control over financial reporting and compliance.

Allen, Green & Williamson, LLP

ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana

March 31, 2018

Ouachita Parish School Board

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Management's Discussion and Analysis



*Elysabeth - Grade 12
West Monroe High School*



*Ashlyn - Grade 12
West Monroe High School*



*Halle - Grade 10
Sterlington High School*

REQUIRED SUPPLEMENTARY INFORMATION

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

Ouachita Parish School Board
Monroe, Louisiana
Management's Discussion and Analysis
June 30, 2017

Our discussion and analysis of Ouachita Parish School Board's financial performance provides an overview of the School Board's financial activities for the fiscal year ended June 30, 2017. Certain comparative information between the current year and the prior year is required to be presented in the MD&A. Please read it in conjunction with the School Board's financial statements which follow this Management's Discussion and Analysis.

In fiscal year 2017, the School Board adopted the following new statement of financial accounting standards issued by the Governmental Accounting Standards Board:

- *Statement No. 77 – Tax Abatement Disclosures* establishes standards of accounting and financial reporting for tax abatements. Financial statement users need information about certain limitations on a government's ability to raise resources. This includes limitations on revenue-raising capacity resulting from government programs that use tax abatements to induce behavior by individuals and entities that is beneficial to the government or its citizens. Tax abatements are widely used by state and local governments, particularly to encourage economic development. This Statement requires disclosure of tax abatement information about (1) a reporting government's own tax abatement agreements and (2) those that are entered into by other governments and that reduce the reporting government's tax revenues.
- *Statement No. 82 – Pension Issues* establishes standards to improve consistency in the application of pension accounting and financial reporting requirements by addressing certain issues that have been raised with respect to statements No. 67, No. 68, and No. 73. This Statement addresses issues regarding (1) the presentation of payroll-related measures in required supplementary information, (2) the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes, and (3) the classification of payments made by employers to satisfy employee (plan member) contribution requirements.

The adoption of these standards had no impact on the government-wide or the governmental fund financial statements, but provide for guidance, clarification and/or additional disclosures in the notes to the financial statements and required supplementary information related to pensions. See Note 21 for more information regarding the School Board's tax abatements.

Financial Highlights

Key financial highlights during the 2016-17 fiscal year are as follows:

- Statement of Net Position - The assets and deferred outflows of resources of the Ouachita Parish School Board were less than its liabilities and deferred inflows of resources at the close of the most recent fiscal year by a *negative* \$146,336,377 *net position*. Of this net amount, \$293,926,363 represents a deficit in unrestricted net position mainly due to the reporting of long-term obligations for employee benefits retained after retirement for health insurance and pensions. In theory, this means unrestricted resources are not available to meet the School Board's obligations to its stakeholders and creditors if all obligations matured and became due and payable on June 30, 2017.
- Statement of Activities - The total net position of the Ouachita Parish School Board decreased by \$286,346 for the year ended June 30, 2017. This is a 0.2% decrease in net position over the prior year's net position, due primarily to pension expense.
- Governmental Funds Balance Sheet - As of the close of the current fiscal year, the Ouachita Parish School Board's governmental funds reported a total combined ending fund balance of \$90,320,439, a decrease of \$22,088,801 over the prior fiscal year. This fund balance is comprised of (1) \$20,766,489 for spending within

Ouachita Parish School Board
Monroe, Louisiana
Management's Discussion and Analysis
June 30, 2017

the General Fund (a major fund); and (2) \$18,620,347 committed for specific maintenance and operations purposes in the District No.1 Sales Tax Fund (a major fund). The remaining fund balances in nonmajor funds consists of (3) \$26,536,273 in Special Revenue Funds, most of which is restricted for salary supplements, student health services, child nutrition programs, and construction and operations; (4) \$16,088,943 is restricted for the payment of outstanding bond issues within the Debt Service Funds and (5) \$8,308,387 is restricted for capital projects within the Capital Project Funds.

- General Fund Balance - At the end of the fiscal year, unrestricted fund balance (the total of *committed*, *assigned* and *unassigned* components of *fund balance*) for the General Fund was \$20,102,225, or approximately 14.3% of total General Fund expenditures.
- Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances - Total revenues for the fiscal year in the governmental funds were \$225,074,830. Approximately 96.6% of this amount is received from four major revenue sources: (1) \$119,580,822 from the state Minimum Foundation Program (MFP); (2) \$46,462,224 from local sales taxes, (3) \$28,276,668 from local ad valorem taxes, and (4) \$22,036,632 from federal programs and support.
- Capital Assets - Total capital assets (net of depreciation and amortization) were \$267,782,658, or 69.0%, of the total assets of the School Board at June 30, 2017. The School Board uses these assets to provide educational and support services to students; consequently, these assets are not available for future spending.
- Long-Term Debt - The School Board's outstanding debt at June 30, 2017 includes General Obligation Bonds of \$89,650,000, Sales Tax Revenue Bonds of \$55,665,000, Qualified School Construction Bonds (revenue bonds) of \$10,000,000, and Limited Tax Certificates of \$9,790,000. Total outstanding bonds decreased by \$16,475,000 during the current period, primarily due to the refunding of six bond issues and annual bond principal maturities during the fiscal year.

Using this Report

The School Board's annual report consists of a series of financial statements that show information for the School Board as a whole, its funds, and its fiduciary responsibilities. The Statement of Net Position and the Statement of Activities provide information about the activities of the School Board as a whole and present a longer-term view of the School Board's finances. Our fund financial statements are included later in this report. For our governmental activities, these statements tell how we financed our services in the short-term as well as what remains for future spending. Fund statements also may give you some insights into the School Board's overall financial health. Fund financial statements also report the School Board's operations in more detail than the government-wide financial statements by providing information about the School Board's most significant funds, the General Fund and School District No. 1 Sales Tax. The remaining statement - the Statement of Fiduciary Assets and Liabilities presents financial information about activities for which the School Board acts solely as an agent for the benefit of students and parents.

**Ouachita Parish School Board
Monroe, Louisiana
Management's Discussion and Analysis
June 30, 2017**

Comprehensive Annual Financial Report
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<u>Introductory Section</u>

Transmittal Letter Certificates of Excellence in Financial Reporting Organization Chart Elected Officials and Selected Administrative Officers

<u>Financial Section</u>

(Details outlined in the next chart)

<u>Statistical Section</u>

Financial Trends Revenue Capacity Debt Capacity Demographic and Economic Information Operating Information
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<u>Required Supplementary Information</u>
--

Management's Discussion & Analysis (MD&A)

Basic Financial Statements

Government-wide Financial Statements

Fund Financial Statements

Notes to the Financial Statements

<u>Required Supplementary Information</u>
--

Schedule of Funding Progress for Other Post-Employment Benefit Plan Schedule of Employer's Proportional Share of the Net Pension Liability Schedule of Employer Contributions to Pension Plans Budgetary Information for Major Funds

<u>Supplementary Information</u>

Nonmajor Funds Combining Statements Agency Funds Statements/Schedules Schedule of Compensation Paid Board Members Schedule of Compensation, Benefits and Other Payments to Superintendent
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**Ouachita Parish School Board
Monroe, Louisiana
Management's Discussion and Analysis
June 30, 2017**

Our auditor has provided assurance in the independent auditor's report, located immediately preceding this Management's Discussion and Analysis, that the Basic Financial Statements are fairly stated. Varying degrees of assurance is being provided by the auditor regarding the Required Supplementary Information and the Supplementary Information identified above. A user of this report should read the independent auditor's report carefully to ascertain the level of assurance being provided for each of the other parts in the Financial Section.

The School Board assumes full responsibility for the accuracy of the Introductory and Statistical Sections as they were prepared without the association of the independent auditors.

Reporting the School Board as a Whole

The Statement of Net Position and the Statement of Activities

Our analysis of the School Board as a whole begins with the government-wide financial statements. One of the most important questions asked about the School Board is, "Is the School Board as a whole better off or worse off financially as a result of the year's activities?" The Statement of Net Position and the Statement of Activities, which appear first in the School Board's financial statements, report information on the School Board as a whole and its activities in a way that helps you answer this question. We prepare these statements to include all assets, liabilities and deferred inflows/outflows of resources, using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the School Board's net position - the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources, as reported in the Statement of Net Position - as one way to measure the School Board's financial health, or financial position. Over time, increases or decreases in the School Board's net position - as reported in the Statement of Activities - are one indicator of whether its financial health is improving or deteriorating. The relationship between revenues and expenses is the School Board's operating results. However, the School Board's goal is to provide services to our students, not to generate profits as commercial entities do. One must consider many other nonfinancial factors, such as the quality of the education provided and the safety of the schools to assess the overall health of the School Board.

The Statement of Net Position and Statement of Activities report the following activity for the School Board:

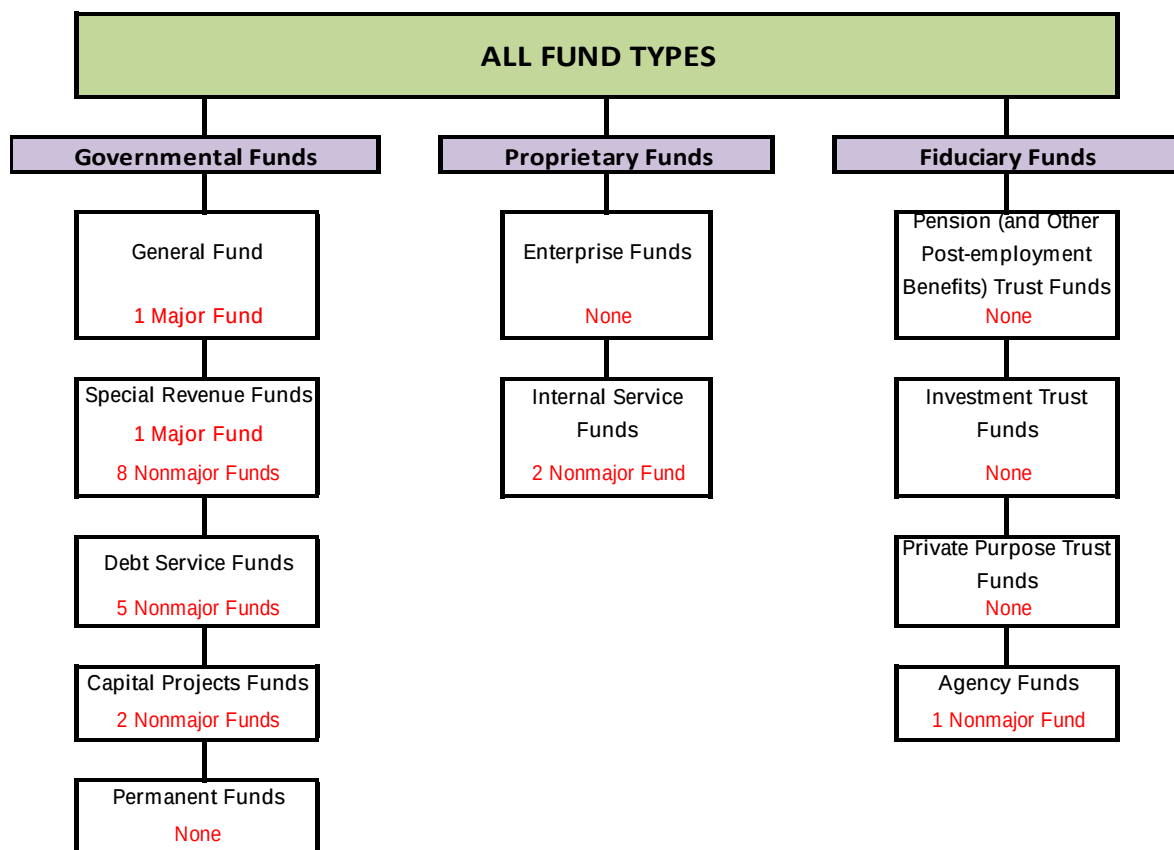
Governmental activities - All of the School Board's services are reported here, including instruction, plant services, transportation, and food services. Property taxes, sales taxes, Minimum Foundation Program funds, and state and federal grants finance most of these activities.

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Reporting the School Board's Most Significant Funds

Fund Financial Statements

The School Board's fund financial statements provide detailed information about the most significant funds - not the School Board as a whole. Some funds are required to be established by State law and by bond covenants. However, the School Board establishes many other funds to help it control and manage money for particular purposes (like the school lunch) or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money (like grants the School Board receives from the U.S. Department of Education). The School Board's governmental funds use the following accounting approach below:



Governmental Funds - All of the School Board's services are reported in governmental funds. Governmental fund reporting focuses on showing how money flows into and out of funds and the balances left at year-end that are available for spending. They are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the School Board's operations and the services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the School Board's programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in the reconciliation on Statements D and F.

Proprietary Funds - When the School Board charges customers for the services it provides – whether to outside customers or to other units of the School Board – these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position

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and the Statement of Activities. The School Board uses internal service funds (the other component of proprietary funds) to report activities that provide supplies and services for the School Board's other programs and activities – the self-insurance fund, which accounts for workers' compensation and general liability, and the centralized printing fund.

The School Board as Trustee

Reporting the School Board's Fiduciary Responsibilities

The School Board is the trustee, or fiduciary, for its student activities funds. All of the School Board's fiduciary activities are reported in the Statements of Fiduciary Assets and Liabilities. We exclude these activities from the School Board's other financial statements because the School Board cannot use these assets to finance its operations. The School Board is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Ouachita Parish School Board, liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources by \$146,336,377 at the close of the 2016-17 fiscal year.

The following analysis focuses on the net position and change in net position of the School Board's governmental activities.

Table 1
Net Position
As of June 30,

	Governmental Activities		
	2017	2016	Variance
Other assets	\$ 120,061,855	\$ 146,870,536	\$ (26,808,681)
Capital assets, net of depreciation/amortization	267,782,658	251,585,619	16,197,039
Total assets	387,844,513	398,456,155	(10,611,642)
Deferred outflows of resources	58,756,817	39,471,302	19,285,515
Other liabilities	27,853,070	31,377,650	(3,524,580)
Long-term liabilities	552,324,119	539,618,696	12,705,423
Total liabilities	580,177,189	570,996,346	9,180,843
Deferred inflows of resources	12,760,518	12,981,142	(220,624)
Net position:			
Net investment in capital assets	107,429,689	99,424,951	8,004,738
Restricted	40,160,297	40,796,458	(636,161)
Unrestricted	(293,926,363)	(286,271,440)	(7,654,923)
Total net position	\$ (146,336,377)	\$ (146,050,031)	\$ (286,346)

The largest portion of the School Board's total net position, \$107,429,689, reflects its investment in capital assets (e.g. land, buildings, machinery, and equipment) less any related outstanding debt used to acquire those assets. As you can see, in Table 1, *net investment in capital assets* exceeds the total of all net position held by the School Board at year end. The School Board uses these capital assets to provide educational services to children;

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consequently, these assets are not available for future spending or payment of obligations. Although the School Board's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the School Board's net position represents \$40,160,297 in resources that are subject to external restrictions on how they may be used. *Restricted* net position is reported separately to show legal constraints for payment of outstanding debt obligations, use of tax proceeds dedicated for capital projects or employee salary supplements, and other enabling legislation or grant restrictions that limit the School Board's ability to use these resources for day-to-day operations.

The remaining *negative* unrestricted net position of \$293,926,363 represents the accumulated results of all past years' operations. In theory, this means if the School Board had to pay off all of its bills today (including all noncapital liabilities, such as the accrued value of employee compensated absences, the current value of future health insurance benefits for all participating vested active and retired employees and the current value of future retirement benefits for all vested active and retired employees) after selling all assets at current value, the School Board would not have enough funds to pay all of its obligations.

The governmental activities of the School Board decreased the overall net position by \$286,346, or 0.2%, compared to the prior year's increase in overall net position by \$8,852,997. The key elements of this year's results of governmental operations are discussed in the following section for governmental activities.

The results of this year's governmental operations for the School Board as a whole are reported in the *Statement of Activities*. The "Schedule of Changes in Net Position" that follows on the next page summarizes the *Statement of Activities* in a different format allowing for total revenue for the year to be more easily identified.

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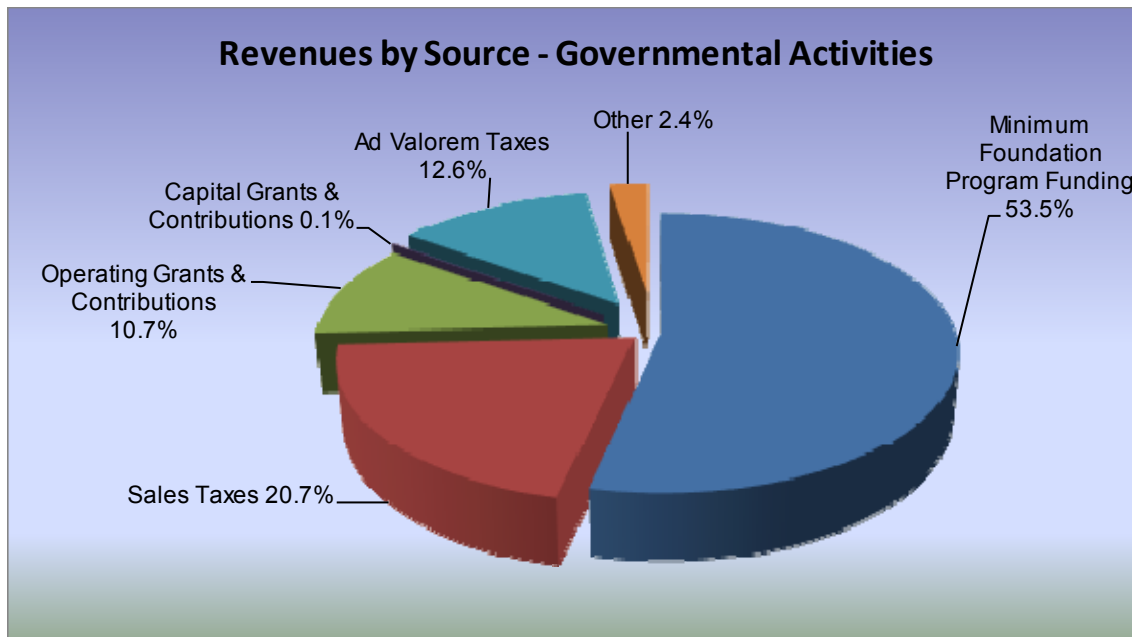
Table 2
Changes in Net Position
For Years Ended June 30,

	2017	2016	Increase (Decrease)
Revenue:			
Program revenue:			
Charges for services	\$ 1,463,865	\$ 1,490,966	\$ (27,101)
Operating grants and contributions	23,951,666	24,321,649	(369,983)
Capital grants and contributions	200,000	100,000	100,000
General revenue:			
Ad valorem taxes	28,276,668	27,469,905	806,763
Sales taxes	46,462,224	47,004,515	(542,291)
State equalization (MFP)	120,074,945	121,289,332	(1,214,387)
Insurance recoveries	63,572	302,809	(239,237)
Other general revenues	4,014,904	4,243,683	(228,779)
Total revenues	<u>224,507,844</u>	<u>226,222,859</u>	<u>(1,715,015)</u>
Expenses:			
Instruction:			
Regular programs	84,260,727	80,953,886	3,306,841
Special education programs	17,886,494	17,616,365	270,129
Vocational programs	4,123,378	3,729,714	393,664
Other instructional programs	8,434,606	8,038,058	396,548
Special programs	4,771,208	4,128,148	643,060
Adult/continuing education	1,737	1,742	(5)
Support services:			
Student services	14,270,413	12,561,268	1,709,145
Instructional staff support	15,497,897	15,598,574	(100,677)
General administration	2,902,124	3,636,357	(734,233)
School administration	14,434,880	13,540,647	894,233
Business services	2,963,378	2,814,702	148,676
Plant services	21,537,054	20,746,614	790,440
Student transportation services	12,704,926	12,157,792	547,134
Central services	3,360,734	2,972,919	387,815
Non-instructional services:			
Food services	12,674,083	12,573,412	100,671
Community service programs	15,426	28,351	(12,925)
Long-term obligations:			
Interest on long-term debt	4,955,125	6,271,313	(1,316,188)
Total expenses	<u>224,794,190</u>	<u>217,369,862</u>	<u>7,424,328</u>
Increase (decrease) in net position	<u>(286,346)</u>	<u>8,852,997</u>	<u>(9,139,343)</u>
Net position-beginning	<u>(146,050,031)</u>	<u>(154,903,028)</u>	<u>8,852,997</u>
Net position at end of year	<u>\$ (146,336,377)</u>	<u>\$ (146,050,031)</u>	<u>\$ (286,346)</u>

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Revenue by Source - Governmental Activities

School Board revenue from governmental activities decreased \$1,716,015 or 0.76% over the prior year.



- Minimum Foundation Program (MFP) Funding:** The largest revenue source for the School Board is state equalization funding awarded through the MFP at 53.5% of total revenue for the School Board. This is the funding formula adopted by the Louisiana Board of Elementary and Secondary Education and approved by the Louisiana Legislature to equitably distribute state appropriated funds to public school systems throughout the state. These funds help pay for employee salaries and benefits and general operations. The State does not appropriate funds to public school systems for building schools or retiring debt. The distributions made through the MFP formula are driven by student enrollments and demographics as of two reporting dates during the fiscal year - October 1st and February 1st. One-hundred percent (100%) of the per pupil funding amount is allocated for students enrolled on October 1st and 50% of the funding amount is added or subtracted for the change in student enrollment that occurs on February 1st. The following is a summary of MFP Funding received by the School Board over a three-year period and funded student enrollment for reference.

Fiscal Year	October 1 st MFP Student Membership	February 1 st MFP Student Membership	State MFP Payments, Net	Percentage Increase (Decrease)	State MFP Deductions For Transfers of Local Funds to Other LEAs
2014-15	19,566	19,394	\$122,857,260	2.93%	\$413,062
2015-16	19,195	19,151	120,861,597	(1.62%)	427,735
2016-17	18,999	19,018	119,580,822	(1.06%)	494,123

The Ouachita Parish School Board was allocated \$120,074,945 in state equalization funding through the MFP funding formula, net of deductions of \$494,123 made in the state funding formula to allow for transfers of district local funding to other state-approved local educational agencies (LEAs), such as charter schools and special schools, who enrolled students who live within Ouachita Parish school district zones. (These transfers are included in the *fund financial statements* as a direct expenditure for *Regular Programs*.) The School Food

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Service Special Revenue Fund received a deposit of \$1,439,682 from the MFP allocation, and the remaining funds were deposited into the General Fund. Total MFP deposits decreased in 2016-17 primarily due to a decrease in student membership of 133 students since the February 1, 2016 count date.

- **Sales Tax Revenue:** Sales taxes are the second largest revenue source for the School Board at 20.7% of total revenue. The School Board has four separate sales tax rates levied upon the sale and consumption of goods and services throughout the parish and in one school district for public schools. Each is accounted for in a separate governmental Special Revenue Fund and collections for each are indicated below:

Fiscal Year	(Major Fund) District No.1 Sales Tax	West Ouachita Sales Tax	Salary Supplements 1995 Sales Tax	Salary Supplements 1968 Sales Tax	Total Combined	Percentage Increase/(Decrease)
Tax Rate:	0.5%	1.0%	1.0%	0.5%	3.0%	
2014-15	\$7,292,419	\$11,861,397	\$14,731,783	\$10,865,054	\$44,750,653	5.33%
2015-16	7,701,786	12,456,551	15,555,363	11,290,815	47,004,515	5.04%
2016-17	7,606,016	12,442,378	15,363,702	11,050,128	46,462,224	(1.15)%

Sales tax revenue decreased by \$542,291 over the prior year. As the above chart indicates, the School Board's sales tax revenues experienced a slight disturbance in growth during the 2017 fiscal year for all sales tax funds. The Salary Supplements 1968 Sales Tax experienced the largest decrease in growth which was \$240,687, or 2.1%.

- **Ad Valorem Tax Revenue:** The third largest revenue source for the School Board is ad valorem taxes at 12.6% of total revenues. Ad valorem collections are based upon the number of mills authorized by taxpayers and levied annually by the School Board and the taxable assessed value of property (established by the Ouachita Parish Tax Assessor), in accordance with the limitations approved by the voters and laws set-forth for this purpose by the Louisiana Legislature. The following chart lists the ad valorem tax revenues for the past three years.

Fiscal Year	Mills	General Fund (Major Fund)	Mills	East Ouachita Bond Debt Service Fund (Nonmajor Fund)	West Ouachita Debt Service (Nonmajor Fund)	Total	Percentage Increase
2014-15	29.33	\$18,719,896	30.0	\$7,561,656	\$ -	\$26,281,552	1.92%
2015-16	29.33	19,817,977	30.0	7,651,363	565	27,469,905	4.52%
2016-17	29.33	20,507,138	30.0	7,769,335	195	28,276,668	2.85%

Ad valorem tax revenue increased by \$806,763 over the prior year, with the majority of collections being deposited in the General Fund to support governmental operations not funded by another program revenue source. The School Board realized a slowing increase in assessed valuations on property tax rolls for its taxing districts, which is now a three-year trend.

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- **Operating Grants & Contributions:** The fourth largest revenue source for the School Board is operating grants and contributions at 10.7% of total revenues. Operating grants and contributions totaled \$23,951,666, and Federal grants represent \$21,836,632 or 91.2% of this total. These grants and contributions are specifically restricted to certain programs, and therefore, are netted against the costs of these programs to show a true net cost in the *Statement of Activities*.

<u>Fiscal Year</u>	<u>Title I Programs</u>	<u>Special Education IDEA-B</u>	<u>School Food Service</u>	<u>Other Operating Grants & Contributions</u>	<u>Total</u>	<u>Percentage Increase (Decrease)</u>
2014-15	\$5,840,662	\$4,673,687	\$7,948,465	\$8,243,922	\$26,706,736	3.44%
2015-16	5,296,566	4,781,127	8,295,989	5,947,967	24,321,649	(8.93)%
2016-17	5,652,830	5,012,856	8,569,133	4,716,847	23,951,666	(1.52)%

In 2016-17, operating grants and contributions decreased \$369,983 over the prior year. Title I, Special Education IDEA-B, and School Food Service make up \$19,234,819 (80.3%) of total operating grants and contributions. A decrease in expenditures of Other Operating Grants and Contributions is primarily the result of a decrease in federal TANF preschool funds and the loss of federal 21st Century Community Learning Center grant funding.

- Interest and investment earnings declined 15.6% during the fiscal year to \$682,144, mainly due to less funds available for investment in capital projects funds as cash was needed to fund capital improvement projects during the fiscal year.

Cost of Services - Governmental Activities

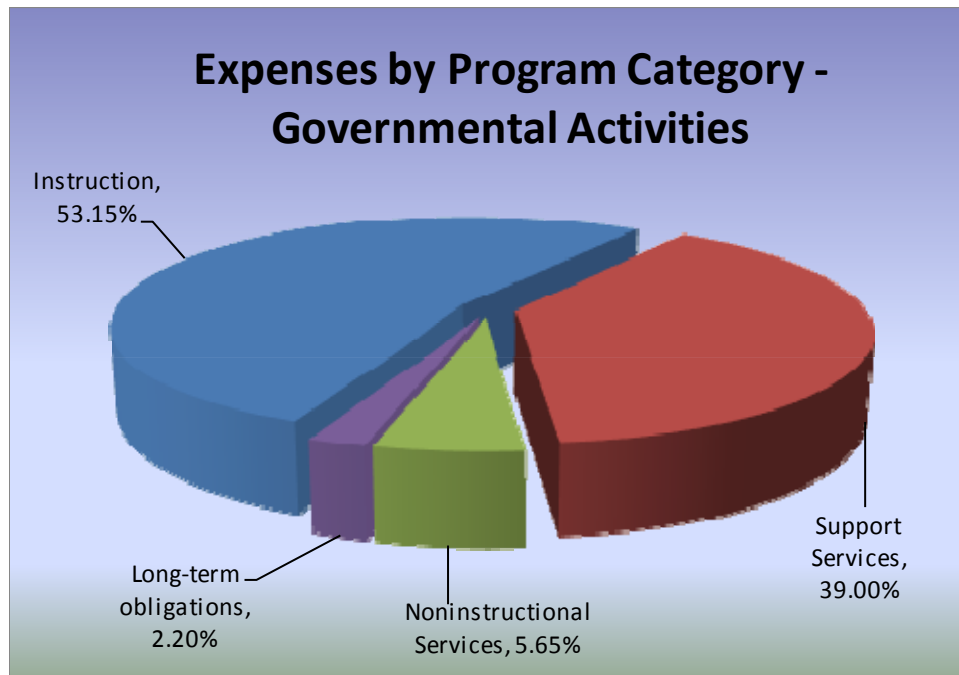
Governmental activities - As reported in the Statement of Activities, the cost of all governmental activities this year was \$224,794,190. The amount that taxpayers ultimately financed for these activities through School Board taxes was only \$199,178,659 because some of the cost was paid by those who benefited from the programs (\$1,463,865) or by other governments and organizations who subsidized certain programs with grants and contributions (\$24,151,666). The School Board paid for the remaining "public benefit" portion of its governmental activities with \$120,074,945 million in Minimum Foundation Program State funds, and with other revenues such as interest and other local sources.

In the Table 3, we have presented the cost of each of the School Board's seven largest functions: regular programs, special education programs, student services, instructional staff support, school administration, plant services and student transportation services as well as each program's net cost (total cost less revenues generated by the activities). Net cost shows the financial burden that was placed on the School Board's taxpayers by each of these functions. Providing this information allows our citizens to consider the cost of each function in comparison to the benefits they believe are provided by that function.

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**Table 3
For the Years Ended June 30,
Government Activities**

	<u>Total Cost of Services</u>		<u>Net Cost of Services</u>	
	2017	2016	2017	2016
Regular programs	\$ 84,260,727	\$ 80,953,886	\$ 83,163,346	\$ 79,326,894
Special education programs	17,886,494	17,616,365	17,336,136	16,765,508
Student services	14,270,413	12,561,268	12,581,522	10,910,294
Instructional staff support	15,497,897	15,598,574	9,893,424	9,511,301
School administration	14,434,880	13,540,647	14,434,880	13,540,647
Plant services	21,537,054	20,746,614	21,271,551	20,676,189
Student transportation services	12,704,926	12,157,792	12,209,473	11,220,664
All others	44,201,799	44,194,716	28,288,327	29,005,750
Totals	<u>\$ 224,794,190</u>	<u>\$ 217,369,862</u>	<u>\$ 199,178,659</u>	<u>\$ 190,957,247</u>



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- **Instruction:** Expenses for regular programs, special education programs, vocational, other instruction programs, special programs and adult/continuing education programs, are considered to be instructional services and represent the expenses of providing instruction to students. The following chart shows the cost of instruction over the past three years:

<u>Fiscal Year</u>	<u>Regular Programs</u>	<u>Special Education Programs</u>	<u>Other Instructional Programs</u>	<u>Total Instruction</u>	<u>Percent Increase (Decrease)</u>	<u>Percent of Total Governmental Activities</u>
2014-15	\$82,101,860	\$17,938,573	\$16,338,275	\$116,378,708	(1.51)%	52.88%
2015-16	80,953,886	17,616,365	15,897,662	114,467,913	(1.64)%	52.66%
2016-17	84,260,727	17,886,494	17,330,929	119,478,150	4.38%	53.15%

Instruction services increased by \$5,010,237 over the prior period. This is primarily the result of increases in pension expense and depreciation associated with current year capital asset additions, net of decrease in salary expense due to planned staffing reductions.

- **Support Services:** Support services account for approximately \$87.7 million or 39.0% of all governmental activities. These services include Student Services (includes therapy, nursing and counseling services), Instructional Staff Support (includes media and library services, staff training and professional development, and curriculum support), General Administration of the School Board, School Administration, Business Services, Plant Services, Student Transportation, and Central Services

<u>Fiscal Year</u>	<u>Student Services</u>	<u>Instructional Staff Support</u>	<u>School Administration</u>	<u>Plant Services</u>	<u>Other</u>	<u>Total Support Services</u>	<u>Percent Increase (Decrease)</u>
2014-15	\$12,826,787	\$16,351,770	\$13,955,474	\$20,746,414	\$21,333,078	\$85,213,523	(0.47)%
2015-16	12,561,268	15,598,574	13,540,647	20,746,614	21,581,770	84,028,873	(1.39)%
2016-17	14,270,413	15,497,897	14,434,880	21,537,054	21,931,162	87,671,406	4.33%

Support services increased by \$3,642,533 over the previous year due primarily to pension expense.

- **Non-Instructional Services:** Activities concerned with providing non-instructional services to students, staff or the communities are defined as Non-Instructional Services. The services provided in this category are primarily related to Food Services with minor expenses for Community Service Programs. Non-Instructional Services account for \$12,689,509, or 5.65%, of total governmental activities.

<u>Fiscal Year</u>	<u>Non-Instructional Services</u>	<u>Percentage Increase (Decrease)</u>	<u>Percent of Total Governmental Activities</u>
2014-15	\$12,781,317	0.39%	5.81%
2015-16	12,601,763	(1.40)%	5.80%
2016-17	12,689,509	0.70%	5.65%

Non-instructional services increased by \$87,746 primarily due to pension expense, net of reduced purchased food expenses due to increased use of federal commodities available for substitution.

- **Interest on Long-Term Debt:** This activity covers annual interest expense to service outstanding debt and amortize bond premiums. Interest expense was \$4,955,125, or 2.2%, of total governmental activities during the 2016-17 fiscal year.

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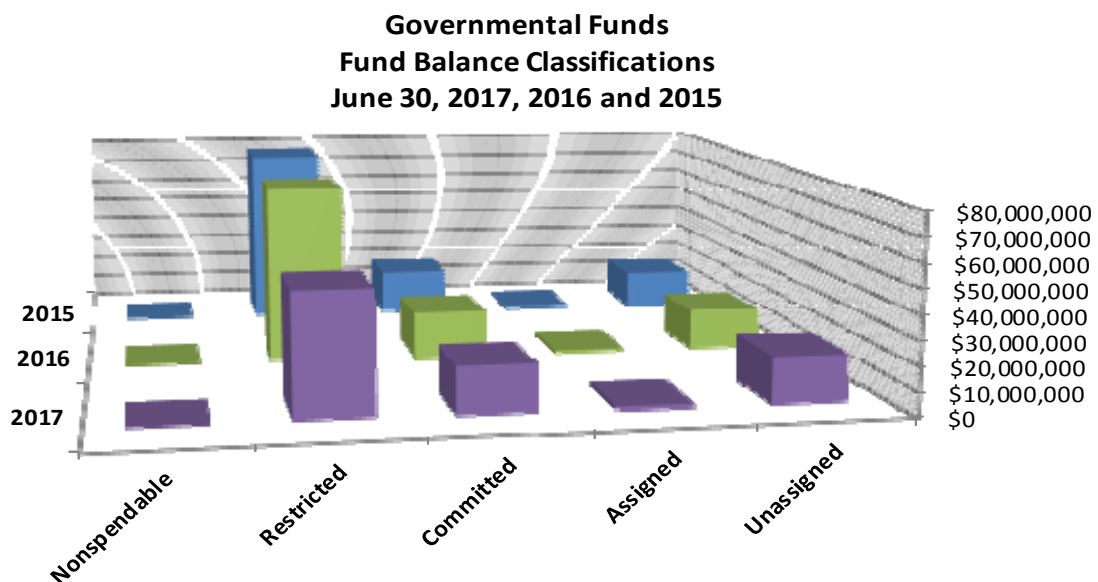
<u>Fiscal Year</u>	<u>Interest on Long-Term Debt</u>	<u>Percentage Increase (Decrease)</u>	<u>Percent of Total Governmental Activities</u>
2014-15	\$5,712,404	8.36%	2.60%
2015-16	6,271,313	9.78%	2.89%
2016-17	4,955,125	(20.99)%	2.20%

Interest expense decreased \$1,316,188 over the prior fiscal year due to current or advanced refundings of six bond issues during the period and in most recent past periods.

