

OUACHITA PARISH SCHOOL BOARD



COMPREHENSIVE ANNUAL FINANCIAL REPORT

**For the Year Ended June 30, 2015
Monroe, Louisiana**

About our cover...

Ouachita Parish School System said good-bye to a great leader and friend, Dr. Bob Webber, upon his retirement in July, 2015. Webber served as Superintendent for fourteen years, following a sixteen-year career in education as teacher, coach, assistant principal, and principal. Dr. Webber exemplifies the very definitions of servant leader and role model. Servant leadership is defined as a philosophy and set of practices that enriches the lives of individuals, builds better organizations and ultimately creates a more just and caring world. [Robert K. Greenleaf Center for Servant Leadership] Dr. Webber lives by that very philosophy. During his tenure, he did not often delegate serving on committees or volunteering with agencies, rather he expended the time and energy to be present and make a difference, whatever the cause or organization.

A role model is a person whose behavior, example, or success is or can be emulated by others, especially by younger people. Dr. Webber never misses an opportunity to speak to the younger generations about plans for their future. He believes in setting goals and achieving them through hard work and dedication. He often shares this philosophy with students from elementary through college age in presentations at events during and after hours. Dr. Webber's successes in perpetuating greater academic achievements in our schools garnered recognition for attracting families and businesses to the area. He has truly left a legacy of excellence throughout the school system and community.

COMPREHENSIVE ANNUAL FINANCIAL REPORT OF OUACHITA PARISH SCHOOL BOARD

Monroe, Louisiana

For the Fiscal Year
July 1, 2014 – June 30, 2015
With Report of Independent Auditors

Prepared by the
Business Department

Juanita H. Duke, CPA
Director of Business

A Message from the Superintendent

December 2015

Dear Citizens:



It is a pleasure to present this Annual Report to you on behalf of the Board Members, employees, and students of the Ouachita Parish School System. This report will inform our stakeholders, as well as newcomers to Ouachita Parish, of the highlights of the Ouachita Parish School System over the past year. The 2014-15 school year saw many changes within our schools and administration. As we said good-bye to a great leader, Dr. Bob Webber, we kept a tight focus on maintaining our goals of excellence for Ouachita Parish Schools and the community we serve.

The 2015-16 school year will see the introduction of a new mission and goals for Ouachita Parish School System. The mission is to connect learning to 21st Century skills for college and career ready students who will excel in a global society. The philosophical beliefs of the Ouachita Parish School Board include: **Ouachita** 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. With a shared sense of empowering stakeholders within the Ouachita Parish School System, a strong foundation has been established for **“Building Bridges to the Future”** for our students.

District leaders are extremely 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, our system personnel have focused on sound fiduciary practices and excellent educational programs. Through a committed effort of all stakeholders, we make the greatest difference in the lives of our students.

As Superintendent of the Ouachita Parish School System, I take pride in working with a tremendous group of dedicated professionals, both certified and support, who truly care about the students in our district. When faced with challenges, whether fiscal or academic, employees of the Ouachita Parish School System have stepped up and made sacrifices and provided a model of excellence to ensure the quality of education is provided to the students in our system. Our students are recognized locally, regionally, statewide and nationally for academics and extracurricular activities. The success of the students we serve is proof that Ouachita Parish has a bright future. I am excited to be a part of what the future holds for the Ouachita Parish School System!

Sincerely,

A handwritten signature in black ink that reads "Don Coker". The signature is fluid and cursive, with a horizontal line extending from the end.

Don Coker, Ed.D.
Superintendent

Ouachita Parish School Board
Monroe, Louisiana
Comprehensive Annual Financial Report
Fiscal Year Ended June 30, 2015

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**Ouachita Parish School Board
Monroe, Louisiana**

Fiscal Year Ended June 30, 2015

INTRODUCTORY SECTION

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OUACHITA PARISH SCHOOL BOARD PRINCIPAL OFFICIALS

SUPERINTENDENT

Dr. Don Coker

SCHOOL BOARD MEMBERS

PRESIDENT

Jerry R. Hicks

VICE-PRESIDENT

Carey Walker

Tommy Comeaux

Scott Robinson

Rev. John Russell

A.R. “Red” Sims

Greg Manley

Ouachita Parish School Board



*Standing left to right: Greg Manley, John Russell, Tommy Comeaux, and Scott Robinson
Sitting: Red Sims, Jerry Hicks, and Carey Walker*



Tommy Comeaux	District A	238 G.B. Cooley Rd., WM 71291	396-9818
Scott Robinson	District B	805 Avant Rd., WM 71291	397-9953
A.R. "Red" Sims	District C	339 Marion Sims Rd., WM 71292	322-3399
Jerry R. Hicks (P.)	District D	351 Kendalwood Rd., WM 71292	396-7118
John R. Russell	District E	P.O. Box 4425, M 71211	387-1667
Carey Walker (V.P.)	District F	58 Quail Ridge Dr., M 71203	343-7272
Greg Manley	District G	1221 Finks Hideaway Rd., M 71203	855-5646

SELECTED ADMINISTRATIVE OFFICIALS

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

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OUACHITA PARISH SCHOOL SYSTEM

100 Bry Street – P.O. Box 1642 – Monroe, Louisiana 71210-1642 – Phone: (318)432-5400 – Fax: (318)432-5599

Dr. Don Coker
Superintendent

December 31, 2015
(Reissued February 3, 2016 – See Note 21 in the *Notes to the Basic Financial Statements*)

RE: Financial Statement Transmittal Letter for the
Fiscal Year Ended June 30, 2015

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

Louisiana Law requires that an annual sworn financial statement 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 requirements of the continuing disclosure agreements with investors and dealers in accordance with Securities and Exchange Commission (SEC) Rule 15c2-12, large government issuers of municipal securities are required to file audited financial statements as part of its annual report to the Municipal Securities Rulemaking Board (MSRB) on the EMMA website 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, 2015.

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, 2015 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* part of **Management's Discussion and Analysis** found on pages 8-12 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 MEMBERS:	Tommy Comeaux District A	Scott Robinson District B	A. R. Sims District C	Jerry Hicks President District D	Rev. J Russell District E	Carey Walker Vice-President District F	Greg Manley District G
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Independent Auditor's Review of Financial Statements

The Ouachita Parish School Board's financial statements have been audited by Huffman & Soignier (APAC), 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, 2015 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, 2015 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 basic 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 operates 35 school campuses and one alternative program site within the parish and has a total enrollment that exceeds 19,700 students. The School Board employs over 2,800 positions, of which 1,271 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-year old), 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 runs until the latter half of 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 2015

An accredited district by AdvancEd, Ouachita Parish School System is one of the highest performing school districts in the north-eastern region of the state and is the largest school district in northeast Louisiana.

Educational Performance. Even amid the controversy surrounding state and educational leaders battling over Common Core State Standards and PARCC testing, teachers and staff in Ouachita Parish Schools have stayed the course for ensuring academic excellence for all students. Students in Ouachita Parish have 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. Through partnerships with local colleges, our students are afforded dual enrollment opportunities and are earning college credit while in high school. The system embraces alternative curriculums to enhance academic choices offered to non-traditional or non-college bound students. Every high school in Ouachita Parish has implemented extensive vocational and agricultural programs. We are also one of the few systems offering Bible as Literature classes in every middle school. Today's education demands more than mastery of basic literacy skill areas.

Ouachita Parish Schools persistently meet or exceed accountability growth targets. Subsequently, the district scores continue to grow. Most recently, the district earned a B in School Performance Scores issued by the Louisiana Department of Education. While the district endeavors to earn the A, system officials are thrilled with the progress and the fact that the majority of our schools grew. The academic achievements of our students are our greatest points of excellence.

Ouachita Parish School System is *Committed to Academic Excellence for ALL Students*. This vision statement depicts the attitudes and ideals of everyone in our community. Our school system garners merit through exceptional leadership, professional teachers, supportive staff, outstanding students, top-notch facilities and excellent programs. However, our uniqueness is traditionally rooted in the dynamic synergism of all Ouachita Parish stakeholders. The combined contributions of everyone in this community produce a far greater outcome than any single member could achieve. In one way or another, each works to ensure that every child attains the knowledge and skills needed to become responsible and productive citizens.

Highlights of Spring 2015 assessment performance include:

- Ouachita recent received a District Performance Score of 94.9, which is a letter grade of “B”, for the 2014-15 school session performance compared to the state’s overall score of 88.8.
- 37% of students scored Mastery or above on the 2015 English Language Arts and Math Assessments combined, compared to the state average of 33%. This is an improvement over 31% last year for the parish.
- 63.2% of students who took advanced placement exams in 2014-15 made a Score of 3 or higher compared to the state percentage of 31.2% overall.
- Average ACT composite score for high school 12th graders who took the exam in 2014-15 was 19.6 compared to the State average of 19.4.
- 64% of high school students taking the *End of Course* tests scored *Good* or *Excellent* compared to the state average of 62%.
- The School Board had 20 of its 35 schools (57.1%) achieved a School Performance letter grade of “A” or “B” in 2015. The remaining were 6 schools scoring a “C”, 6 schools received a “D” and one school retained an “F”. Notable gains were Swayze Elementary improving to a grade of “D” and Richwood High School improving to a grade of “C”; these are two of our most economically disadvantaged schools. Sterlington High School also moved higher and achieved an “A”. These three schools are noted by the state as “top gains” schools for their growth achievement in 2014-15.

Technology Initiatives. With financing provided by local taxes and bond proceeds, a major project began in 2012-13 to expand wireless technology and upgrade internet services in all Ouachita Parish schools and administrative facilities. The goal is to efficiently expand internet access to all classrooms to be ready to conduct the state mandated online assessment tests for all students in third through twelfth grade by the 2015-16 school year and to enhance student learning and engagement through the use of technology in day-to-day instruction.

In 2013-14 our technology department upgraded all switches in schools where needed district-wide to eventually deliver internet speeds up to 10 gigabits at each site. This involved upgrading all infrastructure wiring between data closets to OM3 fiber. Core switches at the district’s centralized point of service was upgraded to this standard and redundancy measures were installed to reduce any down time for service interruptions. Also, wireless access points were installed in elementary and middle school classrooms where needed throughout the district, bringing wireless internet connectivity to every classroom in these schools.

In 2014-15 the installation of wireless access points in all high school classrooms was completed. Also, a new point-to-point WAN network connection was installed between the central office and each school. The WAN will be a 10 gigabit connection between the central office and each high school and 1 gigabit between the central office and all other sites. This project involved laying almost 80 miles of fiber

between the central office and each school. The financing for this new service is made possible through ERATE discounted pricing.

Currently the School Board is requesting bids to replace the oldest switches in the district (in our Title I schools) to accommodate the newer technology. This project is being funded through E-rate. This year, a new network support system was implemented to improve and enhance district network monitoring capabilities to more efficiently manage and support the district's network and approximately 10,000 devices that connect to the network daily. This is accomplished with a new network monitoring software. After only 3 months of use, the issue resolution time has dropped nearly 48 hours on average, which is 400% improvement in service time prior to using the new software. Another benefit of the network management software is the collection of inventory data of devices on the network, whereas this was done manually in the past, therefore putting the Technology Department in a more proactive position to support users. Ouachita Parish is on the forefront of achieving the highest capacity of internet access and network support among other school systems in the state of Louisiana.

In addition to upgrading the internet infrastructure, the district continues to maintain technology for classroom use by providing computers to meet the requirements of the new on-line testing environment and to provide exposure to students in the use of technology in a way that is current with the use of technology in the world today. IN 2013-14 over 800 additional computers were purchased to increase student access to technology and internet in classrooms and computer labs district wide. Due to delays in the state implementing student online assessments, only computer replacements were purchased in 2014-15 and for this year, and will be reassessed annually in the future.

School Safety. Also, with the increased prevalence of school violence in the news today, management places the safety of our students and employees as its highest priority in school planning each and every day. In past years management made renovations to improve safety 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 building entrances, and upgrading intercom systems and surveillance systems. But foremost, safety drills and training are ongoing throughout the school year in cooperation with local life safety partners. Collaborative assessments are made after each drill to identify weaknesses and make needed changes to improve safety in a time of crisis.

Vocational education. Planning for the needs of new conducive vocational classroom settings is a priority in district high school facility renovations. To meet the requirements of the new state JumpStart program which is to develop skills for students to be able to go out into the workforce after graduation and compete in specialty job markets. Three new vocational lab facilities are being planned at two high schools and an expansion of an existing program at another.

Local Economic Condition and Outlook

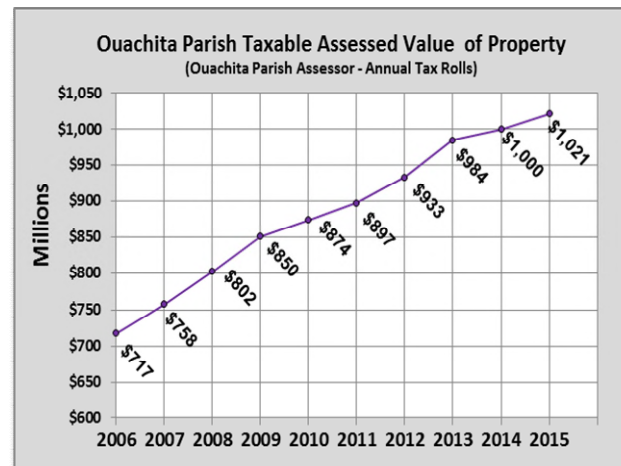
The Ouachita Parish School Board is located in Ouachita Parish, Louisiana along Interstate 20 in the northeast corner of the state. Ouachita Parish is in the largest metropolitan area in the northeastern part of the state with an estimated population of 157,415 for 2015, according to U.S. Census Bureau with an average household income of \$56,809. This is a steady average population growth of 4.8% annually since the 2010 census. It is





located at the crossroads of Interstate 20 and US Highway 165 on the Ouachita River. Northeast Louisiana is a 12-parish area bordered to the north by Arkansas and to the east by Mississippi. Northeastern Louisiana is located in the Delta region of the state which is largely agricultural. The region supports three nearby universities – University of Louisiana-Monroe, Louisiana Tech University, and Grambling State University – and one community college and one technical college with satellite campuses in each of the principal cities. The Monroe metropolitan statistical area (Ouachita and Union Parishes) is the population and business center for the region and houses the largest retail shopping center in the region and vast healthcare services with three medical centers, three specialty hospitals, a cancer treatment center, and a wide range of medical specialists.

When the U.S. fell into a deep recession in 2008 and 2009 Ouachita Parish was somewhat insulated, maintaining home values when other areas across the country experienced a housing crash. This is due to the diverse local economy that is not largely dependent on any single economy. According to Dr. Robert Eisenstadt, Professor of Economics at the University of Louisiana, Monroe, the local economy in Ouachita Parish has grown at a steady rate of 1.2% to 1.4% over the past few years. “We have reasonably solid, diversified economic growth without volatility.” Our stable economy is further supported by a stable housing market evidenced by the consistent slow and steady growth in the taxable assessed valuations of all property in Ouachita Parish as shown in this chart.



According to the Louisiana Workforce Commission-Labor Market Information reports, 1,193 more people in Ouachita Parish were employed in jobs in June 2015 as compared to June 2014, which was also 1,033 more jobs than in June 2013. The unemployment rate in Ouachita Parish has improved from 7.9% in June 2013 to 6.1% in June 2013. This is evidence of the real growth in the region as businesses expand and locate in Ouachita Parish.

Northeast Ouachita Parish is home to CenturyLink, a Fortune 150 company, and currently the largest independent telecommunications provider and the third-largest telecommunications company in the United States with over 49,000 employees in 27 states. CenturyLink has made several acquisitions since 2009, adding jobs to its headquarters in Ouachita Parish. In March 2015 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, Ouachita Parish. This expands their existing facility by 82 percent. The new facility includes technology research and development labs, a network operations center and office and meeting space for professionals with network technology and IT skills to work together to create innovative products and services for CenturyLink customers. This will add about 800 new direct jobs over the next several years in the areas of finance, marketing, network engineering,

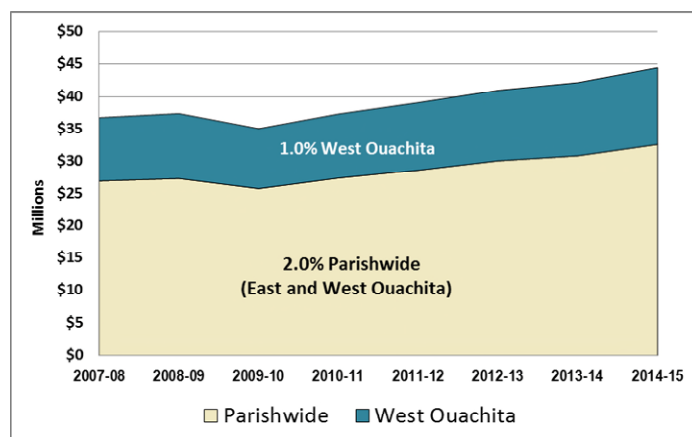
information technology, network operations and human resources. The expansion has created increased demand for related workforce talent, housing, public services, and capacity in nearby schools.

The growth of CenturyLink creates a demand for support services for the company and an attraction for the tech-industry. IBM has committed to be the anchor of a new 88-acre mixed-use development in Monroe with establishing an Application Development and Innovation Center in partnership with the State of Louisiana and CenturyLink. The facility will be the base from which the company will provide software technology services to clients across the United States and partner with CenturyLink on research, development and product innovation initiatives. The partnership will expand higher education programs in computer science, as well as a new technology park and real estate developments in the area. The Louisiana Economic Development Corporation estimates approximately 400 direct and 406 new indirect jobs will be created by the new development.

Because of the residential growth in the Town of Sterlington, which is a “bedroom” community near CenturyLink headquarters, spurred by increased employment number, the Town was named the fastest growing City in Louisiana in 2015 and 10th in growth nationally. Census population data shows the population growth was near 16% between 2013 and 2014. The Town just recently passed a tax to support the construction of a major competition sports facility and they have begun construction of their own water treatment plant to support the new residential developments that are slated. Residential housing in this community is in high demand as average home prices are \$294,000 or more compared to \$171,000 in Northeast Louisiana as a whole (www.knoe.com).

Wal-mart Stores, Inc. has also expanded in the parish by opening for new neighborhood stores in Ouachita Parish which adding over 450 new jobs to the region.

Graphic Packaging, a producer of paperboard for use in beverage and other consumer-based packaging internationally located in West Monroe, Louisiana, announced in August 2014 plans for a \$41.5 million investment to upgrade its production machinery that will retain 1,340 employees at its West Monroe paper mill and production facilities. These plans were made in cooperation with the State of Louisiana who has offered tax incentives for the project.



Also, sales tax collections on goods and services continue to increase at a steady rate as show in this growth chart over the past 8 years. This is a clear indication of the economic stability in our region. Overall collections in 2014-15 increased 5.3% over collections in 2013-14, which parallels with the growth in jobs.

In a news release on October 28, 2015, the Northeast Louisiana Economic Partnership reported the Monroe MSA’s cost of living index (compiled by the Council for

Community and Economic Research) at its lowest level in the third quarter of 2015 at 91.3% compared to the third quarter of 2012 at 95.5% which will be attractive to new businesses and new families locating to our region. Monroe MSA is reported as one of the most affordable regions to live in Louisiana.

To the Elected School Board Members and
 Citizens of Ouachita Parish
 December 31, 2015 (*Reissued February 3, 2016*)

In 2015: Nerdwallet.com named Monroe-West Monroe, Louisiana as “Cities on the Rise,” ranking it fourth because of population growth, employment growth and income growth. West Monroe was named one of the top 20 “Best Cities for Young Families” in Louisiana. Monroe ranks among the 50 best college towns to live in forever by College Ranker, March 2015 and ranks no. 12 among “Best Cities for Women Entrepreneurs” by GoodCall.com.

Ouachita Parish, and all of North Louisiana, is 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. NLEP was recently recognized through its AEDO accreditation to be among a select group of 43 economic development organizations across North America to receive the AEDO designation, and Ouachita is fortunate to have NLEP based here in Monroe.

Sources:

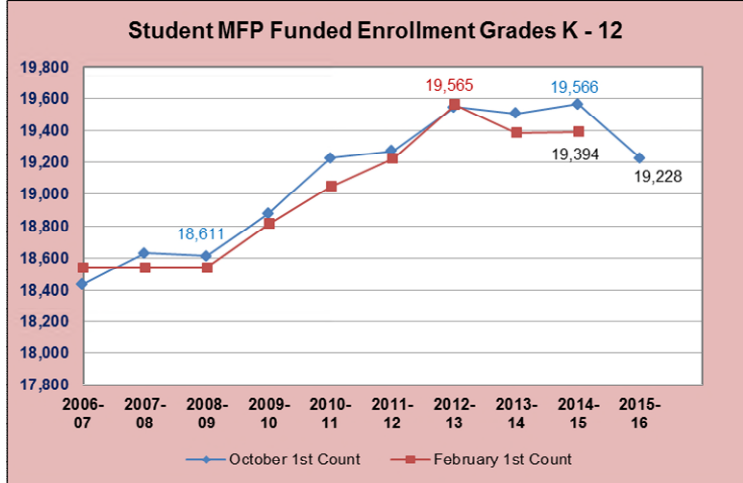
*Monroe Chamber of Commerce

*North Louisiana Economic Partnership

*Louisiana Workforce Commission: Labor Market Information

Long-term Financial Planning

Student enrollment. The graph below shows a 9-year historical trend of our K-12th grade funded student enrollment. Our *funded* enrollment consists of those students identified for funding under the Statement Minimum Foundation Program formula classifications, which excludes preschool students. As you can see, the historical trend has been a steady upward growth until October 2015. Due to current economic expansion and employment opportunities underway in Ouachita Parish, management expects future enrollment to recover and continue its upward trend.



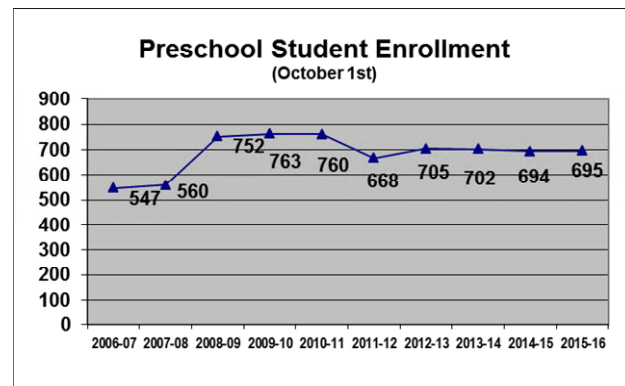
The chart below depicts the changes in student growth compared to prior years for all enrolled students grouped by feeder school zones:

Feeder Zone	Oct 1 2015-16		Oct 1 2014-15		Oct 1 2013-14
	Enrolled	Change	Enrolled	Change	Enrolled
West Monroe	8,510	(317)	8,827	106	8,721
Ouachita	4,319	47	4,272	(37)	4,309
West Ouachita	3,383	12	3,371	55	3,316
Richwood	1,971	(199)	2,170	(130)	2,300
Sterlington	1,507	110	1,397	37	1,360
	<u>19,690</u>	<u>(347)</u>	<u>20,037</u>	<u>31</u>	<u>20,006</u>

The Richwood zone is the highest economically challenged community in the district. As such, a few schools entered “school choice” because their school performance scores did not improve as planned in accordance with the state school performance guidelines. School choice gives parents at lower performing schools the option to attend another higher performing school in the district. Therefore, we have seen enrollment shifts for the past two years; this is in addition to student enrollments lost to a new charter school (middle school) that opened in an adjacent school district near the Richwood community. Also, decreases in enrollments have occurred the past two years due to lower birth rates throughout the district which is reflected in lower Kindergarten enrollments.

The Ouachita Parish School Board has not authorized any charter schools, through the annual charter application process, for a charter school to operate within the boundaries of the district, nor has the state directly authorized any charter schools to operate under state authority or oversight within School Board boundaries. However, there are a few charter schools that have been authorized by neighboring school districts and directly by the state. The Ouachita Parish School Board’s has a limited relationship with charter schools if it is authorized directly by the state and is not a “legacy” charter school; if a student who resides in the Ouachita Parish school district zone enrolls in a state authorized charter school, the state identifies that student with the Ouachita Parish School Board and will deduct an annual “local revenue” per pupil amount from the School Board’s annual MFP allotment and transfer it to the charter school. Outside of this funding mechanism outside of the School Board’s control, the Ouachita Parish School Board does not have any other management oversight or authority over the operations of these charter schools.

Our preschool enrollment in 2014-15 was 694 students in 40 preschool classrooms which are funded through federal and state grants and the General Fund as funds become available. These are classrooms for 4-year olds who are educationally challenged or at-risk, or have been identified for additional student support services.



Capital planning. As a result of the continuous growth we have experienced in the past, the School Board began a school construction and renovation program in the 1998-99 fiscal year and it continues through today with the current plans underway for the construction of a new middle school in eastern Ouachita Parish. At the close of the 2013-14 fiscal year, all construction programs were winding down. However, the School Board continues to assess its future facility needs based on population shifts, school configurations, and educational program needed to deliver the best educational services in each community. The School Board presented a plan in May 2014 to voters in the East Ouachita School District to authorize the sale of \$28.5 million in additional general obligation bonds to construct a new state-of-the-art middle school to accommodate a capacity of 900 students in eastern Ouachita Parish and to provide for additional renovations and planned student growth in existing schools in the East Ouachita School District. Construction of the new school is underway and expected to be completed the end of 2016 or early 2017. The opening of the new school is estimated to increase annual operating costs of the school system by about \$1.5 to \$1.7 million.

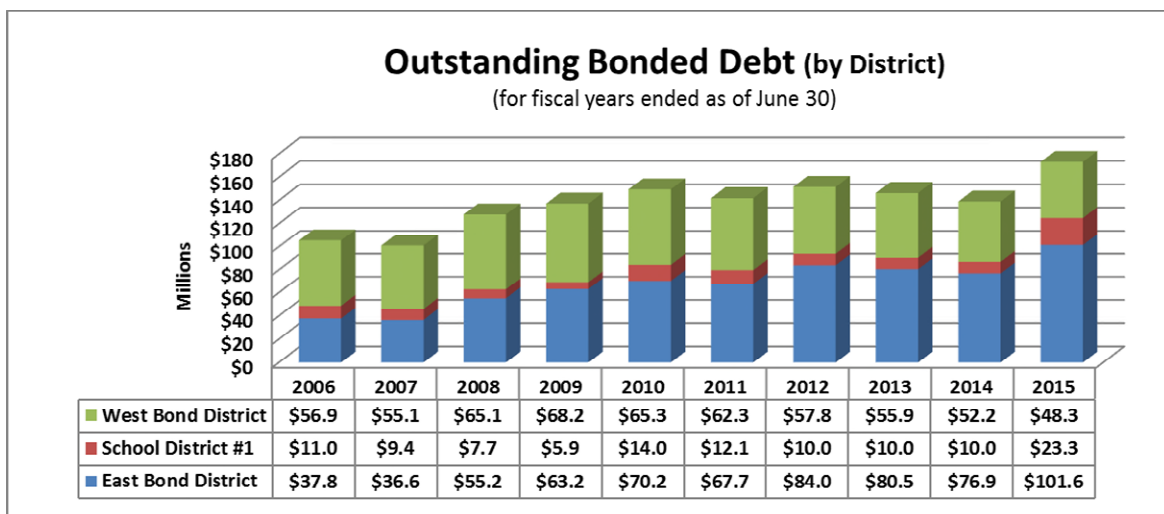
To the Elected School Board Members and
Citizens of Ouachita Parish
December 31, 2015 (*Reissued February 3, 2016*)

Due to the limitation in debt capacity of the East Ouachita School District and the growing need for future capital expansion in the Sterlington school zone, administration along with the Ouachita Parish legislative delegation proposed a bill that was approved and signed into law effective July 1, 2015 to raise the debt limit of Ouachita Parish from 35% to 50% of taxable assessed property value. This creates the capacity of the school board to make decision to meet the needs of its most northern school district if unprecedented growth continues in the area.

In July 2014 \$15 million in limited tax certificates were sold by School District No. 1 to fund a new capital improvement plan for the West Ouachita School District in combination with \$20 million in new sales tax revenue bonds sold in August 2015. This occurred after the School Board held a special election in March 2015 where voters approved extending the existing 1% sales tax in the West Ouachita School District with no expiration date for the purpose of selling bonds for facility renovations and expansion of schools in the West Ouachita School District, in addition to maintenance and operations of facilities in the district, to meet future needs for growth, vocational and career education settings, and state-of-the-art educational facilities and educational resources.

Over the last 15 years, the School Board has constructed 10 new schools and renovated and expanded many of our older school facilities to provide space for our growing student population and a modern learning environment. The average age of our 35 schools on 34 campus facilities is 25 years with original construction dating between 1923 and 2011. Sixteen schools have undergone major renovations in the last 5 years alone. More detailed information on our school facilities can be found in management's discussion of capital assets on pages 27-29 and in the Statistical Section of this report under *Operating Information: Operating Indicators-School Facilities*. 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.

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



As you can see, the increase in 2014-15 is the result of selling \$43.5 million in new bonded debt during the fiscal year, primarily to construct a new middle school and make facility improvements and expansions throughout the district. More information regarding the bonded debt of the School Board can be found in the accompanying notes to the financial statements on pages 93-97.

Accounting System and Budgetary Control

An explanation of the School Board's accounting and budgetary policies is contained in the Notes to the Basic Financial Statements and the Notes to Budgetary Comparison Schedules. Explained in detail in the Notes to the Basic 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 and Special Revenue 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 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 School Board also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Budget-to-actual comparisons are provided in this report for the General Fund and each individual Special Revenue Fund.

Relevant Financial Policies

The School Board's formal policy on fund balance established the General Fund's fund balance be maintained within a 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 \$1 million of the General Fund's fund balance to be maintained for major air conditioning repairs and replacements 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 \$15.3 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, 2015 of \$72.9 million. General Fund resources are used to pay the cost of OPEB benefits as they come due.

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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*, Item O, *Equity Classifications*, in the *Notes to the Basic Financial Statements* for more detailed information regarding the classification of the School Board's fund balances at June 30, 2015.

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, 2014. This was the twenty-seventh 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-eighth 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, 2014. 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, 2015. 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

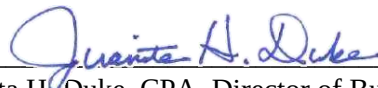
It is our desire that this report contains the necessary information and data that will provide a better understanding of the operations of the School Board. It is further hoped that this report has been designed in a manner to be used as an administrative tool and general source of information so as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

We would like to take this opportunity to express my 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, CPA, Director of Business
Ouachita Parish Schools

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Government Finance Officers Association

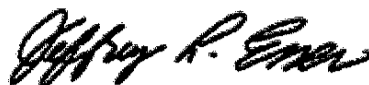
**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**Ouachita Parish School System
Louisiana**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2014



Executive Director/CEO

Association of School Business Officials International



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

Ouachita Parish School System

*For Its Comprehensive Annual Financial Report (CAFR)
For the Fiscal Year Ended June 30, 2014*

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



A handwritten signature in black ink, appearing to read "M. Pepera", is written over a horizontal line.

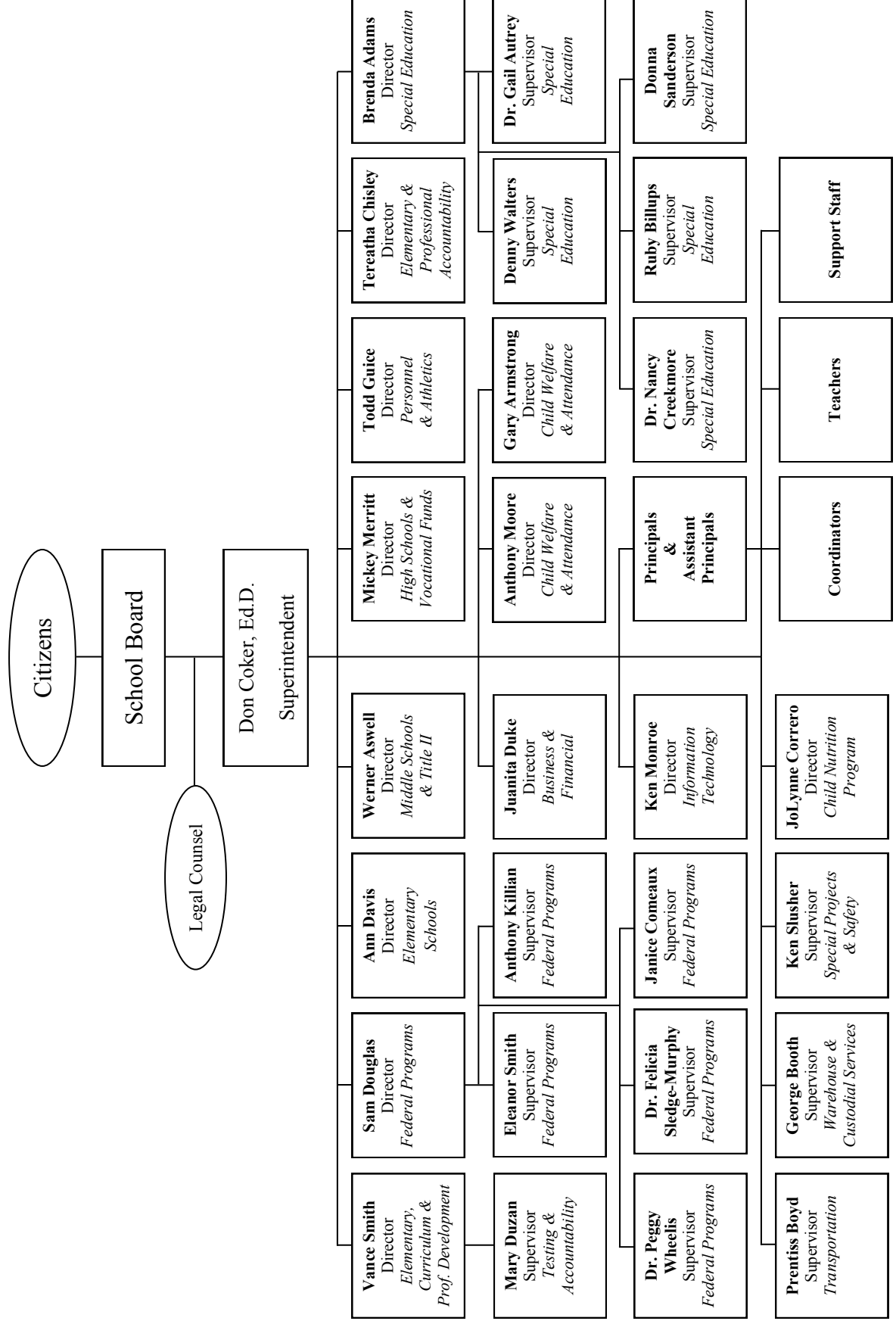
Mark C. Pepera, MBA, RSBO, SFO
President

A handwritten signature in black ink, appearing to read "John D. Musso", is written over a horizontal line.

John D. Musso, CAE, RSBA
Executive Director

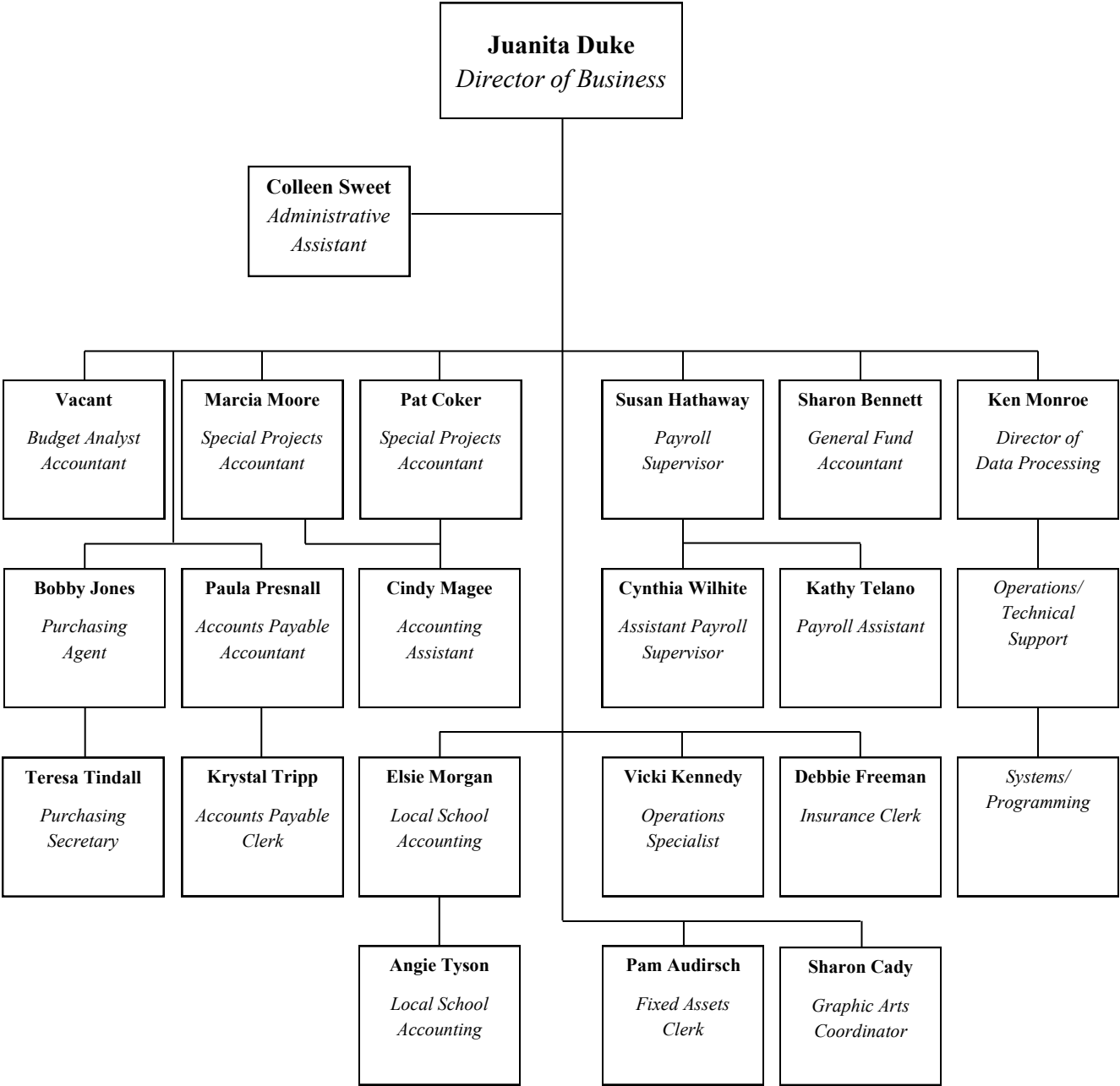
Ouachita Parish School System

ORGANIZATIONAL STRUCTURE



BUSINESS DEPARTMENT

ORGANIZATIONAL STRUCTURE



**Ouachita Parish School Board
Monroe, Louisiana**

Fiscal Year Ended June 30, 2015

FINANCIAL SECTION

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INDEPENDENT AUDITORS' REPORT

Ouachita Parish School Board Monroe, Louisiana

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Ouachita Parish School Board (the School Board), as of and for the year ended June 30, 2015, 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.

Auditors' Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the School Board, as of June 30, 2015, 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.

Emphasis of a Matter

As discussed in Note 18 to the financial statements, in fiscal year 2015, the School Board adopted new accounting guidance, Government Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions – An Amendment of GASB No. 27* and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – An Amendment of GASB No. 68*. Accordingly, adjustments of (\$286,750,619) and \$30,197,614, respectively, have been made to the beginning net position on the government-wide financial statements. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplemental Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison schedules, the defined-benefit pension plans' schedule of employer's net proportionate share of net pension liabilities and schedule of employer's contribution to pension, and notes; and the other post-employment benefits-health and life insurance's schedule of employer contributions and the schedule of funding progress, and notes 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 School Board's basic financial statements. The accompanying supplementary information, as listed in the table of contents and the other information, as listed

Ouachita Parish School Board
Independent Auditors' Report

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 relate 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 is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

Other Reporting Required

In accordance with *Government Auditing Standards*, we have also issued our report dated December 23, 2015, (issued under separate cover) on our consideration of the School Board's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School Board's internal control over financial reporting and compliance.

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(A Professional Accounting Corporation)

December 23, 2015 except for Note 21,
as to which the date is February 3, 2016

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**Ouachita Parish School Board
Monroe, Louisiana**

Management's Discussion and Analysis

June 30, 2015

Management's discussion and analysis of the Ouachita Parish School Board's financial performance provides an overall review of the School Board's financial activities for the fiscal year ended June 30, 2015. The intent of this discussion and analysis is to look at the School Board's financial performance as a whole. The reader should consider the information presented here in conjunction with the additional information provided in the letter of transmittal which precedes this section for a better understanding of the financial condition of the Ouachita Parish School Board. **This discussion and analysis has been updated pursuant to the addition of Note 21 in the Notes to the Financial Statements on February 3, 2016.**

Financial Highlights

Key financial highlights during the 2014-15 fiscal year are as follows:

- New accounting changes were adopted: Governmental Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions*, and Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*, requires recognition in the government-wide financial statements of the school board's (1) proportionate share of the net pension liabilities of the two state sponsored multi-employer cost-sharing defined benefit retirement plans available to full time school board employees and (2) related deferred outflow of resources for the initial accrual of pension contributions made by the school board prior to the measurement date of the beginning net pension liability. These accounting changes decreased the beginning net position of the school board on July 1, 2014 by \$256,553,005. The governmental fund financial statements are not affected by these accounting changes.
- Statement of Net Position - The assets and deferred outflows of resources of the Ouachita Parish School Board exceeded its liabilities and deferred inflows at the close of the most recent fiscal year by a *negative* \$154,903,026 *net position*. Of this net amount, \$(279,408,748) represents a deficit in unrestricted net position mainly due to recording a prior period adjustment reducing beginning net position by \$256,553,005 for the implementation of GASB Statements No. 68 and 71. 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, 2015.
- Statement of Activities - The total net position of the Ouachita Parish School Board increased by \$6,694,033 for the year ended June 30, 2015. This is a 4.1% increase in net position over the prior year's restated net position, due primarily to the implementation of accounting changes that reduced reported pension expense by \$7,317,855.
- 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 \$114,247,860, an increase of \$39,596,226 over the prior fiscal year. This fund balance is comprised of (1) \$18.8 million for spending within the General Fund (a major fund); (2) \$18.4 million committed for specific maintenance and operations purposes in the District No.1 Sales Tax Fund (a major fund); and (3) \$25.7 million in the East Ouachita Construction (a major fund) restricted for capital projects in eastern Ouachita Parish. The remaining fund balances in non-major funds consists of (4) \$18.8 million in Special Revenue Funds, most of which is restricted for employee salary supplements, child nutrition programs, and federal, state, and local grant programs; (5) \$20.2 million is restricted for the payment of outstanding bond issues within the Debt Service Funds; and (6) \$12.1 million is restricted for construction projects within other Capital Projects Funds of the School Board.

