

LIVINGSTON PARISH SCHOOL BOARD

**REPORT ON AUDIT OF BASIC
FINANCIAL STATEMENTS**

JUNE 30, 2022

LIVINGSTON, LOUISIANA

LIVINGSTON PARISH SCHOOL BOARD

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INDEPENDENT AUDITOR'S REPORT

President and Members of the
Livingston Parish School Board
Livingston, Louisiana

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Livingston Parish School Board (the School Board) as of and for the year ended June 30, 2022, 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.

In our opinion, the accompanying 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 Livingston Parish School Board as of June 30, 2022, and the respective changes in financial position and the respective budgetary comparison for the General Fund and Disaster Special Revenue Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the School Board and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Change in Accounting Principle

As discussed in Note 20 to the financial statements, in 2022 the School Board adopted new accounting standard, GASB Statement No. 87, *Leases*. Our opinion is not modified with respect to this matter.

Adjustment to Prior Period Financial Statements

As discussed in Note 21 to the accompanying financial statements, in the current year the School Board restated its financial statements for the year ending June 30, 2021 to restate beginning Net Position (Deficit) on the Government-Wide Financial Statements – Governmental Activities and Fund Balance on the Fund Financial Statements - Disaster Special Revenue Fund to correct an error in the prior period related to an overstatement of

accounts receivable and revenues and to correct Capital Assets, Long-term Liabilities, and Net Position (Deficit) on the Government- Wide Financial Statements - Governmental Activities to record a building capital asset addition and the related building finance agreement liability that were not recorded in a prior period. As part of our audit of the 2022 financial statements, we also audited the adjustments described in Note 21 that were applied to restate the 2021 financial statements. Our opinion on the financial statements referred to above for the year ending June 30, 2022 is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

The School Board’s management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the School Board’s ability to continue as a going concern for one year after the date that the financial statements are issued.

Auditor’s Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and Government Auditing Standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School Board’s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the School Board’s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control–related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of proportionate share of the net pension liability by plan, the schedule of contributions by plan, and the Schedule of Changes in the School Board’s Total OPEB Liability and Related

Ratios on pages 4 through 21 and 88 through 91 be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the School Board's basic financial statements. The schedules listed in the table of contents as Schedules 4 through 14 are presented for purposes of additional analysis and are not a required part of the financial statements. The schedule of expenditures of federal awards, identified in the Table of Contents as Schedule 15, is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and is not a required part of the basic financial statements.

Schedules 6 through Schedule 14 and the schedule of expenditures of federal awards, Schedule 15, are the responsibility of management and were 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, Schedules 6 through Schedule 14 and the schedule of expenditures of federal awards, Schedule 15 are fairly stated in all material respects in relation to the basic financial statements as a whole.

Schedule 4 and Schedule 5 are required by state law and have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 29, 2022, on our consideration of the School Board's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School Board's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School Board's internal control over financial reporting and compliance.

Respectfully submitted,

Hannis T. Bourgeois, LLP

Denham Springs, Louisiana
December 29, 2022

MANAGEMENT'S DISCUSSION AND ANALYSIS

LIVINGSTON PARISH SCHOOL BOARD

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2022

The Management's Discussion and Analysis (MD&A) of the Livingston Parish School Board provides an overview and overall review of the School System's financial activities for the fiscal year ended June 30, 2022. The intent of the MD&A is to look in layman's terms at the School System's financial performance as a whole. Therefore, it should be read in conjunction with the School System's Annual Financial Statements and the notes thereto.

The MD&A is Required Supplementary Information specified in the Governmental Accounting Standards Board's (GASB) Statement No. 34 – *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*.

FINANCIAL HIGHLIGHTS

Key financial highlights for the 2021-2022 fiscal year include the following:

- ❖ Net position increased by \$86,519,993 for the year ended June 30, 2022. As discussed below, the current year increase in net assets was the result of an increase in total assets of \$94,495,697 coupled with a decrease in total deferred outflows of resources of \$17,233,549, a decrease in total liabilities of \$169,112,595, an increase of total deferred inflows of resources of \$159,854,750.
- ❖ Total assets increased by \$94,495,697 attributed to the following elements:

	June 30, 2022	June 30, 2021*	Amount Increase (Decrease)	Percent of Increase (Decrease)
Cash and Cash Equivalents	\$ 173,965,640	\$ 106,766,016	\$ 67,199,624	62.94%
Receivables	41,000,770	61,321,494	(20,320,724)	(33.14%)
Inventory	2,327,933	2,094,385	233,548	11.15%
Capital Assets, Net of Accumulated Depreciation	324,616,768	277,233,519	47,383,249	17.09%
Total Assets	<u>\$ 541,911,111</u>	<u>\$ 447,415,414</u>	<u>\$ 94,495,697</u>	21.12%

*In the current year, the School Board adopted GASB Statement No, 87, *Leases*. The 2021 balances are not comparable. See note 10 to the financial statement.

Cash increased due to the sale of bonds for construction projects in the Denham Springs and Walker districts. Also, General Fund expenditures were reduced due to funding for COVID relief. Receivables decreased due to a decrease in FEMA reimbursement obligations for repairs as a result of the Flood of 2016. The inventory increase reflects normal fluctuation of commodity items used by the School Food Service Program, School Supply, Textbooks/Workbooks, Computer Repair Parts and Maintenance Materials. Capital assets increased because of the continued capital outlay and construction within the Districts. Total capital outlay recorded in all funds in the current year amounted to \$55 million. At June 30, 2022, major incomplete construction projects in the Districts totaled \$67,837,211.

LIVINGSTON PARISH SCHOOL BOARD

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

JUNE 30, 2022

- ❖ Total Liabilities decreased \$169,112,595 due to the following items:

	<u>June 30, 2022</u>	<u>June 30, 2021*</u>	<u>Amount Increase (Decrease)</u>	<u>Percent of Increase (Decrease)</u>
Accounts, Salaries, and Other Payables	\$ 40,973,452	\$ 33,388,442	\$ 7,585,010	22.72%
Interest Payable	539,447	515,591	23,856	4.63%
Long-Term Liabilities	<u>598,617,576</u>	<u>775,339,037</u>	<u>(176,721,461)</u>	(22.79%)
Total Liabilities	<u>\$ 640,130,475</u>	<u>\$ 809,243,070</u>	<u>\$ (169,112,595)</u>	(20.90%)

*In the current year, the School Board adopted GASB Statement No. 87, *Leases*. The 2021 balances are not comparable. See note 10 to the financial statement.

General payables increased in short-term liabilities due to an increase in accounts payable; and decreased in long-term liabilities due to an increase in compensated absences, combined with a decrease in Other Post-Employment Benefits liability and a decrease in net pension liabilities.

- ❖ General revenues increased by \$22,971,789 from fiscal year 2021 to fiscal year 2022. Primary increases and decreases are discussed below.
- Property tax revenue levied increased \$308,585 (1.60%)
 - Sales and use tax revenue increased \$12,316,104 (19.19%)
 - State revenue sharing increased \$22,499 (2.27%)
 - The largest revenue source continues to be the Minimum Foundation Program (MFP) distribution from the State, amounting to \$181,218,837. This is an increase of \$8,408,524 (4.87%) from the prior year. Since 1992-93, when a new MFP formula was implemented, Livingston Parish has seen its MFP funding increasing; (70% of general fund expenditures must be spent on instructional activities), and (50% of all new MFP money received must go to increase teacher salaries). However, the State has not fully funded the 2.75% growth factor that is added into the MFP formula since the 2008/09 fiscal year resulting in a loss of state revenue for each year.
 - Other state revenue and grants decreased \$524 (28.07%)
 - Earnings on investments increased \$256,835 (29.62%)
 - Insurance Proceeds increased \$2,204,805 (861.30%)
 - Net gain (loss) on disposition of capital assets decreased \$73,914 (146.76%)
 - Miscellaneous revenues decreased \$471,125 (112.77%)

LIVINGSTON PARISH SCHOOL BOARD

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

JUNE 30, 2022

- ❖ The largest expenditure of the School System continues to be payroll. This includes benefit costs, primarily employer contributions to the retirement systems and health insurance programs. The next largest expenditure was construction costs, which includes major additions and renovations to several facilities. Other large expenditures include the cost of fuel and food, the purchase of buses, and the cost of other postemployment benefits.

OVERVIEW OF THE FINANCIAL STATEMENTS

The School Board's Report on the Audit of Basic Financial Statements consists of a series of financial statements and the associated notes to those statements. These statements are organized so the reader can understand the operations of the School Board as a whole, i.e., an entire operating entity. Beginning on page 22, the "Basic Financial Statements" Section, consisting of the Statement of Net Position and the Statement of Activities, provide consolidated financial information, and render a government-wide perspective of the School Board's financial condition. They present an aggregate view of the School Board's finances. These statements seek to answer the question, "How did the School Board do financially during the 2021/2022 fiscal year?" These statements include *all assets and liabilities* using the *accrual basis* of accounting used by most private-sector enterprises. The *accrual basis* takes into account all of the Board's current year revenues and expenses regardless of when paid or received.

By showing the change in net position for the year, the reader may ascertain whether the School Board's financial condition has improved or deteriorated. The changes, which are discussed in this MD&A, may be financial or non-financial in nature. Non-financial factors which may have an impact on the School Board's financial condition include increases in or erosion of the property or sales tax base within the Parish, student enrollment, facilities maintenance and condition, mandated educational programs for which little or no funding is provided, or other external factors.

To provide more in-depth reporting of the School Board's financial position and the results of operations, fund basis financial information is presented in the "Fund Financial Statements" section beginning on page 24. The Fund Financial Statements, which should be familiar to those who have read previous governmental financial statements, report governmental activities on more of a current rather than long-term basis, indicating sources and uses of funding, as well as resources available for spending in future periods.

Fund Financial Statements also provide more in-depth data on the School Board's most significant fund, its General Fund. This fund is considered a "major fund" under GASB Statement No. 34. The relationship between governmental *activities* reported in the Basic Financial Statements and the governmental *funds* reported in the Fund Financial Statements are reconciled in the financial statements (See Statements D and F).

The Statement of Fiduciary Net Position - presents financial information relative to assets held by the School Board on behalf of others in a position of trust and accounted for in the Sales Tax Collection Fund. See Statement J for the receipts and disbursements of sales tax collections for the year ended June 30, 2022.

LIVINGSTON PARISH SCHOOL BOARD

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

JUNE 30, 2022

GOVERNMENTAL ACTIVITIES

As in the *Statement of Activities* on page 23, the cost of the School Board's *governmental* activities for the year ended June 30, 2022 was \$298,767,611. However, not all of this cost was borne by the taxpayers of Livingston Parish. Of this amount, \$16,358,460 was paid by those who used or benefited from services rendered (e.g., charges for school lunches, summer school tuition and school activity fees), \$83,947,960 was paid through various federal and state grants, and \$3,974,408 was paid through various capital grants and contributions. The net cost of \$194,486,783, a 9% decrease over the prior year, was paid by the taxpayers of the Parish through ad valorem taxes, sales and use taxes, the Minimum Foundation Program (MFP) from the State of Louisiana, and other general revenues.

Table I below shows the total cost of services and the net cost of these services (after charges for services and grants received) for the largest categories of expenses of the School Board for the year ended June 30, 2022. The "net cost" presentation allows Parish taxpayers to determine the remaining cost of the various categories which were borne by them, and allows them the opportunity to assess the cost of each of these functions in comparison to the perceived benefits.

TABLE I
Total and Net Cost of Governmental Activities
Year Ended June 30, 2022 and 2021

	2022		2021*	
	Total Cost of Services	Net Cost of Services	Total Cost of Services	Net Cost of Services
Instruction:				
Regular Programs	\$ 104,364,245	\$ 90,006,667	\$ 119,532,670	\$ 107,910,075
Special Education Programs	36,368,530	30,823,140	40,533,281	35,804,677
Vocational Programs	3,416,288	(1,090,424)	4,344,668	2,983,909
Special Programs	7,243,463	2,544,934	9,142,993	4,286,230
Adult Continuing Ed Programs	283,145	(33,742)	359,321	18,021
All Other Programs	10,088,101	3,517,666	8,405,947	3,193,236
Support Services:				
Student Services	16,295,886	13,405,143	18,067,733	15,573,816
Instructional Staff Support	10,066,408	5,977,499	11,731,244	7,941,167
General Administration	12,911,409	11,515,050	12,264,292	10,830,798
School Administration	19,493,772	13,721,717	21,280,191	16,405,112
Business Services	3,104,752	65,072	2,722,215	(211,366)
Plant Services	27,067,841	10,895,996	25,521,936	(9,756,851)
Student Transportation Services	15,622,090	15,366,910	15,862,182	15,706,421
Central Services	2,441,010	2,405,124	2,506,567	2,493,923
Food Services	26,848,740	(7,696,370)	17,914,189	(2,460,436)
Community Service Programs	107,537	18,007	94,592	24,471
Interest on Long-Term Debt	3,044,394	3,044,394	2,971,043	2,971,043
Totals	\$ 298,767,611	\$ 194,486,783	\$ 313,255,064	\$ 213,714,246

*In the current year, the School Board adopted GASB Statement No, 87, *Leases*. The 2021 balances are not comparable. See note 10 to the financial statement.

LIVINGSTON PARISH SCHOOL BOARD

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

JUNE 30, 2022

THE SCHOOL BOARD'S FUNDS

The School Board uses funds to control and manage money for particular purposes, some parish-wide, some by individual districts, and some by site, (e.g., dedicated taxes and grant programs). The Fund basis financial statements allow the School Board to demonstrate its stewardship over and accountability for resources provided by taxpayers and other entities. These statements also allow the reader to obtain more insight into the financial workings of the School Board, and assess further the School Board's overall financial health.

As the School Board completed the fiscal year ended June 30, 2022, its combined fund balance was \$167,068,053, as compared to its combined fund balance of \$112,126,771 as of June 30, 2021, as Restated, an increase of \$54,941,282. The General Fund, the main operational arm of the School Board, saw its total fund balance increase by \$29,863,884. While General Fund Revenues increased by \$25,692,800, General Fund Expenditures increased by \$15,731,152 and Other Financing Sources (Uses) (Transfers to Other Funds) decreased by \$1,765,082 thereby increasing current year Excess of Revenues and Other Sources over Expenditures and Other Uses from \$18,667,318 to \$29,863,884 a total increase of \$11,196,566.

GENERAL FUND BUDGETARY HIGHLIGHTS

Over the course of the year, the School Board revises its budget to take into consideration significant changes in revenues or expenditures. Louisiana Revised Statute 39:1311 requires a budget amendment if either expected revenues are less than, and/or anticipated expenditures are in excess of budgetary goals by five percent (5%) or more. The Original Budget for the School Board was adopted on August 19, 2021, and the Final Budget was adopted June 30, 2022. The General Fund budget amendments increased total anticipated revenues by 5.86% and increased projected expenditures by 3.61%.

A schedule showing the School Board's General Fund's Original and Final Budget compared with Actual operating results is provided in this report, Statement G. The School Board generally did better than had been budgeted in its major fund since it practices conservative budgeting in which revenues are forecasted very conservatively and expenditures are budgeted with worse case scenarios in mind. The General Fund finished the fiscal year about \$15,347,006 more than had been budgeted.

The fiscal year 2023 General Fund budget, adopted on August 18, 2022, showed anticipated revenues of \$291,173,506 and projected expenditures of \$279,320,080 resulting in a projected increase of \$11,853,426 for the year. Transfers out include \$4,475,000 to the Maintenance Fund, \$5,287,155 to the Sinking Fund (Debt Service) and \$8,600,000 to the Capital Projects fund.

LIVINGSTON PARISH SCHOOL BOARD

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

JUNE 30, 2022

CAPITAL ASSET AND DEBT ADMINISTRATION

CAPITAL ASSETS

At June 30, 2022, the School Board had \$324,616,768 invested in a broad range of capital assets, including land, buildings, furniture, vehicles, computers, and other equipment. This amount is net of accumulated depreciation to date. Increases during the year represent additions to those categories, while decreases represent retirements of assets during the year, and depreciation of depreciable assets for the year. GASB Statement No. 87, *Leases* was implemented for fiscal year ended June 30, 2022. The result of the GASB Statement No. 87 was the addition of leases greater than 12 months recorded as a right-of-use asset and a lease liability. Table II below shows the net book value of capital assets at June 30, 2022 and 2021.

TABLE II

Net Capital Assets
at June 30, 2022 and 2021

	<u>2022</u>	<u>2021*</u>
Land	\$ 16,615,874	\$ 16,615,874
Construction in Progress	67,837,211	38,773,610
Buildings and Improvement	224,462,067	209,642,936
Furniture and Equipment	3,226,316	3,086,847
Library Books and Textbooks	4,163,273	3,313,634
Vehicles	6,964,230	5,800,618
Leased Equipment	38,735	
Leased Vehicles	1,309,062	-
Total	<u>\$ 324,616,768</u>	<u>\$ 277,233,519</u>

*In the current year, the School Board adopted GASB Statement No, 87, *Leases*. The 2021 balances are not comparable. See note 10 to the financial statement.

During the current fiscal year, \$58,942,247 of assets were capitalized as additions while \$1,517,993 were deleted consisting of obsolete items. Depreciation for the year ended June 30, 2022 amounted to a net of \$8,078,069 on buildings and improvements, \$3,470,276 on movables such as furniture, vehicles, and equipment and \$423,049 on leased equipment and vehicles.

During the fiscal year ended June 30, 2022, the school system had \$21,761,957 in completed capital projects and incomplete construction totaled \$67,837,211.

All funding is coming from the individual districts, except for the Denham Springs District No. 1 in which FEMA is funding the construction of 3 schools damaged by the Flood of 2016.

LIVINGSTON PARISH SCHOOL BOARD

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

JUNE 30, 2022

The School Board has no significant infrastructure assets which would require capitalization and depreciation. All parking lots, sidewalks, etc. are considered to be part of the cost of buildings, and depreciated with the buildings. All depreciation of capital assets is under the straight-line method. Useful lives for buildings are for 40 years, while those for furniture, fixtures, vehicles and equipment vary for 5 to 10 years.

DEBT

At June 30, 2022, the School System had outstanding long-term indebtedness of \$115,747,552 as compared to \$87,965,940 at June 30, 2021. This included General Obligation Bonds, Qualified School Construction Bonds and Revenue Bonds. GASB Statement No. 87, *Leases* was implemented for fiscal year ended June 30, 2022. The result of the statement was the addition of leases greater than 12 months recorded as a right-of-use asset and a lease liability.

Based on the 2022 Grand Recapitulation from the Parish Assessor's office, the legal debt limit of the School System fixed by Louisiana Revised Statute 39:562(L) at 35% of the total assessed valuation of property in the Parish was approximately \$312,786,000 at June 30, 2022.

ECONOMIC FACTORS

Livingston Parish is located in the southeastern portion of Louisiana approximately 30 miles east of the state capital of Baton Rouge. The parish consists of 703 square miles of which 648 square miles is land and 55 square miles is water; it is 32 miles long by 30 miles wide. The geographical landscape of the parish varies. The northern part of the parish consists of rolling terrain covered by slash pine and hardwood forests approximately 50 feet above sea level. In the southern end of the parish, the land submerges into rich cypress forests and marshes that border on Lake Maurepas and the Amite River. Between lie a variety of streams, bayous and swales. It is bordered by St. Helena Parish on the north, Tangipahoa Parish on the east, East Baton Rouge Parish on the west, and Lake Maurepas, St. John the Baptist Parish and Ascension Parish on the south.

Livingston Parish's ideal location near Baton Rouge and New Orleans makes it a smart choice for access to both metropolitan areas. The parish is minutes from Baton Rouge, less than an hour from New Orleans and is within just a couple of hours drive of the major industrial area of the coast of the Gulf of Mexico. Livingston Parish is just 15 miles from deep water at the Port of Greater Baton Rouge which provides direct connections to the Ports of New Orleans and Mobile. Interstate 12, which runs east/west throughout the entire parish, provides highway access to Interstates 10, 55 and 59 within a 60-mile radius. The Interstate 12 corridor has been a "national hot spot" for business development and will continue to be a driver of Louisiana's economy. The Canadian National Railway operates within the parish, including the Livingston Industrial Park, and runs through the southeastern major distribution markets south into Mexico and north across Canada. The Baton Rouge Metropolitan Airport is only 15 miles away, and New Orleans' Louis Armstrong International Airport in New Orleans is 80 miles away; both provide passenger and freight services. The parish also has two electric utility providers and several natural gas distributors and pipelines.

LIVINGSTON PARISH SCHOOL BOARD

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

JUNE 30, 2022

EDUCATION

The Livingston Parish School System is the eighth largest school system in the state of Louisiana with its present enrollment of 26,954. It has forty-four schools (pre-K through high school) and one alternative program. October 1, 2022 numbers reflect an increase of approximately 414 students from the previous October. It is the largest employer in the parish with 4,161 employees and an annual budget of \$400 million.

The latest Cohort Graduation Rates released by the Louisiana Department of Education confirm that Livingston Parish students continue to be among the highest performing students in the state. The district ranks 19th in the state for students graduating with more than a standard diploma (70.7% of students compared to 53.1% statewide) and ranks 2nd in the state for students graduating with advanced credentials (43.7% of students while the state average is 17%). The Graduation Rate for the class of 2021 is 90.1%, which is over the state average of 83.4% for the State of Louisiana.

Livingston Parish students continue to be among the state's top performers in Advanced Placement (AP) exams. According to the Louisiana Department of Education's report, 640 students in the 2020-2021 school year earned an AP exam score that resulted in college credit. AP courses in high school offer students the opportunity to earn college credit in the same subject. This number ranks our students 3rd in the State of Louisiana. In addition, Livingston Parish students received the 6th highest average ACT average composite score of 19.1, with the state average at 18.1. Among large districts with over 1,000 seniors, that rank improves to 3rd in the state.

According to the Louisiana Department of Education's 2021-2022 published Performance Profile results, Livingston Parish had 11 schools (46%) receive the state's top excellent rating for early childhood education. Of those eleven sites, four received scores among the top 50 in the state out of 1,642 sites. Livingston's top tier public K-12 schools and close proximity to major universities, community colleges, and technical colleges make it a prime training ground for a competitive workforce. The school system is one of the best in Louisiana, consistently ranked as high performing district. Our college students enjoy an easy commute to Louisiana State University, Southern University, and Baton Rouge Community College all located in Baton Rouge, Southeastern Louisiana University in Hammond, River Parishes Community College in Gonzales, and Northshore Community College with campuses in Hammond, Walker and Greensburg.

Northshore Technical Community College's Livingston Campus offers a wide range of programs, including, but not limited to general education, allied health, welding, electrical, scaffolding, and technology. The 20,000 square foot building currently host approximately 650 students, with plans to double on site enrollment in the future. Currently over 380 of the parish's 7,700 high school students are dually enrolled at Northshore Technical and Community College, taking classes at their schools with teachers who are certified as adjunct instructors.

LIVINGSTON PARISH SCHOOL BOARD

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

JUNE 30, 2022

The Livingston Parish Literacy and Technology Center located in Walker is a joint project between Southeastern Louisiana University and the Livingston Parish School Board. It offers high school and college courses, literacy and enrichment programs for adults and children, and tutoring resources. Students have the opportunity to participate in an ASE certified Automotive Service program allowing them to become credentialed as an ASE mechanic. The Family Resource Center is also located at the Lit/Tech Center providing resources and assistance to support parents with their children's education.

Livingston Parish Public Schools strives to meet the needs of all students including a virtual option for students in grades 1 – 12. Livingston Virtual, a full-time virtual program serving students in grades 6-12, who are well-suited for rigorous online instruction, or who may find it to be a better alternative to current home school, charter or private instruction formats. LPLTC Virtual Program provides a virtual environment for students in grades 1-5. These programs are designed to successfully take virtual students to the same destination as our traditional students, but through a different path. The content standards in the curriculum of the program follow those of the traditional brick-and-mortar schools. The program offers some students the opportunity to excel in a different learning environment. The virtual instruction is supported with online interaction with the instructor, as well as required face-to-face sessions, which are held at the Livingston Parish Literacy and Technology Center in Walker. The programs include community field trips or projects within the structure to offer positive opportunities for service and social interaction, as well as mandatory class attendance, a minimum GPA requirement, and participation in standardized testing to adhere to state-mandated policies.

WHY LIVINGSTON PARISH?

Livingston Parish is primarily described as a rural parish with a population of 145,359 based on the July 1, 2022 estimate from Louisiana.HometownLocator.com. Sales of new homes decreased from 1,592 through July of 2021 to 1,567 through July of 2022 which is a decrease of 1.6% according to The Greater Baton Rouge Association of Realtors, likely due to the current surge in mortgage rates. Housing here is affordable with a median sales price of \$240,000. Residential developments continue to expand, with upscale homes available as well. The parish anticipates this residential growth trend to continue as people learn about the advantages of the quality of life in Livingston Parish.

The total assessed property value on the Livingston Parish Tax Roll in June 2022 is approximately \$893,674,090. The taxable value is \$637,161,570, which is a .92% increase over the prior year. Increased population and development of rural lands, in addition to re-assessments of existing properties every four years, continue to elevate property values.

Livingston Parish has earned a growing reputation as a great place to live. In addition, the parish is considered a hot location for business and is in the midst of a commercial boom. The once rural community offers almost everything businesses want when they are looking to invest. It has great schools, a growing population, abundant family housing, high quality of life, unbeatable location, untapped opportunity, well-planned infrastructure and business-friendly leadership. Livingston Parish consists of two cities (Denham Springs and Walker), three towns (Livingston, Albany and Springfield), three villages (Killian, French Settlement and Port Vincent), one major unincorporated area (Watson), and other rural unincorporated developments.

LIVINGSTON PARISH SCHOOL BOARD

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

JUNE 30, 2022

❖ *CITY of DENHAM SPRINGS – population 9,100*

The parish's largest city, Denham Springs, includes a historic downtown antique district with 30 antique shops in addition to numerous restaurants, hotels and other retail stores. In November 2018, the Denham Springs Antique Village was placed on the National Register of Historic Places. Denham Springs was named Readers' Choice Award for "Best Louisiana Main Street" and ranked by AAA's Southern Travel as one of the three best antique shopping destinations in the country.

Located off Wax Road, south of I-12 is Greystone Golf and Country Club. Greystone is a 350-acre development featuring a golf course, clubhouse, dining, gift shop, pool, fitness area, tennis and basketball courts, playground, lake and trails along with some 350 upscale homes. Greystone's golf course is recognized as one of the more challenging in the state even for highly skilled golfers.

In Denham Springs, Bass Pro Shop is the anchor to a 75-acre development at I-12 and Range Avenue. The 180,000 square foot outdoor gear and apparel store features hand-painted murals from renowned artists depicting scenes that are typical of southern Louisiana. Record wildlife mounts are displayed alongside local historical prints depicting early Louisiana residents enjoying sporting adventures. The bayou theme includes a uniquely designed aquarium, an alligator pit, a huge snapping turtle and museum quality wildlife dioramas. There is an expansive boat showroom featuring Gator Trax boats built right here in the town of Springfield. The entire store is a tribute to the vast diversity of the Louisiana landscape and its people. It is estimated the Bass Pro Shop and accompanying hotels and restaurants achieve annual sales of \$70 million.

Sam's Club is located on 17 acres next to the Bass Pro Shops development and opened its 136,000 square foot facility in June 2012. The store has 175 employees and estimates gross sales of approximately \$40 million annually. Nearby, restaurants and other shops are installing themselves in the Amite Crossing strip mall and in Riverside Landing.

Juban Crossing is a \$350 million multi-use development at the intersection of Interstate 12 and Juban Road. The 471-acre development is being built in three phases over a span of 5 to 7 years. Retail stores began opening in October 2014. The project leaders estimate the development will create about 3,500 jobs and generate about \$6 million annually in ad valorem taxes alone and about \$22 million in tax collections over 25 years. Spanning over 1.2 million square feet of easily accessible space in one of south Louisiana's most desirable growth areas, Juban Crossing provides the ideal destination for anyone and every taste. It offers approximately 55 businesses including popular retailers, restaurants, a multi-screen theater, and an upscale supermarket with more opening soon and others on the drawing board.

LIVINGSTON PARISH SCHOOL BOARD

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

JUNE 30, 2022

Also located in Denham Springs are Superior Steel and CAP Technologies. Superior Steel employs 85 employees supplying structural steel to commercial and industrial customers across the country. In 2012, the company purchased nearly 20 acres, where they renovated buildings, invested more than \$1 million in new equipment and expanded the fabrication plant to 90,000 square feet. Superior Steel was presented the 2018 NuHeights Design Award Building of the Year honor. The company provided the steel and erection work on The Water Institute of the Gulf in Baton Rouge. In June 2011, CAP Technologies fully renovated and constructed its current 50,000 square foot facility in Denham Springs and began production in February of 2013. The company offers a patented, environmentally friendly, unique single process for the surface texturing, cleaning, and/or coating of metals. Electro Plasma Technology (EPT) process allows CAP Technologies to process materials of different sizes and shapes, while retaining the properties of the base metal.