Financial Analysis of Governmental Funds

The focus of the Ouachita Parish School Board's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources and to help the reader to determine whether the School Board is being accountable for the resources taxpayers and others provide to it. In particular, unassigned fund balance may serve as a useful measure of a School Board's net resources available for discretionary use as they represent the portion of fund balance which has not yet been limited to use for a particular purpose by either an external party, the School Board itself, or a group or individual that has been delegated authority to assign resources for use for particular purposes by the Ouachita Parish School Board.

At June 30, 2017, the School Board's governmental funds reported a combined fund balance of \$90,320,439, a decrease of \$22,088,801 or 19.7% in comparison with the prior fiscal year. Approximately 21.1% of this balance (\$19,072,368) is classified as unassigned, or available for general purposes at the School Board's discretion. The remainder of the fund balance is either nonspendable, restricted, committed, or assigned to indicate that it is (1) made of resources not in a spendable form (\$180,713), (2) legally restricted for particular purposes (\$50,378,118), (3) committed by the School Board for particular purposes (\$19,115,123), or (4) assigned for particular purposes (\$1,574,117) by management.



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- **General Fund** - The General Fund is the primary operating fund of the School Board. Total fund balance in the General Fund increased \$1,641,629 over the prior year. As a measure of the General Funds liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total General Fund expenditures. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$19,072,368, or 91.8%, of its total fund balance. Unassigned fund balance represents approximately 13.6% of total General Fund expenditures, while total fund balance represents approximately 14.8% of that same amount which is within the School Board's established minimum fund balance policy. The major revenue sources in the General Fund are state Minimum Foundation Program funding and ad valorem tax revenues.

The following chart summarizes the fund balance and operating history of the General Fund for the current and past two fiscal years.

Fiscal Year			Other	Excess	Ending Fund	Fund Balance as
<u>Ended</u>	<u>Revenues</u>	<u>Expenditures</u>	<u>Sources</u>	<u>(Deficiency)</u>	<u>Balance</u>	a Percentage of
6/30/2015	\$144,857,482	\$145,632,231	\$(23,345)	\$(798,094)	\$18,873,583	12.96%
6/30/2016	143,925,116	143,997,917	319,560	246,759	19,120,339	13.27%
6/30/2017	142,785,581	140,479,369	(664,583)	1,641,629	20,766,489	14.78%

Revenues. Overall General Fund revenues decreased \$1.1 million which is attributed primarily to a decline in state funding sources. The School Boards Minimum Foundation Program fund allocation was reduced by \$1.2 million due to a reduction in student enrollment of 133 students and the fiscal year's supplemental appropriation from the state legislature was reduced by \$853 thousand. The loss of state revenue was partially offset by an increase in ad valorem tax revenues of \$689 thousand.

Expenditures. General Fund expenditures decreased by \$3.5 million, or 2.5%, over the previous fiscal period. The decrease is attributed to a reduction in employer contributions to state retirement systems as a result of an average decrease of four-percent in the required employer contribution rate, and a decrease in salaries and benefits related to planned staffing reductions throughout the district.

Other Financing Uses. The increase in financing uses is due to increased transfers to the School Board's internal service funds to provide for self-insurance and centralized printing activities.

- **School District No. 1 Sales Tax - Special Revenue Fund.** The District No. 1 Sales Tax Special Revenue Fund is a major fund of the School Board. The proceeds from this tax are committed for the following purposes in an ordinance promulgated by the School Board at the time the tax was initially approved by voters in 1992: (1) Instructional support – 36.0%, (2) capital improvements – 23.0%, (3) faculty and equipment support – 15.0%, (4) salary restoration – 12.0% and (5) mandated costs – 14.0%. The fund balance increased by \$324 thousand, or 1.8% as compared to the previous year. The District No. 1 Sales Tax Fund ended the year with a fund balance of \$18.6 million.

Fiscal Year			Other	Excess	Ending Fund	Percentage
<u>Ended</u>	<u>Revenue</u>	<u>Expenditures</u>	<u>Sources</u>	<u>(Deficiency)</u>	<u>Balance</u>	<u>Increase (Decrease)</u>
6/30/2015	\$7,462,723	\$6,725,663	\$200,000	\$ 937,060	\$18,416,410	5.36%
6/30/2016	7,842,393	8,062,071	100,000	(119,678)	18,296,734	(0.65)%
6/30/2017	7,902,096	7,679,903	101,420	323,613	18,620,347	1.77%

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Revenue. The primary revenue source for this fund is the collection of a 0.5% sales tax levied on sales and use of goods and services throughout the parish, excluding the City of Monroe. The levy of this sales tax was renewed by voters in April 2011 for an additional 10-year period. Sales tax collections decreased overall by \$96 thousand or 1.2% over the previous year; however, other revenues increased \$155 thousand from previous year.

Expenditures. Expenditures decreased \$382,168, or 4.7%, due to fewer buses purchased.

Other Sources of Funds. Other sources of funds represent a \$100,000 operating transfer from the General Fund to increase the commitment of funds available for *facility and equipment support* for maintenance of facilities district-wide

- **Nonmajor Governmental Funds.** The *Nonmajor Governmental Funds* accounts for all other governmental funds of the School Board which are not considered major funds. These funds are presented in the *Special Revenue Funds*, *Debt Service Funds*, and the *Capital Projects Fund* combining financial statements. *Nonmajor Governmental Funds* have a combined fund balance of \$50,933,603 fund balance at June 30, 2017. The decrease of \$24,054,043 (32.1%) from the previous year's ending fund balance is primarily due to spending remaining bonds proceeds in the capital projects funds on planned capital improvement projects during the fiscal year.

Special Revenue Funds. Special Revenue Funds includes nonmajor funds for two sales tax salary supplement funds (1968 and 1995), a 1% maintenance and operating sales tax in the west school district, school food services, other federal, and state grant program funds. Special Revenue Funds ended the fiscal year with a fund balance of \$26,536,273 which is an increase of \$3,941,771, or 17.4%, from the prior year's ending fund balance. The restricted portion of this fund balance is \$25,316,524 (or 95.4% of the balance) which includes the balance of funds in the three sales tax funds, School Food Service, and state grants (Medicaid). Total revenues increased by \$455 thousand primarily due to increases in federal formula grant allocations and increased use of federal commodities that were partially offset by declines in sales tax revenue in the two sales tax salary supplement funds over the last six months of the fiscal year. Total expenditures in the Special Revenue Funds increased by \$223 thousand in the current year primarily due to higher salary supplement payments being made from the 1995 Sales Tax Fund for the increase in collections for the twelve-month period prior to the annual payment in November 2016; additional capital improvements in the West Ouachita Sales Tax fund to replace a turf athletic field; and additional program expenditures in federal formula grants. These increased expenditures were partially reduced by lower School Food Service purchased food expenditures due to increased use of commodities.

Debt Service Fund. The Debt Service Fund includes the following funds restricted for the payment of maturing bonded debt: the *East Ouachita Debt Service Fund*, *West Ouachita Debt Service Fund*, the *Series 2010 QSCB Sinking Fund*, and the *School District No. 1 Debt Service Fund*. The *West Ouachita Bond Reserve Fund* is also reported as a debt service fund as it holds a required amount of bond proceeds as a good-faith guarantee to sales tax revenue bond holders that the School Board will make its scheduled bond payments. Sales tax revenue in the *West Ouachita Sales Tax Fund* is the primary funding source used to meet the annual debt servicing requirements of the *West Ouachita Debt Service Fund*, the *Series 2010 QSCB Sinking Fund*, and the *School District No. 1 Debt Service Fund*. Bonds approved by voters in the East Ouachita Bond District are financed by ad valorem taxes levied annually by the School Board and deposited in the *East Ouachita Debt Service Fund* to make required annual bond payments.

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The *Debt Service Funds* ended the year with a combined fund balance of \$16,088,943, which is a decrease of \$4,085,552 over the prior year. In accordance with state law, the fund balance in debt service funds is maintained at a level not to exceed the next year's required principal and interest payments. Also, the debt service related to the *School District No. 1 QSCB Sinking Fund*, requires annual principal payments to be invested and held in trust for the future payout of \$10 million in bond principal to bondholders at maturity in October 2024. Total payments of \$11.7 million in principal and \$5.6 million in interest and other related debt service costs were made during 2016-17.

Capital Projects Fund. These funds account for two capital projects funds: East Ouachita Construction and West Ouachita 2015 Construction. These funds were each reported as a Major Fund in the previous fiscal period. The ending fund balance in the capital projects fund was \$8,308,387 which represents the balance of bond funds received from the sale of bonds in a previous fiscal period. Total expenditures of \$24,061,148 are due to expenditures incurred to complete planned capital improvements with remaining bond funds.

General Fund Budgetary Highlights

The School Board, in accordance with state law, must adopt a budget on the General Fund and all Special Revenue Funds by September 15th each year. State law provides the School Board may have variances of five-percent of total revenues or expenditures in a fund before it is legally required to amend the budget. The School Board adopted its 2016-17 original budget on September 13, 2016, and revised the budget on June 27, 2017. Differences between (a) the original and final budget and (b) the final budget and actual results of the General Fund are as follows:

Original budget compared to final budget. During the year there was no requirement for any significant amendments to increase either the original estimated revenues or expenditures. However, there was a need to reallocate appropriations among various program line items to adjust to better align the budget to areas of spending. The movement of various appropriations between programs and budget line items and increases made within authorized limits during 2016-2017 are described below.

Overall final budgeted revenues were increased by a net of \$636 thousand or 0.4%. The adjustments made were the net result of higher assessed property valuations realized after the 2016 tax roll was filed increasing property tax revenues by approximately \$736 thousand that was also partially offset by a decrease expected in state Minimum Foundation Program funding of \$189 thousand after realizing an additional loss of 133 students on the February 1, 2017 student count date.

Adjustments to decrease overall budgeted General Fund expenditures by \$504 thousand were made primarily to reduce funds allotted for textbook purchases after adoption purchases were substantially completed at mid-year.

The budget for operating transfers to the Internal Service Funds was increased by \$136 thousand to cover all costs for centralized printing activities.

Final budget compared to actual results. Actual resources were under budget by \$337 thousand, or by 0.2%. This is primarily due to reduced interest earnings reported after accrual of investment earnings at fiscal year-end and from direct reimbursements from e-Rate service providers being realized as a discounted on service expenditures.

A review of actual expenditures compared to the appropriations in the final budget shows a difference of \$2.9 million under total budgeted expenditures which represents about 2.0% of the final budget. The majority of the difference between the final budget and actual charges falls under regular instructional programs and instructional

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staff support. The group health insurance premium increase that went into effect in January 2017 did not impact all participating members and resulted in lower actual costs incurred. Employee positions vacated during the fiscal year were not replaced with permanent employees immediately as part of the staffing reduction plan to reduce positions through attrition. The School Board is also beginning to see the impact of changes made to salary schedules for instructional and administrative staff in 2013 stemming from state legislative changes, as employees grandfathered on the old schedules are replaced with employees placed on the new schedules. This has resulted in actual salaries and related benefits being less than budget estimates. Additionally, structured budget allocations made to various departments and programs are maintained throughout the fiscal year even though funds may not be fully expended by fiscal year-end, as management agrees it is more important to ensure funds are available for use if needed for those certain programs and departments throughout the year. This practice resulted in a favorable variance between final budgeted and actual expenditures.

As a result, the General Fund ended the year with \$2.56 million added to its overall fund balance than originally anticipated in the final budget.

Capital Assets

The Ouachita Parish School Board's net investment in capital assets as of June 30, 2017 is \$267.8 million as reported on the *Statement of Net Position*. This investment in capital assets includes land and improvements, buildings and improvements, furniture and equipment, intangibles, and construction in progress, and is reduced by accumulated depreciation and amortization expense from the current and prior years. The table below shows the values of each category for two years.

**Capital Assets
For Years Ended June, 30**

	Governmental Activities	
	2017	2016
Land	\$ 8,016,453	\$ 7,965,881
Construction in progress	18,107,294	23,491,473
Land improvements	19,611,395	10,730,763
Buildings and improvements	214,092,706	201,500,886
Furniture and equipment	7,309,674	7,075,072
Intangible assets	645,136	821,544
Total	<u>\$ 267,782,658</u>	<u>\$ 251,585,619</u>

At June 30, 2017, net capital assets increased by \$16.2 million during the current fiscal year. Construction in progress declined \$5.4 million due to projects on District capital improvement lists being completed during the fiscal year. Buildings and improvements totaling \$20.5 million were completed and added to capital assets, before related annual depreciation expense of \$7.9 million; and land improvements totaling \$9.6 million were completed during the year and added to capital assets, before related annual depreciation expense of \$764 thousand.

Construction projects completed during the fiscal year were as follows:

East Ouachita Parish School District

New multipurpose building and vocational building at Sterlington High School - \$2,189,050
New medical learning lab at Richwood High School - \$451,669
New training room at Sterlington High School - \$339,890

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Parking lot at Robinson Elementary - \$35,901

West Ouachita Parish School District

New gym at West Ouachita High School - \$8,536,667
Football stadium renovations at West Monroe High School - \$8,148,407
New agriculture and arts building at West Monroe High School - \$3,217,089
New gym renovations to facility purchased at West Monroe High School - \$2,271,119
Classroom additions and restroom renovations at Boley Elementary - \$1,107,926
6 classroom additions at West Ridge Middle School - \$1,096,545
New waste treatment plant at West Ouachita High School - \$537,905
New football practice field at West Monroe High School - \$212,391
Extend covered walkway at Woodlawn Elementary - \$114,366
Replace walk-in cooler at Central Elementary - \$76,772
Covered walkway at Crosley Elementary - \$61,102
Extend covered walkway at Calhoun Elementary - \$61,046

Other capital asset events completed during the fiscal year included the following:

Purchased over 2200 new computers (mostly chromebooks for student use) - \$1,277,499
Purchased 10 regular and 1 special needs school buses - \$880,680
Replacement of HVAC equipment at 8 locations throughout the school system - \$555,476
Replaced turf athletic field at West Monroe High - \$439,650
Roof replacement at Ouachita Parish Alternative Center - \$375,381
Security camera system upgrades and additions - \$235,506
Purchased 8 vehicles for various schools and department operations - \$217,779
LED school message signs at 7 school locations - \$146,078
Various facility lighting upgrades at Claiborne Elementary, Calhoun Elementary, George Welch Elementary, Riser Elementary and Woodlawn Middle School - \$79,954
Dental chairs with accessories for dental lab instruction at Richwood High - \$64,972
New lawn maintenance equipment - \$52,710
Purchased land adjacent to West Monroe High on Claiborne Street - \$50,572
Drainage improvements on playground at Sterlington Elementary - \$10,960
Perimeter fencing at Kiroli Elementary - \$10,846

The following are costs incurred for construction projects started and still in progress at fiscal year-end:

East Ouachita Parish School District

Construction of the new East Ouachita Middle School - \$16,860,043
Front entrance renovations at Swayze, Shady Grove, and Robinson Elementary schools - \$853,692

West Ouachita Parish School District

Covered pavilion and storage shed at Calhoun Middle - \$28,584
Covered pavilion at Good Hope Middle - \$18,379
Covered pavilion at George Welch Elementary - \$8,883
Drainage improvements on playground at Riser Elementary - \$6,495

Other governmental funds

New parking lot at West Ouachita High School - \$329,098
Fencing at Highland Elementary - \$2,120

**Ouachita Parish School Board
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Additions and deletions accumulated depreciation netted to \$9,531,909 and accumulated amortization netted to \$99,859 for the current fiscal year lowered all capital asset values by a total of \$9,631,768.

For additional information regarding capital assets, see Note 1.I. and Note 7 in the *Notes to the Financial Statements* section of this report.

Debt Administration

At June 30, 2017, the School Board had \$165.1 million in bonds outstanding. The table below summarizes the outstanding debt for each bonds district for the current and prior year.

Outstanding Debt For Years Ended June 30,		
Debt Instruments	2017	2016
General obligation bonds – East Ouachita School District	\$ 89,650,000	\$ 95,690,000
Revenue bonds – West Ouachita School District	55,665,000	64,310,000
Limited tax certificates – School District No. 1	9,790,000	11,580,000
Qualified School Construction Bonds-School District No. 1	10,000,000	10,000,000
Total outstanding debt	<u>\$ 165,105,000</u>	<u>\$ 181,580,000</u>

Total outstanding debt from bonds decreased by \$16.5 million during the fiscal year. This is a net result of paying down principal for scheduled maturities and refinancing six bond issues.

The state limits by statute the amount of general obligation debt the Ouachita Parish School Board can issue to 50% of the assessed value of all taxable property within the school board's corporate limits. (Prior to July 1, 2015, this statutory limit was 35% of assessed value.) At June 30, 2017 and 2016, the School Board's maximum legal debt limit for the East Ouachita Parish School District was \$160,372,930 and \$158,143,899, respectively. The total outstanding general obligation bonded debt of \$89.7 million at June 30, 2017 in the East Ouachita Parish School District (a taxing district created by the School Board) is below the maximum statutory debt limit at June 30, 2017. The School Board had \$3,639,025 available in debt service for the East Ouachita Parish School District as of June 30, 2017.

**Ouachita Parish School Board
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The following are the most recent credit ratings issued on Ouachita Parish School Board outstanding debt in each of its taxing districts:

<u>Debt Issuer (Taxing District)</u>	<u>Credit Ratings</u>
East Ouachita School District	AA-/Stable Standard & Poors – June 14, 2016 A2 Moody's – January 17, 2013 Not rated Fitch
West Ouachita School District	AA-/Stable Standard & Poors – October 11, 2016 A3 Moody's - July 5, 2016 Not rated Fitch
School District No. 1 Ouachita Parish	AA-/Stable Standard & Poors – September 14, 2016 Not rated Moody's Not rated Fitch

Other long-term obligations of the School Board include accrued vacation pay and sick leave, other post-employment benefits, and net pension liabilities. We present more detailed information about our long-term obligations in Note 1.M. and Note 11 in the *Notes to the Financial Statements* section of this report.

Economic Factors and Next Year's Budgets and Rates

The following economic factors currently affect the Ouachita Parish School Board and were considered in the development of the 2017-18 fiscal year budget.

- The unadjusted unemployment rate for Ouachita Parish was 5.8% percent for June 2017, which is a decrease from the rate of 6.9% in June 2016 according to the Louisiana Workforce Commission, as compared to the rate of 5.9% and 6.9% for the state, respectively.
- State Minimum Foundation Program funding was estimated to decrease by \$910 thousand based on a decline in weighted student units and the growth of the School Board's wealth factor as shown in the July 2017 state MFP funding budget letter.
- State supplemental funding of \$678,740 in the prior year was not renewed in the 2017 Legislative session.
- Ad valorem tax collections were estimated to conservatively increase 2.6% based on the assessment values added in the previous year.
- Sales and use tax revenue (in special revenue funds) was estimated to decline by 2.0% for the fiscal year based on the trend over the last few months of the previous fiscal period. Employee salary supplements and related benefits are paid annually based on the majority of the sales and use tax revenue received; and therefore these offsetting expenditures were reduced as well.
- The Louisiana Teachers Retirement System employer contribution rate increased from 25.5% to 26.6%, which increased the estimated cost of this benefit by about 4.3%.
- The School Employee's Retirement System employer contribution rate increased from 27.3% to 27.6% which increased the estimated cost of this benefit by 1.1%.
- Additional operational costs and staffing for the opening of the new East Ouachita Middle School were added increasing the expenditure budget by \$1.2 million.
- Additional operating transfers of \$275,000 were added to the School District No. 1 Maintenance & Operating Sales Tax Fund for additional facility and equipment support and to the Internal Service funds to support centralized printing and self-insurance activities.

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- Group health insurance plan costs are expected to be level for the fiscal year, with confirmation received of no premium increases for the upcoming plan renewal.

The ending fund balance at June 30, 2018 is projected to be 12.2% of total General Fund expenditures which is within the range of the School Board's current fund balance maintenance policy of 10-to-15 percent of operating expenditures. The chart below is a summary of the original adopted General Fund Budget for the 2017-18 fiscal year.

**General Fund
Summary of Original Budget
Fiscal year 2017-18**

Revenues	\$ 141,341,549
Expenditures	(143,275,297)
Other Sources of Funds	(1,392,954)
Net Changes in Fund Balance	(3,326,702)
Beginning Fund Balance	\$ 20,766,489
Ending Fund Balance	\$ 17,439,787

Since the adoption of the General Fund budget, there are a few known changes that have occurred that will affect the budgeted outcome. Enrollment declined by 92 students on the first student count date on October 1, 2017. This is estimated to reduce state MFP fund by an additional \$575,000. Also, it appears an adjustment to reduce sales and use tax revenue estimates by an additional 2.0% will be needed based on collection trends we have seen districtwide to date in these special revenue funds. This drop in sales and use tax revenue could possibly result in an increased operating transfer from the General Fund to the District No. 1 Maintenance & Operating Fund to support facility and equipment maintenance before the end of the fiscal year. With the finalization of the 2017 ad valorem tax roll, property tax revenues appear to be in line with budgeted estimates. These changes will be taken into account in preparing the next revised budget.

Contacting the School Board's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the School Board's financial condition and to show the School Board's accountability for the money it receives. Additional information and resources can be found by visiting our investor relations page at http://www.opsb.net/about_us/investor_relations. Questions about this report or other financial information should be directed to the Director of Business, Ouachita Parish School Board, at Post Office Box 1642, Monroe, Louisiana 71210-1642, or by calling (318) 432-5000 or emailing to jduke@opsb.net.

Ouachita Parish School Board

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Basic Financial Statements

2016-17 Ouachita Parish Outstanding School Support Employees of the Year



Dr. Don Coker, Superintendent

Emily Walsworth, West Ridge Middle School

Patricia Lawson, Calhoun Elementary School

Katie Kahmann, West Monroe High School

**Ouachita Parish School Board
Monroe, Louisiana**

BASIC FINANCIAL STATEMENTS:

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

OUACHITA PARISH SCHOOL BOARD

**STATEMENT OF NET POSITION
June 30, 2017**

	Statement A
	GOVERNMENTAL ACTIVITIES
ASSETS	
Cash and cash equivalents	\$ 73,967,009
Investments	33,163,583
Receivables	12,569,423
Inventory	361,840
Capital assets, net:	
Land and construction in progress	26,123,747
Depreciable buildings, improvements, machinery and equipment	241,013,775
Intangibles	<u>645,136</u>
TOTAL ASSETS	<u>387,844,513</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows related to refundings	2,633,134
Deferred outflows related to pensions	<u>56,123,683</u>
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>58,756,817</u>
LIABILITIES	
Accounts payable	1,164,631
Salaries and wages payables	23,036,923
Retainages payable	911,013
Other liabilities	18,181
Unearned revenue	812,888
Interest payable - bonds	1,909,434
Long-term liabilities	
Due within one year	16,714,401
Due in more than one year	<u>535,609,718</u>
TOTAL LIABILITIES	<u>580,177,189</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows related to pensions	<u>12,760,518</u>
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>12,760,518</u>
NET POSITION	
Net investment in capital assets	107,429,689
Restricted for:	
Debt service	14,179,509
Vocational programs	39,264
Student health services	2,696,465
School food service	4,047,394
Salaries and benefits	7,959,622
Construction and operations	10,613,043
Workers' compensation surety	625,000
Unrestricted	<u>(293,926,363)</u>
TOTAL NET POSITION	<u><u>\$ (146,336,377)</u></u>

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

OUACHITA PARISH SCHOOL BOARD

**STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2017**

Statement B

FUNCTIONS/PROGRAMS	PROGRAM REVENUES				NET (EXPENSE)
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	REVENUE AND CHANGES IN NET POSITION
Governmental activities:					
Instruction:					
Regular programs	\$ 84,260,727	\$ -	\$ 1,097,381	\$ -	\$ (83,163,346)
Special education programs	17,886,494	-	550,358	-	(17,336,136)
Vocational programs	4,123,378	-	265,766	-	(3,857,612)
Other instructional programs	8,434,606	170,415	1,040,256	-	(7,223,935)
Special programs	4,771,208	-	4,490,216	-	(280,992)
Adult/continuing education	1,737	-	-	-	(1,737)
Support services:					
Student services	14,270,413	-	1,688,891	-	(12,581,522)
Instructional staff support	15,497,897	-	5,604,473	-	(9,893,424)
General administration	2,902,124	-	1,166	-	(2,900,958)
School administration	14,434,880	-	-	-	(14,434,880)
Business services	2,963,378	-	-	-	(2,963,378)
Plant services	21,537,054	22,459	243,044	-	(21,271,551)
Student transportation services	12,704,926	-	295,453	200,000	(12,209,473)
Central services	3,360,734	12,802	65,388	-	(3,282,544)
Food services	12,674,083	1,258,189	8,609,274	-	(2,806,620)
Community service programs	15,426	-	-	-	(15,426)
Interest on long-term debt	4,955,125	-	-	-	(4,955,125)
Total Governmental Activities	\$ 224,794,190	\$ 1,463,865	\$ 23,951,666	\$ 200,000	\$ (199,178,659)
General revenues:					
Ad valorem taxes levied for:					
General purposes					20,507,138
Debt services					7,769,530
Sales taxes levied for:					
General purposes					10,457,250
Salaries and related benefits					26,413,830
Debt service purposes					9,591,144
Grants and contributions not restricted to specific programs					
Minimum Foundation Program					120,074,945
Other state revenue					2,907
State revenue sharing					817,187
Interest and investment earnings					682,144
Insurance recoveries					63,572
Miscellaneous					2,512,666
Total general revenues					198,892,313
Change in net position					(286,346)
Net position - beginning					(146,050,031)
Net position - ending					\$ (146,336,377)

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

Ouachita Parish School Board

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**Ouachita Parish School Board
Monroe, Louisiana**

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

OUACHITA PARISH SCHOOL BOARD

**GOVERNMENTAL FUNDS
Balance Sheet
June 30, 2017**

	SCHOOL DISTRICT NO. 1			Statement C
	GENERAL	SALES TAX	NONMAJOR GOVERNMENTAL	TOTAL
ASSETS				
Cash and cash equivalents	\$ 17,565,291	\$ 17,774,932	\$ 34,984,474	\$ 70,324,697
Investments	21,481,517	-	11,682,066	33,163,583
Receivables	180,634	1,293,981	10,903,459	12,378,074
Interfund receivables	2,042,814	-	-	2,042,814
Inventory	-	2,443	359,397	361,840
TOTAL ASSETS	41,270,256	19,071,356	57,929,396	118,271,008
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	621,673	33,144	475,315	1,130,132
Salaries and wages payable	19,499,440	417,865	3,118,236	23,035,541
Retainages payable	-	-	911,013	911,013
Other liabilities	9,344	-	8,837	18,181
Interfund payables	-	-	2,042,814	2,042,814
Unearned revenue	373,310	-	439,578	812,888
Total Liabilities	20,503,767	451,009	6,995,793	27,950,569
Fund Balances:				
Nonspendable:				
Inventory	-	2,443	178,270	180,713
Restricted for:				
Workers compensation surety	625,000	-	-	625,000
Vocational programs	39,264	-	-	39,264
Salaries and benefits	-	-	7,959,622	7,959,622
Student health services	-	-	2,696,465	2,696,465
Food services	-	-	4,047,394	4,047,394
Debt service	-	-	16,088,943	16,088,943
Construction and operations	-	-	10,613,043	10,613,043
Capital projects	-	-	8,308,387	8,308,387
Committed for:				
Major equipment repairs	454,696	-	-	454,696
Instructional programs	20,983	4,587,009	-	4,607,992
Salaries and benefits	-	3,482,668	-	3,482,668
Maintenance and operation	-	46,940	-	46,940
Capital improvements	-	7,257,521	-	7,257,521
Mandated costs	-	3,243,766	-	3,243,766
Timber restoration	21,540	-	-	21,540
Assigned for:				
Drivers education	294,724	-	-	294,724
Instructional programs	232,918	-	-	232,918
Scholarships	4,996	-	-	4,996
Student health/support services	-	-	1,041,479	1,041,479
Unassigned	19,072,368	-	-	19,072,368
Total Fund Balances	20,766,489	18,620,347	50,933,603	90,320,439
TOTAL LIABILITIES AND FUND BALANCES	\$ 41,270,256	\$ 19,071,356	\$ 57,929,396	\$ 118,271,008

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

OUACHITA PARISH SCHOOL BOARD

Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position June 30, 2017

Statement D

Total fund balances - governmental funds

\$ 90,320,439

The cost of capital assets (land, buildings, furniture and equipment) and intangible assets (software) purchased or constructed is reported as an expenditure in Governmental Funds. The Statement of Net Position includes those capital assets and intangible assets among the assets of the School Board as a whole. The cost of those capital and intangible assets is allocated over their estimated useful lives (as depreciation expense for capital assets and amortization expense for intangible assets) to the various programs reported as Governmental Activities in the Statement of Activities. Because neither depreciation nor amortization expenses affect financial resources, they are not reported in governmental funds.

Costs of capital assets	\$ 439,783,986	
Accumulated depreciation	(172,646,464)	
Costs of intangible assets	2,290,507	
Accumulated amortization	<u>(1,645,371)</u>	
		267,782,658

Deferred outflows for refundings and pensions are not reported in the governmental funds but are reported in the government-wide financial statement.

Related to refundings	2,633,134	
Related to pensions	<u>56,123,683</u>	
		58,756,817

Elimination of interfund assets and liabilities.

Interfund assets	2,042,814	
Interfund liabilities	<u>(2,042,814)</u>	
		-

Long-term liabilities applicable to the School Board's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities - both current and long term - are reported in the Statement of Net Position. Post-employment benefits in the Governmental Funds are recorded as expenditures when paid. The unfunded annual required contribution in the Statement of Net Position is recognized as a liability as it accrues.

Balances at June 30, 2017 are:

Long-term liabilities

General obligation bonds payable	(89,650,000)	
Revenue bonds payable	(55,665,000)	
Qualified school construction bonds payable	(10,000,000)	
Limited tax certificates of indebtedness	(9,790,000)	
Bond premiums	(6,189,490)	
Compensated absences payable	(7,602,659)	
Other post employment benefits	(87,336,939)	
Net pension liability	<u>(284,793,607)</u>	\$ (551,027,695)

(Continued)

OUACHITA PARISH SCHOOL BOARD

**Reconciliation of the Governmental Funds
Balance Sheet to the Statement of Net Position
June 30, 2017**

Statement D

Interest on outstanding bonds in the Governmental Funds is recorded as an expenditure when paid. Bond interest in the Statement of Net Position is recognized as an expense as it accrues.

Accrued interest on outstanding bonds	\$ (1,909,434)
---------------------------------------	----------------

Deferred inflows of resources are not due and payable in the current period and accordingly are not reported in the fund financial statements.

Related to pensions	(12,760,518)
---------------------	--------------

The School Board self-insures for general liability and worker's compensation claims and provides centralized printing services. Funds to meet claims liabilities and user fees for cost of printing services are deposited into Internal Service Funds, respectively. The Internal Service Funds are not reported with the Governmental Funds, but are instead reported in the Statement of Net Position. The combined net position of Internal Service Funds at June 30, 2017 are as follows:

Cash and cash equivalents	\$ 3,642,312	
Receivables	191,349	
Accounts payable	(34,499)	
Salaries and wages payable	(1,382)	
Claims liability	(1,296,424)	
		2,501,356

Net position of governmental activities	\$ (146,336,377)
--	-------------------------

(Concluded)

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

OUACHITA PARISH SCHOOL BOARD

**GOVERNMENTAL FUNDS
Statement of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended June 30, 2017**

Statement E

	GENERAL	SCHOOL DISTRICT NO. 1 SALES TAX	NONMAJOR GOVERNMENTAL	TOTAL
REVENUES				
Local sources:				
Taxes:				
Ad valorem	\$ 19,867,366	\$ -	\$ 7,769,530	\$ 27,636,896
1% ad valorem - tax collector	639,772	-	-	639,772
Sales and use	-	7,606,016	38,856,208	46,462,224
Interest earnings	190,138	96,080	382,089	668,307
Food services	-	-	1,258,189	1,258,189
Other	1,471,861	-	1,890,876	3,362,737
State sources:				
Equalization	118,635,263	-	1,439,682	120,074,945
Revenue sharing	817,187	-	-	817,187
Unrestricted grants-in-aid	2,907	-	-	2,907
Restricted grants-in-aid	759,372	-	1,355,662	2,115,034
Federal sources:				
Federal programs	401,715	200,000	20,512,316	21,114,031
Other federal support	-	-	922,601	922,601
 Total revenues	 <u>142,785,581</u>	 <u>7,902,096</u>	 <u>74,387,153</u>	 <u>225,074,830</u>
 EXPENDITURES				
Current:				
Instruction:				
Regular programs	57,503,583	558,524	13,915,975	71,978,082
Special education programs	12,894,183	431,551	3,576,227	16,901,961
Vocational programs	2,885,422	77,966	1,072,229	4,035,617
Other instructional programs	5,036,083	1,149,013	1,918,271	8,103,367
Special programs	412,594	6,359	4,098,935	4,517,888
Support services:				
Student services	8,942,810	813,911	3,892,934	13,649,655
Instructional staff support	7,592,037	626,593	6,672,030	14,890,660
General administration	622,620	48,701	1,243,364	1,914,685
School administration	11,859,992	102,311	1,825,712	13,788,015
Business services	2,217,543	35,009	267,583	2,520,135
Plant services	17,273,504	2,054,719	2,092,394	21,420,617
Student transportation services	9,172,154	1,130,311	1,692,183	11,994,648
Central services	2,913,286	27,268	215,671	3,156,225
Food services	1,133,132	231,326	10,823,519	12,187,977
Community service programs	15,426	-	-	15,426
Capital outlay	-	386,341	23,737,094	24,123,435
Debt service:				
Principal	-	-	11,660,000	11,660,000
Interest	5,000	-	5,629,413	5,634,413
Bond issuance costs	-	-	297,538	297,538
Other debt service costs	-	-	224,382	224,382
 Total expenditures	 <u>140,479,369</u>	 <u>7,679,903</u>	 <u>94,855,454</u>	 <u>243,014,726</u>
 EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	 <u>\$ 2,306,212</u>	 <u>\$ 222,193</u>	 <u>\$ (20,468,301)</u>	 <u>\$ (17,939,896)</u>

(CONTINUED)

OUACHITA PARISH SCHOOL BOARD

**GOVERNMENTAL FUNDS
Statement of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended June 30, 2017**

Statement E

	GENERAL	SCHOOL DISTRICT No. 1 SALES TAX	NONMAJOR GOVERNMENTAL	TOTAL
OTHER FINANCING SOURCES (USES)				
Refunding bonds issued	\$ -	\$ -	\$ 30,705,000	\$ 30,705,000
Proceeds from sale of assets	7,763	-	-	7,763
Premium on refunding bonds issued	-	-	3,426,636	3,426,636
Payment to refunded bond escrow agent	-	-	(37,717,378)	(37,717,378)
Insurance recoveries	17,654	1,420	-	19,074
Transfers in	-	100,000	9,591,144	9,691,144
Transfers out	(690,000)	-	(9,591,144)	(10,281,144)
Total other financing sources (uses)	(664,583)	101,420	(3,585,742)	(4,148,905)
Net Change in Fund Balances	1,641,629	323,613	(24,054,043)	(22,088,801)
FUND BALANCES - BEGINNING	19,124,860	18,296,734	74,987,646	112,409,240
FUND BALANCES - ENDING	\$ 20,766,489	\$ 18,620,347	\$ 50,933,603	\$ 90,320,439

(CONCLUDED)

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

OUACHITA PARISH SCHOOL BOARD

**Reconciliation of the Governmental Funds
Statement of Revenues, Expenditures, and Changes in Fund Balances
to the Statement of Activities
For the Year Ended June 30, 2017**

Statement F

Total change in fund balances - governmental funds \$ (22,088,801)

Amounts reported for governmental activities in the Statement of Activities are different because:

Some revenues will be collected more than sixty days after year-end, and therefore are not available to pay for current-period expenditures

Medicaid (618,423)

Elimination of transfers in and out:

Transfers in	\$ 10,281,144	
Transfers out	(10,281,144)	
		-

Capital outlays and intangible assets 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 capital outlays exceeded depreciation and amortization in the period:

Capital outlays	26,476,906	
Depreciation	(10,072,357)	
Amortization	(173,775)	
		16,230,774

Capital Assets nor depreciation are reported in the Governmental Funds. Capital Assets and accumulated depreciation are reported in the Statement of Net Position. When an asset is disposed of that is not fully depreciated it results in a loss on the disposal of the asset in the Statement of Activities unless sales proceeds are received which are in excess of carrying value. During the current fiscal year the School Board had a loss on disposal of capital assets of \$33,735

(33,735)

Repayment of bond principal is an expenditure in the Governmental Funds, but the repayment reduces long-term liabilities in the Statement of Net Position.