**Ouachita Parish School Board
Monroe, Louisiana**

Management's Discussion and Analysis

June 30, 2015

- 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 \$17,588,583, or approximately 12.1% 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 million, which is an increase of \$5.2 million over the prior fiscal year. Approximately 97.5% of this amount is received from four major revenue sources: (1) \$122.8 million from the state Minimum Foundation Program (MFP) formula (2) \$44.7 million from local sales taxes, (3) \$26.3 million from local ad valorem taxes, and (4) \$25.8 million from federal, state, and local grants and contributions.
- Capital Assets - Total capital assets (net of depreciation and amortization) were \$232.7 million, or 61.1%, of the total assets of the School Board at June 30, 2015. 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, 2015 includes General Obligation Bonds of \$101.6 million, Sales Tax Revenue Bonds of \$48.3 million, Qualified School Construction Bonds (revenue bonds) of \$10 million, and Limited Tax Certificates of \$13.3 million. Total outstanding bonded debt was increased by \$34.1 million during the current period, primarily due to the sale of \$15 million in new limited tax certificates in School District No. 1 and \$28.5 million in new general obligation bonds in the East Ouachita School District.

Using this Report

The management's discussion and analysis is intended to serve as an introduction to the Ouachita Parish School Board's basic financial statements. The School Board's basic financial statements comprise three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements. The government-wide financial statements are designed to provide readers with a broad overview of the Ouachita Parish School Board's finances, in a manner similar to a private-sector business. There are two government-wide financial statements presented to report on the overall governmental activities of the School Board.

- The *Statement of Net Position* presents information on all of the Ouachita Parish School Board's assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Ouachita Parish School Board is improving or deteriorating.
- The *Statement of Activities* presents information showing how the School Board's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave). The change in net position

**Ouachita Parish School Board
Monroe, Louisiana**

Management's Discussion and Analysis

June 30, 2015

reported in the *Statement of Activities* is an important indicator because it tells the reader whether, for the School Board as a whole, the financial position of the School Board improved or declined. The causes of this change may be the result of many factors, some financial, some not. Non-financial factors affecting the School Board include the parish's sales and property tax bases and the state and federal government's continued funding.

The government-wide financial statements can be found on pages 34 and 35 of this report.

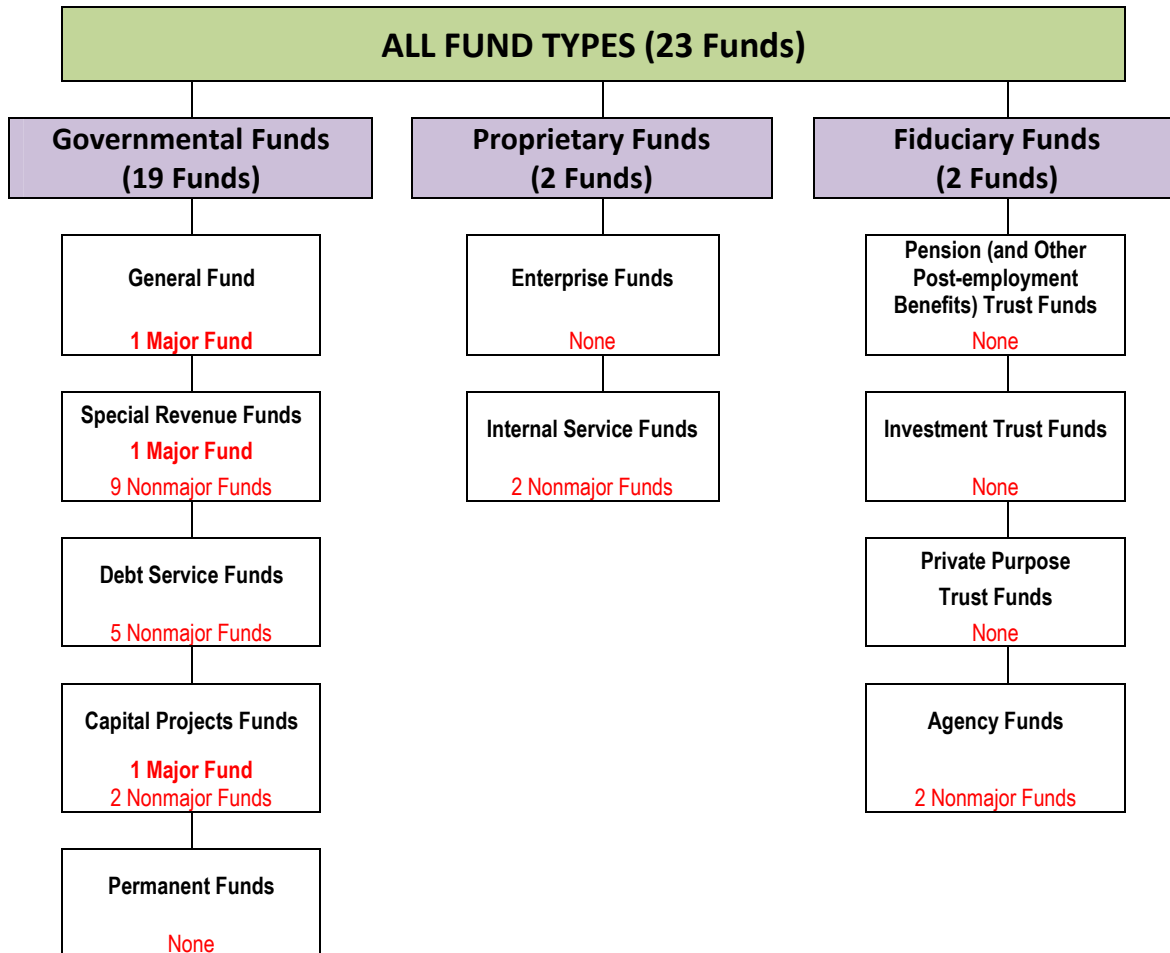
Fund Financial Statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Ouachita Parish School Board, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The fund financial statements report on the specific governmental activities of the School Board. These statements provide more detail than the government-wide financial statements about the services financed in the short-term as well as what remains for future spending in the School Board's more significant funds as well as all other nonmajor funds. The General Fund is the Ouachita Parish School Board's most significant fund.

All of the funds of the Ouachita Parish School Board can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds. Then each fund is assigned a fund-type within each category. There are eleven different fund-types in which a fund can be classified. Each fund type and the number of individual funds operated by the Ouachita Parish School Board for fiscal year 2014-15 are listed in the chart on the next page. Only the fund types under which the School Board's funds are operating are further discussed.

**Ouachita Parish School Board
Monroe, Louisiana**

Management's Discussion and Analysis

June 30, 2015



- **Governmental funds.** Most of the School Board's activities are reported as *governmental funds*, which focus on how money flows into and out of each fund and the balances remaining at year-end available for spending in future periods. These funds are reported using the modified-accrual accounting method, which measures cash and all other financial assets that can readily be converted to cash. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* at the end of the fiscal year. Such information may be useful in evaluating the Ouachita Parish School Board near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the School Board's near-term financing decisions. Both the governmental funds *Balance Sheet* and the governmental funds *Statement of Revenues, Expenditures, and*

**Ouachita Parish School Board
Monroe, Louisiana**

Management's Discussion and Analysis

June 30, 2015

Changes in Fund Balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The School Board uses many funds to account for a multitude of financial transactions. However, these governmental fund financial statements focus on the School Board's most significant funds. Information is presented separately in the governmental funds *Balance Sheet* and in the governmental funds *Statement of Revenues, Expenditures, and Changes in Fund Balances* for the *General Fund*, *District No.1 Sales Tax* (Special Revenue Fund), and *East Ouachita Construction* (Capital Projects Fund) which are considered to be the major funds of the School Board. Data for the other 16 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

Changes in major funds. In the previous fiscal year, the *West Ouachita Sales Tax* (Special Revenue Fund) was reported as a major fund in the governmental funds financial statements. Due to spending down assets on one-time capital outlays, the resources available in this fund at year-end no longer qualifies it to be reported as a major fund. Also, the new *East Ouachita Construction* (Capital Project Fund) is reported as a new major fund this year due to the receipt of \$28.5 million in proceeds from the sale of two bond series during the fiscal year as authorized by taxpayers in April 2014.

The School Board adopts an annual operating budget for its General Fund and Special Revenue Fund. It should be noted that annual adopted budgets are not required for Debt Service Funds and Capital Projects Funds under the Louisiana Local Government Budget Act. Budgetary comparison statements have been provided to demonstrate compliance with the legal requirements of these budgets.

The basic governmental fund financial statements can be found on pages 36-42 of this report.

- **Proprietary fund.** The Ouachita Parish School Board maintains one fund-type within the Proprietary Fund. *Internal Service Funds* are an accounting fund-type used to accumulate and allocate costs internally among the School Board's various functions. The School Board uses internal service funds to account for *Self-Insurance* payments of claims and deductibles for workers' compensation, general liability, property and fleet insurance policies and for *Centralized Printing* services. (A summary of the School Board's insurance coverage at June 30, 2015, has been included in the Statistical Section in the schedule titled "Insurance Coverage Data".) Because both of these services predominantly benefit governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The Internal Service Funds are reported in a separate section consisting of a *Comparative Statement of Net Position*; a *Comparative Statement of Revenues, Expenses, and Changes in Net Position*; and a *Comparative Statement of Cash Flows*. Both internal service funds are presented in a single, combined aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds are provided in the form of combining statements in the Supplemental Information sub-section within the Financial Section of this report.

The basic proprietary fund financial statements can be found on pages 43-45 of this report.

- **Fiduciary funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the Ouachita Parish School Board. Fiduciary funds are not reflected in the government-wide financial statement

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because the resources of those funds are not available to support the Ouachita Parish School Board's own programs. The School Board maintains one fund-type within its Fiduciary Funds. *Agency Funds* report resources held by the School Board in a custodial capacity for individuals, private organizations or other governments. The School Board is the trustee, or fiduciary, for two Agency Funds – student activity funds and state equalization funds that pass through the School Board to other local education providers. Student activity funds are comprised of assets held by the School Board as an agent for its individual schools and school organizations.

The MFP formula adopted by the State Board of Elementary and Secondary Education and approved by the state legislature now requires a portion of the School Board's state MFP funding representing a per pupil allotment of the School Board's local tax revenue be deducted and transferred to other local education agencies (LEA). This occurs when a qualifying student who resides within the jurisdictional boundaries of the Ouachita Parish School Board attends another state approved educational provider outside of the jurisdictional boundaries of the School Board. These funding transfers are accounted for in the Agency Fund for State Equalization Local Funding Transfers to Other Educational Providers.

All activities of these Agency Funds are reported in a separate *Comparative Statement of Fiduciary Assets and Liabilities*. The School Board is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

The fiduciary fund financial statements can be found on page 47 of this report.

Notes to the basic financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes are presented in separate section immediately following the basic financial statements and can be found on pages 49-10 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* to show budgetary compliance for the School Board's major funds, to disclose the School Board's progress in funding its obligation to provide other post-employment benefits (OPEB) to its employees and retirees, and to disclose the School Board's participation and proportionate share of net-pension liability for its current and past employees who are vested in state sponsored defined-benefit retirement plans. These schedules can be found on pages 106-112. The combining and individual fund financial statements along with related budget comparison schedules are presented immediately following the required supplementary information on pages 114-141 of this report.

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 \$154,903,026 at the close of the 2014-15 fiscal year.

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

Ouachita Parish School Board's Net Position for Governmental Activities

	June 30, 2015	June 30, 2014
Current and other assets	\$ 148,441,665	\$ 110,249,608
Capital assets, net of depreciation/amortization	232,717,635	229,062,091
Total assets	<u>381,159,300</u>	<u>339,311,699</u>
Deferred outflows of resources	<u>40,906,855</u>	<u>457,379</u>
Current and other liabilities	28,396,716	29,348,516
Long-term liabilities	508,295,145	212,980,297
Total liabilities	<u>536,691,861</u>	<u>242,328,813</u>
Deferred inflows of resources	<u>40,277,320</u>	<u>2,484,319</u>
Net position:		
Net investment in capital assets	95,472,151	98,167,751
Restricted	29,093,571	25,753,897
Unrestricted	(279,408,748)	(28,965,702)
Total net position	<u>\$ (154,903,026)</u>	<u>\$ 94,955,946</u>

The largest portion of the School Board's total net position, \$95,472,151, 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, *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; 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 \$29,093,571 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 \$279,408,748 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

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Board would not have enough funds to pay all of its obligations. This *unrestricted* net position further decreased over the past year by \$260 million due to accounting changes required by GASB Statements 68 and 71 for reporting long term liabilities for participation in defined-benefit pension plans totaling \$251,824,030 at year end.

Management identified deferred outflows of resources of \$40,160,393 which represents actual employer contributions made subsequent to the retirement systems' actuarial valuation date of June 30, 2014 which is reported this year as required by GASB Statement 71.

Deferred inflows of resources increased \$37.8 million over the prior year primarily due to the recognition of the difference in the school board's projected and actual share of retirement systems' investment returns and changes in actuarial assumptions at year-end since the retirement systems' actuarial valuation date of June 30, 2014 as required to be reported this year under GASB Statement 68.

The governmental activities of the School Board increased the overall net position by \$6,694,033, or 4.1%, compared to the prior year's decrease in net position of \$1,507,180. 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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Schedule of Changes in Net Position

	<u>June 30, 2015</u>	<u>June 30, 2014</u>	<u>Increase (Decrease)</u>
Revenue:			
Program revenue:			
Charges for services	\$ 2,476,676	\$ 2,481,033	\$ (4,357)
Operating grants and contributions	26,706,736	25,818,053	888,683
Capital grants and contributions	469,592	-	469,592
General revenue:			
Ad valorem taxes	26,281,552	25,787,015	494,537
Sales taxes	44,750,654	42,487,472	2,263,182
State equalization (MFP)	122,857,260	119,363,297	3,493,963
State legislative appropriation	44,341	2,897,755	(2,853,414)
Insurance proceeds	1,815,830	362,845	1,452,985
Other general revenues	1,377,344	1,124,845	252,499
Total revenues	<u>226,779,985</u>	<u>220,322,315</u>	<u>6,457,670</u>
Expenses:			
Instruction:			
Regular programs	82,101,860	83,554,968	(1,453,108)
Special education programs	17,938,573	18,526,219	(548,646)
Vocational programs	3,242,905	3,171,369	71,536
Other instructional programs	8,653,234	8,550,400	102,834
Special programs	4,378,506	4,294,852	83,654
Adult/continuing education	63,630	63,599	31
Support services:			
Pupil support services	12,826,787	12,750,440	76,347
Instructional staff support services	16,351,770	15,781,633	570,137
General administration	2,098,499	2,210,168	(111,669)
School administration	13,955,474	14,392,606	(437,132)
Business services	4,523,095	3,332,845	1,190,250
Plant services	20,746,414	21,997,850	(1,251,436)
Student transportation services	11,375,050	12,029,898	(654,848)
Central services	3,168,426	3,144,671	23,755
Non-instructional services:			
Food services operations	12,752,966	12,702,753	50,213
Community services programs	28,351	28,351	-
Long-term obligations:			
Interest and other charges	5,880,412	5,296,873	583,539
Total expenses	<u>220,085,952</u>	<u>221,829,495</u>	<u>(1,743,543)</u>
Increase (decrease) in net position	6,694,033	(1,507,180)	8,201,213
Net position – beginning, as originally stated	94,955,946	96,463,126	(1,507,180)
Prior period adjustment	(256,553,005)	-	(256,553,005)
Net position-beginning, restated	<u>(161,597,059)</u>	<u>96,463,126</u>	<u>(258,060,185)</u>
Net position at end of year	<u>\$ (154,903,026)</u>	<u>\$ 94,955,946</u>	<u>\$ (249,858,972)</u>

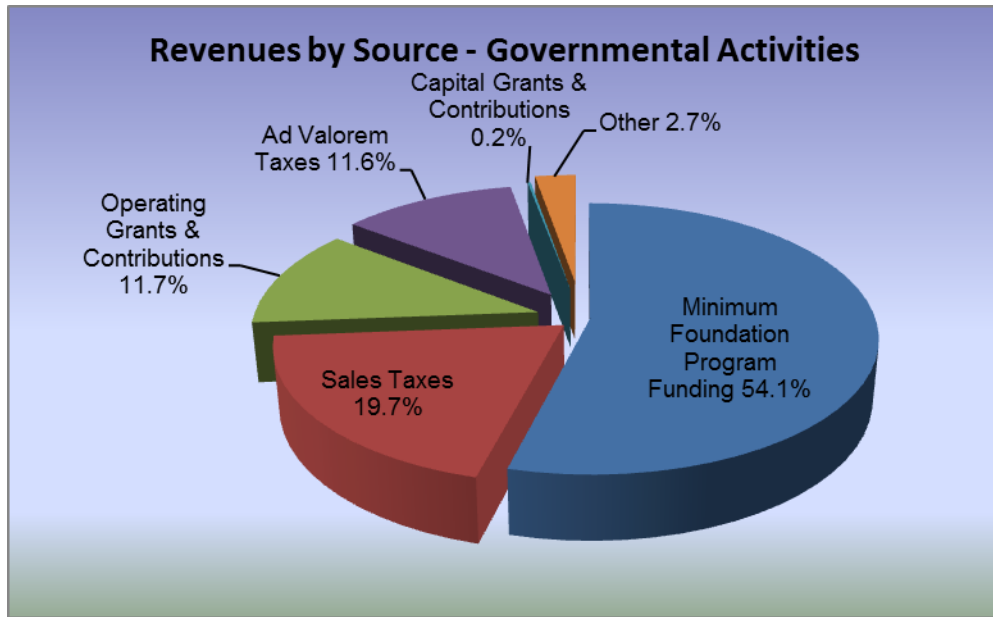
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Revenue by Source – Governmental Activities

School Board revenue from governmental activities increased \$6.4 million or 2.9% 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 54.1% 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 to 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 Funding, Net	Percentage Increase (Decrease)	State MFP Reductions For Transfers of Local Funds to Other LEAs
2012-13	19,550	19,565	\$119,870,318	2.10%	\$187,789
2013-14	19,512	19,389	\$119,363,297	(0.42%)	\$281,862
2014-15	19,566	19,394	\$122,857,260	2.93%	\$413,062

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The Ouachita Parish School Board was allocated \$122,857,260 in state equalization funding through the MFP funding formula, net of reductions of \$413,062 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 accounted for in the *Agency Fund* statements.) The School Food 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 increased in 2014-15 because the base MFP funding allotment per pupil was raised 2.75% from \$3,855 to \$3,961 for the 2014-15 fiscal year and due to the initial increase in student enrollment on the October 1st count. However, this increase replaces a \$2.88 million one-time state legislative appropriation received in 2013-14 that was not continued in 2014-15.

- **Sales Tax Revenue:** Sales taxes are the second largest revenue source for the School Board at 19.7% 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 <u>Sales Tax</u>	West Ouachita <u>Sales Tax</u>	Salary Supplements <u>1995 Sales Tax</u>	Salary Supplements <u>1968 Sales Tax</u>	Total <u>Combined</u>	Percentage <u>Increase</u>
Tax Rate:	0.5%	1.0%	1.0%	0.5%	3.0%	
2012-13	\$6,790,943	\$10,966,646	\$13,710,645	\$9,840,846	\$41,309,080	4.84%
2013-14	\$6,919,076	\$11,363,996	\$13,967,444	\$10,236,956	\$42,487,472	2.85%
2014-15	\$7,292,419	\$11,861,397	\$14,731,783	\$10,865,054	\$44,750,654	5.33%

Sales tax revenue increased by \$2,263,181 over the prior year. As the above chart indicates, the School Board's sales tax revenues continue to experienced slow, but steady, increases in recent years in all sales tax funds. The District No. 1 Sales Tax shows an increase of \$373,343, or 5.4%, over the prior fiscal year.

- **Operating Grants & Contributions:** The third largest revenue source for the School Board is operating grants and contributions at 11.7% of total revenues. Operating grants and contributions totaled approximately \$26.7 million, and Federal grants represent approximately \$20.9 million or 78.4% 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*.

Fiscal Year	Title I <u>Programs</u>	Special Education <u>IDEA-B</u>	School Food Service <u>Service</u>	Other Operating Grants & Contributions <u>Contributions</u>	Total	Percentage Increase (Decrease)
2012-13	\$5,620,617	\$4,518,162	\$7,330,061	\$7,960,612	\$25,429,452	(16.83%)
2013-14	\$5,276,975	\$4,498,516	\$7,554,466	\$8,488,096	\$25,818,053	1.53%
2014-15	\$5,840,662	\$4,673,687	\$7,948,465	\$8,243,922	\$26,706,736	3.44%

In 2014-15, operating grants and contributions increased \$888,683 over the prior year. Title I, Special Education IDEA-B, and School Food Service make up \$18.5 million (69.1%) of total operating grants and contributions. Increase in spending allocation amounts of expenditure-driven reimbursement grants, such as the Title I programs entering into contracts to provide additional staff development services, is one reason

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for the increase. School Food Services also offered participation to several schools in the Community Eligibility Provision program which increased student participation in the free and reduced price lunch program in economically disadvantaged communities providing higher federal meal reimbursements.

- **Ad Valorem Tax Revenue:** The fourth largest revenue source for the School Board is ad valorem taxes at 11.6% 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.

<u>Fiscal Year</u>	<u>Mills</u>	<u>General Fund (Major Fund)</u>	<u>Mills</u>	<u>East Ouachita Bond Debt Service Fund (Nonmajor Fund)</u>	<u>Total</u>	<u>Percentage Increase</u>
2012-13	29.33	\$17,504,128	30.0	\$6,524,863	\$24,028,991	7.39%
2013-14	29.33	\$18,414,431	30.0	\$7,372,584	\$25,787,015	7.32%
2014-15	29.33	\$18,719,896	30.0	\$7,561,656	\$26,281,552	1.92%

Ad valorem tax revenue increased by \$494,537 (1.92%) 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 the 2014 property tax roll for its taxing districts in 2014-15.

- Other notable one-time revenue contributions during the fiscal year are: An increase of \$1.4 million in insurance proceeds for expected reimbursements from the School Board's property insurance carrier of expenses incurred during the fiscal year for repairs made to a few of its locations in western Ouachita Parish from an October 2014 wind storm; and the receipt of donations of land and a school sign during the year which comprise reported program revenues for Capital Grants and Contributions.

Cost of Services – Governmental Activities

Program expenses and program revenues for governmental activities are classified by function (or program). Program revenues are comprised of (1) specific charges for services, and (2) operating and capital grants and contributions. The table on the next page presents the total cost of services of each of the School Board's ten largest functions, as well as each function's net cost (total cost less program 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 readers to consider the cost of each function in comparison to the benefits they believe are provided by that function.

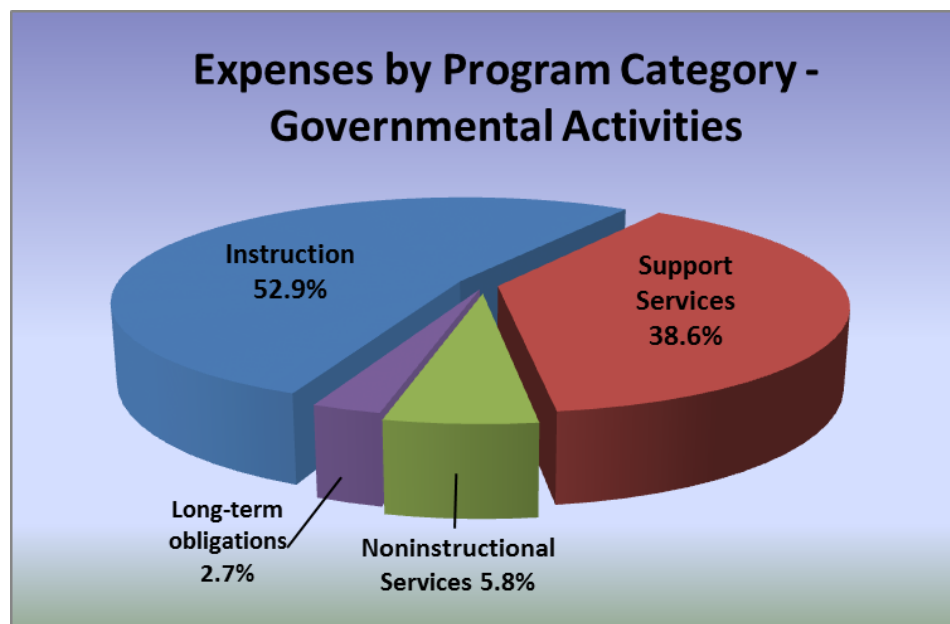
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	For Year Ended June 30, 2015		For Year Ended June 30, 2014	
	Total Cost of Services	Net Cost of Services	Total Cost of Services	Net Cost of Services
Regular programs	\$ 82,101,860	\$ 80,871,555	\$ 83,554,968	\$ 82,291,951
Special education programs	17,938,573	17,033,348	18,526,219	17,638,028
Other instructional programs*	8,653,234	6,669,392	8,550,400	6,845,280
Pupil support services*	12,826,787	10,154,941	12,750,440	10,051,011
Instructional staff support services*	16,351,770	10,468,972	15,781,633	10,472,564
School administration	13,955,474	13,865,706	14,392,606	14,302,642
Plant services	20,746,414	19,614,133	21,997,850	20,854,718
Student transportation services	11,375,050	10,845,495	12,029,898	11,531,528
Food service operations*	12,752,966	3,430,628	12,702,753	3,525,020
Long-term obligations	5,880,412	5,880,412	5,296,873	5,296,873
Subtotal	202,582,540	178,834,582	205,583,640	182,809,615
All other programs	17,503,412	11,598,366	16,245,855	10,720,794
Total	<u>\$220,085,952</u>	<u>\$190,432,948</u>	<u>\$221,829,495</u>	<u>\$193,530,409</u>

For the 2014-15 fiscal year, total program expenses of approximately \$220 million exceeded total program revenues by approximately \$190.4 million. Total cost of services was reduced overall in 2014-15 by a net \$1,743,543 which is a combination of several key factors discussed in the next section. This net cost of services was funded with other general revenues of the School Board. Of the ten largest categories, Food Service Operations continues to be the highest funded program (*) at 73.1% followed by Instructional Staff Support Services (35.9%), Other Instructional Programs (20.9%), and then Pupil Support Services (20.8%).



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- **Instruction:** Expenses for regular programs, special education, vocational, other instructional programs, special programs, and adult education programs are considered to be instructional services and represent the direct expenses of providing instruction to students. Instructional services for the fiscal year cost \$116.3 million and represents 52.9% of total governmental activities. 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>
2012-13	\$78,130,383	\$18,204,343	\$15,041,173	\$111,375,899	(7.86%)	53.70%
2013-14	\$83,554,968	\$18,526,219	\$16,080,220	\$118,161,407	6.09%	53.27%
2014-15	\$82,101,860	\$17,938,573	\$16,338,275	\$116,378,708	(1.51%)	52.88%

As shown in the chart above, instruction services decreased by a net \$1.8 million over the previous year. This is associated with the decrease in pension expense of \$3.6 million reported in accordance with GASB Statements 68 and 71 offset primarily from an increase in employer retirement contributions of \$452,755, an increase in salary supplement payments of \$481,542 due to increases in dedicated sales tax revenue, and increases in group health insurance contributions of \$852,311 due to increases in premiums and employee participation.

- **Support Services:** Support services account for approximately \$85 million or 38.6% of all governmental activities. These services include Pupil Support Services (includes nursing and counseling services), Instructional Staff Support Services (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>Plant Services</u>	<u>Instructional Staff Support</u>	<u>School Administration</u>	<u>Other</u>	<u>Total Support Services</u>	<u>Percent Increase (Decrease)</u>	<u>Percent of Total Governmental Activities</u>
2012-13	\$19,455,702	\$13,818,477	\$13,626,722	\$31,441,663	\$78,342,564	(2.60%)	37.77%
2013-14	\$21,997,850	\$15,781,633	\$14,392,606	\$33,468,022	\$85,640,111	9.31%	38.61%
2014-15	\$20,746,414	\$16,351,770	\$13,955,474	\$33,991,857	\$85,045,515	(0.69%)	38.64%

Support services decreased by \$594,596 over the previous year. Decreases in expenses are the result of a \$3.4 million reduction in pension expense required by GASB Statements 68 & 71, \$518,226 less in telecommunication expenses due to changes in vendor E-rate contracts, and reduced utility and fuel costs of about \$430,000 for a total reduction of about \$4.3 million. These reductions are then offset by \$948,471 in facility repair expenses related to the October 2014 wind storm damage, \$495,208 more in employer retirement contributions, \$332,949 in additional employee salary supplements from increases in dedicated sales tax revenue, and \$743,121 more paid for group health insurance contributions for increases in premiums and employee participation, \$941,773 in increased in professional and technical service contracts and related materials, supplies and training related primarily to increased staff development services.

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- **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 Service Operations with minor expenses for Community Service Programs. Non-Instructional Services account for approximately \$12.8 million, or 5.8%, 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>
2012-13	\$12,184,233	(1.15%)	5.87%
2013-14	\$12,731,104	4.49%	5.74%
2014-15	\$12,781,317	0.39%	5.81%

Non-instructional services increased by \$50,213 primarily due to increased group health insurance premium contributions of \$187,496, additional salary supplement payments of \$11,774, and about \$96,000 in increased food costs. These increases were offset by a reduction in pension expense of \$234,777 for implementing GASB Statements 68 and 71.

- **Long-Term Obligations:** This activity covers interest expense, bond issuance costs and recurring expenditures to service outstanding debt, such as fees paid to paying agents and continuing annual disclosure costs. The cost of activities related to long-term obligations, which is primarily interest expense, was \$5.88 million, or 2.7%, of total governmental activities during the 2014-15 fiscal year.

<u>Fiscal Year</u>	<u>Long-Term Obligations</u>	<u>Percentage Decrease</u>	<u>Percent of Total Governmental Activities</u>
2012-13	\$5,518,762	(3.41%)	2.66%
2013-14	\$5,296,873	(4.02%)	2.39%
2014-15	\$5,880,412	11.01%	2.67%

Expenses for long-term obligations increased \$583,539 over the prior fiscal year due to bond issuance expenses related to the sale of three new debt issues and one bond refunding paid during the fiscal year, in addition to an increase in annual debt service payment for interest expense related to the new limited tax certificates issued at the beginning of the fiscal year.

Financial Analysis of Governmental Funds

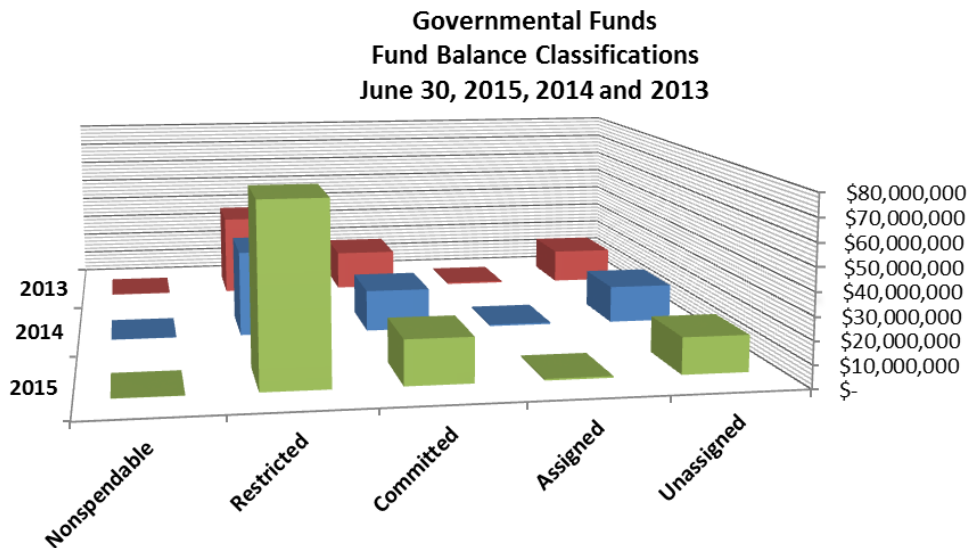
The focus of the Ouachita Parish School Board's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources and to help the reader to determine whether the School Board is being accountable for the resources taxpayers and others provide to it. In particular, 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.

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Monroe, Louisiana**

Management's Discussion and Analysis

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At June 30, 2015, the School Board's governmental funds reported a combined fund balance of \$114,249,875, an increase of \$39,596,226 or 53.0% in comparison with the prior fiscal year. Approximately 14% of this balance (\$15,986,919) 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 (\$88,805), (2) legally restricted for particular purposes (\$77,933,061), (3) committed by the School Board for particular purposes (\$19,534,227), or (4) assigned for particular purposes (\$704,848) by management.



- General Fund** – The General Fund is the primary operating fund of the School Board. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$15,986,919, or 84.7%, of its total fund balance. Total fund balance in the General Fund decreased \$798,094 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. Unassigned fund balance represents approximately 11.0% of total General Fund expenditures, while total fund balance represents approximately 12.9% 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 Ended	Revenues	Expenditures	Other (Uses)	Excess (Deficiency)	Ending Fund Balance	Fund Balance as a Percentage of Expenditures
6/30/2013	\$139,567,450	\$135,098,321	(\$1,470,594)	\$2,998,535	\$17,887,451	13.24%
6/30/2014	\$143,321,298	\$141,147,424	(\$389,648)	\$1,784,226	\$19,671,677	13.94%
6/30/2015	\$144,857,482	\$145,632,231	(23,345)	(\$798,094)	\$18,873,583	12.96%

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Revenues. Overall General Fund revenues increased \$1,536,184 which is attributed to the net increase of \$745,629 in MFP funding after taking into account the current loss of \$2.9 million of state revenue from a one-time state legislative appropriation deposited in the prior year and a one-time receipt of \$800,000 in insurance proceeds during the year for reimbursement of wind storm property damage.

Expenditures. General Fund expenditures increased by \$4.48 million, or 3.18%, over the previous fiscal period. Employer contributions to defined-benefit retirement plans increased \$896,884 during the period mainly due to retirement plan employer rate increases averaging about 2.8%, as compared to 11% in 2013-14 and 13.3% in 2012-13. One-time expenditures were incurred of \$1.73 million related to the repairs and maintenance to facilities resulting from a wind storm in western Ouachita Parish in October 2014. Group health insurance plan costs rose on average of 6.58%, or \$1.25 million, due to an average 5% rate increase assessed by the state sponsored self-insured health plan at the start of the year and an increase of about 80 newly participating active and retired employees. An increase of \$642,000 in textbook purchases were made to implement the new math series for middle and high schools and reading series for grades 3 through 5 that correlate to the new state curriculum standards. Also, a new state program was implemented providing for \$220,992 in tuition for students enrolled in supplemental online courses for eligible college bound and career pathways.

Other Financing Uses. The decrease in financing uses is due to no transfers being made to support the Self-Insurance Fund in 2014-15, but instead a transfer of \$200,000 was received from the Self-Insurance Fund to fund the School Board's retention for storm damage repairs paid in the General Fund.

- **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%, (2) capital improvements – 23%, (3) facility and equipment support – 15%, (4) salary restoration – 12%, and (5) mandated costs – 14%. The fund balance increased by \$419,995 or 2.5% as compared to the previous year. The District No. 1 Sales Tax Fund ended the year with a fund balance of \$18,416,410.

Fiscal Year <u>Ended</u>	<u>Revenue</u>	<u>Expenditures</u>	Other <u>Sources</u>	Excess (<u>Deficiency</u>)	Ending Fund <u>Balance</u>	Percentage Increase (<u>Decrease</u>)
6/30/2013	\$6,874,275	\$4,542,327	\$250,000	\$2,581,948	\$17,059,395	17.83%
6/30/2014	\$6,929,441	\$6,709,486	\$200,000	\$419,955	\$17,479,350	2.46%
6/30/2015	\$7,462,723	\$6,725,663	\$200,000	\$937,060	\$18,416,410	5.36%

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 increased overall by \$373,343 or 5.4% over the previous year. Also, insurance proceeds in the amount of \$147,067 were received for equipment breakdowns covered by the School Board's boiler and machinery insurance policy and expended from the *Facility and Equipment Support* allocation of this fund.

Expenditures. Expenditures were in line with the previous year's spending in total; however, the scheduled purchase of two special needs school buses was deferred to the 2015-16 fiscal year, and a one-time

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expenditure from the mandated cost allocation of \$400,000 was made during the year to absorb some of the cost of the increase in group health insurance premiums normally paid in the General Fund.

Other Sources of Funds. Other sources of funds represent a \$200,000 operating transfer from the General Fund to support additional costs in the *Facility and Equipment Support* allocation of this fund.

- **East Ouachita Construction – Capital Project Fund.** East Ouachita Construction is a new fund (a major fund) of the School Board in 2014-15. This fund is restricted for capital improvements in the East Ouachita School District (a taxing district created by the School Board) in accordance with the capital spending plan approved by the School Board and authorized by voters in April 2014. The primary project is to construct and furnish a new middle school in the East Ouachita School District. The fund balance at year-end is from the sale of \$28.5 million in general obligation revenue bonds during the fiscal year to fund the capital improvement plan over the next three years.

<u>Fiscal Year Ended</u>	<u>Revenue</u>	<u>Expenditures</u>	<u>Other Sources</u>	<u>Excess (Deficiency)</u>	<u>Ending Fund Balance</u>	<u>Percentage Increase</u>
6/30/2015	\$339,935	\$3,043,661	\$28,490,130	\$25,786,404	\$25,786,404	100.00%

Revenue. Revenue consists of interest earnings on bond proceeds during the fiscal year, and a donation of a 20 acre tract of land for the site of the new middle school.

Expenditures. Expenditures are the result of startup costs related to the planned new middle school facility and other capital improvement projects, a 30 acre land purchase, and bond issuance costs.

Other Financing Sources. Total other sources of funds represent \$28.5 million in proceeds from the sale of two series of general obligation bonds during the fiscal year.

- **Nonmajor Other Governmental Funds.** The nonmajor *Other 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. *Other Governmental Funds* have a combined fund balance of \$51,171,463 fund balance at June 30, 2015. This increase of \$13,670,856 (36.4%) from the previous year's ending fund balance is primarily due to bond proceeds from the sale of \$15,000,000 in Limited Tax Certificates and related premiums received on the sale of those bonds.

Special Revenue Funds. Special Revenue Funds includes non-major 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, and all other federal, state, and local grant fund programs. Special Revenue Funds ended the fiscal year with a fund balance of \$18,817,194 which is an increase of \$898,600, or 5.0%, from the prior year's ending fund balance. The restricted portion of this fund balance is \$18,507,388 (or 98.3% 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 \$2,626,937 primarily due to an average increase of \$1.9 million or 5.3% in sales tax collections in all three sales tax funds, and \$563,687 in additional Title I federal program revenue. Total expenditures in the Special Revenue Funds increased by \$2,609,825 in the current year due to higher sales tax salary supplement payments from increased collections in salary

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supplement sales tax funds, increased spending in the West Ouachita Sales Tax to complete facility improvement projects started in the previous year, and entered into new instructional staff support service contracts funded through Title I Programs.

Debt Service Fund. The Debt Service Fund includes the following funds restricted for the payment of maturing bonded debt: the *East Ouachita Bond Fund*, *West Ouachita Debt Service Fund*, the *School District No. 1 QSCB Sinking Fund*, and the new *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 *School District No. 1 QSCB Sinking Fund*, and the *School District No. 1 Debt Service Fund*. A 30-mill ad valorem tax approved by voters in the East Ouachita Bond District and levied by the School Board annually is the funding source for the *East Ouachita Bond Fund*.

The *Debt Service Funds* ended the year with a combined fund balance of \$20,263,066, which is an increase of \$2,718,582 over the prior year due to the increasing sinking fund balance for the QSCB bonds and \$1.3 million in bond premiums received from the sale of \$15 million in Certificates of Indebtedness and deposited in the *School District No. 1 Debt Service Fund* in July 2014. 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 \$9,715,000 in principal and \$5,301,852 in interest and other related annual debt service costs were made during 2014-15.

Capital Projects Fund. This fund accounts for two non-major capital projects funds: The *East Ouachita 2011/2012 Construction* fund and the new *School District No. 1 2014 Construction* fund. The East Ouachita construction funds ended the year with a restricted fund balance of \$8,813 to be spent on remaining projects in the East Ouachita School District. The funds in School District No. 1 2014 (West Construction) was established from the sale of \$15,000,000 in Limited Tax Certificates in July 2014 to fund the capital improvement plans in the West Ouachita School District as approved by the school board; The remaining fund balance of \$12,082,390 represents the balance of remaining bond proceeds to complete the scheduled projects within the next 2 to 3 years.

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 2014-15 original budget on August 26, 2014, and revised the budget on June 23, 2015. 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

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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 2014-15 are described below.