In 2019, the All-Star Automotive Group expanded its franchise in Livingston Parish to include All-Star Nissan and All-Star Kia located at the Juban/I-12 interchange in Denham Springs. In 2020, a new Hobby Lobby store opened in Denham Springs located across from Juban Crossing at the Juban/I-12 interchange. These larger retail stores have brought many new jobs to Livingston Parish.

❖ *CITY of WALKER – population 6,422*

The City of Walker is one of the fastest growing cities in Louisiana and was recently ranked second among the top ten best places in the state to raise a family. Walker is the home of Wal-Mart, Stine Lumber Company, CVS Pharmacy, Walgreens, LaQuinta Inn and a Best Western hotel. One of the town's major thoroughfares, Highway 447, hosts numerous restaurants and businesses with many more already under construction.

Walker is also home to the Livingston Parish Industrial Park Area. The 200-acre Livingston Parish Industrial Park is located on U.S. Hwy. 190 just two miles from Interstate-12. Approximately 120 acres of the park have been developed including sewer & water, electricity, access road and signage. Having sites pre-certified helps to expedite the process when developers are ready to invest. The Livingston Parish Industrial Park is the first parcel of land in Livingston Parish to be certified as "development ready" through a program of Louisiana Economic Development. It is home to The Shaw Group- Pipe Fabrication, Waste Management, Miscellaneous Steel Specialties, Alloy Piping Products, M&S Electric Contractors Inc, Compressor Engineering Corporation (CECO) and The Martin Brower Company. The park currently generates over \$1.2 million in property taxes to the parish, with several sites still under 10-year property tax alleviation programs that are provided as incentives by state and local governments. There are roughly 800 employees who work inside the industrial park with over \$1 million in payroll paid out annually.

The Shaw Group is the industry leader of pipe and module fabrication services. The pipe fabrication facility at the Livingston Parish Industrial Park employs more than 600 people. The facility sits on 77 acres, houses an average of \$35 million worth of piping inventory on site and makes or supplies piping products for the many plants and refineries in Louisiana and beyond.

LIVINGSTON PARISH SCHOOL BOARD

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

JUNE 30, 2022

In May 2015, Waste Management of Louisiana opened a new compressed natural gas fleet facility in Walker. The new CNG facility, servicing routes in Livingston Parish and the greater Baton Rouge area, is a major step toward the company's goal of reducing its fleet emissions and increasing its fuel efficiency. Waste Management's CNG-powered vehicles cut smog-producing nitrogen oxide emissions by up to 50 percent compared to the cleanest diesel trucks.

Miscellaneous Steel Specialties offers an 11,000 square foot fabrication facility. Located within the Livingston Parish Industrial Park, the company is committed to the safe production of fabricated steel products which meet the specifications required by their clients while incorporating industry specification standards.

The Livingston Parish Industrial Park is also home to Compressor Engineering Corporation (CECO) which is the world's largest independent manufacturer of engine and compressor replacement parts. CECO offers pipeline construction and maintenance and is an industry leader in training and technical services. Customers include gas pipelines, gathering and processing companies, petrochemical, industrial and refrigeration plants worldwide.

The Martin-Brower Company's \$16 million distribution facility in Walker sits on a 22-acre site within the Livingston Parish Industrial Park. The facility is a food distribution plant for an international company that supplies McDonald's and other fast food restaurants around the world. In moving from its previous facilities in Port Allen, Louisiana, the company brought 160 existing jobs and created 30 new direct jobs and 26 new indirect jobs.

Just west of the Livingston Parish Industrial Park on U.S Highway 190, you will find the Walker Industrial Park. The park offers great access to Interstate 12, concrete streets and all public utilities including sewer. In early 2014, Gilchrist Construction Company began operation of their \$2 million asphalt plant location on 12 acres. Walker Metal Express built and opened a new manufacturing facility in October 2011 and produces residential and commercial metal roofing and steel building products. The park is also home to Comfort Control Heating & Air, a licensed and insured air conditioning and heating contractor, and Walker-Hill Environmental, Inc. which provides a wide range of remediation services for sites affected with contaminated soil and/or groundwater. Petro-Chem Services provides tank barge loading and unloading, fresh air and bottle watch for all cargos where needed, and in plant and facility operations. Other businesses reside inside the park.

Our Lady of the Lake (OLOL) Livingston, located on 240 acres just off I-12 near Walker, opened for business in September 2012. The medical center includes the state's first freestanding emergency room which is open 24 hours a day, 7 days a week. In addition to a freestanding emergency room, OLOL Livingston includes outpatient services such as a lab with imaging services including CT, ultrasound, X-ray and MRI, as well as physician offices. The facility has 135 full-time employees with a total annual payroll of approximately \$6.6 million. OLOL Livingston is one of the latest additions to an ever-growing number of new medical facilities located throughout Livingston Parish.

LIVINGSTON PARISH SCHOOL BOARD

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

JUNE 30, 2022

❖ *TOWN of LIVINGSTON, population 1,899*

In Livingston, the parish seat, you will find the parish courthouse and government offices, health unit, and a Louisiana Motor Vehicles office. At the end of 2014, the construction of a new Livingston Parish Courthouse was completed. The new facility contains over 100,000 square feet and is the home of the sheriff, clerk of court and district attorney. It also includes judges' chambers and courtrooms all with state of art security equipment.

Probably the biggest economic impact to hit the parish was the announcement in March 2015 that Livingston Parish will be home to EPIC Piping. EPIC invested \$45.3 million to establish an advanced pipe fabrication facility and corporate headquarters. The state-of-the-art facility is located on LA Highway 63, just south of the Interstate 12 interchange at Livingston. The 500,000 square foot facility sits on 70 acres. The company opened in November 2016 and the project created more than 600 new jobs to the parish. The impact on the job market was substantial.

Construction was completed in January 2017 on a new PepsiCo warehouse distribution center south of the town of Livingston and created more than 200 jobs in Livingston Parish. The 140,000 square foot facility is located just off LA Highway 63, immediately north of EPIC Piping's plant and headquarters. The business provides daily distribution of bottled products to area stores.

Perhaps the most unique asset in Livingston Parish is the Laser Interferometer Gravitational Wave Observatory (LIGO) federal research project, one of only two sites in the world which is located near the Town of Livingston. While scientists study gravitational waves, education directors conduct free tours of the facility and the Science Education Center has over forty hands-on interactive science exhibits that relate to the science of LIGO. Tours include a 20-minute video called Einstein's Messengers and there is plenty of time to explore the exhibits that will fascinate and challenge visitors. In September 2015, Livingston LIGO and a sister site in Hanford, Washington recorded gravitational waves from the collision of two black holes more than a billion light years away. The signal confirmed a key prediction of Albert Einstein's 1916 general theory of relativity and kick-started a new era of astronomy. LIGO was awarded the 2017 Nobel Prize in Physics for the world's first direct detection of gravitational waves. In June 2018, both LIGO labs were designated Historic Physics Sites by the American Physical Society. For more information about tours and programs, see the LIGO website at www.ligo.caltech.edu/LA.

❖ *TOWN of ALBANY – population 1,273*

The Town of Albany is located near the eastern border of Livingston Parish, about eight miles west of Hammond. The Hungarian Settlement located just south of the Interstate 12 Albany/Springfield exit is the largest settlement of people of Hungarian descent in the United States. Each October the rural ethnic settlement draws hundreds of guests to its Hungarian Festival which was instituted to preserve Hungarian food, music, dance and culture. Restoration of the old Hungarian school to convert the school into a new Hungarian Museum has been completed. The museum is a site for preservation of artifacts, documents, photographs, immigration papers, newspapers, AV materials and oral histories of Hungarian settlers. It also provides a site for research, cultural events, Hungarian language classes, exhibit and educational programs for children and adults. More information can be found at www.hungarianmuseum.com.

LIVINGSTON PARISH SCHOOL BOARD

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

JUNE 30, 2022

Livingston Parish also boasts the Veterans' Memorial Plaza which honors living and deceased veterans across the nation. Located in Albany, the stunning plaza consists of five brick walls that display the names of men and women who have served in all branches of the military. At the center is a massive American flag mounted atop a lighted 60-foot flagpole. The memorial itself is flanked by ten 30-foot flagpoles bearing flags representing the Army, the Navy, the Air Force, the Marines, the U.S. Coast Guard, the Merchant Marines, POWs and MIAs, the State of Louisiana, the AMVETS and the American Legion. Future phases of the memorial will include a statue overlooking the plaza and an open-air outdoor classroom with bleachers adjacent to it.

❖ *TOWN of SPRINGFIELD – population 415*

Springfield is the parish's easternmost and oldest town. From 1835 to 1872, the historic town served as the parish seat and is now the oldest municipality in Livingston Parish. The old courthouse still stands today and is on the National Register of Historic Places. The Springfield Cemetery is the resting place for many Civil War veterans. One weekend a year, Springfield celebrates its heritage and honors the veterans with a Civil War Reenactment held in the heart of town.

Magnificent natural resources like Lake Maurepas, Tickfaw River and Amite River which surround the Town of Springfield making boating, tubing, kayaking and fishing major activities for residents of the entire Capital Region. Other outdoor activities include camping, water skiing, swamp tours, river parades and boat races which include the annual Tickfaw 200 Poker Run.

Near the town of Springfield, with easy access from Interstates 12 and 55, you will find the Tickfaw State Park. It is a 1,200-acre park located along three miles of the Tickfaw River. This State Park has it all: camping, fishing, hiking, bird watching, biking, canoeing and much more. It is a stop along the Gulf Coast Birding Trail and is an excellent site for birders of all persuasions.

Carter Plantation is home to PGA champion and Louisiana native David Toms' first signature design golf course which was a recipient of Golf Magazine's "Top 10 Courses You Can Play". The spectacular 18-hole 7,000-plus yard par-72 golf course winds through three distinct Louisiana landscapes - live oak flats, cypress wetlands and upland pine forests. The residential resort and golf community located in Springfield surrounds a historic plantation home that dates back to the early 19th century and presently offers home sites, accommodations, meeting space, a first-class restaurant and recreation facilities.

❖ *VILLAGE of KILLIAN – population 1,171*

The small Village of Killian is one of Livingston Parish's many river communities making it a popular weekend destination with access to a number of waterways and the recreation and natural beauty they offer. Killian is located along the Tickfaw River on LA Highway 22 with easy access to Lake Maurepas. Highway 22 is bustling with residential and commercial development catering to the many visitors and growing number of residents.

LIVINGSTON PARISH SCHOOL BOARD

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

JUNE 30, 2022

❖ *VILLAGE of FRENCH SETTLEMENT – population 1,065*

The Village of French Settlement is located in the southwestern portion of Livingston Parish. The village population quickly multiplies when weekend boaters and anglers converge on the Amite River. The river, which divides the parishes of Livingston and Ascension, is a hotspot for many water and outdoor activities.

French Settlement hosts the annual Creole Festival and is home of the Creole House. The home, an authentic Creole cottage, represents the culture and customs of the people of French, Spanish and German origin and exhibits hundreds of artifacts from the early 1800's.

❖ *VILLAGE of PORT VINCENT – population 626*

Like nearby French Settlement, the Village of Port Vincent's main draw is its waterfront location, luring many recreational visitors to the Amite River. There is a mix of old and new businesses. However, the strongest appeal of the Village is the beautiful riverfront location. On any given day, sportsmen can be spotted traveling the river. As one rides the Amite River along the banks of Port Vincent, it is evident this community is one of the many reasons Louisiana is called a "Sportsman's Paradise".

❖ *WATSON (unincorporated) – population 938*

Watson is a small but growing unincorporated town located in the northwest corner of Livingston Parish just five miles north of Denham Springs. It is one of the fastest growing areas in the parish. Watson retains that small town quality of life but is located close enough to Baton Rouge and Denham Springs to take advantage of their amenities. Just to the west of Watson, the Amite River, which borders East Baton Rouge Parish, has served as a source of transportation and recreation over the years, and it currently supports a large gravel industry.

Watson has seen a steady growth in local businesses in the past few years and continues to grow as the population does. The area is home to numerous shops, restaurants and businesses. The influx of new retail development continues in Watson.

❖ *SATSUMA (unincorporated)*

North Oaks Health System opened its facility in January 2012. The 2-story 47,000 square foot medical complex represents a total investment of \$32 million and is located on 34 acres of land on the south side of the I-12 Colyell/Satsuma interchange. The outpatient complex offers a wide range of outpatient diagnostic and treatment services including cardiology, laboratory, radiology and rehabilitation services, an Urgent Care Center, a Family Medicine Clinic, a Specialty Clinic, and a Conference Room for health education. North Oaks employs approximately 100 health care professionals with an estimated \$4.4 million payroll and projects economic impact of \$13.2 million cycling through the community annually.

Also at the I-12 Satsuma interchange is the Summa Crossing development. The project includes upscale traditional single-family residential neighborhoods, premium residential condominiums and apartment developments in the 2,000-acre community. Developers hope Summa Crossing will also pave the way for multiple shopping centers. The area is the home of the Suma Hill Conference Center, which boasts an 800-seat live production theater.

LIVINGSTON PARISH SCHOOL BOARD

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

JUNE 30, 2022

In Satsuma, parked along I-12 at exit 19, you will notice an F-4 Phantom Navy Jet on display as a tribute to World War II veterans. In February 2014, the Phantom jet was delivered from the National Naval Aviation Museum in Pensacola, Florida. The aircraft is elevated 20 feet and is adorned with Old Glory flying majestically atop a tall flagpole. Plans are to add other military pieces as they become available.

The Livingston Parish Airport District announced in November 2017 that it has acquired more than 242 acres near the Satsuma Exit at Interstate 12 to locate a new general aviation airport, Livingston Executive Airport. Plans for the new airport include a 5,000-foot lighted runway, a flight service station, airplane hangars and a fuel station. It promises to be a valuable economic development resource for the parish.

❖ *HOLDEN (unincorporated)*

Ferrara Fire Apparatus, located just east of Baton Rouge in Holden, leads the industry in the custom design and manufacture of emergency response vehicles. Ferrara is America's premier provider of heavy-duty fire apparatus and construction materials. Their design process gives the customer input into how the truck will be built. The company is the fourth largest manufacturer of fire trucks in the United States. They did \$165 million in sales in 2016 and the company is forecasting continued increases in sales each year because of pent-up demand and expectations for more infrastructure spending. Ferrara has delivered more than 5,000 new fire apparatus to agencies in this country and around the world.

LIVINGSTON PARISH ECONOMIC DEVELOPMENT

In July 2015, the Livingston Economic Development Council (LEDC) announced the release of their business assistance website, "Livingston Advantages", as a medium to help cultivate and guide new and existing businesses in Livingston Parish. The website was a collaborated effort between the LEDC, parish officials and organizations, business owners and other community leaders. Livingston Advantages creates a tool for people who are thinking about starting a business or expanding their existing operation in Livingston Parish. One of the site's functions is to provide local leaders a place to send people for answers to their questions. To access the site, go to www.livingstonadvantages.com.

Businesses planning to locate in Livingston Parish have access to a number of tax incentive programs including property tax abatement, sales tax rebates, job tax credits, payroll rebates and more. For more information on these incentives, go to www.ledc.net/site-selectors/incentives.

TOURISM

The Livingston Parish Convention & Visitors Bureau Tourist Center is located off I-12 at the Albany exit. Visitors will find a wealth of information located just inside the center. Free brochures, maps, magazines and newspapers are available. Anyone wanting additional help uncovering Livingston Parish's "treasures" can call 225-567-7899 or 888-317-7899, email info@livingstontourism.com or they can check out the website, www.livingstontourism.com. The website provides a wealth of information on cities and towns, lodging, outdoor activities, shopping, attractions, restaurants and much more. Come "Live it up in Livingston!"

LIVINGSTON PARISH SCHOOL BOARD

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

JUNE 30, 2022

FLOOD OF AUGUST 2016 – Six years later

From August 11, 2016 through August 15, 2016, the weather system that stalled over southeast Louisiana dumped up to 20 inches of rain in many places, and perhaps as much as 36 inches in other places causing catastrophic flooding of thousands of homes and businesses. The school system had eight schools that suffered severe flood damage of which three were a total loss, two had serious damage and three had mild damage.

Denham Springs Elementary, a school that suffered a total loss, opened in January 2022 after the New Years' holiday. The other two schools that suffered total losses, Southside Elementary and Southside Junior High, opened in August 2022. The remaining damaged schools have been open and fully repaired since the summer of 2018.

Economically, things have turned around. The retail establishments that flooded have reopened. Business owners are determined to bring their business back to life and help make their communities be better than ever. New businesses continue to open each year.

Livingston Parish has been one of the fastest growing parishes in Louisiana. We have suffered a huge misfortune, but one thing that has not changed is the fact that Livingston Parish is the place to be! We are the place to be for small and large business alike, retail and industrial sectors, for great schools, excellent quality of life and wonderful people. In the end, some things never change.

LINKS TO ADDITIONAL INFORMATION

Additional information on Livingston Parish can be found at the following websites:

- Livingston Parish Public Schools – www.lpsb.org
- Livingston Economic Development Council – www.ledc.net
- Livingston Advantage – www.livingstonadvantages.com
- Livingston Parish Government – www.livingstonparishla.gov
- Livingston Parish Sheriff's Office – www.lpsso.org
- Livingston Parish Assessor – www.livingstonassessor.com
- Livingston Parish Clerk of Courts – www.livclerk.org
- Livingston Parish Convention & Visitors Bureau – www.livingstontourism.com
- Livingston Parish Chamber of Commerce – www.livingstonparishchamber.org
- Greater Baton Rouge Association of Realtors (GBRAR) - <https://gbrar.com/marketstats/>

LIVINGSTON PARISH SCHOOL BOARD

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

JUNE 30, 2022

CONTACTING THE SCHOOL BOARD'S FINANCIAL MANAGEMENT

While this report is designed to provide full and complete disclosure of the financial conditions and operations of the Livingston Parish School Board, citizen groups, taxpayers, parents, students, other parish officials, investors or creditors may need further details. To obtain such details, please contact Kim Stewart, Business Manager, at the Livingston Parish School Board Office, 13909 Florida Blvd, P.O. Box 1130, Livingston, LA 70754-1130, or by calling 225-686-4235, during regular business hours, Monday thru Friday, 8:00 a.m. to 4:00 p.m., central time. Ms. Stewart's e-mail address is Kim.Stewart@lpsb.org.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

LIVINGSTON PARISH SCHOOL BOARD
STATEMENT OF NET POSITION (DEFICIT)

JUNE 30, 2022

ASSETS

	Governmental Activities
Cash and Cash Equivalents	\$ 173,815,640
Investments (Certificates of Deposit - Maturities Greater Than 90 Days)	150,000
Receivables	41,000,770
Inventory	2,327,933
Capital Assets:	
Land and Construction in Progress	84,453,085
Other Capital Assets (Net of Accumulated Depreciation)	238,815,886
Lease Assets (Net of Accumulated Amortization)	1,347,797
Total Assets	541,911,111

DEFERRED OUTFLOWS OF RESOURCES

Deferred Amount on Refunding	1,547,092
Deferred Outflows - Related to Postemployment Benefits Other Than Pensions	85,292,114
Deferred Outflows - Related to Pensions	61,786,569
Total Deferred Outflows of Resources	148,625,775

LIABILITIES

Accounts, Salaries, and Other Payables	40,973,452
Interest Payable	539,447
Long-Term Liabilities:	
Due Within One Year	12,821,560
Due in More than One Year	430,846,140
Net Pension Liability	154,949,876
Total Liabilities	640,130,475

DEFERRED INFLOWS OF RESOURCES

Deferred Inflows - Related to Postemployment Benefits Other Than Pensions	83,511,871
Deferred Inflows - Related to Pensions	103,539,157
	187,051,028

NET POSITION (DEFICIT)

Net Investment in Capital Assets	235,978,208
Restricted for:	
Debt Service Fund	6,410,237
Student Activity Fund	7,116,135
Maintenance of Schools	161,043
General Fund	67,387,467
Unrestricted (Deficit)	(453,697,707)
Total Net Position (Deficit)	\$ (136,644,617)

The notes to the financial statements are an integral part of this statement.

LIVINGSTON PARISH SCHOOL BOARD

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2022

FUNCTIONS/PROGRAMS	Expenses	Program Revenues		Total Governmental Activities - Net (Expense) Revenue and Changes in Net Position 2022	
		Charges for Services	Operating Grants and Contributions		Capital Grants and Contributions
Governmental Activities:					
Instruction:					
Regular Programs	\$ 104,364,245	\$ 3,041,447	\$ 11,316,131	\$ -	\$ (90,006,667)
Special Education Programs	36,368,530	10,008	5,535,382	-	(30,823,140)
Vocational Programs	3,416,288	5,109	573,615	3,927,988	1,090,424
Special Programs	7,243,463	-	4,698,529	-	(2,544,934)
Adult Continuing Education Programs	283,145	-	316,887	-	33,742
All Other Programs	10,088,101	5,155,288	1,415,147	-	(3,517,666)
Support Services:					
Student Services	16,295,886	-	2,890,743	-	(13,405,143)
Instructional Staff Support	10,066,408	26,020	4,062,889	-	(5,977,499)
General Administration	12,911,409	1,396,359	-	-	(11,515,050)
School Administration	19,493,772	5,585,050	187,005	-	(13,721,717)
Business Services	3,104,752	314,210	2,725,470	-	(65,072)
Plant Services	27,067,841	282,330	15,889,515	-	(10,895,996)
Student Transportation Services	15,622,090	174,467	80,713	-	(15,366,910)
Central Services	2,441,010	-	35,886	-	(2,405,124)
Food Services	26,848,740	368,172	34,130,518	46,420	7,696,370
Community Service Programs	107,537	-	89,530	-	(18,007)
Interest on Long-Term Debt	3,044,394	-	-	-	(3,044,394)
Total Governmental Activities	\$ 298,767,611	\$ 16,358,460	\$ 83,947,960	\$ 3,974,408	\$ (194,486,783)
Taxes:					
Property Taxes, Levied for General Purposes					13,897,498
Property Taxes, Levied for Debt Services					5,707,963
Sales and Use Taxes, Levied for General Purposes					70,785,204
Sales and Use Taxes, Levied for Debt Services					5,707,963
State Revenue Sharing					1,015,587
Grants and Contributions not Restricted to Specific Purposes:					
Minimum Foundation Program					181,218,837
Other					1,343
Interest and Investment Earnings					1,124,036
Insurance Proceeds					2,460,791
Net Gain (Loss) on Disposition of Capital Assets					(23,549)
Miscellaneous					(888,897)
Total General Revenues					281,006,776
Change in Net Position					86,519,993
Net Position (Deficit) - Beginning of Year, As Restated					(223,164,610)
Net Position (Deficit) - End of Year					\$ (136,644,617)

The notes to the financial statements are an integral part of this statement.

FUND FINANCIAL STATEMENTS

LIVINGSTON PARISH SCHOOL BOARD

BALANCE SHEET
GOVERNMENTAL FUNDS

JUNE 30, 2022

<u>ASSETS</u>	General Fund	Disaster Special Revenue Fund	Capital Projects Fund	Nonmajor Funds	Total Governmental Funds 2022
Cash and Cash Equivalents	\$ 106,943,890	\$ -	\$ 36,160,013	\$ 30,711,737	\$ 173,815,640
Investments (Certificates of Deposit Maturities Greater Than 90 Days)	150,000	-	-	-	150,000
Receivables	17,105,135	13,760,352	14,115	10,121,168	41,000,770
Due from Other Funds	20,535,121	-	914,678	-	21,449,799
Inventory	1,968,088	-	-	359,845	2,327,933
Total Assets	<u>\$ 146,702,234</u>	<u>\$ 13,760,352</u>	<u>\$ 37,088,806</u>	<u>\$ 41,192,750</u>	<u>\$ 238,744,142</u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>					
Liabilities:					
Accounts, Salaries and Other Payables	\$ 28,371,693	\$ 3,271,265	\$ 5,355,988	\$ 3,974,506	\$ 40,973,452
Due to Other Funds	914,678	11,425,543	-	9,109,578	21,449,799
Total Liabilities	29,286,371	14,696,808	5,355,988	13,084,084	62,423,251
Deferred Inflows of Resources:					
Deferred Inflows of Resources - Unavailable Intergovernmental Revenues	-	9,252,838	-	-	9,252,838
Fund Balances:					
Nonspendable:					
Inventory	1,968,088	-	-	359,845	2,327,933
Restricted For:					
Contracts	-	-	-	-	-
Future Construction	-	-	-	-	-
Debt Service	-	-	-	6,410,237	6,410,237
District (Student) Activities	-	-	-	7,116,135	7,116,135
Maintenance of Schools	-	-	-	161,043	161,043
Salaries	12,614,898	-	-	-	12,614,898
Construction, Utilities and Maintenance	49,555,168	-	-	-	49,555,168
Educational Excellence	57,457	-	-	-	57,457
E-Rate	2,247,888	-	-	-	2,247,888
Career Development	2,879,499	-	-	-	2,879,499
Other	32,557	-	-	-	32,557
Committed To:					
Contracts	-	-	9,397,475	1,222,661	10,620,136
Assigned To:					
Capital Projects	-	-	22,335,343	-	22,335,343
School Lunch Program	-	-	-	12,838,745	12,838,745
Insurance Proceeds	5,000,000	-	-	-	5,000,000
Property Damage Insurance	1,000,000	-	-	-	1,000,000
General Liability Insurance	2,500,000	-	-	-	2,500,000
Workers Compensation Insurance	1,000,000	-	-	-	1,000,000
Other Post Employment Benefits	5,054,298	-	-	-	5,054,298
Unassigned	33,506,010	(10,189,294)	-	-	23,316,716
Total Fund Balances (Deficit)	<u>117,415,863</u>	<u>(10,189,294)</u>	<u>31,732,818</u>	<u>28,108,666</u>	<u>167,068,053</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 146,702,234</u>	<u>\$ 13,760,352</u>	<u>\$ 37,088,806</u>	<u>\$ 41,192,750</u>	<u>\$ 238,744,142</u>

The notes to the financial statements are an integral part of this statement.

LIVINGSTON PARISH SCHOOL BOARD

RECONCILIATION OF THE GOVERNMENTAL FUNDS
BALANCE SHEET TO THE STATEMENT OF NET POSITION (DEFICIT)

JUNE 30, 2022

Total Fund Balances - Governmental Funds	\$ 167,068,053
Cost of Capital Assets	500,282,995
Less: Accumulated Depreciation	<u>(177,014,024)</u>
	323,268,971
Cost of Lease Assets	1,770,846
Less: Accumulated Depreciation	<u>(423,049)</u>
	1,347,797
Elimination of Interfund Assets and Liabilities:	
Due from Other Funds	21,449,799
Due to Other Funds	<u>(21,449,799)</u>
	-
Long-Term Liabilities:	
Accumulated Unfunded Other Postemployment Benefits Payable	(307,417,535)
Compensated Absences	(16,662,613)
Net Pension Liability	(154,949,876)
Lease Liability	(1,365,564)
Claims and Judgments	(3,840,000)
Bonds Payable	(104,185,000)
Financed Building and Vehicles Payable	(562,786)
Certificates of Indebtedness Payable	(133,355)
Deferred Premium on Bonds	(9,500,847)
Deferred Amount on Refunding	1,547,092
Accrued Interest Payable	<u>(539,447)</u>
	(597,609,931)
Deferred Inflow of Resources - Unavailable Intergovernmental Revenues are not Reported in Governmental Funds	9,252,838
Deferred Inflows of Resources Related to Other Postemployment Benefits are not Reported in Governmental Funds	(83,511,871)
Deferred Outflows of Resources Related to Pensions are not Reported in Governmental Funds	61,786,569
Deferred Outflows of Resources Related to Other Postemployment Benefits are not Reported in Governmental Funds	85,292,114
Deferred Inflows of Resources Related to Pensions are not Reported in Governmental Funds	<u>(103,539,157)</u>
Net Position (Deficit) of Governmental Activities	<u>\$ (136,644,617)</u>

The notes to the financial statements are an integral part of this statement.