11,660,000

The School Board self-insures for general liability and workers' compensation claims and provides centralized printing services. Funds to meet claims liabilities and user fees for cost of printing services are deposited into the Internal Service Funds, respectively. The Internal Service Funds are not reported with the Governmental Funds; however, they are reported in the Statement of Net Position. The combined net position of Internal Service Funds decreased from \$2,571,810 at June 30, 2016 to \$2,501,356 at June 30, 2017 for a net decrease of \$70,454.

(70,454)

In the Statement of Activities, compensated absences (vacations and sick leave) 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 used (\$4,200,978) exceeded the amount earned (\$3,866,763) by \$334,215

334,215

Interest on long-term debt in the Statement of Activities differs from the amount reported in the Governmental Funds because accrued interest received from bond sales is recognized as Other Financing Sources when received and interest on outstanding bonds is recognized as an expenditure in the Governmental Funds when it is due, which requires the use of current financial resources. In the Statement of Activities, however, interest expenses are recognized as the interest accrues, regardless of when it is due. Interest expense payable at year end decreased from the previous year as follows:

Interest expense payable at June 30, 2017	(1,909,434)	
Interest expense payable at June 30, 2016	2,116,503	
		\$ 207,069

(Continued)

OUACHITA PARISH SCHOOL BOARD

**Reconciliation of the Governmental Funds
Statement of Revenues, Expenditures, and Changes in Fund Balances
to the Statement of Activities
For the Year Ended June 30, 2017**

Statement F

Bond premium from bond sales is reported in the Governmental Funds as Other Financing Sources when received. Bond premium is reported in the Government-wide Financial Statements as a liability and amortized over the life of the bonds

Bond premium	\$ (3,426,636)	
Current year amortization of bond premium	<u>688,607</u>	\$ (2,738,029)

The recognition of pension expense in the Statement of Activities is based on projected benefit payments discounted to actuarial present value and attributed to periods of employee service. Pension expenditures in the fund financial statements are the amounts actually paid.

(2,665,155)

Payments to an escrow agent to refund bonded debt are reported in the Governmental Funds as Other Financing Sources. The amount paid to the escrow agent for principal is removed from the long-term bonded debt in the Statement of Net Position. The deferred part of the payment paid to the escrow agent is shown as deferred outflows of resources in the Statement of Net Position. The deferred amount is amortized over the lesser of the life of the original bonds or the life of the refunding bonds.

Current year amortization on deferred outflow of resources on refundings	(216,388)
--	-----------

Other post-employment benefits are reported in the Governmental Funds as expenditures when paid. The unfunded annual contribution is reported in the Statement of Activities as it accrues.

(7,299,797)

The issuance of long-term debt provides current financial resources of governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.

Refunding bonds issued	(30,705,000)	
Payment to refunded bond escrow agent	<u>37,717,378</u>	
		<u>7,012,378</u>

Change in net position of governmental activities

\$ (286,346)

(Concluded)

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

OUACHITA PARISH SCHOOL BOARD
PROPRIETARY FUND TYPE - INTERNAL SERVICE
Statement of Net Position
June 30, 2017

Statement G

ASSETS:

Current Assets:

Cash and cash equivalents	\$ 3,642,312
Receivables	<u>191,349</u>
Total assets	<u>3,833,661</u>

LIABILITIES:

Current Liabilities:

Accounts payable	34,499
Salaries and wages payable	1,382
Claims liability - due within one year	<u>249,816</u>
Total current liabilities	<u>285,697</u>

Noncurrent Liabilities:

Claims liability	<u>1,046,608</u>
Total Liabilities	<u>1,332,305</u>

Unrestricted Net Position

\$ 2,501,356

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

OUACHITA PARISH SCHOOL BOARD

PROPRIETARY FUND TYPE - INTERNAL SERVICE
Statement of Revenues, Expenses, and Changes in Fund Net Position
For the Year Ended June 30, 2017

	Statement H
Operating revenues	
Charges for services	\$ 328,626
Reimbursements from insurers	44,498
Other revenues	<u>10,000</u>
Total operating revenues	383,124
Operating expenses	
Self-insurance claims and insurance premiums	462,698
Business services	594,319
Equipment maintenance	<u>398</u>
Total operating expenses	1,057,415
Operating loss	(674,291)
Nonoperating revenues	
Earnings on investments	<u>13,837</u>
Total nonoperating revenues	13,837
Income (loss) before transfers	(660,454)
Transfers in	<u>590,000</u>
Change in net position	(70,454)
Net position - beginning	<u>2,571,810</u>
Net position - ending	<u><u>\$ 2,501,356</u></u>

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

OUACHITA PARISH SCHOOL BOARD

PROPRIETARY FUND TYPE - INTERNAL SERVICE

Statement of Cash Flows

For the Year Ended June 30, 2017

Statement I

Cash flows from (used by) operating activities:

Receipts from interfund services provided	\$ 328,848
Receipts from insurers	260,693
Payments to suppliers and service providers	(573,281)
Payments to employees for salaries and benefits	(281,773)
Claims and premiums paid	<u>(898,612)</u>
Net cash used by operating activities	<u><u>(1,164,125)</u></u>

Cash flows from noncapital financing activities:

Transfer from (to) General Fund	<u>590,000</u>
Net cash provided by non-capital financing activities	<u><u>590,000</u></u>

Cash flows from (used by) investing activities:

Sale of investments	2,525,162
Earnings on investments	<u>13,837</u>
Net cash provided by investing activities	<u><u>2,538,999</u></u>

Net increase (decrease) in cash and cash equivalents	1,964,874
--	-----------

Cash and cash equivalents at beginning of year	<u>1,677,438</u>
--	------------------

Cash and cash equivalents at end of year	<u><u>\$ 3,642,312</u></u>
--	----------------------------

Reconciliation of Operating Income to Net Cash

Provided by Operating Activities:

Operating income (loss)	\$ (674,291)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:	
Changes in assets and liabilities:	
(Increase) decrease in receivables	206,417
Increase (decrease) in payables	15,859
Increase (decrease) in salaries and wages payables	1,382
Increase (decrease) in claims liability	<u>(713,492)</u>
Net cash provided (used) by operating activities	<u><u>\$ (1,164,125)</u></u>

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

OUACHITA PARISH SCHOOL BOARD
FIDUCIARY FUND
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
June 30, 2017

Statement J

**AGENCY
FUND**

ASSETS

Cash and cash equivalents

\$ 4,935,119

Total assets

4,935,119

LIABILITIES

Deposits due others

4,935,119

Total liabilities

\$ 4,935,119

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

Notes to the Financial Statements



*Sunshine - Grade 9
West Monroe High School*



*Cameron - Grade 8
Woodlawn Junior High School*



*Omayma - Grade 7
Sterlington Middle School*



*Alyssa - Grade 10
Ouachita Parish High School*

Ouachita Parish School Board
Notes to the Financial Statements
Fiscal Year Ended June 30, 2017

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Ouachita Parish School Board
Notes to the Financial Statements
Fiscal Year Ended June 30, 2017

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(Concluded)

**Ouachita Parish School Board
Notes to the Financial Statements
Fiscal Year Ended June 30, 2017**

1. Summary of Significant Accounting Policies

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

A. Reporting Entity

The Ouachita Parish School Board was created by Louisiana Revised Statute (LSA-R.S.) 17:51 to provide public education for the children within Ouachita Parish. The School Board is authorized by LSA-R.S. 17:81 to establish policies and regulations for its own government consistent with the law of the State of Louisiana and the regulations of the Louisiana Board of Elementary and Secondary Education. The School Board is comprised of seven members who are elected for four year terms.

The School Board operates 35 schools within the parish and one alternative program with a total enrollment of 19,618 pupils, with 19,018 excluding PreK based on February 1st count, for the year ended June 30, 2017. In conjunction with the regular educational programs, some of these schools offer special education and/or vocational education programs. In addition, the School Board provides transportation and school food services for the students.

GASB Statement No. 61 establishes the criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Because the School Board has a separately elected governing body and is legally separate and fiscally independent, the School Board is a separate governmental reporting entity. For financial reporting purposes, the School Board's financial statements include all funds, schools, agencies and committees for which the School Board is financially accountable. The School Board is not aware of any other entities that should be included within the financial statements.

Certain units of local government, such as other independently elected officials, the parish police jury, municipalities, private schools, independently operated charter, and special schools authorized by the Board of Elementary and Secondary Education or another school district are excluded from the accompanying financial statements. These units have their own elected governing authorities and are not financially accountable to the School Board.

B. Basis of Accounting and Measurement Focus

Government-wide Financial Statements (GWFS)

The Statement of Net Position and the Statement of Activities display 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 Assets and Liabilities at the fund financial statement level. The Statement of Net Position and the Statement of Activities were prepared using the economic resources measurement focus and the accrual basis of accounting.

Revenues, expenses, gains, losses, assets, deferred outflows, liabilities and deferred inflows resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Non-exchange transactions are recognized when the School Board has an enforceable legal claim to the revenues, expenses, gains, losses, assets, deferred outflows, liabilities, and deferred inflows.

Ouachita Parish School Board
Notes to the Financial Statements
Fiscal Year Ended June 30, 2017

Internal Activities

The self insurance workers' compensation and general liability, internal service fund and centralized printing internal service fund provide services to the governmental funds. Accordingly, the internal service funds activities were rolled up into the governmental activities. The internal activities have been eliminated in order to avoid the "grossing-up" effect of a straight inclusion. Interfund services provided and used are not eliminated in the process of consolidation.

General Revenues

General revenues included in the Statement of Activities derive directly from local property and sales taxes, interest and investment earnings, unrestricted state and local grants, and other miscellaneous revenues. General revenues finance the remaining balance of a function not covered by program revenues.

Program Revenues

Amounts reported as *program revenues* include charges for services provided and grants and contributions. Charges for services are primarily derived from food sales and drivers education courses. Operating grants and contributions consist of the grants received from federal, state, or local government; private foundation; or restricted contributions or donations. Program revenues reduce the cost of the function to be financed from the School Board's general revenues. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

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. Indirect expenses of other functions are not allocated to those functions but are reported separately in the Statement of Activities. 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 on the Statement of Activities.

Fund Financial Statements (FFS)

Governmental Funds The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting revenues are recognized when susceptible to accrual (i.e., when they are "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 long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when they mature.

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

Ouachita Parish School Board
Notes to the Financial Statements
Fiscal Year Ended June 30, 2017

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 or 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 capital 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.

Encumbrances Encumbrance accounting, under which purchase orders are recorded in order to reserve that portion of the applicable appropriation, is not employed. However, outstanding purchase orders are taken into consideration before expenditures are incurred in order to assure that applicable appropriations are not exceeded. In addition, the monthly budget reports are reviewed to ensure compliance with the budget, and where necessary, revisions to the budget are made.

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.

Operating Revenues and Expenses Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues are charges to the General Fund for insurance related costs such as claims liability, insurance premiums, and centralized printing services. Non-operating revenues are revenues that are not derived from charges to the General Fund such as earnings on investments. Proprietary Fund Type operating statements present increases (e.g., revenues) and decreases (e.g., expenses) in total net position. Operating expenses are general liability and worker's compensation claims and expenses and costs of operating centralized printing services. 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.

C. Fund Accounting

The financial transactions of the School Board are recorded in individual funds, and each is considered a separate accounting entity and reported in the Fund Financial Statements. The operations of each fund are accounted for

Ouachita Parish School Board
Notes to the Financial Statements
Fiscal Year Ended June 30, 2017

with a separate set of self-balancing accounts that include its assets, deferred outflows, liabilities, deferred inflows, fund equity, revenues and expenditures, or expenses as appropriate. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

The School Board uses the following fund categories and fund types.

Governmental Funds: Governmental funds account for the School Board's general government activities, including the collection and disbursement of specific or legally restricted monies, the acquisition or construction of capital assets, and the servicing of general long-term debt. Governmental funds are divided into major and nonmajor funds. Major funds are funds that meet certain dollar tests of their assets, liabilities, revenues, and expenditures/expenses. Major funds are larger, more significant funds. Nonmajor funds are the governmental funds that do not meet the dollar tests for major funds.

The major and nonmajor funds of the School Board are described below.

Major Funds:

General Fund - The **General Fund** is the general operating fund of the School Board. It accounts for all financial resources except those required to be accounted for in another fund and is always a major fund. The sources of major operating revenue in the General Fund are from state equalization funding distributed through the Minimum Foundation Program and a 24.15 mill ad valorem tax that is renewable every 10 years; the annual revenue from this millage is pledged as security for making the annual principal and interest payments for the Limited Tax Certificates, Series 2014. (This tax was renewed by voters in April 2011 for a 10-year period.) Also, an additional 5.18 mills is levied annually by authority granted under the Constitution of the State of Louisiana for general operations; the annual revenue from this millage is pledged as security for making the annual sinking fund payments for the Qualified School Construction Bonds, Series 2009.

Special Revenue Funds - Special Revenue Funds account for and report the proceeds of specific revenue sources (other than special assessments) that are legally restricted or committed to expenditures for specified purposes other than debt service or capital projects. The term "proceeds of specific revenue sources" establishes that one or more specific restricted or committed revenues should be the foundation for a special revenue fund.

The **School District No. 1 Sales Tax** is a major Special Revenue Fund. It is used to collect, record and disburse funds related to a 0.5% 10-year renewable tax approved by voters and committed by the School Board for classroom instruction (36%), capital improvements (23%), facility and equipment support (15%), mandated costs (14%), and salary restoration (12%). This tax was renewed by voters in April 2011 for a 10-year period.

Nonmajor Funds:

Debt Service Funds - Debt Service Funds account for and report the financial resources that are restricted, committed, or assigned to expenditures for principal and interest. For a more detailed description of the Debt Service Funds, see the Required Supplemental Information - Part B, Debt Service Fund.

Capital Projects Funds - Capital Projects Funds account for and report financial resources that are restricted, committed, or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities and other capital assets. Capital projects funds exclude those types of capital related outflows financed

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by proprietary funds or for assets that will be held in trust for individuals, private organizations, or other governments.

The School Board has 8 nonmajor Special Revenue Funds, 5 nonmajor Debt Service Funds, and 2 nonmajor Capital Projects Funds.

Proprietary Funds:

Internal Service Funds - The Internal Service Funds accounts for the financing of services provided by one fund to other funds of the School Board. The School Board operated two internal service funds. The **Self-Insurance Internal Service Fund** provides for insurance policies and accounts for third-party administrative costs and claims for liabilities of the school district. The **Centralized Printing Internal Service Fund** provides printing and binding services to other funds, departments, the school system, or other government agencies on a cost-reimbursement basis.

Fiduciary Funds:

Agency Funds - Agency Funds account for assets held by the School Board in a trustee capacity or as an agent for individuals, private or school organizations, other governmental units and/or other funds. The agency funds are the **School Activities Funds**, which represents funds generated by schools in the district specifically for student activity uses.

D. Cash and Cash Equivalents

Cash and cash equivalents include amounts in interest-bearing and non-interest bearing demand deposits, bank certificates of deposit, as well as short-term investments with a maturity date within three months of the date acquired. Bank certificates of deposit are considered cash equivalents regardless of time to maturity and are stated at cost, which approximates fair value. Short-term investments are stated at cost, which approximates fair value.

E. Investments

Louisiana Revised Statutes (R.S. 33:2955) and the Board's investment policy govern the investment policies of the School Board. The Ouachita Parish School Board is authorized to invest in U. S. Treasury obligations, U.S. Government instrumentalities, A-1/P-1 commercial paper, and other allowable short-term obligations including repurchase agreements. These are classified as investments if they have a maturity date of 90 days or more from the date of acquisition. Investments are carried at fair value.

Cash management and investment activities shall be conducted in a manner consistent with the "prudent investor" rule which states, "Investments shall be made with judgment and care under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation but for investment considering the probable safety of their capital as well as the probable income to be derived."

F. Short-Term Interfund Receivables and Payables

During the course of operations, numerous transactions occur between individual funds for services rendered. These receivables and payables are classified as *due from* other funds or *due to* other funds on the fund financial statements balance sheet.

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Notes to the Financial Statements
Fiscal Year Ended June 30, 2017**

G. Eliminations and Reclassifications

In the process of aggregating data for the Statement of Net Position and the Statement of Activities, some amounts reported as interfund activity and balances in the funds were eliminated or reclassified. Interfund receivables and payables were eliminated to minimize the “grossing up” effect on assets and liabilities within the governmental activities column. Interfund services provided and used by the various Governmental Funds have not been eliminated in the process of aggregating data.

H. Inventory and Prepaid Items

Inventory is accounted for using the consumption method, where expenditures are recognized as expenses when consumed on the Government-wide Financial Statements and a portion are recognized as expenditures when consumed and a portion are recognized as expenditures when purchased on the Fund Financial Statements. Inventory is stated at cost using the first-in, first-out (FIFO) basis. Inventory consists primarily of commodities and purchased food held for consumption. Purchased food inventory in the governmental funds is equally offset by designation a like portion of fund balance as nonspendable which shows this inventory does not constitute “available spendable resources” even though it is a component of total assets. Commodities inventory of \$173,226 is reported as unearned revenue, leaving a nonspendable fund balance of \$178,270 for purchased food.

Prepaid items are also accounted for using the consumption method where expenditures are recognized as the prepaid item expires with the passage of time.

I. Capital Assets

Capital assets, which include land, buildings and improvements, furniture and equipment, intangibles, and construction-in-progress are reported as governmental funds in the Government-wide Financial Statements. The School Board considers assets, other than intangibles, with an initial individual cost of more than \$5,000 and an estimated useful life of 2 years or more as a capital asset. Intangibles, such as software, with an initial individual cost of \$25,000 or more and an estimated useful life of 2 years or more are considered a capital asset.

Capital assets are recorded at historical cost and depreciated over their estimated useful lives. Donated capital assets are recorded at their acquisition value at the date of donation. Estimated useful life is management’s best estimate of how long the asset is expected to meet service demands. Capital assets have not been assigned a salvage value because management feels that the salvage value is immaterial.

Straight-line depreciation is used based on the following estimated useful lives:

Buildings and improvements	40 years
Land improvements	20 years
Furniture and equipment	5-15 years
Intangibles	10-20 years

Public domain (infrastructure) capital assets (e.g. parking lots, sidewalks, and other assets that are immovable and of value only to the government) were capitalized as part of the construction cost of the buildings. Subsequent infrastructure improvements are capitalized as land improvements.

J. Unearned Revenue

The School Board reports unearned revenue on its Statement of Net Position and on the Fund Financial Statements’ balance sheet. Unearned revenue will arise when the School Board receives resources before

Ouachita Parish School Board
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qualifying events have occurred to allow it to be recognized as revenue at the end of the current period, as when grant monies are received and available to spend in the current period but cannot be recognized as revenue until the qualifying expenditures are incurred in accordance with GAAP. In subsequent periods, when the qualifying expenditures are incurred, the liability for unearned revenue is removed from the Governmental Fund's Fund Financial Statements' balance sheet and the revenue is recognized as earned.

K. Interfund Activity

Interfund activity is reported as loans, reimbursements, or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation to the Government-wide Financial Statements. Reimbursements occur between funds when one fund incurs a cost that benefits another fund, and the benefiting fund reimburses the fund incurring the cost for the benefit received. All other interfund transactions are treated as transfers. Transfers made between governmental and proprietary funds are eliminated as part of the reconciliation to the Government-wide Financial Statements.

L. Compensated Absences

All 12-month employees earn from 10 to 15 days of annual leave each year depending on length of service with the School Board. Annual leave is credited at the beginning of each fiscal year and a maximum of five days can be accumulated and carried forward into a new fiscal year. Upon termination of employment, unused annual leave up to 20 days is paid to employees at employees' current rates of pay.

All school employees earn ten days of sick leave each year. Sick leave may be accumulated without limitations. Upon retirement or an employee's death, unused accumulated sick leave of up to 25 days is paid to employees at the employees' current rates of pay. The accrual recorded for earned sick leave is based on a 25-day maximum per employee. Sick leave is not payable upon discharge or termination. Upon retirement, unused accumulated sick leave is used in the computation of earned years of service credit for determining employee retirement benefits.

Sick and annual leave are reported in the Statement of Net Position as a long-term liability and expensed in the Statement of Activities. Sick and vacation leave accrued in the Statement of Net Position as of the end of the fiscal year are valued at employees' current rates of pay. Neither the School Board nor the employees are required to contribute to the retirement system for sick and annual leave payments. Accrued sick and vacation leave will be paid from future years' resources. No allowance is made for the immaterial amounts of sick leave forfeited when employees resign or retire. A current liability for sick and annual leave is reported in the Governmental Funds only if it is due and payable as of year-end as the result of an employee's retirement during the fiscal year.

M. Long-Term Liabilities

Bond premiums and discounts, as well as issuance costs, are recognized in the fund financial statements in the period the bonds are issued. Bond proceeds are reported as an Other Financing Source. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures. Deferred gains on refunding are capitalized and amortized over the life of the refunding in the Government-Wide Financial Statements.

In the Government-wide Financial Statements bond premiums are reported on the balance sheet net of amortization and amortized over the life of the bonds. Bond proceeds have been reported in the Government-wide Financial Statements as a long-term liability.

The current cost of other post-employment benefits is recognized in the fund financial statements in the year earned. Other post-employment benefits earned as of July 1, 2007, prior to the implementation of Governmental

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Accounting Standards Board Statement No. 45 - *Accounting and Financial Reporting of Other Post Employment Benefits*, are recognized at a rate of 3.5% per year.

The School Board's proportionate share of state multi-employer, defined-benefit retirement plan net pension liabilities is included in reported long-term liabilities. The reported net pension liability is determined on the accrual basis which is the same as reported by the state retirement plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

N. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The School Board has two types of item that qualifies for reporting in this category. One item is deferred charges on refunding, which results from the difference in the carrying value of refunded debt and its requisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. In the Statement of Net Position, the net investment in capital assets of \$107,429,689 includes the effect of deferring the recognition of expense from the deferred charge on refunding. The \$2,633,134 balance of deferred outflow of resources will be recognized as expense and decrease in net investment in capital assets over the remaining 17 years. Additionally, the school board had deferred outflows related to pensions; see Note 8 for additional information.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenues) until that time. The School Board has one item that qualifies for reporting in this category, which is deferred inflows related to pensions. See Note 8 for additional information.

O. Equity Classifications

Government-wide Financial Statements (GWFS)

Equity is classified as "net position" in the Government-wide Financial Statements. Net position is the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources. Net position is shown in three classifications in the Statement of Net Position:

- Net investment in capital assets - Consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced generally by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction or improvement of those assets.
- Restricted Net Position - Consists of net position with constraints placed on the use whether by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.

The following net positions are considered restricted through enabling legislation:

- o Debt service resources from sales and use taxes and ad valorem taxes levied specifically to meet the principal and interest payments of various general obligation and revenue bond issues via an

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approved public referendum in accordance with state law and bond covenants with investors. The total amount restricted for this purpose was \$14,179,509.

- o Available resources from sales taxes specifically dedicated by taxing propositions approved by voters for the payment of supplemental salaries and benefits to employees. The total amount restricted for this purpose was \$7,959,622.
- o Investments held by the Louisiana Workforce Commission as surety for payment of workers compensation claims of self-insured employers, as promulgated under Louisiana Revised Statute 23:1168. The total amount held for this purpose was \$625,000.
- Unrestricted Net Position - All other net positions that do not meet the definition of “restricted” or “net investments in capital assets”.

Sometimes the School Board will make expenditures for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as *restricted* - net position and *unrestricted* - net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the School Board’s practice to consider *restricted* - net position to have been depleted before *unrestricted* - net position is applied.

Fund Financial Statements (FFS)

In the fund financial statements, equity is classified as “fund balance”. Fund balance is the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources. GASB Standards require the fund balance amounts to be reported within the fund balance categories as follows:

- o Non-spendable: Fund balance that is not in spendable form or legally or contractually required to be maintained intact. This category includes items that are not easily converted to cash such as inventories and prepaid items.
- o Restricted: Fund balance that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation.
- o Committed: Fund balance that can only be used for specific purposes determined by the School Board’s highest level of decision making authority. Committed amounts cannot be used for any other purpose unless the Board removes or changes the specified use by taking the same type of action it employed to previously commit the funds. Committed fund balance is the result of action taken by the School Board in a School Board meeting committing the funds, usually in the form of a resolution.
- o Assigned: Fund balance that is constrained by the School Board’s intent to be used for specific purposes, but are neither restricted nor committed. The Superintendent has the authority to assign unrestricted fund balance amounts according to the fund balance policy where the School Board’s intent is for those amounts to be used for specific purposes.
- o Unassigned: Fund balance that is the residual classification for the general fund. A negative unassigned fund balance may be reported in other governmental funds if expenditures incurred for specific purposes exceeded the amounts restricted, committed or assigned to those purposes.

Sometimes the School Board will make expenditures for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to

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report as *restricted*, *committed*, *assigned*, and *unassigned* fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the School Board's practice to consider *restricted* fund balance to have been depleted before using any of the components of *unrestricted* fund balance. Further, when the components of *unrestricted* fund balance can be used for the same purpose, *committed* fund balance is depleted first, followed by *assigned* fund balance. *Unassigned* fund balance is applied last.

The School Board has established through board resolution unassigned fund balance requirements. The General Fund unassigned fund balance should be maintained between 10 and 15 percent of General Fund expenditures. If the unassigned fund balance decreases below the 10 percent minimum balance, excess expenditures should be made only for unanticipated or unforeseen nonrecurring items.

P. Sales and Use Taxes

The voters of Ouachita Parish have authorized the collection of four sales and use taxes for the benefit of the School Board.

Supplemental Salaries-1968 Sales Tax (0.5%) - This half-cent parishwide sales and use tax is levied and collected jointly by the City of Monroe School Board and the Ouachita Parish School Board. The net proceeds of the tax are to be allocated and pro-rated between the two school boards annually on the basis of average daily enrollment for the preceding school year. The tax revenue is restricted to supplement other revenues available to the School Board for the payments of salaries in accordance with the taxing proposition and board resolutions.

Supplemental Salaries-1995 Sales Tax (1.0%) - This one-cent parishwide sales and use tax is levied and collected by the School Board only, and is restricted to supplement other revenue available to the School Board for the exclusive purpose of providing teacher and school employees' salaries and benefits in accordance with the taxing proposition.

District No. 1 Sales Tax (0.5%) - This half-cent parishwide sales and use tax is levied and collected by the School Board only for a 10-year period. This tax was renewed by voters in April 2011 for a 10-year period beginning January 1, 2012. The tax revenue is committed by an ordinance of the School Board to supplement other revenues available to the School Board for the following purposes:

- Thirty-six percent (36%) for classroom instruction,
- Twenty-three percent (23%) for capital improvements,
- Fifteen percent (15%) for facility and equipment support,
- Fourteen percent (14%) for the payment of mandated costs, and
- Twelve percent (12%) to restore salary reductions.

West Ouachita Sales Tax (1.0%) - This one-cent sales and use tax is a district tax is collected in the West Ouachita School District. The tax was originally authorized by voters on November 18, 1997 limited to a period of 27 years, but on March 28, 2015 voters in the taxing district extended the tax with no expiration date. The tax proceeds are used for constructing, acquiring, improving, equipping, furnishing, maintaining, and/or operating schools and school related facilities in the district, with the proceeds of the tax being subject to funding into bonds for capital improvements.

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Q. Self-Insurance

The School Board is exposed to certain risks associated with damage to its property resulting from perils or theft, employee liabilities for benefits, earnings or work injury, general liabilities to third parties, and other risks related to professional errors and omissions. The School Board is covered through insurance policies for these risks. The School Board is also at risk from injuries to students, employees, and citizens incurred on our facilities through negligence and to employees being injured on the job. The School Board is partially self-insured for workers' compensation and general liability insurance coverage, and maintains policies with large deductibles for property and fleet vehicle insurance. The School Board currently has an excess insurance policy which covers individual workers' compensation claims and occurrences when an individual claim exceeds \$600,000, or in excess of \$1,000,000 for aggregate claims incurred during a policy year. The School Board self-insures, or is responsible, for the costs of a claim up to these retention amounts. The School Board has not made any significant reductions in insurance coverage as well as no amounts of settlements have exceeded insurance coverage for each of the past three fiscal years.

Revenues that finance the operations of the Self-Insurance Internal Service Fund are considered operating revenues and include charges for services and insurance proceeds from losses. Revenues that are not derived directly from the operations of the self-insurance program are considered non-operating revenues and include earnings on investments. The School Board has increased the net position in the Internal Service Fund over the years with transfers from the General Fund in years surpluses were available to cover future catastrophic losses.

Expenses related to these insurance programs are recognized in the self-insurance fund as claims are incurred. A liability for unpaid and incurred-but-not-reported claims is based on the School Board's known claims and historical experience of claims reported after the fiscal year incurred. Third-party claims administrators process and investigate claims, assist in the payment of valid claims, estimate the liabilities for unpaid claims, and manage the workers' compensation and general liability insurance program for the School Board. School Board personnel manage all other insurance programs.

During the fiscal year, total expenses for claims and insurance premiums related to the self-insurance programs were \$462,698. The School Board's claims liabilities at June 30 were:

	<u>2017</u>	<u>2016</u>
Claims liability at beginning of the year	\$ 2,009,916	\$ 1,072,620
Incurred claims and provisions for incurred but not reported	(375,388)	2,715,218
Claims payments	<u>(338,104)</u>	<u>(1,777,922)</u>
Claims liability at the end of the year	<u>1,296,424</u>	<u>2,009,916</u>
 Claims liability due within one year	 <u>\$ 249,816</u>	 <u>\$ 355,253</u>

R. Budget and Budgetary Accounting

The School Board utilizes the following procedures in establishing the budgetary data reflected in the financial statements:

In September, the Director of Business submits to the School Board proposed annual appropriated budgets for the General Fund, Special Revenue Funds, and Debt Service Funds for the fiscal year commencing the prior July 1. A public hearing is conducted to obtain taxpayer comments. Prior to September 15, the School Board legally

**Ouachita Parish School Board
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enacts the budget through adoption. The only legal requirement is that the School Board adopt a balanced budget; that is, total budgeted revenues and other financing sources (including fund balance) must equal or exceed total budgeted expenditures and other financing uses. The budget is revised periodically throughout the school year, when deemed appropriate, but a balanced budget is always approved.

The General Fund budget is adopted on a basis consistent with GAAP. Unencumbered appropriations in the General Fund lapse at the end of the fiscal year, whereas, encumbered appropriations are carried forward to the following year. Budgeted amounts are as originally adopted or as amended by the School Board.

The Special Revenue Funds' budgets have annual appropriated budgets adopted on a basis consistent with GAAP. Except for grant-oriented funds, unencumbered appropriations lapse at the end of the fiscal year. Encumbered appropriations are utilized when goods or services are received. Grant-oriented fund budgets are adopted at the time the grant applications are approved by the grantor. Separate annual budgets are adopted for unencumbered appropriations of grant-oriented Special Revenue Funds at the beginning of the following fiscal year.

Debt Service Fund budgets are adopted on a basis consistent with GAAP, budget appropriations lapse at the end of the fiscal year.

Formal budgetary integration is employed as a management control device during the year for the General Fund, Special Revenue Funds and Debt Service Funds. All budgets are operational at the departmental or project level. The Superintendent and Director of Business of the School Board are authorized to transfer budget amounts between line item activity and between any functions of an individual fund; however, any supplemental appropriations that amend the total expenditures of any fund require School Board resolution. The effects of budget revisions passed during the year were insignificant to the budgets as originally approved.

S. Use of Estimates

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 statement and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

2. Stewardship, Compliance and Accountability

Excess of Expenditures over Appropriations in Individual Funds The following individual funds had actual expenditures over budgeted expenditures for the year ended June 30, 2017:

<u>Fund</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
1995 Sales Tax 1%	\$ 15,488,679	\$ 15,592,390	\$ (103,711)
West Ouachita Sales Tax	1,075,000	1,144,155	(69,155)
Title I Programs	5,509,756	5,652,830	(143,074)
Special Education IDEA - B	4,874,772	5,012,856	(138,084)
State Grants	2,077,174	2,107,326	(30,152)
West Ouachita Debt Service	7,062,369	7,063,519	(1,150)
East Ouachita Debt Service	8,673,758	8,680,128	(6,370)

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The variance related to 1995 Sales Tax 1% is the result of budgeted expenditures being based on estimated revenues collected during the fiscal year when actual salary supplement disbursements were based on higher revenue collections during the twelve-month period immediately prior to the distribution in November which was accumulated in beginning fund balance; management considers the budgetary difference to be immaterial to the operations of this fund. The West Ouachita Sales Tax difference is the result of a new capital improvement project approved and started very late in the year causing higher than anticipated accruals for payments related to construction-in-progress. The difference for the debt service funds are related to the payment of bond issuance costs and annual fees for debt service maintenance. The variances related to grant programs were related to slightly a higher June salary supplement distribution made to employees and preschool program costs.

3. Ad Valorem Taxes

All taxable property in Louisiana is required by law to be assessed annually at a percentage of its fair market value by the parish assessor, except for public utility property, which is assessed by the Louisiana Tax Commission. The 1974 Louisiana Constitution provides that land and residential property are to be assessed at 10% of fair market value; however, agricultural, horticultural, marsh lands, timber lands, and certain historic buildings are to be assessed at 15% of fair market value. Fair market values are determined by the elected assessor of the parish and are subject to review and final certification by the Louisiana Tax Commission. The assessor is required to reappraise all property every four years. Based on the reappraised value, the assessor will “roll forward” or “roll back” the tax millage to equal the prior year taxable amount. If the assessor “rolls back” the tax millage, the School Board has the option to “roll forward” the millage rate to the prior year’s maximum rate. The School Board authorized the “roll forward” of the 2016 millage rate for the new reassessment period.

The Ouachita Parish Sheriff’s Office bills and collects property taxes for the School Board. Collections are remitted to the School Board monthly.

Property Tax Calendar

Millage rates adopted	September 27, 2016
Tax bills mailed	November 23, 2016
Taxes due date	December 31, 2016
Lien date	January 1, 2017
Penalties and interest are added	January 1, 2017
Collection dates	November 2016 thru February 2017
Tax sale – 2016 delinquent property	May 24, 2017

Assessed values are established by the Ouachita Parish Tax Assessor each year on a uniform basis at the following ratios of assessed value to fair market value.