Overall budgeted revenue was increased by a net of \$1.8 million, or 1.26% of total revenues. After receiving the 2014 property tax roll, the original estimated increase in property tax collections of 4.8% was revised to only 1.8%, a reduction of \$664,709. The Louisiana Department of Education issues the initial MFP funding allocation letter in July each year that estimates the state MFP funding to be provided to school districts in the state for the fiscal year. This letter is later revised in March of the fiscal year for mid-year changes in student enrollment on October 1st and February 1st during the school year. The estimated state MFP revenue was increased by \$1 million, or 0.8%, in the final budget, primarily due to the adjustments made during the year to state equalization funding to account for the increase in student enrollment (176 students) on October 1st and subsequent decrease (172 students) on February 1st and for the correction of an error in the state deducting local funding from Ouachita's MFP allocation to send to an area charter school for 122 students enrolled in the charter school who did not reside in the boundaries of Ouachita school districts. Also, due to the wind storm that damaged various facilities in the western part of the school district in October 2014, an increase in revenue was budgeted with the anticipation of receiving \$1.3 million in insurance proceeds to cover the repairs made to damaged property.

An adjustment to increase budgeted expenditures by \$1.8 million was made due to the expected increase in property service costs of, with the most significant alignment of budget estimates being made in the following program areas:

- The estimated cost of substitutes for classroom teachers was increased \$262,000.
- Plant services was adjusted for a reduction of \$357,000 in electricity costs due to lower fuel rate adjustment charges, an increase of \$222,000 in cost for natural gas due to an extended winter season for heating, a reduction of \$462,312 estimated for telecom services due to a change in E-rate vendor and discounts being applied to invoices verses reimbursed at a later date; and \$1.5 million was added for estimated storm damage repairs to facilities and infrastructure.
- All program areas, had adjustments to increase employer group insurance premiums by an additional \$772,602 due to increase in health plan enrollments during open enrollment in October for coverage beginning January 2015 and for a 10% health plan premium increase payable starting in the month of June 2015.
- A reduction was made to estimated transportation fuel of \$222,000 due to lower market fuel prices.

Final budget compared to actual results. The most significant difference between estimated revenue and actual revenue was in other local revenue. Actual revenues were under budgeted projections by \$543,452 overall due to investment earnings being \$208,000 less than expected due to market value adjustments at year-end and only \$800,000 in insurance proceeds from storm damage was received at year-end, which is \$502,282 less than anticipated, as the final settlement of storm damage claims are still ongoing at year-end and at the time of this report.

A review of actual expenditures compared to the appropriations in the final budget shows a difference of \$1.6 million under total budgeted expenditures which represents about 1.1% of the final budget. The majority of the difference between the final budget and actual expenditures falls under regular instructional programs at \$629,584 and is the result of budgeting multiple line items for teacher salaries and benefits conservatively. Individually the variances are small, but the cumulative effect is a much larger variance in this overall program

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area, which is the highest cost program in the General Fund. Also, structured budget allocations made to various departments and programs are maintained throughout the fiscal year, even though funds may not be fully expended by 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 always results in a favorable variance between final budgeted and actual figures, outside of any notable unexpected changes which there are none at year end.

As a result, the General Fund ended the year with an additional \$1 million added to its overall fund balance than anticipated in the final budget.

Capital Assets

The Ouachita Parish School Board's net investment in capital assets as of June 30, 2015 is \$232,336,236 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.

**Ouachita Parish School Board's Governmental Activities
Capital Assets (Net of Depreciation and Amortization)**

	June 30	
	2015	2014
Land	\$ 7,464,935	\$ 6,160,668
Land improvements	9,552,092	6,077,332
Buildings and improvements	204,941,635	207,234,360
Furniture and equipment	6,825,985	7,305,222
Construction in progress	3,006,553	1,129,833
Intangible assets	926,435	1,154,676
Total	<u>\$ 232,717,635</u>	<u>\$ 229,062,091</u>

At June 30, 2015, net capital assets increased by \$3.6 million during the current fiscal year. Construction in progress at current year end is up \$1.9 million compared to the prior year's ending balance which is the result of start-up spending for new capital improvement plans approved by the School Board coinciding with the sale of \$43.5 million in new bonds issued during the fiscal year.

Notable capital asset events during the fiscal year included the following:

- Purchased 50-acre site (including site preparation) for a new middle school in East Ouachita - \$612,715
- Purchased two tracts of land (20.8 acres) adjacent to West Ouachita High School - \$381,399
- Purchased property at 501 Travis Street by West Monroe High School for future expansion - \$797,599
- Purchased 1,178 computers to expand, upgrade or replace for student, faculty, and administrative use district-wide - \$909,913
- Technology infrastructure upgrades parishwide - \$138,259
- Facility lighting upgrades at various schools parishwide - \$268,932

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- Replaced security video camera system at West Ouachita High - \$120,000
- Installed new LED school signs at Riverbend, Calhoun Elementary, Calhoun Middle, Central Elementary, Pinecrest, Woodlawn Elementary, and Woodlawn Middle - \$148,724
- Various other perimeter fencing and/or cabinetry projects at Ouachita High, Lakeshore Elementary, west-side bus barn, Riser Elementary, Shady grove and Woodlawn Middle - \$149,600
- Upgraded auditorium at West Monroe High - \$153,255
- New football scoreboard at West Monroe High - \$753,405
- New baseball scoreboard and bleachers at West Ouachita High - \$175,172
- Installed school office safety glass/storefront windows at Riser Middle, West Monroe High, West Ouachita High - \$45,249
- Intercom systems at Richwood High and Shady Grove - \$14,226
- Softball field lights at West Ouachita High - \$77,588
- New outdoor covered playground pavilion at Swartz Lower Elementary - \$17,907
- New outdoor walking track at Pinecrest Elementary - \$17,350
- Over \$5.2 million in major construction projects were completed during the fiscal year and are as follows:
 - ✓ New weight rooms at four middle schools (Good Hope, Calhoun, Woodlawn, Riser) - \$1,275,659
 - ✓ New tennis courts at West Monroe High - \$650,354
 - ✓ Roof replacement at Shady Grove - \$367,200
 - ✓ Roof replacement at Sterlington Middle - \$477,469
 - ✓ Parking lot addition at Sterlington High - \$318,101
 - ✓ Resurface parking lot and road at Boley Elementary - \$276,138
 - ✓ Enclosed covered walkway at Central Elementary - \$449,686
 - ✓ Softball batting cages at West Ouachita High - \$113,007
 - ✓ Softball batting cages at West Monroe High - \$150,765
 - ✓ Baseball concession stand at West Monroe High - \$230,379
 - ✓ West Monroe High football stadium renovations - \$298,277
 - ✓ Wing 1 roof replacement (storm damage) at West Monroe High - \$465,920
 - ✓ Gym room replacement (storm damage) at Instructional Annex - \$143,520
- The following are costs incurred for construction projects started but not yet completed at year-end:
 - New school-based health clinic building at Riser Middle School - \$7,300
 - New classrooms and restroom renovations at Boley Elementary - \$3,150
 - Renovations to newly acquire church gym at West Monroe High School - \$30,717
 - New waste treatment plant at West Ouachita High - \$8,100
 - New gymnasium at West Ouachita High and related site work - \$386,671
 - New tennis courts at West Ouachita High - \$60,118
 - New lecture hall at Ouachita High - \$312,368
 - Addition of 6 classrooms at Sterlington Elementary - \$293,945
 - New weight room at Sterlington Middle - \$201,573
 - New multi-purpose building and vocational building at Sterlington High - \$183,270
 - Outdoor playground pavilion at Jack Hayes Elementary - \$6,420
 - New medical learning lab building at Richwood High - \$51,407
 - New East Ouachita middle school - \$1,454,936

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Depreciation expense of \$9,392,948 and amortization expense of \$223,056 for the current fiscal year lowered all capital asset values by a total of \$9,616,004.

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

Debt Administration

At June 30, 2015, the School Board had \$173,225,000 in bonds outstanding. The table below summarizes the outstanding debt for each bond district for the current and prior year.

**Ouachita Parish School Board's Governmental Activities
Outstanding Debt**

Debt Instruments	June 30	
	2015	2014
General obligation bonds – East Ouachita School District	\$ 101,625,000	\$ 76,925,000
Revenue bonds – West Ouachita School District	48,315,000	52,175,000
Limited tax certificates – School District No. 1	13,315,000	-
Qualified School Construction Bonds-School District No. 1	10,000,000	10,000,000
Total outstanding debt	<u>\$ 173,255,000</u>	<u>\$ 139,100,000</u>

Total outstanding debt from bonds increased by \$34,155,000 during the fiscal year. This is a net result of the sale of \$28.5 million in new general obligation bonds, \$15 million in new limited tax certificates, and \$9.23 million in general obligation refunding bonds, net of the \$9.565 million in outstanding general obligation bonds called for refunding, and scheduled principal payments of \$9.01 million made during the fiscal year.

The state limits by statute the amount of general obligation debt a school board can issue to 35% of the assessed value of all taxable property within the school board's corporate limits, unless otherwise provide in the statutes. At June 30, 2015 and 2014, the School Board's maximum legal debt limit was \$109,587,638 and \$107,447,992, respectively. The total outstanding general obligation bonded debt of \$101,625,000 at June 30, 2015 in the East Ouachita School District (a taxing district created by the School Board) is below the maximum statutory debt limit at June 30, 2015. [Effective July 1, 2015, the state legislature approved and the governor signed Act 413 into law increasing the debt limit for the Ouachita Parish School Board from 35% to 50%. This increases the maximum legal debt limit for issuance of general obligation bonds to \$156,549,484, as of July 1, 2015.]

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

Debt Issuer (Taxing District)

East Ouachita School District

Credit Ratings (continued)

AA-/Stable Standard & Poors – December 19, 2014
A3 Moody's - May 21, 2014
Not rated Fitch

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Debt Issuer (Taxing District)

Credit Ratings (continued)

West Ouachita School District

AA-/Stable Standard & Poors – June 30, 2015
A3 Moody's - May 21, 2014
Not rated Fitch

School District No. 1 Ouachita Parish

AA/Stable Standard & Poors – June 13, 2014
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 pension liabilities. We present more detailed information about our long-term obligations in Note 1.M. and Note 13 in the *Notes to the Basic 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 2015-16 fiscal year budget.

- The unemployment rate of the Ouachita-Monroe region was 6.6% percent, which is a slight increase from the rate of 6.5% percent a year ago in September according to the Bureau of Labor Statistics.
- State Minimum Foundation Program funding is estimated to decrease by \$691,186 which represents the remaining funds lost for the 172 student drop in enrolled on the second (February 1st) count date of the 2014-15 school year.
- A one-time annual supplemental allocation from the State Legislature was awarded and budgeted for \$1.46 million to provide for the continuation of the certified classroom teacher supplement mandated in 2013-14, but is contingent upon the state identifying funds by January 2016 to fund the full or a lesser amount.
- Property tax collections are anticipated to increase by 2.4% over the prior year.
- The Louisiana Teachers Retirement System employer contribution rate is decreasing from 28.0% to 26.3%, which is an effective decrease of 6.07% in the cost of employer contributions.
- School Employee's Retirement System employer contribution rate is decreasing from 33.0% to 30.2% which is an effective decrease of 8.48% in employer contributions anticipated.
- Employer group insurance premiums will increase by approximately \$1.9 million due to a 12% premium increase for self-funded health plans sponsored by the State that went into effect in June 2015.
- Sales tax revenue (in Special Revenue Funds) is projected to increase by approximately 4.1% overall, which is in line with recent historical trends; and an estimated \$1.4 million in additional employee salary supplements is projected from dedicated sales tax supplement funds due to the steady increase in revenues projected.
- The completion of the purchase of fifteen school buses and two special needs buses is projected early in the year to stay the course in maintaining a replacement cycle for the fleet, with 4 of the buses participating in the Environmental Protection Agency's rebate program. Total estimated cost, net of rebates, is \$1,251,658 in the School District No.1 Maintenance and Operating Fund.

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- The School Board's two school-based health centers accounted for under State Grants has been outsourced to a non-profit federally qualified health center starting August 1, 2015. Therefore, a reduction of \$695,000 in state grant revenues and expenditures is budgeted.

The ending fund balance at June 30, 2016 is projected to be 11.7% 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. The chart below is a summary of the original adopted General Fund Budget for the 2015-16 fiscal year.

**General Fund
Summary of Original Budget
Fiscal year 2015-16**

Revenues	\$ 145,230,502
Expenditures	(147,284,866)
Other Sources of Funds	438,014
Net Changes in Fund Balance	<u>(1,616,350)</u>
Beginning Fund Balance	<u>18,873,583</u>
Ending Fund Balance	<u><u>\$ 17,257,233</u></u>

Below are several factors that will alter the original budget for fiscal year 2015-16 after its initial adoption.

- Budgeted MFP revenue is expected to decrease by approximately \$1,048,000 due to a drop in student enrollment of about 166 students on the first student enrollment count date on October 1, 2015.
- An 11.7% increase in employer premiums for the fully-insured group health plan offered to employees through Vantage was made effective for coverage starting January 1, 2016. It is estimated additional resources of \$460,000 in the General Fund will needed to be budgeted to fund the increase.
- Property tax revenue in the General Fund was estimated in the original budget to increase approximately 2.4%. The release of the 2015 property tax roll in October indicates taxable assessed value of property will only increase 1.1% over the prior year's value. Therefore, an adjustment will be required to reduce projected property tax revenue by about \$253,000.

It is anticipated the General Fund balance will be reduced by an additional \$1,761,000 beyond what is currently budgeted for 2015-16.

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.

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**Ouachita Parish School Board
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Fiscal Year Ended June 30, 2015

BASIC FINANCIAL STATEMENTS

**Ouachita Parish School Board
Monroe, Louisiana
Statement of Net Position
Governmental Activities**

June 30, 2015

Assets:

Cash and cash equivalents	\$ 75,851,666
Investments	55,476,328
Receivables	15,161,917
Inventory	333,208
Investments held by others	1,616,533
Prepaid expenses	2,013
Capital assets, net:	
Land and construction in progress	10,471,488
Depreciable buildings, improvements, machinery, and equipment	221,319,712
Intangibles	926,435
Total assets	<u>381,159,300</u>

Deferred outflows of resources:

Deferred charge on refunding	746,462
Deferred charges on pensions	40,160,393
Total deferred outflows of resources	<u>40,906,855</u>

Liabilities:

Accounts payable	1,442,460
Salaries and wages payable	23,870,294
Retainages payable	95,804
Other liabilities	9,446
Deposit liabilities	-
Unearned revenues	882,254
Interest payable - bonds	2,096,458
Long-term liabilities:	
Due within one year	12,200,428
Due in more than one year	496,094,717
Total liabilities	<u>536,691,861</u>

Deferred inflows of resources:

Unavailable revenue - protested sales taxes	102,762
Unavailable revenue - Education Excellence Funds	1,616,533
Unavailable revenue - Louisiana Medicaid reimbursements	986,512
Deferred inflows on pensions	37,571,513
Total deferred inflows of resources	<u>40,277,320</u>

Net position:

Net investment in capital assets	95,472,151
Restricted for:	
Debt service	20,923,066
Salaries and benefits	7,485,505
Workers compensation surety	625,000
Unrestricted	(279,408,748)
Total net position	<u>\$ (154,903,026)</u>

See accompanying notes to the basic financial statements.

**Ouachita Parish School Board
Monroe, Louisiana
Statement of Activities
Governmental Activities**

Fiscal Year Ended June 30, 2015

		PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION
		CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	
EXPENSES					
Functions/programs:					
Instructional services:					
Regular programs	\$ 82,101,860	\$ 6,765	\$ 921,948	\$ 301,592	\$ (80,871,555)
Special education programs	17,938,573	-	905,225	-	(17,033,348)
Vocational programs	3,242,905	-	350,084	-	(2,892,821)
Other instructional programs	8,653,234	226,587	1,589,255	168,000	(6,669,392)
Special programs	4,378,506	-	3,937,320	-	(441,186)
Adult/continuing education	63,630	-	-	-	(63,630)
Support services:					
Pupil support services	12,826,787	157,122	2,514,724	-	(10,154,941)
Instructional staff support services	16,351,770	-	5,882,798	-	(10,468,972)
General administration	2,098,499	-	1,702	-	(2,096,797)
School administration	13,955,474	-	89,768	-	(13,865,706)
Business services	4,523,095	701,715	821,549	-	(2,999,831)
Plant services	20,746,414	1,414	1,130,867	-	(19,614,133)
Student transportation services	11,375,050	-	529,555	-	(10,845,495)
Central services	3,168,426	9,200	83,476	-	(3,075,750)
Noninstructional services:					
Food service operations	12,752,966	1,373,873	7,948,465	-	(3,430,628)
Community service programs	28,351	-	-	-	(28,351)
Long-term obligations:					
Interest	5,712,404	-	-	-	(5,712,404)
Other service costs	168,008	-	-	-	(168,008)
Total Governmental Activities	<u>\$ 220,085,952</u>	<u>\$ 2,476,676</u>	<u>\$ 26,706,736</u>	<u>\$ 469,592</u>	<u>(190,432,948)</u>

General revenues:

Taxes:	-
Ad valorem taxes levied for:	
General purposes	18,059,896
Debt service purposes	8,221,656
Sales taxes levied for:	
General purposes	11,347,993
Salaries and related benefits	25,453,939
Debt service purposes	7,948,722
Grants and contributions not restricted to specific programs:	
Minimum Foundation Program	122,857,260
State legislative appropriation	44,341
State revenue sharing	822,633
Interest and investment earnings	457,327
Loss on disposal of school property	(75,298)
Insurance proceeds	1,815,830
Other	172,682
Total general revenues	<u>197,126,981</u>
Change in net position	6,694,033
Net position at beginning of year, as originally stated	<u>94,955,946</u>
Prior period adjustment	(256,553,005)
Net position, at beginning of year, restated	<u>(161,597,059)</u>
Net position at end of year	<u>\$ (154,903,026)</u>

See accompanying notes to the basic financial statements.

**Ouachita Parish School Board
Monroe, Louisiana**

**GOVERNMENTAL FUNDS
BALANCE SHEET**

June 30, 2015

(With Comparative Totals For June 30, 2014)

	Major Funds			Nonmajor Funds	TOTAL	
	GENERAL FUND	SCHOOL DISTRICT NO. 1 SALES TAX	EAST OUACHITA CONSTRUCTION	OTHER GOVERNMENTAL FUNDS	2015	2014
Assets:						
Cash and cash equivalents	\$ 15,498,445	\$ 15,667,257	\$ 10,313,634	\$ 33,564,770	\$ 75,044,106	\$ 51,589,591
Investments	19,803,437	2,000,020	16,030,700	14,128,355	51,962,512	38,032,083
Receivables	278,164	1,263,039	-	11,641,883	13,183,086	12,226,004
Due from other funds	3,530,053	-	-	3,778	3,533,831	6,359,406
Inventory	-	-	-	333,208	333,208	400,999
Prepaid Items	-	-	-	2,013	2,013	-
Total assets	\$ 39,110,099	\$ 18,930,316	\$ 26,344,334	\$ 59,674,007	\$ 144,058,756	\$ 108,608,083
Liabilities and fund balances						
Liabilities:						
Accounts payable	\$ 437,293	\$ 86,906	\$ 483,326	\$ 411,742	\$ 1,419,267	\$ 1,229,005
Salaries and wages payable	19,793,781	427,000	-	3,649,513	23,870,294	25,193,326
Retainages payable	-	-	74,604	21,200	95,804	100,158
Other liabilities	1,664	-	-	7,782	9,446	7,593
Deposits payable	-	-	-	-	-	98,000
Unearned revenues	-	-	-	882,254	882,254	966,666
Due to other funds	3,778	-	-	3,530,053	3,533,831	6,361,701
Total liabilities	20,236,516	513,906	557,930	8,502,544	29,810,896	33,956,449
Fund balances:						
Nonspendable:						
Inventory	-	-	-	88,805	88,805	123,283
Restricted for:						
Workers compensation surety	625,000	-	-	-	625,000	625,000
Salaries and benefits	-	-	-	7,485,505	7,485,505	6,911,079
Student health services	-	-	-	2,403,476	2,403,476	1,946,314
Food services	-	-	-	2,250,740	2,250,740	1,831,907
Debt service	660,000	-	-	20,263,066	20,923,066	18,217,818
Construction and operations	-	-	-	6,367,667	6,367,667	6,793,390
Capital projects	-	-	25,786,404	12,091,203	37,877,607	2,037,530
Committed for:						
Major equipment repairs	916,211	-	-	-	916,211	822,284
Instructional programs	201,606	4,055,740	-	-	4,257,346	4,113,445
Salaries and benefits	-	4,277,455	-	-	4,277,455	4,749,387
Maintenance and operation	-	361,935	-	-	361,935	219,602
Capital improvements	-	6,538,078	-	-	6,538,078	4,928,179
Mandated costs	-	3,183,202	-	-	3,183,202	3,832,474
Assigned for:						
Drivers education	236,759	-	-	-	236,759	196,300
Instructional programs	242,452	-	-	4,251	246,703	183,403
Scholarships	4,636	-	-	-	4,636	4,636
Student health/support services	-	-	-	216,750	216,750	307,631
Unassigned	15,986,919	-	-	-	15,986,919	16,807,972
Total fund balances	18,873,583	18,416,410	25,786,404	51,171,463	114,247,860	74,651,634
Total liabilities and fund balances	\$ 39,110,099	\$ 18,930,316	\$ 26,344,334	\$ 59,674,007	\$ 144,058,756	\$ 108,608,083

See accompanying notes to the basic financial statements.

**Ouachita Parish School Board
Monroe, Louisiana**

**Reconciliation of the Governmental Funds'
Balance Sheet to the Statement of Net Position
Fiscal Year Ended June 30, 2015**

Total fund balances – governmental funds		\$ 114,247,860
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Some revenues will be collected more than sixty days after year-end, and therefore are not available to pay for current-period expenditures

Insurance proceeds		868,763
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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 the Governmental Funds.

Cost of capital assets	\$ 387,237,499		
Accumulated depreciation	(155,446,299)		
Cost of intangible assets	2,373,845		
Accumulated amortization	<u>(1,447,410)</u>		232,717,635

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

Pensions	40,160,393		
Refundings	<u>746,462</u>		40,906,855

Elimination of interfund assets and liabilities.

Interfund assets	(3,533,831)		
Interfund liabilities	<u>3,533,831</u>		-

(continued)

**Ouachita Parish School Board
Monroe, Louisiana**

**Reconciliation of the Governmental Funds'
Balance Sheet to the Statement of Net Position
Fiscal Year Ended June 30, 2015**

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 of Long-term liability at June 30, 2015 are:

Compensated absences payable	\$	(6,610,522)	
Other post employment benefits		(72,918,420)	
General obligation bonds payable		(101,625,000)	
Revenue bonds payable		(48,315,000)	
Qualified school construction bonds payable		(13,315,000)	
Limited Certificates of Indebtedness		(10,000,000)	
Bond premium		(2,614,553)	
Pension		<u>(251,824,030)</u>	\$ (507,222,525)

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	(2,096,458)
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Deferred inflows on pensions are not reported in the governmental funds but are reported in the government-wide financial statements.

Pensions	(37,571,513)
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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 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, 2015 are as follows:

Cash and cash equivalents	807,560	
Investments	3,513,816	
Accounts receivable	20,794	
Accounts payable	(23,193)	
Claims liability	<u>(1,072,620)</u>	3,246,357
Net Position		<u><u>\$ (154,903,026)</u></u>
		(concluded)

**Ouachita Parish School Board
Monroe, Louisiana**

**GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES**

Fiscal Year Ended June 30, 2015

(With Comparative Totals For Fiscal Year Ended June 30, 2014)

	Major Funds			Nonmajor Funds	TOTAL	
	GENERAL FUND	DISTRICT NO. 1 SALES TAX	EAST OUACHITA CONSTRUCTION	OTHER GOVERNMENTAL FUNDS	2015	2014
REVENUES						
Local sources:						
Ad valorem taxes	\$ 18,719,896	\$ -	\$ -	\$ 7,561,656	\$ 26,281,552	\$ 25,787,015
1% ad valorem tax - tax collector	605,967	-	-	-	605,967	585,143
Sales and use taxes	-	7,292,419	-	37,458,234	44,750,653	42,487,472
Earnings on investments	281,611	17,998	38,343	115,014	452,966	398,169
Cash payments for meals	-	-	-	1,353,443	1,353,443	1,604,101
Other	2,654,483	152,306	301,592	1,762,571	4,870,952	3,679,236
State sources:						
State equalization	121,417,578	-	-	1,439,682	122,857,260	119,363,297
Revenue sharing	822,633	-	-	-	822,633	817,682
Unrestricted grants-in-aid	44,341	-	-	-	44,341	2,897,755
Restricted grants-in-aid	150,854	-	-	1,696,535	1,847,389	1,933,079
Federal sources:						
Federal programs	160,119	-	-	20,676,247	20,836,366	19,965,095
Other federal support	-	-	-	480,337	480,337	430,290
Total revenues	<u>144,857,482</u>	<u>7,462,723</u>	<u>339,935</u>	<u>72,543,719</u>	<u>225,203,859</u>	<u>219,948,334</u>
EXPENDITURES						
Current:						
Instructional services:						
Regular programs	60,243,332	687,489	-	12,866,774	73,797,595	72,480,720
Special education programs	13,505,966	491,278	-	3,631,647	17,628,891	17,653,505
Vocational programs	2,327,371	61,328	-	817,328	3,206,027	2,975,790
Other instructional programs	5,298,076	1,237,507	-	3,403,135	9,938,718	8,321,473
Special programs	389,296	6,470	-	3,867,231	4,262,997	4,015,928
Adult/continuing education	30,034	-	-	-	30,034	28,210
Support services:						
Pupil support services	8,083,626	772,705	-	4,001,921	12,858,252	12,312,112
Instructional staff support services	8,358,374	709,337	-	7,034,708	16,102,419	14,975,094
General administration	1,424,907	64,914	2,388	583,075	2,075,284	1,919,528
School administration	12,244,268	150,742	-	1,682,086	14,077,096	13,928,106
Business services	1,833,614	46,508	12,666	1,026,282	2,919,070	2,799,322
Plant services	17,923,581	1,706,575	-	2,645,256	22,275,412	20,857,253
Student transportation services	9,214,600	397,434	-	1,405,691	11,017,725	11,381,836
Central services	2,856,252	42,632	-	219,217	3,118,101	3,343,668
Noninstructional services:						
Food service operations	1,066,750	277,941	-	11,293,225	12,637,916	12,266,220
Community service programs	28,351	-	-	-	28,351	28,351
Facility acquisition and construction	803,833	72,803	2,897,981	6,652,184	10,426,801	5,531,933
Debt service:						
Principal	-	-	-	9,715,000	9,715,000	7,330,000
Interest	-	-	-	5,343,831	5,343,831	5,341,015
Bond issuance costs	-	-	130,626	69,225	199,851	-
Other service costs	-	-	-	168,008	168,008	25,152
Total expenditures	<u>145,632,231</u>	<u>6,725,663</u>	<u>3,043,661</u>	<u>76,425,824</u>	<u>231,827,379</u>	<u>217,515,216</u>
Excess (deficiency) of revenues over expenditures	<u>(774,749)</u>	<u>737,060</u>	<u>(2,703,726)</u>	<u>(3,882,105)</u>	<u>(6,623,520)</u>	<u>2,433,118</u>
OTHER FINANCING SOURCES (USES)						
Proceeds from issuance of debt	-	-	28,500,000	15,000,000	43,500,000	-
Issuance of refunding debt	-	-	-	9,230,000	9,230,000	-
Proceeds from sale of assets	6,591	-	-	-	6,591	10,351
Bond premiums	-	-	-	2,519,394	2,519,394	-
Payment to refunded debt escrow agent-principal	-	-	-	(8,860,000)	(8,860,000)	-
Payment to refunded debt escrow agent-interest	-	-	-	(376,239)	(376,239)	-
Transfers in	209,870	200,000	-	7,988,528	8,398,398	10,585,082
Transfers out	(239,806)	-	(9,870)	(7,948,722)	(8,198,398)	(10,785,082)
Total other financing sources (uses)	<u>(23,345)</u>	<u>200,000</u>	<u>28,490,130</u>	<u>17,552,961</u>	<u>46,219,746</u>	<u>(189,649)</u>
Net change in fund balances	(798,094)	937,060	25,786,404	13,670,856	39,596,226	2,243,469
Fund balances at beginning of year	19,671,677	17,479,350	-	37,500,607	74,651,634	72,408,165
Fund balances at end of year	<u>\$ 18,873,583</u>	<u>\$ 18,416,410</u>	<u>\$ 25,786,404</u>	<u>\$ 51,171,463</u>	<u>\$ 114,247,860</u>	<u>\$ 74,651,634</u>

See accompanying notes to the basic financial statements.

**Ouachita Parish School Board
Monroe, Louisiana**

**Reconciliation of the Governmental Funds'
Statement of Revenues, Expenditures, and Changes in
Fund Balances to the Statement of Activities
Fiscal Year Ended June 30, 2015**

Total net change in fund balances – Governmental Funds	\$ 39,596,226
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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

Storm damage	868,763
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Elimination of transfers in and out:

Transfers in	\$ (8,398,398)	
Transfers out	<u>8,398,398</u>	-

Capital outlays and intangible assets are reported in Governmental Funds as expenditures. However, in the Statement of Activities, the cost of these assets is allocated over their estimated useful lives as depreciation expense for the capital assets and amortization expense for the intangible assets. This is the amount by which capital outlays exceed depreciation and amortization in the period:

Capital Outlays	13,353,437	
Depreciation	(9,392,948)	
Amortization	<u>(223,056)</u>	3,737,433

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 \$75,298.

(81,889)

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

9,715,000

(continued)

**Ouachita Parish School Board
Monroe, Louisiana**

**Reconciliation of the Governmental Funds'
Statement of Revenues, Expenditures, and Changes in
Fund Balances to the Statement of Activities (continued)
Fiscal Year Ended June 30, 2015**

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 \$4,362,557 at June 30, 2013 to \$3,246,357 at June 30, 2015 for a net decrease of \$1,116,200

\$ (1,116,200)

In the Statement of Activities, certain operating expenses (compensated absences for accrued vacation and sick leave) are measured by the amounts earned during the year. However, in the Governmental Funds expenditures for these items are measured by the amount of financial resources used (what was actually paid during the year). This year, vacation and sick leave earned (\$360,332) was less than the amount used (\$451,961) by \$91,629.

91,629

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, 2015	\$ (2,096,458)	
Interest expense payable at June 30, 2014	<u>1,727,885</u>	(368,573)

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	(2,519,393)	
Current year amortization expense	282,792	
Deferred amount on refunding	<u>376,239</u>	(1,860,362)

(continued)

**Ouachita Parish School Board
Monroe, Louisiana**

**Reconciliation of the Governmental Funds'
Statement of Revenues, Expenditures, and Changes in
Fund Balances to the Statement of Activities (concluded)
Fiscal Year Ended June 30, 2015**

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.

\$ 7,317,854

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

(87,156)

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.

(7,248,692)

The issuance of long-term debt provides 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.

Proceeds from issuance of debt

(43,500,000)

Issuance of refunding debt

(9,230,000)

Payment to refunded debt escrow agent-principal

8,860,000 (43,870,000)

Change in net position of governmental activities

\$ 6,694,033

(concluded)

**Ouachita Parish School Board
Monroe, Louisiana**

**Proprietary Fund - Internal Service Funds
Combined Statement of Net Position**

**June 30, 2015
(with comparative totals for June 30, 2014)**

	Total	
	2015	2014
Assets:		
Current assets:		
Cash and cash equivalents	\$ 807,560	\$ 4,513,704
Investments	3,513,816	999,670
Due from other funds	-	21,763
Accounts receivable	20,794	3,238
Total assets	<u>4,342,170</u>	<u>5,538,375</u>
Liabilities:		
Current liabilities:		
Accounts payable	23,193	25,884
Due to other funds	-	19,468
Claims liability - due within one year	657,810	242,037
Total current liabilities	<u>681,003</u>	<u>287,389</u>
Noncurrent liabilities:		
Claims liability	<u>414,810</u>	<u>888,429</u>
Total liabilities	<u>1,095,813</u>	<u>1,175,818</u>
Unrestricted Net Position	<u><u>\$ 3,246,357</u></u>	<u><u>\$ 4,362,557</u></u>

See accompanying notes to the basic financial statements.

**Ouachita Parish School Board
Monroe, Louisiana**

**Proprietary Fund - Internal Service Funds
Combined Statement of Revenues, Expenses, and Changes in Net Position**

**For the Year Ended June 30, 2015
(with comparative totals for year ended June 30, 2014)**

	Total	
	2015	2014
Operating revenues		
Charges for services	\$ 468,214	\$ 359,867
Reimbursements from insurers	228,197	-
	<u>696,411</u>	<u>359,867</u>
Operating expenses		
Self-insurance claims and insurance premiums	1,283,056	667,579
Equipment rental	200,400	228,912
Equipment maintenance	27,248	57,047
Supplies	102,171	78,282
Other	4,092	4,656
Total operating expenses	<u>1,616,967</u>	<u>1,036,476</u>
Operating loss	(920,556)	(676,609)
Nonoperating revenues		
Earnings on investments	4,356	3,762
Total nonoperating revenues	<u>4,356</u>	<u>3,762</u>
Loss before transfers	(916,200)	(672,847)
Transfers in	-	200,000
Transfers out	<u>(200,000)</u>	<u>-</u>
Change in net position	(1,116,200)	(472,847)
Total net position - beginning	4,362,557	4,835,404
Total net position - ending	<u>\$ 3,246,357</u>	<u>\$ 4,362,557</u>

See accompanying notes to the basic financial statements.

**Ouachita Parish School Board
Monroe, Louisiana**

**Proprietary Fund - Internal Service Funds
Combined Statement of Cash Flows**

**For the Year Ended June 30, 2015
(with comparative totals for the year ended June 30, 2014)**

	Total	
	2015	2014
Cash flows from (used by) operating activities:		
Receipts from interfund services provided	\$ 472,098	\$ 359,867
Payments to vendors	(329,354)	(359,867)
Claims and premiums paid	(1,139,098)	(596,588)
Net cash used by operating activities	<u>(996,354)</u>	<u>(596,588)</u>
Cash flows from noncapital financing activities:		
Transfer from (to) General Fund	(200,000)	200,000
Net cash provided by non-capital and related financing activities	<u>(200,000)</u>	<u>200,000</u>
Cash flows from (used by) investing activities:		
Sale of investments	(2,514,146)	2,710,819
Earnings on investments	4,356	3,762
Net cash provided by investing activities	<u>(2,509,790)</u>	<u>2,714,581</u>
Net increase (decrease) in cash and cash equivalents	(3,706,144)	2,317,993
Cash and cash equivalents at beginning of year	<u>4,513,704</u>	<u>2,195,711</u>
Cash and cash equivalents at end of year	<u><u>\$ 807,560</u></u>	<u><u>\$ 4,513,704</u></u>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:		
Operating income (loss)	\$ (920,556)	\$ (676,609)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:		
Changes in assets and liabilities:		
(Increase) decrease in receivables	(17,556)	(8,448)
Increase (decrease) in payables	(2,691)	24,538
Increase (decrease) in claims liability	(57,846)	50,640
Due to General Fund	<u>2,295</u>	<u>13,291</u>
Net cash provided (used) by operating activities	<u><u>\$ (996,354)</u></u>	<u><u>\$ (596,588)</u></u>
Noncash investing activities:		
Increase (decrease) in fair value of investments	<u><u>\$ (2,514,146)</u></u>	<u><u>\$ (2,710,819)</u></u>

See accompanying notes to the basic financial statements.

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**Ouachita Parish School Board
Monroe, Louisiana**

**Fiduciary Fund - Agency Funds
Combined Statement of Fiduciary Assets and Liabilities**

**June 30, 2015
(with comparative totals for June 30, 2014)**

	Total	
	2015	2014
Assets:		
Cash and cash equivalents	<u><u>\$ 4,572,253</u></u>	<u><u>\$ 4,224,728</u></u>
Liabilities:		
Amounts held for others	<u><u>\$ 4,572,253</u></u>	<u><u>\$ 4,224,728</u></u>

See accompanying notes to the basic financial statements.

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**Ouachita Parish School Board
Monroe, Louisiana**

**Notes to the Basic Financial Statements
Fiscal Year Ended June 30, 2015**

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**Ouachita Parish School Board
Monroe, Louisiana**

**Notes to the Basic Financial Statements
Fiscal Year Ended June 30, 2015**

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(Concluded)

**Ouachita Parish School Board
Monroe, Louisiana**

**Notes to the Basic Financial Statements
Fiscal Year Ended June 30, 2015**

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

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 and municipalities, 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 and are accounted for on an accrual basis. 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.

General Revenues

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

**Ouachita Parish School Board
Monroe, Louisiana**

**Notes to the Basic Financial Statements
Fiscal Year Ended June 30, 2015**

1. Summary of Significant Accounting Policies (continued)

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. All governmental funds reported in the fund financial statements are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in current net position.

The Proprietary Fund is accounted for using the "economic resources" measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of this fund are included on the balance sheet. The Proprietary Fund is accounted for using the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

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.

**Ouachita Parish School Board
Monroe, Louisiana**

**Notes to the Basic Financial Statements
Fiscal Year Ended June 30, 2015**

1. Summary of Significant Accounting Policies (continued)

Operating expenses are general liability and worker's compensation claims and expenses and costs of operating centralized printing services.

Governmental funds reported in the fund financial statements are accounted for on the modified accrual basis of accounting. Governmental fund revenues are recognized in the accounting period in which they become susceptible to accrual—that is, when they become both measurable and available to pay current period liabilities. 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 School Board considers all revenues available if they are collected within 60 days after the fiscal year end. Such revenue items are ad valorem, sales and use taxes, and federal and state entitlements. Ad valorem taxes are considered measurable and are recognized in the calendar year of the tax levy. Sales and use taxes are considered measurable and available when collected by the vendors. Revenue from state and federal grants are recorded when the reimbursable expenditures have been incurred. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as fund liabilities when due or when amounts have been accumulated in the Debt Service Funds for payments to be made early in the following year. Other post-employment benefits (OPEB) are recorded in the Government-wide Financial Statements as expenditures and as a liability when incurred.

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 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.

**Ouachita Parish School Board
Monroe, Louisiana**

**Notes to the Basic Financial Statements
Fiscal Year Ended June 30, 2015**

1. Summary of Significant Accounting Policies (continued)

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 funds 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 **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.

The **West Ouachita Sales Tax Fund**, was reported as a major Special Revenue Fund in the prior year, but no longer meets this reporting requirement for the current year and is classified as a nonmajor special revenue fund in this report.

The non-major special revenue funds **Supplemental Salaries-1995 Sales Tax 1%** and **Supplemental Salaries-1968 Sales Tax .5%**, in this report may also be referred to as the *1995 Sales Tax* and the *1968 Sales Tax*, respectively.

**Ouachita Parish School Board
Monroe, Louisiana**

**Notes to the Basic Financial Statements
Fiscal Year Ended June 30, 2015**

1. Summary of Significant Accounting Policies (continued)

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

The **East Ouachita Construction Fund** is a major Capital Projects Fund. The projects in this fund are funded by two series of general obligation bonds issued during the fiscal year totaling \$28.5 million authorized by voters on May 3, 2014. The purposes of these funds are to primarily construct a new middle school and to improve facilities in the East Ouachita School District

Nonmajor Funds:

The School Board has 9 nonmajor Special Revenue Funds, 5 nonmajor Debt Service Funds, and 3 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 Activity Funds**, which represents funds generated by schools in the district specifically for student activity uses, **State Equalization Local Funding Transfers to Other Educational Providers**, which represents the receipt and transfer of funds to charter schools and special schools outside the governance of the Ouachita Parish School Board through the Minimum Foundation Program equalization formula.

**Ouachita Parish School Board
Monroe, Louisiana**

**Notes to the Basic Financial Statements
Fiscal Year Ended June 30, 2015**

1. Summary of Significant Accounting Policies (continued)

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.

Cash balances of all of the School Board's funds, except for the Payroll Account, individual School Lunch accounts, School-Based Health Center accounts and the Self-Insurance Internal Service claims benefits payment account, are pooled into one master bank account with the School Board's fiscal agent bank and are available for use by all funds. The Payroll Account, individual school lunch accounts, School-based Health Center accounts, and the Self Insurance Internal Service claims benefits payment account are maintained in separate bank accounts.

Interest earned on balances maintained in the pooled bank account was distributed to the individual funds based on the cash balance maintained by the unrestricted participating fund during the year.

The School Board maintains separate "book" cash accounts for each fund that is pooled within the master bank account. Negative book cash balances appear in the financial statements as a liability, "Due to Other Funds." The balance of these amounts will be paid primarily through collections of grant reimbursement claims from Federal and State grant awarding agencies.

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."

**Ouachita Parish School Board
Monroe, Louisiana**

**Notes to the Basic Financial Statements
Fiscal Year Ended June 30, 2015**

1. Summary of Significant Accounting Policies (continued)

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.

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 \$244,403 is reported as unearned revenue, leaving a nonspendable fund balance of \$88,805 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. There are no prepaid items reported at year end.

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.

**Ouachita Parish School Board
Monroe, Louisiana**

**Notes to the Basic Financial Statements
Fiscal Year Ended June 30, 2015**

1. Summary of Significant Accounting Policies (continued)

Capital assets are recorded at historical cost and depreciated over their estimated useful lives. Donated capital assets are recorded at their estimated fair 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 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.

**Ouachita Parish School Board
Monroe, Louisiana**

**Notes to the Basic Financial Statements
Fiscal Year Ended June 30, 2015**

1. Summary of Significant Accounting Policies (continued)

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 Accounting Standards Board Statement No. 45 – *Accounting and Financial Reporting of Other Post Employment Benefits*, are recognized at a rate of 3% per year for fiscal years ending June 30, 2008 – 2037.