LIVINGSTON PARISH SCHOOL BOARD

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

FOR THE YEAR ENDED JUNE 30, 2022

	General Fund	Disaster Special Revenue Fund	Capital Projects Fund	Nonmajor Funds	Total Governmental Funds
Revenues:					
Local Sources:					
Taxes:					
Ad Valorem	\$ 6,475,604	\$ -	\$ 3,092,457	\$ 10,037,400	\$ 19,605,461
Sales and Use	76,493,167	-	-	-	76,493,167
Other	672,787	-	-	-	672,787
Rentals, Leases and Royalties	3,482	-	-	-	3,482
Tuition	217,525	-	-	-	217,525
Interest Earnings	907,030	-	168,243	48,763	1,124,036
Food Services	-	-	-	242,751	242,751
District (Student) Activities	-	-	-	12,843,978	12,843,978
Other	6,619,175	-	-	125,424	6,744,599
State Sources:					
Unrestricted Grants-in-Aid	181,339,141	-	250,800	645,826	182,235,767
Restricted Grants-in-Aid	2,999,330	-	-	-	2,999,330
Federal Sources:					
Unrestricted - Indirect Cost Recoveries	-	-	-	2,724,639	2,724,639
Restricted Grants-in-Aid - Subgrants	-	30,292,712	-	62,346,126	92,638,838
Other - Commodities	-	-	-	1,283,012	1,283,012
Total Revenues	275,727,241	30,292,712	3,511,500	90,297,919	399,829,372
Expenditures:					
Instruction:					
Regular Programs	106,978,619	12,408	-	10,831,893	117,822,920
Special Education Programs	38,322,318	-	-	2,624,971	40,947,289
Vocational Programs	3,104,522	-	-	573,615	3,678,137
Other Programs	4,093,095	-	-	6,600,955	10,694,050
Special Programs	3,174,561	-	-	4,698,529	7,873,090
Adult and Continuing Education Programs	128,517	-	-	188,370	316,887
Support Services:					
Pupil Support	15,656,696	-	-	2,890,743	18,547,439
Instructional Staff Support	7,375,727	-	-	3,678,608	11,054,335
General Administration	3,093,144	-	216,840	407,553	3,717,537
School Administration	16,153,992	-	-	5,309,983	21,463,975
Business Services	3,250,227	-	-	831	3,251,058
Plant Services	18,660,208	1,086,774	-	8,313,796	28,060,778
Transportation Services	15,396,945	-	-	80,713	15,477,658
Central Services	2,573,180	-	-	35,886	2,609,066

(CONTINUED)

LIVINGSTON PARISH SCHOOL BOARD

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2022

	General Fund	Disaster Special Revenue Fund	Capital Projects Fund	Nonmajor Funds	Total Governmental Funds
Expenditures (Continued):					
Non-Instructional Services:					
Food Services	-	18,434	-	27,660,870	27,679,304
Community Service Programs	20,849	-	-	89,530	110,379
Capital Outlay	520,317	31,566,151	15,051,263	8,017,525	55,155,256
Capital Outlay - Leases	1,312,625	-	-	-	1,312,625
Debt Service:					
Principal Retirement	589,103	-	-	7,771,665	8,360,768
Lease Principal Payments	402,952	-	-	-	402,952
Interest and Bank Charges	93,008	-	-	3,145,222	3,238,230
Total Expenditures	240,900,605	32,683,767	15,268,103	92,921,258	381,773,733
Excess (Deficiency) of Revenues Over (Under) Expenditures	34,826,636	(2,391,055)	(11,756,603)	(2,623,339)	18,055,639
Other Financing Sources (Uses):					
Proceeds from Disposition of Assets	22,275	-	-	-	22,275
Insurance Proceeds	46,131	-	-	2,414,660	2,460,791
Other	(1,364,885)	-	(245,288)	(9,696)	(1,619,869)
Issuance of Long-Term Debt	-	-	29,875,000	-	29,875,000
Proceeds from Issuance of Leases	1,310,295	-	-	-	1,310,295
Premium on Bond Issuance	-	-	5,143,587	-	5,143,587
Bond Issuance Costs	-	-	(306,436)	-	(306,436)
Transfers In	2,724,639	-	950,000	6,751,207	10,425,846
Transfers Out	(7,701,207)	-	-	(2,724,639)	(10,425,846)
Total Other Financing Sources (Uses)	(4,962,752)	-	35,416,863	6,431,532	36,885,643
Excess (Deficiency) of Revenues and Other Sources Over (Under) Expenditures and Other Uses	29,863,884	(2,391,055)	23,660,260	3,808,193	54,941,282
Fund Balances at Beginning of Year, as Restated	87,551,979	(7,798,239)	8,072,558	24,300,473	112,126,771
Fund Balances at End of Year	\$ 117,415,863	\$ (10,189,294)	\$ 31,732,818	\$ 28,108,666	\$ 167,068,053

The notes to the financial statements are an integral part of this statement.

LIVINGSTON PARISH SCHOOL BOARD

RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2022

Total Net Change in Fund Balances - Governmental Funds	\$ 54,941,282
Amounts Reported for Governmental Activities in the Statement of Activities are Different Because:	
Change in Deferred Inflow of Resources - Unavailable Intergovernmental Revenues	(15,413,844)
Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.	
Capital Outlays	55,155,256
Capital Outlays - Leases	1,312,625
Library Books and Textbooks Purchased	2,474,365
Depreciation Expense	(11,548,345)
Add accumulated depreciation on capital assets retired and impaired during the year	1,472,168
Less cost basis of capital assets retired and impaired during the year	(1,517,992)
The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.	
Issuance of General Obligation Bonds	(35,018,587)
Issuance of Leases	(1,310,295)
General Obligation Bond Principal Repayments	7,705,000
Certificates of Indebtedness Principal Repayments	66,665
Financed Building and Vehicle Principal Payments	589,103
Lease Principal Payments	402,952
Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds	
(Increase) Decrease in Compensated Absences Payable	(155,161)
(Increase) Decrease in Claims and Judgments Payable	(690,000)
(Increase) Decrease in Amortization Expense - Lease Assets	(423,049)
(Increase) in OPEB Expense	(8,366,078)
(Increase) Decrease in Pension Expense	36,595,389
Amortization of Deferred Amounts on Refunding	(208,543)
Amortization of Premium Received on Issuance of General Obligation Bonds	480,938
Interest on long-term debt in the Statement of Activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the Statement of Activities, however, interest expense is recognized as the interest accrues, regardless of when it is due.	(23,856)
Change in Net Position of Governmental Activities	<u>\$ 86,519,993</u>

The notes to the financial statements are an integral part of this statement.

LIVINGSTON PARISH SCHOOL BOARD

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL -
GENERAL FUND

FOR THE YEAR ENDED JUNE 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Revenues:				
Local Sources:				
Taxes:				
Ad Valorem	\$ 6,350,000	\$ 6,470,000	\$ 6,475,604	\$ 5,604
Sales and Use	66,901,578	74,467,691	76,493,167	2,025,476
Other	616,000	650,000	672,787	22,787
Rentals, Leases and Royalties	5,000	2,500	3,482	982
Tuition	307,500	256,525	217,525	(39,000)
Interest Earnings	767,792	825,000	907,030	82,030
Other	3,932,800	4,939,400	6,619,175	1,679,775
State Sources:				
Unrestricted Grants-in-Aid	175,991,935	181,390,910	181,339,141	(51,769)
Restricted Grants-in-Aid	3,001,137	3,981,576	2,999,330	(982,246)
Total Revenues	<u>257,873,742</u>	<u>272,983,602</u>	<u>275,727,241</u>	<u>2,743,639</u>
Expenditures:				
Instruction:				
Regular Programs	109,933,012	111,932,668	106,978,619	4,954,049
Special Education Programs	36,696,500	38,629,000	38,322,318	306,682
Vocational Programs	4,031,100	3,515,000	3,104,522	410,478
Other Programs	3,418,492	4,563,230	4,093,095	470,135
Special Programs	3,827,055	3,037,721	3,174,561	(136,840)
Adult and Continuing Education Programs	187,999	152,917	128,517	24,400
Support Services:				
Pupil Support	15,245,800	15,707,725	15,656,696	51,029
Instructional Staff Support	7,219,850	7,523,288	7,375,727	147,561
General Administration	2,601,673	2,967,634	3,093,144	(125,510)
School Administration	16,220,217	16,362,467	16,153,992	208,475
Business Services	2,984,200	3,588,016	3,250,227	337,789
Plant Services	18,217,431	20,118,615	18,660,208	1,458,407
Transportation Services	14,214,836	15,662,814	15,396,945	265,869
Central Services	2,718,250	2,744,800	2,573,180	171,620

(CONTINUED)

LIVINGSTON PARISH SCHOOL BOARD

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL -
GENERAL FUND

FOR THE YEAR ENDED JUNE 30, 2022

	Original Budget	Final Budget	Actual	Variance With Final Budget
Expenditures (Continued):				
Non-Instructional Services:				
Community Service Programs	30,001	30,001	20,849	9,152
Capital Outlay	-	96,644	520,317	(423,673)
Capital Outlay - Leases	-	-	1,312,625	(1,312,625)
Debt Service:				
Principal Retirement	1,009,010	589,104	589,103	1
Lease Principal Payments	402,952	402,952	402,952	-
Interest and Bank Charges	120,317	93,009	93,008	1
Total Expenditures	239,078,695	247,717,605	240,900,605	6,817,000
Excess of Revenues Over Expenditures	18,795,047	25,265,997	34,826,636	9,560,639
Other Financing Sources (Uses):				
Proceeds from Disposition of Assets	10,000	18,000	22,275	4,275
Insurance Proceeds	10,000	18,000	46,131	28,131
Other	(1,069,578)	(1,364,885)	(1,364,885)	-
Proceeds from Issuance of Leases	-	-	1,310,295	1,310,295
Transfers In	1,744,756	2,277,332	2,724,639	447,307
Transfers Out	(7,502,565)	(11,697,566)	(7,701,207)	3,996,359
Total Other Financing Sources (Uses)	(6,807,387)	(10,749,119)	(4,962,752)	5,786,367
Excess (Deficiency) of Revenues and Other Sources Over Expendi- tures and Other Uses	11,987,660	14,516,878	29,863,884	15,347,006
Fund Balances at Beginning of Year, as Restated	87,551,979	87,551,979	87,551,979	-
Fund Balance at End of Year	\$ 99,539,639	\$ 102,068,857	\$ 117,415,863	\$ 15,347,006

The notes to the financial statements are an integral part of this statement.

LIVINGSTON PARISH SCHOOL BOARD

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL -
DISASTER SPECIAL REVENUE FUND

FOR THE YEAR ENDED JUNE 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Revenues:				
Federal Sources:				
Restricted Grants-in-Aid	\$ 34,502,500	\$ 40,500,000	\$ 30,292,712	\$ (10,207,288)
Total Revenues	34,502,500	40,500,000	30,292,712	(10,207,288)
Expenditures:				
Instruction:				
Regular Programs	-	10,000	12,408	(2,408)
Plant Services	2,600,000	2,600,000	1,086,774	1,513,226
Non-Instructional Services:				
Food Services	-	19,000	18,434	566
Capital Outlay	31,296,350	30,754,350	31,566,151	(811,801)
Total Expenditures	33,896,350	33,383,350	32,683,767	699,583
Excess (Deficiency) of Revenues Over Expenditures	606,150	7,116,650	(2,391,055)	(9,507,705)
Excess (Deficiency) of Revenues and Other Sources Over Expenditures	606,150	7,116,650	(2,391,055)	(9,507,705)
Fund Balance (Deficit) at Beginning of Year, as Restated	<u>(7,798,239)</u>	<u>(7,798,239)</u>	<u>(7,798,239)</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ (7,192,089)</u>	<u>\$ (681,589)</u>	<u>\$ (10,189,294)</u>	<u>\$ (9,507,705)</u>

The notes to the financial statements are an integral part of this statement.

LIVINGSTON PARISH SCHOOL BOARD

STATEMENT OF FIDUCIARY NET POSITION -
FIDUCIARY FUND

JUNE 30, 2022

	<u>Custodial Fund</u> Sales Tax Fund
ASSETS	
Cash and Cash Equivalents	\$ 6,397,539
Total Assets	<u>6,397,539</u>
LIABILITIES	
Deposits Due to Others	<u>-</u>
Total Liabilities	<u>-</u>
NET POSITION	
Restricted for Individuals, Organizations, and Other Governments	<u>6,397,539</u>
Total Net Position	<u>\$ 6,397,539</u>

The notes to the financial statements are an integral part of this statement.

LIVINGSTON PARISH SCHOOL BOARD

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION -
FIDUCIARY FUND

FOR THE YEAR ENDED JUNE 30, 2022

	<u>Custodial Fund</u>
	<u>Sales Tax</u>
	<u>Fund</u>
Additions:	
Sales Tax Collections	\$ 151,228,427
Deductions:	
Transfers to:	
General Fund:	
Sales Tax	71,224,527
District No. 33	248,362
Sales Tax Collection Fee	1,346,040
Debt Service - District No. 22	2,853,735
Livingston Parish Sheriff	13,067,223
Livingston Parish Council	25,597,026
Livingston Parish Tourist Commission	533,417
Livingston Parish Drainage Districts:	
No. 1	2,635,453
No. 2	1,454,729
No. 5	2,424,428
City of Denham Springs	10,605,175
Denham Springs Economic Development District	1,383,990
Juban Crossing Economic Development District	4,528,938
City of Walker	5,110,860
Town of Livingston	679,902
Town of Springfield	536,038
Village of Albany	550,926
Refunds to Vendors	50,119
Total Deductions	<u>144,830,888</u>
Change in Net Position	<u>6,397,539</u>
Net Position - Beginning of Year	<u>-</u>
Net Position - End of Year	<u><u>\$ 6,397,539</u></u>

The notes to the financial statements are an integral part of this statement.

LIVINGSTON PARISH SCHOOL BOARD

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2022

INTRODUCTION

The Livingston Parish School Board was created by Louisiana Revised Statute (LSA-R.S.) 17:51 to provide public education for the children within Livingston Parish. 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 nine members who are elected from nine districts for terms of four years.

The School Board operates forty-three schools, an alternative education center, the Livingston Parish Literacy and Technology Center and the Pathways Center, within the parish with a total enrollment of approximately 26,250 pupils. In conjunction with the regular educational programs, some of these schools offer special education and/or adult education programs. In addition, the School Board provides transportation and school food services for the students.

(1) Summary of Significant Accounting Policies -

A. Basis of Presentation

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

B. Reporting Entity

For financial reporting purposes, the School Board includes all funds, schools, and agencies that are within the oversight responsibility of the School Board. The oversight responsibility derived by the School Board is related to its scope of public service and gives it the authority to establish public schools as it deems necessary. This oversight responsibility also allows the School Board to determine the number of teachers and employees to be employed, to establish the financial interdependency of the funds, to appoint management, and to significantly influence operations and accountability for fiscal matters.

Certain units of local government over which the School Board exercises no oversight responsibility, such as the Parish Council, other independently elected parish officials, and municipalities within the parish, are excluded from the accompanying financial statements. These units of government are considered separate reporting entities and issue financial statements separate from those of the Livingston Parish School Board.

The Governmental Accounting Standards Board (GASB) Statement No. 61, the Financial Reporting Entity: Omnibus, established criteria for determining which component units should be considered part of the Livingston Parish School Board for financial reporting purposes. The GASB has set forth criteria to be considered in determining financial accountability. These criteria include:

LIVINGSTON PARISH SCHOOL BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2022

1. Legal status of the potential component unit.
2. Financial accountability:
 - a. The primary government appoints a voting majority of the potential component unit's governing body and the primary government is able to impose its will on the potential component unit (or)
 - b. When a potential component unit is fiscally dependent on the primary government regardless of whether the organization has separately elected officials or boards.
3. Financial benefits/burden relationship between the School Board and the potential component unit, and misleading to exclude which covers other potential component units for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading.

Based on the previous criteria, the School Board's management has determined the following entity to be a discretely presented component unit in the financial reporting entity. At June 30, 2022, no financial transactions have occurred by the entity that would require it to be included in the current year financial statements.

The Livingston Parish Public Benefit Corporation was formed on May 20, 2002 as a private Louisiana nonprofit corporation and a public benefit corporation established for charitable, scientific and educational purposes for the benefit of the Livingston Parish School Board. Once created, the Corporation entered into a cooperative endeavor agreement with the School Board and the Southeastern Educational Foundation (the Foundation), a Louisiana nonprofit corporation and a wholly owned subsidiary of the Southeastern Development Foundation, a Louisiana nonprofit corporation organized for the benefit of Southeastern Louisiana University. Under the terms of the cooperative endeavor agreement, the Corporation entered into a lease for land from the School Board and the Corporation is authorized to sublease the land to the Foundation. In addition, the Foundation is required to construct and operate the Livingston Parish Literacy and Technology Center in accordance with a court order issued in the matter of "*In Re Combustion, Inc.*" Civil Action 94-MDL-4000, United States District Court, Western District of Louisiana. Once the facility is completed, the cooperative endeavor agreement authorizes the Corporation to lease a portion of the completed facility from the Foundation. Due to the substance of the lease the School Board is handling this lease as a capital lease within these financial statements. The initial lease payment of \$1,000,000 was paid by the School Board upon receipt of evidence of substantial completion of the facility which occurred during the year ended June 30, 2006. The School Board was required to make five additional annual lease payments of \$260,475 due on January 1 each year. The School Board has made all payments as required by the agreement. At June 30, 2022, the Livingston Parish Public Benefit Corporation had no assets or liabilities to report.

LIVINGSTON PARISH SCHOOL BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2022

C. Funds

The School Board uses funds to maintain its financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain School Board functions and activities. A fund is defined as a separate fiscal and accounting entity with a self-balancing set of accounts.

Funds of the School Board are classified into two categories: Governmental and Fiduciary, as discussed below.

Governmental Funds

Governmental funds are used to account for all or most of the School Board's general activities. These funds focus on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may be used. Current liabilities are assigned to the fund from which they will be paid. The difference between a governmental fund's assets and liabilities is reported as fund balance. In general, fund balance represents the accumulated expendable resources which may be used to finance future period programs or operations of the School Board. The following are the School Board's primary governmental funds:

Governmental Fund Types:

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 other funds.

Special Revenue Funds - The Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

Debt Service Fund - The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs for each district.

Capital Projects Fund - The Capital Projects Fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities and for the major repairs thereto.

Fiduciary Fund Type:

Fiduciary funds are used to account for fiduciary activities that meet the definition contained in GASB Statement No. 84, *Fiduciary Activities*. Custodial funds are fiduciary funds that account for assets held for others in a fiduciary capacity. The Sales Tax Fund is a custodial fund. Fiduciary fund reporting focuses on net position and changes in net position.

LIVINGSTON PARISH SCHOOL BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2022

D. Measurement Focus/Basis of Accounting

Government-Wide Financial Statements (GWFS)

The Statement of Net Position and the Statement of Activities display information about the reporting government as a whole. These statements include all the financial activities of the school board, except for the fiduciary fund. The Fiduciary Fund is reported in the Statement of Fiduciary Net Position and the Statement of Changes in Fiduciary Net Position at the Fund Financial Statement level.

The GWFS were prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities, deferred inflows of resources resulting from nonexchange transactions are recognized in accordance with the requirements of Section N50.

Program Revenues

Program revenues included in the Statement of Activities derive directly from parties outside the School Board's taxpayers or citizenry, as a whole; program revenues reduce the cost of the function to be financed from the School Board's general 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 which can be specifically identified by function is included in the direct expenses of each function. Depreciation on buildings is assigned to the "general administration" function due to the fact that school buildings serve many purposes. 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 are determined by its measurement focus. Governmental Funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of Governmental Funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

LIVINGSTON PARISH SCHOOL BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2022

Fund financial statements report detailed information about the School Board. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. The major funds of the School Board are the General Fund, Debt Service Fund, Disaster Special Revenue Fund, and the Capital Projects Fund.

The modified accrual basis of accounting is used by Governmental Funds. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter (generally 60 days) to be used to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred. Issuance of long-term debt and acquisitions under leases and subscription-based information technology are reported as other financing sources. The Governmental Funds use the following practices in recording revenues and expenditures:

Revenues

Ad valorem taxes are recorded in the year the taxes are due and payable. Ad valorem taxes are assessed on a calendar year basis, become due on November 15 of each year, and become delinquent on December 31. The taxes are generally collected in December, January, and February of the fiscal year.

Federal and State entitlements (which include state equalization and state revenue sharing) are recorded when available and measurable. Federal and State grants are recorded when the reimbursable expenditures have been incurred.

Sales and use tax revenues are recorded in the month collected by the vendor even though not paid to the School Board until the subsequent month.

Substantially all other revenues are recorded when received.

Expenditures

Salaries are recorded as expenditures when earned. Nine-month employee salaries are earned over a 9-month period, but are paid over a 12-month period. Compensated absences are recognized as expenditures when leave is actually taken or when employees (or heirs) are paid for accrued leave upon retirement or death. Principal and interest on general long-term obligations are recognized when due. All other expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

Other Financing Sources (Uses)

Transfers between funds that are not expected to be repaid, sale of fixed assets, long-term debt proceeds, bank loan proceeds, etc., are accounted for as other financing sources (uses). These other financing sources (uses) are recognized at the time the underlying events occur.

LIVINGSTON PARISH SCHOOL BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2022

E. Budget Practices

The School Board adopts budgets for the General Fund, each Special Revenue Fund, the Debt Service Fund and the Capital Projects Fund.

The proposed budgets for the fiscal year ended June 30, 2022, were made available for public inspection and comments from taxpayers. The budgets, which included proposed expenditures and the means of financing them, were published in the official journal fifteen days prior to the public hearing on the budgets for the year ended June 30, 2022. At this meeting, the proposed budgets were legally adopted by the School Board.

The budgets are prepared on a modified accrual basis of accounting. All appropriations lapse at year end. Encumbrances are not recognized within the accounting records for budgetary control purposes. Formal budget integration (within the accounting records) is employed as a management control device. The superintendent of parish schools is authorized to transfer between line items within any fund. However, when actual revenues within a fund fail to meet budgeted revenues by five percent or more, a budget amendment is adopted by the School Board in an open meeting. Budget amounts included in the accompanying financial statements include the original adopted budget and all subsequent amendments.

F. Encumbrances

Encumbrance accounting, under which purchase orders are recorded in order to reserve that portion of the applicable appropriation, is not employed. However, outstanding purchase orders are taken into consideration before expenditures are incurred in order to assure that applicable appropriations are not exceeded.

G. Cash and Cash Equivalents

Cash and cash equivalents include interest bearing demand deposits and amounts in time deposits with maturities less than 90 days. Under state law, the School Board may deposit funds in demand deposits, interest bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana. Cash and cash equivalents are stated at cost, which approximates market value.

Certificates of deposit with maturities greater than 90 days are classified as investments and are stated at cost, which also approximates market value.

H. Inventory

Inventory of the General Fund is valued at cost and consists of expendable materials and supplies, which are recorded as an expenditure when consumed, using the first-in, first-out method.

LIVINGSTON PARISH SCHOOL BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2022

Inventory of the School Lunch Special Revenue Fund consists of food purchased by the School Board and commodities granted by the United States Department of Agriculture through the Louisiana Department of Agriculture and Forestry. The commodities are recorded as revenues when received; however, all inventory items are recorded as expenditures when consumed. All purchased inventory items are valued at the lower of cost (first-in, first-out basis) or market, and commodities are assigned values based on information provided by the United States Department of Agriculture.

I. Capital Assets

Capital assets are capitalized at historical cost, or estimated historical cost for assets where actual historical cost is not available. Donated assets are recorded as capital assets at their acquisition value. The system for accumulation of fixed assets cost data does not provide the means for determining the percentage of assets valued at actual and those valued at estimated cost.

Capital assets are recorded in the GWFS, but are not reported in the FFS. All capital assets are depreciated using the straight-line method over their estimated useful lives. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public school purposes by the School Board, no salvage value is taken into consideration for depreciation purposes. Useful lives vary from 40 to 50 years for buildings, and 6 to 20 years for equipment.

The School Board does not possess any material amounts of infrastructure capital assets, such as sidewalks and parking lots. Amounts expended for such items prior to June 30, 2003 were considered to be part of the cost of buildings or other immovable property such as stadiums. Since 2003, if such items are built or constructed, they are capitalized and depreciated over their estimated useful lives.

J. Deferred Outflows of Resources and Deferred Inflows of Resources

The statement of net position reports a separate section for deferred outflows and (or) inflows of financial resources. Deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. Deferred inflows of resources represents an acquisition of a net position that applies to a future period(s) and so will not be recognized as an inflow of resources until that time.

In Government-Wide Financial Statements, a portion of the School Board's deferred outflows of resources on the statement of net position are a result of deferrals concerning bonded debt. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. Deferred amount on refunding of debt is reported in the deferred outflow section of the statement of net position.

LIVINGSTON PARISH SCHOOL BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2022

In Government-Wide Financial Statements, the School Board also has deferred outflows and inflows of resources on the statement of net position that are related to pensions and other postemployment benefits. In Governmental Fund Financial Statements, deferred inflows of resources - unavailable intergovernmental revenues are reported for receivables recorded in the Governmental Fund Financial Statements for which revenue is not available.

K. Compensated Absences

All 12-month employees earn from 5 to 20 days of vacation leave each year, depending on their length of service with the School Board. A minimum of 10 vacation days must be used each year with the remaining unused vacation leave accumulated without limitation. The employee has the option to have the accumulated balance paid at termination or used to extend years of service for retirement or the accumulated amount is paid to an authorized representative upon death.

All school board employees earn from 10 to 18 days of sick leave each year, depending upon the number of months employed. Sick leave may be accumulated without limitation. Upon retirement or death, unused accumulated sick leave of up to twenty-five days is paid to the employee or to the employee's estate at the employee's current rate of pay. Under the Louisiana Teachers Retirement System, the total unused accumulated sick leave, including the twenty-five days paid, is used in the retirement benefit computation as earned service for leave earned prior to July 1, 1988. For sick leave earned between July 1, 1988 and June 30, 1990 under the Louisiana Teachers Retirement System and for sick leave earned under the Louisiana School Employees Retirement System, all unpaid sick leave, which excludes the twenty-five days paid, is used in the retirement benefit computation as earned service. For sick leave earned after June 30, 1990, a maximum of one year of accumulated sick leave earned, which excludes the twenty-five days paid, can be converted to one year of earned service. All remaining accumulated sick leave earned after June 30, 1990, after converting one year of sick leave into one year of earned service, may only be added to the member's service credit if purchased.

Sabbatical leave may only be granted for medical leave and for professional and cultural improvement. Any employee with a teaching certificate is entitled, subject to approval by the School Board, to one semester of sabbatical leave after three years of continuous service or two semesters of sabbatical leave after six or more years of continuous service. Sabbatical leave benefits are recorded as expenditures in the period paid.

L. Pensions

The School Board is a participating employer in cost-sharing, multiple-employer defined benefit plans as described in Note 8. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position of each of the plans, and additions to/deductions from the plans' fiduciary net position have been determined on the same basis

LIVINGSTON PARISH SCHOOL BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2022

as they are reported by the plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

M. Postemployment Benefits Other than Pensions (OPEB)

The School Board provides certain continuing health care and life insurance benefits for its retired employees as described in Note 10. For purposes of measuring the total OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, OPEB expense, information about the fiduciary net position of the plan, and additions to/deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms.

N. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

O. Sales and Use Taxes

The School Board receives a two and one-half percent sales and use tax. The sales and use tax is collected by the sales tax department of the School Board and is included in the revenues of the General Fund. The proceeds of the tax are dedicated to the payment of salaries of school teachers and other school employees; the payment of utilities; and constructing, maintaining or operating school buildings and other school related facilities, including the acquisition of sites.

In addition, on October 5, 2002, the voters in School Board District No. 22 approved a ½ percent sales and use tax for the purpose of constructing and acquiring a new elementary school and providing renovations and improvements to the existing buildings within the school district. Also, on September 18, 2004, the voters in School Board District No. 33 approved a one percent sales and use tax for the purpose of constructing and improving or renovating school buildings within the School District.

LIVINGSTON PARISH SCHOOL BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2022

The School Board is also authorized to collect sales and use taxes levied by the following governmental entities:

Livingston Parish Council
Law Enforcement Subdistrict A
Gravity Drainage District No. 1
Gravity Drainage District No. 2
Gravity Drainage District No. 5
City of Denham Springs
City of Walker
Town of Livingston
Village of Albany
Town of Springfield
Livingston Parish Tourist Commission
Denham Springs Economic Development District
Juban Crossing Economic Development District

The School Board receives a collection fee that varies by entity and ranges from a high of 4% to a rate of 2% on the first \$1,000,000 collected and then 1.5% on the amounts collected in excess of \$1,000,000 on most entities. The collection and distribution of the sales taxes are accounted for in the Sales Tax Agency Fund.

P. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates, particularly given the significant social and economic disruptions and uncertainties associated with the ongoing COVID-19 pandemic and the COVID-19 control responses, and such differences may be material.