10% land	15% machinery
10% residential improvements	15% commercial improvements
15% industrial improvements	25% public service properties, excluding land

A revaluation of all property is required after 1978 to be completed no less than every four years. The last revaluation was completed for the roll of January 1, 2016. Total assessed value was \$1,264,085,415 for the 2016 calendar year for Ouachita Parish as a whole. Louisiana state law exempts the first \$75,000 of assessed value of a taxpayer's primary residence from parish property taxes. This homestead exemption was \$206,226,483 of the assessed value in calendar year 2016.

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State law requires the Sheriff to collect property taxes in the calendar year in which the assessment is made. Property taxes become delinquent January 1 of the following year. If taxes are not paid by the due date, taxes bear interest at the rate of 1.25% per month until the taxes are paid. After notice is given to the delinquent taxpayers, the Sheriff is required by the *Constitution of the State of Louisiana* to sell the least quantity of property necessary to settle the taxes and interest owed.

The tax roll is prepared by the tax assessor and approved by the State Tax Commission in November of each year. The amount of 2016 property taxes to be collected occurs in December 2016 and January and February 2017. All property taxes are recorded in the General Fund and in the East Ouachita Bond Debt Service Fund on the basis explained in Note 1.C. The School Board considers the lien date (January 1, 2017) as the date an enforceable legal claim occurs for 2016 property taxes. Property tax revenue is recognized in the period for which the taxes are levied (budgeted). Accordingly, the 2016 property taxes are budgeted in the 2016-2017 fiscal year of the School Board.

Estimated uncollectible taxes are those taxes based on past experience which will not be collected in the subsequent year and are primarily due to subsequent adjustments to the tax roll. Historically, virtually all ad valorem taxes receivable were collected since they are secured by property. Therefore, there is no allowance for uncollectible taxes.

The following is a summary of authorized and levied (tax rate per \$1,000 Assessed Value) ad valorem taxes:

	Authorized <u>Millage</u>	Levied <u>Millage</u>	Expiration <u>Date</u>
<u>Parish-wide taxes:</u>			
Constitutional	5.00	5.18	Statutory
Maintenance and Operation	24.15	24.15	2021
<u>Bond and interest:</u>			
East Ouachita Bond	Variable	30.00	2034

Differences noted between authorized and levied millages are the result of the reassessment of taxable property required by Article 7, Section 23 of the Louisiana Constitution of 1974.

4. Cash and Cash Equivalents

Deposits are stated at cost, which approximates fair value. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The fair value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

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Custodial credit risk-cash and cash equivalents. The total cash and cash equivalents at June 30, 2017 are summarized as follows:

<u>Cash</u>	
Demand deposits- checking	\$ 31,352,820
Certificates of deposit	1,518,216
Total Cash	<u>32,871,036</u>
 <u>Cash Equivalents</u>	
Money market funds	4,338,493
U.S. Treasury	52,214
Louisiana Asset management Pool (LAMP)	40,664,749
BlackRock Liquidity Fund	975,636
Total Cash Equivalents	<u>46,031,092</u>
Total Deposits	<u><u>\$ 78,902,128</u></u>

At year-end, the School Board's carrying amount of cash and cash equivalents was \$78,902,128 and the bank balance was \$81,972,973. The deposits are reported as follows: Statement A- cash and cash equivalents, \$73,967,009 and Statement J- cash and cash equivalents \$4,935,119.

Louisiana Revised Statute 39:1225 requires the School Board to insure its bank balances from loss against custodial credit risk. Custodial credit risk is the risk that in the event of a bank failure, the School Board's deposits may not be returned. Bank balances are fully insured with \$2,124,361 of federal depository insurance (FDIC), \$33,817,519 of securities held as collateral by the trust department of agents of financial institutions in the name of the School Board at year-end, and the remaining \$46,031,092 secured through SIPC coverage or in 2a7-like investment pools. Amounts reported as money market funds are held by an investment firm, which is a member of the Securities Investor Protection Corporation (SIPC), which offers protection for the School Board up to \$500,000. Furthermore, this investment firm has pledged to provide coverage in excess of SIPC limits.

The School Board participates in two separate 2a7-like investment pools, Louisiana Asset Management Pool, Inc. and BlackRock Liquidity Fund.

Louisiana Asset Management Pool, Inc. (LAMP)

Louisiana Asset Management Pool, Inc. (LAMP) 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.

LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local government entities having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LA-R.S. 33.2955.

GASB Statement No. 40 Deposit and Investment Risk Disclosure, requires disclosure of credit risk, custodial credit risk, concentration of credit risk, interest rate risk and foreign currency risk for all public entity investments.

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LAMP is a 2a7-like investment pool. The following facts are relevant for 2a7-like investment pools:

- Credit risk: LAMP is rated AAAm by Standard & Poor's.
- Custodial credit risk: LAMP participants' investments in the pool are evidenced by shares of the pool. Investments in pools should be disclosed, but not categorized because they are not evidenced by securities that exist in physical or book-entry form. The public entity's investment is with the pool, not the securities that make up the pool; therefore, no disclosure is required.
- Concentration of credit risk: Pooled investments are excluded from the 5 percent disclosure requirement.
- Interest rate risk: LAMP is designed to be highly liquid to give its participants immediate access to their account balances. LAMP prepares its own interest rate risk disclosure using the weighted average maturity (WAM) method. The WAM of LAMP assets is restricted to not more than 60 days and consists of no securities with a maturity in excess of 397 days.
- Foreign currency risk: Not applicable to 2a7-like pools.

The investments in LAMP are stated at fair value based on quoted market rates. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the net asset value of the pool shares. LAMP, Inc. is subject to the regulatory oversight of the state treasurer and the board of directors. LAMP is not registered with the SEC as an investment company. 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.

LAMP issues financial reports. These financial reports can be obtained by writing: LAMP, Inc., 228 St. Charles Avenue, Suite 1123, New Orleans, LA 70130 or contact the LAMP administrative office at 800-249-5267.

5. Investments

The School Board's investment policy allows idle funds to be invested in accordance with the following objectives: (a) first priority shall be to secure safety of principle, (b) the second priority shall be to ensure liquidity of funds to meet the obligations of the School Board, and (c) the third priority shall be the yield of investments. Further, Louisiana Revised Statute (LRS) 33:2955 limits the School Board and other political subdivisions to the following investments instruments: Direct U.S. treasury obligations; obligations of U.S. government agencies; obligations issued or guaranteed by U.S. government instrumentalities, which are federally sponsored (GSEs); direct security repurchase agreements; certificates of deposits; mutual funds registered with the Securities and Exchange Commission whose investments are limited solely to obligations of the U.S. government or its agencies (and limited to 25% of the total investment portfolio); obligations of state and local governments provided certain conditions are met; investment grade (A-1/P-1) commercial paper of domestic U.S. corporations. Investment in collateralized mortgage obligations stripped into interest only or principal only obligations, inverse floaters, or structured notes and any obligations issued by the School Board itself are prohibited.

Investments in the School District No. 1 QSCB Sinking Fund are required by the authorizing bond resolution and the Qualified School Construction Bond program to be in securities unconditionally guaranteed by the U.S. government. Those investments are currently in U.S. Treasury Securities - State and Local Government Series (SLGS) and Federated U.S. Treasury Cash Reserves. Investments have maturity dates in October 2024 when the full amount of the principal will come due for payment to bond holders.

Ouachita Parish School Board
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As of June 30, 2017, the School Board had its assets in U. S. agency securities, money market instruments and other government securities managed by four separate financial institutions. The accounts managed by four separate financial institutions have a fair value of \$33,163,583.

Investments are measured at fair value on a recurring basis. Recurring fair value measurements are those that Governmental Accounting Standards Board (GASB) Statements require or permit in the statement of net position at the end of each reporting period. Fair value measurements are categorized based on the valuation inputs used to measure an asset's fair value. Level 1 inputs are quoted prices in the active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Investments' fair value measurements are as follows at June 30, 2017:

Type of Investment	Fair Value	Matures in < 1 Year	Matures in 1 to 5 Years	Matures in > 5 Years	Percentage of Investment	Fair Market Value Hierarchy	Credit Risk
U.S. Government Bonds	\$ 24,062,899	\$ 6,571,923	\$ 17,490,976	\$ -	72%	Level 1	AAA
Municipal Bonds	1,540,095	1,322,021	218,074	-	4%	Level 2	Unrated
U.S. Treasury SLGS	4,666,666	-	-	4,666,666	15%	Level 1	AAA
U.S. Treasury Notes	2,893,923	2,394,508	499,415	-	9%	Level 1	AAA
Total investments	<u>\$ 33,163,583</u>	<u>\$10,288,452</u>	<u>\$18,208,465</u>	<u>\$4,666,666</u>	<u>100%</u>		

Interest Rate Risk: The School Board's policy does not address interest rate risk.

Credit Rate Risk: State law limits investments to securities issued, guaranteed, or backed by the U.S. Treasury, the U.S. Government, or one of its agencies. Even though the School Board adheres to the state regulations, the School Board's policy does not address credit rate risk.

Custodial Credit Risk-Investments: For an investment, this is the risk that, in the event of the failure of the counter party, the School Board will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The School Board does maintain investment accounts at a financial institution. The School Board's policy does not address custodial credit risk.

6. Receivables

The receivables of \$12,569,423 at June 30, 2017, as reported in the Fund Financial Statements are as follows:

	General	School District No. 1 Sales Tax	Nonmajor Governmental	Internal Service Funds	Total
Intergovernmental - grant					
Federal	\$ -	\$ -	\$ 3,414,903	\$ -	\$ 3,414,903
State	9,146	-	282,898	-	292,044
Local sources:					
Ad Valorem	1,708	-	566	-	2,274
Sales tax	-	1,293,981	6,590,027	-	7,884,008
Other	169,780	-	615,065	191,349	976,194
Total	<u>\$ 180,634</u>	<u>\$ 1,293,981</u>	<u>\$ 10,903,459</u>	<u>\$ 191,349</u>	<u>\$ 12,569,423</u>

All governmental receivables are expected to be received in full and therefore, no allowance for doubtful accounts is recorded.

Ouachita Parish School Board
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Fiscal Year Ended June 30, 2017

7. Capital Assets

The changes in capital assets during the fiscal year ended June 30, 2017 were as follows:

Governmental Activities:	Balance Beginning	Additions	Deletions	Balance Ending
Capital assets, not being depreciated:				
Land	\$ 7,965,881	\$ 50,572	\$ -	\$ 8,016,453
Construction-in-progress	23,491,473	24,023,637	29,407,816	18,107,294
Total capital assets, not being depreciated	31,457,354	24,074,209	29,407,816	26,123,747
Capital assets, being depreciated:				
Land improvements	12,580,697	9,644,622	-	22,225,319
Buildings and improvements	335,357,573	20,504,281	30,255	355,831,599
Furniture and equipment	34,483,006	1,650,382	530,067	35,603,321
Total capital assets, being depreciated	382,421,276	31,799,285	560,322	413,660,239
Less accumulated depreciation:				
Land improvements	(1,849,934)	(763,990)	-	(2,613,924)
Buildings and improvements	(133,856,687)	(7,894,845)	(12,639)	(141,738,893)
Furniture and equipment	(27,407,934)	(1,413,522)	(527,809)	(28,293,647)
Total accumulated depreciation	(163,114,555)	(10,072,357)	(540,448)	(172,646,464)
Total capital assets, being depreciated, net	219,306,721	21,726,928	19,874	241,013,775
Capital assets, being amortized:				
Intangibles	2,367,056	-	76,549	2,290,507
Less accumulated amortization:				
Intangibles	(1,545,512)	(173,775)	(73,916)	(1,645,371)
Total capital assets, being amortized, net	821,544	(173,775)	2,633	645,136
Total governmental activities, capital assets, net	\$ 251,585,619	\$ 45,627,362	\$ 29,430,323	\$ 267,782,658

Ouachita Parish School Board
Notes to the Financial Statements
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Depreciation and amortization expense was charged to governmental activities as follows:

	Depreciation Expense	Amortization Expense
Instructional services:		
Regular programs	\$ 8,518,117	\$ 40,475
Special education programs	33,879	43,657
Vocational programs	43,501	11,760
Other instructional programs	146,415	1,869
Special programs	11,982	7,988
Adult/continuing education	-	1,737
Support services:		
Student services	9,332	-
Instructional staff support	8,355	12,582
General administration	4,048	-
School administration	489	-
Business services	13,938	4,862
Plant services	474,967	1,975
Student transportation services	654,032	-
Central services	55,539	46,870
Non-instructional services:		
Food services	97,763	-
Total depreciation and amortization expense	<u>\$ 10,072,357</u>	<u>\$ 173,775</u>

Major additions during the fiscal year included construction of a new multipurpose building, two vocational buildings, and a gym; renovations to a football stadium and a newly acquired gym facility; over 2,200 chromebooks for student use; classroom additions at two schools; and eleven school buses.

8. Pension Plans

The School Board is a participating employer in two statewide, public employee retirement systems, the Louisiana School Employees' Retirement System (LSERS) and the Teacher's Retirement System of Louisiana (TRSL). Both systems have separate boards of trustees and administer cost-sharing, multiple-employer defined benefit pension plans, including classes of employees with different benefits and contribution rates (sub-plans). Article X, Section 29(F) of the Louisiana Constitution of 1974 assigns the authority to establish and amend benefit provisions of all sub-plans administered by these systems to the State Legislature. Each system issues a public report that includes financial statements and required supplementary information. Copies of these reports for LSERS and TRSL may be obtained at www.lsers.net and www.trsl.org, respectively.

TRSL also administers an optional retirement plan (ORP), which was created by Louisiana Revised Statute 11:921-931 for academic and administrative employees of public institutions of higher education and is considered a defined contribution plan (see Optional Retirement Plan note below). A portion of the employer contributions for ORP plan members is dedicated to the unfunded accrued liability of the TRSL defined benefit plan.

**Ouachita Parish School Board
Notes to the Financial Statements
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General Information about the Pension Plans

Plan Descriptions/Benefits Provided:

Louisiana School Employees' Retirement System: LSERS administers a plan to provide retirement, disability, and survivor's benefits to non-teacher school employees excluding those classified as lunch workers and their beneficiaries as defined in R.S. 11:1001. The age and years of creditable service (service) required in order for a member to receive retirement benefits are established by R.S. 11:1141-1153 and vary depending on the member's hire date.

A member who joined the system on or after July 1, 2015 is eligible for normal retirement if he has at least 5 years of creditable service and is at least age 62. A member who joined between July 1, 2010 and June 30, 2015 is eligible for normal retirement if he has at least 5 years of creditable service and is at least age 60. A member who joined the system on or before June 30, 2010 is eligible for normal retirement if he has at least 30 years of creditable service regardless of age, 25 years of creditable service and is at least age 55, or 10 years of creditable service and is at least age 60. All members are eligible for retirement with 20 years of creditable service regardless of age with an actuarially reduced benefit.

For members who joined the system prior to July 1, 2006, the maximum retirement benefit is an amount equal to 3 1/3% of the average compensation for the 3 highest consecutive years of membership service, subject to the 10% salary limitation, multiplied by the number of years of service limited to 100% of final average compensation plus a supplementary allowance of \$2.00 per month for each year of service. For members who joined the system on or after July 1, 2006 through June 30, 2010, 3 1/3% of the average compensation is used to calculate benefits, however, the calculation consists of the five highest consecutive years of membership service, subject to the 10% salary limitation. For members who joined the system on or after July 1, 2010, 2 1/2% of the average compensation is used to calculate benefits and consists of the five highest consecutive years' average salary, subject to the 15% salary limitation. The supplemental allowance was eliminated for members entering the plan on or after July 1, 1986. Effective January 1, 1992, the supplemental allowance was reinstated to all members whose service retirement became effective after July 1, 1971.

A member is eligible to retire and receive disability benefits if the member has at least 5 years of creditable service, is not eligible for normal retirement and has become totally and permanently disabled and is certified as disabled by the Medical Board. A vested person with twenty or more years of creditable service is eligible for a disability benefit until normal retirement age. A member who joins the system on or after July 1, 2006, must have at least 10 years of service to qualify for disability benefits. Upon the death of a member with five or more years of creditable service, the plan provides benefits for surviving spouses and minor children. Under certain conditions outlined in the statutes, a spouse is entitled to 75% of the member's benefit.

Teachers' Retirement System of Louisiana: TRSL administers a plan to provide retirement, disability, and survivor benefits to employees who meet the legal definition of a "teacher" as provided for in R.S. 11:701. Eligibility for retirement benefits and the calculation of retirement benefits are provided for in R.S. 11:761. Statutory changes closed existing, and created new, sub-plans for members hired on or after January 1, 2011 and July 1, 2015.

Most members are eligible to receive retirement benefits 1) at the age of 60 with 5 years of service, 2) at the age of 55 with at least 25 years of service, or 3) at any age with at least 30 years of service. For members joining on or after July 1, 2015, retirement benefits are paid at age 62 with at least 5 years of service credit. Members may retire with an actuarially reduced benefit with 20 years of service credit. Retirement benefits are calculated by applying a percentage ranging from 2% to 3% of final average salary multiplied by years of service. Average compensation is defined as the member's average annual earned compensation for the highest 36 consecutive

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months of employment for members employed prior to January 1, 2011, or highest 60 consecutive months of employment for members employed after that date.

Under R.S. 11:778 and 11:779, members who have suffered a qualified disability are eligible for disability benefits if employed prior to January 1, 2011 and attained at least 5 years of service or if employed on or after January 1, 2011 and attained at least 10 years of service. Members employed prior to January 1, 2011 receive disability benefits equal to 2½% of average compensation multiplied by the years of service, but not more than 50% of average compensation subject to statutory minimums. Members employed on or after January 1, 2011 receive disability benefits equivalent to the regular retirement formula without reduction by reason of age.

Survivor benefits are provided for in R.S. 11:762. In order for survivor benefits to be paid, the deceased member must have been in state service at the time of death and must have a minimum of five years of service, at least two of which were earned immediately prior to death, or must have had a minimum of twenty years of service regardless of when earned in order for a benefit to be paid to a minor or handicapped child. Survivor benefits are equal to 50% of the benefit to which the member would have been entitled if retired on the date of death using a factor of 2½% regardless of years of service or age, or \$600 per month, whichever is greater. Benefits are payable to an unmarried child until age 21, or age 23 if the child remains a full-time student. The minimum service credit requirement is ten years for a surviving spouse with no minor children, and benefits are to be paid for life to the spouse or a qualified handicapped child.

Deferred Retirement Option Program (DROP)

In lieu of terminating employment and accepting a service retirement, an eligible LSERS or TRSL member can begin participation in the DROP on the first retirement eligibility date for a period not to exceed 3 years. A member has a 60 day window from his first eligible date to participate in the program in order to participate for the maximum number of years. Delayed participation reduces the three year maximum participation period. During participation, benefits otherwise payable are fixed, and deposited in an individual DROP account. Upon termination of DROP participation, the member can continue employment and earn additional benefit accruals to be added to the fixed pre-DROP benefit. Upon termination of employment, the member is entitled to the fixed benefit, an additional benefit based on post-DROP service (if any), and the individual DROP account balance which can be paid in a lump sum or an additional annuity based upon the account balance.

Cost of Living Adjustments

As fully described in Title 11 of the Louisiana Revised Statutes, LSERS and TRSL allow for the payment of permanent benefit increases, also known as cost of living adjustments, or COLAs, that are funded through investment earnings when recommended by the board of trustees and approved by the Legislature. These ad hoc COLAs are not considered to be substantively automatic.

Contributions

Article X, Section 29(E)(2)(a) of the Louisiana Constitution of 1974 assigns the Legislature the authority to determine employee contributions. Employer contributions are actuarially determined using statutorily established methods on an annual basis and are constitutionally required to cover the employer's portion of the normal cost and provide for the amortization of the unfunded accrued liability. Employer contributions are adopted by the Legislature annually upon recommendation of the Public Retirement Systems' Actuarial Committee. For those members participating in the TRSL defined contribution ORP, a portion of the employer contributions are used to fund the TRSL defined benefit plans' unfunded accrual liability.

Ouachita Parish School Board
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Employer contributions to LSERS for fiscal year 2017 were \$3,286,297, with active member contributions ranging from 7.5% to 8%, and employer contributions of 27.3%. Employer defined benefit plan contributions to TRSL for fiscal year 2016 were \$24,650,214, with active member contributions of 8%, and employer contributions of 25.5%. Non-employer contributions to TRSL, which are comprised of \$639,772 from ad valorem taxes and revenue sharing funds and \$14,109 in pension contributions regarding Professional Improvement Program from the State of Louisiana for fiscal year 2017. These non-employer contributions were recorded as revenue and were used as employer contributions.

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

At June 30, 2017, the School Board reported liabilities of \$30,235,264 and \$254,558,343 under LSERS and TRSL, respectively, for its proportionate share of the Net Pension Liability (NPL). The NPL for LSERS and TRSL was measured as of June 30, 2016, and the total pension liabilities used to calculate the NPL were determined by actuarial valuations as of that date. The School Board's proportions of the NPL were based on projections of the School Board's long-term share of contributions to the pension plans relative to the projected contribution of all participating employers, actuarially determined. As of June 30, 2016, the most recent measurement date, the School Board's proportions and the changes in proportion from the prior measurement date were 4.008136%, or a decrease of 0.047778% for LSERS and 2.16886% or a decrease of 0.05284% for TRSL.

For the year ended June 30, 2017, the School Board recognized a total pension expense of \$30,601,666, or \$3,950,193 and \$26,651,473 for LSERS and TRSL, respectively. The School Board reported deferred outflows of resources and deferred inflows of resources related to pensions as components of unrestricted net position from the following sources:

	Deferred Outflows			Deferred Inflows		
	LSERS	TRSL	Total	LSERS	TRSL	Total
Differences between expected and actual experience	\$ -	\$ -	\$ -	\$ 825,096	\$ 5,025,691	\$ 5,850,787
Changes of assumptions	716,275	-	716,275	799,144	-	799,144
Net difference between projected and actual earnings on pension plan investments	3,830,303	18,531,255	22,361,558	-	-	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	210,602	4,898,737	5,109,339	235,596	5,874,991	6,110,587
Employer contributions subsequent to the measurement date	3,286,297	24,650,214	27,936,511	-	-	-
Total	<u>\$ 8,043,477</u>	<u>\$ 48,080,206</u>	<u>\$ 56,123,683</u>	<u>\$ 1,859,836</u>	<u>\$ 10,900,682</u>	<u>\$ 12,760,518</u>

Deferred outflows of resources related to pensions resulting from the School Board's contributions subsequent to the measurement date will be recognized as a reduction of the LSERS and TRSL NPL in the year ended June 30, 2017.

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Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

	<u>LSERS</u>		<u>TRSL</u>		<u>Total</u>
2018	\$ 37,435	\$	1,159,883	\$	1,197,318
2019	26,634		1,159,883		1,186,517
2020	1,731,000		6,865,922		8,596,922
2021	1,102,275		3,343,622		4,445,897

Actuarial Assumptions

The total pension liabilities for LSERS and TRSL in the June 30, 2016 actuarial valuations were determined using the following actuarial assumptions, applied to all periods included in the measurements:

	<u>LSERS</u>	<u>TRSL</u>
Valuation Date	June 30, 2016	June 30, 2016
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Expected Remaining Service Lives	3 years	5 years
Investment Rate of Return	7.125%, net of investment expense, including inflation	7.75%, net of investment expense
Inflation Rate	2.625% per annum	2.5% per annum
Projected salary increases	3.075% to 5.375% varies depending on duration of service	3.5% to 10% varies depending on duration of service
Cost-of-living adjustments	Not substantively automatic	Not substantively automatic
Mortality	RP-2000 Combined Healthy Sex Distinct Mortality Table	RP-2000 Mortality Table with projection to 2025 using Scale AA
Termination, Disability, Retirement	Projected based on a five year (2008-2012) experience study	Projected based on a five year (2008-2012) experience study

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

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For TRSL, the long-term expected rate of return was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.5% and an adjustment for the effect of rebalancing/diversification. The target allocation and best estimates of real rates of return for each major asset class are summarized for each plan in the following table:

	Target Allocation	Long-Term Expected Real Rate of Return
TRSL (arithmetic)		
Domestic equity	31.00%	4.50%
International equity	19.00%	5.31%
Domestic fixed income	14.00%	2.45%
International fixed income	7.00%	3.28%
Alternatives	29.00%	11.62%
Total	100.00%	
LSERS (geometric)		
Fixed income	30.00%	1.82%
Equity	51.00%	3.10%
Alternative investments	13.00%	0.79%
Real assets	6.00%	0.36%
Total	100.00%	6.07%
Inflation		2.00%
Expected arithmetic nominal return		8.07%

Discount Rate. The discount rate used to measure the total pension liability was 7.125% for LSERS and 7.75% for TRSL. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that employer contributions from participating employers will be made at contractually required rates, actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

For LSERS, the discount rate used in the June 30, 2016 net pension liability valuation was increased from the 7.0% used in the June 30, 2015 valuation to 7.125%. For the June 30, 2015 year, the discount rate assumed 0.25% of investment return would offset administrative expenses. Based on Act 94 of the 2016 regular session of the legislature, beginning with the June 30, 2016 actuarial evaluation, the explicit cost of projected noninvestment related administrative expenses will be included in the calculation of the actuarially required contributions for the System. Prior to this valuation, no explicit provision was made to fund or offset administrative expenses. With this change, the valuation of plan liabilities based on a valuation interest rate set for .25% below the assumed long-term rate of return is no longer necessary. Instead, for the June 30, 2016 actuarial valuation, the assumed long-term rate of return was reduced from 7.25% to 7.125%, and the valuation interest rate was set equal to the long-term rate of return.

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Sensitivity of the proportionate share of the NPL to changes in the discount rate. The following presents the School Board's proportionate share of the NPL for LSERS and TRSL using the current discount rate as well as what the School Board's proportionate share of the NPL would be if it were calculated using a discount rate that is one percentage-point lower or one percentage-point higher than the current rate:

	<u>1.0% Decrease</u>	<u>Current Discount Rate</u>	<u>1.0% Increase</u>
LSERS	\$ 39,690,478	\$ 30,235,264	\$ 22,134,594
TRSL	317,512,168	254,558,343	200,988,892

Pension plan fiduciary net position. Detailed information about LSERS and TRSL fiduciary net position is available in the separately issued financial reports referenced above.

Payables to the Pension Plan. At June 30, 2017, the School Board had \$380,617 and \$8,144,720 in payables to LSERS and TRSL, respectively, for the June 2017 employee and employer legally required contributions.

Optional Retirement Plan

TRSL administers an optional retirement plan (ORP), which was created by R.S. 11:921-931 for academic and administrative employees of public institutions of higher education. The purpose of the optional retirement plan is to provide retirement and death benefits to the participants while affording the maximum portability of these benefits to the participants. The optional retirement plan is a defined contribution plan that provides for full and immediate vesting of all contributions remitted to the participating companies on behalf of the participants. Eligible employees make an irrevocable election to participate in the optional retirement plan rather than the TRSL and purchase retirement and death benefits through contracts provided by designated companies. Benefits payable to participants are not the obligation of the State of Louisiana or the TRSL. Such benefits and other rights of the ORP are the liability and responsibility solely of the designated company or companies to whom contributions have been made.

R.S. 11:927 sets the contribution requirements of the ORP plan members and the employer equal to the contribution rates established for the regular retirement plan of TRSL. However, effective July 1, 2014, the employer contribution rate for amounts credited to the ORP participants who are not employed in higher education must be the greater of: (1) the employer normal cost contribution for the TRSL Regular Plan; or (2) 6.2%.

Employer ORP contributions to TRSL for fiscal year 2017 totaled \$32,589, which represents pension expense for the School Board. Employee contributions totaled \$41,787. The Active member and employer contribution rates were 8% and 6.2%, respectively, with an additional employer contribution of 21.2% made to the TRSL defined benefit plan described above.

9. Other Post-Employment Benefits

Effective with the fiscal year ended June 30, 2008, the School Board implemented Government Accounting Standards Board Statement Number 45, Accounting and Financial Reporting by Employers for Post Employment Benefits Other than Pensions (GASB 45).

Plan description - In accordance with state statutes, the School Board provides certain continuing health care and life insurance benefits for its retired employees on a pay-as-you-go basis. The School Board's OPEB Plan is a single-employer defined benefit "substantive plan" as understood by past practices of the School Board and its employees. Although no written plan or trust currently exists or is sanctioned by law, the OPEB plan is based on communication to plan members. Also, no stand-alone financial report was prepared. Substantially all of the School Board's employees become eligible for these benefits if they reach normal retirement age while working

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for the School Board. These benefits and similar benefits for active employees are provided through the Office of Group Benefits, whose monthly premiums are paid jointly by the employee and the School Board. The Office of Group Benefits is an insurer that offers benefits through a cost-sharing, multiemployer defined benefit plan. The School Board also pays the costs of life insurance for qualified individuals.

Funding Policy - The contribution requirements of plan members and the School Board are established and may be amended by LRS 42:801-883. Employees do not contribute to their post-employment benefits cost until they become retirees and begin receiving those benefits. The retirees contribute to the cost of retiree healthcare based on a rate schedule. Contribution amounts are approximately 25% retiree/75% employer of the stated costs of healthcare coverage.

The plan is currently financed on a “pay as you go basis”, with the School Board contributing \$7,766,074 for 1,257 retirees for the year ended June 30, 2017.

Annual Other Post Employment Benefit Cost and Liability - The School Board’s Annual Required Contribution (ARC) is an amount actuarially determined in accordance with GASB 45. The ARC represents a level of funding that, if paid on an ongoing basis, would cover normal cost each year and amortize any unfunded actuarial liabilities (UAL) over a period of thirty years. A 30-year closed amortization period (the maximum amortization period allowed by GASB 45) was used for post-employment benefits.

The total ARC for fiscal year 2017, as determined by an actuary as of July 1, 2015, is \$16,314,558 as set forth below:

	2017
Normal cost	\$ 6,808,506
30-year UAL amortization amount	9,506,052
Annual required contribution (ARC)	<u>\$ 16,314,558</u>

The following table presents the School Board’s OPEB Obligation for fiscal year 2017, 2016, and 2015:

	2017	2016	2015
Beginning Net OPEB Obligation	\$ 80,037,142	\$ 72,918,420	\$ 65,669,728
Annual required contribution	16,314,558	15,813,360	15,268,704
Interest on Net OPEB Obligation	2,801,300	2,916,737	2,626,789
ARC Adjustment	(4,049,987)	(4,216,879)	(3,797,687)
OPEB Cost	15,065,871	14,513,218	14,097,806
Current year retiree premium	(7,766,074)	(7,394,496)	(6,849,114)
Change in Net OPEB Obligation	7,299,797	7,118,722	7,248,692
Ending Net OPEB Obligation	<u>\$ 87,336,939</u>	<u>\$ 80,037,142</u>	<u>\$ 72,918,420</u>
 % of contribution plus premium to cost	 51.55%	 50.95%	 48.58%

Funded Status and Funding Progress - Since the plan is not funded, the School Board’s entire actuarial accrued liability of \$174,836,472 was unfunded.

Ouachita Parish School Board
Notes to the Financial Statements
Fiscal Year Ended June 30, 2017

The funded status of the plan, as determined by an actuary as of July 1, 2015, was as follows:

	2017
Actuarial accrued liability (AAL)	\$ 174,836,472
Actuarial value of plan assets (AVP)	-
Unfunded actuarial accrued liability (UAAL)	\$ 174,836,472
Funded ratio (AVP/AAL)	0.00%
Covered payroll (active plan members)	\$ 114,464,705
UAAL as a percentage of covered payroll	152.74%

Actuarial Methods and Assumptions - Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities consistent with the long-term perspective of the calculations.

In the July 1, 2015 Ouachita Parish School Board actuarial valuation, the projected unit credit actuarial cost method was used. The level dollar open amortization method was used. The actuarial assumptions included a 3.5% discount rate on investments. An age-based turnover scale was used, which ranged from 13% at ages 18 to 41 and graduated down to 5% at age 50 and over. The expected trend rate on increase in healthcare costs was based on a flat annual rate of 5.5%. Both the investment return assumption and the healthcare trend rates include a 2.5% inflation assumption. The 1994 Group Annuity Reserving (94GAR) table, projected to 2002, based on a fixed blend of 50% of the unloaded male mortality rates and 50% of the unloaded female mortality rates, is used in making actuarial assumptions in regards to mortality rates.

The remaining amortization period at June 30, 2017 for other post-employment benefits (OPEB) was twenty-one years. The required schedule of funding progress immediately following the notes presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing overtime relative to the actuarial accrued liability.

10. Agency Fund Deposits Due Others (FFS level only)

The following is a summary of changes in agency fund deposits due others for fiscal year ended June 30, 2017:

	Balance Beginning	Additions	Deletions	Balance Ending
Agency Fund:				
School Activities Fund	\$ 4,885,073	\$ 10,587,107	\$ 10,537,061	\$ 4,935,119
Total	\$ 4,885,073	\$ 10,587,107	\$ 10,537,061	\$ 4,935,119

**Ouachita Parish School Board
Notes to the Financial Statements
Fiscal Year Ended June 30, 2017**

11. General Long-Term Obligations

The general obligation bonds are obligations of East Ouachita Bond District, with maturities from 2018 to 2034 and interest rates from 0.5% to 6.0%. General obligation bonds' principal and interest requirements are funded in accordance with Louisiana law by the annual ad valorem tax levy on taxable property within the respective taxing districts. In accordance with Louisiana Revised Statute 39:562, the School Board is legally restricted from incurring long-term general obligation bonded debt in excess of 50% of the total assessed value of all property in the taxing district. Although the total assessed value of Ouachita Parish is \$847,314,024 as a whole at June 30, 2017, the statutory limit and debt margins for the School Board's taxing districts are as follows:

	East Ouachita Bond District	Total OPSB Authority
Assessed Value	\$ 320,745,859	\$ 847,314,024
50% of assessed value	160,372,930	423,657,012
Less: Outstanding general obligation bonds	(89,650,000)	(89,650,000)
Debt Margin	<u>\$ 70,722,930</u>	<u>\$ 334,007,012</u>

The School Board's East Ouachita Bond District has \$3,639,025 available in debt service funds as of June 30, 2017.