**Ouachita Parish School Board
Monroe, Louisiana**

**Notes to the Basic Financial Statements
Fiscal Year Ended June 30, 2015**

1. Summary of Significant Accounting Policies (continued)

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 same basis as reported by the state retirement plans.

N. Deferred Outflows/Inflows of Resources

The Statement of Net Position reports a separate section for deferred outflows of resources. *Deferred Outflows* 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. These have a positive effect on net position and are similar to assets. The School Board has two items that qualify for reporting in this category; the *deferred charge on refunding* and the deferred change on pensions and are reported in the government-wide Statement of Net Position. The deferred charge on refunding is the result of the difference in the carrying value of refunded debt and its reacquisition price for bonds issues that were refunded in previous fiscal periods. This amount is deferred and amortized over the shorter of the life of the refunded or refunding bond issues.

In addition to liabilities, a separate section for deferred inflows of resources is reported in the Statement of Net Position. *Deferred Inflows* represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. These have a negative effect on net position and fund balance, and are similar to liabilities. The School Board has deferred inflows reported on the government-wide Statement of Net Position as *unavailable revenue* from Education Excellence Funds held in the Millennium Trust (tobacco settlement funds) under the oversight of the Louisiana State Treasury, protested sales and use taxes, funds due from Louisiana Medicaid for cost-sharing reimbursements, and deferred changes on pensions. These amounts are reported as deferred and recognized as an inflow of resources in the period the amounts become available.

For purposes measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the retirement systems additions to / deductions from the retirement systems fiduciary net position have been determined on the same basis as they are reported by the retirement systems. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Deferred resources for investments are reported at their fair value.

**Ouachita Parish School Board
Monroe, Louisiana**

**Notes to the Basic Financial Statements
Fiscal Year Ended June 30, 2015**

1. Summary of Significant Accounting Policies (continued)

O. Equity Classifications

Government-wide Financial Statements

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:

- 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 approved public referendum in accordance with state law and bond covenants with investors.
- o Available resources from sales taxes specifically dedicated by taxing propositions approved by voters for the payment of supplemental salaries and benefits to employees.
- 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.
- 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.

**Ouachita Parish School Board
Monroe, Louisiana**

**Notes to the Basic Financial Statements
Fiscal Year Ended June 30, 2015**

1. Summary of Significant Accounting Policies (continued)

Fund Financial Statements

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. Fund balance is classified according to its useful purpose or function of restriction at year-end in one or more of the following categories:

- Nonspendable fund balance represents resources that cannot be physically used to settle obligations of the school system, such as food inventory.
- Restricted fund balance represent resources restricted by enabling legislation, state or federal laws, tax ordinances or by local, state or Federal grant regulations for future use and are, therefore, not available for future appropriation or expenditure.
- Committed fund balance indicates the School Board’s plans for the use of financial resources in a future period for specific purposes determined by the School Board, the highest level of the government’s decision-making authority. Fund balance commitments are made by formal actions of the School Board in the form of a resolution, ordinance, or action approved by the majority vote of the School Board in an open meeting prior to the end of the fiscal year. Once adopted, the limitation imposed by the instrument remains in place until a similar action is taken to remove or revise the limitation.
- Assigned fund balances are those determined by the Superintendent and Director of Business, under authority given under a resolution of the Board, as needed for the payment of future commitments.
- Unassigned fund balance is the remaining fund balance in the General Fund after all classifications have been made in the previously described fund balance categories. Unassigned fund balance is only reported in the General Fund. However, 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 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.

**Ouachita Parish School Board
Monroe, Louisiana**

**Notes to the Basic Financial Statements
Fiscal Year Ended June 30, 2015**

1. Summary of Significant Accounting Policies (continued)

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, expenditures should be made only for 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 following purposes in accordance with the taxing proposition:

- Eighty-eight percent of the revenues received by the School Board are to be used for the payment of the salaries of teachers, as defined by the Louisiana State Department of Education.
- Twelve percent of the revenues received by the School Board are to be used for the payment of salaries to designated personnel, other than teachers.

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%) – A major fund of the School Board - 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.

**Ouachita Parish School Board
Monroe, Louisiana**

**Notes to the Basic Financial Statements
Fiscal Year Ended June 30, 2015**

1. Summary of Significant Accounting Policies (continued)

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 renewed 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.

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 \$500,000, 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.

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.

**Ouachita Parish School Board
Monroe, Louisiana**

**Notes to the Basic Financial Statements
Fiscal Year Ended June 30, 2015**

1. Summary of Significant Accounting Policies (continued)

During the fiscal year, total expenses for claims and insurance premiums related to the self-insurance programs were \$1,283,056. The School Board's claims liabilities at June 30 were:

	2015	2014
Claims liability at beginning of the year	\$ 1,130,466	\$ 1,079,826
Incurred claims and provision for incurred but not reported	1,013,871	616,871
Claims payments	(1,071,717)	(566,231)
Claims liability at the end of the year	<u>\$ 1,072,620</u>	<u>\$ 1,130,466</u>
Claims liability due within one year	<u>\$ 657,810</u>	<u>\$ 242,037</u>

R. 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. Expenditures / Revenues – Budget versus Actual

Local Grants, a non-major governmental fund had actual expenditures exceeding budgeted expenditures by \$16,163, or 6.96%. The state budget requirement for amending a budget occurs when actual expenditures exceed budgeted expectations by at least five-percent. This variance was caused by a \$17,350 project that was expected to be commenced during FY16 but was instead started and completed during the latter part fiscal year 2015 and was, therefore, not included as part of the final budget revision. This project also had a related cost reimbursement associated with it which resulted in a similar, but positive, budget variance. Overall, the net budget variance for Local Grants is a positive \$628.

The following non-major governmental funds did exceed the state budget requirement for amending a budget when actual revenues are not anticipated to meet budgeted expectations by at least five-percent:

Fund	Budgeted Revenue	Actual Revenue	Variance	Percent
Nonmajor Special Revenue Funds:				
Title I Programs	\$6,203,540	\$5,840,662	(\$362,878)	(5.85%)
IDEA-B Programs	\$5,026,537	\$4,674,982	(\$351,555)	(6.99%)
Other Federal Programs	\$2,886,442	\$2,716,577	(\$169,865)	(5.88%)
State Grants Program	\$3,768,233	\$2,992,505	(\$775,728)	(20.59%)

**Ouachita Parish School Board
Monroe, Louisiana**

**Notes to the Basic Financial Statements
Fiscal Year Ended June 30, 2015**

2. Expenditures – Budget and Actual (continued)

The funds for Title I Programs, IDEA-B (Special Education) Programs, and Other Federal Programs are expenditure-driven reimbursement grants in which revenues are recognized as expenditures are made. Therefore, since expenditures cannot exceed revenues for these grants, the negative variance in revenue is not perceived as a violation of state budget laws.

The unfavorable variance that occurred in State Grants revenue was due to budgeting the anticipated receipt of 2013-14 Medicaid Program administrative cost reimbursement from the State of Louisiana, Department of Health and Hospitals derived from the 2012-13 and 2013-14 fiscal years which were not received within 60 days of year end.

3. Cash Deposits with Financial Institutions

Custodial credit risk-deposits. The total bank deposits (including demand deposit accounts and certificates of deposits) at June 30, 2015 are summarized as follows:

Demand deposit – checking	\$ 35,645,185
Certificates of deposit	<u>8,878,103</u>
Total bank deposits	<u><u>\$ 44,523,288</u></u>

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 \$9,828,010 of federal depository insurance (FDIC) and \$34,695,278 of securities held as collateral by the trust department of agents of custodial banks in the name of the School Board at year-end.

4. 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

**Ouachita Parish School Board
Monroe, Louisiana**

**Notes to the Basic Financial Statements
Fiscal Year Ended June 30, 2015**

4. Investments (continued)

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.

The School System also participates in the Louisiana State Treasury's Education Excellence Fund (EEF), which is a special fund, similar to an external local government investment pool, established within the Millennium Trust, a special permanent trust of the State of Louisiana, pursuant to the Louisiana Constitution Article 1, Section 10.8. In accordance with GASB Statement 40, Deposits and Investment Risk Disclosures, the investment in EEF at year end is excluded from custodial credit risk disclosures provided by this statement because the investment is in the pool of funds and therefore not evidenced by securities that exist in physical or book entry form. Also investments in a pool of funds of this nature are not subject to concentration of credit risk or interest rate risk disclosures. The EEF is administered by the Louisiana State Treasury through an investment agreement pursuant to La. R.S. 39:99. Only school boards that have executed investment agreements pursuant to La. R.S. 39:99 have an investment interest in the fund's pool of assets. Pursuant to La. R.S. 39:99 C (1), the State guarantees the principal invested in this fund by the School System. The primary objective of the EEF is to provide a safe environment for the placement of certain local school board monies associated with tobacco company settlements. The monies invested in EEF by the treasurer, are done so with the same authority and subject to the same restrictions as the Louisiana Education Quality Trust Fund pursuant to La. R.S. 17:3803. According to Louisiana Constitution Article 7, Section 10.8 (C)(g) no funds may be distributed to the School System from the EEF until an annual plan has been submitted and receives both legislative and Department of Education approval as provided by law, and therefore, reported in the government-wide statements only. Investments held in trust with the Louisiana State Treasurer for EEF at year end was \$1,616,533.

**Ouachita Parish School Board
Monroe, Louisiana**

**Notes to the Basic Financial Statements
Fiscal Year Ended June 30, 2015**

4. Investments (continued)

As of June 30, 2015 the School Board's cash equivalents, excluding certificates of deposits, and investments consisted of the following at fair value:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Percent of total Investments</u>
<i>Investments:</i>		
U.S. government obligations	\$ 4,839,482	5.1%
U.S. government-sponsored enterprise obligations (GSEs)	47,101,998	49.8%
Local government bonds	3,534,847	3.7%
<i>Cash Equivalents:</i>		
Money market funds	22,149,397	23.4%
Louisiana Asset Management Pool (LAMP)	17,009,771	18.0%
 Total	 \$ 94,635,496	 100.0%

Credit risk. The School Board's investment policy's objective is to mitigate credit risk. Credit risk is defined as the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Credit risk is extremely low due to the limitations on investment instruments available to the School Board under LRS 33:2955. The "prudent-person" rule is followed whereby investments are made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise 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. However, the overriding concern shall be the safety of the principal amounts invested. Policy further limits any single investment dealer, broker or bank to management of twenty-five percent of the School Board's total investment portfolio.

All investments in U.S. government obligations are rated Aaa/Negative by Moody's and AA+/Stable by Standard & Poor's at year end.

Investments in obligations of U.S. government-sponsored enterprises at year-end were as follows:

<u>Government-Sponsored Enterprise</u>	<u>Fair Value</u>	<u>Percent of Total Investments</u>	<u>Credit Ratings</u>
Federal National Mortgage Association	\$ 10,717,144	11.3%	Aaa/Negative Moody's; AA+/Stable Standard & Poors
Federal Home Loan Mortgage Corporation	16,891,816	17.9%	Aaa/Negative Moody's; AA+/Stable Standard & Poors
Federal Home Loan Bank	13,367,917	14.1%	Aaa/Negative Moody's; AA+/Stable Standard & Poors
Federal Farm Credit Banks	6,125,120	6.5%	Aaa/Negative Moody's; AA+/Stable Standard & Poors
Total	\$ 47,101,998	49.8%	

**Ouachita Parish School Board
Monroe, Louisiana**

**Notes to the Basic Financial Statements
Fiscal Year Ended June 30, 2015**

4. Investments (continued)

The School Board also has \$3,534,847 invested in approximately twenty various Louisiana municipal bond issues that have ratings ranging from AA to A- by Standard & Poor's.

The School Board participates in money market funds in which investment securities meet the same restrictions placed on local governments under LRS 33:2955. The majority of money market funds are held in the Federated Government Obligations Fund and the Blackrock Liquidity Fund TempFund Institutional, which are both rated Aaa-mf by Moody's and AAAM by Standard & Poor's.

The Louisiana Asset Management Pool (LAMP), a local government investment pool, is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana under the oversight of the Louisiana State Treasurer. While LAMP is not required to be a registered investment company with the Securities and Exchange Commission under the Investment Company Act of 1940, its investment policies are similar to those established by Rule 2a7, which governs registered money market funds. The LAMP portfolio includes only the securities and other obligations in which local governments in Louisiana are authorized to invest under LRS 33:2955; and Attorney General Opinion 92-192 permits local governments to participate in LAMP on a voluntary basis. The dollar weighted average portfolio maturity of LAMP assets is restricted to no more than 90 days, and consists of no securities with a maturity in excess of 397 days. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high-quality investments. LAMP has a Principal Stability Fund Rating of AAAM by Standard & Poor's. LAMP is reported at the net asset value per share (which approximates fair value) even though it is calculated using the amortized cost method.

Investments in money market funds and in LAMP are not exposed to custodial credit risk because they are not evidenced by securities that exist in physical or book entry form. These investments are included as cash and cash equivalents on the governmental funds Balance Sheet and are accessible to the School Board upon demand.

Concentration risk. Concentration risk is the risk of exposure to loss that can result from failing to diversify investments. The School Board does not have a formal policy to limit concentration risk. The overwhelming majority of the School Board's investments are in direct U.S. Government securities or obligations of its agencies, or in government-sponsored enterprises that have the implied guarantee of the U.S. Government. At year-end, 20.6% of the School Board's investments were held in Federal Farm Credit Bank bonds and Federal Home Loan Bank bonds and discount notes which are implicitly guaranteed by the U.S. Government.

Interest rate risk. In accordance with its investment policy, the School Board manages its exposure to declines in fair values. Interest rate risk is the risk that the market value of the securities in the portfolio will fall due to the changes in general interest rates. Interest rate risk is mitigated by structuring the

**Ouachita Parish School Board
Monroe, Louisiana**

**Notes to the Basic Financial Statements
Fiscal Year Ended June 30, 2015**

4. Investments (continued)

investment portfolio so that securities mature to meet cash requirements for anticipated demands, thereby avoiding the need to sell securities on the open market prior to maturity. Operating funds are primarily invested in shorter-term securities of one year or less. A laddering investment strategy is used which spreads maturity dates over time to meet liquidity requirements. Longer terms may be used for bond proceeds held for construction purposes or to coincide with scheduled maturities of long-term debt.

Cash equivalents and investments are scheduled to mature as follows:

<u>Investment Type</u>	<u>Less than 13 Months</u>	<u>13-59 Months</u>	<u>60 months or more</u>
<i>Investments:</i>			
U.S. government obligations	\$ -	\$ 1,506,149	\$ 3,333,333
U.S. government-sponsored enterprise obligations (GSEs)	19,562,598	27,539,400	-
Local government bonds	1,327,344	2,207,502	-
<i>Cash Equivalents:</i>			
Money market funds	22,149,397	-	-
Louisiana Management Asset Pool (LAMP)	17,009,771	-	-
Total	<u>\$ 60,049,111</u>	<u>\$31,253,051</u>	<u>\$ 3,333,333</u>

5. 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 2012 millage rate for the new reassessment period.

**Ouachita Parish School Board
Monroe, Louisiana**

**Notes to the Basic Financial Statements
Fiscal Year Ended June 30, 2015**

5. Ad Valorem Taxes (continued)

The School Board is permitted by constitutional and statutory authority of the State to levy taxes up to 29.33 mills per \$1,000 of assessed valuation for operations other than for the payment of principal and interest on long-term debt. This is the amount which was levied for calendar year 2014. The School Board was authorized by the citizens of the East Ouachita School District to levy taxes sufficient to pay the principal and interest that matures annually on the outstanding general obligation bonds sold by the taxing district. The School Board levied 30.0 mills on the 2014 tax roll for the East Ouachita School District. The Sheriff of Ouachita Parish, as provided by State law, is the official tax collector of the property taxes levied by the School Board.

The 2014 property tax calendar was as follows:

Millage rates adopted	June 24, 2014
Tax levy date	November 15, 2014
Tax bills mailed	November 21, 2014
Tax due date	December 31, 2014
Tax lien date	January 1, 2015

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.

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. Revenues in such funds are recognized in the accounting period in which they become measurable and available. Property taxes are considered measurable in the calendar year of the tax levy. Delinquent taxes considered to be uncollectible are not recorded as revenues. Property taxes receivable are considered available because they are substantially collected within 60 days subsequent to year-end.

**Ouachita Parish School Board
Monroe, Louisiana**

**Notes to the Basic Financial Statements
Fiscal Year Ended June 30, 2015**

6. Receivables

The receivables of \$13,203,880 at June 30, 2015, as reported in the Fund Financial Statements are as follows:

	Ad-Valorem Taxes	Sales and Use Taxes	Grantor Agencies	Other	Total
Major Funds:					
General Fund	\$ 105,971	\$ -	\$ 163,644	\$ 8,549	\$ 278,164
District No. 1 Sales Tax	-	1,257,391	-	5,648	1,263,039
Total major funds	<u>105,971</u>	<u>1,257,391</u>	<u>163,644</u>	<u>14,197</u>	<u>1,541,203</u>
Non-Major Funds:					
1995 Sales Tax (1%)	-	2,538,506	-	-	2,538,506
1968 Sales Tax (.5%)	-	1,830,519	-	-	1,830,519
West Ouachita Sales Tax	-	2,029,444		12,721	2,042,165
School Food Service	-	-	139,510	1,216	140,726
Title I Programs	-	-	1,879,278	-	1,879,278
Special Education-IDEA B	-	-	1,093,222	-	1,093,222
Other Federal Programs	-	-	1,418,322	-	1,418,322
State Grants	-	-	603,820	1,415	605,235
Local Grants	-	-	-	62,522	62,522
East Ouachita Bond	31,381	-	-	-	31,381
East Ouachita Construction	-	-	-	7	7
Total non-major funds	<u>31,381</u>	<u>6,398,469</u>	<u>5,134,152</u>	<u>77,881</u>	<u>11,641,883</u>
Total governmental funds	<u>\$ 137,352</u>	<u>\$ 7,655,860</u>	<u>\$ 5,297,796</u>	<u>\$ 92,078</u>	<u>\$ 13,183,086</u>
Proprietary Funds:					
Self-Insurance	-	-	-	20,099	20,099
Centralized Printing	-	-	-	695	695
Total proprietary funds	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 20,794</u>	<u>\$ 20,794</u>

All governmental receivables are expected to be collected within the next fiscal year and therefore, no allowance for doubtful accounts is recorded.

**Ouachita Parish School Board
Monroe, Louisiana**

**Notes to the Basic Financial Statements
Fiscal Year Ended June 30, 2015**

6. Receivables (continued)

The following are additional receivables at June 30, 2015 reported only in the government-wide statements.

	Insurance Reimbursements	Taxes Paid Under Protest	Medicaid Reimbursement	Total
Major Funds:				
General Fund	\$868,763	\$ -	\$-	\$ 868,763
District No. 1 Sales Tax	-	7,881	-	7,881
West Ouachita Sales Tax	-	15,760	-	15,760
Non-Major Funds:				
1995 Sales Tax 1.0%	-	15,760	-	15,760
1968 Sales Tax (0.5%)	-	63,361	-	63,361
State Grants	-	-	986,512	986,512
Total Receivables - Government-Wide only	<u>\$868,763</u>	<u>\$102,762</u>	<u>\$986,512</u>	<u>\$1,958,037</u>

The School Board has outstanding amounts due from an insurance company for storm damage repair expenses to a few of its facilities in western Ouachita Parish from the October 13, 2014 wind storm that have not yet been settled.

Taxes paid under protest represent sales and use taxes paid by vendors who are in dispute with the tax collector over the amount of tax owed. These collections are held by the City of Monroe Revenue and Taxation Division (the designated tax collector for the parish) and dispersed to the appropriate taxing government at such future time when the dispute is settled. The balances of taxes paid under protest reported above are beyond the period of revenue recognition in the governmental funds financial statements.

Receivables for Louisiana Medicaid cost reimbursements are reported only on the government-wide statements due to the timeline for processing cost reports and receiving payments extending beyond the period for revenue recognition in the governmental funds financial statements.

Total government-wide receivables reported at June 30, 2015 in the Statement of Net Position are \$15,161,917.

**Ouachita Parish School Board
Monroe, Louisiana**

**Notes to the Basic Financial Statements
Fiscal Year Ended June 30, 2015**

7. Capital Assets

The changes in capital assets during the fiscal year were as follows:

Governmental Activities:	Balance June 30, 2014	Additions	Deletions	Balance June 30, 2015
Capital assets, not being depreciated:				
Land	\$ 6,160,668	\$ 1,304,267	\$ -	\$ 7,464,935
Construction-in-progress	<u>1,129,833</u>	<u>2,992,111</u>	<u>(1,115,391)</u>	<u>3,006,553</u>
Total capital assets, not being depreciated:	<u>7,290,501</u>	<u>4,296,378</u>	<u>(1,115,391)</u>	<u>10,471,488</u>
Capital assets, being depreciated:				
Land improvements	6,921,271	3,901,956	-	10,823,227
Buildings and improvements	325,965,056	5,285,450	(82,743)	331,167,763
Furniture and equipment	<u>35,883,954</u>	<u>985,044</u>	<u>(2,093,977)</u>	<u>34,775,021</u>
Total capital assets, being depreciated	<u>368,770,281</u>	<u>10,172,450</u>	<u>(2,176,720)</u>	<u>376,766,011</u>
Less accumulated depreciation:				
Land improvements	(843,939)	(427,196)	-	(1,271,135)
Buildings and improvements	(118,730,696)	(7,511,326)	15,894	(126,226,128)
Furniture and equipment	<u>(28,578,732)</u>	<u>(1,454,426)</u>	<u>2,084,122</u>	<u>(27,949,036)</u>
Total accumulated depreciation	<u>(148,153,367)</u>	<u>(9,392,948)</u>	<u>2,100,016</u>	<u>(155,446,299)</u>
Total capital assets, being depreciated, net	<u>220,616,914</u>	<u>779,502</u>	<u>(76,704)</u>	<u>221,319,712</u>
Capital assets, being amortized:				
Intangibles	2,432,495	-	(58,650)	2,373,845
Less accumulated amortization:				
Intangibles	<u>(1,277,819)</u>	<u>(223,056)</u>	<u>53,465</u>	<u>(1,447,410)</u>
Total capital assets, being amortized, net	<u>1,154,676</u>	<u>(223,056)</u>	<u>(5,185)</u>	<u>926,435</u>
Total governmental activities, capital assets, net	<u>\$ 229,062,091</u>	<u>\$ 4,852,824</u>	<u>(\$ 1,197,280)</u>	<u>\$ 232,717,635</u>

**Ouachita Parish School Board
Monroe, Louisiana**

**Notes to the Basic Financial Statements
Fiscal Year Ended June 30, 2015**

7. Capital Assets (continued)

Depreciation and amortization expense was charged to governmental activities as follows:

	<u>Depreciation Expense</u>	<u>Amortization Expense</u>
Instructional services:		
Regular programs	\$ 7,793,555	\$ 79,785
Special education programs	61,077	43,658
Vocational programs	26,973	11,760
Other instructional programs	101,721	2,044
Special programs	12,463	14,276
Adult/continuing education	74	1,736
Support services:		
Pupil support services	18,940	-
Instructional staff support services	10,182	13,078
General administration	7,799	-
School administration	489	-
Business services	30,459	6,976
Plant services	487,359	1,975
Student transportation services	688,141	-
Central services	75,100	46,870
Non-instructional services:		
Food service operations	<u>78,616</u>	<u>898</u>
Total depreciation and amortization expense	<u>\$ 9,392,948</u>	<u>\$ 223,056</u>

During the fiscal year, the School Board entered into new contracts totaling \$27,575,200. Over the past 15 years the School Board entered into contracts totaling \$239,479,738 to construct 10 schools, 4 vocational centers, 5 turf athletic fields, and 14 multipurpose buildings and to make additions and renovations to 30 schools and district facilities. These construction contracts are projected to be complete within the next two fiscal periods. Work already started but not completed during the fiscal year on contracts totaling \$3,006,553 was capitalized as construction-in-progress.

At June 30, 2015, the School Board had \$95,804 in contract retainages related to construction-in-progress. These retainages represent deposits that are payable at the completion of current outstanding construction contracts at year end.

At June 30, 2015, these contracts have \$20,102,623 remaining in work to be completed within the next fiscal year. The contracts will be paid primarily by the East Ouachita Construction Fund and the West Ouachita Sales Tax Fund.

**Ouachita Parish School Board
Monroe, Louisiana**

**Notes to the Basic Financial Statements
Fiscal Year Ended June 30, 2015**

8. Retirement Systems

The School Board is a participating employer in two statewide, public employee retirement systems, the Teachers' Retirement System of Louisiana (TRSL) and the Louisiana School Employees' Retirement System (LSERS). In general, professional employees (such as teachers and administrative support staff) and lunchroom workers are members of the Teachers' Retirement System of Louisiana (TRSL). Other employees working in custodial services or student transportation are members of the Louisiana School Employees' Retirement System (LSERS). 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 authority to establish and amend benefit provisions of all sub-plans administered by these systems to the State Legislature. Pertinent information relative to each plan follows:

Teachers' Retirement System of Louisiana (TRSL)

Plan Description

Employees of the School Board are provided with pensions through a cost-sharing multiple-employer defined benefit plan administered by TRSL. Chapter 2 of Title 11 of the Louisiana Revised Statutes (La. R.S. 11:401) grants to TRSL Board of Trustees and the Louisiana Legislature the authority to review administration, benefit terms, investments, and funding of the plan. TRSL issues a publicly available financial report that can be obtained at www.trsl.org.

Benefits Provided

The following is a description of the plan and its benefits and is provided for general informational purposes only. TRSL provides retirement, deferred retirement option (DROP), disability, and survivor's benefits. Participants should refer to the appropriate statutes for more complete information.

Retirement Benefits-Normal Retirement

Regular Plan - Members whose first employment makes them eligible for membership in a Louisiana state retirement system on or after January 1, 2011 may retire with a 2.5% accrual rate after attaining age sixty with at least 5 years of service credit and are eligible for an actuarially reduced benefit with 20 years of service at any age. All other members, if initially hired on or after July 1, 1999, are eligible for a 2.5% accrual rate at the earliest of age 60 with 5 years of service, age 55 with 25 years of service, or at any age with 30 years of service. Members may retire with an actuarially reduced benefit with 20 years of service at any age. If hired before July 1, 1999, members are eligible for a 2% accrual rate at the earliest of age 60 with 5 years of service, or at any age with 20 years of service and are eligible for a 2.5% accrual rate at the earliest of age 65 with 20 years of service, age 55 with 25 years of service, or at any age with 30 years of service.

Plan A - Members may retire with a 3.0% annual accrual rate at age 55 with 25 years of service, age 60 with 5 years of service or 30 years of service, regardless of age. Plan A is closed to new entrants.

**Ouachita Parish School Board
Monroe, Louisiana**

**Notes to the Basic Financial Statements
Fiscal Year Ended June 30, 2015**

8. Retirement Systems (continued)

Plan B - Members may retire with a 2.0% annual accrual rate at age 55 with 30 years of service, or age 60 with 5 years of service.

Benefit Formula

For all plans, retirement benefits are based on a formula which multiplies the final average compensation by the applicable accrual rate, and by the years of creditable service. For Regular Plan and Lunch Plan B members whose first employment makes them eligible for membership in a Louisiana state retirement system on or after January 1, 2011, final average compensation is defined as the highest average 60-month period. For all other members, final average compensation is defined as the highest average 36-month period.

Payment Options

A retiring member is entitled to receive the maximum benefit payable until the member's death. In lieu of the maximum benefit, the member may elect to receive a reduced benefit payable in the form of a Joint and Survivor Option, or as a lump sum that can't exceed 36 months of the members' maximum monthly benefit amount.

Effective July 1, 2009, members may make an irrevocable election at retirement to receive an actuarially reduced benefit which increases 2.5% annually, beginning on the first retirement anniversary date, but not before age 55 or before the retiree would have attained age 55 in the case of a surviving spouse. This option can be chosen in combination with the above options.

Deferred Retirement Option Program (DROP)

In lieu of terminating employment and accepting a service retirement, an eligible member can begin participation in the Deferred Retirement Option Program (DROP) on the first retirement eligibility date for a period not to exceed the 3rd anniversary of retirement eligibility. Delayed participation reduces the three year participation period. During participation, benefits otherwise payable are fixed, and deposited in an individual DROP account.

Upon termination of DROP, the member can continue employment and earn additional 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.

**Ouachita Parish School Board
Monroe, Louisiana**

**Notes to the Basic Financial Statements
Fiscal Year Ended June 30, 2015**

8. Retirement Systems (continued)

Disability Benefits

Active members whose first employment makes them eligible for membership in a Louisiana state retirement system before January 1, 2011, and who have five or more years of service credit are eligible for disability retirement benefits if certified by the State Medical Disability Board (SMDB) to be disabled from performing their job. All other members must have at least 10 years of service to be eligible for a disability benefit. Calculation of the disability benefit as well as the availability of a minor child benefit is determined by the plan to which the member belongs and the date on which the member's first employment made them eligible for membership in a Louisiana state retirement system.

Survivor Benefits

A surviving spouse with minor children of an active member with five years of creditable service (2 years immediately prior to death) or 20 years of creditable service is entitled to a benefit equal to the greater of (a) \$600 per month, or (b) 50% of the member's benefit calculated at the 2.5% accrual rate for all creditable service. When a minor child(ren) is no longer eligible to receive survivor benefits, the spouse's benefit reverts to a survivor benefit in accordance with the provisions for a surviving spouse with no minor child(ren). Benefits for the minor child(ren) cease when he/she is no longer eligible.

Each minor child (maximum of 2) shall receive an amount equal to the greater of (a) 50% of the spouse's benefit, or (b) \$300 (up to 2 eligible children). Benefits to minors cease at attainment of age 18, marriage, or age 23 if enrolled in an approved institution of higher education.

A surviving spouse without minor children of an active member with 10 years of creditable service (2 years immediately prior to death) or 20 years of creditable service is entitled to a benefit equal to the greater of (a) \$600 per month, or (b) the option 2 equivalent of the benefit calculated at the 2.5% accrual rate for all creditable service.

Permanent Benefit Increases / Cost-of-Living Adjustments

As fully described in Title 11 of the Louisiana Revised Statutes, the System allows for the payment of permanent benefit increases, also known as cost-of-living adjustments (COLAs) that are funded through investment earnings when recommended by the Board of Trustees and approved by the State Legislature.

Optional Retirement Plan (ORP)

The Optional Retirement Plan (ORP) was established for academic employees of public institutions of higher education who are eligible for membership in TRSL. This plan was designed to provide certain academic and unclassified employees of public institutions of higher education an optional method of funding for their retirement.

**Ouachita Parish School Board
Monroe, Louisiana**

**Notes to the Basic Financial Statements
Fiscal Year Ended June 30, 2015**

8. Retirement Systems (continued)

The ORP is a defined contribution pension plan which provides for portability of assets and full and immediate vesting of all contributions submitted on behalf of the affected employees to the approved providers. These providers are selected by the TRSL Board of Trustees. Monthly employer and employee contributions are invested as directed by the employee to provide the employee with future retirement benefits. The amount of these benefits is entirely dependent upon the total contributions and investment returns accumulated during the employee's working lifetime. Employees in eligible positions of higher education can make an irrevocable election to participate in the ORP rather than TRSL and purchase annuity contracts—fixed, variable, or both—for benefits payable at retirement.

For the year ended June 30, 2015, employer contributions to TRSL for ORP totaled \$57,521 and employee contributions totaled \$15,923. The employer contributions are a pension expense of the School Board.

Contributions

The employer contribution rate is established annually under La. R.S. 11:101-11:104 by the Public Retirement Systems' Actuarial Committee (PRSAC), taking into consideration the recommendation of the System's actuary. Each sub plan pays a separate actuarially determined employer contribution rate. However, all assets of TRSL are used for the payment of benefits for all classes of members, regardless of their plan. The contribution rates in effect during the fiscal year ended June 30, 2015 are as follows:

TRSL Sub Plan	Employee	Employer
K-12 Regular Plan	8.0%	28.0%
Plan A	9.1%	33.1%
Plan B	5.0%	30.1%

ORP	Employee	Employer
2015	8.0	22.7%

The School Board's contractually required composite contribution rate for the year ended June 30, 2015 was 27.07 % of annual payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any Unfunded Actuarial Accrued Liability. Contributions to the pension plan from the School Board were \$27,520,388 for the year ended June 30, 2015.

**Ouachita Parish School Board
Monroe, Louisiana**

**Notes to the Basic Financial Statements
Fiscal Year Ended June 30, 2015**

8. Retirement Systems (continued)

Louisiana School Employees' Retirement System (LSERS)

Plan Description

The State of Louisiana School Employees' Retirement System (LSERS) is the administrator of a cost-sharing multiple-employer defined benefit pension plan and is a component unit of the State of Louisiana and is included in the State's CAFR as a Pension Trust Fund. The System was established and provided for by R.S.11:1001 of the Louisiana Revised Statutes (LRS). The accompanying statements present information only as to transactions of the System as authorized by Louisiana Revised Statutes. The following is a description of the Plan and its benefits and is provided for general information purposes only. Participants should refer to the appropriate statutes for more complete information.

Benefits Provided

The following is a description of the plan and its benefits and is provided for general informational purposes only. LSERS provides retirement, deferred retirement option (DROP), disability, and initial benefit retirement plan (IBRP) benefits. Participants should refer to the appropriate statutes for more complete information.

Retirement Benefits

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, 20 years of creditable service regardless of age with an actuarially reduced benefit, or 10 years of creditable service and is at least age 60. A member who joined the system on or after July 1, 2010 is eligible for normal retirement if he has at least 5 years of creditable service and is at least age 60, or 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 three 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 join 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 System 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.

**Ouachita Parish School Board
Monroe, Louisiana**

**Notes to the Basic Financial Statements
Fiscal Year Ended June 30, 2015**

8. Retirement Systems (continued)

Disability Benefits

A member is eligible to retire and receive disability benefits if he has at least five years of creditable service, is not eligible for normal retirement and has become totally and permanently disabled and is certified as disabled by the Medical Board. A vested person with twenty or more years of creditable service 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 ten years of service to qualify for disability benefits. Upon the death of a member with five or more years of creditable service, the System 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.

Deferred Retirement Option Plan

Members of the System may elect to participate in the Deferred Retirement Option Plan, (DROP) and defer the receipt of benefits. The election may be made only one time and the duration is limited to three years. Once an option has been selected, no change is permitted.

Upon the effective date of the commencement of participation in the DROP Plan, active membership in the regular retirement plan of the System terminates. Average compensation and creditable service remain as they existed on the effective date of commencement of participation in the System. The monthly retirement benefits, that would have been payable had the person elected to cease employment and receive a service retirement allowance, are paid into the Deferred Retirement Option Plan Fund Account.

The System maintains subaccounts within this account reflecting the credits attributed to each participant in the DROP program. Interest credited and payments from the DROP account are made in accordance with Louisiana Revised Statutes 11:1152(F)(3). Upon termination of participation in both the DROP program and employment, a participant may receive his DROP monies either in a lump sum payment from the account or systematic disbursements. The System also provides for deferred benefits for vested members who terminate before being eligible for retirement. Once the member reaches the appropriate age for retirement, benefits become payable.

Initial Benefit Retirement Plan

Effective January 1, 1996, the state legislature authorized the System to establish an Initial Benefit Retirement Plan (IBRP) program. IBRP is available to members who have not participated in DROP and who select the maximum benefit, Option 2 benefit, Option 3 benefit or Option 4 benefit. Thereafter, these members are ineligible to participate in the DROP. The IBRP program provides both a one-time single sum payment of up to 36 months of a regular monthly retirement benefit, plus a reduced monthly retirement benefit for life. Interest credited and payments from IBRP account are made in accordance with Louisiana Revised Statutes 11:1152(F)(3).

**Ouachita Parish School Board
Monroe, Louisiana**

**Notes to the Basic Financial Statements
Fiscal Year Ended June 30, 2015**

8. Retirement Systems (continued)

Contributions

Contributions for all participating school boards are actuarially determined as required by Act 81 of 1988 but cannot be less than the rate required by the Constitution. The actuarial required contribution rate for June 30, 2014 was 32.00%. The actual employer rate for the years ended June 30, 2014 was 32.30%.

The School Board's contractually required composite contribution rate for the year ended June 30, 2015 was 33.0% of annual payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any Unfunded Actuarial Accrued Liability. Contributions to the pension plan from the School Board were \$3,808,454 for the year ended June 30, 2015.

In general, professional employees (such as teachers and administrative support staff) and lunchroom workers are members of the Teachers' Retirement System of Louisiana (TRSL). Other employees working in custodial services or student transportation are members of the Louisiana School Employees' Retirement System (LSERS).

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

At June 30, 2015, the Employer reported a liability of \$228,489,837 and \$23,334,193 under TRSL and LSERS, respectively, for its proportionate share of the Net Pension Liability. The Net Pension Liability was measured as of June 30, 2014 and the total pension liability used to calculate the Net Pension Obligation was determined by an actuarial valuation as of that date. The School Board's proportion of the Net Pension Liability was based on a projection of the School Board's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2014, the School Board's proportion was 2.23540%, which was an increase of 0.08407% from its proportion measured as of June 30, 2013 for TRSL and 4.0253%, which was an increase of 0.0259% from its proportion measured as of June 30, 2013 for LSERS.

For the year ended June 30, 2015, the School Board recognized pension expense of \$20,057,398 for TRSL and \$1,823,176 for LSERS, plus employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions of \$1,881,994 for TRSL and \$37,599 for LSERS.

At June 30, 2015, the School Board reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

**Ouachita Parish School Board
Monroe, Louisiana**

**Notes to the Basic Financial Statements
Fiscal Year Ended June 30, 2015**

8. Retirement Systems (continued)

	Deferred Outflows		
	TRSL	LSERS	Total
Changes in Assumptions	\$ -	\$ 794,663	\$ 794,663
Changes in proportion and differences between Employer contributions and proportionate share of contributions	7,527,978	508,910	8,036,888
Employer contributions subsequent to the measurement date	27,520,388	3,808,454	31,328,842
Total	<u>\$35,048,366</u>	<u>\$ 5,112,027</u>	<u>\$40,160,393</u>

	Deferred Inflows		
	TRSL	LSERS	Total
Difference between expected and actual experience	\$ 2,187,597	\$ 1,277,025	\$ 3,464,622
Net difference between projected and actual earnings on pension plan investments	29,155,818	4,951,073	34,106,891
Total	<u>\$31,343,415</u>	<u>\$ 6,228,098</u>	<u>\$37,571,513</u>

Contributions of \$27,520,388 and \$3,808,454, for TRSL and LSERS, respectively, reported as deferred outflows of resources related to pensions resulting from School Board contributions subsequent to the measurement date will be recognized as a reduction of the Net Pension Liability in the year ended June 30, 2016. 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>System</u>	<u>06-30-2016</u>	<u>06-30-2017</u>	<u>06-30-2018</u>	<u>06-30-2019</u>
TRSL	\$ 5,953,359	\$ 5,953,359	\$ 5,953,359	\$ 5,953,359
LSERS	\$1,358,359	\$1,358,359	\$1,358,359	\$1,358,359

**Ouachita Parish School Board
Monroe, Louisiana**

**Notes to the Basic Financial Statements
Fiscal Year Ended June 30, 2015**

8. Retirement Systems (continued)

Actuarial Assumptions

A summary of the actuarial methods and assumptions used in determining the total pension liability as of June 30, 2014, are as follows:

	TRSL	LSERS
Valuation date	June 30, 2014	June 30, 2014
Actuarial cost method	Entry Age Normal	Entry Age Normal
Amortization approach	Closed	Closed
<u>Actuarial assumptions:</u>		
Expected remaining service lives	5 years	3 years
Investment rate of return	7.75% net of investment expenses	7.25%, net of investment expenses
Inflation rate	2.5% per annum	2.75 per annum
Projected salary increases	3.50% - 10.0% varies depending on duration of service	Salaries were projected based on a 2008-2012 experience study of the Plan's members. The annual salary growth rates are based upon the members' years of service
Cost-of-living adjustments	None	Cost-of-living raises may be granted from the Experience Account provided there are sufficient funds needed to offset the increase in the actuarial liability and the Plan has met the criteria and eligibility requirements outlined by ACT 399 of 2014
Mortality	Mortality rates were projected based on the RP-2000 Mortality Table with projection to 2025 using Scale AA.	Mortality rates were projected based on the RP-2000 Mortality Sex Distinct Mortality Table
Termination and disability	Termination, disability, and retirement assumptions were projected based on a five year (2008-2012) experience study of the System's members.	Termination, disability, and retirement assumptions were projected based on a five year (2008-2012) experience study of the System's members.

**Ouachita Parish School Board
Monroe, Louisiana**

**Notes to the Basic Financial Statements
Fiscal Year Ended June 30, 2015**

8. Retirement Systems (continued)

The actuarial assumptions used in the June 30, 2014 valuation were based on the results of an actuarial experience study for the period July 1, 2007 and ending June 30, 2012 for TRSL and for the period July 1, 2008 and ending June 30, 2012 for LSERS.

For TRSL and LSERS, the long-term expected rate of return on pension plan investments 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 and an adjustment for the effect of rebalancing/diversification.

Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2014, are summarized in the following table:

For TRSL

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic equity	31.0%	4.71%
International equity	19.0%	5.69%
Domestic fixed income	14.0%	2.04%
International fixed income	7.0%	2.80%
Alternatives	29.0	5.94%

For LSERS

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Fixed Income	30.0%	0.99%
Equity	51.0%	2.76%
Alternatives	13.0%	0.71%
Real Assets	6.0%	0.32%

**Ouachita Parish School Board
Monroe, Louisiana**

**Notes to the Basic Financial Statements
Fiscal Year Ended June 30, 2015**

8. Retirement Systems (continued)

Discount Rate

The discount rate used to measure the total pension liability was 7.75% for TRSL and 7.25% for LSERS.