Q. Equity Balances

Government-Wide Statements

Equity is classified as net position. Net position represents the difference between assets plus deferred outflows of resources, less liabilities, less deferred inflows of resources. It is displayed in three components:

1. Net Investment in capital assets - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

LIVINGSTON PARISH SCHOOL BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2022

2. Restricted net position - Consists of net position with constraints placed on the use either by:
 - a. External groups such as creditors, grantors, contributors, or laws or regulations of other governments, or
 - b. Law through constitutional provisions or enabling legislation.
3. Unrestricted net position - All other net positions that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

Fund Statements

Governmental fund equity is classified as fund balance. The School Board has adopted GASB Statement No. 54 which redefined how fund balances are presented in fund financial statements. In the governmental fund financial statements, fund balances are classified as follows:

Nonspendable - Amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

Restricted - Amounts that can be spent only for specific purposes because of the state or federal laws, or externally imposed conditions by grantors or creditors.

Committed - Amounts that can only be used for specific purposes determined by a formal action of the School Board. These amounts cannot be used for any other purpose unless the School Board removes or changes the specified use by taking the same type of action that was employed when the funds were initially committed.

Assigned - Amounts that are designated as committed by the School Board but are not spendable until a budget ordinance is passed.

Unassigned - All amounts not included in other spendable classifications. The School Board has not adopted a policy to maintain the general fund’s unassigned fund balance above a certain minimum level.

The details of the fund balances are included in the Balance Sheet - Governmental Funds (Statement C). As noted above, restricted funds are used first as appropriate. Assigned Funds are reduced to the extent that expenditure authority has been budgeted by the School Board or the Assignment has been changed by the School Board. Decreases to fund balance first reduce Unassigned Fund balance; in the event that Unassigned becomes zero, then Assigned and Committed Fund Balances are used in that order.

LIVINGSTON PARISH SCHOOL BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2022

R. COVID-19 Pandemic

The COVID-19 outbreak in the United States and globally has caused an economic downturn on a global scale, disrupted global supply chains, and created significant uncertainty, volatility, and disruption across economies and financial markets. Therefore, uncertainty remains regarding the ongoing impact of the COVID-19 outbreak upon the School Board’s financial condition and future results of operations, as well as upon the significant estimates and assumptions that may be utilized in reporting certain assets and liabilities.

(2) Cash and Cash Equivalents -

The School Board maintains various deposit accounts for the current operations of certain individual funds of the School Board. In addition, it maintains a cash investment pool with the Board's paying agent for all remaining funds. Each fund's portion of the cash and investment pool is included in that fund's Cash and Cash Equivalent account.

The School Board also maintains certificates of deposits with maturities greater than 90 days. These certificates are classified as Investments.

Interest earned on pooled cash and investments is allocated to the participating funds based upon their combined participating balances.

At June 30, 2022, the carrying amount of the School Board's Cash and Cash Equivalents and Investments (checking accounts, savings accounts, and certificates of deposits) was \$180,363,179 the confirmed bank balances were \$181,589,016. Cash and Cash Equivalents and Investments are stated at cost, which approximates market.

The following is a summary of Cash and Cash Equivalents and Investments at June 30, 2022:

	Governmental Funds	Fiduciary Funds	Total
Deposits in Bank Accounts per Balance Sheets:			
Cash and Cash Equivalents	\$173,815,640	\$ 6,397,539	\$ 180,213,179
Certificates of Deposits	150,000	-	150,000
Total	\$173,965,640	\$ 6,397,539	\$180,363,179

Custodial Credit Risk - Deposits and Investments

In the case of deposits, this is the risk that in the event of a bank failure, the School Board’s deposits may not be returned to it.

LIVINGSTON PARISH SCHOOL BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2022

To mitigate this risk, state law requires for these deposits (or the resulting bank balances) to be secured by federal deposit insurance or the pledge of securities by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. The pledged securities are deemed by Louisiana State Law to be under the control and possession and in the name of the School Board regardless of its designation by the financial institution in which it is deposited. As of June 30, 2022, none of the School Board’s bank balance of \$181,589,016 was exposed to custodial credit risk.

(3) Ad Valorem Taxes -

All taxable property in Louisiana is required by law to be assessed annually at a percentage of its fair market value by the Parish Assessor, except for public utility property which is assessed by the Louisiana Tax Commission.

The 1974 Louisiana Constitution (Article 7 Section 18) provided that land and improvements for residential purposes be assessed at 10% of fair market value; other property and electric cooperative properties, excluding land are to be assessed at 15% and public service properties, excluding land, are to be assessed at 25% of fair market value. Fair market value is determined by the elected assessor of the parish on all property subject to taxation except public service properties, which is valued by the Louisiana Tax Commission (LRS 47:1957). The correctness of assessments by the assessor is subject to review and certification by the Louisiana Tax Commission. The Assessor is required to reappraise all property subject to taxation at intervals of not more than four years.

Ad Valorem taxes attach as an enforceable lien on property as of January 1 of each year. Taxes are levied by the Parish Assessor during the year and are billed to taxpayers in November. Billed taxes become delinquent on December 31. Revenues from Ad Valorem taxes are budgeted in the year billed and recognized as revenue when billed. The Parish Assessor bills the property taxes using the assessed value determined by his office and the Livingston Parish Sheriff actually collects the tax for the Parish of Livingston.

The following is a summary of authorized and levied ad valorem taxes:

	<u>Authorized Millage</u>	<u>Levied Millage</u>		
Parish-wide Taxes:				
Constitutional	3.29	3.29		
Additional Support	7.18	7.18		
Maintenance	7.00	7.00		
Construction	5.00	5.00		
	<u>Low</u>	<u>High</u>	<u>Low</u>	<u>High</u>
District Taxes - Bond and Interest	-	23.44	-	23.44

LIVINGSTON PARISH SCHOOL BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2022

Any differences between authorized and levied villages are the result of reassessment of the tax rolls required by Article 7, Section 23 of the Louisiana Constitution of 1974.

Total Ad Valorem Taxes Levied	\$20,193,770
Penalties and Interest on Ad Valorem Taxes	76,342
Less: Amounts Deemed Uncollectible	<u>(664,651)</u>
Net Ad Valorem Taxes Collectible	<u>\$19,605,461</u>

Ad Valorem taxes receivable at June 30, 2022, totaled \$55,512.

(4) Receivables -

The receivables at June 30, 2022, are as follows:

	Federal Grants	State Grants	Sales Taxes	Ad Valorem Taxes	Interest	Other	Total
General Fund	\$ -	\$ 283,647	\$ 14,458,841	\$ 17,951	\$ 11,611	\$ 2,333,085	\$ 17,105,135
Disaster Fund	13,760,352	-	-	-	-	-	13,760,352
Capital Projects Fund	-	-	-	8,572	5,543	-	14,115
Nonmajor Funds	10,061,056	-	-	28,989	18,081	13,042	10,121,168
	<u>\$ 23,821,408</u>	<u>\$ 283,647</u>	<u>\$ 14,458,841</u>	<u>\$ 55,512</u>	<u>\$ 35,235</u>	<u>\$ 2,346,127</u>	<u>\$ 41,000,770</u>

5) Interfund Receivables, Payables - Transfers In, Transfers Out -

	Due From Other Funds	Due to Other Funds
General Fund	\$20,535,121	\$ 914,678
Special Revenue Funds:		
Disaster Special Revenue Fund	-	11,425,543
Elementary and Secondary Education Act: Title I	-	1,720,583
Special Education Fund	-	1,368,039
Special Federal Fund	-	211,841
Other Federal ESEA Fund	-	772,325
Strong Start Fund	-	5,036,790
Total Special Revenue Funds	<u>-</u>	<u>20,535,121</u>
Capital Projects Fund:		
District No. 1	<u>914,678</u>	<u>-</u>
Total Capital Projects Fund	<u>914,678</u>	<u>-</u>
Total	<u>\$21,449,799</u>	<u>\$21,449,799</u>

LIVINGSTON PARISH SCHOOL BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2022

	Transfers In	Transfers Out
General Fund	\$ 2,724,639	\$ 7,701,207
Special Revenue Funds:		
Disaster Special Revenue Fund	-	-
Elementary and Secondary		
Education Act: Title I	-	290,591
School Lunch	-	-
Special Education Fund	-	341,095
Maintenance of Schools	2,325,000	-
Special Federal Fund	-	20,497
Other Federal ESEA Fund	-	110,264
Student Activity Fund	878,642	-
Strong Start Fund	-	1,962,192
Total Special Revenue Funds	3,203,642	2,724,639
Debt Service Funds:		
District No.1	2,979,400	-
District No. 22	500,000	-
District No. 31	68,165	-
Total Debt Service Funds	3,547,565	-
Capital Projects Fund:		
District No. 26	950,000	-
Total Capital Projects Fund	950,000	-
Total	\$10,425,846	\$10,425,846

LIVINGSTON PARISH SCHOOL BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2022

(6) Changes in Capital Assets -

Capital asset activity for the year ended June 30, 2022 is as follows:

	Balance July 1, 2021	Additions/ Adjustments*	Deletions	Balance June 30, 2022
<u>Governmental Activities:</u>				
Capital Assets Not Being Depreciated:				
Land	\$ 16,615,874	\$ -	\$ -	\$ 16,615,874
Construction in Progress	38,773,610	50,825,558	(21,761,957)	67,837,211
Total Capital Assets Not Being Depreciated	55,389,484	50,825,558	(21,761,957)	84,453,085
Capital Assets Being Depreciated:				
Buildings and Improvements	345,836,147	22,897,200	-	368,733,347
Furniture and Equipment	9,195,733	615,793	(90,846)	9,720,680
Library Books and Textbooks	20,401,815	2,474,366	(1,090,944)	21,785,237
Vehicles	13,348,187	2,578,662	(336,203)	15,590,646
Total Capital Assets Being Depreciated	388,781,882	28,566,021	(1,517,993)	415,829,910
Less: Accumulated Depreciation for:				
Buildings and Improvements	136,193,211	8,078,069	-	144,271,280
Furniture and Equipment	6,108,886	472,372	(86,894)	6,494,364
Library Books and Textbooks	17,088,181	1,624,727	(1,090,944)	17,621,964
Vehicles	7,547,569	1,373,177	(294,330)	8,626,416
Total Accumulated Depreciation	166,937,847	11,548,345	(1,472,168)	177,014,024
Total Capital Assets Being Depreciated, Net	221,844,035	17,017,676	(45,825)	238,815,886
Lease Assets:				
Equipment	-	41,506	-	41,506
Vehicles	-	1,729,340	-	1,729,340
Total Lease Assets Being Amortized	-	1,770,846	-	1,770,846
Less: Accumulated Amortization for:				
Equipment	-	2,771	-	2,771
Vehicles	-	420,278	-	420,278
Total Accumulated Amortization	-	423,049	-	423,049
Total Lease Assets Being Amortized, Net	-	1,347,797	-	1,347,797
Total Governmental Activities Capital Assets, Net	\$ 277,233,519	\$ 69,191,031	\$ (21,807,782)	\$ 324,616,768

LIVINGSTON PARISH SCHOOL BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2022

*For the fiscal year ended June 30, 2022 the School Board implemented GASB Statement No. 87, *Leases*. The Additions/Adjustments total of \$1,770,846 includes \$458,221 lease assets at July 1, 2021 and \$1,312,625 in subsequent lease asset additions for the year ended June 30, 2022. Lease assets for fiscal year ended June 30, 2022, totaled \$1,347,797 (net of accumulated amortization).

Depreciation expense of \$11,548,345 for the year ended June 30, 2022 was charged to the following governmental functions:

Instruction:

Regular Education	\$ 1,281,214
Special Education	10,141
Vocational Education	32,931
Other Education Programs	3,824

Support Services:

Instructional Staff Support	406,941
General Administration (Including All Buildings)	8,086,707
School Administration	3,253
Pupil Support	4,748
Business Services	83,173
Plant Services	149,214
Student Transportation Services	1,352,241
Central Services	12,152
School Food Services	121,806
Total	<u>\$11,548,345</u>

Amortization expense of \$423,049 for the year ended June 30, 2022 was charged to the following governmental functions:

LIVINGSTON PARISH SCHOOL BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2022

Instruction:

Regular Education	\$ 46,916
Special Education	381
Vocational Education	1,227
Other Education Programs	127

Support Services:

Instructional Staff Support	14,891
General Administration (Including All Buildings)	296,219
School Administration	127
Pupil Support	169
Business Services	3,046
Plant Services	5,457
Student Transportation Services	49,539
Central Services	465
School Food Services	4,485

Total	\$ 423,049
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(7) Accounts, Salaries, and Other Payables -

The payables at June 30, 2022, are as follows:

	Accounts	Salaries and Benefits	Payroll Deductions and Withholdings	Total
General Fund	\$ 6,692,420	\$ 9,986,184	\$ 11,693,089	\$28,371,693
Capital Projects Fund	5,355,988	-	-	5,355,988
Disaster Fund	3,271,265	-	-	3,271,265
Nonmajor Funds	2,862,524	1,111,982	-	3,974,506
Total	\$18,182,197	\$ 11,098,166	\$ 11,693,089	\$40,973,452

(8) Pension Plans -

The School Board follows the requirements of GASB Statement 68. *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27* and GASB Statement 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date, an amendment to GASB 68*. These standards revise and establish new financial reporting requirements for governments that provide their employees with pension benefits. These standards require the School Board to record its proportionate share of each of the pension plans net pension liability and report the following disclosures:

LIVINGSTON PARISH SCHOOL BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2022

General Information about the Pension Plans

Plan Descriptions:

Teachers' Retirement System of Louisiana

Employees of the School Board are provided with pensions through a cost-sharing multiple-employer defined benefit plan administered by the Teachers' Retirement System of Louisiana (TRSL). Chapter 2 of Title 11 of the Louisiana Revised Statutes (La. R.S. 11:700-999) 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.

State of Louisiana School Employees' Retirement System

The State of Louisiana School Employees' Retirement System (LSERS) was established and provided for by R.S. 11:1001 of the Louisiana Revised Statutes as a cost-sharing multiple employer defined benefit pension plan. LSERS issues a publicly available financial report that can be obtained at www.lsers.net.

Louisiana State Employees' Retirement System

LASERS is a cost-sharing multiple-employer defined benefit plan administered by the Louisiana State Employees' Retirement System (LASERS). Section 401 of Title 11 of the Louisiana Revised Statutes (La. R.S. 11:401) grants to LASERS Board of Trustees and the Louisiana Legislature the authority to review administration, benefit terms, investments, and funding of the plan. LASERS issues a publicly available financial report that can be obtained at www.lasersonline.org.

Benefits Provided:

Teachers' Retirement System of Louisiana

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:

1. 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 and up to June 30, 2015 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

LIVINGSTON PARISH SCHOOL BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2022

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. If hired on or after July 1, 2015 members are eligible for a 2.5% accrual rate at the earliest of age 62 with 5 years of service, or at any age with 20 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.

Plan B - If hired before July 1, 2015 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. If hired on or after July 1, 2015 members may retire with a 2.0% annual accrual rate at age 62 with 5 years of service, or 20 years of service, regardless of age.

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 a monthly benefit (maximum or reduced Joint and Survivor Option) with a lump sum that can't exceed 36 months of the members' maximum monthly benefit amount.

Effective July 1, 2009, members 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.

2. 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. A member has a 60 day window from his first eligible date to participate in the program in order to participate for the maximum number of years. Delayed participation reduces the three year participation period. During participation, benefits otherwise payable are fixed, and deposited in an individual DROP account.

LIVINGSTON PARISH SCHOOL BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2022

Upon termination of DROP participation, 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.

3. 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.

4. 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 21, marriage, or age 23 if enrolled in an approved institution of higher education.

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

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

LIVINGSTON PARISH SCHOOL BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2022

6. 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.

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.

State of Louisiana School Employees' Retirement System

The following is a description of the plan and its benefits and is provided for general informational purposes only. Participants should refer to the appropriate statutes for more complete information.

1. Eligibility Requirements

Membership is mandatory for all persons employed by a Louisiana Parish or City School Board who work more than twenty hours per week as a school bus operator, school janitor, school custodian, school maintenance employee, school bus aide, a monitor or attendant, or any other regular school employee who actually works on a school bus helping with the transportation of school children. Members are vested after 10 years of service or 5 years if enrolled after June 30, 2010.

All temporary, seasonal and part-time employees as defined in Federal Regulations 26 CFR 31:3121(b)(7)-2 who have less than 10 years of creditable service are not eligible for membership in the System. Any part-time employees who work 20 hours or less per week and who are not vested will be refunded their contributions.

2. Benefits

Benefit provisions are authorized under Louisiana Revised Statutes 11:1141 – 11:1153. 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

LIVINGSTON PARISH SCHOOL BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2022

actuarially reduced benefit. A member who joined the System on or after July 1, 2015 is eligible for normal retirement if he has at least 5 years of creditable service and is at least age 62, 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.

3. Disability

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, who has withdrawn from active service prior to the age at which he is eligible for retirement benefits, is eligible for a disability benefit until normal retirement age. A member who joins 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.

4. 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 DROP. 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.

LIVINGSTON PARISH SCHOOL BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2022

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.

5. 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 certain benefit options. Thereafter, these members are ineligible to participate in the DROP. The IBRP program provides both a one-time single sum payment of up to 36 months of a regular monthly retirement benefit, plus a reduced monthly retirement benefit for life. Interest credited and payments from IBRP account are made in accordance with Louisiana Revised Statutes 11:1152(F)(3).

Members who enter DROP or IBRP on or after January 1, 2004, are required to participate in LSERS Self-Directed Plan (SDP) which is administered by a third-party provider. The SDP allows DROP/IBRP participants to choose from a menu of investment options for the allocation of their DROP/IBRP balances. Participants may diversify their investments by choosing from an approved list of mutual funds with different holdings, management styles, and risk factors.

Louisiana Employees' Retirement System

1. Retirement

The age and years of creditable service required in order for a member to retire with full benefits are established by statute, and vary depending on the member's hire date, employer, and job classification. Our rank and file members hired prior to July 1, 2006, may either retire with full benefits at any age upon completing 30 years of creditable service, at age 55 upon completing 25 years of creditable service, and at age 60 upon completing ten years of creditable service depending on their plan. Those members hired between July 1, 2006 and June 30, 2015, may retire at age 60 upon completing five years of creditable service and those hired on or after July 1, 2015, may retire at age 62 upon completing five years of creditable service. The basic annual retirement benefit for members is equal to 2.5% to 3.5% of average compensation multiplied by the number of years of creditable service. Additionally, members may choose to retire with 20 years of service at any age, with an actuarially reduced benefit.

LIVINGSTON PARISH SCHOOL BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2022

Average compensation is defined as the member's average annual earned compensation for the highest 36 consecutive months of employment for members employed prior to July 1, 2006. For members hired July 1, 2006 or later, average compensation is based on the member's average annual earned compensation for the highest 60 consecutive months of employment. The maximum annual retirement benefit cannot exceed the lesser of 100% of average compensation or a certain specified dollar amount of actuarially determined monetary limits, which vary depending upon the member's age at retirement. Judges, court officers, and certain elected officials receive an additional annual retirement benefit equal to 1.0% of average compensation multiplied by the number of years of creditable service in their respective capacity. As an alternative to the basic retirement benefits, a member may elect to receive their retirement throughout their life, with certain benefits being paid to their designated beneficiary after their death.

Act 992 of the 2010 Louisiana Regular Legislative Session, changed the benefit structure for LASERS members hired on or after January 1, 2011. This resulted in three new plans: regular, hazardous duty, and judges. The new regular plan includes regular members and those members who were formerly eligible to participate in specialty plans, excluding hazardous duty and judges. Regular members and judges are eligible to retire at age 60 after five years of creditable service and, may also retire at any age, with a reduced benefit, after 20 years of creditable service. Hazardous duty members are eligible to retire with twelve years of creditable service at age 55, 25 years of creditable service at any age or with a reduced benefit after 20 years of creditable service. Average compensation will be based on the member's average annual earned compensation for the highest 60 consecutive months of employment for all three new plans. Members in the regular plan will receive a 2.5% accrual rate, hazardous duty plan a 3.33% accrual rate, and judges a 3.5% accrual rate. The extra 1.0% accrual rate for each year of service for court officers, the governor, lieutenant governor, legislators, House clerk, sergeants at arms, or Senate secretary, employed after January 1, 2011, was eliminated by Act 992. Specialty plan and regular members, hired prior to January 1, 2011, who are hazardous duty employees have the option to transition to the new hazardous duty plan.

Act 226 of the 2014 Louisiana Regular Legislative Session established new retirement eligibility for members of LASERS hired on or after July 1, 2015, excluding hazardous duty plan members.

Regular members and judges under the new plan are eligible to retire at age 62 after five years of creditable service and may also retire at any age, with a reduced benefit, after 20 years of creditable service. Average compensation will be based on the member's average annual earned compensation for the highest 60 consecutive months of employment. Members in the regular plan will receive a 2.5% accrual rate and judges a 3.5% accrual rate, with the extra 1.0% accrual rate based on all years of service as a judge. Members of the Harbor Police Retirement System who were members prior to July 1, 2014, may retire after 25 years of creditable service at any age, 12 years of creditable service at age 55, 20 years of creditable service at age 45, and 10 years of creditable service at age 60. Average compensation for the plan is the member's average annual

LIVINGSTON PARISH SCHOOL BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2022

earned compensation for the highest 36 consecutive months of employment, with a 3.33% accrual rate. A member leaving employment before attaining minimum retirement age, but after completing certain minimum service requirements, becomes eligible for a benefit provided the member lives to the minimum service retirement age, and does not withdraw their accumulated contributions. The minimum service requirement for benefits varies depending upon the member's employer and service classification.

2. Deferred Retirement Benefits

The State Legislature authorized LASERS to establish a Deferred Retirement Option Plan (DROP). When a member enters DROP, their status changes from active member to retiree even though they continue to work and draw their salary for a period of up to three years. The election is irrevocable once participation begins. During DROP participation, accumulated retirement benefits that would have been paid to each retiree are separately tracked. For members who entered DROP prior to January 1, 2004, interest at a rate of one-half percent less than the System's realized return on its portfolio (not to be less than zero) will be credited to the retiree after participation ends. At that time, the member must choose among available alternatives for the distribution of benefits that have accumulated in the DROP account. Members who enter DROP on or after January 1, 2004, are required to participate in LASERS Self-Directed Plan (SDP) which is administered by a third-party provider. The SDP allows DROP participants to choose from a menu of investment options for the allocation of their DROP balances. Participants may diversify their investments by choosing from an approved list of mutual funds with different holdings, management styles, and risk factors.

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

For members who are in the Harbor Police Plan, the annual DROP Interest Rate is the three-year average (calculated as the compound average of 36 months) investment return of the plan assets for the period ending the June 30th immediately preceding that given date. The average rate so determined is to be reduced by a "contingency" adjustment of 0.5%, but not to below zero. DROP interest is forfeited if the member does not cease employment after DROP participation.

LIVINGSTON PARISH SCHOOL BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2022

3. Disability Benefits

Generally, active members with ten or more years of credited service who become disabled may receive a maximum disability retirement benefit equivalent to the regular retirement formula without reduction by reason of age. Upon reaching age, the disability retiree may receive a regular retirement benefit by making application to the Board of Trustees. For injuries sustained in the line of duty, hazardous duty personnel in the Hazardous Duty Services Plan will receive a disability benefit equal to 75% of final average compensation or 100% of final average compensation if the injury was the result of an intentional act of violence.

4. Survivor's Benefits

Certain eligible surviving dependents receive benefits based on the deceased member's compensation and their relationship to the deceased. The deceased regular member hired before January 1, 2011, who was in state service at the time of death, must have a minimum of five years of service credit, at least two of which were earned immediately prior to death, or who had a minimum of twenty years of service credit, regardless of when earned, in order for a benefit to be paid to a minor or handicapped child. Benefits are payable to an unmarried child until age 18, or age 23 if the child remains a full-time student. The aforementioned minimum service credit requirement is ten years for a surviving spouse with no minor children, and benefits are to be paid for life to the spouse or qualified handicapped child.

The deceased regular member hired on or after January 1, 2011, must have a minimum of five years of service credit regardless of when earned in order for a benefit to be paid to a minor child. The aforementioned minimum service credit requirements for a surviving spouse are 10 years, 2 years being earned immediately prior to death, and in active state service at the time of death, or a minimum of 20 years of service credit regardless of when earned. A deceased member's spouse must have been married for at least one year before death.

A Hazardous Duty Services Plan member's surviving spouse and minor or handicapped or mentally incapacitated child or children are entitled to survivor benefits of 80% of the member's final average compensation if the member was killed in the line of duty. If the member dies in the line of duty as a result of an intentional act of violence, survivor benefits may be increased to 100% of the member's final average compensation.

5. 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.

LIVINGSTON PARISH SCHOOL BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2022

Contributions:

Teachers' Retirement System of Louisiana

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 rates in effect during the fiscal year ended June 30, 2022 are as follows:

2022 TRSL Sub Plan	Contributions	
	Employee	Employer
K-12 Regular Plan	8.00%	25.20%
Plan A	9.10%	25.20%
ORP		
2022	8.00%	21.47%

The contractually required composite contribution rate was 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 TRSL from the School Board were \$33,585,912 for the year ended June 30, 2022.

In accordance with state statute, TRSL receives ad valorem taxes and state revenue sharing funds. These additional sources of income are used as employer contributions and are considered support from non-employer contributing entities, but are not considered special funding situations. The amount of non-employer contributions recognized as revenue in the government-wide governmental activities statement of activities was \$672,787 for the year ended June 30, 2022.

State of Louisiana School Employees' Retirement System

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. For the year ending June 30, 2022, the employer contribution rate was 28.70% and the employee rate was 7.5% of their annual covered salary for members employed prior to July 1, 2010, and 8.0% for members employed subsequent to July 1, 2010. Contributions to LSERS from the School Board were \$3,618,345 for the year ended June 30, 2022.

LIVINGSTON PARISH SCHOOL BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2022

Louisiana State Employees' Retirement System

Contribution requirements of active employees are governed by Section 401 of Title 11 of the Louisiana Revised Statutes (La. R.S. 11:401) and may be amended by the Louisiana Legislature. Employee and employer contributions are deducted from a member's salary and remitted to LASERS by participating employers. The contribution rates in effect during the year ended June 30, 2022 for the plan Regular Employees Pre Act 75 (hired before July 1, 2006) were 7.5% for the employee and 39.56% for the employer. The contribution rates in effect during the year ended June 30, 2022 for the plan Regular Employees Post Act 75 (hired after June 30, 2006) were 8.0% for the employee and 39.56% for the employer. The status of the plan Regular Employees Pre Act 75 (hired before July 1, 2006) is closed.

The School Board's contractually required composite contribution rate for the year ended June 30, 2022 was 39.56% 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 LASERS from the School Board were \$233,337 for the year ended June 30, 2022.