Ouachita Parish School Board
Notes to the Financial Statements
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The individual bond issues for the governmental activities are as follows:

Original Issue	Issue Date	Original Borrowing	Interest Rates to Maturity	Interest to Maturity	Fiscal Year Final Maturity	Outstanding June 30, 2017
General obligation bonds:						
Capital Improvements - East Ouachita	1/1/2008	\$ 10,000,000	4.00%-6.00%	\$ 13,800	2018	\$ 345,000
New middle school/Capital Improvements - East Ouachita	1/1/2009	9,785,000	4.00%-5.00%	45,000	2019	660,000
New middle/Elementary School/Capital Improvements - East Ouachita	1/1/2010	9,200,000	2.75%-4.375%	3,284,012	2034	7,625,000
New elementary school/Capital Improvements - East Ouachita	7/1/2011	9,800,000	2.00%-4.00%	2,083,588	2031	7,765,000
Capital Improvements - East Ouachita	3/1/2012	9,500,000	1.00%-3.50%	2,061,587	2032	7,895,000
New middle school/Capital Improvements - East Ouachita	7/29/2014	9,800,000	2.00%-3.50%	2,641,749	2034	8,810,000
Capital Improvements - East Ouachita, Refunding	7/31/2014	9,230,000	0.51%-3.62%	1,101,363	2025	7,440,000
New middle school/Capital Improvements - East Ouachita	2/26/2015	18,700,000	3.00%-5.00%	5,654,450	2034	17,330,000
Capital Improvements - East Ouachita, Refunding	3/29/2016	12,330,000	2.00%-4.00%	1,547,700	2024	10,960,000
Capital Improvement - East Ouachita, Refunding	7/27/2016	20,840,000	2.00%-4.00%	7,657,950	2033	20,820,000
Total general obligation bonds				<u>\$ 26,091,199</u>		<u>\$ 89,650,000</u>

Original Issue	Issue Date	Original Borrowing	Interest Rates to Maturity	Interest to Maturity	Fiscal Year Final Maturity	Outstanding June 30, 2017
Revenue bonds:						
Capital Improvements - West Ouachita	10/1/2007	\$ 11,950,000	4.00%-6.00%	\$ 14,400	2018	\$ 720,000
Capital Improvements - West Ouachita	10/1/2008	5,000,000	3.25%-4.25%	25,700	2019	635,000
Capital Improvements - West Ouachita, Refunding	3/30/2009	29,490,000	3.00%-4.50%	2,808,313	2024	18,500,000
Capital Improvements - West Ouachita, Refunding	12/9/2010	8,545,000	2.00%-4.00%	1,330,962	2025	6,415,000
Capital Improvements - West Ouachita	8/20/2015	20,000,000	2.00%-5.00%	7,911,744	2035	19,530,000
Capital Improvements - West Ouachita, Refunding	11/30/2016	9,865,000	2.00%-5.00%	1,988,750	2025	9,865,000
Total revenue bonds				<u>\$ 14,079,869</u>		<u>\$ 55,665,000</u>

Original Issue	Issue Date	Original Borrowing	Interest Rates to Maturity	Interest to Maturity	Fiscal Year Final Maturity	Outstanding June 30, 2017
Qualified School Construction Bonds:						
Capital Improvements-West Ouachita	11/9/2009	\$ 10,000,000	0.60%	\$ 480,000	2025	\$ 10,000,000
Total Qualified School Construction Bonds				<u>\$ 480,000</u>		<u>\$ 10,000,000</u>
Limited Tax Certificates:						
Capital Improvements, West Ouachita	7/29/2014	15,000,000	3.00%-5.00%	\$ 1,011,250	2022	\$ 9,790,000
Total Limited Tax Certificates of Indebtedness				<u>\$ 1,011,250</u>		<u>\$ 9,790,000</u>
Total bonded debt				<u>\$ 41,662,318</u>		<u>\$ 165,105,000</u>

Ouachita Parish School Board
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Bond principal and interest are due in total, to maturity, as follows:

Year Ended June 30,	Principal Payments	Interest Payments	Total
2018	\$ 11,575,000	\$ 5,587,206	\$ 17,162,206
2019	12,085,000	5,182,231	17,267,231
2020	12,520,000	4,726,214	17,246,214
2021	13,005,000	4,272,521	17,277,521
2022	13,530,000	3,736,115	17,266,115
2023-2027	57,935,000	12,090,263	70,025,263
2028-2032	33,320,000	5,472,656	38,792,656
2033-2036	11,135,000	595,112	11,730,112
Total	\$ 165,105,000	\$ 41,662,318	\$ 206,767,318

The following is a summary of governmental activities long-term obligation transactions for the year ended June 30, 2017:

Long-term Obligations	Balance, Beginning	Additions	Deductions	Balance, Ending	Amounts Due within One Year
General obligation bonds	\$ 95,690,000	\$ 20,840,000	\$ 26,880,000	\$ 89,650,000	\$ 5,420,000
Revenue bonds	64,310,000	9,865,000	18,510,000	55,665,000	4,310,000
QSCB and Limited Tax Certificates	21,580,000	-	1,790,000	19,790,000	1,845,000
Bond premiums	3,451,461	3,426,636	688,607	6,189,490	688,607
Claims liability	2,009,916	-	713,492	1,296,424	249,816
Compensated absences	7,936,874	3,866,763	4,200,978	7,602,659	4,200,978
OPEB liability	80,037,142	15,065,871	7,766,074	87,336,939	-
Net pension liability	264,603,303	49,638,389	29,448,085	284,793,607	-
Total	\$ 539,618,696	\$ 102,702,659	\$ 89,997,236	\$ 552,324,119	\$ 16,714,401

Refunding: During the fiscal year, the School Board issued \$20.84 million in general obligation bonds to current and advance refund \$21.635 million of general obligation bonds to reduce total future debt service payments. The net proceeds of \$23.26 million (bond proceeds of \$20.84 million plus a premium of \$2.34 million plus \$160 thousand from the School Board's sinking funds less \$76 thousand in bond issuance costs) on July 27, 2016 were deposited in an irrevocable trust with an escrow agent to provide resources for the purpose of generating resources for all future debt service payments of the refunded general obligation bonds. As a result, these general obligation bonds are considered defeased and the liability for those bonds has been removed from the general obligation long-term debt. The refunding provided resources for the current redemption of Series 2007 (\$7.37 million) and the advanced redemption of Series 2008 (\$7.205 million) and Series 2009 (\$7.06 million) in general obligation bonds. The refunded bonds will be repaid over a period of sixteen years at overall interest rates ranging between 2.00% and 4.00%. The refunding resulted in a reduction of \$2,144,990 in future debt service payments over the next 16 years for an economic benefit of \$1,782,405.

Additionally, during the fiscal year, the School Board issued \$9.865 million in revenue bonds to current and advance refund \$13.89 million of revenue bonds to reduce total future debt service payments. The net proceeds of \$14.46 million (bond proceeds of \$9.865 million plus a premium of \$1.09 million along with bond reserve and debt service funds of \$3.73 million less \$221 thousand in bond issuance cost) on November 30, 2016 were deposited in an irrevocable trust with an escrow agency to provide resources for the purpose of generating resources for all future debt service payments of the refunded revenue bonds. As a result, these revenue bonds are considered defeased and the liability for those bonds has been removed from the revenue bonds long-term debt. The refunding provided resources for the current redemption of Series 2006 (\$5.42 million) and the

Ouachita Parish School Board
Notes to the Financial Statements
Fiscal Year Ended June 30, 2017

advanced redemption of Series 2007 (\$6.145 million) and Series 2008 (\$2.325 million) in revenue bonds. The refunded bonds will be repaid over a period of eight years at overall interest rates ranging from 2.0% to 5.0%. The refunding resulted in a reduction of \$4,640,870 in future debt service payments over the next eight years for an economic benefit of \$831,801.

Defeasance of Debt: In the current year, the School Board defeased general obligation bonds by placing the proceeds of the new bonds in an irrevocable trust account to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the School Board's financial statements. At June 30, 2017, \$22.735 million of defeased bonds remain outstanding.

All bonds issued during this fiscal year were assigned a rating of "AA-/Stable" by *Standard & Poor's Public Finance Ratings*.

Payments on the general obligation bonds payable that pertain to the School Board's governmental activities are made by the East Ouachita Debt Service Fund. Payments on the revenue bonds payable that pertain to the School Board's governmental activities are funded by transfers from the West Ouachita Sales Tax Special Revenue Fund to the West Ouachita Debt Service Fund. The compensated absences liability attributable to the governmental activities will be liquidated by the School Board's General Fund. Claims liability will be liquidated by internal service funds.

The School Board does not have plans to place funds in an irrevocable trust to liquidate the other post-employment benefits (OPEB) liability. It is the School Board's plan to continue on a pay-as-you go basis for OPEB benefits. As a result, this liability will continue to increase over time. The cost of OPEB benefits is funded each year with General Fund resources as the obligation becomes due.

Each year the Louisiana Public Employee Retirement Systems Actuary Committee approves the contribution rates for employees and employers needed to fund 100% of the annual required contribution required to fund both the current and unfunded portions of the net pension liability as required by state law for each state-sponsored retirement system plan. The School Board pays 100% of the required annual contribution as determined by eligible active employee wages and contributions are funded from the same sources the related salaries are paid.

12. Interfund Assets/Liabilities (FFS level only)

Individual balances due to/from other funds at June 30, 2017 were as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	
General Fund	Nonmajor Governmental	\$ 2,042,814
		<u>\$ 2,042,814</u>

The primary purpose of the year-end interfund receivable/payable balance is to cover expenditures for cost reimbursement programs until reimbursements are received. All interfund balances are expected to be paid during the 2017-2018 fiscal year.

13. Litigation and Contingencies

Litigation At June 30, 2017, the School Board is involved in various litigations. It is the opinion of management and legal counsel for the School Board that potential claims against the School Board not covered by insurance would not materially affect the financial statements.

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Sales Tax Revenue The City of Monroe (as the sales tax collector for all governments within the parish) is involved in lawsuits filed in District Court requesting a refund of sales taxes paid by one vendor. A judgment of approximately \$430,000 has been awarded to the plaintiff in one lawsuit; however, the repayment agreement has not been settled to date. The School Board's potential liability is estimated at 50% of the judgment, or \$215,000, if upheld.

In October of 2015, another lawsuit was filed against the City of Monroe by another vendor with the Board of Tax requesting a refund and is waiting to be scheduled for hearing. The plaintiff is seeking a refund of sales taxes paid of \$2,077,843 plus any applicable interest during the period February, 2007 to July, 2010. The School Board's responsibility would be 50% of the determined liability, if any.

The sales taxes requests by both vendors were received and recorded as revenue by the School Board in prior fiscal years. Currently, it is unknown as to the outcome of these lawsuits but based on similar lawsuits in different parishes, management believes that any potential liability will be minimal to the School Board. The impact of a loss on the fund financial statements for the School Board's portion of any liability would be allocated as follows: 1/6 to School District No. 1 Sales Tax (a major special revenue fund) and for non-major special revenue funds: 1/3 to 1995 Sales Tax 1.0%; 1/3 to West Ouachita Sales Tax; and 1/6 to 1968 Sales Tax 0.5%.

See Note 17 for additional information.

Grant Disallowance The School Board participates in a number of state and federally assisted grant programs. The programs are subject to compliance audits under the single audit approach. Such audits could lead to requests for reimbursement by the grantor agency for expenditures disallowed under terms of the grants. School Board management believes that the amount of disallowances, if any, which may arise from future audits will not be material.

Tax Arbitrage Rebate Under the Tax Reform Act of 1986, interest earned on the debt proceeds in excess of interest expense prior to the disbursement of the proceeds must be rebated to the Internal Revenue Service (IRS). Management believes there is no tax arbitrage rebate liability at year end.

Committed Construction The School Board had \$20,175,038 in various construction and renovation projects underway for the West Ouachita School District and \$1,744,314 for the East Ouachita School District. Total amount remaining on these projects at June 30, 2017 was \$3,820,673. These construction contracts are projected to be complete within the next two fiscal years.

14. On-Behalf Payments for Fringe Benefits and Salaries

On-behalf payments for fringe benefits and salaries are direct payments by an entity (the paying agent) to a third-party recipient for the employees of another, legally separate entity (the employer entity). GASB Statement No. 24 requires that employer governments to recognize revenue and expenditures or expenses for these on-behalf payments.

The State of Louisiana made \$14,109 in pension contributions (regarding Professional Improvement Program) directly to the Teachers' Retirement System of Louisiana on behalf of the School Board. This amount was recognized as state revenue and a corresponding expenditure in the applicable fund from which the salary was paid.

**Ouachita Parish School Board
Notes to the Financial Statements
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The Ouachita Parish Tax Collector made \$639,772 in retirement remittances to the Teachers' Retirement System of Louisiana. This amount was recognized as ad valorem revenue and a reduction in the School Board's required contribution in the General Fund.

15. Economic Dependency

The Minimum Foundation Program funding provided by the state to all public school systems in Louisiana is primarily based on October 1 student count. The state provided \$120,074,945 to the School Board, which represents approximately 53.3% of the School Board's total revenue for the year.

The Minimum Foundation Program (MFP) formula adopted by the State legislature now requires a portion of the School Board's state MFP funding, representing a per pupil allotment of all local tax revenue collected by the School Board, to be deducted from the State MFP allocation paid monthly to the School Board and transferred to other educational providers. This occurs when a student who resides within the jurisdictional boundaries of the Ouachita Parish School Board attends a public charter school, a state recognized special school or participates in the State's scholarship program to attend a private school, which operates outside the governance of the Ouachita Parish School Board but under the authority and oversight of the State Board of Elementary and Secondary Education. A total of \$494,123 was reported as Minimum Foundation funding revenue for the 2016-2017 fiscal year related to local revenue transfers to other educational providers. This local revenue transfer is reported as a regular program expenditure in the governmental fund financial statements and the government-wide financial statements.

16. Interfund Transfers (FFS level only)

Transfers to/from other Governmental Funds for the year ended June 30, 2017 were as follows:

	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ -	\$ 690,000
School District No. 1 Sales Tax	100,000	-
Nonmajor Governmental	9,591,144	9,591,144
Internal Service Fund	590,000	-
	<u>\$ 10,281,144</u>	<u>\$ 10,281,144</u>

A transfer of \$100,000 was made from the General Fund to the School District No.1 Sales Tax Special Revenue fund for maintenance and operation expenditures that exceed the normal allocation of revenue in this fund. A \$590,000 transfer was made from the General Fund to the Self-Insurance Internal Service Fund to support increased estimates for payment of claims liabilities at year-end. Transfers of \$9,591,144 were made from the West Ouachita Sales Tax fund to various debt service funds for required principal and interest payments related to debt issuances in the West Ouachita district.

17. Subsequent Events

Sales tax collections have continued to decrease in applicable tax areas in 2017-2018. All four sales tax funds have been affected. A 2% decrease in sales tax collection was initially budgeted for 2017-2018 but a revision of budget is planned to amend to a 4% reduction in sales tax collection.

Ouachita Parish School Board
Notes to the Financial Statements
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On September 12, 2017 the School Board adopted a resolution providing for the issuance of \$7,330,000 of East Ouachita General Obligation Refunding Bonds, Series 2017. These General Obligation Refunding bonds are an advanced refunding of East Ouachita 2010 General Obligation Bonds. The refunding bonds were issued September 26, 2017.

In July 2017, the School Board purchased 11 school buses in the amount of \$890,976. Two thousand seven hundred forty-five Chromebooks from two vendors for a total of \$716,880 across multiple funding sources were purchased.

On March 20, 2018, a settlement agreement was reached regarding a lawsuit that was filed by a vendor requesting a refund of sales taxes paid over the years of 2000 to 2011. The settlement agreement is the agreement and release of all sales and use tax audit claims and refund claims for the tax periods beginning January 1, 2000 and ending December 31, 2017. This agreement provides for the City of Monroe (as the sales tax collector for all governments within the parish) to refund the Taxpayer a sum of \$1.5 million in the form of future credits to be taken against reported sales and use tax owed over a period of 15 years. The School Board's portion of this liability is 50% and will be allocated as follows: 1/6 to School District No. 1 Sales Tax (a major special revenue fund) and for non-major special revenue funds: 1/3 to 1995 Sales Tax 1.0%; 1/3 to West Ouachita Sales Tax; and 1/6 to 1968 Sales Tax 0.5%. The School Board did not record a liability at June 30, 2017 for this settlement.

18. Pledge Revenues

The School Board has pledged future collections of the 5.18 mills constitutional ad valorem tax to repay the QSCB Revenue Bonds, Series 2009. The original bond issue was \$10,000,000 in which the proceeds from the bonds provided financing for the purpose of constructing, acquiring, improving and maintaining public schools and school related facilities. The revenue bonds are payable through fiscal year 2025. The debt service sinking fund and interest payments remaining to be paid on the QSCB bonds are \$5,281,120 and \$480,000, respectively. For the year ended June 30, 2017, the School Board received \$3,503,561 from the collection of the 5.18 mills constitutional ad valorem tax and made the required annual deposit of \$666,668 into the debt service sinking fund and interest payments of \$60,000. The annual required debt service fund deposit and interest payments are estimated to be 20.6% of the tax revenue over the next eight years.

The School Board has pledged future collections of the 24.15 mills special ad valorem tax to repay the Limited Tax Certificates, Series 2014. The original bond issue was \$15,000,000 in which the proceeds from the bonds provided financing for the purpose of constructing, acquiring, improving and maintaining public schools and school related facilities. The revenue bonds are payable through fiscal year 2022. The principal and interest payments remaining to be paid on the Limited Tax Certificates are \$9,790,000 and \$1,011,250, respectively. For the year ended June 30, 2017, the School Board received \$16,334,157 from the collection of 24.15 mills special ad valorem tax and made the required principal payments of \$1,790,000 and interest payments of \$458,100. The principal and interest payments are estimated to be 13.2% of the tax revenue over the next five years.

The School Board has pledged future collections of the 1% sales and use tax being levied and collected pursuant to the provisions of the law and in compliance with the said election, held on November 18, 1997 and again on March 28, 2015, to repay the Sales Tax Bond issuances for the West Ouachita Parish School District. The total original bond issuances were \$84,565,000. Proceeds from the bonds provide financing for the purpose of constructing, acquiring, improving, and maintaining public schools and school related facilities. These excess revenue bonds are paid solely from the West Ouachita 1% Sales Tax Collections and are payable through fiscal year 2035. The total principal and interest remaining to be paid on the Sales Tax Revenue Bonds are \$55,665,000 in principal and \$14,079,869 in interest. Of the \$12,442,378 received for the 1% sales tax collections, the School Board paid \$4,625,000 in principal payments and \$2,218,686 in interest payments for fiscal year ended June 30,

**Ouachita Parish School Board
Notes to the Financial Statements
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2017. The annual principal and interest payments are estimated to be 31.1% of the tax revenues over the next 18 years. See Note 11 for additional information on the Sales Tax Revenue Bonds payable.

19. New GASB Standards

In fiscal year 2017, the School Board adopted the following new statement of financial accounting standards issued by the Governmental Accounting Standards Board:

- *Statement No. 77 – Tax Abatement Disclosures* establishes standards of accounting and financial reporting for tax abatements. Financial statement users need information about certain limitations on a government's ability to raise resources. This includes limitations on revenue-raising capacity resulting from government programs that use tax abatements to induce behavior by individuals and entities that is beneficial to the government or its citizens. Tax abatements are widely used by state and local governments, particularly to encourage economic development. This Statement requires disclosure of tax abatement information about (1) a reporting government's own tax abatement agreements and (2) those that are entered into by other governments and that reduce the reporting government's tax revenues.
- *Statement No. 82 – Pension Issues* establishes standards to improve consistency in the application of pension accounting and financial reporting requirements by addressing certain issues that have been raised with respect to statements No. 67, No. 68, and No. 73. This Statement addresses issues regarding (1) the presentation of payroll-related measures in required supplementary information, (2) the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes, and (3) the classification of payments made by employers to satisfy employee (plan member) contribution requirements.

The adoption of these standards had no impact on the government-wide or the governmental fund financial statements, but provide for guidance, clarification and/or additional disclosures in the notes to the financial statements and required supplementary information related to pensions. See Note 21 for more information regarding the School Board's tax abatements.

20. Change in Presentation

The following funds were reported as major funds for the fiscal years ended June 30:

	<u>2017</u>	<u>2016</u>
Governmental Funds		
General Fund	Yes	Yes
School District No. 1 Sales Tax	Yes	Yes
East Ouachita Construction	No	Yes
West Ouachita 2015 Construction	No	Yes

Ouachita Parish School Board
Notes to the Financial Statements
Fiscal Year Ended June 30, 2017

21. Tax Abatements

The School Board is subject to two property tax abatements granted by the Louisiana Department of Economic Development, Office of Commerce and Industry: Industrial Tax Exemption Program (ITEP) and Restoration Tax Abatement Program (RTA).

Louisiana's ITEP program provides that any manufacturing establishment entering Louisiana, or any manufacturing establishment expanding its Louisiana facilities, is eligible to receive exemption on buildings and equipment from state, parish and local property taxes for a period of ten years. The exemption is for the "contract" value of buildings or equipment used by the business. The initial term of the abatement is up to five years and the option to renew is for an additional five years. When the exemption expires, the property is to be placed on the tax roll at 15% of its current market value. The amount of tax abatement under this program during the fiscal year ended June 30, 2017 by authorized millage is as follows:

<u>District</u>	<u>Millage</u>	<u>Assessed Value Lost to ITEP</u>	<u>Estimated Tax Dollar Lost to ITEP</u>
Parish School	5.18	\$ 74,684,958	\$ 386,868
School M & O	24.15	74,684,958	1,803,642
East Ouachita School Bond	30.00	12,808,907	384,267
			<u>\$ 2,574,777</u>

Louisiana's RTA program provides commercial property owners and homeowners who expand, restore, improve or develop an existing structure in the downtown development districts, economic development districts and historic districts the right for five years after completion of the work, to pay ad valorem taxes based on the assessed valuation of the property for the year prior to the commencement of the project. The contract under the exemption law provides for a five-year abatement of ad valorem taxes on the increased value of the property, with an option to renew for an additional five years. If the property is sold, the contract may be transferred, subject to local government and board approval. The amount of tax abatement under this program during the fiscal year ended June 30, 2017 by authorized millage is as follows:

<u>District</u>	<u>Millage</u>	<u>Assessed Value Lost to RTA</u>	<u>Estimated Tax Dollar Lost to RTA</u>
Parish School	5.18	\$ 289,431	\$ 1,499
School M & O	24.15	289,431	6,990
East Ouachita School Bond	30.00	-	-
			<u>\$ 8,489</u>

Required Supplementary Information

2016-17 Ouachita Parish Teachers of the Year



Dr. Don Coker, Superintendent

Darron Underwood, Ouachita Parish High School

Emily Lincecum, Calhoun Middle School

Angela Barfoot, Highland Elementary School

Ouachita Parish School Board

**Schedule of Funding Progress for Other Post Employment Benefit Plan
June 30, 2017**

Exhibit 1

		(a)	(b)	(a-b)	(b/a)	(c)	(a-b)/(c)
Year Ended June 30	Actuarial Valuation Date	Actuarial Accrued Liability (AAL)	Actuarial Value of Assets	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
2013	7/1/2011	\$ 136,603,605	\$ -	\$ 136,603,605	0%	\$ 111,059,087	123.00%
2014	7/1/2013	165,364,428	-	165,364,428	0%	114,970,709	143.83%
2015	7/1/2013	171,979,005	-	171,979,005	0%	115,407,556	149.02%
2016	7/1/2015	174,836,472	-	174,836,472	0%	115,877,994	150.88%
2017	7/1/2015	174,836,472	-	174,836,472	0%	114,464,705	152.74%

Ouachita Parish School Board

**Schedule of Employer's Proportionate Share of the Net Pension Liability
June 30, 2017**

Exhibit 2-1

<u>Fiscal Year</u>	<u>Employer's Proportion of the Net Pension Liability</u>	<u>Employer's Proportionate Share of the Net Pension Liability</u>	<u>Employer's Covered Payroll</u>	<u>Employer's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Employee Payroll</u>	<u>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</u>
Louisiana School Employees' Retirement System					
2015	4.02530%	\$ 23,334,193	\$ 11,290,752	207%	76.18%
2016	4.05591%	25,719,649	11,545,002	223%	74.49%
2017	4.00814%	30,235,264	11,849,782	255%	70.09%
Teacher's Retirement System of Louisiana					
2015	2.23540%	\$ 228,489,837	\$ 97,611,588	234%	63.70%
2016	2.22170%	238,883,654	97,543,129	245%	62.50%
2017	2.16886%	254,558,343	97,524,859	261%	59.90%

Notes:

The amounts presented have a measurement date of the previous fiscal year end.

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10 year trend is compiled, only information for those years for which information is available is presented.

Ouachita Parish School Board

**Schedule of Employer Contributions to Pension Plans
June 30, 2017**

Exhibit 2-2

<u>Fiscal Year</u>	<u>Contractually Required Contribution</u>	<u>Contributions in Relation to Contractually Required Contributions</u>	<u>Contribution Deficiency (Excess)</u>	<u>Employer's Covered Payroll</u>	<u>Contributions as a Percentage of Covered Employee Payroll</u>
Louisiana School Employees' Retirement System					
2015	\$ 3,808,457	\$ 3,808,457	\$ -	\$ 11,545,002	33.0%
2016	3,583,677	3,583,677	-	11,849,782	30.2%
2017	3,286,297	3,286,297	-	12,037,717	27.3%
Teacher's Retirement System of Louisiana					
2015	\$ 28,466,933	\$ 28,466,933	\$ -	\$ 97,543,129	29.2%
2016	26,479,731	26,479,731	-	97,524,859	27.2%
2017	24,650,214	24,650,214	-	96,654,505	25.5%

Notes:

The amounts presented were determined as of the fiscal year end.

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10 year trend is compiled, only information for those years for which information is available is presented.

Ouachita Parish School Board

Notes to Required Supplementary Information for Pensions

June 30, 2017

Louisiana School Employees' Retirement System

Changes in Benefit Terms: Amounts reported after 2015 include a change in benefit terms for members whose first employment makes them eligible for membership in a Louisiana state retirement system on or after July 1, 2015. These employees may retire with a 2.5% benefit factor after attaining the age of 62 with at least 5 years of service credit and are eligible for an actuarially reduced benefit with 20 years of service at any age. This benefit change raised the age requirement from 60 years of age for members hired after June 30, 2010.

Changes in assumptions: For amounts reported in 2016, the valuation investment rate of return was reduced from the 7.25% reported in 2015 to 7.00%. The reduction was made to account for the funding of administrative expenses out of investment earnings. Prior to this valuation, no explicit provision was made to fund or offset administrative expenses. For amounts reported in 2017, based on Act 94 of the 2016 Regular Session of the Legislature, the explicit cost of projected noninvestment related administrative expense were included in the calculation of the actuarially required contribution for the plan. With this change, the valuation of plan liabilities based on valuation interest rate set for 0.25% below the assumed long-term rate of return was reduced from 7.25% to 7.125%, and the valuation interest rate was set equal to the long-term rate of return.

Change in discount rate: For LSERS, the discount rate used in the June 30, 2016 net pension liability valuation was increased from the 7.0% used in the June 30, 2015 valuation to 7.125%. For the June 30, 2015 year, the discount rate assumed 0.25% of investment return would offset administrative expenses. Based on Act 94 of the 2016 regular session of the legislature, beginning with the June 30, 2016 actuarial evaluation, the explicit cost of projected noninvestment related administrative expenses will be included in the calculation of the actuarially required contributions for the System. Prior to this valuation, no explicit provision was made to fund or offset administrative expenses. With this change, the valuation of plan liabilities based on a valuation interest rate set for .25% below the assumed long-term rate of return is no longer necessary. Instead, for the June 30, 2016 actuarial valuation, the assumed long-term rate of return was reduced from 7.25% to 7.125%, and the valuation interest rate was set equal to the long-term rate of return.

Teacher's Retirement System of Louisiana

Changes in Benefit Terms: Amounts reported after 2015 include a change in benefit terms for members whose first employment makes them eligible for membership in a Louisiana state retirement system on or after July 1, 2015. These employees may retire with a 2.5% benefit factor after attaining the age of 62 with at least 5 years of service credit and are eligible for an actuarially reduced benefit with 20 years of service at any age. This benefit change raised the age requirement from 60 years of age for members hired after June 30, 2010.

Ouachita Parish School Board

Budgetary Comparison Schedules Fiscal Year Ended June 30, 2017

General Fund and Major Special Revenue Funds with Legally Adopted Budgets

General Fund

The General Fund accounts for all activities of the School Board except for those that are accounted for in other funds. The major source of revenues for the General Fund are state equalization funding through the Minimum Foundation Program formula and a 24.15-mill ad valorem tax that was renewed in April 2011 for 10 years.

Special Revenue Funds

Special Revenue Funds account for and report the proceeds of specific revenue sources (other than special assessments) that are legally restricted or committed to expenditures for specified purposes other than debt service or capital projects. The term “proceeds of specific revenue sources” establishes that one or more specific restricted or committed revenues should be the foundation for a special revenue fund. These funds, for the most part, are established for specific educational purposes and funded through the U. S. Department of Education or the Louisiana State Department of Education. The School Board is centrally located in Northeast Louisiana and acts as a regional fiscal agent for the State Department of Education for many educational programs.

School District No. 1 Sales Tax Fund

The School District No.1 Sales Tax Fund collects, records and disburses funds related to the .5% sales tax renewed in April 2011 for 10 years to provide additional support for the school system. The School Board committed the tax classroom instruction - 36%, capital improvements - 23%, facility and equipment support - 15%, mandated costs - 14%, and salary restoration - 12%.

OUACHITA PARISH SCHOOL BOARD

**GENERAL FUND
Budgetary Comparison Schedule
For the Year Ended June 30, 2017**

Exhibit 3-1

**VARIANCE WITH
FINAL BUDGET
POSITIVE
(NEGATIVE)**

	<u>BUDGETED</u>	<u>AMOUNTS</u>	<u>ACTUAL</u>	
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>AMOUNTS</u>	
BUDGETARY FUND BALANCES, BEGINNING	\$ 19,052,560	\$ 19,120,339	\$ 19,124,860	\$ 4,521
Resources (inflows)				
Local sources:				
Ad valorem taxes	19,149,386	19,864,911	19,867,366	2,455
1% ad valorem - tax collector	610,000	630,232	639,772	9,540
Interest earnings	365,000	365,000	190,138	(174,862)
Other	1,562,439	1,615,832	1,471,861	(143,971)
State sources:				
Equalization	118,823,989	118,635,263	118,635,263	-
Revenue sharing	782,238	817,206	817,187	(19)
Unrestricted grants-in-aid	10,956	1,000	2,907	1,907
Restricted grants-in-aid	812,054	813,010	759,372	(53,638)
Federal sources	382,884	391,967	401,715	9,748
Proceeds from sale of assets	12,000	9,000	7,763	(1,237)
Insurance recoveries	2,000	5,113	17,654	12,541
Transfers from other funds	4,498	4,520	-	(4,520)
Amounts available for appropriations	<u>161,570,004</u>	<u>162,273,393</u>	<u>161,935,858</u>	<u>(337,535)</u>
Charges to appropriations (outflows)				
Current:				
Instruction:				
Regular programs	58,783,863	58,431,142	57,503,583	927,559
Special education programs	13,094,146	13,041,616	12,894,183	147,433
Vocational programs	3,403,676	3,153,786	2,885,422	268,364
Other instructional programs	4,975,410	5,191,797	5,036,083	155,714
Special programs	352,990	409,468	412,594	(3,126)
Support services:				
Student services	8,933,057	9,042,253	8,942,810	99,443
Instructional staff support	8,038,452	8,012,040	7,592,037	420,003
General administration	624,174	686,968	622,620	64,348
School administration	12,113,708	11,972,345	11,859,992	112,353
Business services	2,567,808	2,237,269	2,217,543	19,726
Plant services	17,197,334	17,526,391	17,273,504	252,887
Student transportation services	9,564,349	9,419,735	9,172,154	247,581
Central services	3,012,322	2,954,944	2,913,286	41,658
Food services	1,219,407	1,122,612	1,133,132	(10,520)
Community service programs	28,351	28,351	15,426	12,925
Capital outlay	162,000	143,170	-	143,170
Debt service:				
Interest	-	5,000	5,000	-
Transfers to other funds	501,343	690,000	690,000	-
Total charges to appropriations	<u>144,572,390</u>	<u>144,068,887</u>	<u>141,169,369</u>	<u>2,899,518</u>
BUDGETARY FUND BALANCES, ENDING	<u>\$ 16,997,614</u>	<u>\$ 18,204,506</u>	<u>\$ 20,766,489</u>	<u>\$ 2,561,983</u>

OUACHITA PARISH SCHOOL BOARD

**SCHOOL DISTRICT NO. 1 SALES TAX
Budgetary Comparison Schedule
For the Year Ended June 30, 2017**

Exhibit 3-2

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL	AMOUNTS	FINAL BUDGET
				POSITIVE
				(NEGATIVE)
BUDGETARY FUND BALANCES, BEGINNING	\$ 18,298,132	\$ 18,296,734	\$ 18,296,734	\$ -
Resources (inflows)				
Local sources:				
Sales and use taxes	7,888,617	7,778,617	7,606,016	(172,601)
Interest earnings	50,000	102,000	96,080	(5,920)
Federal sources	200,000	200,000	200,000	-
Insurance recoveries	-	1,500	1,420	(80)
Transfers from other funds	-	100,000	100,000	-
Amounts available for appropriations	26,436,749	26,478,851	26,300,250	(178,601)
Charges to appropriations (outflows)				
Current:				
Instruction:				
Regular programs	641,351	648,672	558,524	90,148
Special education programs	435,931	433,410	431,551	1,859
Vocational programs	102,130	102,388	77,966	24,422
Other instructional programs	1,444,819	1,371,480	1,149,013	222,467
Special programs	6,347	7,422	6,359	1,063
Support services:				
Student services	830,345	843,897	813,911	29,986
Instructional staff support	643,358	640,646	626,593	14,053
General administration	627	46,627	48,701	(2,074)
School administration	104,135	103,048	102,311	737
Business services	34,255	35,404	35,009	395
Plant services	1,917,273	1,849,678	2,054,719	(205,041)
Student transportation services	1,093,526	1,113,106	1,130,311	(17,205)
Central services	26,816	-	27,268	(27,268)
Food services	236,571	228,145	231,326	(3,181)
Capital outlay	640,975	540,975	386,341	154,634
Total charges to appropriations	8,158,459	7,964,898	7,679,903	284,995
BUDGETARY FUND BALANCES, ENDING	\$ 18,278,290	\$ 18,513,953	\$ 18,620,347	\$ 106,394

Ouachita Parish School Board

Notes to Budgetary Comparison Schedules Fiscal Year Ended June 30, 2017

Note A - Budget and Budgetary Accounting

The School Board utilizes the following procedures in establishing the budgetary data reflected in the financial statements:

In September, the Director of Business submits to the School Board proposed annual appropriated budgets for the General Fund, Special Revenue Funds, and Debt Service Funds for the fiscal year commencing the prior July 1. A public hearing is conducted to obtain taxpayer comments. Prior to September 15, the School Board legally enacts the budget through adoption. The only legal requirement is that the School Board adopt a balanced budget; that is, total budgeted revenues and other financing sources (including fund balance) must equal or exceed total budgeted expenditures and other financing uses. The budget is revised periodically throughout the school year, when deemed appropriate, but a balanced budget is always approved.

The General Fund budget is adopted on a basis consistent with GAAP. Unencumbered appropriations in the General Fund lapse at the end of the fiscal year, whereas, encumbered appropriations are carried forward to the following year. Budgeted amounts are as originally adopted or as amended by the School Board.

The Special Revenue Funds' budgets have annual appropriated budgets adopted on a basis consistent with GAAP. Except for grant-oriented funds, unencumbered appropriations lapse at the end of the fiscal year. Encumbered appropriations are utilized when goods or services are received. Grant-oriented fund budgets are adopted at the time the grant applications are approved by the grantor. Separate annual budgets are adopted for unencumbered appropriations of grant-oriented Special Revenue Funds at the beginning of the following fiscal year.

Debt service Funds' budgets are adopted on a basis consistent with GAAP; budget appropriations lapse at the end of the fiscal year.

Formal budgetary integration is employed as a management control device during the year for the General Fund, Special Revenue Funds and Debt Service Funds. All budgets are operational at the departmental or project level. The Superintendent and Director of Business of the School Board are authorized to transfer budget amounts between line item activity and between any functions of an individual fund; however, any supplemental appropriations that amend the total expenditures of any fund require School Board resolution. The effects of budget revisions passed during the year were insignificant to the budgets as originally approved.