The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that sponsor contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. 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 plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Employer's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the Employer's proportionate share of the Net Pension Liability using the discount rate of 7.75%, as well as what the Employer's proportionate share of the Net Pension Obligation would be if it were calculated using a discount rate that is one percentage-point lower (6.75%) or one percentage-point higher (8.75%) than the current rate:

	<u>1.0% Decrease</u>	<u>Current Discount Rate</u>	<u>1.0% Increase</u>
TRSL	\$291,015,154	\$228,489,837	\$175,277,704
LSERS	\$ 32,269,258	\$ 23,334,193	\$ 14,417,413

Support of Non-employer Contributing Entities

Contributions received by a pension plan from non-employer contributing entities that are not in a special funding situation are recorded as revenue by the respective pension plan. The School Board recognizes revenue in an amount equal to their proportionate share of the total contributions to the pension plan from these non-employer contributing entities. During the year ended June 30, 2015, the School Board recognized revenue as a result of support received from non-employer contributing entities of \$803,131 for its participation in TRSL.

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued TRSL 2014 Comprehensive Annual Financial Report at www.trsl.org. LSERS issued a stand-alone audit report on its financial statements for the year ended June 30, 2014 and can be found on the Office of the Louisiana Legislative Auditor's website at www.lla.state.la.us.

**Ouachita Parish School Board
Monroe, Louisiana**

**Notes to the Basic Financial Statements
Fiscal Year Ended June 30, 2015**

8. Retirement Systems (continued)

Payables to the Pension Plan

At June 30, 2015, the School Board had \$6,851,235 (employer contributions) and \$1,951,010 (member contributions) payable to the TRSL pension plan and \$739,819 (employer contributions) and \$168,910 (member contributions) payable to the LSERS pension plan. The payable is based on the legally required contributions by the School Board and members and is derived from the payroll period ended June 30, 2015.

9. Other Post-Employment Benefits

Plan Description – The Ouachita Parish School Board compensates its employees in a variety of ways in exchange for their services. In addition to a salary many employees are provided benefits over their years of service that will not be received until their employment with the School Board ends. The most common type of postemployment benefit is a pension. Other postemployment benefits (OPEB) provided are healthcare and life insurance benefits. As permitted by Louisiana Revised Statute (LSA-R.S.) 17:1223, the School Board provides continuing healthcare and life insurance benefits for certain retired employees through its participation in a fully insured health insurance and life insurance program administered by the Office of Group Benefits (OGB). Benefit provisions are established or may be amended under the authority of LRS 42:802 by the Commissioner of Administration. All benefits and premium structures are reviewed by the OGB Policy and Planning Board. OGB does not issue a stand-alone financial report on the OPEB plan; however, the financial information is included in the State of Louisiana's Comprehensive Annual Financial Report which can be found at their website at www.doa.la.gov/Pages/OSRAP/CAFR/CAFR.aspx.

Medical benefits are provided through the Louisiana Office of Group Benefits (OGB) and involve several statewide networks and one HMO with a premium structure by region. The plan provisions are contained in the official plan documents of the OGB, available at <http://info.groupbenefits.org>. The OGB plan is a multiple-employer arrangement and has been deemed to be an *agent multiple-employer plan* (within the meaning of paragraph 22 of GASB 45) for financial reporting purposes and for this valuation. Medical benefits are provided to employees upon actual retirement. Most of the employees are covered by the Teachers' Retirement System of Louisiana (TRSL). The retirement eligibility (D.R.O.P. entry) retirement eligibility provisions are as follows: 30 years of service at any age, age 55 and 25 years of service, or age 60 and 5 years of service. Employees hired on or after January 1, 2011 must have attained at least age 60 at retirement (or D.R.O.P. entry) to avoid actuarial reduction in the retirement benefit.

Life insurance coverage under the OGB program is available to retirees by election. In addition, optional coverage is available under a Humana Life Insurance product where the blended rate (active and retired) is \$.25 per \$1,000 (not including AD&D). The employer pays 50% of the "cost" of the retiree life insurance in each program, but based on the blended rates. Since GASB 45 requires the use of "unblended" rates, we have used the 94GAR mortality table described above to "unblend" the rates so as to reproduce the composite blended rate overall as the rate structure to calculate the actuarial valuation results for life insurance. All of the assumptions used for the valuation of the medical benefits have been

**Ouachita Parish School Board
Monroe, Louisiana**

**Notes to the Basic Financial Statements
Fiscal Year Ended June 30, 2015**

9. Other Post-Employment Benefits (continued)

used except for the trend assumption; zero trend was used for life insurance. Insurance coverage amounts are reduced at age 65 and again at age 70 according to the OGB plan provisions.

Plan Description – The Ouachita Parish School Board's medical benefits are provided through the Louisiana Office of Group Benefits (OGB) and involve several statewide networks and one HMO with a premium structure by region.

The OGB plan is a fully insured, multiple-employer arrangement and has been deemed to be an *agent multiple-employer plan* (within the meaning of paragraph 22 of GASB Codification Section P50) for financial reporting purposes and for this valuation. Most of the employees are covered by the Teachers' Retirement System of Louisiana. The retirement eligibility (D.R.O.P. entry) provisions are as follows: 30 years of service at any age; age 55 and 25 years of service; or, age 60 and 5 years of service. Employees hired on or after January 1, 2011 must have attained at least age 60 at retirement (or D.R.O.P. entry) to avoid actuarial reduction in the retirement benefit.

Life insurance coverage under the OGB program is available to retirees by election and the employer pays 50% of the cost of the retiree life insurance based on the plan's blended rates. Since GASB Codification Section P50 requires the use of "unblended" rates, we have used the 94GAR mortality table described below to "unblend" the rates so as to reproduce the composite blended rate overall as the rate structure to calculate the actuarial valuation results for life insurance. All of the assumptions used for the valuation of the medical benefits have been used except for the trend assumption; zero trend was used for life insurance. Insurance coverage amounts are reduced at age 65 and again at age 70 according to the OGB plan provisions.

Contribution Rates – Employees do not contribute to their post-employment benefits costs until they become retirees and begin receiving those benefits. The plan provisions and contribution rates are contained in the official plan documents.

Fund Policy – Until 2007, the Ouachita Parish School Board recognized the cost of providing post-employment medical and life insurance benefits (the Ouachita Parish School Board's portion of the retiree medical and life insurance benefit premiums) as an expense when the benefit premiums were due and thus financed the cost of the post-employment benefits on a pay-as-you-go basis. In 2015 and 2014, the Ouachita Parish School Board's portion of health care and life insurance funding cost for retired employees totaled \$6,669,731 and \$6,175,677, respectively.

Effective July 1, 2007, the Ouachita Parish School Board implemented Government Accounting Standards Board Codification Section P50, *Accounting and Financial Reporting by Employers for Post-employment Benefits Other than Pensions* (GASB Codification Section P50). This amount was applied toward the Net OPEB Benefit Obligation as shown in the following table.

**Ouachita Parish School Board
Monroe, Louisiana**

**Notes to the Basic Financial Statements
Fiscal Year Ended June 30, 2015**

9. Other Post-Employment Benefits (continued)

Annual Required Contribution – The Ouachita Parish School Board’s Annual Required Contribution (ARC) is an amount actuarially determined in accordance with GASB Codification Section P50. The ARC is the sum of the Normal Cost plus the contribution to amortize the Unfunded Actuarial Accrued Liability (UAAL). A level dollar, open amortization period of 30 years (the maximum amortization period allowed by GASB Codification Section P50) has been used for the post-employment benefits. The actuarially computed ARC is as follows:

	2015	2014
Normal cost	\$ 5,705,730	\$ 5,486,279
30-year UAL amortization amount	9,562,974	9,195,167
Annual required contribution (ARC)	<u>\$15,268,704</u>	<u>\$14,681,446</u>

Net Post-employment Benefit Obligation (Asset) – The table below shows the Ouachita Parish School Board’s Net Other Post-employment Benefit (OPEB) Obligation for fiscal years ending June 30:

	2015	2014
Beginning Net OPEB Obligation	\$65,669,728	\$58,201,701
Annual required contribution	15,268,704	14,681,446
Interest on Net OPEB Obligation	2,626,789	2,328,068
ARC Adjustment	(3,797,687)	(3,365,810)
OPEB Cost	14,097,806	13,643,704
Contribution to Irrevocable Trust	-	-
Current year retiree premium	(6,849,114)	(6,175,677)
Change in Net OPEB Obligation	7,248,692	7,468,027
Ending Net OPEB Obligation	<u>\$72,918,420</u>	<u>\$65,669,728</u>

The following table shows the Ouachita Parish School Board’s annual post-employment benefits (PEB) cost, percentage of the cost contributed, and the net unfunded post-employment benefits (PEB) liability for last year and this year:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual Cost Contributed	Net OPEB Liability (Asset)
June 30, 2015	\$ 14,097,806	47.31%	\$ 72,918,420
June 30, 2014	\$ 13,643,704	45.26%	\$ 65,669,728

Funded Status and Funding Progress – In 2015 and 2014, the Ouachita Parish School Board made no contributions to its post-employment benefits plan. The plan is not funded, has no assets, and hence has a funded ratio of zero. Based on the July 1, 2013 actuarial valuation, the most recent valuation, the

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**Notes to the Basic Financial Statements
Fiscal Year Ended June 30, 2015**

9. Other Post-Employment Benefits (continued)

Actuarial Accrued Liability (AAL) at the end of the year June 30, 2015 was \$171,979,005 which is defined as that portion, as determined by a particular actuarial cost method (the Ouachita Parish School Board uses the Projected Unit Credit Cost Method), of the actuarial present value of post-employment plan benefits and expenses which is not provided by normal cost.

	<u>2015</u>	<u>2014</u>
Actuarial Accrued Liability (AAL)	\$ 171,979,005	\$ 165,364,428
Actuarial Value of Plan Assets (AVP)	-	-
Unfunded Act. Accrued Liability (UAAL)	\$ <u>171,979,005</u>	\$ <u>165,364,428</u>
 Funded Ratio (AVP/AAL)	 0.00%	 0.00%
 Covered Payroll (active plan members)	 \$ 115,407,556	 \$ 114,970,709
UAAL as a percentage of covered payroll	149.02%	143.83%

The Schedule of Funding Progress and Schedule of Employer Contributions required supplemental information follows the notes. The Schedule of Funding Progress presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing relative to the actuarial accrued liability for benefits over time.

Actuarial Methods and Assumptions – Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. The actuarial valuation for post-employment benefits includes estimates and assumptions regarding (1) turnover rate; (2) retirement rate; (3) health care cost trend rate; (4) mortality rate; (5) discount rate (investment return assumption); and (6) the period to which the costs apply (past, current, or future years of service by employees). Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

The actuarial calculations are based on the types of benefits provided under the terms of the substantive plan (the plan as understood by the Ouachita Parish School Board and its employee plan members) at the time of the valuation and on the pattern of sharing costs between the Ouachita Parish School Board and its plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between the Ouachita Parish School Board and plan members in the future. Consistent with the long-term perspective of actuarial calculations, the actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial liabilities and the actuarial value of assets.

Actuarial Cost Method – The ARC is determined using the Projected Unit Credit Cost Method. The employer portion of the cost for retiree medical care in each future year is determined by projecting the current cost levels using the healthcare cost trend rate and discounting this projected amount to the valuation date using the other described pertinent actuarial assumptions, including the investment return assumption (discount rate), mortality and turnover.

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**Notes to the Basic Financial Statements
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9. Other Post-Employment Benefits (continued)

Actuarial Value of Plan Assets – There are not any plan assets. It is anticipated that in future valuations, should funding take place, a smoothed market value consistent with Actuarial Standards Board ASOP 6, as provided in paragraph number 125 of GASB Codification Section P50.

Turnover Rate – An age-related turnover scale based on actual experience has been used. The rates, when applied to the active employee census, produce a composite average annual turnover of approximately 10%.

Post-employment Benefit Plan Eligibility Requirements – It is assumed that entitlement to benefits will commence five years after earliest eligibility to enter the D.R.O.P. with an unreduced benefit as described on the first page of this letter under the heading "Plan Terms". This consists of a three year D.R.O.P. period plus an additional two year delay. Medical benefits are provided to employees upon actual retirement.

Investment Return Assumption (Discount Rate) – GASB Codification Section P50 states that the investment return assumption should be the estimated long-term investment yield on the investments that are expected to be used to finance the payment of benefits (that is, for a plan which is funded). Based on the assumption that the ARC will not be funded, a 4% annual investment return has been used in this valuation.

Health Care Cost Trend Rate – The expected rate of increase in medical cost is based on a graded schedule beginning with 8% annually, down to an ultimate annual rate of 5.0% for ten years out and later.

Mortality Rate - 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. This is a recently published mortality table which has been used in determining the value of accrued benefits in defined benefit pension plans. Projected future mortality improvement has not been used since it is our opinion that this table contains sufficiently conservative margin for the population involved in this valuation.

Method of Determining Value of Benefits – The "value of benefits" has been assumed to be the portion of the premium after retirement date expected to be paid by the employer for each retiree and has been used as the basis for calculating the actuarial present value of OPEB benefits to be paid. The "State Share" premiums in the OGB medical rate schedule provided are "unblended" rates for active and retired as required by GASB Codification Section P50 and have been used for valuation purposes. We have assumed in this valuation that 25% of current and future retirees elect the OGB Medicare Advantage Program.

Inflation Rate - Included in both the Investment Return Assumption and the Healthcare Cost Trend rates above is an implicit inflation assumption of 2.50% annually.

Projected Salary Increases - This assumption is not applicable since neither the benefit structure nor the valuation methodology involves salary.

Post-retirement Benefit Increases - The plan benefit provisions in effect for retirees as of the valuation date have been used and it has been assumed for valuation purposes that there will not be any changes in the future.

**Ouachita Parish School Board
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**Notes to the Basic Financial Statements
Fiscal Year Ended June 30, 2015**

9. Other Post-Employment Benefits (continued)

Below is a summary of OPEB cost and contributions for the last three fiscal calendar years.

	OPEB Costs and Contributions		
	FY 2013	FY 2014	FY 2015
OPEB Cost	\$ 14,097,806	\$ 13,643,704	\$ 10,010,634
Contribution	-	-	-
Retiree premium	6,849,114	6,175,677	6,196,101
Total contribution and premium	6,849,114	6,175,677	6,196,101
Change in net OPEB obligation	\$ 7,248,692	\$ 7,468,027	\$ 3,814,533
% of contribution to cost	0.00%	0.00%	0.00%
% of contribution plus premium to cost	48.58%	45.26%	61.90%

10. Deferred Compensation Plan

The School Board offers a deferred compensation plan for employees under the provisions of Internal Revenue Service Code Section 457 (Deferred Compensation Plan) and permits employees to defer a portion of their salary until future years. Part-time, seasonal, and substitute employees are required to contribute 7.5% of their compensation to the Deferred Compensation Plan in lieu of social security, as the School Board does not participate in social security under an Internal Revenue Service Section 218 Agreement for these employee classes. Full-time employees may also voluntarily make contributions to the Deferred Compensation Plan. The deferred compensation is not available to employees until termination, retirement, death, or unforeseen emergency. The School Board does not contribute or match employee contributions to the Deferred Compensation Plan. At June 30, 2015 the Plan had assets with an approximate market value of \$4,214,189.

All amounts of compensation deferred under the plan, all property rights purchased with those amounts and all income attributable to those amounts, property or rights are held in trust for the exclusive benefit of participants and their beneficiaries and may not be used for, or diverted to, any other expense, except to defray the reasonable expenses of administering the plan.

The School Board is not liable to participating employees for the diminution in value or loss of all or part of the participating employees' deferred amounts or investment income because of market conditions or the failure, insolvency or bankruptcy of a qualified vendor. Therefore, the Plan is not reported in these financial statements.

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**Notes to the Basic Financial Statements
Fiscal Year Ended June 30, 2015**

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

The following is a summary of changes in agency fund deposits due others:

	<u>Balance July 1, 2014</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2015</u>
Agency Funds:				
School Activity Funds	\$ 4,224,728	\$ 8,617,280	(\$ 8,269,755)	\$ 4,572,253
State Equalization Local Funding Transfers to Other Educational Providers	-	413,062	(413,062)	-
Total	<u>\$ 4,224,728</u>	<u>\$ 9,030,342</u>	<u>(\$ 8,682,817)</u>	<u>\$ 4,572,253</u>

12. Operating Leases

The School Board leases 134 copier and postage machines under master lease agreements to provide printing services throughout the school system. Total cost for the leases were \$284,418 for the year ended June 30, 2015. The remaining future minimum lease payments for these leases are as follows:

Year Ending June 30,	Major Fund General Fund	Nonmajor Special Revenue Funds		Internal Service Centralized Printing	Total
		Special Education Programs	Title I Programs		
2016	57,810	2,820	11,160	152,400	224,190
2017	54,035	570	-	152,400	207,005
2018	50,067	-	-	152,400	202,467
2019	41,090	-	-	114,300	155,390
2020	270	-	-	-	270
Total	<u>203,272</u>	<u>3,390</u>	<u>11,160</u>	<u>571,500</u>	<u>789,322</u>

13. General Long-Term Obligations

The general obligation bonds are obligations of East Ouachita Bond District, with maturities from 2015 to 2034 and interest rates from 1.0% to 5.0%. 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 35% of the total

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**Notes to the Basic Financial Statements
Fiscal Year Ended June 30, 2015**

assessed value of all property in the taxing district. At June 30, 2015, the statutory limit and debt margins are as follows:

	<u>East Ouachita Bond District</u>
Assessed Value	\$ 313,098,967
35% of assessed value	109,584,638
Less: Outstanding general obligation bonds	<u>(101,625,000)</u>
Debt Margin	<u><u>\$ 7,959,638</u></u>

The following are the changes in bonded indebtedness during the fiscal year:

Original Issue	Issue Date	Original Borrowing	Interest Rates to Maturity	Interest to Maturity	Final Maturity	Outstanding June 30, 2015
<u>General obligation bonds:</u>						
Capital Improvements - East Ouachita, Refunding	3/14/2006	\$21,745,000	4.00%-4.75%	\$3,255,907	2024	\$14,560,000
Capital Improvements - East Ouachita	10/1/2007	10,000,000	3.75%-4.125%	3,310,484	2032	7,995,000
Capital Improvements - East Ouachita	1/1/2008	10,000,000	4.00%-4.75%	3,447,626	2032	8,195,000
New middle school/Capital Improvements - East Ouachita	1/1/2009	9,785,000	4.00%-5.00%	4,290,620	2033	8,315,000
New middle/Elementary School/Capital Improvements - East Ouachita	1/14/2010	9,200,000	3.00%-4.375%	3,929,875	2034	8,140,000
New elementary school/Capital Improvements - East Ouachita	7/7/2011	9,800,000	2.00%-4.00%	2,653,850	2031	8,510,000
Capital Improvements - East Ouachita	3/8/2012	9,500,000	2.00%-3.50%	2,510,888	2032	8,585,000
Capital Improvements - East Ouachita	7/8/2014	9,800,000	2.00%-3.50%	3,160,344	2034	9,505,000
New middle school/Capital Improvements - East Ouachita, Refunding	7/31/2014	9,230,000	0.51%-3.62%	1,560,772	2025	9,120,000
New middle school/Capital Improvements - East Ouachita	2/26/2015	18,700,000	3.00%-5.00%	<u>7,037,318</u>	2034	<u>18,700,000</u>
Total general obligation bonds				<u>35,157,684</u>		<u>101,625,000</u>

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**Notes to the Basic Financial Statements
Fiscal Year Ended June 30, 2015**

13. General Long-Term Obligations (continued)

Original Issue	Issue Date	Original Borrowing	Interest Rates to Maturity	Interest to Maturity	Final Maturity	Outstanding June 30, 2015
<u>Revenue bonds:</u>						
Capital Improvements - West Ouachita, Refunding	3/14/2006	\$8,280,000	3.75%-4.15%	\$1,496,466	2024	\$6,370,000
Capital Improvements - West Ouachita	10/1/2007	11,950,000	4.0%-4.15%	1,796,046	2024	8,200,000
Capital Improvements - West Ouachita	10/1/2008	5,000,000	3.50%-4.25%	781,819	2024	3,545,000
Capital Improvements - West Ouachita	3/30/2009	29,490,000	3.00%-4.50%	4,500,019	2023	22,920,000
Capital Improvements - West Ouachita, Refunding	12/9/2010	8,545,000	2.75%-4.00%	<u>1,822,356</u>	2024	<u>7,280,000</u>
Total revenue bonds				<u>10,396,706</u>		<u>48,315,000</u>
<u>Qualified School Construction Bonds:</u>						
Capital Improvements-West Ouachita	11/9/2009	10,000,000	0.60%	<u>600,000</u>	2024	<u>10,000,000</u>
Total Qualified School Construction Bonds				<u>600,000</u>		<u>10,000,000</u>
<u>Limited Tax Certificates:</u>						
Capital Improvements, West Ouachita	7/29/2014	15,000,000	3.00%-5.00%	<u>2,014,200</u>	2022	<u>13,315,000</u>
Total Limited Tax Certificates of Indebtedness				<u>2,014,200</u>		<u>13,315,000</u>
Total bonded debt				<u>\$48,168,590</u>		<u>\$173,255,000</u>

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**Notes to the Basic Financial Statements
Fiscal Year Ended June 30, 2015**

13. General Long-Term Obligations (continued)

Bond principal and interest are due in total, to maturity, as follows:

Year Ended June 30,	Principal Payments	Interest Payments	Total
2016	\$ 10,805,000	\$ 6,152,790	\$ 16,957,790
2017	11,220,000	5,743,145	16,963,145
2018	11,650,000	5,319,961	16,969,961
2019	12,110,000	4,869,213	16,979,213
2020	12,595,000	4,387,676	16,982,676
2021-2025	73,255,000	14,437,859	87,692,859
2026-2030	25,140,000	5,898,590	31,038,590
2031-2034	16,480,000	1,359,356	17,839,356
Total	<u>\$ 173,255,000</u>	<u>\$ 48,168,590</u>	<u>\$ 221,423,590</u>

The following is a summary of governmental activities long-term obligation transactions for the year ended June 30, 2015:

Long-term Obligations	(Restated) Balance June 30, 2014	Additions	Deductions	Balance June 30, 2015	Amounts Due Within One Year
Claims liability	\$ 1,130,466	\$ 1,013,871	(\$ 1,071,717)	\$ 1,072,620	\$ 657,810
Compensated absences	6,702,151	360,332	(451,961)	6,610,522	454,826
OPEB	65,669,728	14,097,806	(6,849,114)	72,918,420	-
Long-term debt	139,100,000	52,730,000	(18,575,000)	173,255,000	10,805,000
Bond premiums	377,952	2,519,393	(282,792)	2,614,553	282,792
Pensions	256,553,005	64,249,538	(68,978,513)	251,824,030	-
Total	<u>\$ 469,533,302</u>	<u>\$ 134,970,940</u>	<u>(\$ 96,209,097)</u>	<u>\$ 508,295,145</u>	<u>\$ 12,200,428</u>

During the fiscal year, the School Board issued \$28.5 million in general obligation bonds in the East Ouachita Bond District for the purpose of constructing a new middle school in the district and other projects as set forth in the "Capital Improvements Plan" and approved by voters in the district on May 3, 2014. These bonds were sold in two issues.

On July 29, 2014, \$9,800,000 in bonds were sold at a premium of \$90,737 with maturities over a period of 20 years and interest rates ranging from 2.00% to 3.50%. On February 26, 2015, the second issue of \$18,700,000 was sold at a \$1,118,331 premium with maturities over a 20 year period at overall interest rates ranging from 3.00% to 5.00%.

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**Notes to the Basic Financial Statements
Fiscal Year Ended June 30, 2015**

13. General Long-Term Obligations (continued)

On July 29, 2014, the School Board \$15,000,000 in Limited Tax Certificates of Indebtedness, Series 2014 were sold at a premium of \$1,310,326 in the School District No. 1 taxing district for the purpose of supporting the public schools facilities through constructing, acquiring, improving, equipping and/or furnishing schools and school related facilities in the West Ouachita School District. The bonds will be repaid over an 8-year period at overall interest rates ranging between 3.0% and 5.0%. The certificates are secured by a 24.15 mill General Fund ad valorem tax; however the debt payments are being made from the West Ouachita Sales Tax funds as authorized.

The School Board issued \$9,230,000 in advance refunding bonds to advance refund \$8,860,000 of general obligation bonds to reduce total future debt service payments. The net proceeds of \$9,160,775 plus an additional payment of \$169,301 paid from the East Ouachita Bond Debt Service Fund on July 31, 2014 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 redemption of \$8,860,000 in general obligation bonds, 2005 Series, maturing March 1, 2016 to March 1, 2025. The refunded bonds will be repaid over an 11-year period at overall interest rates ranging between 0.511% and 3.616% percent. The refunding resulted in a reduction of \$392,361 in future debt service payments over the next 11 years for an economic benefit of \$329,467.

All bonds issued during this fiscal year were assigned a rating of "AA-/Stable" by *Standard & Poor's Public Finance Ratings*, with the exception of School District No. 1 which was issued a rating of AA/Stable for the issuance of its Limited Tax Certificates.

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.

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**Notes to the Basic Financial Statements
Fiscal Year Ended June 30, 2015**

14. Interfund Assets/Liabilities (FFS level only)

Individual balances due to/from other funds at June 30, 2015 were as follows:

	<u>Due To Other Funds</u>	<u>Due From Other Funds</u>
Major Funds:		
General Fund:		
Deficit cash balances	\$ -	\$ 3,271,357
Indirect cost	-	258,696
Unpaid student lunch fees	3,778	-
Total General Fund	3,778	3,530,053
Nonmajor Funds – Special Revenue Funds:		
School Food Service:		
Unpaid student lunch fees	-	3,778
Total School Food Services	-	3,778
Title 1 Programs:		
Deficit cash balances	1,330,401	-
Indirect cost	113,971	-
Total Title I Programs	1,444,371	-
Special Education IDEA B:		
Deficit cash balances	816,035	-
Indirect cost	65,676	-
Total Special Education IDEA B	881,711	-
Other Federal Programs:		
Deficit cash balance	1,124,922	-
Indirect cost	79,049	-
Total Other Federal Programs	1,203,971	-
Total Special Revenue Funds	3,530,053	3,778
Total interfund transactions	<u>\$ 3,533,831</u>	<u>\$ 3,533,831</u>

The balances due for cash deficits are due to timing differences in receiving reimbursements from grantors for expenditure reimbursement grants after the fiscal year ended. The General Fund pays the obligations of expenditure reimbursement grants until a claim is filed and payment is received. Indirect cost balances represent the outstanding indirect cost payments due to the General Fund for the expenditures on outstanding grant reimbursement claims filed but not yet received from grantors by year end. All interfund transactions will be completed during the 2015-16 fiscal year.

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Monroe, Louisiana**

**Notes to the Basic Financial Statements
Fiscal Year Ended June 30, 2015**

15. Nonspendable, Restricted, Committed, and Assigned Fund Balances (FFS level only)

The following Governmental Funds' fund balances are nonspendable, legally restricted, committed, or assigned for the following purposes:

<u>NONSPENDABLE</u>	<u>PURPOSE</u>	<u>JUNE 30, 2015</u>
Nonmajor Funds:		
Special Revenue Funds:		
School Food Service	Food inventory	\$ 88,805
TOTAL NONSPENDABLE FUND BALANCE		<u>88,805</u>
<u>RESTRICTED</u>	<u>PURPOSE</u>	<u>JUNE 30, 2015</u>
Major Funds:		
General Fund	Workers Compensation Surety	\$ 625,000
General Fund	Debt Service-QSCB, Series 2009	660,000
East Ouachita Construction	Capital Projects	25,786,404
Total Major Funds		<u>27,071,404</u>
Nonmajor Funds:		
Special Revenue Funds:		
Supplemental Salaries-1995 Sales Tax-1%	Salaries and related benefits	5,671,675
Supplemental Salaries-1969 Sales Tax-.5%	Salaries	1,813,830
School Food Service	Food services	2,250,741
West Ouachita Sales Tax	Construction and operations	6,367,667
State Grants	Student health services	2,403,476
Total Nonmajor Special Revenue		<u>18,507,389</u>
Debt Service Funds:		
West Ouachita Bond Reserve	Bonded debt principle/interest	6,088,703
West Ouachita Debt Service	Bonded debt principle/interest	3,970,339
School District No. 1 QSCB Sinking	Bonded debt principle/interest	3,374,666
East Ouachita Debt Service	Bonded debt principle/interest	6,069,408
School District No. 1 Debt Service	Bonded debt principal/interest	759,950
Total Nonmajor Debt Service Funds		<u>20,263,066</u>
Capital Projects Funds:		
East Ouachita 2011/2012 Construction	Capital projects	8,813
School District No. 1 (West) Construction	Capital projects	12,082,390
Total Nonmajor Capital Projects Funds		<u>12,091,203</u>
TOTAL RESTRICTED FUND BALANCE		<u>\$ 77,933,062</u>

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**Notes to the Basic Financial Statements
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15. Nonspendable, Restricted, Committed, And Assigned Fund Balances (FFS level only)(continued)

COMMITTED	PURPOSE	JUNE 30, 2015
Major Funds:		
General Fund	Major equipment repairs	\$ 916,211
General Fund	Instructional programs	201,606
Total General Funds		1,117,817
Special Revenue Funds:		
District No. 1 Sales Tax	Instructional programs	4,055,740
District No. 1 Sales Tax	Maintenance and operation	361,935
District No. 1 Sales Tax	Capital improvements	6,538,078
District No. 1 Sales Tax	Mandated costs	3,183,202
District No. 1 Sales Tax	Salaries and benefits	4,277,455
Total Major Special Revenue Funds		18,416,410
TOTAL COMMITTED FUND BALANCE		\$19,534,227
ASSIGNED	Purpose	JUNE 30, 2015
Major Funds:		
General Fund	Drivers education	\$ 236,759
General Fund	Instructional programs	242,452
General Fund	Scholarships	4,636
Total General Fund		483,847
Nonmajor Funds:		
State Grants	Student health/support services	216,750
Local Grants	Instructional programs	4,251
Total Nonmajor Special Revenue		221,001
TOTAL ASSIGNED FUND BALANCE		\$ 704,848

16. Litigation and Contingencies

The School Board is a defendant in several lawsuits. Management for the School Board believes that the potential claims against the School Board not covered by insurance have been adequately accrued at June 30, 2015. As more fully described in Note 1.Q., the School Board is exposed to various risks through its self-insurance plan for damage to property from natural disasters, fire and errors and omissions.

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**Notes to the Basic Financial Statements
Fiscal Year Ended June 30, 2015**

16. Litigation and Contingencies (continued)

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 in protest by one vendor. A judgment of approximately \$430,000 has been awarded to the plaintiff in one lawsuit, which is currently under appeal. The School Board's responsibility is 50% of the judgement or \$215,000, if upheld. IN October of 2015, another lawsuit has been filed against the City of Monroe by another vendor with the Board of Tax and is waiting to be scheduled for hearing. The plaintiff is seeking a refund of sales taxes paid in protest 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 paid in protest 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%.

As with the majority of all other school boards within the state, the Ouachita Parish School Board is substantially dependent upon federal, state and local funding. The loss or reduction of these funding sources would have a significant impact on its operations.

As a point of information, the Louisiana Legislative Auditor is currently performing a limited review of certain school activity funds which was not complete as of the date the financial statements were issued. Therefore, the results of the review and financial impact, if any, are not known at this time. However, management does not deem the results to have a material impact on the financial results of the School Board, as school activity funds are accounted for as agency funds in its financial statements.

17. 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 \$32,000 in pension contributions (regarding Professional Improvement Program) directly to the Teachers' Retirement System of Louisiana on behalf of the School Board. This amount is reflected as a revenue and as an expenditure in the related fund from which the salary was paid.

The Ouachita Parish Tax Collector made \$605,967 in retirement remittances to the Teachers' Retirement System of Louisiana. This amount is reflected as a revenue and as an expenditure in the General Fund.

**Ouachita Parish School Board
Monroe, Louisiana**

**Notes to the Basic Financial Statements
Fiscal Year Ended June 30, 2015**

18. Prior Period Adjustment (GWFS level only)

In June 2012, the Governmental Accounting Standards Board ("GASB") issued GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*, (amending GASB 68) in November 2013. These are new standards that fundamentally change how state and local governments account for the cost of pension benefits in their financial statements, particularly for defined-benefit pension plans, and establishes standards for measuring and recognizing liabilities, and deferred inflows and outflows of resources associated with pension plans of employer governments. These accounting standards are effective concurrently for the School Board's financial statements for the year ended June 30, 2015. The implementation of these new standards required a restatement of the School Board's beginning net position in the government-wide financial statements as follows:

Net Position – Originally stated (July 1, 2014)	\$ 94,955,946
TRSL net pension liability at June 30, 2014	(230,293,063)
LSERS net pension liability at June 30, 2014	<u>(26,259,942)</u>
Total net pension liability	<u>(256,553,005)</u>
Net Position – Restated (July 1, 2014)	<u>\$ (161,597,059)</u>

The School Board's governmental fund financial statements are not impacted by this change in reporting.

19. Interfund Transfers (FFS level only)

Transfers to/from other Governmental Funds for the year ended June 30, 2015 were as follows:

	Transfers In	Transfers Out
Major Funds:		
General Fund	\$ 200,000	\$ 249,675
Special Revenue Funds:		
District No.1 Sales Tax	200,000	
Capital Projects Funds:		
East Ouachita Construction	9,870	
Nonmajor Funds:		
Special Revenue Funds:		
State Grants	39,805	
West Ouachita Sales Tax		7,948,722
Debt Service Funds:		
School District No. 1 QSCB Sinking Fund	597,600	-
West Ouachita Debt Service	7,351,122	-
Proprietary Funds:		
Internal Service Fund - Self-Insurance		200,000
Total	<u>\$ 8,398,398</u>	<u>\$ 8,398,398</u>

**Ouachita Parish School Board
Monroe, Louisiana**

**Notes to the Basic Financial Statements
Fiscal Year Ended June 30, 2015**

19. Interfund Transfers (FFS level only) (continued)

A transfer of \$200,000 was made from the General Fund to the District No.1 Sales Tax Special Revenue fund for Maintenance and Operation expenditures. A \$200,000 transfer was made to the General Fund from the Self-Insurance Internal Service Fund to reimburse the General Fund for storm damage repair costs that fell under the School Board's property retention limit. Transfers to debt service funds were made from the West Ouachita Sales Tax Special Revenue Fund to the School District No. 1 QSCB Sinking Fund (to set aside principal annually in order to retire the 15-year Qualified School Construction Bonds at maturity in 2024) and to the West Ouachita Debt Service fund (for required monthly deposits to fund the principal and interest payments coming due in the next fiscal year for outstanding bonds).

Revenue in excess of required bond reserve requirements are transferred from the West Ouachita Bond Reserve Fund to the West Ouachita Debt Service Fund to be spent in accordance with the original purpose of the bonds or for repayment of the original debt.

20. Subsequent Events

As of the date of issuance of these financial statements, management is aware of the following subsequent events:

On July 4, 2015, Robert W. Webber, Ed.D., Superintendent of the Ouachita Parish School Board for the past 14 years, retired. Don Coker, Ed.D., transferred from the position of Assistant Superintendent-Director of Personnel at the Ouachita Parish School Board to fill the Superintendent's position on this same date. The Ouachita Parish School Board named Dr. Coker as the succeeding Superintendent in December 2014.

On August 20, 2015 the School Board issued \$20,000,000 in Sales Tax Revenue Bonds, Series 2015 in the West Ouachita School District (a taxing district created by the School Board). Proceeds from the bonds will be used primarily to support the public school facilities through constructing, acquiring, improving, equipping and/or furnish schools and school related facilities in the West Ouachita School District. The bonds will be repaid over a 20-year period at overall interest rates ranging between 2.0% and 5.0%. The proceeds from the West Ouachita Sales Tax Fund (which accounts for the collection of the 1.0% sale tax) is designated to fund the future annual debt service payments.

21. Restatement of Statement of Net Position and Disclosures

Due to an error in calculating the individual classifications of net position in the Statement of Net Position as of June 30, 2015, the following classification have been restated from what was original reported: Net investment in Capital Assets was reported as \$70,067,146, is now reported as \$95,472,151; Restricted for Capital Projects was reported as \$37,877,607, is now reported as \$0; and Unrestricted Net Position was reported as (\$291,881,350) is now reported as (\$279,408,748). Total Net Position remains unchanged at (\$154,903,026). Management's Discussion and Analysis has been updated considering these changes.

**Ouachita Parish School Board
Monroe, Louisiana**

**Notes to the Basic Financial Statements
Fiscal Year Ended June 30, 2015**

21. Restatement of Statement of Net Position and Disclosures (continued)

The table on the Sensitivity of the Employer's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate in Note 8 on page 86 has been modified to agree with the actuarial report.

The disclosure of the fund balance classifications in Note 15 on pages 99 and 100 have been expanded and modified to reflect all classifications of fund balances as reflected in the fund financial statements.

**Ouachita Parish School Board
Monroe, Louisiana**

Budgetary Comparison Schedules

Fiscal Year Ended June 30, 2015

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 24.5-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.

District No. 1 Sales Tax Fund

The 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
Monroe, Louisiana**

**GENERAL FUND
Budgetary Comparison Schedule (GAAP Basis)**

Fiscal Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary fund balance at beginning of year	<u>\$ 19,279,828</u>	<u>\$ 19,671,677</u>	<u>\$ 19,671,677</u>	<u>\$ -</u>
Resources (inflows)				
Local sources:				
Ad valorem taxes	19,334,983	18,670,274	18,719,896	49,622
1% ad valorem tax - tax collector	590,000	601,191	605,967	4,776
Earnings on investments	400,000	490,000	281,611	(208,389)
E-rate	802,000	725,000	725,961	961
Insurance proceeds from loss	1,201	1,302,252	800,000	(502,252)
Other	913,868	1,016,692	1,128,522	111,830
Total local sources	<u>22,042,052</u>	<u>22,805,409</u>	<u>22,261,957</u>	<u>(543,452)</u>
State sources:				
State equalization	120,451,346	121,456,803	121,417,578	(39,225)
Revenue sharing	817,750	822,633	822,633	-
Professional Improvement Program	133,600	106,377	106,377	-
Unrestricted grants-in-aid	-	44,350	44,341	(9)
Restricted grants-in-aid	28,956	41,956	44,477	2,521
Total state sources	<u>121,431,652</u>	<u>122,472,119</u>	<u>122,435,406</u>	<u>(36,713)</u>
Federal sources:				
Other federal support	161,935	171,685	160,119	(11,566)
Total federal sources	<u>161,935</u>	<u>171,685</u>	<u>160,119</u>	<u>(11,566)</u>
Other financing sources				
Sale of assets	10,000	6,600	6,591	(9)
Transfers in	-	200,000	209,870	9,870
Total other financing sources	<u>10,000</u>	<u>206,600</u>	<u>216,461</u>	<u>9,861</u>
Amounts available for appropriations	<u>162,925,467</u>	<u>165,327,490</u>	<u>164,745,620</u>	<u>(581,870)</u>
Charges to appropriations (outflows)				
Current:				
Instructional services:				
Regular programs	59,808,367	60,872,916	60,243,332	629,584
Special education programs	14,127,598	13,724,027	13,505,966	218,061
Vocational programs	2,322,977	2,463,742	2,327,371	136,371
Other instructional programs	5,354,022	5,613,805	5,298,076	315,729
Special programs	378,254	382,570	389,296	(6,726)
Adult/continuing education	28,614	29,120	30,034	(914)
Support services:				
Pupil support services	8,013,612	8,187,716	8,083,626	104,090
Instructional staff support services	8,204,368	8,367,878	8,358,374	9,504
General administration	1,432,275	1,478,406	1,424,907	53,499
School administration	12,249,711	12,207,453	12,244,268	(36,815)
Business services	2,075,795	1,894,895	1,833,614	61,281
Plant services	17,989,006	17,947,454	17,923,581	23,873
Student transportation services	9,466,531	9,222,148	9,214,600	7,548
Central services	2,991,350	3,058,213	2,856,252	201,961
Noninstructional services:				
Food service operations	911,329	1,079,734	1,066,750	12,984
Community service programs	28,351	28,351	28,351	-
Facility Acquisition & construction	3,675	710,025	803,833	(93,808)
Other financing uses				
Transfers out	<u>200,000</u>	<u>200,000</u>	<u>239,806</u>	<u>(39,806)</u>
Total charges to appropriations	<u>145,585,835</u>	<u>147,468,453</u>	<u>145,872,037</u>	<u>1,596,416</u>
Budgetary fund balance at end of year	<u>\$ 17,339,632</u>	<u>\$ 17,859,037</u>	<u>\$ 18,873,583</u>	<u>\$ 1,014,546</u>

See accompanying notes to the budgetary comparison schedules.