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

At June 30, 2022, the School Board reported a liability of \$154,949,876 for its proportionate share of the net pension liability of TRSL, LSERS, and LASERS combined. For all plans, the net pension liability was measured as of June 30, 2020 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The School Board's proportion of the net pension liability was based on a projection of the School Board's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined. The School Board's proportion at June 30, 2021 and change in proportion measured as of June 30, 2021 is as follows:

<u>Plan</u>	<u>Proportion at June 30, 2021</u>	<u>Change in Proportion</u>
TRSL	2.53124%	0.07456%
LSERS	3.92632%	0.17189%
LASERS	0.02090%	(0.00227%)

LIVINGSTON PARISH SCHOOL BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2022

For the year ended June 30, 2022, the School Board recognized pension expense as follows:

<u>Plan</u>	<u>Pension Expense</u>
TRSL	\$ (1,035,438)
LSERS	1,896,125
LASERS	84,655
	<u>\$ 945,342</u>

At June 30, 2022, the School Board reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	TRSL	LSERS	LASERS	Total
Deferred Outflows of Resources:				
Differences between expected and actual Experience	\$ 690,203	\$ 403,668	\$ 1,136	\$ 1,095,007
Changes in Assumptions	13,154,577	614,929	28,176	13,797,682
Net difference between projected and actual earnings on pension plan investments	-	-	-	-
Changes in proportion and differences between Employer contributions and proportionate share of contributions	8,430,751	1,035,962	(10,427)	9,456,286
Employer contributions subsequent to the measurement date	33,585,912	3,618,345	233,337	37,437,594
Total Deferred Outflows of Resources	<u>\$ 55,861,443</u>	<u>\$ 5,672,904</u>	<u>\$ 252,222</u>	<u>\$ 61,786,569</u>
	TRSL	LSERS	LASERS	Total
Deferred Inflows of Resources:				
Differences between expected and actual Experience	\$ 2,043,354	\$ 271,175	\$ -	\$ 2,314,529
Changes in Assumptions	-	-	-	-
Net difference between projected and actual earnings on pension plan investments	91,221,462	7,100,297.0	268,262	98,590,021
Changes in proportion and differences between Employer contributions and proportionate share of contributions	2,716,756	27,581	(109,730)	2,634,607
Total Deferred Inflows of Resources	<u>\$ 95,981,572</u>	<u>\$ 7,399,053</u>	<u>\$ 158,532</u>	<u>\$ 103,539,157</u>

\$37,437,594 reported as deferred outflows of resources related to pensions resulting from the School Board's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

LIVINGSTON PARISH SCHOOL BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2022

<u>Year Ended June 30:</u>	<u>TRSL</u>	<u>LSERS</u>	<u>LASERS</u>	<u>Total</u>
2023	\$ (16,902,818)	\$ (374,199)	\$ 33,440	\$ (17,243,577)
2024	(13,669,696)	(449,979)	7,283	(14,112,392)
2025	(17,205,420)	(1,710,986)	(60,947)	(18,977,353)
2026	(25,928,107)	(2,809,330)	(119,423)	(28,856,860)
	<u>\$ (73,706,041)</u>	<u>\$ (5,344,494)</u>	<u>\$ (139,647)</u>	<u>\$ (79,190,182)</u>

Actuarial Assumptions:

A summary of the actuarial methods and assumptions used in determining the total pension liability as of June 30, 2021 for all plans are as follows:

	<u>TRSL</u>	<u>LSERS</u>	<u>LASERS</u>
Inflation	2.30%	2.50%	2.30%
Investment rate of return	7.45%	6.90%	7.40%
			3.0% to
	3.1% to 4.6% -		13.8%
	varies depending	3.25% (2013-	(2014-2018
	on duration of	2017 experience	experience
Salary increases	service	study)	study)

For TRSL, the mortality rates were projected based on RP-2014 White Collar Employee tables, adjusted by 1.010 for males and by 0.997 for females for active members; RP-2014 White Collar Healthy Annuitant tables, adjusted by 1.366 for males and by 1.189 for females for Non-Disabled retiree/inactive members; and RP-2014 Disability tables, adjusted by 1.111 for males and by 1.134 for females for Disability retirees. These base tables are adjusted from 2014 to 2018 using the MP-2017 generational improvement table, with continued future mortality improvement projected using the MP-2017 generational mortality improvement tables.

For LSERS, the mortality rates were based on the RP-2014 Healthy Annuitant Tables, the RP-2014 Sex Distinct Employee Table, and the RP-2014 Sex Distinct Disabled Employee Table.

For LASERS, mortality rates were based on MP-2014 Blue Collar (males/females) and White Collar (females) Healthy Annuitant Tables projected on a fully generational basis by Mortality Improvement Scale MP-2018 for non-disabled members; and; and RP-2000 Disabled Retiree Mortality Table, with no projection for mortality improvement was selected for disabled members. Termination, disability, and retirement assumptions were projected based on a five-year (2014-2018) experience study of the system’s members.

For all plans’ cost of living adjustments, the present value of future retirement benefits is based on benefits currently being paid by the Systems and includes previously granted cost of living increases. The present values do not include provisions for potential future increase not yet authorized by the Board of Trustees.

For TRSL, the long-term expected rate of return on pension plan investments was determined

LIVINGSTON PARISH SCHOOL BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2022

using a building-block method in which best-estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.3% and an adjustment for the effect of rebalancing/diversification. The resulting expected long-term rate of return was 7.87% for 2021. Best estimates of arithmetic real rates of return for each major asset class included in the TRSL’s target asset allocation as of June 30, 2021 are summarized in the following table:

<u>Asset Class</u>	Long-Term Expected Portfolio Real Rate of Return
Domestic Equity	4.21%
International Equity	5.23%
Domestic Fixed Income	0.44%
International Fixed Income	0.56%
Private Equity	8.48%
Other Private Assets	4.27%

For LSERS, the long-term expected rate of return on pension plan investments was determined using a triangulation method which integrated the CAPM pricing model (top-down), a treasury yield curve approach (bottom-up) and an equity building-block model (bottom-up). Risk return and correlations are projected on a forward looking basis in equilibrium, in which best-estimates of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These rates are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation and an adjustment for the effect of rebalancing/diversification. The resulting long-term arithmetic nominal expected return in 8.17%. Best estimates of geometric real rates of return for each major asset class included in the System’s target asset allocation as of June 30, 2021, are summarized in the following table:

<u>Asset Class</u>	Target Asset Allocation	Long-Term Expected Portfolio Real Rate of Return
Fixed Income	26%	0.76%
Equity	39%	2.84%
Alternatives	23%	1.87%
Real Estate	12%	0.60%
Total	100%	6.07%
Inflation		2.10%
Expected Arithmetic Nominal Return		8.17%

For LASERS the long-term expected rate of return on pension plan investments was determined

LIVINGSTON PARISH SCHOOL BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2022

using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation and an adjustment for the effect of rebalancing/diversification. The resulting expected long-term nominal rate of return is 7.61% for 2021. The target allocation and best estimates of geometric real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2021 are summarized in the following table:

Asset Class	Target Asset Allocation	Long-Term Expected Portfolio Real Rate of Return
Cash	1%	(0.59%)
Domestic Equity	31%	4.09%
International Equity	23%	5.12%
Domestic Fixed Income	3%	0.49%
International Fixed Income	18%	3.94%
Alternative Investments	24%	6.93%
Total	100%	5.81%

Discount Rate

The discount rate used to measure the total pension liability was 7.40% for TRSL and 7.40% for LASERS which were a decrease of .05% and 0.15%, respectively, from the prior measurement date of June 30, 2020. For LSERS, the discount rate used to measure the total pension liability was 6.90% with a decrease of 0.10% from its prior measurement date of June 30, 2020. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that employer contributions from participating employers and non-employer contributing entities will be made at actuarially determined rates, which are calculated in accordance with relevant statutes and approved by the Board of Trustees and the Public Retirement Systems' Actuarial Committee. Based on those assumptions, the pension plans' fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

LIVINGSTON PARISH SCHOOL BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2022

TRSL:	Changes in Discount Rate		
	Current		
	1% Decrease 6.40%	Discount Rate 7.40%	1% Increase 8.40%
Net pension liability	\$223,637,874	\$ 135,136,901	\$ 60,698,281

LSERS:	Changes in Discount Rate		
	Current		
	1% Decrease 5.90%	Discount Rate 6.90%	1% Increase 7.90%
Net pension liability	\$ 28,741,194	\$ 18,662,479	\$ 10,047,347

LASERS:	Changes in Discount Rate		
	Current		
	1% Decrease 6.40%	Discount Rate 7.40%	1% Increase 8.40%
Net pension liability	\$ 1,558,835	\$ 1,150,496	\$ 803,051

Pension Plans Fiduciary Net Position

TRSL issued a stand-alone audit report on its financial statements for the year ended June 30, 2021. Access to the audit report can be found on the System’s website: www.trsl.org or on the Office of Louisiana Legislative Auditor’s official website: www.lla.state.la.us.

LSERS issued a stand-alone audit report on its financial statements for the year ended June 30, 2021. Access to the audit report can be found on the System’s website: www.lasers.net or on the Office of Louisiana Legislative Auditor’s official website: www.lla.state.la.us.

Detailed information about LASERS’ pension plan’s fiduciary net position is available in the separately issued LASERS 2021 Comprehensive Annual Financial Report at www.lasersonline.org or on the Office of Louisiana Legislative Auditor’s official website: www.lla.state.la.us.

Payables to the Pension Plans

At June 30, 2022 included in liabilities are payables to the pension plans as follows: TRSL \$6,007,222, LSERS \$528,709 and LASERS \$38,597. These payables are normal legally required contributions to the pension plans.

LIVINGSTON PARISH SCHOOL BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2022

Deferred Compensation Plan -

In addition to the above mentioned retirement plans, on May 5, 1994, the School Board adopted a resolution establishing a deferred compensation plan pursuant to Section 457 of the Internal Revenue Code. All part-time, seasonal and temporary employees of the School Board are eligible to participate in this plan. Participation in this plan is at a rate of 7.5% of compensation with contributions to the plan funded 1.3% by the employer and 6.2% by the employee. During the current fiscal year, total contributions to the plan amounted to \$380,747 which consisted of \$66,828 from the School Board and \$314,135 from the employees.

(9) **Changes in Fiduciary Fund Deposits -**

A summary of changes in fiduciary fund deposits restricted for individuals, organizations, and other follows:

	Sales Tax Fund
Balance - June 30, 2021	\$ -
Additions	151,228,427
Deductions	(144,830,888)
Balance - June 30, 2022	\$ 6,397,539

(10) **Long-Term Debt -**

The following is a summary of the long-term obligation transactions for the year ended June 30, 2022:

	Bonded Debt	Certificates of Indebtedness	Lease Liabilities	Financed Building & Vehicles	Compensated Absences	Claims and Judgments	Post- Employment Benefits	Total
Long-Term Obligations - July 1, 2021	\$ 86,853,198	\$ 200,020	\$ -	\$ 912,722	\$16,507,452	\$3,150,000	\$ 362,499,711	\$ 470,123,103
Additions/Adjustments* Amortization of Premium Received on Issuance of Bonds	35,018,587 (480,938)	- -	1,768,516 -	239,167 -	4,368,561 -	1,301,954 -	39,844,257 -	82,541,042 (480,938)
Deductions	(7,705,000)	(66,665)	(402,952)	(589,103)	(4,213,400)	(611,954)	(94,926,433)	(108,515,507)
Long-Term Obligations - June 30, 2022	\$ 113,685,847	\$ 133,355	\$1,365,564	\$ 562,786	\$16,662,613	\$3,840,000	\$ 307,417,535	\$ 443,667,700

*For the fiscal year ended June 30, 2022 the School Board implemented GASB Statement No. 87, *Leases*. The Additions/Adjustments total of \$1,768,516 includes \$458,221 lease liabilities at July 1, 2021 and \$1,310,295 in sequent lease liability additions for the year ended June 30, 2022. Lease liabilities for the year ended June 30, 2022, totaled \$1,365,564.

LIVINGSTON PARISH SCHOOL BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2022

The following is a summary of the current (due in one year or less) and the long-term (due in more than one year) portions of long-term obligations as of June 30, 2022:

	Bonded Debt	Certificates of Indebtedness	Lease Liabilities	Financed Building & Vehicles	Compensated Absences	Claims and Judgments	Post-Employment Benefits	Total
Current Portion	\$ 7,760,000	\$ 66,665	\$ 415,644	\$ 413,598	\$ 4,165,653	\$ -	\$ -	\$ 12,821,560
Long-Term Portion	105,925,847	66,690	949,920	149,188	12,496,960	3,840,000	307,417,535	430,846,140
Total	\$ 113,685,847	\$ 133,355	\$1,365,564	\$ 562,786	\$16,662,613	\$3,840,000	\$ 307,417,535	\$ 443,667,700

Bonded Debt

All of the School Board's bonds outstanding at June 30, 2022 in the amount of \$104,185,000 consist of general obligation bonds with final maturities from 2021 to 2042 and interest rates from 1.95 percent to 5.00 percent. Bond principal and interest payable in the next fiscal year is \$7,760,000 and \$3,781,233 respectively. Bonded debt is comprised of the following individual issues which are payable from the debt service funds:

	<u>Original Issue</u>	<u>Interest Rates</u>	<u>Final Payment Due</u>	<u>Interest to Maturity</u>	<u>Principal Outstanding</u>
General Obligation Bonds - Secured by Ad Valorem Taxes:					
School District No. 1:					
05/28/15	\$16,285,000	3.50-5.00%	2027	\$ 1,071,651	\$ 9,220,000
08/26/21	\$13,000,000	3.00-4.00%	2041	6,819,000	13,000,000
School District No. 4:					
08/04/14	\$8,500,000	2.00-4.00%	2024	129,600	2,145,000
12/30/14	\$25,000,000	3.00-5.00%	2034	5,521,937	21,320,000
03/10/22	\$16,875,000	3.00-4.00%	2042	8,076,140	16,875,000
School District No. 22:					
05/19/20	\$18,315,000	2.50%	2031	2,040,375	16,880,000
School District No. 33:					
06/01/10	\$1,750,000	3.75-5.00%	2024	18,192	275,000
Parish-Wide:					
03/24/21	\$21,395,000	4.00%	2032	4,520,800	18,345,000
03/24/21	\$ 7,470,000	2.00%	2030	561,500	6,125,000
Total General Obligation Bonds				28,759,195	104,185,000
Total Bonded Debt				\$ 28,759,195	\$104,185,000

LIVINGSTON PARISH SCHOOL BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2022

All principal and interest requirements are funded in accordance with Louisiana law by the annual ad valorem tax levy on taxable property within the parish and the avails of a ½% sales and use tax within School Board District No. 22 within Livingston Parish. At June 30, 2022 the School Board has accumulated \$6,410,237 in the Debt Service Funds for future debt requirements. The bonds are due, by years, as follows:

Year Ending June 30,	Principal Payments	Interest Payments	Total
2023	\$ 7,760,000	\$ 3,781,233	\$ 11,541,233
2024	8,175,000	3,400,435	11,575,435
2025	8,365,000	3,093,100	11,458,100
2026	8,680,000	2,783,975	11,463,975
2027	8,990,000	2,518,970	11,508,970
2028-2032	38,225,000	8,643,188	46,868,188
2033-2042	23,990,000	4,538,292	28,528,292
	104,185,000	\$ 28,759,193	\$ 132,944,193
Unamortized Premium on Bond Issuance	9,500,847		
	\$ 113,685,847		

Prior Years Advance Refundings

On March 24, 2021, the School Board issued \$28,865,000 in bonds (\$21,395,000 of General Obligation Revenue Refunding Bonds, Series 2021A and \$7,470,000 General Obligation Taxable Refunding Bonds, Series 2021B) for the purpose of refunding \$31,600,000 in bonds (\$22,270,000 of the General Obligation School Bonds Series 2017A and \$9,330,000 of the General Obligation School Bonds Series 2017B) outstanding balance and associated interest. The net proceeds of \$32,115,681 of Series 2021A and 2021B (after receipt of reoffering premiums of \$3,779,956 less payment of \$529,275 in costs of issuance) were used to pay off debt. The Series 2021A bonds are scheduled to mature on May 1, 2032, and the Series 2021B bonds are scheduled to mature on May 1, 2030. The current refunding of Series 2017A was undertaken to decrease total debt service payments over the next 12 years by \$2,306,588 and resulted in an economic gain of \$2,156,570. The current refunding of Series 2017B was undertaken to decrease total debt service payments over the next 10 years by \$1,118,295 and resulted in an economic gain of \$1,056,977.

On May 19, 2020, the School Board issued \$18,315,000 General Obligation School Refunding Bonds, Series 2020 for School District No. 22 for the purpose of refunding \$11,595,000 of the outstanding balance of the General Obligation School Bonds Series 2010A for School District No. 22 and interest associated with the Series 2010A Bonds, and \$5,795,000 of the outstanding balance of the General Obligation School Bonds Series 2011 for School District No. 22 and interest associated with the Series 2011 Bonds. The net proceeds of \$18,302,202 (after payment of \$235,918 in cost of issuance plus an additional \$223,121 of the sinking fund monies) were used to purchase U.S. government securities. Those securities were deposited in an irrevocable trust with

LIVINGSTON PARISH SCHOOL BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2022

an escrow agent to provide for all future debt service payments on the 2010A Series bonds and 2011 Series Bonds. This advance refunding was undertaken to decrease total debt service payments over the next 11 years by \$737,564 and resulted in an economic gain of \$634,449.

The advance refunding of the Series 2010A Bonds and the Series 2011 Bonds resulted in differences between the reacquisition price and the net carrying amount of the old debt of \$909,391 which were deferred and are being amortized over the life of the new bonds. These differences are reported in the accompanying financial statements as Deferred Outflow of Resources and are being charged to operations as components of interest expense. At June 30, 2022, the unamortized balance is \$838,139. Also, as a result of the advance refunding of the Series 2010A Bonds and the Series 2011 Bonds, \$11,595,000 of the 2010A Series Bonds and \$5,795,000 of the 2011 Series Bonds were considered in-substance defeased and the liability for those bonds were removed from the School Board's books. At June 30, 2022, the 2010A and 2011 Series defeased bonds outstanding balance are \$-0-.

On August 5, 2014, the School Board issued \$8,500,000 General Obligation School Refunding Bonds, Series 2014 for School District No. 4 for the purpose of refunding \$8,705,000 of the outstanding balance of the General Obligation School Refunding Bonds Series 2005 for School District No. 4 and interest associated with the Series 2005 Bonds. The net proceeds of \$9,051,613 (after payment of \$151,563 in cost of issuance plus an additional \$108,800 of the sinking fund monies) were used to purchase U.S. government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the 2005 Series bonds. This advance refunding was undertaken to decrease total debt service payments over the next 9 years by \$563,953 and resulted in an economic gain of \$491,385.

On May 28, 2015, the School Board issued \$16,285,000 General Obligation School Refunding Bonds, Series 2014 for School District No. 1 for the purpose of refunding \$16,590,000 of the outstanding balance of the General Obligation School Refunding Bonds Series 2007 for School District No. 1 and interest associated with the Series 2007 Bonds. The net proceeds of \$17,824,164 (after payment of \$248,058 in cost of issuance plus an additional \$66,359 of the sinking fund monies) were used to purchase U.S. government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the 2007 Series bonds. This advance refunding was undertaken to decrease total debt service payments over the next 12 years by \$606,552 and resulted in an economic gain of \$509,481.

On June 7, 2012, the School Board issued \$7,165,000 of general obligation school refunding bonds, series 2012 for the purpose of refunding the outstanding balance of the Series 1996, 2002 and 2003 bonds. The 2012 Series bonds are scheduled to mature on March 1, 2022. The outstanding principal balance of the general obligation, series 1996, 2002 and 2003 bonds as of the refunding date of June 7, 2012, was \$5,940,000, \$1,035,000, and \$475,000, respectively. This advance refunding was undertaken to decrease total debt service payments over the next 5 years by \$698,052 and resulted in an economic gain of \$634,085.

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NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2022

In accordance with Louisiana Revised Statute 39:562, the School Board is legally restricted from incurring long-term bonded debt funded by ad valorem taxes, in excess of thirty-five percent of the assessed value of taxable property. At June 30, 2022, the statutory limit is approximately \$312,786,000 and outstanding general obligation bonded debt funded by ad valorem taxes totals \$104,185,000.

Certificates of Indebtedness

On October 1, 2009, the School Board issued two Qualified School Construction Bonds (QSCB) Certificates of Indebtedness Series 2009 A for \$8,000,000 in School District 4 and Series 2009 B for \$1,000,000 in School District 31. The QSCB were allocated to the School Board by the Louisiana Department of Education from its allocation received by section 54F of the Internal Revenue Code and according to provisions of section 1521 of the American Recovery and Reinvestment Act. Under the provisions of the QSCB program, the School Board was able to borrow the funds at a .75% interest rate and the bank loaning the funds receives a tax credit of 25% of 5.96% credit rate on the outstanding balance of the bonds. The actual interest on these Certificates of Indebtedness is 2.24% after factoring the tax credits received by the bank. At June 30, 2020 the Qualified School Construction Bonds (QSCB) Certificates of Indebtedness Series 2009 for \$8,000,000 in School District 4 had been paid off and no balance was outstanding. The following schedule lists the Certificates of Indebtedness outstanding by District:

	Original Issue	Interest Rates	Final Payment Due	Interest to Maturity	Principal Outstanding
Certificates of Indebtedness:					
School District No. 31:					
10/01/09	\$1,000,000	0.75%	2024	\$ 1,500	\$ 133,355
Total Certificates of Indebtedness				\$ 1,500	\$ 133,355

The Certificates of Indebtedness are due, by years, along with actual interest and interest saved is as follows:

Year Ending June 30	Principal Payments	Interest Payments at 0.75%	Total	Interest Payments at 2.24%	Interest Saved Under QSCB
2024	\$ 66,665	\$ 1,000	\$ 67,665	\$ 2,987	\$ 1,987
2025	66,690	500	67,190	1,494	994
	\$ 133,355	\$ 1,500	\$ 134,855	\$ 4,481	\$ 2,981

As indicated in the above schedule, the School Board will pay \$1,500 in interest using the 0.75% rate instead of \$4,481 using the 2.24% rate or a difference of \$2,981. The difference or contribution is netted with interest expense in the debt service fund.

Leases

LIVINGSTON PARISH SCHOOL BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2022

The School Board records leases in accordance with GASB statement No. 87, *Leases*. Leases greater than 12 months are recorded as a right-of-use asset and a lease liability. At June 30, 2022, the School Board had a lease liability of \$1,365,564. See note 6 for a recap of the lease assets.

On February 2, 2022, the School Board entered into a lease for a postage machine. The term of the lease is 60 months at a discount rate of 4.00% with quarterly payments due of \$1,145.

On April 1, 2022, the School Board entered into a lease for a postage machine. The term of the lease is 60 months at a discount rate of 4.00% with quarterly payments due of \$1,145.

On August 20, 2021, the School Board entered into a lease of 17 buses. The term of the lease is 60 months at a discount rate of 4.00% with monthly payments due of \$21,250.

On March 1, 2018, the School Board entered into a fleet lease for a fleet of vehicles. The term of the leases are 48 or 60 months beginning on the date each vehicle is delivered at a discount rate ranging from 3.00%-4.00% with monthly payments ranging from \$188-\$1,538. On July 1, 2021 the School Board had 25 fleet vehicles, and subsequently added 3 additional vehicles during fiscal year, for a total of 28 vehicles at June 30, 2022.

The future lease payments under lease agreements and in the aggregate are as follows:

<u>Year Ending June 30, 2022</u>	<u>Interest</u>	<u>Principal</u>	<u>Total</u>
2023	\$ 44,982	\$ 415,644	\$ 460,626
2024	30,854	344,254	375,108
2025	18,546	297,869	316,415
2026	7,385	271,658	279,043
2027	313	36,139	36,452
Total Minimum Lease Payments	<u>\$ 102,080</u>	<u>\$ 1,365,564</u>	<u>\$ 1,467,644</u>

At June 30, 2022, the School Board had no impairment losses related to leases, and had not entered into any sublease transactions, sale-leaseback transactions, nor lease-leaseback transactions.

Building and Vehicle Finance Agreements

The School Board entered into a finance agreement on April 6, 2019, for financing the purchase of twenty-two school buses at a cost of \$1,782,822. The agreement requires 5 annual payments of principal and interest of \$379,587. The first payment was due at inception of finance agreement with a final payment due on April 6, 2023. The finance agreement contains a non-appropriation exculpatory clause that allows cancellation if the School Board does not make an annual appropriation for the finance payments. The financing payable at June 30, 2022, is as follows:

LIVINGSTON PARISH SCHOOL BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2022

<u>Description/Purpose</u>	<u>Original Lease Amount</u>	<u>Interest Rate</u>	<u>Final Maturity</u>	<u>Balance June 30, 2022</u>
Finance agreement to finance the purchase of twenty-two school buses	\$1,782,822	3.23%	04/06/2023	\$ 367,710

The School Board entered into finance agreement on July 1, 2016, for financing the purchase of the School Board's PAC building located in Livingston, Louisiana at a cost of \$436,496. The agreement requires 120 monthly payments of principal and interest of \$4,405. The first payment was due at inception of finance agreement with a final payment due on June 1, 2026. The finance agreement contains a non-appropriation exculpatory clause that allows cancellation if the School Board does not make an annual appropriation for the finance payments. The financing payable at June 30, 2022, is as follows:

<u>Description/Purpose</u>	<u>Original Financed Amount</u>	<u>Interest Rate</u>	<u>Final Maturity</u>	<u>Balance June 30, 2022</u>
Finance agreement to Finance the purchase of building	\$436,496	4.00%	06/30/2026	\$195,076

Finance agreement payments to maturity including interest requirements are as follows:

<u>Year Ending June 30,</u>	<u>Principal Payments</u>	<u>Interest Payments</u>	<u>Total</u>
2023	\$ 413,598	\$ 18,845	\$ 432,443
2024	47,757	5,099	52,856
2025	49,703	3,153	52,856
2026	51,728	1,127	52,855
	<u>\$ 562,786</u>	<u>\$ 28,224</u>	<u>\$ 591,010</u>

Compensated Absences

At June 30, 2022, employees of the School Board have accumulated and vested \$16,662,613 of employee leave benefits, which was computed in accordance with GASB Codification Section C60.

LIVINGSTON PARISH SCHOOL BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2022

Post-Employment Benefits Other than Pensions

General Information about the OPEB Plan

Plan description - The Livingston Parish School Board (the School Board) provides certain continuing health care and life insurance benefits for its retired employees. The Livingston Parish School Board's OPEB Plan (the OPEB Plan) is a single-employer defined benefit OPEB plan administered by the School Board. The authority to establish and/or amend the obligation of the employer, employees and retirees rests with the School Board. No assets are accumulated in a trust that meets the criteria in Governmental Accounting Standards Board (GASB) Codification.

Benefits Provided - 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 this plan has been deemed to be a single employer defined OPEB plan (within the meaning of GASB 74/75) 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), whose 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 a blended rate (active and retired) is used. The employer pays 50% of the blended rate cost of the retiree life insurance. Insurance coverage amounts are reduced by 25% at age 65 and by an additional 25% at age 70 according to the OGB plan provisions.

Employees covered by benefit terms - At June 30, 2022, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	1,136
Inactive employees entitled to but not yet receiving benefit payments	-
Active Employees	2,685
	<hr/>
	3,821
	<hr/>

Total OPEB Liability

The School Board's total OPEB liability of \$307,417,535 was measured as of June 30, 2022 and was determined by an actuarial valuation as of that date.

LIVINGSTON PARISH SCHOOL BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2022

Actuarial Assumptions and other inputs - The total OPEB liability in the June 30, 2022 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.5%
Salary increases	4.0%, including inflation
Discount rate	2.16% annually (Beginning of Year to Determine ADC) 3.54% annually (As of End of Year Measurement Date)
Healthcare cost trend rates	Flat 5.5% annually for ten years and 4.5% annually thereafter

The discount rate was based on the Bond Buyers' 20 Year General Obligation municipal bond index as of June 30, 2022, the end of the applicable measurement period.

Mortality rates were based on the RP-2000 Table without projection.

The actuarial assumptions used in the June 30, 2022 valuation were based on the results of ongoing evaluations of the assumptions from July 1, 2009 to June 30, 2022.

Changes in the Total OPEB Liability

The table below shows the School Board's Total Other Postemployment Benefit (OPEB) Obligation for the fiscal years ending June 30:

Balance at June 30, 2021	\$ 362,499,711
Changes for the Year:	
Service cost	7,488,093
Interest	7,705,713
Difference between expected and actual experience	24,650,451
Changes in assumptions	(83,418,940)
Benefit payments and net transfers	<u>(11,507,493)</u>
Net changes	<u>(55,082,176)</u>
Balance at June 30, 2022	<u><u>\$ 307,417,535</u></u>

Sensitivity of the total OPEB liability to changes in the discount rate - The following presents the total OPEB liability of the School Board, as well as what the School Board's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.54%) or 1-percentage-point higher (4.54%) than the current discount rate:

LIVINGSTON PARISH SCHOOL BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2022

	Changes in Discount Rate		
	1% Decrease	Discount Rate	1% Increase
	2.54%	3.54%	4.54%
Total OPEB Liability	\$ 371,530,469	\$ 307,417,535	\$ 257,930,607

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates - The following presents the total OPEB liability of the School Board, as well as what the School Board's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (4.5%) or 1-percentage-point higher (6.5%) than the current healthcare trend rates:

	Changes in Healthcare Cost Trend Rates		
	1% Decrease	Discount Rate	1% Increase
	4.50%	5.50%	6.50%
Total OPEB Liability	\$ 264,155,560	\$ 307,417,535	\$ 363,974,806

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2022, the School Board recognized OPEB expense of \$19,873,571. At June 30, 2022, the School Board reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 48,292,678	\$ (6,141,037)
Changes in Assumptions	36,999,436	(77,370,834)
Total	\$ 85,292,114	\$ (83,511,871)

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

Year Ended June 30:

2023	\$ 20,703,722	\$ (16,023,957)
2024	20,703,722	(16,023,957)
2025	20,703,722	(16,023,957)
2026	12,837,883	(15,175,438)
2027	5,355,341	(15,175,438)
2028 and Later	4,987,724	(5,089,124)
	\$ 85,292,114	\$ (83,511,871)

LIVINGSTON PARISH SCHOOL BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2022

(11) Risk Management/Fund Balances Assigned To Insurance -

Property Damage Insurance

The School Board continues to carry an excess coverage insurance policy to cover annual losses in excess of \$100,000 and has assigned \$1,000,000 of fund balance of the General Fund at June 30, 2022, to cover the cost of future property damage not covered by insurance.