OUACHITA PARISH SCHOOL BOARD

Notes to Budgetary Comparison Schedules For the Year Ended June 30, 2017

Note B - Budget to GAAP Reconciliation - Explanation of differences between budgetary inflows and outflows and GAAP revenues and expenditures

	GENERAL FUND	SCHOOL DISTRICT NO. 1 SALES TAX
<u>Sources/inflows of resources:</u>		
Actual amounts (budgetary basis) "available for appropriation" from the Budgetary Comparison Schedule	\$ 161,935,858	\$ 26,300,250
The fund balance at the beginning of the year is a budgetary resource but is not a current year revenue for financial reporting purposes	(19,124,860)	(18,296,734)
Insurance recoveries are inflows of budgetary resources but are not revenues for financial reporting purposes	(17,654)	(1,420)
Proceeds from sale of assets are inflows of budgetary resources are not revenues for financial reporting purposes	(7,763)	-
Transfers from other funds are inflows of budgetary resources but are not revenues for financial reporting purposes	-	(100,000)
Total revenues as reported on the Statement of Revenues, Expenditures, and changes in Fund Balances - Governmental Funds	142,785,581	7,902,096
<u>Uses/outflows of resources:</u>		
Actual amounts (budgetary basis) "Total charges to appropriations" from the Budgetary Comparison Schedule	141,169,369	7,679,903
Transfers to other funds are outflows of budgetary resources but are not expenditures for financial reporting purposes	(690,000)	-
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	\$ 140,479,369	\$ 7,679,903

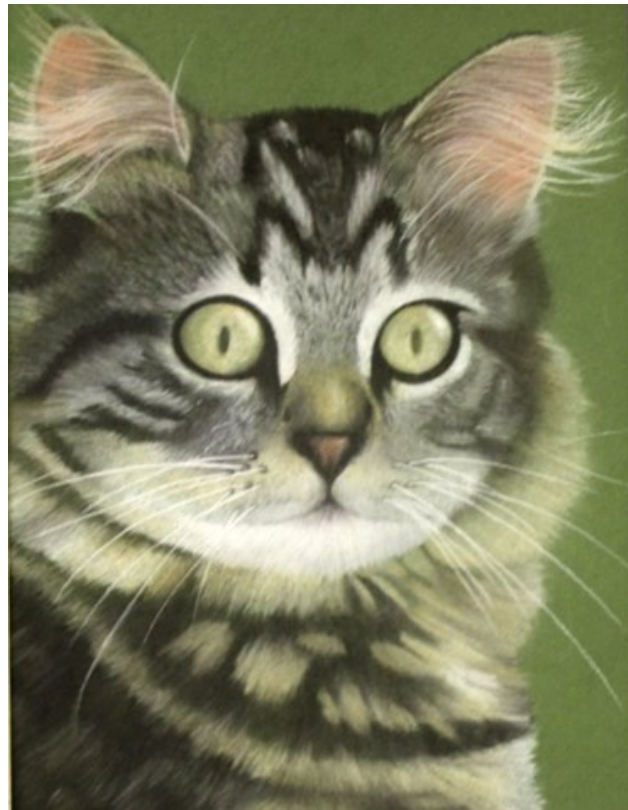
Ouachita Parish School Board

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Supplementary Information



*Frances - Grade 11
West Monroe High School*



*William - Grade 11
Ouachita Parish High School*



*Jessica - Grade 11
West Ouachita High School*



*Katie - Grade 9
Sterlington High School*

SUPPLEMENTARY INFORMATION:

**COMBINING AND INDIVIDUAL FUND
FINANCIAL STATEMENTS AND SCHEDULES**

Ouachita Parish School Board

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OUACHITA PARISH SCHOOL BOARD
NONMAJOR GOVERNMENTAL FUNDS
Combining Balance Sheet - By Fund Type
June 30, 2017

Exhibit 4

	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS	TOTAL
ASSETS				
Cash and cash equivalents	\$ 21,160,255	\$ 11,421,705	\$ 2,402,514	\$ 34,984,474
Investments	-	4,666,666	7,015,400	11,682,066
Receivables	10,902,887	572	-	10,903,459
Inventory	359,397	-	-	359,397
TOTAL ASSETS	32,422,539	16,088,943	9,417,914	57,929,396
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	264,117	-	211,198	475,315
Salaries and wages payable	3,118,236	-	-	3,118,236
Retainages payable	13,134	-	897,879	911,013
Other liabilities	8,387	-	450	8,837
Interfund payables	2,042,814	-	-	2,042,814
Unearned revenue	439,578	-	-	439,578
Total Liabilities	5,886,266	-	1,109,527	6,995,793
Fund Balances:				
Nonspendable:				
Inventory	178,270	-	-	178,270
Restricted for:				
Salaries and benefits	7,959,622	-	-	7,959,622
Student health services	2,696,465	-	-	2,696,465
Food services	4,047,394	-	-	4,047,394
Debt service	-	16,088,943	-	16,088,943
Construction and operations	10,613,043	-	-	10,613,043
Capital projects	-	-	8,308,387	8,308,387
Assigned for:				
Student health/support services	1,041,479	-	-	1,041,479
Total Fund Balances	26,536,273	16,088,943	8,308,387	50,933,603
TOTAL LIABILITIES AND FUND BALANCES	\$ 32,422,539	\$ 16,088,943	\$ 9,417,914	\$ 57,929,396

OUACHITA 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, 2017**

Exhibit 5

	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS	TOTAL
REVENUES				
Local sources:				
Taxes:				
Ad valorem	\$ -	\$ 7,769,530	\$ -	\$ 7,769,530
Sales and use	38,856,208	-	-	38,856,208
Interest earnings	98,590	132,613	150,886	382,089
Food services	1,258,189	-	-	1,258,189
Other	1,890,876	-	-	1,890,876
State sources:				
Equalization	1,439,682	-	-	1,439,682
Restricted grants-in-aid	1,355,662	-	-	1,355,662
Federal sources:				
Federal programs	20,512,316	-	-	20,512,316
Other federal support	922,601	-	-	922,601
Total revenues	<u>66,334,124</u>	<u>7,902,143</u>	<u>150,886</u>	<u>74,387,153</u>
EXPENDITURES				
Current:				
Instruction:				
Regular programs	13,417,106	-	498,869	13,915,975
Special education programs	3,576,227	-	-	3,576,227
Vocational programs	851,682	-	220,547	1,072,229
Other instructional programs	1,769,969	-	148,302	1,918,271
Special programs	4,098,935	-	-	4,098,935
Support services:				
Student services	3,892,934	-	-	3,892,934
Instructional staff support	6,667,557	-	4,473	6,672,030
General administration	1,000,975	242,389	-	1,243,364
School administration	1,791,143	-	34,569	1,825,712
Business services	256,161	-	11,422	267,583
Plant services	1,779,471	-	312,923	2,092,394
Student transportation services	1,692,183	-	-	1,692,183
Central services	215,671	-	-	215,671
Food services	10,815,903	-	7,616	10,823,519
Capital outlay	914,667	-	22,822,427	23,737,094
Debt service:				
Principal	-	11,660,000	-	11,660,000
Interest	60,625	5,568,788	-	5,629,413
Bond issuance costs	-	297,538	-	297,538
Other debt service costs	-	224,382	-	224,382
Total expenditures	<u>52,801,209</u>	<u>17,993,097</u>	<u>24,061,148</u>	<u>94,855,454</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	<u>\$ 13,532,915</u>	<u>\$ (10,090,954)</u>	<u>\$ (23,910,262)</u>	<u>\$ (20,468,301)</u>

(CONTINUED)

OUACHITA 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, 2017**

Exhibit 5

	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS	TOTAL
OTHER FINANCING SOURCES (USES)				
Refunding bonds issued	\$ -	\$ 30,705,000	\$ -	\$ 30,705,000
Premium on refunding bonds issued	-	3,426,636	-	3,426,636
Payment to refunded bond escrow agent	-	(37,717,378)	-	(37,717,378)
Transfers in	-	9,591,144	-	9,591,144
Transfers out	(9,591,144)	-	-	(9,591,144)
Total other financing sources (uses)	(9,591,144)	6,005,402	-	(3,585,742)
Net Change in Fund Balances	3,941,771	(4,085,552)	(23,910,262)	(24,054,043)
FUND BALANCES - BEGINNING	22,594,502	20,174,495	32,218,649	74,987,646
FUND BALANCES - ENDING	<u>\$ 26,536,273</u>	<u>\$ 16,088,943</u>	<u>\$ 8,308,387</u>	<u>\$ 50,933,603</u>

(CONCLUDED)

Ouachita Parish School Board

Nonmajor Special Revenue Funds

Special Revenue Funds account for and report the proceeds of specific revenue sources (other than special assessments) that are legally restricted or committed to expenditures for specified purposes other than debt service or capital projects. The term “proceeds of specific revenue sources” establishes that one or more specific restricted or committed revenues should be the foundation for a special revenue fund. These funds, for the most part, are established for specific educational purposes and funded through the U. S. Department of Education or the Louisiana State Department of Education. The School Board is centrally located in Northeast Louisiana and acts as a regional fiscal agent for the State Department of Education for many educational programs.

Supplemental Salaries - 1995 Sales Tax 1.0%

The Supplemental Salaries 1.0% Sales Tax Fund was established to collect, record, and disburse funds for the payment of supplementary salaries and benefits to School Board personnel, as authorized by voters in 1994. Collections began in 1995. Funds are used to pay a determined amount on a monthly basis with any remaining balance disbursed in November with a supplemental payroll check. This is a permanent sales tax.

Supplemental Salaries - 1968 Sales Tax 0.5%

The Supplemental Salaries 0.5% Sales Tax Fund was set up to collect, record, and disburse funds for the payment of supplemental salaries to School Board personnel, as authorized by voters in 1967. Collections began in 1968. Employees share in the following percentage: certificated staff—88%, and support staff—12% of total collections. The fund is used to pay this salary supplement on a monthly basis with any remaining balance disbursed in June as supplemental payroll check.

West Ouachita Sales Tax Fund

The West Ouachita Sales Tax Fund accounts for the collection and disbursement of a 1% perpetual sales tax in the West Ouachita School District (a taxing district created by the School Board). This tax was originally authorized by voters in 1997 for a 27-year period and authorized again in March 2015 for the sales tax to be a permanent tax in the district. The proceeds of the tax can be used for constructing, maintaining, and operating schools, including servicing debt in the West Ouachita School District.

School Food Service Fund

The School Food Service Fund accounts for the operations of the school food service programs in the parish school system during the regular school term and the summer feeding program during the summer. This fund also accounts for the Fresh Fruits and Vegetables Program sponsored by the U.S. Department of Agriculture to provide health snacks to elementary school students. The basic goals of the school food service programs are to serve nutritionally adequate, attractive and moderately priced meals, to help children grow socially and emotionally, to extend educational influences to the homes of school children, and to provide learning experiences that will improve children’s food habits with the ultimate goal of physically fit adults.

Title I Programs Fund

Title I is a program for economically and educationally deprived school children, which is federally financed, State administered and locally operated by the School Board. The Title I services are provided through various projects which are designated to meet the special needs of educationally deprived children. The activities supplement, rather than replace, State and local mandated activities.

(Continued)

Ouachita Parish School Board

Nonmajor Special Revenue Funds

Special Education IDEA-B Fund

Special Education IDEA-B is a federally financed program for a free appropriate public education for all identified handicapped individuals from 3 to 21 years of age in the least restrictive environment.

Other Federal Programs Fund

The Other Federal Programs Fund accounts for smaller special grants from departments of the Federal government.

State Grants Fund

The State Grants Fund accounts for special grants from departments and agencies of the State of Louisiana.

(Concluded)

OUACHITA PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUNDS

Combining Balance Sheet

June 30, 2017

	SUPPLEMENTAL SALARIES			
	1995	1968	WEST	SCHOOL
	SALES TAX	SALES TAX	OUACHITA	FOOD
	1%	.5%	SALES TAX	SERVICE
ASSETS				
Cash and cash equivalents	\$ 4,644,307	\$ 560,985	\$ 8,731,124	\$ 3,971,690
Receivables	2,614,205	1,858,722	2,117,100	710,275
Inventory	-	-	-	351,496
TOTAL ASSETS	7,258,512	2,419,707	10,848,224	5,033,461
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	1,193	1,193	222,047	2,355
Salaries and wages payable	1,204,958	511,253	-	627,305
Retainages payable	-	-	13,134	-
Other liabilities	-	-	-	4,911
Interfund payable	-	-	-	-
Unearned revenue	-	-	-	173,226
Total Liabilities	1,206,151	512,446	235,181	807,797
Fund Balances:				
Nonspendable:				
Inventory	-	-	-	178,270
Restricted for:				
Salaries and benefits	6,052,361	1,907,261	-	-
Student health services	-	-	-	-
Food services	-	-	-	4,047,394
Construction and operations	-	-	10,613,043	-
Assigned for:				
Student health/support services	-	-	-	-
Total Fund Balances	6,052,361	1,907,261	10,613,043	4,225,664
TOTAL LIABILITIES AND FUND BALANCES	\$ 7,258,512	\$ 2,419,707	\$ 10,848,224	\$ 5,033,461

Exhibit 6

TITLE I PROGRAMS	SPECIAL EDUCATION IDEA-B	OTHER FEDERAL PROGRAMS	STATE GRANTS	TOTAL
\$ -	\$ -	\$ 190	\$ 3,251,959	\$ 21,160,255
1,312,045	837,845	555,082	897,613	10,902,887
-	-	-	7,901	359,397
<u>1,312,045</u>	<u>837,845</u>	<u>555,272</u>	<u>4,157,473</u>	<u>32,422,539</u>
1,714	(8,047)	37,569	6,093	264,117
247,694	234,369	144,573	148,084	3,118,236
-	-	-	-	13,134
-	-	3,476	-	8,387
1,062,637	611,523	368,654	-	2,042,814
-	-	1,000	265,352	439,578
<u>1,312,045</u>	<u>837,845</u>	<u>555,272</u>	<u>419,529</u>	<u>5,886,266</u>
-	-	-	-	178,270
-	-	-	-	7,959,622
-	-	-	2,696,465	2,696,465
-	-	-	-	4,047,394
-	-	-	-	10,613,043
-	-	-	1,041,479	1,041,479
-	-	-	3,737,944	26,536,273
<u>\$ 1,312,045</u>	<u>\$ 837,845</u>	<u>\$ 555,272</u>	<u>\$ 4,157,473</u>	<u>\$ 32,422,539</u>

OUACHITA PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUNDS
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended June 30, 2017

	SUPPLEMENTAL SALARIES			
	1995	1968	WEST	SCHOOL
	SALES TAX	SALES TAX	OUACHITA	FOOD
	1%	.5%	SALES TAX	SERVICE
REVENUES				
Local sources:				
Taxes:				
Sales and use taxes	\$ 15,363,702	\$ 11,050,128	\$ 12,442,378	\$ -
Interest earnings	17,407	21,701	59,482	-
Food services	-	-	-	1,258,189
Other	-	-	108,400	-
State sources:				
Equalization	-	-	-	1,439,682
Restricted grants-in-aid	-	-	-	67,158
Federal sources:				
Federal programs	-	-	-	7,646,532
Other federal support	-	-	-	922,601
Total revenues	15,381,109	11,071,829	12,610,260	11,334,162
EXPENDITURES				
Current:				
Instruction:				
Regular programs	6,959,934	6,131,772	-	-
Special education programs	1,707,873	1,231,551	-	-
Vocational programs	307,385	272,499	-	-
Other instructional programs	387,289	335,635	6,789	-
Special programs	14,771	17,500	-	-
Support services:				
Student services	1,044,914	885,186	-	-
Instructional staff support	768,040	469,772	-	-
General administration	108,433	77,135	83,784	-
School administration	1,057,881	733,262	-	-
Business services	179,511	29,956	20	46,674
Plant services	1,206,173	421,589	78,270	1,340
Student transportation services	1,006,611	289,396	-	25,676
Central services	132,379	17,904	-	-
Food services	711,196	209,000	-	9,895,707
Capital outlay	-	-	914,667	-
Debt services:				
Interest	-	-	60,625	-
Total expenditures	15,592,390	11,122,157	1,144,155	9,969,397
EXCESS (Deficiency) OF REVENUES				
 OVER EXPENDITURES	\$ (211,281)	\$ (50,328)	\$ 11,466,105	\$ 1,364,765

Exhibit 7

TITLE I PROGRAMS	SPECIAL EDUCATION IDEA-B	OTHER FEDERAL PROGRAMS	STATE GRANTS	TOTAL
\$ -	\$ -	\$ -	\$ -	\$ 38,856,208
-	-	-	-	98,590
-	-	-	-	1,258,189
-	-	-	1,782,476	1,890,876
-	-	-	-	1,439,682
-	-	-	1,288,504	1,355,662
5,652,830	5,012,856	2,200,098	-	20,512,316
-	-	-	-	922,601
<u>5,652,830</u>	<u>5,012,856</u>	<u>2,200,098</u>	<u>3,070,980</u>	<u>66,334,124</u>
-	-	277,120	48,280	13,417,106
-	505,338	-	131,465	3,576,227
-	-	263,236	8,562	851,682
523,863	368,098	-	148,295	1,769,969
2,262,362	-	858,583	945,719	4,098,935
356,959	1,256,165	4,340	345,370	3,892,934
1,954,802	2,456,147	668,560	350,236	6,667,557
330,000	289,548	112,075	-	1,000,975
-	-	-	-	1,791,143
-	-	-	-	256,161
31,819	15,189	12,449	12,642	1,779,471
160,331	89,677	3,735	116,757	1,692,183
32,694	32,694	-	-	215,671
-	-	-	-	10,815,903
-	-	-	-	914,667
-	-	-	-	60,625
<u>5,652,830</u>	<u>5,012,856</u>	<u>2,200,098</u>	<u>2,107,326</u>	<u>52,801,209</u>
\$ -	\$ -	\$ -	\$ 963,654	\$ 13,532,915

(CONTINUED)

OUACHITA PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUNDS
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
For the Year Ended June 30, 2017

	SUPPLEMENTAL SALARIES			
	1995	1968	WEST	SCHOOL
	SALES TAX	SALES TAX	OUACHITA	FOOD
	1%	.5%	SALES TAX	SERVICE
OTHER FINANCING SOURCES (USES)				
Transfers out	\$ -	\$ -	\$ (9,591,144)	\$ -
Total other financing sources (uses)	-	-	(9,591,144)	-
Net Change in Fund Balances	(211,281)	(50,328)	1,874,961	1,364,765
FUND BALANCES - BEGINNING	6,263,642	1,957,589	8,738,082	2,860,899
FUND BALANCES - ENDING	\$ 6,052,361	\$ 1,907,261	\$ 10,613,043	\$ 4,225,664

Exhibit 7

TITLE I PROGRAMS	SPECIAL EDUCATION IDEA-B	OTHER FEDERAL PROGRAMS	STATE GRANTS	TOTAL
\$ -	\$ -	\$ -	\$ -	\$ (9,591,144)
-	-	-	-	(9,591,144)
-	-	-	963,654	3,941,771
-	-	-	2,774,290	22,594,502
\$ -	\$ -	\$ -	\$ 3,737,944	\$ 26,536,273

(CONCLUDED)

OUACHITA PARISH SCHOOL BOARD

**NONMAJOR SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and Changes
in Fund Balances - Budget (GAAP Basis) and Actual
For the Year Ended June 30, 2017**

Exhibit 8-1

*****1995 SALES TAX 1%*****

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
REVENUES			
Local sources:			
Taxes:			
Sales and use	\$ 15,729,497	\$ 15,363,702	\$ (365,795)
Interest earnings	86,500	17,407	(69,093)
	<u>15,815,997</u>	<u>15,381,109</u>	<u>(434,888)</u>
Total revenues			
EXPENDITURES			
Current:			
Instruction:			
Regular programs	6,896,258	6,959,934	(63,676)
Special education programs	1,698,930	1,707,873	(8,943)
Vocational programs	306,929	307,385	(456)
Other instructional programs	391,956	387,289	4,667
Special programs	14,839	14,771	68
Support services:			
Student services	1,026,441	1,044,914	(18,473)
Instructional staff support	761,414	768,040	(6,626)
General administration	90,747	108,433	(17,686)
School administration	1,057,995	1,057,881	114
Business services	194,538	179,511	15,027
Plant services	1,222,395	1,206,173	16,222
Student transportation services	993,826	1,006,611	(12,785)
Central services	132,822	132,379	443
Food services	699,589	711,196	(11,607)
	<u>15,488,679</u>	<u>15,592,390</u>	<u>(103,711)</u>
Total expenditures			
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	327,318	(211,281)	(538,599)
FUND BALANCES - BEGINNING	6,263,642	6,263,642	-
FUND BALANCES - ENDING	<u>\$ 6,590,960</u>	<u>\$ 6,052,361</u>	<u>\$ (538,599)</u>

OUACHITA PARISH SCHOOL BOARD

**NONMAJOR SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and Changes
in Fund Balances - Budget (GAAP Basis) and Actual
For the Year Ended June 30, 2017**

Exhibit 8-2

*****1968 SALES TAX .5%*****

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
REVENUES			
Local sources:			
Taxes:			
Sales and use	\$ 11,179,531	\$ 11,050,128	\$ (129,403)
Interest earnings	8,000	21,701	13,701
	<u>11,187,531</u>	<u>11,071,829</u>	<u>(115,702)</u>
Total revenues			
EXPENDITURES			
Current:			
Instruction:			
Regular programs	6,130,218	6,131,772	(1,554)
Special education programs	1,243,107	1,231,551	11,556
Vocational programs	289,750	272,499	17,251
Other instructional programs	348,663	335,635	13,028
Special programs	19,532	17,500	2,032
Support services:			
Student services	810,641	885,186	(74,545)
Instructional staff support	527,016	469,772	57,244
General administration	89,841	77,135	12,706
School administration	719,204	733,262	(14,058)
Business services	30,330	29,956	374
Plant services	429,334	421,589	7,745
Student transportation services	287,434	289,396	(1,962)
Central services	17,684	17,904	(220)
Food services	208,418	209,000	(582)
	<u>11,151,172</u>	<u>11,122,157</u>	<u>29,015</u>
Total expenditures			
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	36,359	(50,328)	(86,687)
FUND BALANCES - BEGINNING	<u>1,957,589</u>	<u>1,957,589</u>	<u>-</u>
FUND BALANCES - ENDING	<u>\$ 1,993,948</u>	<u>\$ 1,907,261</u>	<u>\$ (86,687)</u>

OUACHITA PARISH SCHOOL BOARD

**NONMAJOR SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and Changes
in Fund Balances - Budget (GAAP Basis) and Actual
For the Year Ended June 30, 2017**

Exhibit 8-3

*******WEST OUACHITA SALES TAX*******

	BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES			
Local sources:			
Taxes:			
Sales and use	\$ 12,704,368	\$ 12,442,378	\$ (261,990)
Interest earnings	30,000	59,482	29,482
Other	108,400	108,400	-
Total revenues	<u>12,842,768</u>	<u>12,610,260</u>	<u>(232,508)</u>
EXPENDITURES			
Current:			
Instruction:			
Other instructional programs	-	6,789	(6,789)
Support services:			
General administration	98,000	83,784	14,216
Business services	-	20	(20)
Plant services	117,758	78,270	39,488
Capital outlay	796,692	914,667	(117,975)
Debt services:			
Interest	62,550	60,625	1,925
Total expenditures	<u>1,075,000</u>	<u>1,144,155</u>	<u>(69,155)</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	<u>11,767,768</u>	<u>11,466,105</u>	<u>(301,663)</u>
OTHER FINANCING SOURCES (USES)			
Transfers out	<u>(9,574,393)</u>	<u>(9,591,144)</u>	<u>(16,751)</u>
Total other financing sources (uses)	<u>(9,574,393)</u>	<u>(9,591,144)</u>	<u>(16,751)</u>
Net Change in Fund Balances	2,193,375	1,874,961	(318,414)
FUND BALANCES - BEGINNING	<u>(8,738,082)</u>	<u>8,738,082</u>	<u>17,476,164</u>
FUND BALANCES - ENDING	<u><u>\$ (6,544,707)</u></u>	<u><u>\$ 10,613,043</u></u>	<u><u>\$ 17,157,750</u></u>

OUACHITA PARISH SCHOOL BOARD

**NONMAJOR SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and Changes
in Fund Balances - Budget (GAAP Basis) and Actual
For the Year Ended June 30, 2017**

Exhibit 8-4

*******SCHOOL FOOD SERVICE*******

	BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES			
Local sources:			
Food services	\$ 1,254,702	\$ 1,258,189	\$ 3,487
State sources:			
Equalization	1,439,682	1,439,682	-
Restricted grants-in-aid	36,338	67,158	30,820
Federal sources:			
Federal programs	8,309,941	7,646,532	(663,409)
Other federal support	869,470	922,601	53,131
 Total revenues	<u>11,910,133</u>	<u>11,334,162</u>	<u>(575,971)</u>
 EXPENDITURES			
Current:			
Support services:			
Business services	51,758	46,674	5,084
Plant services	1,651	1,340	311
Student transportation services	34,464	25,676	8,788
Food services	10,551,223	9,895,707	655,516
 Total expenditures	<u>10,639,096</u>	<u>9,969,397</u>	<u>669,699</u>
 EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	1,271,037	1,364,765	93,728
 FUND BALANCES - BEGINNING	<u>2,860,898</u>	<u>2,860,899</u>	<u>1</u>
 FUND BALANCES - ENDING	<u><u>\$ 4,131,935</u></u>	<u><u>\$ 4,225,664</u></u>	<u><u>\$ 93,729</u></u>

OUACHITA PARISH SCHOOL BOARD

**NONMAJOR SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and Changes
in Fund Balances - Budget (GAAP Basis) and Actual
For the Year Ended June 30, 2017**

Exhibit 8-5

*****TITLE I PROGRAMS*****

	BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES			
Federal sources	\$ 5,509,756	\$ 5,652,830	\$ 143,074
 Total revenues	 5,509,756	 5,652,830	 143,074
EXPENDITURES			
Current:			
Instruction:			
Other instructional programs	486,440	523,863	(37,423)
Special programs	1,995,246	2,262,362	(267,116)
Support services:			
Student services	387,643	356,959	30,684
Instructional staff support	2,030,917	1,954,802	76,115
General administration	319,031	330,000	(10,969)
Plant services	38,578	31,819	6,759
Student transportation services	222,126	160,331	61,795
Central services	29,775	32,694	(2,919)
 Total expenditures	 5,509,756	 5,652,830	 (143,074)
 EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	 -	 -	 -
 FUND BALANCES - BEGINNING	 -	 -	 -
 FUND BALANCES - ENDING	 \$ -	 \$ -	 \$ -

OUACHITA PARISH SCHOOL BOARD

**NONMAJOR SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and Changes
in Fund Balances - Budget (GAAP Basis) and Actual
For the Year Ended June 30, 2017**

Exhibit 8-6

*******SPECIAL EDUCATION IDEA-B*******

	BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES			
Federal sources	\$ 4,874,772	\$ 5,012,856	\$ 138,084
 Total revenues	 4,874,772	 5,012,856	 138,084
EXPENDITURES			
Current:			
Instruction:			
Special education programs	429,144	505,338	(76,194)
Other instructional programs	319,116	368,098	(48,982)
Support services:			
Student services	1,106,824	1,256,165	(149,341)
Instructional staff support	2,615,772	2,456,147	159,625
General administration	282,174	289,548	(7,374)
Plant services	11,204	15,189	(3,985)
Student transportation services	78,113	89,677	(11,564)
Central services	32,425	32,694	(269)
 Total expenditures	 4,874,772	 5,012,856	 (138,084)
 EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	 -	 -	 -
 FUND BALANCES - BEGINNING	 -	 -	 -
 FUND BALANCES - ENDING	 \$ -	 \$ -	 \$ -

OUACHITA PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and Changes
in Fund Balances - Budget (GAAP Basis) and Actual
For the Year Ended June 30, 2017

Exhibit 8-7

*******OTHER FEDERAL PROGRAMS*******

	BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES			
Federal sources	\$ 2,295,095	\$ 2,200,098	\$ (94,997)
Total revenues	<u>2,295,095</u>	<u>2,200,098</u>	<u>(94,997)</u>
EXPENDITURES			
Current:			
Instruction:			
Regular programs	274,863	277,120	(2,257)
Vocational programs	269,457	263,236	6,221
Support services:			
Other instructional programs	500	-	500
Special programs	855,859	858,583	(2,724)
Student services	4,022	4,340	(318)
Instructional staff support	755,619	668,560	87,059
General administration	117,099	112,075	5,024
Plant services	12,457	12,449	8
Student transportation services	<u>5,219</u>	<u>3,735</u>	<u>1,484</u>
Total expenditures	<u>2,295,095</u>	<u>2,200,098</u>	<u>94,997</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES - BEGINNING	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES - ENDING	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

OUACHITA PARISH SCHOOL BOARD

**NONMAJOR SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and Changes
in Fund Balances - Budget (GAAP Basis) and Actual
For the Year Ended June 30, 2017**

Exhibit 8-8

*******STATE GRANTS*******

	BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES			
Local sources:			
Other	\$ 1,111,762	\$ 1,782,476	\$ 670,714
State sources:			
Restricted grants-in-aid	1,289,347	1,288,504	(843)
Total revenues	<u>2,401,109</u>	<u>3,070,980</u>	<u>669,871</u>
EXPENDITURES			
Current:			
Instruction:			
Regular programs	56,603	48,280	8,323
Special education programs	156,155	131,465	24,690
Vocational programs	8,562	8,562	-
Other instructional programs	148,009	148,295	(286)
Special programs	955,022	945,719	9,303
Support services:			
Student services	325,217	345,370	(20,153)
Instructional staff support	302,021	350,236	(48,215)
General administration	1,500	-	1,500
Plant services	14,460	12,642	1,818
Student transportation services	109,625	116,757	(7,132)
Total expenditures	<u>2,077,174</u>	<u>2,107,326</u>	<u>(30,152)</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	<u>323,935</u>	<u>963,654</u>	<u>639,719</u>
FUND BALANCES - BEGINNING	<u>2,774,290</u>	<u>2,774,290</u>	<u>-</u>
FUND BALANCES - ENDING	<u><u>\$ 3,098,225</u></u>	<u><u>\$ 3,737,944</u></u>	<u><u>\$ 639,719</u></u>

Ouachita Parish School Board

Nonmajor Debt Service Funds

The nonmajor Debt Service Funds account for and report financial resources that are restricted, committed, or assigned to expenditures for principal, interest and related costs associated with long-term debt.

West Ouachita Bond Reserve Fund

The West Ouachita Bond Reserve Fund accounts for a portion of original bond proceeds received from sales tax revenue bond issues sold in the West Ouachita Bond District set aside in accordance with the original bond covenants as an assurance of “good faith” that the School Board will make timely payment of scheduled bond principal and interest to bond holders as they mature. Reserves are held for the following issues: Series 2006 Revenue Refunding Bonds, Series 2007 Revenue Bonds, Series 2008 Revenue Bonds, Series 2009 Revenue Refunding Bonds, and Series 2010 Revenue Bonds. The reserve amount is the lesser of 10% or the highest amount of principal and interest due in a single year of maturity over the life of each bond issue. Reserve funds may be used to make the final principal and interest payment of each bond series or to spend in accordance with the capital spending plans originally approved by voters for the sale of bonds. Reserve funds will be released upon final principal and interest payment of all bond issues from March 1, 2024 to March 1, 2025.

West Ouachita Debt Service Fund

The West Ouachita Debt Service fund accounts for the principal and interest payments for six outstanding series of sales tax revenue bonds issued or refunded from 2002 through 2015 for the purpose of acquiring and/or improving lands for building sites and for constructing, acquiring, improving, equipping, and/or furnishing schools and school related facilities in West Ouachita Parish. This indebtedness is financed by a 1% sales tax that is collected in the West Ouachita Sales Tax Special Revenue Fund. The tax proceeds are transferred to the West Ouachita Debt Service Fund monthly based on 1/12th of the annual principal and interest payment scheduled to be paid within the next year.

School District No.1 QSCB Sinking Fund

This fund accounts for the investment of annual principal sinking payments set aside by the School Board to pay-off the full amount of the \$10,000,000 in revenue bonds, Series 2009, issued under the Qualified School Construction Bond program, when it fully matures on March 1, 2024 in accordance with the originating bond covenant. These bonds are secured by a 5.18 mill perpetual property tax collected in the General Fund and the first annual collection of proceeds from this tax is reserved in the General Fund as security for the annual debt service payments to be made in October each year. However, the annual principal sinking fund and interest payments are actually made from the proceeds of the 1% sales tax collected in the West Ouachita Parish Sales Tax Special Revenue Fund and transferred to the sinking funds as the scheduled payments are made during the fiscal year, as authorized by the School Board as the initial bond proceeds were used to benefit the West Ouachita School District. The annual set aside of principal is required to be held with a third-party paying agent who must invest and hold the funds and any interest earnings thereon in trust for payment to bond holders on the maturity date of the bonds.

School District No. 1 Debt Service Fund

The School District No. 1 Debt Service Fund accounts for the principal and interest payments for the 2014 Series of Limited Tax certificates. These bonds are secured by a 24.15 mill perpetual property tax collected in the General Fund until its final payment on March 1, 2022. However, the annual principal sinking fund payment is made from the 1% sales tax that is collected in the West Ouachita Parish Sales Tax Special Revenue Fund. Operating transfers from the sales tax fund are made monthly based on 1/12th of the required annual principal and interest payments scheduled to be paid during the next year, as authorized by the School Board since the initial bond proceeds were used to benefit the West Ouachita School District.

(Continued)

Ouachita Parish School Board

Nonmajor Debt Service Funds

East Ouachita Debt Service Fund

The East Ouachita Debt Service Fund accounts for the principal and interest payments for eleven general obligation bonds series issued or refunded from 2006 through 2016 for the purpose of acquiring and/or improving lands for building sites and for constructing, acquiring, improving, equipping, and/or furnishing schools and school related facilities in East Ouachita Parish. This indebtedness is financed by a special debt service property tax levied annually on taxable property in the East Ouachita Parish School Bond District.