**Ouachita Parish School Board
Monroe, Louisiana**

**SPECIAL REVENUE FUND -
DISTRICT NO. 1 SALES TAX
Budgetary Comparison Schedule (GAAP Basis)**

Fiscal Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary fund balance at beginning of year	<u>\$ 18,203,916</u>	<u>\$ 17,479,350</u>	<u>\$ 17,479,350</u>	<u>\$ -</u>
Resources (inflows)				
Local sources:				
Sales and use taxes	7,046,382	7,170,201	7,292,419	122,218
Earnings (losses) on investments	20,000	25,000	17,998	(7,002)
Other	-	-	152,306	152,306
Total local sources	<u>7,066,382</u>	<u>7,195,201</u>	<u>7,462,723</u>	<u>267,522</u>
Other financing sources				
Transfers in	<u>200,000</u>	<u>281,462</u>	<u>200,000</u>	<u>(81,462)</u>
Amounts available for appropriations	<u>25,470,298</u>	<u>24,956,013</u>	<u>25,142,073</u>	<u>186,060</u>
Charges to appropriations (outflows)				
Current:				
Instructional services:				
Regular programs	2,017,083	1,413,251	687,489	725,762
Special education programs	498,647	530,897	491,278	39,619
Vocational programs	125,939	125,401	61,328	64,073
Other instructional programs	1,540,254	1,494,593	1,237,507	257,086
Special programs	36,104	21,023	6,470	14,553
Adult/continuing education	3,829	1,915		
Support services:				
Pupil support services	836,376	781,254	772,705	8,549
Instructional staff support services	877,675	825,031	709,337	115,694
General administration	52,265	66,714	64,914	1,800
School administration	235,130	177,715	150,742	26,973
Business services	57,658	59,224	46,508	12,716
Plant services	1,558,421	1,673,122	1,706,575	(33,453)
Student transportation services	802,163	787,317	397,434	389,883
Central services	44,635	53,880	42,632	11,248
Noninstructional services:				
Food service operations	273,705	329,105	277,941	51,164
Facility acquisition and construction	85,613	77,963	72,803	5,160
Total charges to appropriations	<u>9,045,497</u>	<u>8,418,405</u>	<u>6,725,663</u>	<u>1,690,827</u>
Budgetary fund balance at end of year	<u>\$ 16,424,801</u>	<u>\$ 16,537,608</u>	<u>\$ 18,416,410</u>	<u>\$ 1,878,802</u>

See accompanying notes to the budgetary comparison schedules.

**Ouachita Parish School Board
Monroe, Louisiana**

Notes to Budgetary Comparison Schedules

Fiscal Year Ended June 30, 2015

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 and Special Revenue 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.

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 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
Monroe, Louisiana**

**POST EMPLOYMENT BENEFITS
Trend Data**

Fiscal Year Ended June 30, 2015

**Schedule of Employer's Contributions
Defined Benefit-Pension Plans**

	TRSL	LSERS
Employer's proportion of the net pension liability	2.4%	4.03%
Employer's proportionate share of the net pension liability	\$228,489,837	\$23,334,193
Employer's covered payroll	\$97,543,129	\$11,545,002
Employer's proportionate share of the net pension liability as a percentage of its covered payroll	234.24%	202.12%
Plan fiduciary net position as a percentage of a total pension	63.70%	76.18%

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

**Schedule of Employer's Contributions
Defined-Benefit Pension Plans**

	TRSL	LSERS
Contractually required contribution	\$27,520,388	\$3,809,851
Contributions in relation to contractually required contributions	\$27,520,388	\$3,809,851
Contribution deficiency (excess)	-	-
Employer's covered payroll	\$97,543,129	\$11,545,002
Contributions as a percentage of covered employee payroll	28.2%	33.0%

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
Monroe, Louisiana**

**POST EMPLOYMENT BENEFITS
Trend Data**

Fiscal Year Ended June 30, 2015

Notes to the Required Supplemental Information for Pensions

- (1) Change in Benefit Terms due to a 1.50% cost of living adjustment effective July 1, 2014, provided by Act 102 of the 2014 Louisiana Regular Legislative Session.

**Ouachita Parish School Board
Monroe, Louisiana**

**OTHER POST EMPLOYMENT BENEFITS
Trend Data**

Fiscal Year Ended June 30, 2015

The School Board's Other Post-Employment Benefits (OPEB) program for health and life insurance is administered by the Office of Group Benefits (OGB) as an agent multiple-employer defined benefit OPEB plan. It provides health and life insurance coverage to eligible members. The following schedules present the actuarially determined funding progress and required contributions for the School Board's participation in the OGB OPEB Plan using the projected unit credit cost method.

**Schedule of Employer Contributions
Other Post-Employment Benefit – Health & Life Insurance**

Year Ended June 30		Annual Required Contribution	Annual Contributions Made	Annual Percentage Contributed	Net OPEB Obligation
2010	(1)	\$11,378,019	\$5,476,989	48.14%	\$45,782,177
2011		\$11,833,140	\$5,764,382	48.71%	\$51,034,634
2012	(4)	\$10,558,041	\$6,295,554	59.63%	\$54,387,168
2013		\$10,980,363	\$6,196,101	56.43%	\$58,201,701
2014	(6)	\$14,681,446	\$6,175,677	42.06%	\$65,669,728
2015		\$15,268,704	\$6,849,114	44.86%	\$72,918,420

**Schedule of Funding Progress
Other Post-Employment Benefit – Health & Life Insurance**

		(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
2010	7/01/2009	\$151,851,990 (1)	\$0	\$151,851,990	0%	\$116,424,720 (2)	130.43%
2011	7/01/2009	\$157,926,070	\$0	\$157,926,070	0%	\$117,265,436	134.67%
2012	7/01/2011	\$131,349,620 (4)	\$0	\$131,349,620	0%	\$116,041,953 (3)	113.19%
2013	7/01/2011	\$136,603,605	\$0	\$136,603,605	0%	\$111,059,087 (5)	123.00%
2014	7/01/2013	\$165,364,428 (6)	\$0	\$165,364,428	0%	\$114,970,709 (7)	143.83%
2015	7/01/2014	\$171,979,005	\$0	\$171,979,005	0%	\$115,407,556	149.02%

**Ouachita Parish School Board
Monroe, Louisiana**

**OTHER POST-EMPLOYMENT BENEFITS
Trend Data**

Fiscal Year Ended June 30, 2015

Notes to the Schedule of Employer Contributions and Schedule of Funding Progress

- (1) The School Board changed actuarial firms and obtained a new valuation resulting in a reduction of the Annual OPEB Cost and the AAL.
- (2) A decrease in covered payrolls is the result of a reduction in sales tax supplements paid to employees in November and June of this year. The decrease in salary supplement payments was due to a reduction in sales tax collections stemming from a decline in the local economy. Sales tax collections rebounded the following year.
- (3) A decrease in covered payrolls is the result of a partial hiring freeze put in place during the 2011-12 fiscal year.
- (4) The decrease in the ARC and the AAL is due to the Office of Group Benefits implementing lower health insurance premium rate increases than the anticipated trend rates since the last actuarial valuation.
- (5) The decrease in covered payrolls resulted from planned staff reductions during the 2012-13 fiscal year.
- (6) The ARC and AAL increased for the new actuarial valuation for 2013-14 due to the Office of Group Benefits raising health insurance premiums (in contrast to reducing premium rates in the previous valuation) greater than anticipated trend rates, in addition to increased participation and age of the School Board's group health plan.
- (7) The increase in covered payrolls is the result of a mandated State Legislative teacher pay increase and a one-time local supplement given by the Ouachita Parish School Board to the support employees. Additionally, the School Board increased the annual sales tax salary supplements paid to employees due to an increase in sales tax collections.

**Ouachita Parish School Board
Monroe, Louisiana**

Fiscal Year Ended June 30, 2015

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

**Ouachita Parish School Board
Monroe, Louisiana**

**NONMAJOR GOVERNMENTAL FUNDS
Combining Balance Sheet - By Fund Type
Governmental Activities**

June 30, 2015

	SPECIAL REVENUE FUNDS	DEBT SERVICE FUNDS	CAPITAL PROJECTS FUND	TOTAL
Assets:				
Cash and cash equivalents	\$ 10,114,480	\$ 12,098,640	\$ 11,351,650	\$ 33,564,770
Investments	4,995,310	8,133,045	1,000,000	14,128,355
Receivables	11,610,495	31,381	7	11,641,883
Due from other funds	3,778	-	-	3,778
Inventory	333,208	-	-	333,208
Prepaid Items	2,013	-	-	2,013
Total assets	<u>\$ 27,059,284</u>	<u>\$ 20,263,066</u>	<u>\$ 12,351,657</u>	<u>\$ 59,674,007</u>
Liabilities and fund balances				
Liabilities:				
Accounts payable	\$ 172,488	\$ -	\$ 239,254	\$ 411,742
Salaries and wages payable	3,649,513	-	-	3,649,513
Retainages payable	-	-	21,200	21,200
Other liabilities	7,782	-	-	7,782
Unearned revenues	882,254	-	-	882,254
Due to other funds	3,530,053	-	-	3,530,053
Total liabilities	<u>8,242,090</u>	<u>-</u>	<u>260,454</u>	<u>8,502,544</u>
Fund balances:				
Nonspendable:				
Inventory	88,805	-	-	88,805
Restricted for:				
Salaries and benefits	7,485,505	-	-	7,485,505
Student health services	2,403,476	-	-	2,403,476
Food services	2,250,740	-	-	2,250,740
Debt service	-	20,263,066	-	20,263,066
Construction and operations	6,367,667	-	-	6,367,667
Capital projects	-	-	12,091,203	12,091,203
Assigned for:				
Instructional costs	4,251	-	-	4,251
Student health/support services	216,750	-	-	216,750
Total fund balances	<u>18,817,194</u>	<u>20,263,066</u>	<u>12,091,203</u>	<u>51,171,463</u>
Total liabilities and fund balances	<u>\$ 27,059,284</u>	<u>\$ 20,263,066</u>	<u>\$ 12,351,657</u>	<u>\$ 59,674,007</u>

**Ouachita Parish School Board
Monroe, Louisiana**

**NONMAJOR GOVERNMENTAL FUNDS
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances - By Fund Type
Governmental Activities**

Fiscal Year Ended June 30, 2015

	SPECIAL REVENUE FUNDS	DEBT SERVICE FUNDS	CAPITAL PROJECTS FUNDS	TOTAL
REVENUES				
Local sources:				
Ad valorem taxes	\$ -	\$ 7,561,656	\$ -	\$ 7,561,656
Sales and use taxes	37,458,234	-	-	37,458,234
Earnings on investments	7,008	76,583	31,423	115,014
Cash payments for meals	1,353,443	-	-	1,353,443
Other	1,762,571	-	-	1,762,571
State sources:				
State equalization	1,439,682	-	-	1,439,682
Restricted grants-in-aid	1,696,535	-	-	1,696,535
Federal sources:				
Federal programs	20,676,247	-	-	20,676,247
Other federal support	480,337	-	-	480,337
Total revenues	<u>64,874,057</u>	<u>7,638,239</u>	<u>31,423</u>	<u>72,543,719</u>
EXPENDITURES				
Current:				
Instructional services:				
Regular programs	12,850,436	-	16,338	12,866,774
Special education programs	3,631,647	-	-	3,631,647
Vocational programs	784,176	-	33,152	817,328
Other instructional programs	2,389,842	-	1,013,293	3,403,135
Special programs	3,867,231	-	-	3,867,231
Support services:				
Pupil support services	4,001,921	-	-	4,001,921
Instructional staff support services	7,034,708	-	-	7,034,708
General administration	353,853	229,222	-	583,075
School administration	1,682,086	-	-	1,682,086
Business services	1,023,915	-	2,367	1,026,282
Plant services	2,393,016	-	252,240	2,645,256
Student transportation services	1,405,691	-	-	1,405,691
Central services	219,217	-	-	219,217
Noninstructional services:				
Food service operations	11,245,895	-	47,330	11,293,225
Facility acquisition and construction	3,119,117	-	3,533,067	6,652,184
Debt service:				
Principal	-	9,715,000	-	9,715,000
Interest	60,000	5,283,831	-	5,343,831
Bond issuance costs	-	69,225	-	69,225
Other service costs	3,789	84,256	79,963	168,008
Total expenditures	<u>56,066,540</u>	<u>15,381,534</u>	<u>4,977,750</u>	<u>76,425,824</u>
Excess (deficiency) of revenues over expenditures	<u>8,807,517</u>	<u>(7,743,295)</u>	<u>(4,946,327)</u>	<u>(3,882,105)</u>
OTHER FINANCING SOURCES (USES)				
Proceeds from issuance of debt	-	-	15,000,000	15,000,000
Issuance of refunding debt	-	9,230,000	-	9,230,000
Bond premiums	-	2,519,394	-	2,519,394
Payment to refunded debt escrow agent-principal	-	(8,860,000)	-	(8,860,000)
Payment to refunded debt escrow agent-interest	-	(376,239)	-	(376,239)
Transfers in	39,806	7,948,722	-	7,988,528
Transfers out	(7,948,722)	-	-	(7,948,722)
Total other financing sources (uses)	<u>(7,908,916)</u>	<u>10,461,877</u>	<u>15,000,000</u>	<u>17,552,961</u>
Net change in fund balances	898,601	2,718,582	10,053,673	13,670,856
Fund balances at beginning of year	17,918,593	17,544,484	2,037,530	37,500,607
Fund balances at end of year	<u>\$ 18,817,194</u>	<u>\$ 20,263,066</u>	<u>\$ 12,091,203</u>	<u>\$ 51,171,463</u>

**Ouachita Parish School Board
Monroe, Louisiana**

**Nonmajor Special Revenue Funds
Fiscal Year Ended June 30, 2015**

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 July 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.

**Ouachita Parish School Board
Monroe, Louisiana**

**Nonmajor Special Revenue Funds (continued)
Fiscal Year Ended June 30, 2015**

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.

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.

Local Grants Fund

The Local Grants Fund accounts for special grants and contributions from local sources in and around Ouachita Parish.

**Ouachita Parish School Board
Monroe, Louisiana**

**NONMAJOR SPECIAL REVENUE FUNDS
Combining Balance Sheet**

June 30, 2015

	Supplemental Salaries			
	1995	1968	West	School
	Sales Tax	Sales Tax	Ouachita	Food
	1%	.5%	Sales Tax	Service
Assets:				
Cash and cash equivalents	\$ 1,295,555	\$ 518,734	\$ 2,399,481	\$ 2,773,851
Investments	2,999,010	-	1,996,300	-
Receivables	2,538,506	1,830,519	2,042,165	140,726
Due from other funds	-	-	-	3,778
Inventory	-	-	-	333,208
Prepaid items	-	-	-	-
Total assets	<u>\$ 6,833,071</u>	<u>\$ 2,349,253</u>	<u>\$ 6,437,946</u>	<u>\$ 3,251,563</u>
Liabilities and fund balances				
Liabilities:				
Accounts payable	\$ 7,353	\$ 7,353	\$ 70,279	\$ 5,530
Salaries and wages payable	1,154,043	528,070	-	657,172
Other liabilities	-	-	-	4,913
Unearned revenue	-	-	-	244,403
Due to other funds	-	-	-	-
Total liabilities	<u>1,161,396</u>	<u>535,423</u>	<u>70,279</u>	<u>912,018</u>
Fund balances:				
Non-spendable:				
Inventory	-	-	-	88,805
Restricted for:				
Salaries and benefits	5,671,675	1,813,830	-	-
Student health services	-	-	-	-
Food services	-	-	-	2,250,740
Construction and operations	-	-	6,367,667	-
Assigned for:				
Instructional programs	-	-	-	-
Student health/support services	-	-	-	-
Total fund balances	<u>5,671,675</u>	<u>1,813,830</u>	<u>6,367,667</u>	<u>2,339,545</u>
Total liabilities and fund balances	<u>\$ 6,833,071</u>	<u>\$ 2,349,253</u>	<u>\$ 6,437,946</u>	<u>\$ 3,251,563</u>

Title I Programs	Special Education IDEA-B	Other Federal Programs	State Grants	Local Grants	Total
\$ -	\$ -	\$ -	\$ 2,561,357	\$ 565,502	\$ 10,114,480
-	-	-	-	-	4,995,310
1,879,278	1,093,222	1,418,322	605,235	62,522	11,610,495
-	-	-	-	-	3,778
-	-	-	-	-	333,208
-	-	2,013	-	-	2,013
<u>\$ 1,879,278</u>	<u>\$ 1,093,222</u>	<u>\$ 1,420,335</u>	<u>\$ 3,166,592</u>	<u>\$ 628,024</u>	<u>\$ 27,059,284</u>

\$ 4,675	\$ 5,551	\$ 51,599	\$ 19,739	\$ 409	\$ 172,488
430,232	205,960	162,688	433,242	78,106	3,649,513
-	-	2,077	792	-	7,782
-	-	-	92,593	545,258	882,254
1,444,371	881,711	1,203,971	-	-	3,530,053
<u>1,879,278</u>	<u>1,093,222</u>	<u>1,420,335</u>	<u>546,366</u>	<u>623,773</u>	<u>8,242,090</u>

-	-	-	-	-	88,805
-	-	-	-	-	7,485,505
-	-	-	2,403,476	-	2,403,476
-	-	-	-	-	2,250,740
-	-	-	-	-	6,367,667
-	-	-	-	4,251	4,251
-	-	-	216,750	-	216,750
-	-	-	2,620,226	4,251	18,817,194
<u>\$ 1,879,278</u>	<u>\$ 1,093,222</u>	<u>\$ 1,420,335</u>	<u>\$ 3,166,592</u>	<u>\$ 628,024</u>	<u>\$ 27,059,284</u>

**Ouachita Parish School Board
Monroe, Louisiana**

**NONMAJOR SPECIAL REVENUE FUNDS
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances**

Fiscal Year Ended June 30, 2015

	<u>Supplemental Salaries</u>		<u>West</u>	<u>School</u>
	<u>1995</u>	<u>1968</u>	<u>Ouachita</u>	<u>Food</u>
	<u>Sales Tax</u>	<u>Sales Tax</u>	<u>Sales Tax</u>	<u>Service</u>
	<u>1%</u>	<u>.5%</u>		
REVENUES				
Local sources:				
Sales and use taxes	\$ 14,731,783	\$ 10,865,054	\$ 11,861,397	\$ -
Earnings on investments	1,993	1,275	3,740	-
Cash payments for meals	-	-	-	1,353,443
Other	-	-	178,963	20,455
State sources:				
State equalization	-	-	-	1,439,682
Restricted grants-in-aid	-	-	-	19,542
Federal sources:				
Federal programs	-	-	-	7,444,026
Other federal support	-	-	-	480,337
Total revenues	<u>14,733,776</u>	<u>10,866,329</u>	<u>12,044,100</u>	<u>10,757,485</u>
EXPENDITURES				
Current:				
Instructional services:				
Regular programs	6,279,281	5,928,250	153,060	-
Special education programs	1,622,482	1,218,170	-	-
Vocational programs	230,583	220,098	-	-
Other instructional programs	387,008	354,476	300,013	-
Special programs	13,497	12,640	-	-
Support services:				
Pupil support services	855,963	773,905	-	-
Instructional staff support services	720,581	525,495	22,128	-
General administration	138,533	99,961	115,359	-
School administration	973,950	708,136	-	-
Business services	172,841	27,200	-	47,582
Plant services	1,131,622	412,894	736,426	2,506
Student transportation services	916,639	275,385	-	-
Central services	128,551	18,392	-	-
Noninstructional services:				
Food service operations	671,901	207,245	43,709	10,323,040
Facility acquisition and construction	-	-	3,086,617	-
Debt service:				
Interest	-	-	60,000	-
Other service costs	-	-	3,789	-
Total expenditures	<u>14,243,432</u>	<u>10,782,247</u>	<u>4,521,101</u>	<u>10,373,128</u>
Excess (deficiency) of revenues over expenditures	490,344	84,082	7,522,999	384,357
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	(7,948,722)	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(7,948,722)</u>	<u>-</u>
Net change in fund balances	490,344	84,082	(425,723)	384,357
Fund balances at beginning of year	5,181,331	1,729,748	6,793,390	1,955,188
Fund balances at end of year	<u>\$ 5,671,675</u>	<u>\$ 1,813,830</u>	<u>\$ 6,367,667</u>	<u>\$ 2,339,545</u>

Title I Programs	Special Education IDEA-B	Other Federal Programs	State Grants	Local Grants	Total
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 37,458,234
-	-	-	-	-	7,008
-	-	-	-	-	1,353,443
-	-	-	1,315,512	247,641	1,762,571
-	-	-	-	-	1,439,682
-	-	-	1,676,993	-	1,696,535
5,840,662	4,674,982	2,716,577	-	-	20,676,247
-	-	-	-	-	480,337
<u>5,840,662</u>	<u>4,674,982</u>	<u>2,716,577</u>	<u>2,992,505</u>	<u>247,641</u>	<u>64,874,057</u>
-	-	360,674	60,195	68,976	12,850,436
-	636,994	-	154,001	-	3,631,647
-	-	286,204	-	47,291	784,176
505,023	309,313	286,169	171,195	76,645	2,389,842
2,017,145	-	835,332	988,617	-	3,867,231
420,161	989,124	19,855	942,913	-	4,001,921
2,416,142	2,330,634	734,775	280,064	4,889	7,034,708
-	-	-	-	-	353,853
-	-	-	-	-	1,682,086
352,005	279,631	144,376	280	-	1,023,915
34,428	22,915	13,397	27,201	11,627	2,393,016
63,297	73,910	35,795	34,212	6,453	1,405,691
32,461	32,461	-	7,352	-	219,217
-	-	-	-	-	11,245,895
-	-	-	-	32,500	3,119,117
-	-	-	-	-	60,000
-	-	-	-	-	3,789
<u>5,840,662</u>	<u>4,674,982</u>	<u>2,716,577</u>	<u>2,666,030</u>	<u>248,381</u>	<u>56,066,540</u>
-	-	-	326,475	(740)	8,807,517
-	-	-	39,806	-	39,806
-	-	-	-	-	(7,948,722)
<u>-</u>	<u>-</u>	<u>-</u>	<u>39,806</u>	<u>-</u>	<u>(7,908,916)</u>
-	-	-	366,281	(740)	898,601
-	-	-	2,253,945	4,991	17,918,593
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,620,226</u>	<u>\$ 4,251</u>	<u>\$ 18,817,194</u>

**Ouachita Parish School Board
Monroe, Louisiana**

**NONMAJOR SPECIAL REVENUE FUND -
Supplemental Salaries - 1968 Sales Tax - .5%
Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual (GAAP Basis)**

Fiscal Year Ended June 30, 2015

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues			
Local sources:			
Sales and use taxes	\$ 10,752,500	\$ 10,865,054	\$ 112,554
Earnings on investments	2,000	1,275	(725)
Total revenues	<u>10,754,500</u>	<u>10,866,329</u>	<u>111,829</u>
Expenditures			
Current:			
Instructional services:			
Regular programs	6,023,634	5,928,250	95,384
Special education programs	1,238,241	1,218,170	20,071
Vocational programs	180,404	220,098	(39,694)
Other instructional programs	366,816	354,476	12,340
Special Programs	12,514	12,640	(126)
Support services:			
Pupil support services	758,754	773,905	(15,151)
Instructional staff support services	389,207	525,495	(136,288)
General Administration	87,392	99,961	(12,569)
School administration	738,313	708,136	30,177
Business services	25,183	27,200	(2,017)
Plant services	416,765	412,894	3,871
Student transportation services	275,800	275,385	415
Central services	18,977	18,392	585
Noninstructional services:			
Food service operations	222,500	207,245	15,255
Total expenditures	<u>10,754,500</u>	<u>10,782,247</u>	<u>(27,747)</u>
Net change in fund balance	-	84,082	84,082
Fund balance at beginning of year	1,729,748	1,729,748	-
Fund balance at end of year	<u>\$ 1,729,748</u>	<u>\$ 1,813,830</u>	<u>\$ 84,082</u>

**Ouachita Parish School Board
Monroe, Louisiana**

**NONMAJOR SPECIAL REVENUE FUND -
Supplemental Salaries - 1995 Sales Tax - 1%
Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual (GAAP Basis)**

Fiscal Year Ended June 30, 2015

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Local sources:			
Sales and use taxes	\$ 14,674,300	\$ 14,731,783	\$ 57,483
Earnings on investments	3,000	1,993	(1,007)
Total revenues	<u>14,677,300</u>	<u>14,733,776</u>	<u>56,476</u>
Expenditures			
Current:			
Instructional services:			
Regular programs	6,386,078	6,279,281	106,797
Special education programs	1,640,022	1,622,482	17,540
Vocational programs	237,721	230,583	7,138
Other instructional programs	408,122	387,008	21,114
Special programs	13,679	13,497	182
Support services:			
Pupil support services	885,708	855,963	29,745
Instructional staff support services	753,855	720,581	33,274
General administration	118,554	138,533	(19,979)
School administration	1,048,514	973,950	74,564
Business services	192,674	172,841	19,833
Plant services	1,223,779	1,131,622	92,157
Student transportation services	934,070	916,639	17,431
Central services	142,074	128,551	13,523
Noninstructional services:			
Food service operations	692,450	671,901	20,549
Total expenditures	<u>14,677,300</u>	<u>14,243,432</u>	<u>433,868</u>
Net change in fund balance	-	490,344	490,344
Fund balance at beginning of year	5,181,331	5,181,331	-
Fund balance at end of year	<u>\$ 5,181,331</u>	<u>\$ 5,671,675</u>	<u>\$ 490,344</u>

**Ouachita Parish School Board
Monroe, Louisiana**

**NONMAJOR SPECIAL REVENUE FUND -
West Ouachita Sales Tax
Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual (GAAP Basis)**

Fiscal Year Ended June 30, 2015

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues			
Local sources:			
Sales and use taxes	\$ 11,705,706	\$ 11,861,397	\$ 155,691
Earnings on investments	5,500	3,740	(1,760)
Other	-	178,963	178,963
Total revenues	<u>11,711,206</u>	<u>12,044,100</u>	<u>332,894</u>
Expenditures			
Current:			
Instructional services:			
Regular programs	150,000	153,060	(3,060)
Other instructional programs	783,794	300,013	483,781
Support services:			
Instructional staff support services	24,000	22,128	1,872
General Administration	82,771	115,359	(32,588)
Plant services	776,162	736,426	39,736
Noninstructional services:			
Food service operations	93,710	43,709	50,001
Facility acquisition and construction	3,938,383	3,086,617	851,766
Debt service:			
Interest and other charges	-	63,789	(63,789)
Total expenditures	<u>5,848,820</u>	<u>4,521,101</u>	<u>1,327,719</u>
Excess of revenues over expenditures	5,862,386	7,522,999	1,660,613
Other Financing Uses			
Transfers out	<u>(7,948,722)</u>	<u>(7,948,722)</u>	<u>-</u>
Net change in fund balance	(2,086,336)	(425,723)	1,660,613
Fund balance at beginning of year	6,793,390	6,793,390	-
Fund balance at end of year	<u>\$ 4,707,054</u>	<u>\$ 6,367,667</u>	<u>\$ 1,660,613</u>

**Ouachita Parish School Board
Monroe, Louisiana**

**NONMAJOR SPECIAL REVENUE FUND -
School Food Service
Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual (GAAP Basis)**

Fiscal Year Ended June 30, 2015

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues			
Local sources:			
Cash payments for meals	\$ 1,248,200	\$ 1,353,443	\$ 105,243
Other	18,525	20,455	1,930
State sources:			
State equalization	1,439,682	1,439,682	-
Restricted grants-in-aid	19,542	19,542	-
Federal sources:			
Federal programs	7,593,300	7,444,026	(149,274)
Other federal support	615,000	480,337	(134,663)
Total revenues	<u>10,934,249</u>	<u>10,757,485</u>	<u>(176,764)</u>
Expenditures			
Current:			
Support services:			
Business services	51,811	47,582	4,229
Plant services	21,169	2,506	18,663
Student transportation services	20,901	-	20,901
Noninstructional services:			
Food service operations	10,691,044	10,323,040	368,004
Total expenditures	<u>10,784,925</u>	<u>10,373,128</u>	<u>411,797</u>
Net change in fund balance	149,324	384,357	235,033
Fund balance at beginning of year	1,955,190	1,955,188	(2)
Fund balance at end of year	<u>\$ 2,104,514</u>	<u>\$ 2,339,545</u>	<u>\$ 235,031</u>

**Ouachita Parish School Board
Monroe, Louisiana**

**NONMAJOR SPECIAL REVENUE FUND -
Title I Programs**

**Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual (GAAP Basis)**

Fiscal Year Ended June 30, 2015

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Federal programs	\$ 6,203,540	\$ 5,840,662	\$ (362,878)
Total revenues	<u>6,203,540</u>	<u>5,840,662</u>	<u>(362,878)</u>
Expenditures			
Current:			
Instructional services:			
Other instructional programs	583,649	505,023	78,626
Special programs	2,019,084	2,017,145	1,939
Support services:			
Pupil support services	441,218	420,161	21,057
Instructional staff support services	2,519,522	2,416,142	103,380
Business services	-	352,005	(352,005)
Plant services	55,538	34,428	21,110
Student transportation services	178,308	63,297	115,011
Central services	35,910	32,461	3,449
Total expenditures	<u>5,833,229</u>	<u>5,840,662</u>	<u>(7,433)</u>
Excess of revenues over expenditures	370,311	-	(370,311)
Other Financing Uses			
Transfers out	<u>(370,311)</u>	<u>-</u>	<u>370,311</u>
Net change in fund balance	-	-	-
Fund balance at beginning of year	-	-	-
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**Ouachita Parish School Board
Monroe, Louisiana**

**NONMAJOR SPECIAL REVENUE FUND -
Special Education IDEA-B
Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual (GAAP Basis)**

Fiscal Year Ended June 30, 2015

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues			
Federal sources:			
Federal programs	\$ 5,026,537	\$ 4,674,982	\$ (351,555)
Total revenues	<u>5,026,537</u>	<u>4,674,982</u>	<u>(351,555)</u>
Expenditures			
Current:			
Instructional services:			
Special education programs	773,822	636,994	136,828
Other instructional programs	440,272	309,313	130,959
Support services:			
Pupil support services	1,006,617	989,124	17,493
Instructional staff support services	2,381,462	2,330,634	50,828
School administration			
Business services	-	279,631	(279,631)
Plant services	21,320	22,915	(1,595)
Student transportation services	73,956	73,910	46
Central services	28,374	32,461	(4,087)
Total expenditures	<u>4,725,823</u>	<u>4,674,982</u>	<u>50,841</u>
Excess of revenues over expenditures	300,714	-	(300,714)
Other Financing Uses			
Transfers out	<u>(300,714)</u>	<u>-</u>	<u>300,714</u>
Net change in fund balance	-	-	-
Fund balance at beginning of year	-	-	-
Fund balance at end of year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

**Ouachita Parish School Board
Monroe, Louisiana**

**NONMAJOR SPECIAL REVENUE FUND -
Other Federal Programs**

**Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual (GAAP Basis)**

Fiscal Year Ended June 30, 2015

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Federal sources:			
Federal programs	\$ 2,886,442	\$ 2,716,577	\$ (169,865)
Total revenues	<u>2,886,442</u>	<u>2,716,577</u>	<u>(169,865)</u>
Expenditures			
Current:			
Instructional services:			
Regular programs	343,479	360,674	(17,195)
Vocational programs	272,435	286,204	(13,769)
Other instructional programs	291,236	286,169	5,067
Special programs	877,659	835,332	42,327
Support services:			
Pupil support services	65,410	19,855	45,555
Instructional staff support services	829,440	734,775	94,665
Business services	-	144,376	(144,376)
Plant services	14,941	13,397	1,544
Student transportation services	37,127	35,795	1,332
Total expenditures	<u>2,731,727</u>	<u>2,716,577</u>	<u>15,150</u>
Excess of revenues over expenditures	154,715	-	(154,715)
Other Financing Uses			
Transfers out	<u>(154,715)</u>	<u>-</u>	<u>154,715</u>
Net change in fund balance	-	-	-
Fund balance at beginning of year	-	-	-
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**Ouachita Parish School Board
Monroe, Louisiana**

**NONMAJOR SPECIAL REVENUE FUND -
State Grants**

**Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual (GAAP Basis)**

Fiscal Year Ended June 30, 2015

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues			
Local sources:			
Medicaid reimbursement	\$ 1,746,314	\$ 913,144	\$ (833,170)
Other	291,589	402,368	110,779
State sources:			
Restricted grants-in-aid	<u>1,730,330</u>	<u>1,676,993</u>	<u>(53,337)</u>
Total revenues	<u>3,768,233</u>	<u>2,992,505</u>	<u>(775,728)</u>
Expenditures			
Current:			
Instructional services:			
Regular programs	63,581	60,195	3,386
Special education programs	153,792	154,001	(209)
Other instructional programs	221,147	171,195	49,952
Special programs	954,174	988,617	(34,443)
Support services:			
Pupil support services	918,894	942,913	(24,019)
Instructional staff support services	324,735	280,064	44,671
General administration	27,036	-	27,036
Business services	240	280	(40)
Plant services	27,898	27,201	697
Student transportation services	37,008	34,212	2,796
Central services	<u>7,600</u>	<u>7,352</u>	<u>248</u>
Total expenditures	<u>2,736,105</u>	<u>2,666,030</u>	<u>70,075</u>
Excess of revenues over expenditures	1,032,128	326,475	(705,653)
Other Financing Sources (Uses)			
Transfers In	<u>-</u>	<u>39,806</u>	<u>39,806</u>
Total other financing sources (uses)	<u>-</u>	<u>39,806</u>	<u>39,806</u>
Net change in fund balance	1,032,128	366,281	(665,847)
Fund balance at beginning of year	<u>2,253,944</u>	<u>2,253,945</u>	<u>1</u>
Fund balance at end of year	<u><u>\$ 3,286,072</u></u>	<u><u>\$ 2,620,226</u></u>	<u><u>\$ (665,846)</u></u>

**Ouachita Parish School Board
Monroe, Louisiana**

**NONMAJOR SPECIAL REVENUE FUND -
Local Grants**

**Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual (GAAP Basis)**

Fiscal Year Ended June 30, 2015

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues			
Local sources:			
Other	\$ 230,850	\$ 247,641	\$ 16,791
Total revenues	<u>230,850</u>	<u>247,641</u>	<u>16,791</u>
Expenditures			
Current:			
Instructional services:			
Regular programs	67,783	68,976	(1,193)
Vocational programs	50,000	47,291	2,709
Other instructional programs	73,075	76,645	(3,570)
Support services:			
Pupil support services	296	-	296
Instructional staff support services	16,657	4,889	11,768
Plant services	624	11,627	(11,003)
Student transportation services	8,633	6,453	2,180
Noninstructional services:			
Facility acquisition and construction	15,150	32,500	(17,350)
Total expenditures	<u>232,218</u>	<u>248,381</u>	<u>(16,163)</u>
 Net change in fund balance	 (1,368)	 (740)	 628
 Fund balance at beginning of year	 4,991	 4,991	 -
Fund balance at end of year	<u><u>\$ 3,623</u></u>	<u><u>\$ 4,251</u></u>	<u><u>\$ 628</u></u>

**Ouachita Parish School Board
Monroe, Louisiana**

**Nonmajor Debt Service Funds
Fiscal Year Ended June 30, 2015**

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: 2006 Series Revenue Refunding Bonds, 2007 Series Revenue Bonds, 2008 Series Revenue Bonds, Series 2009 Revenue Refunding Bonds, and 2010 Series 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

The West Ouachita Debt Service fund accounts for the principal and interest payments for five outstanding series of sales tax revenue bonds issued or refunded from 2002 through 2010 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 as an operating transfer to this fund 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

**Ouachita Parish School Board
Monroe, Louisiana**

**Nonmajor Debt Service Funds (continued)
Fiscal Year Ended June 30, 2015**

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.

East Ouachita Bond Fund

The East Ouachita Bond Fund accounts for the principal and interest payments for nine general obligation bonds series issued or refunded from 2006 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 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.

**Ouachita Parish School Board
Monroe, Louisiana**

**NONMAJOR DEBT SERVICE FUNDS
Combining Balance Sheet**

June 30, 2015

	West Ouachita Bond Reserve	West Ouachita Debt Service	School District No. 1 QSCB Sinking	School District No. 1 Debt Service	East Ouachita Debt Service	Total
Assets:						
Cash and cash equivalents	\$ 6,088,703	\$ 3,970,339	\$ 41,333	\$ 759,950	\$ 1,238,315	\$ 12,098,640
Investments	-	-	3,333,333	-	4,799,712	8,133,045
Receivables	-	-	-	-	31,381	31,381
Total assets	<u><u>\$ 6,088,703</u></u>	<u><u>\$ 3,970,339</u></u>	<u><u>\$ 3,374,666</u></u>	<u><u>\$ 759,950</u></u>	<u><u>\$ 6,069,408</u></u>	<u><u>\$ 20,263,066</u></u>
Liabilities and fund balances						
Liabilities:						
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fund balances:						
Restricted for:						
Debt service	<u>6,088,703</u>	<u>3,970,339</u>	<u>3,374,666</u>	<u>759,950</u>	<u>6,069,408</u>	<u>20,263,066</u>
Total fund balances	<u><u>6,088,703</u></u>	<u><u>3,970,339</u></u>	<u><u>3,374,666</u></u>	<u><u>759,950</u></u>	<u><u>6,069,408</u></u>	<u><u>20,263,066</u></u>
Total liabilities and fund balances	<u><u>\$ 6,088,703</u></u>	<u><u>\$ 3,970,339</u></u>	<u><u>\$ 3,374,666</u></u>	<u><u>\$ 759,950</u></u>	<u><u>\$ 6,069,408</u></u>	<u><u>\$ 20,263,066</u></u>

**Ouachita Parish School Board
Monroe, Louisiana**

**NONMAJOR DEBT SERVICE FUNDS
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances**

Fiscal Year Ended June 30, 2015

	West Ouachita Bond Reserve	West Ouachita Debt Service	School District No. 1 QSCB Sinking	School District No.1 Debt Service	East Ouachita Bond	Total
REVENUES						
Local sources:						
Ad valorem taxes	\$ -	\$ -	\$ -	\$ -	\$ 7,561,656	\$ 7,561,656
Earnings on investments	-	-	75,866	-	717	76,583
Total revenues	-	-	75,866	-	7,562,373	7,638,239
EXPENDITURES						
Current:						
Support services:						
General administration	-	-	-	-	229,222	229,222
Debt service:						
Principal	-	3,860,000	-	1,685,000	4,170,000	9,715,000
Interest	-	1,965,571	-	370,470	2,947,790	5,283,831
Bond issuance costs	-	-	-	-	69,225	69,225
Other service costs	-	3,023	-	200	81,033	84,256
Total expenditures	-	5,828,594	-	2,055,670	7,497,270	15,381,534
Excess (deficiency) of revenues over expenditures	-	(5,828,594)	75,866	(2,055,670)	65,103	(7,743,295)
OTHER FINANCING SOURCES (USES)						
Proceeds from issuance of debt	-	-	-	-	9,230,000	9,230,000
Bond premiums	-	-	-	1,310,326	1,209,068	2,519,394
Payment to refunded debt escrow agent-principal	-	-	-	-	(8,860,000)	(8,860,000)
Payment to refunded debt escrow agent-interest	-	-	-	-	(376,239)	(376,239)
Transfers in	-	5,845,828	597,600	1,505,294	-	7,948,722
Total other financing sources (uses)	-	5,845,828	597,600	2,815,620	1,202,829	10,461,877
Net change in fund balances	-	17,234	673,466	759,950	1,267,932	2,718,582
Fund balances at beginning of year	6,088,703	3,953,105	2,701,200	-	4,801,476	17,544,484
Fund balances at end of year	\$ 6,088,703	\$ 3,970,339	\$ 3,374,666	\$ 759,950	\$ 6,069,408	\$ 20,263,066

**Ouachita Parish School Board
Monroe, Louisiana**

**Capital Projects Fund
Fiscal Year Ended June 30, 2015**

Capital Projects Fund

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 non-major capital projects fund of the School Board during 2014-15 and they are considered a non-major fund.

East Ouachita Construction

The East Ouachita Construction Fund (which is a major fund of the School Board for fiscal year 2014-15) accounts for the proceeds of the East Ouachita School District general obligation bonds issued for \$9.8 million in July 2014 and \$18.7 million in February 2015, as authorized by voters in an election in April 2014. The proceeds from these general obligation bonds are being used primarily to construct a new middle school in the East Ouachita School District (a taxing district created by the School Board), and also to add additional classrooms, multipurpose and vocational facilities, and other minor facility renovations.

East Ouachita 2011/2012 Construction

The East Ouachita 2011/2012 Construction Fund accounts for the proceeds of two bond issues from East Ouachita School District general obligation bonds sold for \$9.8 million in July 2011 and for \$9.5 million in March 2012, as authorized by voters in April 2011. The proceeds from these general obligation bonds are being used to renovate existing school facilities, construct three new multipurpose facilities and a weight room, a new vocational instructional facility, and install multi-purpose athletic fields at high schools in the East Ouachita School District. These funds have been fully depleted in the new year.

**Ouachita Parish School Board
Monroe, Louisiana**

**CAPITAL PROJECTS FUND -
Combining Balance Sheet**

June 30, 2015

	East Ouachita 2011-2012 Construction	School District No. 1 (West) 2014 Construction	TOTAL
Assets:			
Cash and cash equivalents	\$ 44,315	\$ 11,307,335	\$ 11,351,650
Investments	-	1,000,000	1,000,000
Receivables	7	-	7
Total assets	<u>\$ 44,315</u>	<u>\$ 12,307,335</u>	<u>\$ 12,351,657</u>
Liabilities and fund balances			
Liabilities:			
Accounts payable	35,509	\$ 203,745	\$ 239,254
Retainages payable	-	21,200	21,200
Total Liabilities	<u>35,509</u>	<u>224,945</u>	<u>260,454</u>
Fund balances:			
Restricted for:			
Capital projects	8,813	12,082,390	12,091,203
Total liabilities and fund balances	<u>\$ 44,322</u>	<u>\$ 12,307,335</u>	<u>\$ 12,351,657</u>

**Ouachita Parish School Board
Monroe, Louisiana**

**CAPITAL PROJECTS FUND -
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances**

Fiscal Year Ended June 30, 2015

	East Ouachita 2011-2012 Construction	School District No. 1 (West) 2014 Construction	TOTAL
REVENUES			
Local sources:			
Earnings on investments	\$ 10,221	\$ 21,202	\$ 31,423
Total revenues	<u>10,221</u>	<u>21,202</u>	<u>31,423</u>
EXPENDITURES			
Current:			
Instructional services:			
Regular programs	16,338	-	16,338
Vocational programs	33,152	-	33,152
Other instructional programs	14,965	998,328	1,013,293
Support services:			
Business services	1,409	958	2,367
Plant services	120,168	132,072	252,240
Noninstructional services:			
Food service operations	47,330	-	47,330
Capital outlay:			
Facility acquisition and construction	1,805,576	1,727,491	3,533,067
Debt service:			
Other	-	79,963	79,963
Total expenditures	<u>2,038,938</u>	<u>2,938,812</u>	<u>4,977,750</u>
Excess (deficiency) of revenues over expenditures	<u>(2,028,717)</u>	<u>(2,917,610)</u>	<u>(4,946,327)</u>
OTHER FINANCIAL SOURCES			
Proceeds from issuance of debt	-	15,000,000	15,000,000
Total other financing sources	<u>-</u>	<u>15,000,000</u>	<u>15,000,000</u>
Net change in fund balances	(2,028,717)	12,082,390	10,053,673
Fund balances at beginning of year	<u>2,037,530</u>	<u>-</u>	<u>2,037,530</u>
Fund balances at end of year	<u><u>8,813</u></u>	<u><u>\$ 12,082,390</u></u>	<u><u>\$ 12,091,203</u></u>

**Ouachita Parish School Board
Monroe, Louisiana**

**Proprietary Fund-Type
Internal Service Funds
Fiscal Year Ended June 30, 2015**

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 cost.