General Liability Insurance

The School Board is exposed to losses relating to any potential general liability claim it may face. Because of the prohibitive cost of carrying commercial insurance, the School Board established a limited risk management program for liability claims. The School Board has an excess coverage insurance policy to cover annual losses in excess of \$250,000.

The School Board made disbursements for liability claims of \$225,796 in the fiscal year ended June 30, 2022. The General Fund reports the claims expenditures when paid. The estimated claims liability at June 30, 2022, amounted to \$1,594,825.

Each year the School Board compares the claims paid and the assigned fund balance for general liability insurance to determine the amount of funds to be set aside that year. At June 30, 2022, the School Board has assigned \$2,500,000 of the fund balance of the General Fund to cover future general liability damage claims.

Worker's Compensation Insurance

The School Board is exposed to losses relating to any potential worker's compensation claims it may face. Because of the prohibitive cost of carrying commercial insurance, the School Board established a limited risk management program for worker's compensation claims. The School Board has purchased an excess coverage insurance policy to cover worker's compensation claims in excess of \$400,000.

Each year the School Board compares the claims paid and the assigned fund balance for worker's compensation insurance to determine the amount of funds to be set aside that year. At June 30, 2022, the School Board has assigned \$1,000,000 of the fund balance of the General Fund to cover future worker's compensation damage claims.

All workers' compensation claims are paid out of the General Fund resources. The School Board made disbursements for worker's compensation claims of \$1,312,205 in the fiscal year ended June 30, 2022. The General Fund reports the claims expenditures when paid. The estimated claims liability at June 30, 2022, amounted to \$2,245,175.

A certificate of deposit in the amount of \$150,000 purchased by the School Board in the name of the Office of Workers' Compensation through the Department of Employment and Training is held in trust for the School Board.

LIVINGSTON PARISH SCHOOL BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2022

(12) Fund Balance - General Fund - Assigned To -

Other Postemployment Benefits - During the current fiscal year, the School Board has assigned \$5,054,298 in the General Fund to be used to fund the Other Postemployment Benefits trust fund plan when adopted.

Insurance Proceeds - During the 2017 fiscal year, the School Board received \$5,000,000 in insurance proceeds to assist with the rebuilding of the schools damaged in the August 2016 flooding event. The School Board assigned these funds in the General Fund to be used to fund the rebuilding of the three school that received substantial damage. Construction to rebuild the three campuses began in late 2020 and was completed in 2022.

(13) Fund Equity - Committed to Capital Projects Fund, Maintenance of Schools Fund, Strong Start Special Revenue Fund, and Disaster Special Revenue Fund -

The Capital Projects Fund shows total fund equity of \$31,732,818. A summary of commitments under construction contracts for each individual school district at June 30, 2022, follows:

	Capital Projects			Maintenance of Schools		
	Project Authorization	Expended to June 30, 2022	Unexpended Commitment	Project Authorization	Expended to June 30, 2022	Unexpended Commitment
District #1	\$ 20,552,577	\$ 11,845,727	\$ 8,706,850	\$ 438,000	\$ 350,400	\$ 87,600
District #4	467,847	443,020	24,827	876,305	300,639	575,666
District #22	7,501,967	1,112,671	6,389,296	192,223	20,658	171,565
District #24	-	-	-	68,205	49,203	19,002
District #25	2,722,511	868,332	1,854,179	-	-	-
District #26	-	-	-	188,700	150,960	37,740
District #27	5,237,110	504,547	4,732,563	396,000	237,790	158,210
District #31	17,170	17,170	-	85,200	68,160	17,040
District #32	-	-	-	387,133	231,294	155,839
District #33	629,505	432,862	196,643	-	-	-
Total	\$ 37,128,687	\$ 15,224,329	\$ 21,904,358	\$ 2,631,766	\$ 1,409,104	\$ 1,222,662

	Disaster Special Revenue Fund		
	Project Authorization	Expended to June 30, 2022	Unexpended Commitment
District #1	\$ 52,786,676	\$ 51,203,778	\$ 1,582,898
Total	\$ 52,786,676	\$ 51,203,778	\$ 1,582,898

LIVINGSTON PARISH SCHOOL BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2022

	Total All Funds		
	Project Authorization	Expended to June 30, 2022	Unexpended Commitment
District #1	\$ 73,777,253	\$ 63,399,905	\$ 10,377,348
District #4	\$ 1,344,152	\$ 743,659	\$ 600,493
District #22	\$ 7,694,190	\$ 1,133,329	\$ 6,560,861
District #24	\$ 68,205	\$ 49,203	\$ 19,002
District #25	\$ 2,722,511	\$ 868,332	\$ 1,854,179
District #26	\$ 188,700	\$ 150,960	\$ 37,740
District #27	\$ 5,633,110	\$ 742,337	\$ 4,890,773
District #31	\$ 102,370	\$ 85,330	\$ 17,040
District #32	\$ 387,133	\$ 231,294	\$ 155,839
District #33	629,505	432,862	196,643
Total	\$ 92,547,129	\$ 67,837,211	\$ 24,709,918

Capital Projects Fund - Fund Balance and Unexpended Commitments:

	Fund Balance at June 30, 2022	District Unexpended Commitment June 30, 2022	Actual Fund Balances Less Commitment June 30, 2022
District #1	\$ 7,797,386	\$ 7,797,386	\$ -
District #4	20,715,812	24,827	20,690,985
District #22	722,324	722,324	-
District #24	444,517	-	444,517
District #25	169,429	169,429	-
District #26	364,416	-	364,416
District #27	632,041	632,041	-
District #31	471,919	-	471,919
District #32	363,506	-	363,506
District #33	51,468	51,468	-
Total	\$ 31,732,818	\$ 9,397,475	\$ 22,335,343

At June 30, 2022, the unexpended commitments are recorded in the Capital Projects Fund as fund balance committed to contracts in the amount of \$9,397,475.

(14) Fund Balance - General Fund - Restricted For -

Salaries - In May 1967, the voters of Livingston Parish approved the levy of a 1% sales tax for the purpose of paying salaries of the employees of the School Board. In addition, in October 1987 the voters of Livingston Parish approved the levy of an additional 1/2 of 1% sales tax, 80% of which is restricted for the purpose of paying salaries of the employees of the School Board. At June 30,

LIVINGSTON PARISH SCHOOL BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2022

2022, a balance of \$12,614,898 is restricted for salaries as a result of these sales tax levies.

Construction, Utilities, and Maintenance - In May 1978, the voters of Livingston Parish approved the levy of a 1% sales tax for the purpose of construction, renovation, operation and maintenance of the public schools of Livingston Parish. Also, the remaining 20% of the 1/2 of 1% sales tax approved in 1987, is restricted to pay the cost of utility services of the public schools of Livingston Parish. At June 30, 2022, a balance of \$49,555,168 is restricted for utilities and maintenance as a result of these sales tax levies.

Educational Excellence - In the current year and prior years, the School Board received payments from the State of Louisiana in connection with the State's settlement of its lawsuit with the tobacco industry. These funds can only be spent on classroom improvements as required by the State. Accordingly, the unspent monies at June 30, 2022 of \$57,457 are reflected as a restriction of fund balance.

E-Rate - The Federal Communications Commission's E-rate program makes telecommunications and information services more affordable for schools and libraries. With funding from the Universal Service Fund, E-rate provides discounts for telecommunications, Internet access and internal connections to eligible schools and libraries. At June 30, 2022, a balance of \$2,247,888 is restricted for the School Board's E-Rate programs.

Career Development - The Career Development Funds are currently being used to equip the new STEM & Robotics Center, as well as to support the implementation of new and existing Career & Technical programs listed on the state's focus list of high wage high demand jobs in the districts eleven high schools. These funds also support new programs going in the middle schools' implementation of STEM and CTE courses. At June 30, 2022, a balance of \$2,879,499 is restricted for Career Development programs.

Other - At June 30, 2022, a balance of \$32,557 is restricted for the School Board's Driver's Education Program.

(15) Litigation and Claims -

At June 30, 2022, the School Board is involved in several lawsuits. It is the opinion of the legal adviser for the School Board that the ultimate resolution of these lawsuits will not involve any material liability to the School Board in excess of insurance coverage and amounts recorded in these financial statements.

(16) Summary of Parish Sales Tax Collections Remitted to Other Taxing Authorities -

Act 711 of the 2010 Louisiana Legislative Session amended LRS 24:51(B) to provide required footnote disclosure in the financial statements for local governments that collect tax for other taxing jurisdictions. Listed below are sales tax collections and distributions to other parish governmental agencies during fiscal year 2022.

LIVINGSTON PARISH SCHOOL BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2022

	Total Collections	Collection Cost	Final Distribution
Livingston Parish Council	\$ 28,038,572	\$ 402,622	\$ 27,635,950
Law Enforcement Subdistrict A	14,334,813	219,052	14,115,761
Livingston Parish Drainage Districts:			
No. 1	2,868,012	38,156	2,829,856
No. 2	1,608,715	29,131	1,579,584
No. 5	2,675,752	45,136	2,630,616
City of Denham Springs	11,401,933	1,733,018	9,668,915
City of Walker	5,653,924	89,809	5,564,115
Town of Livingston	754,231	15,134	739,097
Village of Albany	616,751	12,335	604,416
Town of Springfield	574,725	11,495	563,230
Livingston Parish Tourist Commission	582,605	17,478	565,127
Denham Springs Economic Development District	1,963,676	87,064	1,876,612
Juban Crossing Economic Development District	5,135,034	213,114	4,921,920
Total	<u>\$ 76,208,743</u>	<u>\$ 2,913,544</u>	<u>\$ 73,295,199</u>

(17) Tax Abatements -

Tax Increment Financing Tax Abatements - In prior years, the School Board entered into cooperative endeavor agreement with the Denham Springs Economic Development District (DSEDD) under provisions of the L.A.R.S. Chapter 27 of Title 33 - Sales Tax Increment Financing. Under the provisions of the law, entities may enter into the cooperative endeavor agreements to dedicate a portion or all of the sales tax collected within the economic development district area for the purpose of repaying revenue bonds issued to fund economic development projects within the districts. Under the agreement, the School Board dedicated 100 percent of the General Fund's 1 cent sales tax and 100 percent of School District No. 1's .50 cent sales tax collected within the DSEDD area for the purposes of repaying revenue bonds issued to fund DSEDD projects. Once the DSEDD revenue bonds are paid in full, the School Board will start receiving 100 percent of both sales tax collected within the DSEDD area. The abated sales tax amounted to \$519,022 for the year ended June 30, 2022. The bonds for DSEDD were paid in full during 2022.

Industrial Tax Exemption Program - The Louisiana Industrial Ad Valorem Tax Exemption (ITEP) program (Louisiana Administrative Code, Title 13, Chapter 5) is a state incentive program which abates, up to 10 years, local ad valorem taxes on manufacturer's new investment and annual capitalized additions related to the manufacturing site. Businesses must be classified as a manufacturer or related to the manufacturing project in order to receive the benefits of the ITEP program. ITEP is only available for activities related to manufacturing. For the fiscal year ended June 30, 2022, \$166,540 in the School Board's ad valorem tax revenues were abated as a result of this program.

LIVINGSTON PARISH SCHOOL BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2022

(18) Current Accounting Pronouncements -

The following statements of the Governmental Accounting Standards Board will be effective for years subsequent to the School Board's fiscal year 2022.

- Statement No. 91, *Conduit Debt Obligations (2023)*
- Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements (2023)*
- Statement No. 96, *Subscription-Based Information Technology Arrangements (2023)*

Management is currently evaluating the effects that these statements will have in its financial statements for the years ended June 30, 2023 and later.

(19) Flood of August 2016 -

From August 11, 2016 through August 15, 2016, a weather system that stalled over southeast Louisiana dumped up to 20 inches of rain in many places, and perhaps as much as 36 inches in other places causing catastrophic flooding of thousands of homes and businesses. The School Board had eight schools that suffered severe flood damage of which three were a total loss, two had serious damage and three had mild damage. Currently, three schools are still located on temporary campuses. Southside Elementary and Southside Junior High students have relocated to temporary campuses next to Juban Parc Elementary and Juban Parc Junior High. Denham Springs Elementary is on a temporary site on land loaned to the School Board by a local church. All other school repairs were completed as of June 30, 2019. The School Board applied for and is receiving federal financial assistance with the cleanup, remediation, and other repair cost of the affected campuses.

As of June 30, 2021, the School Board had received approval for approximately \$38 million from FEMA for funding of the rebuilding of the three schools destroyed in the August 2016 flood - Southside Elementary, Southside Junior High, and Denham Springs Elementary. Construction began on Denham Springs Elementary in mid 2020, with incurred costs as of June 30, 2022 of approximately \$17.8 million, and construction completed in 2022. Construction began on new K-8 Southside Elementary/Southside Junior High campus in late 2020, with incurred costs as of June 30, 2022 of approximately \$51 million, with construction completed by the start of the 2022-2023 school year.

(20) Change in Accounting Principle -

For the fiscal year ended June 30, 2022, the School Board implemented GASB Statement No. 87, *Leases*. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that

LIVINGSTON PARISH SCHOOL BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2022

leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. See note 10 for details of the School Board's lease activities.

The School Board also adopted GASB Statement No. 92 *Omnibus 2020*, and No. 97 *Certain Component Unit Criteria* during the current year, which had no effect on the financial statements.

(21) Prior Period Adjustments -

Beginning Net Position (Deficit) on the Government-Wide Financial Statements - Governmental Activities and Fund Balance on the Fund Financial Statements - Disaster Special Revenue Fund as of June 30, 2021 have been restated to correct an error in the prior period related to an overstatement of accounts receivable and revenues.

Beginning Capital Assets, Long-term Liabilities, and Net Position (Deficit) on the Government-Wide Financial Statements - Governmental Activities as of June 30, 2021 have been restated to record a building capital asset addition and the related building finance agreement liability that were not recorded in a prior period. The financed building should have been set up originally as a capital lease. However due to the current year adoption of GASB Statement No. 87, *Leases*, the transaction is considered a financing agreement and is being recorded as such.

The following beginning balances have been restated to reflect the prior period adjustments:

Fund Financial Statements - Disaster Special Revenue Fund

Fund Balance (Deficit) at June 30, 2021, as Previously Reported	\$ (7,020,088)
To Correct Overstatement of Revenue and Accounts Receivable	(778,151)
Fund Balance (Deficit) at June 30, 2021, as Restated	\$ (7,798,239)

Government-Wide Financial Statements - Governmental Activities

Capital Assets at June 30, 2021, as Previously Reported	\$ 443,734,870
To Record a Financed Building Asset	436,496
Capital Assets at June 30, 2021, as Restated	\$ 444,171,366
Long-term Liabilities at June 30, 2021, as Previously Reported	\$ (775,099,870)
To Record a Financed Building Liability	(239,167)
Long-term Liabilities at June 30, 2021, as Restated	\$ (775,339,037)

LIVINGSTON PARISH SCHOOL BOARD

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2022

Government-Wide Financial Statements - Governmental Activities (Continued)

Net Position (Deficit) at June 30, 2021, as Previously Reported	\$ (222,583,788)
To Record a Financed Building Asset and Liability, Net	197,329
To Correct overstatement of Revenue and Accounts Receivable	<u>(778,151)</u>
Net Position (Deficit) at June 30, 2021, as Restated	<u>\$ (223,164,610)</u>

(22) Subsequent Event -

Management has evaluated subsequent events through December 29, 2022, the date which the financial statements were available to be issued.

REQUIRED SUPPLEMENTARY INFORMATION

LIVINGSTON PARISH SCHOOL BOARD

SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY BY PLAN

FOR THE YEAR ENDED JUNE 30, 2022*

Fiscal Year	Employer's Proportion of the Net Pension Liability	Employer's Proportionate Share of the Net Pension Liability	Employer's Covered Payroll	Employer's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
<u>Teachers' Retirement System of Louisiana:</u>					
2015	2.57000%	\$ 262,690,448	\$ 449,144,075	58.49%	63.65%
2016	2.50888%	269,761,283	111,321,600	242.33%	62.47%
2017	2.53824%	297,912,099	112,486,220	264.84%	59.90%
2018	2.52642%	259,004,771	112,669,135	229.88%	65.55%
2019	2.40375%	236,241,276	110,770,800	213.27%	68.17%
2020	2.44117%	242,328,489	115,483,860	209.84%	68.57%
2021	2.45668%	273,270,808	119,873,974	227.97%	65.61%
2022	2.53124%	135,136,901	126,485,837	106.84%	83.85%
<u>State of Louisiana School Employees' Retirement System:</u>					
2015	3.62140%	\$ 20,992,658	\$ 10,155,219	206.72%	76.18%
2016	3.63994%	23,081,854	10,323,143	223.59%	74.49%
2017	3.73557%	28,179,145	10,610,241	265.58%	70.09%
2018	3.79181%	24,264,806	10,854,676	223.54%	75.03%
2019	3.59596%	24,025,953	10,372,671	231.63%	74.44%
2020	3.64780%	25,536,839	10,664,326	239.46%	73.49%
2021	3.75443%	30,165,216	11,164,625	270.19%	69.67%
2022	3.90332%	18,662,479	12,069,173	154.63%	82.51%
<u>Louisiana State Employees' Retirement System:</u>					
2015	0.01172%	\$ 733,025	\$ 230,983	317.35%	65.02%
2016	0.01442%	980,626	325,509	301.26%	62.66%
2017	0.01813%	1,423,589	322,558	441.34%	57.73%
2018	0.02082%	1,465,132	386,245	379.33%	62.54%
2019	0.02072%	1,412,944	388,716	363.49%	64.30%
2020	0.01855%	1,343,860	356,730	376.72%	62.90%
2021	0.01863%	1,540,743	393,008	392.04%	58.00%
2022	0.02090%	1,150,496	405,688	283.59%	72.78%

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

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

See independent auditor's report.

LIVINGSTON PARISH SCHOOL BOARD

SCHEDULE OF CONTRIBUTIONS BY PLAN

FOR THE YEAR ENDED JUNE 30, 2022*

<u>Fiscal Year</u>	<u>Contractually Required Contributions</u>	<u>Contributions in Relation to Contractually Required Contributions</u>	<u>Contribution Deficiency (Excess)</u>	<u>Employer's Covered Payroll</u>	<u>Contributions as a % of Covered Payroll</u>
<u>Teachers' Retirement System of Louisiana:</u>					
2015	\$ 31,140,077	\$ 31,140,077	\$ -	\$ 111,321,600	27.97%
2016	29,558,885	29,558,885	-	112,486,220	26.28%
2017	28,705,949	28,705,949	-	112,669,135	25.48%
2018	29,436,541	29,436,541	-	110,770,800	26.57%
2019	30,842,504	30,842,504	-	115,483,860	26.71%
2020	31,004,216	31,004,216	-	119,873,974	25.86%
2021	32,603,370	32,603,370	-	126,485,837	25.78%
2022	33,585,912	33,585,912	-	133,398,722	25.18%
<u>State of Louisiana School Employees' Retirement System:</u>					
2015	\$ 3,405,111	\$ 3,405,111	\$ -	\$ 10,323,143	32.99%
2016	3,204,293	3,204,293	-	10,610,241	30.20%
2017	2,963,326	2,963,326	-	10,854,676	27.30%
2018	2,862,857	2,862,857	-	10,372,671	27.60%
2019	2,986,011	2,986,011	-	10,664,326	28.00%
2020	3,282,400	3,282,400	-	11,164,625	29.40%
2021	3,463,853	3,463,853	-	12,069,173	28.70%
2022	3,618,345	3,618,345	-	12,607,474	28.70%
<u>Louisiana State Employees' Retirement System:</u>					
2015	\$ 119,500	\$ 119,500	\$ -	\$ 325,509	36.71%
2016	119,681	119,681	-	322,558	37.10%
2017	138,276	138,276	-	386,245	35.80%
2018	147,323	147,323	-	388,716	37.90%
2019	135,201	135,201	-	356,730	37.90%
2020	159,786	159,786	-	393,008	40.66%
2021	162,681	162,681	-	405,688	40.10%
2022	233,337	233,337	-	589,809	39.56%

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

See independent auditor's report.

LIVINGSTON PARISH SCHOOL BOARD

SCHEDULE OF CHANGES IN THE SCHOOL BOARD'S
TOTAL OPEB LIABILITY AND RELATED RATIOS

FOR THE YEAR ENDED JUNE 30, 2022*

<u>Total OPEB Liability</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Service Cost	\$ 7,488,093	\$ 7,203,007	\$ 5,082,282	\$ 4,652,576	\$ 4,910,809
Interest	7,705,713	6,827,468	9,204,558	9,464,446	9,134,602
Changes in Benefit Terms	-	-	-	-	-
Differences Between Expected and Actual Experience	24,650,451	41,625,953	(5,091,114)	(2,211,328)	(3,211,535)
Changes in Assumptions or Other Inputs	(83,418,940)	3,269,299	47,195,033	16,210,115	(12,218,966)
Benefit Payments	(11,507,493)	(10,722,428)	(10,163,439)	(9,212,073)	(9,212,073)
Net Change in Total OPEB Liability	(55,082,176)	48,203,299	46,227,320	18,903,736	(10,597,163)
Total OPEB Liability - Beginning	362,499,711	314,296,412	268,069,092	249,165,356	259,762,519
Total OPEB Liability - Ending	<u>\$307,417,535</u>	<u>\$362,499,711</u>	<u>\$ 314,296,412</u>	<u>\$268,069,092</u>	<u>\$ 249,165,356</u>
Covered-Employee Payroll	\$ 143,009,303	\$ 138,584,439	\$ 133,254,268	\$ 128,129,092	\$ 128,165,356
Total OPEB Liability as a Percentage of Covered Employee Payroll	214.96%	261.57%	235.86%	209.22%	194.41%

Notes to Schedule

There are no plan assets accumulated in a trust to pay OPEB benefits.

Benefit Changes - There were no changes of benefit terms for the year ended June 30, 2018.

Changes of Assumptions - The discount rate as of 6/30/2017 was 3.58% and it changes to 3.87% as of 6/30/2018.

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

Changes of Assumptions - The discount rate as of 6/30/2018 was 3.87% and it changes to 3.50% as of 6/30/2019.

Benefit Changes - There were no changes of benefit terms for the year ended June 30, 2020.

Changes of Assumptions - The discount rate as of 6/30/2019 was 3.50% and it changes to 2.21% as of 6/30/2020.

Benefit Changes - There were no changes of benefit terms for the year ended June 30, 2021.

Changes of Assumptions - The discount rate as of 6/30/2020 was 2.21% and it changes to 2.16% as of 6/30/2021.

Benefit Changes - There were no changes of benefit terms for the year ended June 30, 2022.

Changes of Assumptions - The discount rate as of 6/30/2021 was 2.16% and it changes to 3.87% as of 6/30/2022.

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

LIVINGSTON PARISH SCHOOL BOARD

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

FOR THE YEAR ENDED JUNE 30, 2022

Changes of Benefit Terms include

Teachers' Retirement System of Louisiana (TRSL):

- There were no changes of benefit terms for the year ended June 30, 2021.
- A 1.5% cost of living adjustment (COLA), effective July 1, 2014, provided by Act 102 of the 2014 Louisiana Regular Legislative Session.

State of Louisiana School Employees' Retirement System (LSERS):

- There were no changes of benefit terms for the years ended June 30, 2021, 2020, 2019, 2018, 2017, 2016, and 2015.

Louisiana State Employees' Retirement System (LASERS):

- There were no changes of benefit terms for the years ended June 30, 2021 and 2020.
- A 1.5% COLA, effective July 1, 2016, provided by Acts 93 and 512 of the 2016 Louisiana Regular Legislative Session, and,
- Added benefits for members of the Harbor Police Retirement System which was merged with LASERS effective July 1, 2015 by Act 648 of 2014
- A 1.5% COLA, effective July 1, 2014, provided by Act 102 of the 2014 Louisiana Regular Legislative Session, and,
- Improved benefits for certain members employed by the Office of Adult Probation and Parole within the Department of Public Safety and Corrections as established by Act 852 of 2014.

Changes in Assumptions

Teachers' Retirement System of Louisiana (TRSL):

- There were no changes in actuarial assumptions for the year ended June 30, 2021.
- Assumptions regarding the inflation rate of return changes from 2.50% to 2.30% in performing the June 30, 2020 valuation (used to measure the June 30, 2021 net pension liability), and all salary assumptions were reduced by 0.2%.
- Assumptions regarding the investment rate of return changed from 7.65% to 7.55% in performing the June 30, 2019 valuation (used to measure the June 30, 2020 net pension liability).
- Assumptions regarding salary increases changed from 3.5% (lower range)/10.0% (upper range) to 3.3% (lower range)/4.8% (upper range) in performing the June 30, 2018 valuation (used to measure the June 30, 2019 net pension liability).
- Assumptions regarding the investment rate of return changed from 7.70% to 7.65% in performing the June 30, 2018 valuation (used to measure the June 30, 2019 net pension liability).
- Assumptions regarding the discount rate changed from 7.55% to 7.45% in performing the for the June 30, 2020 valuation (used to measure the June 20, 2021 net pension liability). This change was anticipated in the determination of the projected contribution requirements for Fiscal Year 2020/2021. The Board of Trustees adopted a reduction in the discount rate to 7.40%, for purposes of determining the projected contribution requirements for Fiscal Year 2021/2022.

See independent auditor's report.

- Assumptions regarding the discount rate changed from 7.70% to 7.65% in performing the June 30, 2018 valuation (used to measure the June 30, 2019 net pension liability).
- Assumptions regarding the discount rate changed from 7.75% to 7.70% in performing the June 30, 2017 valuation (used to measure the June 30, 2018 net pension liability).

State of Louisiana School Employees' Retirement System (LSERS):

- Assumptions regarding the investment rate of return changed from 7.00 to 6.90% in performing the June 30, 2021 valuation (used to measure the June 30, 2022 net pension liability).
- Assumptions regarding salary increases changed to 3.25% (2012-2017 experience study) from 3.25% (2013-2017 experience study) in performing the June 30, 2020 valuation (used to measure the June 30, 2021 net pension liability).
- Assumptions regarding the investment rate of return changed from 7.0625% to 7.00% in performing the June 30, 2019 valuation (used to measure the June 30, 2020 net pension liability).
- Assumptions regarding salary increases changed from no defined range (varied based on years of service) to 3.25% (2013-2017 experience study) in performing the June 30, 2018 valuation (used to measure the June 30, 2019 net pension liability).
- Assumptions regarding the inflation rate changed from 2.625% to 2.5% in performing the June 30, 2018 valuation (used to measure the June 30, 2019 net pension liability).
- Assumptions regarding the discount rate changed from 7.125% to 7.0625% in performing the June 30, 2018 valuation (used to measure the June 30, 2019 net pension liability).
- Assumptions regarding the discount rate changed from 7.00% to 7.125% in performing the June 30, 2016 valuation (used to measure the June 30, 2017 net pension liability).
- Assumptions regarding the discount rate changed from 7.25% to 7.00% in performing the June 30, 2015 valuation (used to measure the June 30, 2016 net pension liability).

Louisiana State Employees' Retirement System (LASERS):

- Assumptions regarding the investment rate of return changed from 7.55% to 7.40% in performing the June 30, 2021 valuation (used to measure the June 30, 2022 net pension liability).
- Assumptions regarding the inflation rate of return changed from 2.50% to 2.30% in performing the June 30, 2020 valuation (used to measure the June 30, 2021 net pension liability).
- Assumptions regarding the investment rate of return changed from 7.60% to 7.55% in performing the June 30, 2020 valuation (used to measure the June 30, 2021 net pension liability).
- Assumptions regarding the investment rate of return changed from 7.65% to 7.60% in performing the June 30, 2019 valuation (used to measure the June 30, 2020 net pension liability).
- Assumptions regarding salary increases changed from 3.8% (lower range)/13.0% (upper range) to 3.0% (lower range)/13.8% (upper range) in performing the June 30, 2020 valuation (used to measure the June 30, 2021 net pension liability).
- Assumptions regarding salary increases changed from 3.8% (lower range)/14.3% (upper range) to 3.8% (lower range)/13.0% (upper range) in performing the June 30, 2019 valuation (used to measure the June 30, 2020 net pension liability).
- Assumptions regarding salary increases changed from 3.8% (lower range)/12.8% (upper range) to 3.8% (lower range)/14.3% (upper range) in performing the June 30, 2018 valuation (used to measure the June 30, 2019 net pension liability).
- Assumptions regarding the investment rate of return changed from 7.70% to 7.65% in performing the June 30, 2018 valuation (used to measure the June 30, 2019 net pension liability).