(Concluded)

OUACHITA PARISH SCHOOL BOARD

NONMAJOR DEBT SERVICE FUNDS

Combining Balance Sheet

June 30, 2017

	WEST OUACHITA BOND RESERVE	WEST OUACHITA DEBT SERVICE	SCHOOL DISTRICT NO. 1 QSCB SINKING
ASSETS			
Cash and cash equivalents	\$ 2,627,000	\$ 4,366,171	\$ 52,214
Investments	-	-	4,666,666
Receivables	-	-	-
TOTAL ASSETS	<u>2,627,000</u>	<u>4,366,171</u>	<u>4,718,880</u>
FUND BALANCES			
Restricted for:			
Debt service	<u>2,627,000</u>	<u>4,366,171</u>	<u>4,718,880</u>
Total Fund Balances	<u>2,627,000</u>	<u>4,366,171</u>	<u>4,718,880</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 2,627,000</u>	<u>\$ 4,366,171</u>	<u>\$ 4,718,880</u>

Exhibit 9

SCHOOL DISTRICT NO. 1 DEBT SERVICE	EAST OUACHITA DEBT SERVICE	TOTAL
\$ 737,867	\$ 3,638,453	\$ 11,421,705
-	-	4,666,666
-	572	572
<u>737,867</u>	<u>3,639,025</u>	<u>16,088,943</u>
 737,867	 3,639,025	 16,088,943
 <u>737,867</u>	 <u>3,639,025</u>	 <u>16,088,943</u>
 \$ 737,867	 \$ 3,639,025	 \$ 16,088,943

OUACHITA PARISH SCHOOL BOARD

NONMAJOR DEBT SERVICE FUNDS
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended June 30, 2017

	WEST OUACHITA BOND RESERVE	WEST OUACHITA DEBT SERVICE	SCHOOL DISTRICT NO. 1 QSCB SINKING
REVENUES			
Local sources:			
Taxes:			
Ad valorem	\$ -	\$ 195	\$ -
Interest earnings	-	12,141	95,100
Total revenues	-	12,336	95,100
EXPENDITURES			
Current:			
Support services:			
General administration	-	1,150	-
Debt service:			
Principal	-	4,625,000	-
Interest	-	2,218,686	-
Bond issuance costs	-	-	-
Other debt service costs	-	218,683	-
Total expenditures	-	7,063,519	-
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	-	(7,051,183)	95,100
OTHER FINANCING SOURCES (USES)			
Refunding bonds issued	-	9,865,000	-
Premium on refunding bonds issued	-	1,086,315	-
Payment to refunded bond escrow agent	(3,461,702)	(10,993,231)	-
Transfers in	-	6,771,806	581,358
Total other financing sources (uses)	(3,461,702)	6,729,890	581,358
Net Change in Fund Balances	(3,461,702)	(321,293)	676,458
FUND BALANCES - BEGINNING	6,088,702	4,687,464	4,042,422
FUND BALANCES - ENDING	\$ 2,627,000	\$ 4,366,171	\$ 4,718,880

Exhibit 10

SCHOOL DISTRICT NO. 1 DEBT SERVICE	EAST OUACHITA DEBT SERVICE	TOTAL
\$ -	\$ 7,769,335	\$ 7,769,530
-	25,372	132,613
-	7,794,707	7,902,143
950	240,289	242,389
1,790,000	5,245,000	11,660,000
458,100	2,892,002	5,568,788
-	297,538	297,538
400	5,299	224,382
2,249,450	8,680,128	17,993,097
(2,249,450)	(885,421)	(10,090,954)
-	20,840,000	30,705,000
-	2,340,321	3,426,636
-	(23,262,445)	(37,717,378)
2,237,980	-	9,591,144
2,237,980	(82,124)	6,005,402
(11,470)	(967,545)	(4,085,552)
749,337	4,606,570	20,174,495
\$ 737,867	\$ 3,639,025	\$ 16,088,943

OUACHITA PARISH SCHOOL BOARD

**NONMAJOR DEBT SERVICE FUND
Schedule of Revenues, Expenditures, and Changes
in Fund Balances - Budget (GAAP Basis) and Actual
For the Year Ended June 30, 2017**

Exhibit 11-1

*****WEST OUACHITA BOND RESERVE*****

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
REVENUES			
Local sources:			
Interest earnings	\$ -	\$ -	\$ -
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES			
Debt services:			
Interest	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)			
Payment to refunded bond escrow agent	<u>(3,461,703)</u>	<u>(3,461,702)</u>	<u>1</u>
Total other financing sources (uses)	<u>(3,461,703)</u>	<u>(3,461,702)</u>	<u>-</u>
Net Change in Fund Balances	<u>(3,461,703)</u>	<u>(3,461,702)</u>	<u>-</u>
FUND BALANCES - BEGINNING	<u>6,088,703</u>	<u>6,088,702</u>	<u>(1)</u>
FUND BALANCES - ENDING	<u><u>\$ 2,627,000</u></u>	<u><u>\$ 2,627,000</u></u>	<u><u>\$ (1)</u></u>

OUACHITA PARISH SCHOOL BOARD

NONMAJOR DEBT SERVICE FUND
Schedule of Revenues, Expenditures, and Changes
in Fund Balances - Budget (GAAP Basis) and Actual
For the Year Ended June 30, 2017

Exhibit 11-2

*****WEST OUACHITA DEBT SERVICE*****

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
REVENUES			
Local sources:			
Taxes:			
Ad valorem	\$ 195	\$ 195	\$ -
Interest earnings	10,650	12,141	1,491
Total revenues	<u>10,845</u>	<u>12,336</u>	<u>1,491</u>
EXPENDITURES			
Current:			
Support services:			
General administration	-	1,150	(1,150)
Debt service:			
Principal	4,625,000	4,625,000	-
Interest	2,218,686	2,218,686	-
Other debt service costs	218,683	218,683	-
Total expenditures	<u>7,062,369</u>	<u>7,063,519</u>	<u>(1,150)</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	<u>(7,051,524)</u>	<u>(7,051,183)</u>	<u>341</u>
OTHER FINANCING SOURCES (USES)			
Refunding bonds issued	9,865,000	9,865,000	-
Premium on refunding bonds issued	1,086,315	1,086,315	-
Payment to refunded bond escrow agent	(10,993,231)	(10,993,231)	-
Transfers in	6,755,055	6,771,806	16,751
Total other financing sources (uses)	<u>6,713,139</u>	<u>6,729,890</u>	<u>16,751</u>
Net Change in Fund Balances	(338,385)	(321,293)	17,092
FUND BALANCES - BEGINNING	<u>4,687,464</u>	<u>4,687,464</u>	<u>-</u>
FUND BALANCES - ENDING	<u>\$ 4,349,079</u>	<u>\$ 4,366,171</u>	<u>\$ 17,092</u>

OUACHITA PARISH SCHOOL BOARD

**NONMAJOR DEBT SERVICE FUND
Schedule of Revenues, Expenditures, and Changes
in Fund Balances - Budget (GAAP Basis) and Actual
For the Year Ended June 30, 2017**

Exhibit 11-3

*****SCHOOL DISTRICT NO. 1 QSCB SINKING*****

	BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES			
Local sources:			
Interest earnings	\$ 42,926	\$ 95,100	\$ 52,174
Total revenues	<u>42,926</u>	<u>95,100</u>	<u>52,174</u>
EXPENDITURES			
Debt service:			
Principal	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	<u>42,926</u>	<u>95,100</u>	<u>52,174</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	<u>581,358</u>	<u>581,358</u>	<u>-</u>
Total other financing sources (uses)	<u>581,358</u>	<u>581,358</u>	<u>-</u>
Net Change in Fund Balances	624,284	676,458	52,174
FUND BALANCES - BEGINNING	<u>4,042,422</u>	<u>4,042,422</u>	<u>-</u>
FUND BALANCES - ENDING	<u><u>\$ 4,666,706</u></u>	<u><u>\$ 4,718,880</u></u>	<u><u>\$ 52,174</u></u>

OUACHITA PARISH SCHOOL BOARD

**NONMAJOR DEBT SERVICE FUND
Schedule of Revenues, Expenditures, and Changes
in Fund Balances - Budget (GAAP Basis) and Actual
For the Year Ended June 30, 2017**

Exhibit 11-4

*****SCHOOL DISTRICT NO. 1 DEBT SERVICE*****

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
REVENUES			
Local sources:			
Interest earnings	\$ -	\$ -	\$ -
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES			
Current:			
Support services:			
General administration	950	950	-
Debt service:			
Principal	1,790,000	1,790,000	-
Interest	458,100	458,100	-
Other debt service costs	<u>400</u>	<u>400</u>	<u>-</u>
Total expenditures	<u>2,249,450</u>	<u>2,249,450</u>	<u>-</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	<u>(2,249,450)</u>	<u>(2,249,450)</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	<u>2,237,980</u>	<u>2,237,980</u>	<u>-</u>
Total other financing sources (uses)	<u>2,237,980</u>	<u>2,237,980</u>	<u>-</u>
Net Change in Fund Balances	(11,470)	(11,470)	-
FUND BALANCES - BEGINNING	<u>749,337</u>	<u>749,337</u>	<u>-</u>
FUND BALANCES - ENDING	<u>\$ 737,867</u>	<u>\$ 737,867</u>	<u>\$ -</u>

OUACHITA PARISH SCHOOL BOARD

**NONMAJOR DEBT SERVICE FUND
Schedule of Revenues, Expenditures, and Changes
in Fund Balances - Budget (GAAP Basis) and Actual
For the Year Ended June 30, 2017**

Exhibit 11-5

*****EAST OUACHITA DEBT SERVICE*****

	BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES			
Local sources:			
Taxes:			
Ad valorem	\$ 7,768,356	\$ 7,769,335	\$ 979
Interest earnings	24,000	25,372	1,372
Total revenues	<u>7,792,356</u>	<u>7,794,707</u>	<u>2,351</u>
EXPENDITURES			
Current:			
Support services:			
General administration	234,019	240,289	(6,270)
Debt service:			
Principal	5,245,000	5,245,000	-
Interest	2,892,002	2,892,002	-
Bond issuance costs	297,537	297,538	(1)
Other debt service costs	5,200	5,299	(99)
Total expenditures	<u>8,673,758</u>	<u>8,680,128</u>	<u>(6,370)</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	<u>(881,402)</u>	<u>(885,421)</u>	<u>(4,019)</u>
OTHER FINANCING SOURCES (USES)			
Refunding bonds issued	20,840,000	20,840,000	-
Premium on refunding bonds issued	2,340,320	2,340,321	1
Payment to refunded bond escrow agent	(23,262,444)	(23,262,445)	(1)
Total other financing sources (uses)	<u>(82,124)</u>	<u>(82,124)</u>	<u>-</u>
Net Change in Fund Balances	(963,526)	(967,545)	(4,019)
FUND BALANCES - BEGINNING	<u>4,606,571</u>	<u>4,606,570</u>	<u>(1)</u>
FUND BALANCES - ENDING	<u>\$ 3,643,045</u>	<u>\$ 3,639,025</u>	<u>\$ (4,020)</u>

Ouachita Parish School Board

Nonmajor Capital Project Funds

A Capital Projects Fund accounts for and report financial resources that are restricted, committed, or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities and other capital assets. A capital projects fund excludes those types of capital related outflows financed by proprietary funds or for assets that will be held in trust for individuals, private organizations, or other governments. The following are the nonmajor capital project funds of the School Board during 2016-17:

East Ouachita Construction Fund

The East Ouachita Construction Fund accounts for the proceeds of \$28.5 million in general obligation bonds sold by the East Ouachita Parish School District in two issues, in 2013 and 2014, authorized by voters in an election held on May 3 2014. The primary purpose of this fund is to construct a new East Ouachita Middle School, in addition to making other improvements and renovations throughout the eastern school district.

West Ouachita 2015 Construction Fund

The West Ouachita 2015 Construction Fund accounts for the proceeds of \$20 million in sales tax revenue bond from sold by the West Ouachita Parish School District in 2015. The financing of these bonds for capital improvements was authorized by district voters in 1997 to levy a 1.0% sales and use tax for an initial 24-year period creating the West Ouachita Sales Tax Fund and then with their approval to continue the sales and use tax perpetually in 2015. The capital improvement projects include football stadium renovations and a new agriculture arts building at West Monroe High, a new gym at West Ouachita High, and additional classrooms at West Ridge Middle and Boley Elementary, as well as various other renovations throughout the district.

OUACHITA PARISH SCHOOL BOARD
NONMAJOR CAPITAL PROJECT FUNDS
Combining Balance Sheet
June 30, 2017

Exhibit 12

	EAST OUACHITA CONSTRUCTION	WEST OUACHITA 2015 CONSTRUCTION	TOTAL
ASSETS			
Cash and cash equivalents	\$ 2,160,068	\$ 242,446	\$ 2,402,514
Investments	2,166,118	4,849,282	7,015,400
	<u>4,326,186</u>	<u>5,091,728</u>	<u>9,417,914</u>
TOTAL ASSETS	<u>4,326,186</u>	<u>5,091,728</u>	<u>9,417,914</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	208,648	2,550	211,198
Retainages payable	897,879	-	897,879
Other liabilities	-	450	450
	<u>1,106,527</u>	<u>3,000</u>	<u>1,109,527</u>
Total Liabilities	<u>1,106,527</u>	<u>3,000</u>	<u>1,109,527</u>
Fund balances:			
Restricted for capital projects	3,219,659	5,088,728	8,308,387
	<u>3,219,659</u>	<u>5,088,728</u>	<u>8,308,387</u>
Total Fund Balances	<u>3,219,659</u>	<u>5,088,728</u>	<u>8,308,387</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 4,326,186</u>	<u>\$ 5,091,728</u>	<u>\$ 9,417,914</u>

OUACHITA PARISH SCHOOL BOARD

NONMAJOR CAPITAL PROJECT FUNDS
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended June 30, 2017

Exhibit 13

	EAST OUACHITA CONSTRUCTION	WEST OUACHITA 2015 CONSTRUCTION	TOTAL
REVENUES			
Local sources:			
Interest earnings	\$ 81,805	\$ 69,081	\$ 150,886
Total revenues	81,805	69,081	150,886
EXPENDITURES			
Current:			
Instructional services:			
Regular programs	497,250	1,619	498,869
Vocational programs	76,198	144,349	220,547
Other instructional programs	43,197	105,105	148,302
Support services:			
Instructional staff support	4,473	-	4,473
School administration	34,569	-	34,569
Business services	6,681	4,741	11,422
Plant services	240,947	71,976	312,923
Food services	7,616	-	7,616
Capital outlay	10,267,604	12,554,823	22,822,427
Total expenditures	11,178,535	12,882,613	24,061,148
Net Change in Fund Balances	(11,096,730)	(12,813,532)	(23,910,262)
FUND BALANCES - BEGINNING	14,316,389	17,902,260	32,218,649
FUND BALANCES - ENDING	\$ 3,219,659	\$ 5,088,728	\$ 8,308,387

Ouachita Parish School Board

Proprietary Fund-Type Internal Service Funds

Internal Service Funds

Internal service funds accounts for revenues and cost of services centrally provided to fund programs, departments and schools within the school system.

Self-Insurance

This fund accounts for the transactions related to payment of workers compensation, general liability, property and casualty claims that fall within the limits of the School Board's insurance plan deductibles and associated premiums. Revenue sources are from direct operating transfers from the General Fund and insurance carrier reinsurance and state second-injury refunds.

Centralized Printing

This fund accounts for the cost of centralized printing services provided to schools, departments, and programs within the school system and to other local governments. The cost of operations is funded through user fees billed to recipients of services at discounted costs and direct operating transfers from the General Fund.

OUACHITA PARISH SCHOOL BOARD

PROPRIETARY FUND TYPE - INTERNAL SERVICE

Combining Statement of Net Position

June 30, 2017

Exhibit 14

	SELF INSURANCE	CENTRALIZED PRINTING	TOTAL
ASSETS			
Current Assets			
Cash and cash equivalents	\$ 3,580,630	\$ 61,682	\$ 3,642,312
Receivables	191,343	6	191,349
Total assets	3,771,973	61,688	3,833,661
LIABILITIES			
Current Liabilities:			
Accounts payable	32,233	2,266	34,499
Salaries and wages payable	-	1,382	1,382
Claims liability - due within one year	249,816	-	249,816
Total current liabilities	282,049	3,648	285,697
Noncurrent Liabilities:			
Claims liability	1,046,608	-	1,046,608
Total Liabilities	1,328,657	3,648	1,332,305
NET POSITION			
Unrestricted	\$ 2,443,316	\$ 58,040	\$ 2,501,356

OUACHITA PARISH SCHOOL BOARD

PROPRIETARY FUND TYPE - INTERNAL SERVICE

**Combining Statement of Revenues, Expenses, and Changes in Fund Net Position
For the Year Ended June 30, 2017**

Exhibit 15

	SELF INSURANCE	CENTRALIZED PRINTING	TOTAL
OPERATING REVENUES			
Charges for services	\$ -	\$ 328,626	\$ 328,626
Reimbursements from insurers	44,498	-	44,498
Other revenues	10,000	-	10,000
Total operating revenues	54,498	328,626	383,124
OPERATING EXPENSES			
Self-insurance claims and insurance premiums	462,698	-	462,698
Business Services	-	594,319	594,319
Equipment maintenance	-	398	398
Total operating expenses	462,698	594,717	1,057,415
Operating income (loss)	(408,200)	(266,091)	(674,291)
NONOPERATING REVENUES			
Earnings on investments	13,837	-	13,837
Income (loss) before transfers	(394,363)	(266,091)	(660,454)
Transfers in	565,000	25,000	590,000
Change in net position	170,637	(241,091)	(70,454)
NET POSITION - BEGINNING	2,272,679	299,131	2,571,810
NET POSITION - ENDING	\$ 2,443,316	\$ 58,040	\$ 2,501,356

OUACHITA PARISH SCHOOL BOARD

PROPRIETARY FUND TYPE - INTERNAL SERVICE

Combining Statement of Cash Flows

For the Year Ended June 30, 2017

Exhibit 16

	SELF INSURANCE	CENTRALIZED PRINTING	Total
Cash flows from (used by) operating activities:			
Receipts from interfund services provided	\$ -	\$ 328,848	\$ 328,848
Receipts from insurers	260,693	-	260,693
Payments to suppliers and service providers	(263,224)	(310,057)	(573,281)
Payments to employees for salaries and benefits	-	(281,773)	(281,773)
Claims and premiums paid	(898,612)	-	(898,612)
Net cash used by operating activities	<u>(901,143)</u>	<u>(262,982)</u>	<u>(1,164,125)</u>
Cash flows from noncapital financing activities:			
Transfer from (to) General Fund	<u>565,000</u>	<u>25,000</u>	<u>590,000</u>
Net cash provided by non-capital financing activities	<u>565,000</u>	<u>25,000</u>	<u>590,000</u>
Cash flows from (used by) investing activities:			
Sale of investments	2,525,162	-	2,525,162
Earnings on investments	13,837	-	13,837
Net cash provided by investing activities	<u>2,538,999</u>	<u>-</u>	<u>2,538,999</u>
Net increase (decrease) in cash and cash equivalents	2,202,856	(237,982)	1,964,874
Cash and cash equivalents at beginning of year	<u>1,377,774</u>	<u>299,664</u>	<u>1,677,438</u>
Cash and cash equivalents at end of year	<u><u>\$ 3,580,630</u></u>	<u><u>\$ 61,682</u></u>	<u><u>\$ 3,642,312</u></u>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:			
Operating income (loss)	\$ (408,200)	\$ (266,091)	\$ (674,291)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:			
Changes in assets and liabilities:			
(Increase) decrease in receivables	206,195	222	206,417
Increase (decrease) in payables	14,354	1,505	15,859
Increase (decrease) in salaries and wages payables	-	1,382	1,382
Increase (decrease) in claims liability	(713,492)	-	(713,492)
Net cash provided (used) by operating activities	<u><u>\$ (901,143)</u></u>	<u><u>\$ (262,982)</u></u>	<u><u>\$ (1,164,125)</u></u>

Ouachita Parish School Board

Fiduciary Fund-Type Agency Funds

Fiduciary Funds account for assets held by the School Board in a trust or agency capacity.

School Activities Agency Funds

The activities of the various individual school accounts are accounted for in the School Activities Funds. While the funds are under the supervision of the School Board, these funds belong to the individual schools or their student bodies and are not available for use by the School Board.

OUACHITA PARISH SCHOOL BOARD

**SCHOOL ACTIVITIES AGENCY FUND
Statement of Changes in Assets and Liabilities
For the Year Ended June 30, 2017**

Exhibit 17

<u>School</u>	<u>Balance July 1, 2016</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2017</u>
ASSETS				
Cash and cash equivalents	<u>\$ 4,885,073</u>	<u>\$ 10,587,107</u>	<u>\$ 10,537,061</u>	<u>\$ 4,935,119</u>
Total assets	<u>4,885,073</u>	<u>10,587,107</u>	<u>10,537,061</u>	<u>4,935,119</u>
LIABILITIES				
Deposits due others	<u>4,885,073</u>	<u>10,587,107</u>	<u>10,537,061</u>	<u>4,935,119</u>
Total liabilities	<u>\$ 4,885,073</u>	<u>\$ 10,587,107</u>	<u>\$ 10,537,061</u>	<u>\$ 4,935,119</u>

OUACHITA PARISH SCHOOL BOARD

SCHOOL ACTIVITIES AGENCY FUND
Schedule of Changes in Deposits Due Others
For the Year Ended June 30, 2017

Exhibit 18

<u>School</u>	<u>Balance, Beginning</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance, Ending</u>
Boley Elementary	\$ 54,446	\$ 41,497	\$ 45,211	\$ 50,732
Calhoun Elementary	68,068	173,564	174,289	67,343
Calhoun Middle	219,380	296,900	268,416	247,864
Central Elementary	164,371	151,988	203,223	113,136
Claiborne Elementary	69,759	143,417	138,916	74,260
Crosley Elementary	40,991	50,545	43,329	48,207
Drew Elementary	59,152	191,561	207,529	43,184
George Welch Elementary	71,113	106,785	101,569	76,329
Good Hope Medical	78,446	390,858	382,406	86,898
Highland Elementary	40,714	110,965	88,728	62,951
Jack Hayes Elementary	60,618	109,423	91,023	79,018
Kiroli Elementary	56,448	76,493	78,060	54,881
Lakeshore Elementary	34,400	211,324	207,315	38,409
Lenwil Elementary	45,669	77,400	88,434	34,635
Ouachita Alternative Program	13,571	13,050	13,241	13,380
Ouachita High	222,923	892,353	815,842	299,434
Ouachita Middle	242,990	345,657	349,901	238,746
Pinecrest Elementary	82,167	61,824	56,039	87,952
Richwood High	148,470	376,694	337,301	187,863
Richwood Middle	57,829	136,094	150,845	43,078
Riser Elementary	18,602	49,704	51,000	17,306
Riser Middle	25,224	159,800	155,621	29,403
Riverbend Elementary	11,504	50,816	54,433	7,887
Robinson Elementary	32,790	70,370	74,220	28,940
Shady Grove Elementary	18,944	19,351	17,998	20,297
Sterlington Elementary	214,712	172,198	208,184	178,726
Sterlington High	205,803	799,478	841,477	163,804
Sterlington Middle	87,966	257,438	273,653	71,751
Swartz Lower Elementary	125,432	114,283	105,622	134,093
Swartz Upper Elementary	151,598	101,745	91,997	161,346
Swayze Elementary	9,442	34,470	31,148	12,764
West Monroe High	1,138,215	3,220,469	3,282,266	1,076,418
West Ouachita High	613,990	869,855	863,388	620,457
West Ridge Middle	254,315	398,400	341,675	311,040
Woodlawn Elementary	60,403	190,809	187,288	63,924
Woodlawn Middle	84,608	119,529	115,474	88,663
	<u>\$ 4,885,073</u>	<u>\$ 10,587,107</u>	<u>\$ 10,537,061</u>	<u>\$ 4,935,119</u>

SUPPLEMENTARY INFORMATION:
GENERAL

Ouachita Parish School Board

Schedule of Compensation Paid Board Members For The Year Ended June 30, 2017

Exhibit 19

The schedule of compensation paid to School Board members was prepared in compliance with House Concurrent Resolution No. 54 of the 1979 session of the Louisiana Legislature.

The compensation of the School Board members is included in the general administration expenditures of the General Fund. In accordance with Louisiana Revised Statute 17:56, the School Board members have elected the monthly payment method of compensation. Under this method, the members of the School Board received \$800 per month. Additionally, the president received \$100 per month for exercising the duties of his office.

Board Member	District	Amount
Mr. Jerry Hicks, President	District D	\$ 10,800
Mr. Greg Manley, Vice President	District G	9,600
Mr. Tommy Comeaux	District A	9,600
Mr. Scott Robinson	District B	9,600
Mr. A.R. "Red" Sims	District C	9,600
Rev. John Russell	District E	9,600
Mr. Carey Walker	District F	9,600
		<u>\$ 68,400</u>

Ouachita Parish School Board

**Schedule Of Compensation, Benefits And Other Payments To Agency Head (Superintendent)
For The Year Ended June 30, 2017**

Exhibit 20

Agency Head Name: Don Coker, Ed. D., Superintendent

<u>Purpose</u>	<u>Amount</u>
Salary	\$185,328
Benefits-Health and life insurance	10,652
Benefits- Retirement	45,836
Benefits- Medicare	2,708
Benefits- Vacation pay	5,900
Vehicle provided by government	3,110
Fuel for use of government vehicle	1,799
Conference travel	242
Registration fees	1,510
Reimbursement- per diem	366
Other	69
Administrative travel- lodging	<u>1,751</u>
TOTAL	<u>\$259,271</u>

Ouachita Parish School Board

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STATISTICAL SECTION

2016-17 Ouachita Parish Students of the Year



Jerry Hicks, School Board President

Alli Beach, Claiborne Elementary School

Madison Nelson, Ouachita Junior High School

Drew Thomas, West Ouachita High School

Dr. Don Coker, Superintendent

Ouachita Parish School Board **Statistical Section** **Contents**

Financial Trends

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

Net Position by Component	1	155
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Fund Balances of Governmental Funds	3	157
Changes in Fund Balances of Governmental Funds	4	158

Revenue Capacity

These schedules contain information to help the reader assess one of the School Board's most significant local revenue sources, property tax.

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Direct and Overlapping Governments Property Tax Rates	6	160
Principal Property Taxpayers	7	161
Property Tax Levies and Collections	8	162

Debt Capacity

These schedules present information to help the reader assess the affordability of the School Board's current levels of outstanding debt and the School Board's ability to issue debt in the future.

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Direct and Overlapping Governmental Activities Debt	11	165
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Ouachita Parish School Board
Statistical Section
Contents

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Demographic and Economic Information		
These schedules offer demographic and economic indicators to help the reader understand the environment within which the School Board's financial activities take place.		
Demographic and Economic Statistics	14	168
Principal Employers	15	169
Operating Information		
These schedules contain service and infrastructure data to help the reader understand how the information in the School Board's financial report relates to the services the School Board provides and the activities it performs.		
School Building Information	16	170
School Personnel	17	171
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Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial report (CAFR) for the relevant year.

(concluded)

Table 1

OUACHITA PARISH SCHOOL BOARD
Monroe, Louisiana

	Net Position by Component										
	Fiscal Years Ended June 30, 2008 through June 30, 2017										
	(Accrual Basis of Accounting)										
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	
Governmental Activities											
Net investment in capital assets	\$ 94,599,342	\$ 94,558,188	\$ 94,316,204	\$ 99,549,165	\$ 98,549,523	\$ 97,150,276	\$ 98,167,751	\$ 95,472,151	\$ 99,424,951	\$ 107,429,689	
Restricted	41,808,417	44,597,890	38,892,006	23,567,522	32,829,304	25,468,356	27,791,427	29,033,571	40,796,458	40,160,297	
Unrestricted	(18,572,677)	(40,644,122)	(34,657,878)	(28,457,135)	(41,708,960)	(26,155,506)	(31,003,232)	(279,408,748)	(286,271,440)	(293,926,363)	
Total governmental activities net position	<u>\$ 117,835,082</u>	<u>\$ 98,511,956</u>	<u>\$ 98,550,332</u>	<u>\$ 94,659,552</u>	<u>\$ 89,669,867</u>	<u>\$ 96,463,126</u>	<u>\$ 94,955,946</u>	<u>\$ (154,903,026)</u>	<u>\$ (146,050,031)</u>	<u>\$ (146,336,377)</u>	

Source - Ouachita Parish School Board - Comprehensive Annual Financial Report

Notes:

GASB Statement No. 63 was implemented for the year ended June 30, 2013. This statement changed the term net assets to net position.

OUACHITA PARISH SCHOOL BOARD
Monroe, Louisiana

Table 2

Changes in Net Position
Fiscal Years Ended June 30, 2008 through June 30, 2017
(Accrual Basis of Accounting)

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Governmental activities:										
Expenses										
Instructional services:										
Regular programs	\$ 90,558,598	\$ 92,887,059	\$ 81,658,561	\$ 79,618,359	\$ 85,247,327	\$ 78,130,383	\$ 83,554,968	\$ 82,101,860	\$ 80,953,886	\$ 84,260,727
Special education programs	22,889,940	23,905,518	22,086,357	20,257,905	19,081,018	18,204,343	18,526,219	17,938,573	17,616,365	17,886,494
Vocational programs	1,634,666	1,999,442	2,110,705	2,525,521	2,060,638	1,901,444	3,171,369	3,242,905	3,729,714	4,123,378
Other instructional programs	2,037,559	2,063,292	2,398,201	8,964,146	8,433,690	8,399,010	8,550,400	8,653,234	8,038,058	8,434,606
Special programs	5,514,792	5,892,693	6,723,294	5,094,185	4,748,497	4,676,673	4,294,852	4,378,506	4,128,148	4,771,208
Adult/continuing education	568,706	503,566	682,287	1,304,667	1,307,125	64,046	63,599	63,650	1,742	1,737
Support services:										
Student services	8,367,785	8,881,619	8,817,328	11,889,305	12,064,420	11,868,192	12,750,440	12,826,787	12,561,268	14,270,413
Instructional staff support	11,449,710	12,121,132	12,384,806	13,066,081	15,249,486	13,824,859	15,781,633	16,351,770	15,598,574	15,497,897
General administration	2,676,345	1,332,393	1,828,041	2,585,952	2,117,165	2,035,234	2,210,168	2,266,507	3,636,357	2,902,124
School administration	11,523,090	11,868,358	11,142,189	12,117,437	12,936,711	13,626,722	14,392,606	13,955,474	13,540,647	14,434,880
Business services	3,779,424	3,269,740	2,922,867	3,116,489	3,096,381	3,118,811	3,332,845	4,523,095	2,814,702	2,963,378
Plant services	19,078,319	22,717,555	22,138,096	22,572,688	20,558,751	19,455,702	21,997,850	20,746,414	20,746,614	21,537,054
Student transportation services	10,862,598	11,103,627	9,749,254	10,435,400	11,091,742	11,267,218	12,029,898	11,375,050	12,157,792	12,704,926
Central services	3,047,224	3,462,221	2,785,771	3,235,562	3,319,011	3,145,826	3,144,671	3,168,426	2,972,919	3,360,734
Noninstructional services:										
Food service	11,523,328	12,069,841	11,366,639	11,244,768	12,247,610	12,141,427	12,702,753	12,752,966	12,573,412	12,674,083
Community service programs	63,182	69,785	72,833	75,104	77,809	42,806	28,351	28,351	28,351	15,426
Long-term obligations:										
Interest on long-term obligations	5,614,136	6,475,576	5,969,208	6,038,836	5,629,847	5,505,210	5,271,721	5,712,404	6,271,313	4,955,125
Bond issuance and other costs	221,694	469,226	82,552	203,769	83,990	13,552	25,152	-	-	-
Total Expenses	211,411,096	221,093,643	204,918,989	214,346,174	219,351,218	207,421,458	221,829,495	220,085,952	217,369,862	224,794,190
Program Revenues										
Charges for services:										
Tuition for supplemental education programs	165,820	160,063	145,174	167,109	184,312	186,425	179,460	226,587	177,905	170,415
Cash payments for meals	1,872,126	2,209,965	2,116,323	1,991,059	1,919,605	1,724,856	1,623,267	1,373,873	1,286,314	1,258,189
Medical services provided	-	-	-	146,294	122,618	91,453	184,932	157,122	-	-
Other charges	-	-	-	118,388	151,404	409,244	493,374	719,094	26,747	35,261
Operating grants and contributions	23,445,910	26,576,588	32,335,485	33,202,748	30,576,016	25,429,452	25,818,053	26,706,736	24,321,649	23,951,666
Capital grants and contributions	974,107	65,731	247,036	154,875	27,738	-	-	469,592	100,000	200,000
Total program revenues	26,457,963	29,012,347	34,844,018	35,780,473	32,981,693	27,841,430	28,299,086	29,653,004	25,912,615	25,615,531
Net (expenses)/revenues	(184,953,133)	(192,080,296)	(170,074,971)	(178,565,701)	(186,369,525)	(179,580,028)	(193,530,409)	(190,432,948)	(191,457,247)	(199,178,659)
General Revenues										
Taxes:										
Ad valorem taxes levied for:										
General purposes	12,413,862	13,354,282	14,719,159	15,499,401	16,180,595	17,504,128	17,741,097	18,059,896	19,817,977	20,507,138
Debt service	4,439,488	4,631,173	5,290,132	5,774,612	6,195,095	6,524,863	8,045,918	8,221,656	7,651,928	7,769,530
Sales taxes levied for:										
General purposes	15,936,783	16,275,955	15,048,988	16,083,740	16,957,573	11,367,332	11,941,639	11,347,993	10,628,876	10,457,250
Salaries and related benefits	21,115,810	21,421,340	20,306,723	21,530,390	22,445,192	23,551,491	24,115,182	25,453,939	26,846,178	26,413,830
Debt service	-	-	-	-	-	6,390,257	6,430,651	7,948,722	9,529,461	9,591,144
Grants and contributions not restricted to specific programs:										
Minimum Foundation Program	106,261,898	112,173,653	111,280,177	112,675,404	117,404,761	119,870,318	119,363,297	122,857,260	121,289,332	120,074,945
Other state revenue	-	-	-	-	-	-	2,897,755	44,341	2,944	2,907
State revenue sharing	824,137	830,587	818,245	825,408	823,218	819,824	817,682	822,633	782,238	817,187
Interest and investment earnings	2,974,860	1,892,643	538,324	463,259	436,428	179,093	401,929	457,327	808,145	682,144
Sale (loss) of assets	1,201,881	-	-	-	-	84,700	-	6,591	14,316	-
Other	2,819,231	2,177,537	2,111,599	1,822,707	936,978	81,281	268,079	1,906,623	2,938,849	2,576,238
Total program revenues	167,987,950	172,757,170	170,113,347	174,674,921	181,379,840	186,373,287	192,023,229	197,126,981	200,310,244	198,892,313
Change in Net Position	<u>\$ (16,965,183)</u>	<u>\$ (19,323,126)</u>	<u>\$ 38,376</u>	<u>\$ (3,890,780)</u>	<u>\$ (4,989,685)</u>	<u>\$ 6,793,259</u>	<u>\$ (1,507,180)</u>	<u>\$ 6,694,033</u>	<u>\$ 8,852,997</u>	<u>\$ (286,346)</u>

Source - Ouachita Parish School Board - Comprehensive Annual Financial Report

Notes:

GA5B Statement No. 63 was implemented for the year ended June 30, 2013. This statement changed the term net assets to net position.

OUACHITA PARISH SCHOOL BOARD
Monroe, Louisiana

Fund Balances of Governmental Funds
Fiscal Years Ended June 30, 2008 through June 30, 2017
(Modified Accrual Basis of Accounting)

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
General Fund										
Restricted	\$ 843,487	\$ 1,303,303	\$ 900,313	\$ 875,313	\$ 625,000	\$ 625,000	\$ 1,298,334	\$ 1,285,000	\$ 740,961	\$ 664,264
Committed	132,431	175,318	2,441,599	500,000	715,351	1,168,632	1,186,021	1,117,817	999,797	497,219
Assigned	-	-	-	278,744	423,204	332,052	379,349	483,847	499,328	532,638
Unassigned	16,321,288	15,318,419	13,969,471	14,165,266	13,125,361	15,761,767	16,807,973	15,986,919	16,880,253	19,072,368
Total general fund	17,297,206	16,797,040	17,311,383	15,819,323	14,888,916	17,887,451	19,671,677	18,873,583	19,120,339	20,766,489
All Other Governmental Funds										
Nonspendable	-	-	72,012	114,280	148,911	114,717	123,283	88,805	208,337	180,713
Restricted	60,024,010	64,313,264	45,635,631	29,975,245	27,446,174	36,948,487	37,064,704	76,648,061	74,390,649	49,713,854
Committed	2,179,568	2,093,031	17,308,880	15,429,698	14,477,447	17,059,395	17,479,350	18,416,410	18,294,291	18,617,904
Assigned	-	-	-	45,887	417,008	398,115	312,621	221,001	395,624	1,041,479
Unassigned	-	-	-	-	-	-	-	-	-	-
Total all other governmental funds	62,203,578	66,406,295	63,016,523	45,565,110	42,489,540	54,520,714	54,979,958	95,374,277	93,288,901	69,553,950
Grand Total of funds	\$ 79,500,784	\$ 83,203,335	\$ 80,327,906	\$ 61,384,433	\$ 57,378,456	\$ 72,408,165	\$ 74,651,635	\$ 114,247,860	\$ 112,409,240	\$ 90,320,439

Source - Ouachita Parish School Board

NOTE: GASB 54 was implemented for fiscal year ended June 30, 2010 and changed fund balance classification definitions. Fund balances for fiscal years prior to June 30, 2010 were restated based on new fund balance classifications and are different than originally reported.