**Ouachita Parish School Board
Monroe, Louisiana**

**Internal Service Funds
Combining Statement of Net Position**

June 30, 2015

	<u>Governmental Activities</u>		
	<u>Self Insurance</u>	<u>Centralized Printing</u>	<u>Total</u>
Assets:			
Current assets:			
Cash and cash equivalents	\$ 664,816	\$ 142,744	\$ 807,560
Investments	3,513,816	-	3,513,816
Due from other funds	-	-	-
Accounts receivable	20,099	695	20,794
	<u>4,198,731</u>	<u>143,439</u>	<u>4,342,170</u>
Total assets			
	<u>4,198,731</u>	<u>143,439</u>	<u>4,342,170</u>
Liabilities:			
Current liabilities:			
Accounts payable	14,057	9,136	23,193
Claims liability - due within one year	657,810	-	657,810
Total current liabilities	671,867	9,136	681,003
Noncurrent liabilities:			
Claims liability	414,810	-	414,810
	<u>1,086,677</u>	<u>9,136</u>	<u>1,095,813</u>
Total liabilities			
	<u>1,086,677</u>	<u>9,136</u>	<u>1,095,813</u>
Unrestricted Net Position	<u>\$ 3,112,054</u>	<u>\$ 134,303</u>	<u>\$ 3,246,357</u>

**Ouachita Parish School Board
Monroe, Louisiana**

**Internal Service Funds
Combining Statement of Revenues, Expenses, and Changes in Net Position**

For the Year Ended June 30, 2015

	Governmental Activities		
	Self Insurance	Centralized Printing	Total
Operating revenues			
Charges for services	\$ -	\$ 468,214	\$ 468,214
Reimbursements from insurers	228,197	-	228,197
Total operating revenues	228,197	468,214	696,411
Operating expenses			
Self-insurance claims and insurance premiums	1,283,056	-	1,283,056
Equipment rental	-	200,400	200,400
Equipment maintenance	-	27,248	27,248
Supplies	-	102,171	102,171
Other	-	4,092	4,092
Total operating expenses	1,283,056	333,911	1,616,967
Operating income (loss)	(1,054,859)	134,303	(920,556)
Nonoperating revenues			
Earnings on investments	4,356	-	4,356
Total nonoperating revenues	4,356	-	4,356
Income (loss) before transfers	(1,050,503)	134,303	(916,200)
Transfers out	(200,000)	-	(200,000)
Change in net position	(1,250,503)	134,303	(1,116,200)
Total net position - beginning	4,362,557	-	4,362,557
Total net position - ending	\$ 3,112,054	\$ 134,303	3,246,357

**Ouachita Parish School Board
Monroe, Louisiana**

**Internal Service Funds
Combining Statement of Cash Flows**

For the Year Ended June 30, 2015

	Governmental Activities		
	Self Insurance	Centralized Printing	Total
Cash flows from (used by) operating activities:			
Receipts from interfund services provided	\$ -	\$ 472,098	\$ 472,098
Payments to vendors	-	(329,354)	(329,354)
Claims and premiums paid	(1,139,098)	-	(1,139,098)
Net cash provided (used) by operating activities	(1,139,098)	142,744	(996,354)
	-		
Cash flows from noncapital financing activities:			
Transfer (to) from General Fund	(200,000)	-	(200,000)
Net cash provided by non-capital and related financing activities	(200,000)	-	(200,000)
Cash flows from (used by) investing activities:			
Sale of investments	(2,514,146)	-	(2,514,146)
Earnings on investments	4,356	-	4,356
Net cash provided (used) by investing activities	(2,509,790)	-	(2,509,790)
Net increase (decrease) in cash and cash equivalents	(3,848,888)	142,744	(3,706,144)
Cash and cash equivalents at beginning of year	4,513,704	-	4,513,704
Cash and cash equivalents at end of year	\$ 664,816	\$ 142,744	\$ 807,560
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:			
Operating income (loss)	\$ (1,054,859)	\$ 134,303	\$ (920,556)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:			
Changes in assets and liabilities:			
(Increase) decrease in receivables	(19,146)	1,590	(17,556)
Increase (decrease) in payables	(7,247)	4,556	(2,691)
Increase (decrease) in claims liability	(57,846)	-	(57,846)
Increase (decrease) in due to/from general fund	-	2,295	2,295
Net cash provided (used) by operating activities	\$ (1,139,098)	\$ 142,744	(996,354)
Noncash investing activities:			
Increase (decrease) in fair value of investments	\$ (2,514,146)	\$ -	\$ (2,514,146)

**Ouachita Parish School Board
Monroe, Louisiana**

Fiscal Year Ended June 30, 2015

**Fiduciary Fund-Type
Agency Funds
Fiscal Year Ended June 30, 2015**

Fiduciary Funds

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

School Activity Funds

The activities of the various individual school accounts are accounted for in the School Activity 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.

State Equalization Local Fund Transfers to Other Educational Providers

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 district 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 operate outside the governance of the Ouachita Parish School Board but under the authority and oversight of the State Board of Elementary and Secondary Education. This fund accounts for the transfer of MFP funding to these educational providers.

**Ouachita Parish School Board
Monroe, Louisiana**

**Fiduciary Fund - Agency Funds
Combining Statement of Changes in Fiduciary Assets and Liabilities**

Fiscal Year Ended June 30, 2015

	<u>Balance June 30, 2014</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2015</u>
<u>School Activity Funds</u>				
Assets				
Cash and cash equivalents	<u>\$ 4,224,728</u>	<u>\$ 8,617,280</u>	<u>(8,269,755)</u>	<u>\$ 4,572,253</u>
Liabilities				
Amounts held for others	<u>\$ 4,224,728</u>	<u>\$ 8,617,280</u>	<u>\$ (8,269,755)</u>	<u>\$ 4,572,253</u>
 <u>State Equalization Local Funding</u>				
<u>Transfers to Other Educational Providers</u>				
Assets				
Cash and cash equivalents	<u>\$ -</u>	<u>\$ 413,062</u>	<u>\$ (413,062)</u>	<u>\$ -</u>
Liabilities				
Amounts held for others	<u>\$ -</u>	<u>\$ 413,062</u>	<u>\$ (413,062)</u>	<u>\$ -</u>
 <u>Totals - All Agency Funds</u>				
Assets				
Cash and cash equivalents	<u>\$ 4,224,728</u>	<u>\$ 9,030,342</u>	<u>\$ (8,682,817)</u>	<u>\$ 4,572,253</u>
Liabilities				
Amounts held for others	<u>\$ 4,224,728</u>	<u>\$ 9,030,342</u>	<u>\$ (8,682,817)</u>	<u>\$ 4,572,253</u>

Ouachita Parish School Board
Schedule of Compensation, Benefits and Other Payments
to Superintendent
For the year ended June 30, 2015

Superintendent: Robert W. Webber, Ed.D., Superintendent

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 229,821
Benefits-Health and life insurance	9,912
Benefits-Retirement	62,660
Benefits-Medicare	3,399
Benefits-Vacation pay	7,418
Benefits-Government vehicle use	3,696
Conference travel	3,224
Registration fees	1,220
Reimbursements-per diem	20
Administrative travel-lodging	99
Professional membership dues	525
Special meals	506
Total Compensation	<u><u>\$ 322,500</u></u>

**Ouachita Parish School Board
Monroe, Louisiana**

Fiscal Year Ended June 30, 2015

STATISTICAL SECTION

**Ouachita Parish School Board
Monroe, Louisiana**

Fiscal Year Ended June, 30, 2015

STATISTICAL SECTION

This part of the Ouachita Parish School Board's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the School Board's overall financial health.

Index	<u>Page No.</u>
Financial Trends These schedules contain trend information to help the reader understand how the School Board's financial performance and well-being have changed over time.	133-141
Revenue Capacity These schedules contain information to help the reader assess the School Board's most significant local revenue sources, the ad valorem tax (property tax) and the sales tax.	142-148
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 additional debt in the future.	149-153
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.	154-155
Operating Information These schedules contain service 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.	156-161

**Ouachita Parish School Board
Monroe, Louisiana**

**Net Position
Last Ten Fiscal Years
(accrual basis of accounting)
(Unaudited)**

Fiscal Year Ended June 30	Total Governmental Activities Net Position	Net Investment in Capital Assets	Restricted	Unrestricted
Governmental Activities:		(5)(6)		(2)(5)(6)
2006	\$131,311,526	\$84,606,063	\$14,632,166	\$32,073,297
2007	\$134,800,265	\$90,411,873	\$15,317,099	\$29,071,293
2008	\$117,835,082 (1)	\$94,599,342	\$41,808,417 (7)	(\$18,572,677) (7)
2009	\$98,511,956	\$94,558,188	\$44,597,890 (7)	(\$40,644,122) (7)
2010	\$98,550,332	\$94,316,204 (3)	\$38,892,006 (7)	(\$34,657,878) (7)
2011	\$94,659,552	\$99,549,165 (4)	\$23,567,522 (7)	(\$28,457,135) (7)
2012	\$89,669,867	\$98,549,523	\$32,829,304 (7)	(\$41,708,960) (7)
2013	\$96,463,126 (8)	\$97,150,276	\$25,468,356 (9)	(\$26,155,506) (8)
2014	(\$161,597,059) (10)	\$98,167,751	\$27,791,427 (10)	(\$287,556,237) (10)
2015	(\$154,903,026)	\$70,067,146	\$66,911,178 (11)	(\$291,881,350)

Notes:

- (1) GASB 45 implemented in 2007-08 with restatement of 2006-07 ending net position only. Net position is declining due to the annual accrual of the unfunded portion of the Annual OPEB Cost.
- (2) Negative unrestricted net position continues to grow due to the non-funding of Annual OPEB Cost.
- (3) Capital assets added from construction projects completed and in progress from \$9.785 million of general obligation bonds and \$5 million in revenue bonds sold in 2008-09.
- (4) Capital assets added from construction projects completed and in progress from \$9.2 million of general obligation bonds and \$10 million in revenue bond sold in 2009-10.
- (5) Restated *net investment in capital assets* and *unrestricted* net position for 2011-12 and for all prior years presented due to bond proceeds held in reserve, as required by bond covenants, being omitted from the calculation of net investment in *capital assets*.
- (6) GASB 65 implemented in 2012-13 which required restatement of all prior years' ending net position balances for the change in accounting for bond issuance costs which was previously used to calculate *net investment in capital assets*.
- (7) *Restricted* net position is restated to include the balance of all capital project funds from issuance of bonds, and *unrestricted* net position is reduced by the same amount.
- (8) Net position improved due to management's effort to significantly reduce expenditures, while local revenues and and state equalization funding (MFP) increased, and asset depreciation has outpaced new capital additions.
- (9) Net position is reduced due to capital projects winding down from the 2011 and 2012 East Ouachita Bonds.
- (10) Restated total net position due to implementation of GASB 68 and GASB 71 to account for net pension liabilities of defined benefit retirement plans. Net position decreased due to accrual of school board's portion of the net pension liabilities of participating state defined benefit retirement plans and increase in accrued OPEB liability.
- (11) Restricted net position increased due to sale of \$43.5 million in new bonds reserved for capital projects.

Source - Ouachita Parish School Board

**Ouachita Parish School Board
Monroe, Louisiana**

**Change in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)**

	2006	2007	2008	2009	2010	2011
Expenses						
Governmental activities:						
Current:						
Instructional services:						
Regular programs	\$ 64,862,727	\$ 72,171,932	\$ 90,558,598	\$ 92,887,059	\$ 81,658,561	\$ 79,618,359
Special education programs	16,740,096	17,691,669	22,889,940	23,905,518	22,086,357	20,257,905
Vocational programs	1,155,463	1,289,265	1,634,666	1,999,442	2,110,705	2,525,521
Other instructional programs	1,855,308	2,146,933	2,037,559	2,063,292	2,398,201	8,964,146
Special programs	4,566,928	4,210,398	5,514,792	5,892,693	6,723,294	5,094,185
Adult/continuing education	522,966	483,826	568,706	503,566	682,287	1,304,667
Support services:						
Pupil support services	5,226,268	5,617,032	8,367,785	8,881,619	8,817,328	11,889,305
Instructional staff support services	7,288,592	7,937,756	11,449,710	12,121,132	12,384,806	13,066,081
General administration	1,933,958	1,866,105	2,676,345	1,332,393	1,828,041	2,585,952
School administration	8,597,273	9,412,626	11,523,090	11,868,358	11,142,189	12,117,437
Business services	2,586,085	2,317,936	3,779,424	3,269,740	2,922,867	3,116,489
Plant services	14,943,665	16,647,009	19,078,319	22,717,555	22,138,096	22,572,688
Student transportation services	6,999,588	8,427,740	10,862,598	11,103,627	9,749,254	10,435,400
Central services	1,919,317	2,355,463	3,047,224	3,462,221	2,785,771	3,235,562
Noninstructional services:						
Food service operations	9,056,821	9,674,503	11,523,328	12,069,841	11,366,639	11,244,768
Community service programs	54,001	58,581	63,182	69,785	72,833	75,104
Facility acquisition and construction	-	388,082	-	-	-	-
Long-term obligations:						
Interest on long-term obligations	5,434,249	5,024,883	5,614,136	6,475,576	5,969,208	6,038,836
Bond issuance and other costs	502,099	8,078	221,694	469,226	82,552	203,769
Total Governmental Activities	154,245,404	167,729,817	211,411,096	221,092,643	204,918,989	214,346,174
Program Revenues						
Governmental activities:						
Charges for services:						
Tuition for supplemental education programs	232,770	224,215	165,820	160,063	145,174	167,109
Cash payments for meals	1,838,130	1,911,034	1,872,126	2,209,965	2,116,323	1,991,059
Medical services provided	-	-	-	-	-	146,294
Other charges	-	-	-	-	-	118,388
Operating grants and contributions	23,598,681	21,679,123	23,445,910	26,576,588	32,335,485	33,202,748
Capital grants and contributions	736,905	485,625	974,107	65,731	247,036	154,875
Total governmental activities - program revenues	26,406,486	24,299,997	26,457,963	29,012,347	34,844,018	35,780,473
Net (expenses)/revenues - governmental activities	(127,838,918)	(143,429,820)	(184,953,133)	(192,080,296)	(170,074,971)	(178,565,701)
General Revenues						
Governmental activities:						
Taxes:						
Ad valorem taxes levied for:						
General purposes	10,735,154	11,576,315	12,413,862	13,354,282	14,719,159	15,499,401
Debt service purposes	5,731,844	4,122,853	4,439,488	4,631,173	5,290,132	5,774,612
Sales taxes levied for:						
General purposes	14,488,306	14,979,086	15,936,783	16,275,955	15,048,988	16,083,740
Salaries and related benefits	19,588,503	20,078,142	21,115,810	21,421,340	20,306,723	21,530,390
Debt service purposes	-	-	-	-	-	-
Grants and contributions not restricted to specific programs:						
Minimum Foundation Program	82,270,172	91,746,923	106,261,898	112,173,653	111,280,177	112,675,404
State legislative appropriation	-	-	-	-	-	-
State revenue sharing	789,507	773,005	824,137	830,587	818,245	825,408
Interest and investment earnings	2,137,018	3,047,767	2,974,860	1,892,643	538,324	463,259
Sale (loss) of assets	16,028	-	1,201,881	-	-	-
Other	1,194,862	594,468	2,819,231	2,177,537	2,111,599	1,822,707
Total governmental activities - program revenues	136,951,394	146,918,559	167,987,950	172,757,170	170,113,347	174,674,921
Change in Net Position						
Governmental activities	\$ 9,112,476	\$ 3,488,739	\$ (16,965,183)	\$ (19,323,126)	\$ 38,376	\$ (3,890,780)

Source - Ouachita Parish School Board

2012	2013	2014	2015
\$ 85,247,327	\$ 78,130,383	\$ 83,554,968	\$ 82,101,860
19,081,018	18,204,343	18,526,219	17,938,573
2,060,638	1,901,444	3,171,369	3,242,905
8,433,690	8,399,010	8,550,400	8,653,234
4,748,497	4,676,673	4,294,852	4,378,506
1,307,125	64,046	63,599	63,630
12,064,420	11,868,192	12,750,440	12,826,787
15,249,486	13,824,859	15,781,633	16,351,770
2,117,165	2,035,234	2,210,168	2,098,499
12,936,711	13,626,722	14,392,606	13,955,474
3,096,381	3,118,811	3,332,845	4,523,095
20,558,751	19,455,702	21,997,850	20,746,414
11,091,742	11,267,218	12,029,898	11,375,050
3,319,011	3,145,826	3,144,671	3,168,426
12,247,610	12,141,427	12,702,753	12,752,966
77,809	42,806	28,351	28,351
-	-	-	-
5,629,847	5,505,210	5,271,721	5,712,404
83,990	13,552	25,152	168,008
219,351,218	207,421,458	221,829,495	220,085,952
184,312	186,425	179,460	226,587
1,919,605	1,724,856	1,623,267	1,373,873
122,618	91,453	184,932	157,122
151,404	409,244	493,374	719,094
30,576,016	25,429,452	25,818,053	26,706,736
27,738	-	-	469,592
32,981,693	27,841,430	28,299,086	29,653,004
(186,369,525)	(179,580,028)	(193,530,409)	(190,432,948)
16,180,595	17,504,128	17,741,097	18,059,896
6,195,095	6,524,863	8,045,918	8,221,656
16,957,573	11,367,332	11,941,639	11,347,993
22,445,192	23,551,491	24,115,182	25,453,939
-	6,390,257	6,430,651	7,948,722
117,404,761	119,870,318	119,363,297	122,857,260
-	-	2,897,755	44,341
823,218	819,824	817,682	822,633
436,428	179,093	401,929	457,327
-	84,700	-	6,591
936,978	81,281	268,079	1,906,623
181,379,840	186,373,287	192,023,229	197,126,981
\$ (4,989,685)	\$ 6,793,259	\$ (1,507,180)	\$ 6,694,033

**Ouachita Parish School Board
Monroe, Louisiana**

**Governmental Activities Tax Revenues, By Source
Last Ten Fiscal Years
(accrual basis of accounting)
(Unaudited)**

Ad Valorem taxes

Fiscal Year	Maintenance & Operation	Constitutional	East Ouachita Debt Service	West Ouachita Debt Service (1)
2006	\$8,838,334	\$1,896,820	\$3,817,992	\$1,913,852
2007	\$9,531,823	\$2,044,492	\$4,118,310 (2)	\$4,543
2008	\$10,221,431	\$2,192,430	\$4,432,633	\$6,855
2009	\$10,995,761 (3)	\$2,358,521 (3)	\$4,630,576	\$597
2010	\$12,119,582	\$2,599,577	\$5,287,558	\$2,574
2011	\$12,773,373	\$2,726,028	\$5,774,362	\$249
2012	\$13,372,537 (5)	\$2,808,059 (3)	\$6,161,090	\$34,005
2013	\$14,527,033	\$2,977,095	\$6,495,545	\$29,318
2014	\$15,167,556	\$3,246,874	\$7,372,584	\$0
2015	\$15,412,057	\$3,307,839	\$7,561,656	\$0

Notes:

- (1) - Louisiana Revised Statutes require the ad valorem tax millage rate to be decreased if the fund accumulates more revenue than needed to pay the next fiscal year's debt service requirements. This debt was paid out in the 2005-06 fiscal year, and only delinquent taxes are being subsequently collected in out years.
- (2) - Debt Service Millage rate was reduced from 38 mills to 30 mills. Subsequent increase are due to increases in taxable assessed value of property in East Ouachita.
- (3) - Reassessment year - School Board "rolled forward" millage rates to the prior year's maximum authorized rate.
- (4) - Sales tax revenues decreased in 2009-10 due to a decline in the local economy at the peak of the national recession.
- (5) - Millage was renewed by voters in April 2011 effective for the 2012 tax roll. The economic effect to the School Board is the same as a "roll forward". The 1992 sales tax was renewed by voters for another 10-year period as well.
- (6) - Received one-time settlement of sales taxes from pipeline litigation.

Source - Ouachita Parish School Board

Sales Taxes

1968 0.5% Supplemental Salaries	1995 1% Supplemental Salaries	District No. 1 0.5% Maintenance & Operations	West Ouachita 1% Maintenance & Operations
\$8,062,417	\$11,526,086	\$5,699,380	\$8,788,926
\$8,323,354	\$11,754,788	\$5,817,605	\$9,161,481
\$8,758,161	\$12,357,649	\$6,111,744	\$9,825,039
\$8,900,657	\$12,520,683	\$6,179,920	\$10,096,035
\$8,622,288 (4)	\$11,684,435 (4)	\$5,761,805 (4)	\$9,287,183 (4)
\$9,101,919	\$12,428,471	\$6,130,045	\$9,953,695
\$9,460,970	\$12,984,223	\$6,195,095 (5)	\$10,528,100
\$9,840,846 (6)	\$13,710,645 (6)	\$6,790,943 (6)	\$10,966,646 (6)
\$10,236,956	\$13,967,444	\$6,919,076	\$11,363,996
\$10,865,054	\$14,731,783	\$7,292,419	\$11,861,397

**Ouachita Parish School Board
Monroe, Louisiana**

**Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
(Unaudited)**

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
General Fund:				
Restricted	\$ 272,550	\$ 641,877	\$ 843,487	\$ 1,303,303
Committed	-	-	132,431	175,318
Assigned	-	-	-	-
Unassigned	21,365,567	20,640,912	16,321,288	15,318,419
Total General Fund	<u>\$ 21,638,117</u>	<u>\$ 21,282,789</u>	<u>\$ 17,297,206</u>	<u>\$ 16,797,040</u>
All other governmental funds:				
Nonspendable:				
Special Revenue Funds	\$ -	\$ -	\$ -	\$ -
Restricted:				
Special Revenue Funds	5,856,662	5,481,083	23,428,840 (3)	26,307,588
Debt Service Funds	8,011,190	9,047,078	9,962,636	11,150,469
Capital Projects Funds	- (1)	(505,640) (2)	26,632,534 (3)	26,855,207
Committed, reported in:				
Special Revenue Funds	-	-	2,179,568 (3)	2,093,031
Assigned:				
Special Revenue Funds	-	-	-	-
Unassigned, reported in:				
Special Revenue Funds	18,624,559	17,714,341	- (3)	-
	<u>\$ 32,492,411</u>	<u>\$ 31,736,862</u>	<u>\$ 62,203,578</u>	<u>\$ 66,406,295</u>

Notes:

- (1) - Capital Projects funds depleted in 2006.
- (2) - Purchased property for 2 new schools prior to receiving bond proceeds.
- (3) - Sold the "old" Claiborne School for \$1,619,501. The proceeds were used to make renovations to four schools in the West Ouachita Bond District. West Ouachita Bond District sold \$11,950,000 of revenue bonds in 2007-08. East Ouachita Bond District sold \$20 million of general obligation bonds in 2007-08.
- (4) - GASB 54 was implemented for the fiscal year ended June 30, 2010. GASB 54 changed the fund balance classifications and more clearly defined the type of funds that should be reported in each fund type. This resulted in funds being reported in different fund types in the 2009-10 and future years than were originally reported.
- (5) - Funds assigned for an air conditioning repair projects.
- (6) - Funds committed for an emergency reserve for air conditioning repairs.
- (7) - Funds assigned by management for specific instructional programs, i.e. driver education, certain instructional programs and scholarships.
- (8) - In addition to funds committed for air conditioning equipment repairs, funds were committed to schools for instructional spending based on a per-pupil allotment. Also, a one-time allotment was committed by the School Board to schools with high performance.

Source - Ouachita Parish School Board

<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
\$ 900,313	\$ 875,313	\$ 625,000	\$ 625,000	\$ 1,298,334	\$ 1,285,000
2,441,599 (5)	500,000 (6)	715,351 (6)	1,168,632 (6)(8)	1,186,021 (6)(8)	1,117,817 (6)(8)
-	278,744 (7)	423,204 (7)	332,052 (7)	379,349 (7)	483,847 (7)
13,969,471	14,165,266	13,125,361	15,761,767	16,807,973	15,986,919
<u>\$ 17,311,383</u>	<u>\$ 15,819,323</u>	<u>\$ 14,888,916</u>	<u>\$ 17,887,451</u>	<u>\$ 19,671,677</u>	<u>\$ 18,873,583</u>

\$ 72,012	\$ 114,280	\$ 148,911	\$ 114,717	\$ 123,283	\$ 88,805
13,108,691	12,748,365	13,765,015	19,000,439	17,482,690	18,507,388
10,908,961	11,532,367	12,466,180	12,621,013	17,544,484	20,263,066
21,617,979	5,694,513	1,214,979	5,327,035	2,037,530	37,877,607
17,308,880 (4)	15,429,698	14,477,447	17,059,395	17,479,350	18,416,410
-	45,887	417,008	398,115	312,621	221,001
- (4)	-	-	-	-	-
<u>\$ 63,016,523</u>	<u>\$ 45,565,110</u>	<u>\$ 42,489,540</u>	<u>\$ 54,520,714</u>	<u>\$ 54,979,958</u>	<u>\$ 95,374,277</u>

**Ouachita Parish School Board
Monroe, Louisiana**

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

	Fiscal Year Ended June 30,					
	2006	2007	2008	2009	2010	2011
Revenues						
Local sources:						
Ad valorem taxes	\$ 16,466,998	\$ 15,699,168	\$ 16,853,350	\$ 18,452,422	\$ 20,525,026	\$ 21,806,799
Sales and use taxes	34,076,809	35,057,228	37,052,593	37,697,295	35,355,711	37,614,130
Earnings on investments	2,137,018	3,047,767	2,974,860	1,892,643	538,324	463,259
Earnings on 16 section property	-	-	-	-	-	-
Cash payments for meals	1,838,130	1,911,034	1,872,126	2,209,965	2,116,323	1,991,058
Other	2,364,915	1,712,901	4,149,588	2,767,081	2,996,682	4,008,999
State sources:						
State equalization	82,270,172	91,746,923	106,261,898	113,854,421	111,412,589	112,675,404
Revenue sharing	789,507	773,005	824,137	830,587	818,245	825,408
Professional Improvement Program	429,055	340,096	370,052	335,719	288,376	267,915
State contribution for teacher retirement	50,937	38,488	50,405	42,037	36,710	50,835
Restricted grants-in-aid	3,759,694	3,692,401	5,479,713	6,047,855	3,541,374	1,697,665
Federal sources						
Federal programs	18,558,445	16,427,319	16,741,535	16,866,205	26,428,708	28,690,811
Other federal support	600,172	772,226	613,775	773,287	899,297	373,111
Total revenues	<u>163,341,852</u>	<u>171,218,556</u>	<u>193,244,032</u>	<u>201,769,517</u>	<u>204,957,365</u>	<u>210,465,394</u>
Expenditures:						
Current:						
Instructional services:						
Regular programs	59,222,684	66,743,502	75,845,650	76,967,595	73,077,397	71,302,195
Special education programs	16,729,939	17,536,087	19,971,763	21,039,702	21,369,112	20,648,376
Vocational programs	1,101,874	1,245,105	1,506,303	1,786,219	2,082,934	2,719,411
Other instructional programs	1,839,801	2,054,941	2,025,318	1,878,312	2,328,212	8,870,395
Special programs	4,565,347	4,141,145	4,785,580	5,189,276	6,425,692	5,517,414
Adult/continuing education	514,730	476,376	538,672	485,621	676,763	1,282,272
Support services:						
Pupil support services	5,198,267	5,607,341	7,520,805	7,985,353	8,598,873	11,615,744
Instructional staff support services	7,346,988	7,899,388	10,784,673	10,891,016	11,963,491	12,827,388
General administration	1,243,683	1,272,117	2,239,831	953,302	1,174,872	1,767,901
School administration	8,574,584	9,371,706	10,341,364	10,728,248	10,865,993	11,862,860
Business services	2,532,636	2,277,207	3,479,985	2,959,484	2,809,793	3,072,795
Plant services	14,937,519	17,122,393	18,356,302	22,319,078	20,888,151	22,411,844
Student transportation services	6,651,846	8,585,612	9,554,980	9,542,681	9,049,620	10,257,936
Central services	1,941,455	2,489,823	3,415,570	3,023,820	2,538,344	2,976,100
Noninstructional services:						
Food service operations	9,006,394	9,756,952	10,816,797	11,256,455	11,220,125	11,110,853
Community service programs	53,903	58,343	62,908	69,634	72,845	75,034
Facility acquisition and construction	4,895,379	6,056,011	8,602,385	12,789,072	26,024,879	17,419,393
Debt Service:						
Principal	7,125,000	4,900,000	5,430,000	6,335,000	7,195,000	7,800,000
Interest	5,265,616	4,734,117	4,933,275	5,829,191	5,670,192	5,648,150
Bond issuance and other charges	502,099	8,078	221,694	469,226	82,552	203,769
Total expenditures	<u>159,249,744</u>	<u>172,336,244</u>	<u>200,433,855</u>	<u>212,498,285</u>	<u>224,114,840</u>	<u>229,389,830</u>
Excess (deficiency) of revenues over expenditures	<u>4,092,108</u>	<u>(1,117,688)</u>	<u>(7,189,823)</u>	<u>(10,728,768)</u>	<u>(19,157,475)</u>	<u>(18,924,436)</u>
Other financing sources (uses)						
Proceeds from sale of assets	68,057	6,811	14,826	22,654	6,330	9,568
General obligation bonds issued	21,745,000	-	20,000,000	9,785,000	9,200,000	-
Revenue bonds issued	8,280,000	-	11,950,000	34,490,000	10,000,000	8,545,000
Limited tax certificates of indebtedness issued	-	-	-	-	-	-
Bond premium	4,941	-	86,629	108,130	10,324	225,486
Bond discount	(1,674)	-	-	-	-	-
Payments to refunded debt escrow agent - principal	(28,675,000)	-	-	(28,460,000)	-	(8,110,000)
Payments to refunded debt escrow agent - interest	(979,440)	-	-	(914,465)	-	(684,091)
Transfers in	6,840,319	7,079,832	8,113,111	11,939,994	8,420,912	8,812,447
Transfers out	(7,590,319)	(7,079,832)	(8,113,111)	(12,539,994)	(11,381,332)	(8,817,447)
Total other financing sources(uses)	<u>(308,116)</u>	<u>6,811</u>	<u>32,051,455</u>	<u>14,431,319</u>	<u>16,256,234</u>	<u>(19,037)</u>
Special item						
Proceeds from sale of "old" Claiborne School	-	-	1,619,501	-	-	-
Net change in fund balances	<u>\$ 3,783,992</u>	<u>\$ (1,110,877)</u>	<u>\$ 26,481,133</u>	<u>\$ 3,702,551</u>	<u>\$ (2,901,241)</u>	<u>\$ (18,943,473)</u>
Debt service as a percentage of noncapital expenditures	<u>8.43%</u>	<u>5.89%</u>	<u>5.65%</u>	<u>6.40%</u>	<u>6.54%</u>	<u>6.60%</u>

<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
\$ 22,918,397	\$ 24,574,366	\$ 26,372,158	\$ 26,887,519
39,402,765	41,309,080	42,487,472	44,750,653
436,428	172,715	398,169	452,966
-	-	221,680	-
1,919,605	1,709,836	1,604,101	1,353,443
4,443,528	2,808,949	3,457,556	4,870,952
117,404,761	119,870,315	119,363,297	122,857,260
823,218	819,824	817,682	822,633
213,606	169,256	128,780	106,377
45,574	35,913	29,185	32,000
1,661,456	1,352,806	4,672,869	1,753,353
24,428,892	20,301,193	19,965,095	20,836,366
447,921	623,569	430,290	480,337
<u>214,146,151</u>	<u>213,747,822</u>	<u>219,948,334</u>	<u>225,203,859</u>
75,907,636	68,694,241	72,480,720	73,797,595
18,615,381	17,508,868	17,653,505	17,628,891
2,033,725	1,956,087	2,975,790	3,206,027
8,318,212	8,223,777	8,321,473	9,938,718
4,531,387	4,365,606	4,015,928	4,262,997
1,304,434	62,185	28,210	30,034
11,843,140	11,618,077	12,312,112	12,858,252
14,489,597	13,335,306	14,975,094	16,102,419
1,867,446	1,930,376	1,919,528	2,075,284
12,735,746	13,384,303	13,928,106	14,077,096
2,978,171	2,647,426	2,799,322	2,919,070
20,255,992	19,012,324	20,857,253	22,275,412
10,750,769	10,563,937	11,381,836	11,017,725
3,032,849	2,936,933	3,343,668	3,118,101
12,106,660	11,810,802	12,266,220	12,637,916
77,826	42,823	28,351	28,351
9,814,721	9,284,259	5,531,933	10,426,801
8,545,000	7,030,000	7,330,000	9,715,000
5,561,120	5,569,316	5,341,015	5,343,831
83,990	13,552	25,152	367,859
<u>224,853,802</u>	<u>209,990,198</u>	<u>217,515,216</u>	<u>231,827,379</u>
<u>(10,707,651)</u>	<u>3,757,624</u>	<u>2,433,118</u>	<u>(6,623,520)</u>
42,785	89,200	10,352	6,591
19,300,000	-	-	37,730,000
-	-	-	-
-	-	-	15,000,000
-	-	-	2,519,394
169,222	-	-	-
-	-	-	(8,860,000)
-	-	-	(376,239)
8,852,037	6,683,750	10,585,082	8,398,398
<u>(9,199,437)</u>	<u>(7,983,750)</u>	<u>(10,785,082)</u>	<u>(8,198,398)</u>
<u>19,164,607</u>	<u>(1,210,800)</u>	<u>(189,648)</u>	<u>46,219,746</u>
-	-	-	-
<u>\$ 8,456,956</u>	<u>\$ 2,546,824</u>	<u>\$ 2,243,470</u>	<u>\$ 39,596,226</u>
<u>6.63%</u>	<u>6.29%</u>	<u>6.01%</u>	<u>7.06%</u>

**Ouachita Parish School Board
Monroe, Louisiana**

**Assessed and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years
(modified accrual basis of accounting)
(Unaudited)**

Tax Year	Land	Residential Improvements	Commercial Improvements	Personal Property	Public Service
2005	\$116,740,353	\$303,105,170	\$127,465,977	\$275,307,878	\$74,781,990
2006	\$120,779,114	\$320,586,511	\$125,912,134	\$265,893,150	\$73,453,830
2007	\$126,262,402	\$340,015,911	\$135,330,723	\$272,370,750	\$75,445,900
2008	\$133,449,761	\$358,071,326	\$141,557,016	\$277,514,651	\$88,959,070
2009	\$133,549,060	\$371,977,000	\$151,843,082	\$279,992,105	\$112,809,080 (5)
2010	\$135,872,084	\$383,359,226	\$154,432,765	\$276,193,059	\$126,189,090
2011	\$138,786,346	\$397,342,866	\$157,521,480	\$264,931,041	\$143,536,270
2012	\$142,199,000	\$406,222,613	\$160,846,779	\$275,103,862	\$154,068,460
2013	\$144,496,862	\$416,489,923	\$162,114,785	\$277,883,254	\$189,722,870
2014	\$148,134,483	\$425,896,195	\$166,020,288	\$276,837,818	\$188,439,220

Source: Ouachita Parish Assessor's Office

- (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:
Does not include exempt assessed valuations as follows:

	<u>2014</u>	<u>2013</u>	<u>2012</u>
Churches, schools, government	\$171,256,170	\$174,068,903	\$163,004,667
Manufacturer	\$384,794	\$384,794	\$384,794
- (4) The West Ouachita Bond District 2001 General Obligation bonds were paid out in 2005-06 and the tax was discontinued in 2006-07.
- (5) 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.

Tax Exempt Real Property	Taxable Assessed Value (1) (3)	Total Direct Tax Rate	Total Estimated Actual Value	Total Taxable Assessed Value as a Percentage of Total Estimated Actual Value (2)
(185,217,275)	\$712,184,093	67.26	\$6,474,400,845	11%
(189,321,549)	\$717,303,190 (4)	59.33	\$6,520,938,091	11%
(191,533,476)	\$757,892,210	59.33	\$6,889,929,182	11%
(197,223,053)	\$802,328,771	59.33	\$7,293,897,918	11%
(199,759,353)	\$850,410,974	59.33	\$7,731,008,855	11%
(202,146,476)	\$873,899,748	59.33	\$7,944,543,164	11%
(204,782,239)	\$897,335,764	59.33	\$8,157,597,855	11%
(205,149,153)	\$933,291,561	59.33	\$8,484,468,736	11%
(206,318,602)	\$984,389,092	59.33	\$8,948,991,745	11%
(205,812,997)	\$999,515,007	59.33	\$9,086,500,064	11%

**Ouachita Parish School Board
Monroe, Louisiana**

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

Tax Year	Direct Rates (3)(A)								Other
	Maintenance and Operation Tax	Constitutional Tax	Debt Service Tax	Total School Taxes	Town Sterlington Municipal	Town Richwood Municipal	City West Monroe Operating (B)	Parish Inside/Outside City Operating (2)	
					(C)	(C)	(C)	(C)	
Tax Rates (mills per dollar)									
2005	24.09	5.17	38.00	67.26	9.15	16.17	8.53	2.03/4.06	
2006	24.15	5.18	30.00	59.33 (5)	9.15	16.39	8.62	2.03/4.06	
2007	24.15	5.18	30.00	59.33	9.15	16.46	8.62	2.03/4.06	
2008	24.15	5.18	30.00	59.33	9.15	16.45	8.62	2.09/4.18	
2009	24.15	5.18	30.00	59.33	9.15	16.20	8.62	2.09/4.18	
2010	24.15	5.18	30.00	59.33	9.15	16.20	8.62	2.09/4.18	
2011	24.15	5.18	30.00	59.33	9.15	16.20	8.62	2.09/4.18	
2012	24.15	5.18	30.00	59.33	9.25	16.46	8.53	2.08/4.16	
2013	24.15	5.18	30.00	59.33	9.25	26.34 (11)	8.53	2.08/4.16	
2014	24.15	5.18	30.00	59.33	9.25	26.34	8.53	2.08/4.16	

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.

Source:

(A) - Ouachita Parish School Board

(B) - City of West Monroe

(C) - Ouachita Parish Assessor - Grand Recapitulation

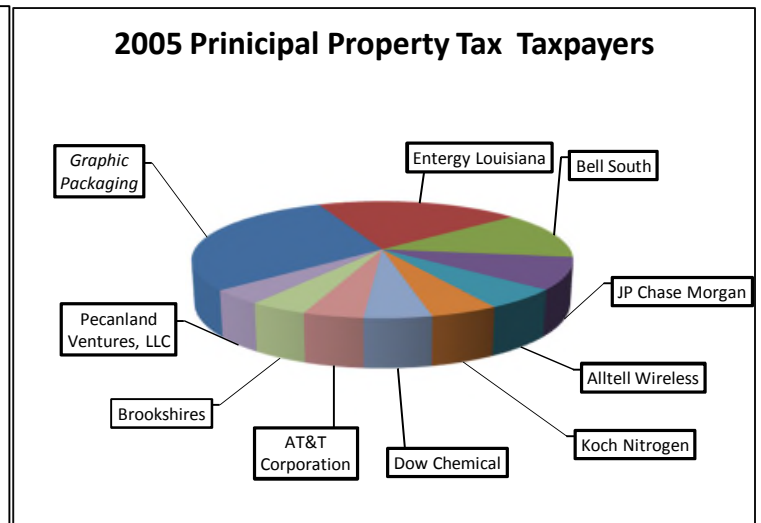
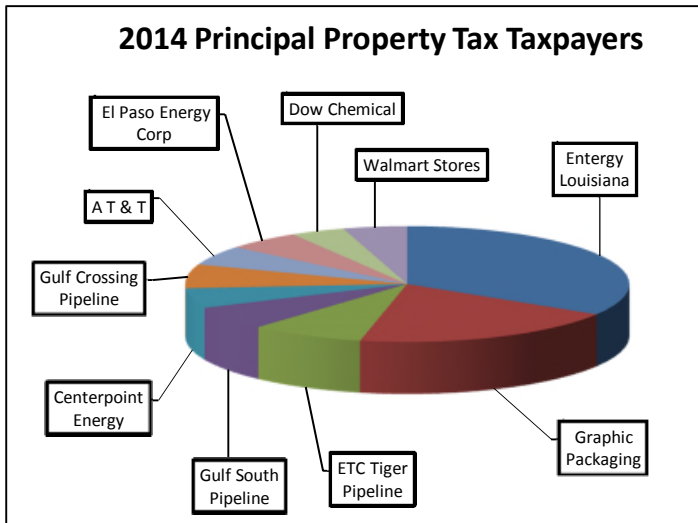
Applicable Taxes			Overlapping Rates				
Fire Maintenance (C)	East Ouachita Recreation (C)	Other (4) (C)	Parish				
			Law Enforcement (C)	Library Maintenance (C)	Jail Extension (C)	Debt Service (C)	Other (1) (C)
19.24	7.32	7.69	11.52	7.38	12.40	1.50	10.87
19.24	7.50	7.81	12.11	7.38	8.19 (6)	1.90	11.45
19.24	7.50	7.81	12.11	7.38	9.20 (7)	1.90	11.45
19.11	7.50	5.00	11.99	7.50	9.10	1.15	11.13
19.11	7.50	6.80	11.99	7.50	9.10	1.30	8.96 (8)
19.11	7.50	5.00	12.11	7.50	9.10	0.00 (9)	8.96
19.11	7.50	3.00 (10)	12.11	7.50	9.10	0.00	8.27
19.00	7.48	3.00	12.11	7.47	9.20	0.00	8.23
19.00	7.48	8.00 (10)	12.11	7.47	9.20	0.00	7.75
19.00	7.48	8.00	12.11	7.47	9.20	0.00	8.06

- (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) The West Ouachita Bond District 2001 General Obligation bonds were paid out in 2005-06 and the tax was discontinued in 2006-07 by the School Board.
- (6) The jail tax was not renewed by the Ouachita Parish Police Jury for the 2006 tax roll.
- (7) A new jail tax was passed for .60 mills and was levied on the 2007 tax roll.
- (8) The 3.0 mill levee district tax expired.
- (9) West Ouachita Sewerage Bond was paid off in the prior year
- (10) 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.
- (11) The Town of Richwood increased Police, Maintenance & Recreation Tax to 20.22 mills.