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- Assumptions regarding the discount rate changed from 7.60% to 7.55% in performing the June 30, 2019 valuation (used to measure the June 30, 2021 net pension liability).
- Assumptions regarding the discount rate changed from 7.70% to 7.65% in performing the June 30, 2018 valuation (used to measure the June 30, 2019 net pension liability).
- Assumptions regarding the investment rate of return changed from 7.75% to 7.70% in performing the June 30, 2017 valuation (used to measure the June 30, 2018 net pension liability).
- Assumptions regarding the inflation rate of return changed from 2.75% to 2.50% in performing the June 30, 2019 valuation (used to measure the June 30, 2020 net pension liability).
- Assumptions regarding the inflation rate changed from 2.75% to 3.0% in performing the June 30, 2017 valuation (used to measure the June 30, 2018 net pension liability).
- Assumptions regarding salary increases changed from 3.6% (lower range)/14.5% (upper range) to 3.4% (lower range)/14.3% (upper range) in performing the June 30, 2017 valuation (used to measure the June 30, 2018 net pension liability).
- There were no changes of benefit assumptions for the years ended June 30, 2017, 2016, and 2015.

See independent auditor's report.

SCHEDULES REQUIRED BY STATE LAW

(R.S. 24:514 - PERFORMANCE AND STATISTICAL DATA)

Independent Accountant's Report
on Applying Agreed-Upon Procedures

President and Members of the
Livingston Parish School Board,
Louisiana Department of Education, and
Louisiana Legislative Auditor
Livingston, Louisiana

We have performed the procedures enumerated below on the performance and statistical data accompanying the annual financial statements of the Livingston Parish School Board (School Board) for the fiscal year ended June 30, 2022; and to determine whether the specified schedules are free of obvious errors and omissions, in compliance with Louisiana Revised Statute 24:514 I. Management of the School Board is responsible for its performance and statistical data.

The School Board has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the performance and statistical data accompanying the annual financial statements. Additionally, the Louisiana Department of Education and the Louisiana Legislative Auditor have agreed to and acknowledged that the procedures performed are appropriate for their purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

General Fund Instructional and Support Expenditures and Certain Local Revenue Sources (Schedule 4)

1. We selected a random sample of 25 transactions, reviewed supporting documentation, and observed that the sampled expenditures/revenues are classified correctly and are reported in the proper amounts for each of the following amounts reported on the schedule:

- Total General Fund Instructional Expenditures,
- Total General Fund Equipment Expenditures,
- Total Local Taxation Revenue,
- Total Local Earnings on Investment in Real Property,
- Total State Revenue in Lieu of Taxes,
- Nonpublic Textbook Revenue, and
- Nonpublic Transportation Revenue.

(No Differences Noted)

Class Size Characteristics (Schedule 5)

2. We obtained a list of classes by school, school type, and class size as reported on the schedule. We then traced a random sample of 10 classes to the October 1 roll books for those classes and observed that the class was properly classified on the schedule.

(No Differences Noted)

Education Levels/Experience of Public School Staff (NO SCHEDULE)

3. We obtained October 1st PEP data submitted to the Department of Education (or equivalent listing prepared by management), including full-time teachers, principals, and assistant principals by classification, as well as their level of education and experience, and obtained management's representation that the data/listing was complete. We then selected a sample of 25 individuals, traced to each individual's personnel file, and observed that each individual's education level and experience was properly classified on the PEP data or equivalent listing prepared by management.

(No Differences Noted)

Public School Staff Data: Average Salaries (NO SCHEDULE)

4. We obtained June 30th PEP data submitted to the Department of Education (or equivalent listing provided by management) of all classroom teachers, including base salary, extra compensation, and ROTC or rehired retiree status, as well as full-time equivalents, and obtained management's representation that the data/listing was complete. We then selected a sample of 25 individuals, traced to each individual's personnel file, and observed that each individual's salary, extra compensation, and full-time equivalents were properly included on the PEP data (or equivalent listing prepared by management).

(No Differences Noted)

We were engaged by the School Board to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants, and the standards applicable to attestation engagements contained in *Government Auditing Standards*, issued by the United States Comptroller General. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the performance and statistical data. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the School Board and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

The purpose of this report is solely to describe the scope of testing performed on the performance and statistical data accompanying the annual financial statements of the Livingston Parish School Board, as required by Louisiana Revised Statute 24:514.I, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

Respectfully submitted,

Hannis T. Bourgeois, LLP

Denham Springs, Louisiana
December 29, 2022

LIVINGSTON PARISH SCHOOL BOARD

GENERAL FUND INSTRUCTIONAL AND SUPPORT EXPENDITURES
AND CERTAIN LOCAL REVENUE SOURCES

FOR THE YEAR ENDED JUNE 30, 2022

<u>General Fund Instructional and Equipment Expenditures</u>	<u>Column A</u>	<u>Column B</u>
General Fund Instructional Expenditures:		
Teacher and Student Interaction Activities:		
Classroom Teacher Salaries	\$ 87,466,628	
Other Instructional Staff Activities	12,070,818	
Instructional Staff Employee Benefits	50,284,936	
Purchased Professional and Technical Services	491,685	
Instructional Materials and Supplies	4,166,088	
Instructional Equipment	<u>189,593</u>	
Total Teacher and Student Interaction Activities		\$ 154,669,748
Other Instructional Activities		1,192,957
Pupil Support Services	15,656,694	
Less: Equipment for Pupil Support Services	<u>-</u>	
Net Pupil Support Services		15,656,694
Instructional Staff Services	7,375,728	
Less: Equipment for Instructional Staff Services	<u>-</u>	
Net Instructional Staff Services		7,375,728
School Administration	16,156,280	
Less: Equipment for School Administration	<u>-</u>	
Net School Administration		<u>16,156,280</u>
Total General Fund Instructional Expenditures (Total of Column B)		<u>\$ 195,051,407</u>
Total General Fund Equipment Expenditures		<u>\$ 423,681</u>

(CONTINUED)

LIVINGSTON PARISH SCHOOL BOARD

GENERAL FUND INSTRUCTIONAL AND SUPPORT EXPENDITURES
AND CERTAIN LOCAL REVENUE SOURCES (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2022

Certain Local Revenue Sources

Local Taxation Revenue:

Ad valorem Taxes

Constitutional Ad Valorem Taxes	\$ 2,026,758
Renewable Ad Valorem Tax	4,423,757
Debt Service Ad Valorem Tax	5,685,757
Up to 1% of Collections by the Sheriff on Taxes Other than School Taxes	672,787
Penalties/Interest on Ad Valorem Taxes	47,914
Sales and Use Taxes	76,493,167
Sales and Use Taxes Collected Due to TIF	519,022
Total Local Taxation Revenue	<u>\$ 89,869,162</u>

Local Earnings on Investment in Real Property:

Earnings from 16th Section Property	\$ 3,482
Earnings from Other Real Property	-
Total Local Earnings on Investment in Real Property	<u>\$ 3,482</u>

State Revenue in Lieu of Taxes:

Revenue Sharing - Constitutional Tax	\$ 169,782
Revenue Sharing - Other Taxes	602,229
Revenue Sharing - Excess Portion	-
Other Revenue in Lieu of Taxes	-
Total State Revenue in Lieu of Taxes	<u>\$ 772,011</u>

Nonpublic Textbook Revenue	<u>\$ -</u>
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Nonpublic Transportation Revenue	<u>\$ -</u>
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See independent auditor's report.

LIVINGSTON PARISH SCHOOL BOARD

CLASS SIZE CHARACTERISTICS

AS OF OCTOBER 1, 2021

School Type	Class Size Range							
	1 - 20		21 - 26		27 - 33		34+	
	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Elementary	38.8%	1,246	53.9%	1,728	6.7%	216	0.6%	18
Elementary Activity Classes	20.6%	166	69.4%	560	9.1%	73	0.9%	7
Middle/Jr. High	28.8%	446	25.9%	400	37.9%	585	7.4%	114
Middle/Jr. High Activity Classes	24.6%	89	17.7%	64	30.1%	109	27.6%	100
High	58.3%	2,234	16.3%	627	21.9%	842	3.5%	133
High Activity Classes	67.6%	428	14.0%	89	7.7%	49	10.7%	68
Combination	82.8%	581	11.0%	77	4.3%	30	1.9%	13
Combination Activity Classes	82.9%	107	3.9%	5	4.7%	6	8.5%	11
Combination Activity Classes	8.5%	11	0.0%	-	0.0%	-	0.0%	-

Note: The Board of Elementary and Secondary Education has set specific limits on the maximum size of classes at various grade levels. The maximum enrollment in grades K-3 is 26 students and maximum enrollment in grades 4-12 is 33 students. These limits do not apply to activity classes such as physical education, chorus, band, and other classes without maximum enrollment standards. Therefore, these classes are included only as separate line items.

See independent auditor's report.

OTHER SUPPLEMENTARY INFORMATION

MAJOR CAPITAL PROJECTS FUND - BY DISTRICT

Capital projects funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. The 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.

LIVINGSTON PARISH SCHOOL BOARD

CAPITAL PROJECTS FUND

COMBINING BALANCE SHEET - BY DISTRICT

JUNE 30, 2022

ASSETS	School Districts										Total Capital Projects Fund
	No. 1	No. 4	No. 22	No. 24	No. 25	No. 26	No. 27	No. 31	No. 32	No. 33	
Cash and Cash Equivalents	\$ 10,041,451	\$ 21,070,911	\$ 1,155,998	\$ 443,418	\$ 725,632	\$ 363,724	\$ 1,075,463	\$ 471,732	\$ 363,010	\$ 448,674	\$ 36,160,013
Investments (Certificates of Deposit Maturities Due From Other Funds Receivables	914,678 4,462	- 3,508	- 2,410	- 1,099	- 337	- 692	- 738	- 187	- 496	- 186	914,678 14,115
Total Assets	<u>\$ 10,960,591</u>	<u>\$ 21,074,419</u>	<u>\$ 1,158,408</u>	<u>\$ 444,517</u>	<u>\$ 725,969</u>	<u>\$ 364,416</u>	<u>\$ 1,076,201</u>	<u>\$ 471,919</u>	<u>\$ 363,506</u>	<u>\$ 448,860</u>	<u>\$ 37,088,806</u>
LIABILITIES AND FUND BALANCE											
Liabilities:											
Accounts and Other Payables	\$ 3,163,205	\$ 358,607	\$ 436,084	\$ -	\$ 556,540	\$ -	\$ 444,160	\$ -	\$ -	\$ 397,392	\$ 5,355,988
Total Liabilities	3,163,205	358,607	436,084	-	556,540	-	444,160	-	-	397,392	5,355,988
Fund Balance:											
Fund Balances:											
Committed To:											
Contracts	7,797,386	24,827	722,324	-	169,429	-	632,041	-	-	51,468	9,397,475
Assigned To:											
Capital Projects	-	20,690,985	-	444,517	-	364,416	-	471,919	363,506	-	22,335,343
Total Fund Balance	<u>7,797,386</u>	<u>20,715,812</u>	<u>722,324</u>	<u>444,517</u>	<u>169,429</u>	<u>364,416</u>	<u>632,041</u>	<u>471,919</u>	<u>363,506</u>	<u>51,468</u>	<u>31,732,818</u>
Total Liabilities and Fund Balance	<u>\$ 10,960,591</u>	<u>\$ 21,074,419</u>	<u>\$ 1,158,408</u>	<u>\$ 444,517</u>	<u>\$ 725,969</u>	<u>\$ 364,416</u>	<u>\$ 1,076,201</u>	<u>\$ 471,919</u>	<u>\$ 363,506</u>	<u>\$ 448,860</u>	<u>\$ 37,088,806</u>

See independent auditor's report.

LIVINGSTON PARISH SCHOOL BOARD

CAPITAL PROJECTS FUND

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BY DISTRICT

FOR THE YEAR ENDED JUNE 30, 2022

	School Districts									Total Capital Projects Fund	
	No. 1	No. 4	No. 22	No. 24	No. 25	No. 26	No. 27	No. 31	No. 32		No. 33
Revenues:											
Local Sources:											
Ad Valorem Taxes	\$ 977,393	\$ 768,607	\$ 527,867	\$ 240,770	\$ 73,284	\$ 152,445	\$ 162,308	\$ 41,035	\$ 108,734	\$ 40,014	\$ 3,092,457
Interest Earnings	38,776	76,056	20,931	9,527	2,961	6,065	6,428	1,603	4,271	1,625	168,243
State Sources:											
Unrestricted Grants-in-Aid	79,266	62,337	42,810	19,527	5,994	12,310	13,163	3,329	8,820	3,244	250,800
Total Revenues	1,095,435	907,000	591,608	269,824	82,239	170,820	181,899	45,967	121,825	44,883	3,511,500
Expenditures:											
Support Services:											
General Administration	68,437	53,874	37,030	16,890	5,184	10,650	11,387	2,887	7,631	2,870	216,840
Capital Outlay	11,823,398	443,020	1,063,109	-	784,327	-	504,547	-	-	432,862	15,051,263
Total Expenditures	11,891,835	496,894	1,100,139	16,890	789,511	10,650	515,934	2,887	7,631	435,732	15,268,103
Excess (Deficiency) of Revenues over Expenditures	(10,796,400)	410,106	(508,531)	252,934	(707,272)	160,170	(334,035)	43,080	114,194	(390,849)	(11,756,603)
Other Financing Sources:											
(Uses):											
Issuance of Long Term Debt	13,000,000	16,875,000	-	-	-	-	-	-	-	-	29,875,000
Bond Insurance Costs	(137,061)	(169,375)	-	-	-	-	-	-	-	-	(306,436)
Bond Premium	2,886,629	2,256,958	-	-	-	-	-	-	-	-	5,143,587
Other	(109,188)	(136,100)	-	-	-	-	-	-	-	-	(245,288)
Transfers In	-	-	-	-	600,000	-	-	-	-	350,000	950,000
Total Other Financing Sources	15,640,380	18,826,483	-	-	600,000	-	-	-	-	350,000	35,416,863
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	4,843,980	19,236,589	(508,531)	252,934	(107,272)	160,170	(334,035)	43,080	114,194	(40,849)	23,660,260
Fund Balances at Beginning of Year	2,953,406	1,479,223	1,230,855	191,583	276,701	204,246	966,076	428,839	249,312	92,317	8,072,558
Fund Balances at End of Year	<u>\$ 7,797,386</u>	<u>\$ 20,715,812</u>	<u>\$ 722,324</u>	<u>\$ 444,517</u>	<u>\$ 169,429</u>	<u>\$ 364,416</u>	<u>\$ 632,041</u>	<u>\$ 471,919</u>	<u>\$ 363,506</u>	<u>\$ 51,468</u>	<u>\$ 31,732,818</u>

See independent auditor's report.

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt services or capital projects.

Elementary and Secondary Education Act (ESEA) Title I Fund – ESEA Title I are federal funds administered by the state and granted for programs for economically and educationally deprived school children to help ensure that all children meet state academic content and student academic achievement standards. The funds supplement rather than supplant activities that are state or locally mandated.

Individuals with Disabilities Education Act (IDEA) Fund - The IDEA (Special Education) fund accounts for a federally financed program of free education in the least restrictive environment for children with exceptionalities, as provided for under Public Law 94-142.

Maintenance of Schools Fund - The Maintenance of Schools Fund is funded by ad valorem taxes levied on all assessed property in the parish. The net proceeds of the taxes are dedicated to providing maintenance on all of the equipment and facilities owned by the School Board.

School Food Service Fund - The School Food Service Fund is used to account for the operations of the school food service program in the School System during the regular school year. The basic goals of the program is 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.

Special Federal Fund - The Special Federal Fund is used to account for various federal funds not reported elsewhere. Some of the programs include vocational education, preschool programs and adult education.

Other Federal ESEA Fund - The Other Federal ESEA Fund is used to account for all other ESEA programs except for the Title I program. Those programs include Title II (Teacher and Principal Training and Recruiting Fund) and Title III (English Language Acquisition Grants) programs, as well as various other programs.

Strong Start Fund – The Strong Start Fund is used to account for all Coronavirus Aid, Relief and Economic Security (CARES) Act federal funding. These funds are used to assist K-12 schools with the coronavirus (COVID-19) national pandemic and are received based on the same proportion received under the Elementary and Secondary Education Act (ESEA) Title-IA.

Student Activity Fund - The Student Activity Fund accounts for monies generated by the individual schools and school organizations within the parish. While the school activity accounts are under the supervision of the School Board, they belong to the individual schools or their student bodies and are not available for use by the School Board.

LIVINGSTON PARISH SCHOOL BOARD

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS

JUNE 30, 2022

ASSETS	Special Revenue Funds									Total Nonmajor Governmental Funds
	Debt Service Fund	Elementary and Secondary Education Act Title I	Special Education	Maintenance of Schools	School Lunch	Special Federal Fund	Other Federal ESEA Fund	Strong Start	Student Activity Fund	
Cash and Cash Equivalents	\$ 6,382,932	\$ -	\$ -	\$ 3,675,220	\$ 13,537,450	\$ -	\$ -	\$ -	\$ 7,116,135	\$ 30,711,737
Receivables	27,305	1,835,506	1,598,621	32,278	529	236,995	903,000	5,486,934	-	10,121,168
Inventory	-	-	-	-	359,845	-	-	-	-	359,845
Total Assets	\$ 6,410,237	\$ 1,835,506	\$ 1,598,621	\$ 3,707,498	\$ 13,897,824	\$ 236,995	\$ 903,000	\$ 5,486,934	\$ 7,116,135	\$ 41,192,750
LIABILITIES AND FUND BALANCE										
Liabilities:										
Accounts, Salaries and Other Payables	\$ -	\$ 114,923	\$ 230,582	\$ 2,323,794	\$ 699,234	\$ 25,154	\$ 130,675	\$ 450,144	\$ -	\$ 3,974,506
Due to Other Funds	-	1,720,583	1,368,039	-	-	211,841	772,325	5,036,790	-	9,109,578
Total Liabilities	-	1,835,506	1,598,621	2,323,794	699,234	236,995	903,000	5,486,934	-	13,084,084
Fund Balance:										
Fund Balances - Nonspendable:										
Inventory	-	-	-	-	359,845	-	-	-	-	359,845
Restricted For:										
Debt Service	6,410,237	-	-	-	-	-	-	-	-	6,410,237
District (Student) Activities	-	-	-	-	-	-	-	-	7,116,135	7,116,135
Maintenance of Schools	-	-	-	161,043	-	-	-	-	-	161,043
Committed To:										
Contracts	-	-	-	1,222,661	-	-	-	-	-	1,222,661
Assigned To:										
School Lunch Program	-	-	-	-	12,838,745	-	-	-	-	12,838,745
Total Fund Balances	6,410,237	-	-	1,383,704	13,198,590	-	-	-	7,116,135	28,108,666
Total Liabilities and Fund Balance	\$ 6,410,237	\$ 1,835,506	\$ 1,598,621	\$ 3,707,498	\$ 13,897,824	\$ 236,995	\$ 903,000	\$ 5,486,934	\$ 7,116,135	\$ 41,192,750

See independent auditor's report.

LIVINGSTON PARISH SCHOOL BOARD

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2022

	Special Revenue Funds								Student Activity Fund	Total Nonmajor Governmental Funds
	Debt Service Fund	Elementary and Secondary Education Act Title I	Special Education	Maintenance of Schools	School Lunch	Special Federal Fund	Other Federal ESEA Fund	Strong Start		
Revenues:										
Local Sources:										
Ad Valorem Taxes	\$ 5,707,963	\$ -	\$ -	\$ 4,329,437	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,037,400
Interest Earnings	41,590	-	-	7,146	27	-	-	-	-	48,763
Food Services	-	-	-	-	242,751	-	-	-	-	242,751
District (Student) Activities	-	-	-	-	-	-	-	-	12,843,978	12,843,978
Other	3	-	-	-	125,421	-	-	-	-	125,424
State Sources - Unrestricted:										
Grants-in-Aid	-	-	-	243,576	402,250	-	-	-	-	645,826
Federal Sources:										
Unrestricted - Indirect Cost Recoveries	-	290,591	341,095	-	-	20,497	110,264	1,962,192	-	2,724,639
Restricted Grants-in-Aid - Subgrants	-	4,833,041	5,699,132	-	32,861,539	912,611	1,833,925	16,205,878	-	62,346,126
Other - Commodities	-	-	-	-	1,283,012	-	-	-	-	1,283,012
Total Revenues	5,749,556	5,123,632	6,040,227	4,580,159	34,915,000	933,108	1,944,189	18,168,070	12,843,978	90,297,919
Expenditures:										
Instruction:										
Regular Programs	-	-	-	-	-	-	-	8,320,795	2,511,098	10,831,893
Special Education Programs	-	-	1,841,278	-	-	179,327	-	604,366	-	2,624,971
Vocational Programs	-	-	-	-	-	334,452	-	239,163	-	573,615
Other Programs	-	-	-	-	-	-	941,622	202,347	5,456,986	6,600,955
Special Programs	-	4,335,335	-	-	-	148,538	120,330	94,326	-	4,698,529
Adult and Continuing Education Program	-	-	-	-	-	188,370	-	-	-	188,370
Support Services:										
Pupil Support	-	-	2,022,917	-	-	54,512	50,970	762,344	-	2,890,743
Instructional Staff Support	-	424,501	1,808,002	-	-	6,017	681,103	758,985	-	3,678,608
General Administration	231,752	-	-	175,801	-	-	-	-	-	407,553
School Administration	-	-	-	-	-	-	-	187,005	5,122,978	5,309,983
Business Services	-	-	-	-	-	831	-	-	-	831
Plant Services	-	-	-	7,303,149	-	-	39,900	970,747	-	8,313,796

(CONTINUED)

LIVINGSTON PARISH SCHOOL BOARD

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2022

	Special Revenue Funds								Total Nonmajor Governmental Funds	
	Debt Service Fund	Elementary and Secondary Education Act Title I	Special Education	Maintenance of Schools	School Lunch	Special Federal Fund	Other Federal ESEA Fund	Strong Start		Student Activity Fund
Expenditures (Continued):										
Transportation Services	-	-	10,610	-	-	564	-	69,539	-	80,713
Central Services	-	-	-	-	-	-	-	35,886	-	35,886
Non-Instructional Services:										
Food Services	-	-	-	-	27,628,483	-	-	32,387	-	27,660,870
Community Service Programs	-	73,205	16,325	-	-	-	-	-	-	89,530
Capital Outlay	-	-	-	4,043,117	46,420	-	-	3,927,988	-	8,017,525
Debt Service:										
Principal Retirement	7,771,665	-	-	-	-	-	-	-	-	7,771,665
Interest and Bank Charges	3,145,222	-	-	-	-	-	-	-	-	3,145,222
Total Expenditures	11,148,639	4,833,041	5,699,132	11,522,067	27,674,903	912,611	1,833,925	16,205,878	13,091,062	92,921,258
Excess (Deficiency) of Revenues Over Expenditures	(5,399,083)	290,591	341,095	(6,941,908)	7,240,097	20,497	110,264	1,962,192	(247,084)	(2,623,339)
Other Financing Sources (Uses):										
Miscellaneous	(9,696)	-	-	-	-	-	-	-	-	(9,696)
Transfers In	3,547,565	-	-	2,325,000	-	-	-	-	878,642	6,751,207
Insurance Proceeds	-	-	-	2,414,660	-	-	-	-	-	2,414,660
Transfers Out	-	(290,591)	(341,095)	-	-	(20,497)	(110,264)	(1,962,192)	-	(2,724,639)
Total Other Financing Sources (Uses)	3,537,869	(290,591)	(341,095)	4,739,660	-	(20,497)	(110,264)	(1,962,192)	878,642	6,431,532
Excess (Deficiency) of Expenditures and Other Uses Over Revenues and Other Sources	(1,861,214)	-	-	(2,202,248)	7,240,097	-	-	-	631,558	3,808,193
Fund Balance at Beginning of Year	8,271,451	-	-	3,585,952	5,958,493	-	-	-	6,484,577	24,300,473
Fund Balances at End of Year	\$ 6,410,237	\$ -	\$ -	\$ 1,383,704	\$ 13,198,590	\$ -	\$ -	\$ -	\$ 7,116,135	\$ 28,108,666

See independent auditor's report.

DEBT SERVICE FUND -

Debt service funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

The debt service fund is used to accumulate monies for the payment of bond issues. The bonds were issued by the respective school districts to acquire and improve sites, erect and/or improve school buildings, and acquire the necessary equipment and furnishings. The bond issues are financed by a special property tax levy on property within the territorial limits of the respective school districts and by one percent of the two and one-half percent parish sales and use tax collected by the School Board.

LIVINGSTON PARISH SCHOOL BOARD
DEBT SERVICE FUND
COMBINING BALANCE SHEET - BY DISTRICT
JUNE 30, 2022

ASSETS	School Districts											Total Debt Service Fund
	No. 1	No. 4	No. 4-1	No. 22	No. 24	No. 25	No.26	No.27A	No. 31	No. 32A	No. 33	
Cash and Cash Equivalents	\$ 781,357	\$ 598,499	\$ 2,312,822	\$ 1,941,823	\$ 213,024	\$ 70,704	\$ 82,157	\$ 115,000	\$ 92,811	\$ 44,654	\$ 130,081	\$ 6,382,932
Due from Other Government	11,602	5,141	6,538	3,063	-	-	2	-	-	-	959	27,305
Total Assets	<u>\$ 792,959</u>	<u>\$ 603,640</u>	<u>\$ 2,319,360</u>	<u>\$ 1,944,886</u>	<u>\$ 213,024</u>	<u>\$ 70,704</u>	<u>\$ 82,159</u>	<u>\$ 115,000</u>	<u>\$ 92,811</u>	<u>\$ 44,654</u>	<u>\$ 131,040</u>	<u>\$ 6,410,237</u>
LIABILITIES AND FUND BALANCE												
Fund Balance -												
Fund Balances:												
Restricted For:												
Debt Service	<u>\$ 792,959</u>	<u>\$ 603,640</u>	<u>\$ 2,319,360</u>	<u>\$ 1,944,886</u>	<u>\$ 213,024</u>	<u>\$ 70,704</u>	<u>\$ 82,159</u>	<u>\$ 115,000</u>	<u>\$ 92,811</u>	<u>\$ 44,654</u>	<u>\$ 131,040</u>	<u>\$ 6,410,237</u>
Total Fund Balance	<u>792,959</u>	<u>603,640</u>	<u>2,319,360</u>	<u>1,944,886</u>	<u>213,024</u>	<u>70,704</u>	<u>82,159</u>	<u>115,000</u>	<u>92,811</u>	<u>44,654</u>	<u>131,040</u>	<u>6,410,237</u>
Total Liabilities and Fund Balance	<u>\$ 792,959</u>	<u>\$ 603,640</u>	<u>\$ 2,319,360</u>	<u>\$ 1,944,886</u>	<u>\$ 213,024</u>	<u>\$ 70,704</u>	<u>\$ 82,159</u>	<u>\$ 115,000</u>	<u>\$ 92,811</u>	<u>\$ 44,654</u>	<u>\$ 131,040</u>	<u>\$ 6,410,237</u>

See independent auditor's report.

LIVINGSTON PARISH SCHOOL BOARD

DEBT SERVICE FUND

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BY DISTRICT

FOR THE YEAR ENDED JUNE 30, 2022

	School Districts											Total Fund Fund
	No. 1	No. 4	No. 4-1	No. 22	No. 24	No. 25	No. 26	No. 27A	No. 31	No. 32A	No. 33	
Revenues:												
Local Sources:												
Ad Valorem Taxes	\$ 2,112,957	\$ 1,168,790	\$ 1,424,771	\$ 853,633	\$ -	\$ -	\$ 535	\$ 42	\$ -	\$ -	\$ 147,235	\$ 5,707,963
Other	-	-	-	1	-	-	2	-	-	-	-	3
Interest Earnings	13,160	5,152	5,152	7,102	3,230	1,009	2,064	2,180	540	1,444	557	41,590
Total Revenues	2,126,117	1,173,942	1,429,923	860,736	3,230	1,009	2,601	2,222	540	1,444	147,792	5,749,556
Expenditures:												
Support Service:												
General Administration	85,905	47,342	57,841	34,706	-	-	-	-	-	-	5,958	231,752
Debt Service:												
Principal Retirement	3,620,000	1,005,000	490,000	2,460,000	-	-	-	-	66,665	-	130,000	7,771,665
Interest and Bank Charges	1,739,068	127,975	765,013	493,295	-	-	-	-	1,500	-	18,371	3,145,222
Total Expenditures	5,444,973	1,180,317	1,312,854	2,988,001	-	-	-	-	68,165	-	154,329	11,148,639
Excess (Deficiency) of Revenues over Expenditures	(3,318,856)	(6,375)	117,069	(2,127,265)	3,230	1,009	2,601	2,222	(67,625)	1,444	(6,537)	(5,399,083)
Other Financing Sources (Uses):												
Miscellaneous	-	(9,696)	-	-	-	-	-	-	-	-	-	(9,696)
Transfers In	2,979,400	-	-	500,000	-	-	-	-	68,165	-	-	3,547,565
Total Other Financing Sources	2,979,400	(9,696)	-	500,000	-	-	-	-	68,165	-	-	3,537,869
Excess (Deficiency) of Revenues and Other Sources Over Expenditures	(339,456)	(16,071)	117,069	(1,627,265)	3,230	1,009	2,601	2,222	540	1,444	(6,537)	(1,861,214)
Fund Balances at Beginning of Year	1,132,415	619,711	2,202,291	3,572,151	209,794	69,695	79,558	112,778	92,271	43,210	137,577	8,271,451
Fund Balances at End of Year	\$ 792,959	\$ 603,640	\$ 2,319,360	\$ 1,944,886	\$ 213,024	\$ 70,704	\$ 82,159	\$ 115,000	\$ 92,811	\$ 44,654	\$ 131,040	\$ 6,410,237

See independent auditor's report.