OUACHITA PARISH SCHOOL BOARD
Monroe, Louisiana

Table 4

Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Revenues										
Local sources:										
Ad valorem taxes	\$ 16,853,350	\$ 18,452,422	\$ 20,525,026	\$ 21,806,799	\$ 22,918,397	\$ 24,574,366	\$ 26,372,158	\$ 26,887,519	\$ 27,469,905	\$ 28,276,668
Sales and use taxes	37,052,593	37,697,295	35,535,711	37,614,130	39,402,765	41,309,080	42,487,472	44,750,653	47,004,515	46,462,224
Earnings on investments	2,974,860	1,892,643	538,324	463,259	436,428	172,715	398,169	452,966	799,138	668,307
Cash payments for meals	1,872,126	2,209,965	2,116,323	1,991,058	1,709,605	1,263,443	1,709,836	1,353,443	1,286,314	1,258,189
Other	4,149,588	2,767,081	2,996,682	4,008,999	4,443,528	2,808,949	3,679,236	4,870,952	2,623,367	3,362,737
State sources:										
State equalization	106,261,898	113,854,421	111,412,589	112,675,404	117,404,761	119,870,315	119,363,297	122,857,260	121,289,332	120,074,945
Revenue sharing	824,137	830,587	818,245	825,408	823,218	819,824	817,682	822,633	782,238	817,187
Professional Improvement Program	370,052	335,719	288,376	267,915	-	-	-	-	-	-
State contribution for teacher retirement	50,405	42,037	36,710	50,835	-	-	-	-	-	-
Unrestricted grants-in-aid	-	-	-	-	1,920,636	1,557,975	1,937,079	1,847,389	2,653,582	2,115,034
Restricted grants-in-aid	5,479,713	6,047,855	3,541,374	1,697,665	-	-	-	44,341	2,944	2,907
Federal sources	16,741,535	16,866,205	26,428,708	28,690,811	24,428,892	20,301,193	19,965,095	20,836,366	21,173,116	21,114,031
Other federal support	613,775	773,287	899,297	573,111	447,921	623,569	430,290	480,337	594,951	922,601
Total revenues	193,244,032	201,769,517	204,957,465	210,465,394	214,146,151	213,747,822	219,948,334	225,103,859	225,679,402	225,074,830
Expenditures:										
Current:										
Instructional services:										
Regular programs	75,845,650	76,967,595	73,077,397	71,302,195	75,907,636	68,694,241	72,480,720	73,797,595	73,990,028	71,978,082
Special education programs	19,971,763	21,039,702	21,369,112	20,648,376	18,615,381	17,508,868	17,653,505	17,628,891	17,666,886	16,901,961
Vocational programs	1,506,303	1,786,219	2,082,934	2,719,411	2,033,725	1,956,087	2,975,790	3,206,027	3,826,559	4,035,617
Other instructional programs	2,025,318	1,878,312	2,328,212	8,870,395	8,318,212	8,223,777	8,321,473	9,938,718	8,220,182	8,103,367
Special programs	4,785,580	5,189,276	6,425,692	5,517,414	4,351,387	4,365,606	4,015,928	4,262,997	4,148,776	4,517,888
Adult/continuing education	538,672	485,621	676,763	1,282,272	1,304,434	62,185	28,210	30,034	-	-
Support services:										
Student services	7,520,805	7,985,353	8,598,873	11,615,744	11,843,140	11,618,077	12,312,112	12,858,252	12,807,914	13,649,655
Instructional staff support	10,784,673	10,891,016	11,963,491	12,827,388	14,489,597	13,335,306	14,975,094	16,102,419	15,696,816	14,890,660
General administration	2,239,831	953,302	1,174,872	1,767,901	1,867,446	1,930,376	1,919,528	2,075,284	1,978,075	1,914,685
School administration	10,341,364	10,728,248	10,865,993	11,862,860	12,735,746	13,384,303	13,928,106	14,077,096	13,804,326	13,788,015
Business services	3,479,985	2,959,484	2,809,793	3,062,795	2,978,171	2,647,426	2,799,322	2,919,070	2,780,301	2,520,135
Plant services	18,356,302	22,319,078	20,888,151	22,411,844	20,255,992	19,012,324	20,857,253	22,275,412	21,035,044	21,420,617
Student transportation services	9,554,980	9,542,681	9,049,620	10,257,936	10,750,769	10,563,937	11,381,836	11,017,725	12,501,461	11,994,648
Central services	3,415,570	3,023,820	2,538,344	2,976,100	3,032,849	2,936,933	3,343,668	3,118,101	3,001,925	3,156,225
Noninstructional services:										
Food service operations	10,816,797	11,256,455	11,220,125	11,110,853	12,106,667	11,810,802	12,266,220	12,637,916	12,737,758	12,187,977
Community service programs	62,908	69,634	72,845	75,034	77,826	42,833	28,351	28,351	15,426	15,426
Capital outlay	8,602,385	12,789,072	26,024,879	17,419,393	9,814,721	9,284,259	5,531,933	10,426,801	26,539,588	24,123,435
Debt Service:										
Principal	5,430,000	6,335,000	7,195,000	7,800,000	8,545,000	7,030,000	7,330,000	9,715,000	10,805,000	11,660,000
Interest	4,933,275	5,829,191	5,670,192	5,648,150	5,561,120	5,569,316	5,341,015	5,443,831	6,578,585	5,634,413
Bond issuance and other charges	221,694	469,226	82,552	203,769	83,990	13,552	25,152	367,859	368,743	521,920
Total expenditures	200,433,855	212,498,285	224,114,840	229,389,830	224,853,802	209,940,198	217,515,216	231,827,379	248,336,318	243,014,726
Excess (deficiency) of revenues over expenditures	(7,189,823)	(10,728,768)	(19,157,475)	(18,924,436)	(10,707,651)	3,757,624	2,433,118	(6,623,520)	(22,656,916)	(17,939,896)
Other financing sources (uses)										
Proceeds from sale of assets	14,826	22,654	6,330	9,568	42,785	89,200	10,352	6,591	14,316	7,763
Refunding bonds issued	-	-	-	-	-	-	-	9,230,000	12,330,000	30,705,000
General obligation bonds issued	20,000,000	9,785,000	9,200,000	-	19,300,000	-	-	28,500,000	20,000,000	-
Revenue bonds issued	11,950,000	34,490,000	10,000,000	8,545,000	-	-	-	-	-	-
Limited tax certificates of indebtedness issued	-	-	-	-	-	-	-	15,000,000	-	-
Bond premium	86,629	108,130	10,324	225,486	169,222	-	-	2,519,394	1,258,543	3,426,636
Bond discount	-	-	-	-	-	-	-	-	-	-
Payments to refunded debt escrow agent - principal	-	(28,460,000)	-	(8,110,000)	-	-	-	(8,860,000)	(13,200,000)	(3,717,378)
Payments to refunded debt escrow agent - interest	-	(914,465)	-	(684,091)	-	-	-	(376,239)	-	-
Insurance Proceeds	-	-	-	-	-	-	-	-	-	-
Transfers in	8,113,111	11,939,994	8,420,912	8,812,447	8,852,037	6,683,750	10,585,082	8,398,398	915,439	19,074
Transfers out	(8,113,111)	(12,539,994)	(11,381,332)	(8,817,447)	(9,199,437)	(7,985,780)	(10,785,082)	(8,198,398)	(9,639,656)	9,691,144
Total other financing sources(uses)	32,051,455	14,431,319	16,256,234	(19,037)	19,164,607	(1,210,800)	(189,648)	46,219,746	20,818,298	(41,489,055)
Special item										
Proceeds from sale of "old" Claiborne School	1,619,501	-	-	-	-	-	-	-	-	-
Net change in fund balances	\$ 26,481,133	\$ 3,702,551	\$ (2,901,241)	\$ (18,943,473)	\$ 8,456,956	\$ 2,546,824	\$ 2,243,470	\$ 39,596,226	\$ (1,838,618)	\$ (22,088,801)
Debt service as a percentage of noncapital expenditures	5.53%	6.16%	6.50%	6.50%	6.59%	6.28%	6.00%	6.89%	7.92%	7.99%

Table 5

OUACHITA PARISH SCHOOL BOARD
Monroe, Louisiana

Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Calendar Years

Calendar Year Ended December 31,	Land	Real Property		Personal Property	Public Service	Less: Tax Exempt Real Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
		Residential Property	Commercial Property							
		Property	Property							
2007	\$ 126,262,402	\$ 340,015,911	\$ 135,330,723	\$ 272,370,750	\$ 75,445,900	\$ (191,533,476)	\$ 757,892,210	59.33	\$ 6,889,929,182	11.00%
2008	133,449,761	358,071,326	141,557,016	277,514,651	88,959,070	(197,223,053)	802,328,771	59.33	7,293,897,918	11.00%
2009	133,549,060	371,977,000	151,843,082	279,992,105	112,809,080	(199,759,353)	850,410,974	59.33	7,731,008,855	11.00%
2010	135,872,084	383,359,226	154,432,765	276,193,059	126,189,090	(202,146,476)	873,899,748	59.33	7,944,543,164	11.00%
2011	138,786,346	397,342,866	157,521,480	264,931,041	143,536,270	(204,782,239)	897,335,764	59.33	8,157,597,855	11.00%
2012	142,199,000	406,222,613	160,846,779	275,103,862	154,068,460	(205,149,153)	933,291,561	59.33	8,484,468,736	11.00%
2013	144,496,862	416,489,923	162,114,785	277,883,254	189,722,870	(206,318,602)	984,389,092	59.33	8,948,991,745	11.00%
2014	148,134,483	425,896,195	166,020,288	276,837,818	188,439,220	(205,812,997)	999,515,007	59.33	9,086,500,064	11.00%
2015	148,231,367	435,582,695	167,001,440	286,139,264	190,517,600	(206,513,394)	1,020,958,972	59.33	9,281,445,200	11.00%
2016	153,170,528	445,158,649	172,530,545	296,016,303	197,209,390	(206,226,483)	1,057,858,932	59.33	9,616,899,382	11.00%

Source: OUACHITA Parish Tax Assessor Agency

Notes:

- (1) Taxable assessed value represents total assessed value less homestead exemption.
- (2) Actual valuation (market value) as compared to assessed valuation:
In accordance with the Louisiana Constitution of 1978, residential properties are assessed by the Ouachita Parish Assessor at 10% of market value and at 15% of market value for all other properties. The overall assessed value is estimated to be 11% of actual market value.
- (3) Exempt Properties do not include exempt assessed valuations such as churches, schools, government
- (4) The increases in public service property are due to new and existing pipeline companies expanding natural gas pipeline services throughout Ouachita parish and across northern Louisiana to connect to the Haynesville Shale reservoir, and for expansion of fiber optic services in rural areas.
- (5) This table presents information related to property taxes and assessed values for the parish as a whole. For information related to Ouachita Parish School Board's portion of property taxes, see table 12.

Ouachita Parish School Board
Monroe, Louisiana

Table 6

Direct and Overlapping Governments Property Tax Rates
Last Ten Tax (Calendar) Years

Tax Year	Direct Rates (3)(A)					Other Applicable Taxes					Overlapping Rates				
	Maintenance	Constitutional	Debt	Total	School Taxes	Town		City		Parish		Law Enforcement		Parish	
	Operation Tax	Tax	Service Tax			Richwood Municipal	Sterlington Municipal	West Monroe Operating (B)	(C)	Inside/Outside City Operating (2)	(C)	Fire Maintenance	(C)	Library Maintenance	Debt Service
						(C)	(C)	(C)	(C)	(C)	(C)	(C)	(C)	(C)	(C)
2007	24.15	5.18	30.00	59.33	59.33	9.15	9.15	16.46	8.62	2.03/4.06	7.50	12.11	12.11	7.38	1.90
2008	24.15	5.18	30.00	59.33	59.33	9.15	9.15	16.45	8.62	2.09/4.18	7.50	11.99	11.99	7.50	1.15
2009	24.15	5.18	30.00	59.33	59.33	9.15	9.15	16.20	8.62	2.09/4.18	7.50	12.11	12.11	7.50	1.30
2010	24.15	5.18	30.00	59.33	59.33	9.15	9.15	16.20	8.62	2.09/4.18	7.50	12.11	12.11	7.50	0.00
2011	24.15	5.18	30.00	59.33	59.33	9.15	9.15	16.20	8.62	2.09/4.18	7.50	12.11	12.11	7.50	0.00
2012	24.15	5.18	30.00	59.33	59.33	9.25	9.25	16.46	8.53	2.08/4.16	7.48	12.11	12.11	7.47	0.00
2013	24.15	5.18	30.00	59.33	59.33	9.25	9.25	26.34 (9)	8.53	2.08/4.16	7.48	12.11	12.11	7.47	0.00
2014	24.15	5.18	30.00	59.33	59.33	9.25	9.25	26.34	8.53	2.08/4.16	7.48	12.11	12.11	7.47	0.00
2015	24.15	5.18	30.00	59.33	59.33	9.25	9.25	26.34	8.53	2.08/4.16	7.48	12.11	12.11	7.47	0.00
2016	24.15	5.18	30.00	59.33	59.33	9.25	9.25	26.34	8.52	2.07/4.14	7.48	12.11	12.11	7.64	0.00

Tax Rates (mills per dollar)

NOTE: In addition to the above rates, a Forestry Fee is assessed at 8 cents per acre to property owners, and the Louisiana Tax Commission assesses .1 mill on the value of public service property parishwide and .15 mills on bank stock.

All taxes are due and collectible when assessment rolls are filed on or before November 15 of the current tax year. Taxes become delinquent on January 1 of the following year. Penalty for delinquent taxes is 10%. No discounts are allowed for taxes and there is no provision for partial payments.

The Sheriff, through registered mail, notifies taxpayers who have not paid their taxes by December 31 of each year that taxes are delinquent. After the notification period expires, the Sheriff is required to sell the least quantity of property of any debtor which any bidder will buy for the amount of taxes, interest, and cost due.

Overlapping rates are those of local and parish governments that apply to property owners within the Parish School District.

Not all overlapping rates apply to all Ouachita Parish property owners; for example, although the parish property tax rates apply to all residents in the Parish, the debt service rates apply only to the property owners whose property is located within the applicable bond district's geographic boundaries.

- (1) Includes Health Unit, Levee District, Detention Home, GB Cooley Hospital, Mosquito Abatement District, and the Assessment District.
- (2) City operating includes property inside of a city; parish operating includes property outside of a city.
- (3) The Parish School basic property tax rates may only be increased by a majority vote of the parish's residents. Rates for debt service are set based on each year's principal and interest requirements.
- (4) Includes Tensas Basin Levee District and Road Lighting District #1
- (5) A new jail tax was passed for .60 mills and was levied on the 2007 tax roll.
- (6) The 3.0 mill levee district tax expired.
- (7) West Ouachita Sewerage Bond was paid off in the prior year
- (8) The Road Lighting District #1 tax (2.0) expired in 2011. The Parish Police Jury passed for 2013 a 5.0 mills tax for this district for 10 years.
- (9) The Town of Richwood increased Police, Maintenance & Recreation Tax to 20.22 mills.

Source:

- (A) - Ouachita Parish School Board
- (B) - City of West Monroe
- (C) - Ouachita Parish Assessor - Grand Recapitulation

Table 7

OUACHITA PARISH SCHOOL BOARD
Monroe, Louisiana

Principal Property Taxpayers
June 30, 2017 and Nine Years Ago

Taxpayer	Fiscal Year 2017				Fiscal Year 2008			
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value		Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	
Entergy Louisiana	\$ 83,701,798	1	7.91 %		\$ 26,019,661	2	3.43 %	
Graphic Packaging, Inc/ Riverwood Int'l	44,384,388	2	4.20		39,976,077	1	5.27	
ETC Tiger Pipeline	18,335,720	3	1.73					
Kinder Morgan	15,367,290	4	1.45					
Dow Chemical Company	15,128,940	5	1.43					
Gulf Crossing Pipeline	13,941,980	6	1.32					
Gulf South Pipeline	12,513,120	7	1.18					
AT&T Corporation	10,892,790	8	1.03		9,374,593	3	1.24	
CenturyLink	9,562,903	9	0.90					
Atmos	8,797,820	10	0.83					
Angus Chemical					8,685,584	4	1.15	
Georgia Pacific					4,547,593	6	0.60	
IASIS Glenwood Hosp					4,532,891	7	0.60	
Centerpoint Energy					4,487,330	8	0.59	
Bancroft Bag					4,027,929	9	0.53	
El Paso Energy Corp.					6,064,670	5	0.80	
Guide Louisiana					3,542,756	10	0.47	
Totals	\$ 232,626,749		21.98 %		\$ 111,259,084		14.68 %	

Source: Ouachita Parish Tax Assessor

OUACHITA PARISH SCHOOL BOARD
Monroe, Louisiana

Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year Ended June 30	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy		Collections In Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2008	\$ 17,125,075	\$ 16,823,505	98.2%	\$ 30,419	\$ 16,853,924	98.4%
2009	18,347,171	17,979,179	98.0%	7,105	17,986,284	98.0%
2010	20,268,407	19,923,475	98.3%	88,132	20,011,607	98.7%
2011	21,619,054	21,189,992	98.0%	17,324	21,207,316	98.1%
2012	22,504,305	22,062,068	98.0%	254,758	22,316,826	99.2%
2013	23,912,045	23,170,075	96.9%	93,021	23,263,096	97.3%
2014	26,048,592	25,780,101	99.0%	5,855	25,785,956	99.0%
2015	26,560,992	26,203,184	98.7%	78,368	26,281,552	98.9%
2016	27,110,908	26,836,373	99.0%	28,801	26,836,373	99.0%
2017	27,940,897	27,598,387	98.8%	N/A	27,598,387	98.8%

Source: Ouachita Parish Sheriff (ex-officio tax collector)

N/A - Information is not yet available.

Table 9

OUACHITA PARISH SCHOOL BOARD
Monroe, Louisiana

Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year Ended June 30	General Obligation Bonds	Revenue Bonds	Limited Tax Certificates of Indebtedness	Qualified School Construction Bonds	Unamortized Net Bond Premiums (Discounts)	Total Debt Outstanding	Percentage of Personal Income	Per Capita
2008	\$ 55,182,982 (2)	\$ 65,133,743 (3)	\$ 7,705,000	\$ -	\$ (5,018)	\$ 128,016,711	2.55%	\$ 851
2009	63,241,907 (4)	68,175,618 (5)(6)	5,920,000	-	113,488	137,451,013	2.71%	906
2010	70,235,000 (7)	65,301,692 (8)	4,040,000	10,000,000 (8)	105,433	149,682,125	2.93%	974
2011	67,650,000	62,379,024 (9)	2,070,000	10,000,000	305,348	142,404,372	2.68%	921
2012	83,950,000 (10)	68,953,546	-	10,000,000	442,364	163,345,910	2.94%	1,052
2013	80,525,000	55,905,000	-	10,000,000	410,158	146,840,158	2.52%	940
2014	76,925,000	52,175,000	-	10,000,000	377,952	139,477,952	2.28%	886
2015	101,625,000 (11)	48,315,000 (12)	13,315,000	10,000,000	2,614,553	175,869,553	2.92%	1,117
2016	95,690,000 (13)	64,310,000 (14)	11,580,000	10,000,000	3,451,461	185,031,461	3.21%	1,180
2017	89,650,000	55,665,000	9,790,000	10,000,000	6,189,490	171,294,490	3.00%	1,091

Notes:

Details regarding the School Board's outstanding debt can be found in the Notes to the Basic Financial Statements

- (1) - See the Schedule of Demographic and Economic Statistics for personal and per capita income data in Table 14
- (2) - The East Ouachita Bond District issued \$20 million general obligation bonds.
- (3) - The West Ouachita Bond District issued revenue bonds totaling \$11,950,000.
- (4) - The East Ouachita Bond District issued \$9,785 million general obligation bonds.
- (5) - The West Ouachita Bond District issued revenue bonds totaling \$5 million.
- (6) - The West Ouachita Bond District refinanced the 1998 and 1999 series revenue bonds.
- (7) - The East Ouachita Bond District issued \$9.2 million general obligation bonds.
- (8) - School District No. 1 issued Qualified School Construction Bonds (QSCB) totaling \$10 million.
- (9) - The West Ouachita Bond District refinanced the 2001 and 2002 series revenue bonds.
- (10) - The East Ouachita Bond District issued \$19.3 million in general obligation bonds.
- (11) - The East Ouachita Bond District issued \$28.5 million in general obligation bonds and refinanced the 2005 series general obligation bonds.
- (12) - School District No. 1 issued \$15,000,000 in Limited Tax Certificates of Indebtedness for capital spending in the West school district.
- (13) - East Ouachita Bond District refinanced the 2006 series general obligation bonds.
- (14) - West Ouachita Bond District issued \$20 million in revenue bonds.

Source - Ouachita Parish School Board

Table 10

OUACHITA PARISH SCHOOL BOARD
Monroe, Louisiana

Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years

Fiscal Year Ended June 30	General Obligation Bonds	Less: Amounts Available in Debt Service Funds	Total Net Debt	Percentage of	
				Estimated Actual Taxable Value of Property	Per Capita
2008	\$ 55,182,982	\$ (4,629,896)	\$ 50,553,086	0.73%	\$ 336
2009	63,241,907	(4,651,919)	58,589,988	0.80%	386
2010	70,235,000	(4,731,378)	65,503,622	0.85%	426
2011	67,650,000	(4,782,819)	62,867,181	0.79%	406
2012	83,950,000	(4,865,456)	79,084,544	0.97%	509
2013	80,525,000	(4,434,440)	76,090,560	0.90%	487
2014	76,925,000	(4,801,477)	72,123,523	0.81%	458
2015	101,625,000	(6,135,643)	95,489,357	1.05%	607
2016	95,690,000	(4,606,570)	91,083,430	0.98%	581
2017	89,650,000	(3,639,025)	86,010,975	0.89%	548

Notes:

- (1) Details regarding the School Board's outstanding debt can be found in the notes to the financial statements.
- (2) General Obligation Bonds column excludes certificates of indebtedness and Qualified School Construction Bonds.
- (3) See the Schedule of Demographic and Economic Statistics for personal income and population data in Table 14.
- (4) See Schedule of Assessed Value and Estimated Actual Value of Taxable Property for property value data in Table 5.

Table 11

OUACHITA PARISH SCHOOL BOARD
Monroe, Louisiana

Direct and Overlapping Governmental Activities Debt
As of June 30, 2017

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid:			
Town of Richwood	\$ 770,000	100.00%	\$ 770,000
City of West Monroe	<u>31,598,657</u>	100.00%	<u>31,598,657</u>
Subtotal, overlapping debt			<u>32,368,657</u>
Ouachita Parish School Board Direct Debt			<u>171,294,490</u>
Total direct and overlapping debt			<u><u>\$ 203,663,147</u></u>

Sources: Debt outstanding data extracted from annual financial report of respective governments.

Notes:

The City of West Monroe's debt is backed by sales taxes collected within the city limits of the City of West Monroe. The geographical boundaries of the City of West Monroe are completely within the School District's geographical boundaries. Therefore, the residents and businesses of the School District located within the City of West Monroe would bear 100 percent of the overlapping debt of the City of West Monroe.

Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the Ouachita Parish School Board. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and business of the School District. This process recognizes that, when considering the School Board's ability to issue and repay long-term debt, the entire debt burden borne by the residents and business should be taken into account. However, this does not imply that every taxpayer is a resident, and; therefore, responsible for repaying the debt, of each overlapping government.

Other governmental units included within the School District's geographical boundaries are the Ouachita Parish Police Jury and its component units, the Ouachita Parish Sheriff, and the Town of Sterlington. These governmental units do not have any outstanding long-term debt related to governmental-type activities at June 30, 2017.

OUACHITA PARISH SCHOOL BOARD
Monroe, Louisiana

Legal Debt Margin Information
Last Ten Fiscal Years

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<u>East Ouachita Bond District</u>										
Debt Limit	\$ 71,072,929	\$ 73,896,626	\$ 82,098,122	\$ 88,336,770	\$ 92,529,113	\$ 97,705,653	\$ 107,447,992	\$ 109,584,638	\$ 158,143,899	\$ 160,372,930
Total net debt applicable to limit	55,520,000	63,325,000	70,235,000	67,650,000	83,950,000	80,525,000	76,925,000	101,625,000	91,083,430	86,010,975
Legal debt margin	\$ 15,552,929	\$ 10,571,626	\$ 11,863,122	\$ 20,686,770	\$ 8,579,133	\$ 17,180,653	\$ 30,522,992	\$ 7,959,638	\$ 67,060,469	\$ 74,361,955
Total net debt applicable to the limit as a percentage of debt limit	78.12%	85.69%	85.55%	76.58%	90.73%	82.42%	71.59%	92.74%	57.60%	53.63%

Legal Debt Margin Calculation for Fiscal Year 2016

	Parish Wide	Ouachita Parish School Board Authority	East Ouachita Bond District
Taxable Assessed value	\$ 1,057,858,932	\$ 684,904,403	\$ 261,753,648
Add back: exempt real property	206,226,483	162,409,621	58,992,211
Total assessed value	\$ 1,264,085,415	\$ 847,314,024	\$ 320,745,859
Debt limit (50% of total assessed value)			\$ 160,372,930
Debt applicable to limit:			
General Obligation bonds			89,650,000
Less: Amount set aside for repayment of general obligation debt			(3,639,025)
Total net debt applicable to limit			86,010,975
Legal debt margin			\$ 74,361,955

Source: Comprehensive Annual Financial Report
Assessed value is obtained from the Ouachita Parish Tax Assessor

Notes:

- (1) In accordance with Louisiana Revised Statutes Title 34 Section 562, the Ouachita Parish School Board's outstanding general obligation debt should not exceed 35 percent of total assessed property value of the applicable bonding district as of June 30, 2015. However Act 413 of the 2015 Louisiana Legislative Session raises the debt limit from 35% to 50% of assessed property value effective July 1, 2015 and thereafter
- (2) The general obligation bonds issued by the Ouachita Parish School Board are all currently issued for the East Ouachita Bond District.

Source - Ouachita Parish School Board

Ouachita Parish School Board
Monroe, Louisiana

Pledged Revenue Coverage
Last Ten Fiscal Years

Fiscal Year	Sales Tax Collections	Revenue Bonds (1)		Limited Tax Certificates of Indebtedness			Total Debt Service	Coverage	
		Debt Service		Principal	Interest	Total			
		Principal	Interest						
2008	\$ 9,825,039 (3)	\$ 1,901,872 (3)	\$ 2,792,459	\$ 4,694,331	\$ 1,700,000	\$ 350,526	\$ 2,050,526	\$ 6,744,857	1.46
2009	10,096,035 (4)(5)	2,570,000 (4)(5)	3,036,529	5,606,529	1,785,000	292,426	2,077,426	7,683,955	1.31
2010	9,287,183 (7)	3,025,000 (7)	2,659,635	5,684,635	1,880,000	229,455	2,109,455	7,794,090	1.19
2011	9,953,695 (8)	3,245,000 (8)	2,525,935	5,770,935	1,970,000	159,845	2,129,845	7,900,780	1.26
2012	10,528,100	3,475,000	2,401,380	5,876,380	2,070,000 (2)	82,610	2,152,610	8,028,990	1.31
2013	10,966,646	3,605,000	2,270,603	5,875,603	-	-	-	5,875,603	1.87
2014	11,363,995	3,730,000	2,092,259	5,822,259	-	-	-	5,822,259	1.95
2015	11,861,397	3,860,000	1,965,571	5,825,571	1,685,000 (9)	370,470 (9)	2,055,470	7,881,041	1.51
2016	12,456,551	4,005,000 (10)	2,212,488	6,217,488	1,735,000	544,850	2,279,850	8,497,338	1.47
2017	12,442,378	4,625,000 (11)	2,218,686	6,843,686	1,790,000	458,100	2,248,100	9,091,786	1.37

Notes:

- (1) The School Board has issued revenue bonds from 1998 to 2010. The bonds are backed by a one percent sales tax collected in the West Ouachita Bond District. The tax is for the period 1998 through 2025. The revenue bonds all mature before the sales tax expires in 2025. The annual principal and interest payments must be met before any other expenditures can be paid with the sales tax revenues.
- (2) The School Board issued \$16 million in limited tax certificates of indebtedness in 2002 and 2003 and were paid in full during the 2011-12 fiscal year. The certificates of indebtedness are secured by a 24.15 mill property tax levied in the General Fund for maintenance and operations; however, sales tax proceeds in the West Ouachita Sales Tax District is the source of debt service payments made.
- (3) Issued \$11,975 million revenue bonds in 2007-08.
- (4) Issued \$5 million revenue bonds in 2008-09.
- (5) Series 1998 and 1999 revenue bonds for \$25 million and \$20 million, respectively, were advance refunded in 2009.
- (6) Sales tax collections decreased in 2009-10 due to a decline in the local economy.
- (7) Issued \$10 million revenue bonds in 2009-10.
- (8) Series 2001 and 2002 revenue bonds for \$10.07 million and \$3.43 million, respectively, were partially advance refunded in 2010-11.
- (9) Issued \$15 million in limited tax certificates of indebtedness in 2014-15. The West Ouachita Sales Tax pays the principal and interest on these bonds even though they are secured by a 24.15 mill ad valorem tax collected in the General Fund.
- (10) Issued \$20 million revenue bonds in 2015-16.
- (11) Series 2006, 2007, and 2008 revenue bonds for \$8.28 million, \$11.95 million and \$5.0 million, respectively, were partially advanced refunded in 2016-2017.

Source - Ouachita Parish School Board

Table 14

OUACHITA PARISH SCHOOL BOARD
Monroe, Louisiana

Demographic and Economic Statistics
Last Ten Fiscal Years

Fiscal Year Ended June 30	Population	Personal Income		Per Capita Personal Income	School Enrollment (1)	Percentage on Free & Reduced Meals	Unemployment Rate
2008	150,433	\$	5,027,019,561	\$ 33,417	18,882	41.66%	5.05%
2009	151,633		5,077,431,005	33,485	19,151	41.90%	5.18%
2010	153,720		5,104,580,040	33,207	19,447	43.69%	6.95%
2011	154,678		5,317,829,640	34,380	19,678	44.06%	8.26%
2012	155,313		5,564,864,790	35,830	19,849	45.10%	8.34%
2013	156,220		5,833,567,240	37,342	20,224	45.09%	7.75%
2014	157,442		6,127,327,756	38,918	20,002	45.00%	7.26%
2015	157,415		6,030,411,235	38,309	19,974	58.00%	7.00%
2016	156,761		5,760,026,184	36,744	19,741	62.73%	6.54%
2017	156,983		5,713,553,268	36,396	19,618	54.67%	6.10%

Sources:

- (1) - All information is parishwide except where noted.
- (2) - Northeast Louisiana Economic Partnership (www.nlep.org)
- (3) - Louisiana Department of Education - SIS
- (4) - Louisiana Workforce Commission (information presented is calendar year averages)

Note:

- (1) - Student enrollment is as of February 1st and includes counts for preschool and Pre-K students.

OUACHITA PARISH SCHOOL BOARD
Monroe, Louisiana

Principal Employers

June 30, 2017 and Nine Years Ago

	Fiscal Year 2017		Fiscal Year 2008	
	Number of Employees	% of Total Employment	Number of Employees	% of Total Employment
Ouachita Parish School Board	3,086	1	2,825	1
CenturyLink	2,360	2	1,500	4
Monroe City School Board	1,774	3	1,420	5
St. Francis Medical Center	1,584	4	2,500	2
IASIS Healthcare Corporation (Glenwood Hospital)	1,156	5	812	10
City of Monroe	1,098	6	1,200	6
JP Morgan Chase	1,090	7	1,800	3
Wal-Mart Stores, Inc.	912	8		
University of Louisiana at Monroe (ULM)	852	9	1,200	7
Graphic Packaging	840	10	1,174	8
University Health (E.A. Conway)			954	9
				1.41%

Source:

- (1) - North Louisiana Economic Partnership
- (2) - Louisiana Workforce Commission - Labor Market Information - Louisiana Workforce at a Glance (June)
- (3) - City of Monroe, ULM, Ouachita Parish School Board, Chase bank

OUACHITA PARISH SCHOOL BOARD
Monroe, Louisiana

School Building Information
Last Ten Fiscal Years

Form of Government Area of Parish Regular School Days	President/School Board 633 Square Miles 180									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Number of Schools: (1)										
Elementary	22	22	22	22	22	22	22	22	22	22
Middle	8	8	8	8	8	8	8	8	8	8
High School	6	6	6	6	6	5	5	5	5	5
Total number of schools	36	36	36	36	36	35	35	35	35	35
Enrollment (Public School Only): (2)										
Preschool	724	766	851	882	858	838	880	856	844	834
Kindergarten	1622	1573	1,619	1,590	1,602	1,677	1528	1,574	1,445	1,524
Grades 1-5	7405	7541	7,673	7,648	7,654	7,749	7,601	7,529	7,388	7,280
Grades 6-8	4251	4287	4,374	4,517	4,641	4,689	4,592	4,504	4,427	4,379
Grades 9-12	4,880	4,984	4,930	5,041	5,094	5,271	5,401	5,511	5,637	5,601
Total	18,882	19,151	19,447	19,678	19,849	20,224	20,002	19,974	19,741	19,618

Note:

(1) Source: Agreed upon procedures and statistical data accompanying the annual financial statements

(2) FY 2007 and 2008 enrollment counts are reported as of the end of the year and FY 2009 - FY 2016 are reported as of February 1st

Enrollment counts include preschool and Pre-K students

OUACHITA PARISH SCHOOL BOARD
Monroe, Louisiana

School Personnel
Last Ten Fiscal Years

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Teachers										
Less than a Bachelor's degree	5	5	5	5	3	3	2	0	0	1
Bachelor	795	776	766	757	729	681	678	680	703	693
Master	360	377	373	363	369	333	342	332	337	335
Master +30	159	154	164	190	204	217	221	233	213	191
Specialist in Education	8	9	8	8	8	6	5	4	2	2
Ph.D or Ed.D	11	10	9	7	7	5	6	5	7	5
Total	1,338	1,331	1,325	1,330	1,320	1,245	1,254	1,254	1,262	1,227
Principals & Assistants										
Master	26	26	24	25	19	17	14	11	13	15
Master +30	46	48	50	51	57	58	62	64	62	59
Specialist in Education	2	2	0	1	1	1	1	1	2	1
Ph.D or Ed.D	2	2	2	4	5	6	6	7	8	8
Total	76	78	76	81	82	82	83	83	85	83

Source: Agreed upon procedures report on performance and statistical data accompanying the annual financial statements.

OUACHITA PARISH SCHOOL BOARD
Monroe, Louisiana

Operating Statistics

For the Fiscal Years Ended June 30, 2008 through June 30, 2017

Fiscal Year Ended June 30	Expenses	Enrollment	Cost Per Pupil	Percentage Change	Teaching Staff	Pupil/ Teacher Ratio
2008	\$ 211,411,096	18,882	\$ 11,196	25.62%	1,338	14.11
2009	221,092,643	19,151	11,545	3.11%	1,331	14.39
2010	204,918,989	19,447	10,537	-8.73%	1,325	14.68
2011	214,346,174	19,678	10,893	3.37%	1,330	14.80
2012	219,351,218	19,849	11,051	1.45%	1,320	15.04
2013	207,421,458	20,224	10,256	-7.19%	1,245	16.24
2014	221,829,495	20,002	11,090	8.13%	1,254	15.95
2015	220,085,952	19,974	11,019	-0.65%	1,254	15.93
2016	217,369,862	19,741	11,011	-0.07%	1,262	15.64
2017	224,794,190	19,618	11,459	4.06%	1,227	15.99

Notes:

- (1) Expenses are on full accrual and is extracted from Table 2, Changes in Net Position.
- (2) Enrollment is extracted from Table 14, Demographic and Economic Statistics.
- (3) Teaching staff is extracted from Table 17, School Personnel.