**Ouachita Parish School Board
Monroe, Louisiana**

**Parish of Ouachita
Principal Property Tax Taxpayers
Current Year and Nine Years Ago
(Unaudited)**

Taxpayer	Type of Business	Rank	2014-15		Rank	2005-06	
			2014 Assessed Value	Percentage of Total Taxable Assessed Value		2005 Assessed Value	Percentage of Total Taxable Assessed Value
Entergy Louisiana	Utility	1	\$ 75,760,782	8.67%	2	\$ 29,302,534	4.11%
Graphic Packaging, Inc	Manufacturing	2	44,011,343	5.04%	1	\$ 42,658,817	5.99%
ETC Tiger Pipeline	Oil & Gas	3	18,560,820	2.12%		-	-
Gulf Crossing Pipeline	Oil & Gas	4	14,933,170	1.71%		-	-
Gulf South Pipeline	Oil & Gas	5	14,756,700	1.69%		-	-
El Paso Energy Corporation	Oil & Gas	6	12,497,910	1.43%		-	-
Centerpoint Energy	Oil & Gas	7	12,301,590	1.41%		-	-
AT&T Corporation	Communications	8	12,175,740	1.39%	8	\$6,267,319	0.88%
Dow Chemical	Manufacturing	9	10,467,969	1.20%	7	\$7,008,376	0.98%
Walmart Stores	Retail	10	8,867,502	1.01%		-	-
Alltel Wireless	Telephone		-	-	5	8,129,694	1.14%
Bell South	Utility		-	-	3	18,885,845	2.65%
JP Morgan Chase Bank	Banking		-	-	4	12,675,109	1.78%
Koch Nitrogen	Chemical Products		-	-	6	7,030,450	0.99%
Brookshires	Grocery		-	-	9	6,053,138	0.85%
Pecanland Ventures, LLC	Retail		-	-	10	5,759,874	0.81%
			<u>\$ 224,333,526</u>	<u>25.67%</u>		<u>\$ 143,771,156</u>	<u>20.18%</u>



Notes:

- (1) Name change of company.
- (2) Purchased by another company.

Source: Ouachita Parish Assessor

**Ouachita Parish School Board
Monroe, Louisiana**

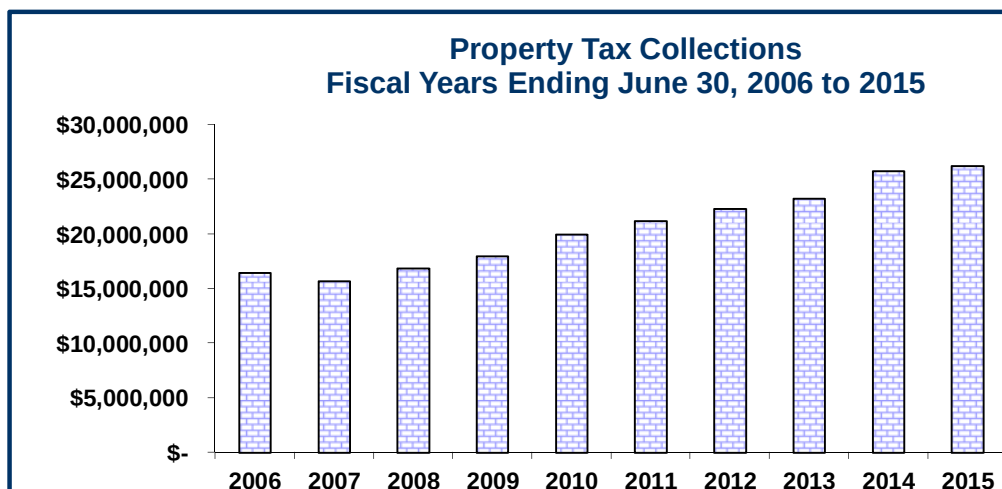
**Property Tax Levies and Collections
Last Ten Fiscal Years
(Unaudited)**

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year (1)(A)	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years (B)	Total Collections to Date	
		Amount(B)	Percentage of Levy		Amount	Percentage of Levy
2006	\$ 16,788,922	\$ 16,456,779	98.0%	\$10,218	\$ 16,466,997	98.1%
2007	\$ 15,863,263 (2)	\$ 15,683,450	98.9%	\$15,718	\$ 15,699,169	99.0%
2008	\$ 17,125,075	\$ 16,823,505	98.2%	\$29,880	\$ 16,853,385	98.4%
2009	\$ 18,347,171	\$ 17,979,179	98.0%	\$6,376	\$ 17,985,555	98.0%
2010	\$ 20,268,407	\$ 19,923,475	98.3%	\$85,815	\$ 20,009,290	98.7%
2011	\$ 21,619,054	\$ 21,189,992	98.0%	\$14,192	\$ 21,204,184	98.1%
2012	\$ 22,504,305	\$ 22,062,068	98.0%	\$252,721 (3)	\$ 22,314,789	99.2%
2013	\$ 23,912,045	\$ 23,170,075	96.9%	\$93,460	\$ 23,263,535	97.3%
2014	\$ 26,048,592	\$ 25,780,101	99.0%	\$6,914	\$ 25,787,015	99.0%
2015	\$ 26,560,992	\$ 26,223,700	98.7%	\$57,852	\$ 26,281,552	98.9%

Notes:

- (1) – “Taxes Levied for the Fiscal Year” represents the original tax levy and is the amount to be paid by the Taxpayer, less pension payment deductions required by state law. After the original tax roll has been levied, the Assessor may make adjustments to the original assessments with the approval of the Louisiana Tax Commission.
- (2) – The West Ouachita Bond District 2001 General Obligation bonds were paid out in 2005-06 and the tax was discontinued in 2006-07.
- (3) – Received payment for settlement of back taxes from pipeline transmission taxpayers.

The amounts to be paid by the taxpayer are ultimately collected in full except for adjustments due to assessment errors and delayed homestead exemptions. The amount paid by the State Treasurer for homestead exemption is based on an appropriation formula by the State of Louisiana.



Source:

- (A) - Ouachita Parish Tax Assessor
(B) - Ouachita Parish School Board

**Ouachita Parish School Board
Monroe, Louisiana**

**Parish of Ouachita
Principal Sales Tax Taxpayers
Current Year and Nine Years Ago
(Unaudited)**

Special Revenue Fund - District No. 1 Maintenance & Operating Sales Tax

Taxpayer	Type of Business	2014-15			2005-06		
		Rank	Total Collections	Percentage of Total Collections	Rank	Total Collections	Percentage of Total Collections
Wal-Mart Supercenter	Retail	1	\$ 4,968,350	8.33%	1	\$ 5,658,166	12.60%
Academy Sports & Outdoors	Retail	2	1,430,919	2.40%		-	-
Graphic Packaging International	Manufacturing	3	1,325,794	2.22%	2	1,358,231	3.02%
Super 1 Foods	Grocery	4	1,302,434	2.18%	3	1,058,197	2.36%
Brookshires	Grocery	5	1,034,239	1.73%	6	593,535	1.32%
Angus Chemical Company	Chemical	6	733,591	1.23%	4	940,059	2.09%
Louisiana CVS Pharmacy, LLC	Pharmacy	7	499,827	0.84%		-	-
Hobby Lobby Creative Ctr #101	Retail	8	494,997	0.83%		-	-
Entergy Louisiana, LLC	Utilities	9	484,158	0.81%		-	-
Superior Paint & Drywall	Building Supply	10	428,796	0.72%	8	449,507	1.00%
Guide Louisiana	Manufacturing		-	-	5	798,227	1.78%
Office Depot #334	Building Supply		-	-	9	399,368	0.89%
Walgreens #06274	Pharmacy		-	-	7	475,811	1.06%
Eckerd Drugs	Pharmacy		-	-	10	389,756	0.87%
			<u>\$ 12,703,105</u>	<u>21.29%</u>		<u>\$ 12,120,857</u>	<u>26.98%</u>
Total collections for taxing district			<u>\$ 59,665,780</u>			<u>\$ 44,919,514</u>	

Special Revenue Fund - West Ouachita Sales Tax

Taxpayer	Type of Business	2014-15			2005-06		
		Rank	Total Collections	Percentage of Total Collections	Rank	Total Collections	Percentage of Total Collections
Wal-Mart Supercenter	Retail	1	\$ 9,936,701	9.76%	1	\$ 11,316,332	15.70%
Academy Sports & Outdoors	Retail	2	2,861,689	2.81%		-	-
Graphic Packaging International	Manufacturing	3	2,651,530	2.60%	2	2,344,186	3.25%
Super 1 Foods	Grocery	4	2,604,869	2.56%	3	2,116,394	2.94%
Brookshires	Grocery	5	2,068,479	2.03%	4	1,187,071	1.65%
Louisiana CVS Pharmacy, LLC	Pharmacy	6	999,653	0.98%		-	-
Hobby Lobby #101	Retail	7	989,994	0.97%		-	-
Mac's Fresh Market	Grocery	8	854,839	0.84%		-	-
Walgreens #06274	Pharmacy	9	847,111	0.83%	5	951,624	1.32%
Voith Paper Fabric & Roll Sys	Building supplies	10	819,938	0.81%		-	-
Office Depot #693	Pharmacy		-	-	6	794,581	1.10%
Superior Paint & Drywall	Building supplies		-	-	8	748,442	1.04%
Voith Paper Fabric & Roll Sys	Building supplies		-	-	10	517,396	0.72%
Eckerd Drugs	Pharmacy		-	-	7	779,514	1.08%
Tyner Petrus Co Inc	Retail		-	-	9	549,105	0.76%
			<u>\$ 24,634,803</u>	<u>24.20%</u>		<u>\$ 21,304,645</u>	<u>29.55%</u>
Total collections for taxing district			<u>\$ 101,812,888</u>			<u>\$ 72,095,465</u>	

Source: City of Monroe - Taxation and Revenue

**Ouachita Parish School Board
Monroe, Louisiana**

**Ratios of Outstanding Debt, By Type
Last Ten Fiscal Years
(Unaudited)**

Fiscal Year June 30	General Obligation Bonds	Revenue Bonds	Limited Tax Certificates of Indebtedness (2)	Qualified School Construction Bonds	Unamortized Net Bond Premiums (Discounts)	Total Outstanding Debt	Percentage of Personal Income (1)	Per Capita Income
2006	\$37,785,130	\$56,857,487	\$11,025,000	\$0	(\$20,951)	\$105,646,666	2.27%	\$704
2007	\$36,644,055	\$55,085,615	\$9,405,000	\$0	(\$20,960)	\$101,113,710	2.09%	\$675
2008	\$55,182,982 (3)	\$65,133,743 (4)	\$7,705,000	\$0	(\$5,018)	\$128,016,707	2.52%	\$844
2009	\$63,241,907 (5)	\$68,175,618 (6)(7)	\$5,920,000	\$0	\$113,488	\$137,451,013	2.68%	\$898
2010	\$70,235,000 (8)	\$65,301,692 (9)	\$4,040,000	\$10,000,000 (9)	\$105,433	\$149,682,125	2.93%	\$972
2011	\$67,650,000	\$62,379,024 (10)	\$2,070,000	\$10,000,000	\$305,348	\$142,404,372	2.68%	\$921
2012	\$83,950,000 (11)	\$68,953,546	\$0	\$10,000,000	\$442,364	\$163,345,910	2.93%	\$1,051
2013	\$80,525,000	\$55,905,000	\$0	\$10,000,000	\$410,158	\$146,840,158	2.52%	\$941
2014	\$76,925,000	\$52,175,000	\$0	\$10,000,000	\$377,952	\$139,477,952	2.29%	\$890
2015	\$101,625,000 (12)	\$48,315,000	\$13,315,000 (13)	\$10,000,000	\$2,614,553	\$175,869,553	2.75%	\$1,055

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.

(2) - School District No. 1 issued Limited Tax Certificates of Indebtedness in 2002 for \$7 million and in 2003 for \$9 million

(3) - The East Ouachita Bond District issued \$20 million general obligation bonds

(4) - The West Ouachita Bond District issued revenue bonds totaling \$11,950,000

(5) - The East Ouachita Bond District issued \$9.785 million general obligation bonds

(6) - The West Ouachita Bond District issued revenue bonds totaling \$5 million

(7) - The West Ouachita Bond District refinanced the 1998 and 1999 series revenue bonds

(8) - The East Ouachita Bond District issued \$9.2 million general obligation bonds

(9) - School District No. 1 issued Qualified School Construction Bonds (QSCB) totaling \$10 million

(10) - The West Ouachita Bond District refinanced the 2001 and 2002 series revenue bonds

(11) - The East Ouachita Bond District issued \$19.3 million in general obligation bonds

(12) - The East Ouachita Bond District issued \$28.5 million in general obligation bonds and refinanced the 2005 series general obligation bonds

(13) - School District No. 1 issued \$15,000,000 in Limited Tax Certificates of Indebtedness for capital spending in the West school district.

Source - Ouachita Parish School Board

**Ouachita Parish School Board
Monroe, Louisiana**

**Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years
(Unaudited)**

Fiscal Year Jun 30	General Obligation Bonds	Less: Amounts Available in Debt Service Fund (3)	Total Net Debt	Percentage of Estimated Actual Taxable Value (1) of Property	Per Capita (2)
2006	\$37,785,130	(\$2,705,230)	\$35,079,900	0.54%	\$234
2007	\$36,644,055	(\$3,732,086)	\$32,911,969	0.50%	\$219
2008	\$55,182,982 (4)	(\$4,629,896)	\$50,553,086 (4)	0.73%	\$336
2009	\$63,241,907 (5)	(\$4,651,919)	\$58,589,988 (5)	0.80%	\$386
2010	\$70,235,000 (6)	(\$4,731,378)	\$65,503,622 (6)	0.85%	\$426
2011	\$67,650,000	(\$4,782,819)	\$62,867,181	0.79%	\$406
2012	\$83,950,000 (7)	(\$4,865,456)	\$79,084,544 (7)	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 (8)	(\$6,135,643)	\$95,489,357	1.05%	\$607

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 Assessed Value and Estimated Actual Value of Taxable Property for property value data.
- (2) - Population data can be found in the Schedule of Demographic and Economics Statistics.
- (3) - Outstanding debt represents East Ouachita Bond District bonds. Amounts in the West Ouachita Bond District Debt Service Fund are not available to meet the East Ouachita Bond District debt.
- (4) - The East Ouachita Bond District issued \$20 million general obligation bonds in 2007-08.
- (5) - The East Ouachita Bond District issued \$9.785 million general obligation bonds in 2008-09.
- (6) - The East Ouachita Bond District issued \$9.2 million general obligation bonds in 2009-10.
- (7) - The East Ouachita Bond District issued \$19.3 million in general obligation bonds in 2011-12.
- (8) - The East Ouachita Bond District issued \$28.5 million in general obligation bonds approved by voters in April 2014 and refinanced the 2005 series general obligation bonds.

Source - Ouachita Parish School Board

**Ouachita Parish School Board
Monroe, Louisiana**

**Direct and Overlapping Governmental Activities Debt
June 30, 2015
(Unaudited)**

Governmental Unit	Gross Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
Debt repaid with property taxes : None			
Debt repaid with sales taxes: City of West Monroe (1), (3):			
Bonded debt	\$33,058,653	100.00%	<u>\$ 33,058,653</u>
Ouachita Parish School Board direct debt (2)			175,869,553
Total direct and overlapping debt			<u><u>\$ 208,928,206</u></u>

Source:

(1) City of West Monroe.

(2) Debt applicable to the School Board.

(3) 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.

Notes:

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, the Town of Richwood, and the Town of Sterlington. These governmental units do not have any outstanding long-term debt related to governmental-type activities at June 30, 2015.

**Ouachita Parish School Board
Monroe, Louisiana**

**Legal Debt Margin Information
Last Ten Fiscal Years
(Unaudited)**

Fiscal Year	Debt Limit	Total Net Debt Applicable to Limit	Legal Debt Margin	Total Net Debt to the Limit as a Percentage of Debt Limit
2006	\$63,608,357	\$38,630,000	\$24,978,357	60.73%
2007	\$67,023,823	\$37,235,000	\$29,788,823	55.55%
2008	\$71,072,929	\$55,520,000 (1)	\$15,552,929	78.12%
2009	\$73,896,626	\$63,325,000 (2)	\$10,571,626	85.69%
2010	\$82,098,122	\$70,235,000 (3)	\$11,863,122	85.55%
2011	\$88,336,770	\$67,650,000	\$20,686,770	76.58%
2012	\$92,529,133	\$83,950,000 (4)	\$8,579,133	90.73%
2013	\$97,705,653	\$80,525,000	\$17,180,653	82.42%
2014	\$107,447,992	\$76,925,000	\$30,522,992	71.59%
2015	\$109,584,638	\$101,625,000 (5)	\$7,959,638	92.74%

- (1) - The East Ouachita Bond District sold \$20 million in general obligation bonds
(2) - The East Ouachita Bond District sold \$9.785 million in general obligation bonds
(3) - The East Ouachita Bond District sold \$9.2 million in general obligation bonds
(4) - The East Ouachita Bond District sold \$19.3 million in general obligation bonds
(5) - The East Ouachita Bond District sold \$28.5 million in general obligation bonds

**Legal Debt Margin Calculation for the Fiscal Year
Ended June 30, 2015**

	East Ouachita
Debt limit of 35% of total assessed value, excluding the City of Monroe	\$ 109,584,638
Less total outstanding General Obligation bonded debt of the School Board	(101,625,000)
Legal debt margin of the School Board	<u>\$ 7,959,638</u>

Notes:

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.

Source - Ouachita Parish School Board

**Ouachita Parish School Board
Monroe, Louisiana**

**Pledged Revenue Coverage
Last Ten Fiscal Years
(Unaudited)**

Fiscal Year	Sales Tax Collections	Revenue Bonds (1)			Limited Tax Certificates of Indebtedness (2)			Total Debt Service	Coverage
		Principal	Debt Service Interest	Total	Principal	Debt Service Interest	Total		
2006 (3)	\$8,788,926 (4)	\$9,186,872	\$2,875,110	\$12,061,982	\$1,545,000	\$458,676	\$2,003,676	\$14,065,658	0.62
2007	\$9,161,481	\$1,771,872	\$2,676,265	\$4,448,137	\$1,620,000	\$405,876	\$2,025,876	\$6,474,013	1.42
2008	\$9,825,039 (5)	\$1,901,872 (5)	\$2,792,459	\$4,694,331	\$1,700,000	\$350,526	\$2,050,526	\$6,744,857	1.46
2009	\$10,096,035 (6)(7)	\$2,570,000 (6)(7)	\$3,036,529	\$5,606,529	\$1,785,000	\$292,426	\$2,077,426	\$7,683,955	1.31
2010 (8)	\$9,287,183 (9)	\$3,025,000 (9)	\$2,659,635	\$5,684,635	\$1,880,000	\$229,455	\$2,109,455	\$7,794,090	1.19
2011	\$9,953,695 (10)	\$3,245,000 (10)	\$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	\$82,610	\$2,152,610	\$8,028,990	1.31
2013	\$10,966,646	\$3,605,000	\$2,270,603	\$5,875,603	\$0	\$0	\$0	\$5,875,603	1.87
2014	\$11,363,995	\$3,730,000	\$2,092,259	\$5,822,259	\$0	\$0	\$0	\$5,822,259	1.95
2015	\$11,861,397	\$3,860,000	\$1,965,571	\$5,825,571	\$1,685,000 (11)	\$370,470 (11)	\$2,055,470	\$7,881,041	1.51

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) - Sales tax increased due to displaced persons from hurricanes Rita and Katrina moving into the parish and a large tax settlement.
- (4) - Series 2000 revenue bonds for \$10 million were advance refunded in 2006.
- (5) - Issued \$11.975 million revenue bonds in 2007-08.
- (6) - Issued \$5 million revenue bonds in 2008-09.
- (7) - Series 1998 and 1999 revenue bonds for \$25 million and \$20 million, respectively were advance refunded in 2009.
- (8)- Sales tax collections decreased in 2009-10 due to a decline in the local economy.
- (9)- Issued \$10 million revenue bonds in 2009-10.
- (10)- Series 2001 and 2002 revenue bonds for \$10.07 million and \$3.43 million, respectively, were partially advance refunded in 2010-11.
- (11) - 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.

Source - Ouachita Parish School Board

**Ouachita Parish School Board
Monroe, Louisiana**

**Demographic and Economics Statistics (1)
Last Ten Fiscal Years
(Unaudited)**

Fiscal Year	Population (2)	Personal Income	Per Capita Personal Income (2)	Median Age (2)	Public School Enrollment (3)	University Enrollment (2)	Unemployment Rate (4)
2006	150,054	\$ 4,654,795,000	\$31,034	34.7	18,517	8,571	3.90%
2007	149,959	\$ 4,834,743,000	\$32,257	33.5	18,754	8,541	4.40%
2008	150,433	\$ 5,070,311,000	\$33,417	34.0	18,660	8,767	4.70%
2009	151,633	\$ 5,125,130,000	\$33,485	38.1	19,069	9,004	6.90%
2010	153,720	\$ 5,111,710,000	\$33,207	33.5	19,505	8,858	8.00%
2011	154,678	\$ 5,317,902,000	\$34,380	34.1	19,828	8,515	7.50%
2012	155,313	\$ 5,566,642,000	\$35,830	34.2	19,869	8,626	6.40%
2013	156,220	\$ 5,827,161,000	\$37,342	34.5	20,124	9,688	6.80%
2014	157,442	\$ 6,099,872,000	\$38,918	34.6	20,130	8,527	6.50%
2015	157,415	\$ 6,385,345,000	\$38,309	34.8	19,809	8,854	6.60%

Notes:

(1) - All information is parishwide except where noted.

Sources:

(2) - Northeast Louisiana Economic Partnership (www.nlep.org)

(3) - Louisiana Department of Education - SIS

(4) - Louisiana Workforce Commission (Bureau of Labor Statistics-prior to 2014)

**Ouachita Parish School Board
Monroe, Louisiana**

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

Employer	2014-15			2005-06		
	Employees (1)	Rank	Percentage of Total Employment In School District Jurisdiction	Employees (2)	Rank	Percentage of Total Employment In School District Jurisdiction
Ouachita Parish School Board	2,813	1	4.13%	2,769	1	4.10%
St. Francis Medical Center	2,219	2	3.25%	2,485	2	3.68%
CenturyLink	2,100	3	3.08%	1,470	6	2.18%
JP Morgan Chase (4)	2,100	4	3.08%	1,800	3	2.66%
Monroe City School Board	1,346	5	1.97%	1,400	7	2.07%
Wal-Mart Stores, Inc.	1,206	6	1.77%			
City of Monroe	1,200	7	1.76%	1,200	8	1.78%
Graphic Packaging (4)	1,167	8	1.71%	1,500	5	2.22%
University of Louisiana at Monroe	1,100	9	2.46%	1,200	4	1.78%
IASIS Healthcare Corporation (5)	950	10	1.39%	1,100	9	1.63%
LA Dept.of Health and Hospitals (6)	-			937	10	1.39%
Employed in Ouachita Parish (3)			68,185			67,555

Notes:

Source:

(1) - Monroe Chamber of Commerce - Relocation Guide

(2) - Ouachita Economic Development Corporation

(3) - Louisiana Workforce Commission - Labor Market Information - Louisiana Workforce at a Glance (June)

(4) - Company changed owners

(5) - Doing business as Glenwood Regional Medical Center

(6) - Formerly E.A. Conway Medical Center

**Ouachita Parish School Board
Monroe, Louisiana**

**Full-Time Equivalent School Board Employees, By Function
Last Ten Fiscal Years
(Unaudited)**

Function	Full-time Equivalent Employees as of June 30									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
I. Regular Employees: CERTIFIED										
A. Instructional:										
Supervising Instructors	-	3	2	2	1	1	2	1	2	2
Classroom Teachers-Regular Programs	1,017	1,014	981	1,075	1,045	1,026	1,039	1,045	990	1,007
Classroom Teachers-Special Education	187	191	183	198	195	219	206	201	180	165
Classroom Teachers-Vocational Education	15	16	17	13	16	14	15	15	21	18
Classroom Teachers-Other Instructional Programs	22	24	15	16	18	-	-	7	6	5
Classroom Teachers-Special Programs	30	30	31	36	40	43	44	47	39	40
Classroom Teachers-Adult/Community Programs	-	-	4	9	9	15	21	18	20	3
Classroom Teachers-ROTC	-	-	6	7	9	9	9	9	9	8
Total Classroom Teachers	1,271	1,278	1,239	1,356	1,333	1,327	1,336	1,343	1,267	1,248
Therapist/Specialist/Counselor-Instructional Programs	-	-	-	-	-	-	-	-	2	-
Sabbatical Leave-Instructional Programs	-	-	-	-	15	11	-	14	11	14
Total Certificated-Instructional Programs	1,271	1,278	1,239	1,356	1,348	1,338	1,336	1,357	1,280	1,262
B. Instructional Support:										
Supervisors-Instructional Support Functions	45	37	37	41	31	32	29	38	54	49
Librarians/Media-based Teachers/Staff Instructors-Instr Spt	38	37	38	38	38	36	37	38	36	36
Therapist/Specialist/Counselor-Instructional Support Functions	131	136	139	142	121	123	127	128	87	86
Sabbatical Leave-Instructional Support Functions	-	-	-	-	2	-	-	-	-	1
Total Certified-Instructional Support	214	210	214	221	192	191	193	204	177	172
C. Support Services:										
Superintendents	1	1	1	1	1	1	1	1	1	1
Assistant/Associate/Deputy Superintendents	-	-	-	-	-	-	-	-	1	1
School Principals	36	36	36	36	35	34	35	35	36	36
School Assistant Principals	48	47	47	47	46	42	43	41	38	38
Other School Administrators	25	22	25	24	27	32	24	11	8	-
Sabbatical Leave-Support Services	-	-	-	-	-	1	-	-	1	3
Total Certified Support Services	110	106	109	108	109	110	103	88	85	79
Total Certified	1,595	1,594	1,562	1,685	1,649	1,639	1,632	1,649	1,542	1,513
II. Regular Employees - Non certified										
A. Instructional:										
Aide-Instructional Programs	211	211	214	258	251	245	247	250	236	236
Total Non-Certified-Instructional Programs	211	211	214	258	251	245	247	250	236	236
B. Instructional Support										
Clerical/Secretarial-Instructional Support Functions	23	19	24	26	25	23	21	18	21	18
Aide-Instructional Support Functions	19	27	26	35	31	34	33	28	27	17
Degreed Professional-Instructional Support Function	7	27	27	27	28	27	23	23	17	16
Other Personnel-Instructional Support Function	-	-	-	11	18	15	15	16	16	12
Total Non-Certified-Instructional Support	49	73	77	99	102	99	92	85	81	63
C. Support Services:										
Supervisors/Managers/Administrators-Support Services	94	92	92	94	92	92	95	92	94	87
Clerical/Secretarial-Support Services	109	131	125	130	126	128	131	131	117	118
Aide-Support Services	71	43	43	47	44	43	40	37	37	35
Service Worker-Support Services	660	662	647	703	691	704	704	665	657	641
Skilled Craftsman-Instructional Support Functions	37	37	37	36	36	34	46	44	43	42
Degreed Professional-Instructional Support Functions	37	9	9	9	11	10	10	10	9	8
Other Personnel-Instructional Support Functions	38	37	38	38	40	41	32	30	26	26
Total Non-Certified Support Services	1,046	1,011	991	1,057	1,040	1,052	1,058	1,009	983	957
Total Non-Certified	1,306	1,295	1,282	1,414	1,393	1,396	1,397	1,344	1,300	1,256
Total Non-Certified and Certified - Regular Employees	2,901	2,889	2,844	3,099	3,042	3,035	3,029	2,993	2,842	2,769

Source: Louisiana Department of Education

**Ouachita Parish School Board
Monroe, Louisiana**

**Operating Indicators, By Function
Last Ten Fiscal Years
(Unaudited)**

Function	For Fiscal Year Ended									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Instructional services:										
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 (3)	5	5	5	6	6	6	6	6	6	6
Total number of schools	<u>35</u>	<u>35</u>	<u>35</u>	<u>36</u>	<u>36</u>	<u>36</u>	<u>36</u>	<u>36</u>	<u>36</u>	<u>36</u>
Enrollment: (2)										
American Indian	14	17	14	15	17	16	12	9	12	16
Asian	235	229	185	172	162	170	167	152	142	151
Black	6,693	6,892	7,023	6,613	6,407	6,354	6,097	5,768	5,789	5,562
Hispanic	446	453	380	321	292	253	232	215	189	191
Other	2	3	1	-	-	-	-	-	-	-
White	<u>12,345</u>	<u>12,570</u>	<u>12,521</u>	<u>12,748</u>	<u>12,950</u>	<u>12,712</u>	<u>12,561</u>	<u>12,516</u>	<u>12,622</u>	<u>12,597</u>
Total student enrollment	<u>19,735</u>	<u>20,164</u>	<u>20,124</u>	<u>19,869</u>	<u>19,828</u>	<u>19,505</u>	<u>19,069</u>	<u>18,660</u>	<u>18,754</u>	<u>18,517</u>
Graduates (2)	1,169	1,124	1,097	1,039	1,048	988	1,057	995	956	943
Graduation rate	94.96%	94.64%	93.10%	94.50%	91.85%	93.21%	92.00%	92.00%	95.00%	94.00%
Cost per student (1)	\$11,747	\$10,787	\$10,435	\$11,317	\$11,569	\$11,490	\$11,144	\$10,741	\$9,189	\$8,600
Student to computer ratio (1)	0.52	0.55	0.52	0.50	0.51	0.48	0.48	0.46	0.38	0.38
Personnel:										
Teacher to student ratio	16	16	16	15	15	15	14	14	15	15
Full-time classroom teachers: (1)										
Certified teachers	1,262	1,258	1,232	1,310	1,312	1,313	1,313	1,324	1,231	1,222
Uncertified teachers	9	20	7	10	18	12	78	14	32	21
Total number of teachers	<u>1,271</u>	<u>1,278</u>	<u>1,239</u>	<u>1,320</u>	<u>1,330</u>	<u>1,325</u>	<u>1,391</u>	<u>1,338</u>	<u>1,263</u>	<u>1,243</u>
School performance scores: (2)										
Number of drop outs - high school	206	176	181	171	144	187	387	339	365	274
Drop out rate - high school	3.51%	3.05%	2.00%	1.90%	2.82%	3.50%	4.26%	1.05%	4.20%	5.00%
Number of suspensions	1,706	1,630	1,570	1,583	1,859	2,067	1,965	2,098	2,156	2,121
Suspension rate	7.90%	7.50%	7.30%	7.40%	8.80%	9.80%	9.40%	10.10%	11.50%	9.90%
Number of expulsions	-	4	-	11	51	45	52	47	90	114
Expulsion rate	0.00%	0.02%	0.00%	0.06%	0.26%	0.23%	0.27%	0.25%	0.48%	0.50%
Attendance rate	94.60%	94.90%	95.72%	96.10%	95.90%	94.70%	94.80%	94.90%	94.30%	95.00%
Support services: (1)										
Transportation:										
Number of support - mechanics, etc.	13	13	10	10	10	9	9	9	13	13
Number of bus routes	218	218	217	215	213	212	214	214	214	215
Average length of bus route - one way	18	19	19	17	16	16	17	17	17	16
Average age of bus fleet (years)	12.6	9.6	9.6	10.0	10.0	10.1	9.6	9.7	9.4	8.0
Noninstructional services: (1)										
Food service operations:										
Lunch:										
Average daily participation - students	12,714	12,864	13,244	13,438	13,601	13,596	13,451	13,663	13,319	13,181
Average daily participation - adults	607	631	656	741	761	818	848	974	909	894
Total average daily participation	<u>13,321</u>	<u>13,495</u>	<u>13,900</u>	<u>14,179</u>	<u>14,362</u>	<u>14,414</u>	<u>14,299</u>	<u>14,637</u>	<u>14,228</u>	<u>14,075</u>
Free and reduced students	9,466	9,073	9,073	8,961	8,737	8,522	7,991	7,773	7,398	7,265
Breakfast:										
Average daily participation - students	6,240	6,380	6,291	6,279	6,009	5,901	5,596	5,701	5,578	5,390
Average daily participation - adults	249	249	243	256	256	256	266	270	245	226
Total average daily participation	<u>6,489</u>	<u>6,629</u>	<u>6,534</u>	<u>6,535</u>	<u>6,265</u>	<u>6,157</u>	<u>5,862</u>	<u>5,971</u>	<u>5,823</u>	<u>5,616</u>
Free and reduced students	5,539	5,296	5,296	5,246	4,928	4,843	4,450	4,426	4,253	4,091
Percent of free and reduced of total students	58.00%	45.00%	45.09%	45.10%	44.06%	43.69%	41.91%	41.66%	39.45%	39.23%
Number of preparation sites	35	35	35	35	33	32	32	32	32	32
Cost of meals	\$3.71	\$3.61	\$3.52	\$3.49	\$3.18	\$2.99	\$3.19	\$2.93	\$2.58	\$2.46

Sources:

(1) - Ouachita Parish School Board

(2) - Louisiana Department of Education

Note (a) - In 2013 Ouachita Parish Alternative School was re-assigned as a program and is no longer classified as school under the Board of Elementary and Secondary Education

**Ouachita Parish School Board
Monroe, Louisiana**

**Operating Indicators - School Facilities
June 30, 2015
(Unaudited)**

School	Year Constructed	Year of Last Major Renovation	Square Feet	Grades	Student Capacity	Number of Students	Per Cent of Capacity Used
Boley Elementary	1951	1986	39,584	pre-k-5	432	187	43.29%
Calhoun Elementary	1930	2002	63,968	pre-k-2	735	510	69.39%
Calhoun Middle	2000	2010	96,778	6-8	660	507	76.82%
Central Elementary	1967	2003	69,815	3-5	550	485	88.18%
Claiborne Elementary	2003	2010	77,800	k-5	840	814	96.90%
Crosley Elementary	1923	2012	40,912	pre-k-k	350	244	69.71%
Drew Elementary	1951	2009	66,964	k-5	800	491	61.38%
George Welch Elementary	1989	1986	69,714	k-5	850	454	53.41%
Good Hope Middle	2002	2010	110,857	6-8	760	643	84.61%
Highland Elementary	1951	2002	48,540	k-5	570	282	49.47%
Jack Hayes Elementary	1981	2010	91,050	pre-k-5	1,050	548	52.19%
Kiroli Elementary	1956	2003	70,637	pre-k-5	542	536	98.89%
Lakeshore Elementary	1956	2009	72,536	pre-k-5	783	635	81.10%
Lenwil Elementary	1952	2003	52,600	pre-k-5	475	319	67.16%
Ouachita Alternative (1)	1957	2010	79,405	3-12	435	-	0.00%
Ouachita Parish High School	1987	2013	314,291	9-12	1,920	1,245	64.84%
Ouachita Parish Junior High	1957	2013	200,385	6-8	1,200	915	76.25%
Pinecrest Elementary	1962	2010	27,580	pre-k-8	400	237	59.25%
Richwood High	2001	2013	176,005	9-12	875	563	64.34%
Richwood Jr High	2010	-	83,100	6-8	500	461	92.20%
Riser Elementary	1952	2002	105,128	pre-k-5	420	388	92.38%
Riser Middle	1962	2008	56,243	6-8	805	466	57.89%
Riverbend Elementary	2000	2011	66,000	1-5	430	450	104.65%
Robinson Elementary	1963	2010	67,190	pre-k-6	670	446	66.57%
Shady Grove Elementary	1955	2013	62,784	pre-k-6	825	310	37.58%
Sterlington Elementary	2011	-	85,000	pre-k-5	800	685	85.63%
Sterlington Middle School	1964	2013	62,083	6-8	625	389	62.24%
Sterlington High School	2001	2010	125,810	9-12	750	323	43.07%
Swartz Lower Elementary	2003	-	63,500	k-2	520	445	85.58%
Swartz Upper Elementary	1985	2009	89,424	3-5	900	398	44.22%
Swayze Elementary	1951	2004	44,927	pre-k-6	450	284	63.11%
West Monroe High School	1954	2010	461,908	9-12	2,000	2,071	103.55%
West Ouachita High School	1989	2010	240,385	9-12	1,690	1,093	64.67%
West Ridge Middle	2002	2010	108,400	6-8	700	737	105.29%
Woodlawn Elem. and Middle	1950	2011	147,537	pre-k-8	1,380	983	71.23%
						<u>19,544</u>	

Notes - Classroom size is established by the Louisiana Department of Education, which affect the capacity of a building

(1) Students attend the Ouachita Parish Alternative education site as a program when assigned to participate by their home-based school. Therefore, this location does not show an enrollment, as students are reported in their home-based school.

Source: Ouachita Parish School Board

**Ouachita Parish School Board
Monroe, Louisiana**

**Capital Asset Statistics, By Function
Last Ten Fiscal Years
(Unaudited)**

Function	2015	2014	2013	2012	Fiscal Year (1)		2009	2008	2007	2006
					2011	2010				
Instructional services:										
Computers	10,165	11,024	10,446 (3)	10,023	10,117	9,304	9,122 (2)	8,662	7,220	7,866
Band instruments	1,069 (4)	1,044	1,041	991	961	908	864	778	710	529
Support services:										
Computers	2,738	2,323	2,100	2,005	1,777	1,841	1,849	1,503	1,087	949
Buses	245	245	250	306	304	292	288	278	262	249
Tractors and mowers	241	251	236	78	101	144	146	146	126	120
Noninstructional services:										
Food service operations:										
Computers	126	136	146	146	150	152	136	108	88	99

Notes:

(1) - Data reported represents the number of asset items in each function.

(2) - Purchased computers through construction funds to furnish new labs.

(3) - Federal programs purchase additional computers to increase computer access and instructional support for students served.

(4) - Additional band instruments were purchased from a one-time allotment from the West Ouachita Sales Tax in 2014-15.

Source: Ouachita Parish School Board

**Ouachita Parish School Board
Monroe, Louisiana**

**Insurance Coverage Data
June 30, 2015
(Unaudited)**

Coverage on property, including buildings and contents, is written on "special form." Coverage is written on a scheduled basis per the Statement of Values provided by the School Board. The insurance coverage is on a replacement cost basis with a \$200,000 deductible. No co-insurance applies. The School Board's buildings and contents were covered up to \$586,176,161 at June 30, 2015.

Statement of Values for property insurance is compiled and filed with the insurance underwriters each year to keep the amount of protection in line with the values of properties owned.

Automobile Insurance	
Bodily injury liability and property damage	\$2,000,000 each Accident
Uninsured motorist	excluded
Self-insured retention each accident	\$75,000
Comprehensive General Liability	
Broad form coverage including injury coverages and employee benefits liability	\$2,000,000 each occurrence \$3,000,000 aggregate
Self-insured retention	\$500,000 each occurrence
Excess Liability Insurance	
Excess over general, auto, school board liability and employer's liability (Not carried due to market restrictions and pricing)	None
Workers' Compensation Insurance	
Each accident	Statutory
Self insured retention	\$500,000 each accident
Excess Limit	\$1,000,000 aggregate
Minimum aggregate retention (based on a factor of actual payrolls)	\$2,802,229
Employers liability policy limits:	
Aggregate	\$1,000,000
Specific	\$1,000,000
Boiler and Machinery	
Equipment breakdown	\$70,000,000
Deductible	\$5,000
Deductible - HVAC and refrigeration systems greater than 100 HP	\$10,000
Educators' Legal Liability	
Each Claim	\$2,000,000
Aggregate	\$2,000,000
Self insured retention each claim	\$100,000
Crime & Employee Dishonesty	
Coverage limit - per occurrence	\$25,000
Deductible - per occurrence	\$1,000

Source: Ouachita Parish School Board

**Ouachita Parish School Board
Monroe, Louisiana**

**School Board Members' Compensation
June 30, 2015
(Unaudited)**

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.

<u>Board Member</u>		<u>Amount</u>
Mr. Jerry Hicks, President	District D	\$ 10,800
Mr. Carey Walker, Vice President	District F	9,600
Judge William Norris	District A	4,800
Mr. Tommy Comeaux	District A	4,800
Mr. Scott Robinson	District B	9,600
Mr. A. R. "Red" Sims	District C	9,600
Rev. John Russell	District E	9,600
Ms. Susan Spence	District G	4,800
Mr. Greg Manley	District G	4,800
Total		<u><u>\$ 68,400</u></u>

Source: Ouachita Parish School Board

Ouachita Parish School Board



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

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