LIVINGSTON PARISH SCHOOL BOARD**SPECIAL REVENUE FUND - ELEMENTARY AND SECONDARY
EDUCATION ACT - TITLE 1****STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

FOR THE YEAR ENDED JUNE 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:				
Federal Sources:				
Federal Grants	\$ 4,724,074	\$ 6,528,830	\$ 5,123,632	\$ (1,405,198)
Total Revenues	4,724,074	6,528,830	5,123,632	(1,405,198)
Expenditures:				
Instruction:				
Special Programs	3,876,996	5,533,937	4,335,335	1,198,602
Support Services:				
Instructional Staff Support	506,989	544,604	424,501	120,103
Community Service Programs	80,001	80,001	73,205	6,796
Total Expenditures	4,463,986	6,158,542	4,833,041	1,325,501
Excess of Revenues Over Expenditures	260,088	370,288	290,591	(79,697)
Other Financing Sources (Uses):				
Transfers Out	(260,088)	(370,288)	(290,591)	79,697
Total Other Financing Sources (Uses)	(260,088)	(370,288)	(290,591)	79,697
Excess of Expenditures and Other Uses Over Revenues and Other Sources	-	-	-	-
Fund Balance at Beginning of Year	-	-	-	-
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See independent auditor's report.

LIVINGSTON PARISH SCHOOL BOARD

SPECIAL REVENUE FUND - PUBLIC LAW 94-142 -
SPECIAL EDUCATIONSTATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Federal Sources:				
Federal Grants	\$ 5,224,984	\$ 6,487,449	\$ 6,040,227	\$ (447,222)
Total Revenues	5,224,984	6,487,449	6,040,227	(447,222)
Expenditures:				
Special Education Programs	1,293,306	2,205,375	1,841,278	364,097
Support Services:				
Pupil Support	1,926,223	2,080,124	2,022,917	57,207
Instructional Staff Support	1,682,757	1,816,061	1,808,002	8,059
Transportation Services	7,363	7,110	10,610	(3,500)
Non-Instructional Services:				
Community Service Programs	21,050	12,830	16,325	(3,495)
Total Expenditures	4,930,699	6,121,500	5,699,132	422,368
Excess of Revenues Over Expenditures	294,285	365,949	341,095	(24,854)
Other Financing Sources (Uses):				
Transfers Out	(294,285)	(365,949)	(341,095)	24,854
Total Other Financing Sources (Uses)	(294,285)	(365,949)	(341,095)	24,854
Excess of Expenditures and Other Uses Over Revenues and Other Sources	-	-	-	-
Fund Balance at Beginning of Year	-	-	-	-
Fund Balance at End of Year	\$ -	\$ -	\$ -	\$ -

See independent auditor's report.

LIVINGSTON PARISH SCHOOL BOARD

SPECIAL REVENUE FUND - MAINTENANCE OF SCHOOLS

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Local Sources:				
Ad Valorem Taxes	\$ 4,226,899	\$ 4,323,000	\$ 4,329,437	\$ 6,437
Interest Earnings	10,000	7,149	7,146	(3)
State Sources:				
Unrestricted:				
Grants-in-Aid	238,179	243,576	243,576	-
Total Revenues	4,475,078	4,573,725	4,580,159	6,434
Expenditures:				
Instruction:				
Regular Programs	10,000	10,000	-	10,000
Support Services:				
General Administration	174,064	175,850	175,801	49
Plant Services	4,752,754	8,317,172	7,303,149	1,014,023
Capital Outlay	1,655,000	5,743,551	4,043,117	1,700,434
Total Expenditures	6,591,818	14,246,573	11,522,067	2,724,506
Excess (Deficiency) of Revenues Over Expenditures	(2,116,740)	(9,672,848)	(6,941,908)	2,730,940
Other Financing Sources (Uses):				
Transfers In	1,925,000	4,800,000	2,325,000	(2,475,000)
Insurance Proceeds from Losses	-	2,400,000	2,414,660	14,660
Total Other Financing Sources	1,925,000	7,200,000	4,739,660	(2,460,340)
Excess (Deficiency) of Revenues and Other Sources Over (Under) Expenditures and Other Uses	(191,740)	(2,472,848)	(2,202,248)	270,600
Fund Balance at Beginning of Year	3,585,952	3,585,952	3,585,952	-
Fund Balance at End of Year	\$ 3,394,212	\$ 1,113,104	\$ 1,383,704	\$ 270,600

See independent auditor's report.

LIVINGSTON PARISH SCHOOL BOARD

SPECIAL REVENUE FUND - SCHOOL LUNCH

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:				
Local Sources:				
Interest Earnings	\$ 150	\$ 150	\$ 27	\$ (123)
Food Services	190,400	228,000	242,751	14,751
Other	107,400	43,079	125,421	82,342
State Sources -				
Unrestricted Grants-in-Aid	402,250	402,250	402,250	-
Federal Sources:				
Restricted Grants-in- Aid-Subgrants	15,562,000	32,079,200	32,861,539	782,339
Other - Commodities	1,222,621	1,222,621	1,283,012	60,391
Total Revenues	17,484,821	33,975,300	34,915,000	939,700
Expenditures:				
Non-Instructional Services:				
Food Services	17,324,378	28,277,729	27,628,483	649,246
Capital Outlay	-	-	46,420	(46,420)
Total Expenditures	17,324,378	28,277,729	27,674,903	602,826
Excess (Deficiency) of Revenues Over Expenditures	160,443	5,697,571	7,240,097	1,542,526
Other Financing Sources:				
Transfers In	8,700	-	-	-
Excess (Deficiency) of Expenditures and Other Uses Over Revenues and Other Sources	169,143	5,697,571	7,240,097	1,542,526
Fund Balance at Beginning of Year	5,958,493	5,958,493	5,958,493	-
Fund Balance at End of Year	<u>\$ 6,127,636</u>	<u>\$ 11,656,064</u>	<u>\$ 13,198,590</u>	<u>\$ 1,542,526</u>

See independent auditor's report.

LIVINGSTON PARISH SCHOOL BOARD

SPECIAL REVENUE FUND - SPECIAL FEDERAL FUND

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Federal Sources:				
Federal Grants	\$ 818,228	\$ 1,294,527	\$ 933,108	\$ (361,419)
Total Revenues	818,228	1,294,527	933,108	(361,419)
Expenditures:				
Instruction:				
Special Education Programs	-	226,251	179,327	46,924
Vocational Programs	234,026	332,426	334,452	(2,026)
Special Programs	100,078	308,044	148,538	159,506
Adult and Continuing Education Programs	227,158	290,105	188,370	101,735
Support Services:				
Pupil Support	193,817	77,709	54,512	23,197
Instructional Staff Support	42,049	19,504	6,017	13,487
Business Services	2,000	3,128	831	2,297
Transportation Services	-	-	564	(564)
Total Expenditures	799,128	1,257,167	912,611	344,556
Excess (Deficiency) of Revenues Over Expenditures	19,100	37,360	20,497	(16,863)
Other Financing Sources (Uses):				
Transfers Out	(19,100)	(37,360)	(20,497)	16,863
Total Other Financing Sources (Uses)	(19,100)	(37,360)	(20,497)	16,863
Excess of Expenditures and Other Uses Over Revenues and Other Sources	-	-	-	-
Fund Balance at Beginning of Year	-	-	-	-
Fund Balance at End of Year	\$ -	-	\$ -	\$ -

See independent auditor's report.

LIVINGSTON PARISH SCHOOL BOARD
SPECIAL REVENUE FUND - OTHER FEDERAL ESEA FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Federal Sources:				
Federal Grants	\$ 1,611,828	\$ 3,435,669	\$ 1,944,189	\$ (1,491,480)
Total Revenues	1,611,828	3,435,669	1,944,189	(1,491,480)
Expenditures:				
Instruction:				
Other Programs	854,882	1,161,662	941,622	220,040
Special Programs	70,735	184,727	120,330	64,397
Support Services:				
Pupil Support	113,989	306,005	50,970	255,035
Instructional Staff Support	460,805	1,546,419	681,103	865,316
Plant Services	20,000	42,000	39,900	2,100
Total Expenditures	1,520,411	3,240,813	1,833,925	1,406,888
Excess of Revenues Over Expenditures	91,417	194,856	110,264	(84,592)
Other Financing Sources (Uses):				
Transfers Out	(91,417)	(194,856)	(110,264)	84,592
Total Other Financing Sources (Uses)	(91,417)	(194,856)	(110,264)	84,592
Excess of Expenditures and Other Uses Over Revenues and Other Sources	-	-	-	-
Fund Balance at Beginning of Year	-	-	-	-
Fund Balance at End of Year	\$ -	\$ -	\$ -	\$ -

See independent auditor's report.

LIVINGSTON PARISH SCHOOL BOARD

SPECIAL REVENUE FUND - STRONG START FUND

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Federal Sources:				
Federal Grants	\$ 41,851,484	\$ 50,369,642	\$ 18,168,070	\$ (32,201,572)
Total Revenues	41,851,484	50,369,642	18,168,070	(32,201,572)
Expenditures:				
Instruction:				
Regular Programs	14,167,645	22,884,417	8,320,795	14,563,622
Special Education Programs	606,610	1,546,695	604,366	942,329
Vocational Programs	447	210,425	239,163	(28,738)
Other Programs	429,523	429,523	202,347	227,176
Special Programs	31,636	217,997	94,326	123,671
Support Services:				
Pupil Support	2,092,433	2,152,433	762,344	1,390,089
Instructional Staff Support	2,058,052	2,880,557	758,985	2,121,572
School Administration	273,350	361,936	187,005	174,931
Plant Services	8,437,673	5,880,895	970,747	4,910,148
Transportation Services	5,262,242	5,233,230	69,539	5,163,691
Central Services	70,063	70,063	35,886	34,177
Non-Instructional Services:				
Food Services	183,262	232,612	32,387	200,225
Capital Outlay	2,311,084	2,061,197	3,927,988	(1,866,791)
Total Expenditures	35,924,020	44,161,980	16,205,878	27,956,102
Excess of Revenues Over Expenditures	5,927,464	6,207,662	1,962,192	(4,245,470)
Other Financing Sources (Uses):				
Transfers Out	(5,927,464)	(6,207,662)	(1,962,192)	4,245,470
Total Other Financing Sources (Uses)	(5,927,464)	(6,207,662)	(1,962,192)	4,245,470
Excess of Expenditures and Other Uses Over Revenues and Other Sources	-	-	-	-
Fund Balance at Beginning of Year	-	-	-	-
Fund Balance at End of Year	\$ -	\$ -	\$ -	\$ -

See independent auditor's report.

LIVINGSTON PARISH SCHOOL BOARD

SCHEDULE OF COMPENSATION PAID BOARD MEMBERS

FOR THE YEAR ENDED JUNE 30, 2022

Jan Benton	\$ 9,600
Jeffrey Cox	9,600
Kellie Dickerson	9,600
Devin Gregoire	9,600
David Graham*	10,300
Bradley Harris	9,600
Cecil Harris ~	10,100
Frank Parrino√	8,400
Norma Picou<	1,200
Brad Sharp	<u>9,600</u>
Total	\$ 87,600

Term of Current Board Expires December 31, 2022.

*Received Board President Supplement from January 1, 2020 – January 6, 2022.

~Received Board President Supplement since January 20, 2022.

√Resignation rendered May 19, 2022.

<Appointed interim board member term effective May 19, 2022.

See independent auditor's report.

LIVINGSTON PARISH SCHOOL BOARD**SCHEDULE OF COMPENSATION, BENEFITS, AND OTHER PAYMENTS TO
SUPERINTENDENT**

FOR THE YEAR ENDED JUNE 30, 2022

Agency Head: Superintendent	
<u>Purpose</u>	<u>Alan "Joe" Murphy</u>
Salary	\$ 140,834
Benefits - Insurance	6,933
Benefits - Medicare	2,009
Benefits - Retirement	35,490
Conference Travel	3,015
Professional Organization Membership Fees	830
	<u>\$ 189,111</u>

In accordance with Louisiana Revised Statute 24:513A, the above is a schedule of compensation, benefits, and other payments received by the acting agency head for the year ended June 30, 2022.

See independent auditor's report.

LIVINGSTON PARISH SCHOOL BOARD

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEAR ENDED JUNE 30, 2022

Federal Grantor/Pass - Through Grantor Program	Federal Assistance Listing Number	Entity Identifying Number	Passed-through to Subrecipients	Federal Expenditures
<u>United States Department of Agriculture</u>				
Passed Through Louisiana Department of Agriculture and Forestry -				
National School Lunch Program - Non-Cash Assistance (Commodities) [1]	10.555	N/A	\$ -	\$ 1,283,012
Passed Through Louisiana Department of Education:				
National School Lunch Program - Supply Chain Assistance Program [1]	10.555	N/A	-	579,289
Child and Adult Care Food Program - After School Supper Program	10.558	N/A	-	10,378,568
Summer Food Service Program for Children [1]	10.559	N/A	-	21,903,682
Total United States Department of Agriculture				34,144,551
<u>United States Department of Education</u>				
Passed Through Louisiana Department of Education:				
Adult Education - State Grant Program	84.002	N/A	-	197,560
Educationally Deprived Children - Local Educational Agencies:				
Title I Grants to Local Educational Agencies (LEAs) - IASA Title I [2]	84.010A	05-IASA-32-1	-	5,123,632
Special Education - Grants to States (IDEA, Part B) - Handicapped State Grants - Special Education IDEA [3]	84.027A	05-FT-32	-	6,040,227
Special Education - Grants to States (IDEA, Part B) - COVID-19 IDEA_611 American Rescue Plan [3]	84.027X	N/A	-	375,708
Career and Technical Education - Basic Grants to States (Perkins IV) - Vocational Education - Basic Grants to States	84.048	N/A	-	339,266
Special Education—Preschool Grants (IDEA Preschool) - Handicapped - Preschool Grants - Preschool Flow-thru [3]	84.173A	N/A	-	80,407
Supporting Effective Instruction State Grant - Title II - Improving Teacher Quality - State Grants	84.367A	N/A	-	1,369,900
English Language Acquisition Grants - Title III - Immigrant Set Aside	84.365A	N/A	-	34,463
English Language Acquisition Grants - Other NCLB Programs	84.365A	N/A	-	108,498
Striving Readers (K-5) - Comprehensive Literacy State Development UIR B-5	84.371C	N/A	-	102,929
Student Support and Academic Enrichment Program - Title IV - Student Support and Academic	84.424A	N/A	-	431,329
COVID-19 - Education Stabilization Fund - Elementary and Secondary School Emergency Relief Fund [5]	84.425D	N/A	-	4,382,789
COVID-19 - Education Stabilization Fund - ESSER III EB Interventions [5]	84.425U	N/A	-	13,309,576
Total Passed Through Louisiana Department of Education				31,896,284
Passed Through Louisiana Workforce Commission:				
Rehabilitation Services - Vocational Rehabilitation Grants to States	84.126	N/A	-	182,259
Total Passed Through Louisiana Workforce Commission			-	182,259
Total United States Department of Education				32,078,543

(CONTINUED)

LIVINGSTON PARISH SCHOOL BOARD

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEAR ENDED JUNE 30, 2022

Federal Grantor/Pass - Through Grantor Program	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Passed-through to Subrecipients	Federal Expenditures
<u>United States Department of Health and Human Services</u>				
Passed Through Louisiana Department of Education:				
Child Care and Development Block Grant - Early Childhood Lead Agency [4]	93.575	N/A	-	30,687
Child Care and Development Block Grant - COVID-19 Community Childcare [4]	93.575	N/A	-	99,997
Total United States Department of Health and Human Services			-	130,684
<u>United States Department of Homeland Security</u>				
Passed Through Louisiana Governor's Office of Homeland Security & Emergency Preparedness:				
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	N/A	-	14,878,868
Total United States Department of Homeland Security			-	14,878,868
Total Expenditures of Federal Awards			\$ -	\$ 81,232,646

[1] Child Nutrition Cluster - Total \$23,765,983

[2] Title I, Part A Cluster - Total \$5,123,632

[3] Special Education Cluster (IDEA) - Total \$6,496,342

[4] Child Care and Development Cluster - Total \$130,684

[5] Education Stability Fund - Total \$17,692,365

See independent auditor's report.

See accompanying notes to the Schedule of Expenditures of Federal Awards.

LIVINGSTON PARISH SCHOOL BOARD

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEAR ENDED JUNE 30, 2022

Note A - Significant Accounting Policies -

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the Livingston Parish School Board and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 *U.S. Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*.

Note B - Food Distribution Program

Nonmonetary assistance is reported in the schedule at the fair market value of the commodities received and disbursed. At June 30, 2022, the Livingston Parish School Board had food commodities totaling \$102,681 in inventory.

Note C - Indirect Cost Rate Election

The School Board did not elect to use the 10% de minimis indirect cost rate during the year ended June 30, 2022.

Note D - Disaster Grants - Public Assistance (Presidentially Declared Disaster) Assistance Listing No. 97.036

Non-Federal entities must record expenditures on the Schedule of Federal Awards (SEFA) when: (1) Federal Emergency Management Agency (FEMA) has approved the non-Federal entity's project worksheet (PW) and (2) the non-Federal entity has incurred the eligible expenditures.

Reconciliation of Federal Expenditures:

Federal Assistance expended as reported on the Schedule of Expenditures of Federal Awards	\$ 81,232,646
Add: Revenue received in current year on prior year federal expenditures	24,666,681
Less: Expenditures incurred in current year but not reimbursed by awarding agency as of June 30, 2022	<u>(9,252,838)</u>
Federal grant revenues	<u>\$ 96,646,489</u>
Revenues from Federal Sources as reported on: Statement E - All Governmental Fund Types - Statement of Revenues, Expenditures and Changes in Fund Balance	<u>\$ 96,646,489</u>

See independent auditor's report.

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND
OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS

INDEPENDENT AUDITOR'S REPORT

President and Members of the
Livingston Parish School Board
Livingston, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Livingston Parish School Board (the School Board), Livingston, Louisiana, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Livingston Parish School Board's basic financial statements, and have issued our report thereon dated December 29, 2022.

Report on Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as item 2022-01 that we consider to be material weaknesses.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the School Board's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matter that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and questioned costs as item 2022-02.

Livingston Parish School Board's Response to Finding

Government Auditing Standards requires the auditor to perform limited procedures on the School Board's responses to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs in which the findings are reported. The School Board's responses were not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose; however, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Respectfully submitted,

Hannis T. Bourgeois, LLP

Denham Springs, Louisiana
December 29, 2022

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL
OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

INDEPENDENT AUDITOR’S REPORT

President and Members of the
Livingston Parish School Board
Livingston, Louisiana

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Livingston Parish School Board’s (the School Board) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the School Board’s major federal programs for the year ended June 30, 2022 . The School Board’s major federal programs are identified in the summary of auditor’s results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, the Livingston Parish School Board complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor’s Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the School Board and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the School Board’s compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the School Board’s federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the School Board's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the School Board's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the School Board's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the School Board's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the School Board's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit

Report on Internal Control Over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as

defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose; however, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Respectfully submitted,

Hannis T. Bourgeois, LLP

Denham Springs, Louisiana
December 29, 2022

LIVINGSTON PARISH SCHOOL BOARD

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2022

A. Summary of Auditor’s Results

As required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), the following is a summary of the results of our audit:

Financial Statements:

Type of auditor's report issued: unmodified

Internal control over financial reporting:

- Material weaknesses identified? x Yes No
- Significant deficiencies identified? Yes x None Reported

Noncompliance material to financial statements noted? Yes x No

Other matter reported? x Yes No

Federal Awards:

Internal control over major programs:

- Material weaknesses identified? Yes x No
- Significant deficiencies identified? Yes x None Reported

Type of auditor's report issued on compliance for major programs:

Unmodified Opinion

Any audit findings disclosed that are required to be reported in accordance with section 2 CFR 200.516(a)? Yes x No

LIVINGSTON PARISH SCHOOL BOARD

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2022

Identification of major programs:

<u>Assistance</u>	
<u>Listing Numbers</u>	<u>Name of Federal Program</u>
	<u>United States Department of Agriculture</u>
10.558	Child and Adult Care Food Program - After School Supper Program
	<u>United States Department of Education</u>
84.425D	COVID-19 - Elementary and Secondary School Emergency Relief Fund
84.425U	COVID-19 - Education Stability Fund - ESSER III EB Interventions
	<i><u>Special Education Cluster (IDEA)</u></i>
84.027A	Handicapped State Grants - Special Education IDEA
84.027X	COVID-19 IDEA_ 611 American Rescue Plan
84.173A	Handicapped - Preschool Grants - Preschool Flow-thru
	<u>United States Department of Homeland Security</u>
97.036	Disaster Grants - Public Assistance

- The threshold used for distinguishing between Type A and B programs was \$2,436,979.
- The School Board did not qualify as a low-risk auditee.

B. Findings - Financial Reporting

1. Internal Control Over Financial Reporting

Finding 2022-01 – Fraudulent Electronic Funds Transfer Activity

Criteria:

Changes to vendor information including payment instructions should be verified according to the School Board’s policy.

Condition:

In January 2022, the School Board received emails requesting changes in the electronic funds transfer (EFT) payment details for two vendors. The emails were generated by a bad actor posing as the legitimate vendors. The requested EFT payment details changes were made without following the procedure in place to call the vendors to verify the changes. Since the requested changes took place without verifying the changes, several EFT payments were made to fraudulent bank accounts. Payments in the amount of \$2,251,861 were issued between January 12, 2022 and February 8, 2022 when one of the legitimate vendors contacted the School Board to follow up on a payment. The School Board started researching the payments and discovered the EFT details

LIVINGSTON PARISH SCHOOL BOARD

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2022

were changed. Once they realized what occurred, they contacted the local law enforcement, and an investigation was immediately started. Since one of the EFT payments had just been issued, the School Board was able to cancel or retract the payment with the help of local enforcement and federal assistance. The amount of funds recovered was \$1,907,894. \$343,967 was not recovered and an insurance claim has been filed. The investigation is still ongoing, and the bad actors have not been identified yet.

The School Board's reported the fraudulent activity to local law enforcement and the district attorney. The School Board reported the fraudulent activity to the legislative auditor as required by R.S. 24:513.

Cause:

The requested EFT payment details changes were made without following the procedure in place to call the vendors to verify the changes.

Effect:

Since the requested changes took place without verifying the changes, several EFT payments were made to fraudulent bank accounts. The deficiency in internal control exposes the entity to risks including, but not limited to, misappropriation of assets and inaccurate and fraudulent financial reporting.

Recommendation:

We recommend that the School Board should follow the procedures in place to verify EFT payment detail changes. In addition, we recommend they strengthen those procedures to include a Change Request Form where the responsible employee documents verifying the change and the form along with support is provided to some to approve the requested change.

Management's Response:

Management concurs with the recommendation and plans to stress the importance to employees that policies and procedures are followed at all times. The School Board plans to strengthen policies and procedures to ensure that vendor changes are verified according to adopted policies and procedures. The School Board plans to continue to monitor its internal controls to ensure the safeguarding of public funds.

2. Compliance and Other Matters

None

C. Findings - Federal Awards Programs

1. Internal Control Over Compliance of Federal Awards

None

2. Compliance

None.

LIVINGSTON PARISH SCHOOL BOARD

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2022

D. Other Reporting Matters -

Finding 2022-02 Ethics Violations

Criteria:

The Louisiana Code of Governmental Ethics prohibits a public servant (public employee) from biddings on or entering into any contract, subcontract or other transaction under the supervision of the public servant's agency (R.S.42:1113A) or participation by a public servant (public employee) in a transaction involving the governmental entity in which any member of the public servant's immediate family (his children, spouses of children, brothers, sisters, spouses of his brothers and sisters, parents, spouse, and the parents of his spouse) has a substantial economic interest (R.S.42:1112).

Condition:

In the current year, it was noted that a school board employee was contracted to make face masks and the school board employee was employed at the school in which the masks were purchased. In a separate instance at another school, it was noted that a school ordered shirts from a business owned by a school employee's relative.

Cause:

In both instances, it appears that the school board employees are considered public servants and the schools for which the two employees work are considered their agency; therefore, the transactions to purchase face masks and shirts appears to be a prohibited transaction by the Louisiana Code of Governmental Ethics.

Effect:

The transactions appear to be a potential ethics violation.

Recommendation:

We recommended the School Board request an advisory opinion from the Louisiana Board of Ethics on the two instances noted and take appropriate action, if any, based on that opinion.

Management's Response:

Management concurs with the recommendation and will make sure the School Board requests an advisory opinion from the Louisiana Board of Ethics on the two instances noted and take appropriate action, if any, based on the opinions.

LIVINGSTON PARISH SCHOOL BOARD

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FOR THE YEAR ENDED JUNE 30, 2022

A. Findings - Financial Reporting

1. Internal Control Over Financial Reporting

None.

2. Compliance and Other Matters

None.

B. Findings – Federal Awards

1. Internal Control Over Financial Reporting

None.

2. Compliance and Other Matters

Finding 2021-01 Assistance Listing No. 84.425D Elementary and Secondary Education Relief Fund - Education Stability Fund (ESF) – Special Tests and Provisions – Wage Rate Requirements

Questioned Costs: \$766,376

Criteria:

In the event the School Board uses ESF funds for construction, they must comply with applicable requirements in 34 CFR section 76.600 and 34 CFR sections 75.600–75.617. All laborers and mechanics employed by contractors or subcontractors to work on construction contracts in excess of \$2,000 financed by federal assistance funds must be paid wages not less than those established for the locality of the project (prevailing wage rates) by the Department of Labor (DOL) (40 USC 3141–3144, 3146, and 3147).

Nonfederal entities shall include in their construction contracts subject to the Wage Rate Requirements (which still may be referenced as the Davis-Bacon Act) a provision that the contractor or subcontractor comply with those requirements and the DOL regulations (29 CFR Part 5, Labor Standards Provisions Applicable to Contracts Governing Federally Financed and Assisted Construction). This includes a requirement for the contractor or subcontractor to submit to the nonfederal entity weekly, for each week in which any contract work is performed, a copy of the payroll and a statement of compliance (certified payrolls) (29 CFR sections 5.5 and 5.6; the A-102 Common Rule (section 36(i)(5)); OMB Circular A-110 (2 CFR Part 215, Appendix A, Contract Provisions); 2 CFR Part 176, Subpart C; and 2 CFR section 200.326).

Condition:

In the prior year, the School Board did not comply with the Wage Rate Requirements on a construction project. The construction project had already been bid out and awarded when the ESF funds became available. The School Board did not realize that Wage Rate Requirements were applicable on an existing contract. Since the contract was already in place, the required prevailing wage rate clauses were not included in the construction project contract and

LIVINGSTON PARISH SCHOOL BOARD

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2022

documentation related to the contractor providing proof that prevailing wages were paid to employees or subcontractors on the project was not required.

Cause:

The School Board's management noted the construction project was already bid out and in process when the ESF grant funds became available. Therefore, the construction contract did not include the Wage Rate Requirements and documentation related to the contractor providing proof that prevailing wages were paid to employees or subcontractors on the project was not required.

Effect:

The School Board was not able to demonstrate it complied with the Wage Rate Requirements of the grant.

Recommendation:

We recommended the School Board ensure ESF funded construction project contracts include the required Wage Rate Requirements.

Management's Response:

Management concurred with the recommendation in 2021.

Corrective Action:

No such occurrences were identified in current year.

C. Other Reporting Matters

Finding 2021-02 Ethics Violation

Criteria:

The Louisiana Code of Governmental Ethics prohibits a public servant (public employee) from biddings on or entering into any contract, subcontract or other transaction under the supervision of the public servant's agency (R.S.42:1113A).

Condition:

In the prior year, it was noted that a school board employee was contracted to clear trees on school property and the school board employee was employed at the school in which the trees were cleared.

Cause:

It appeared that the school board employee was considered a public servant and the school for which the employee works was considered his agency; therefore, the transaction to clear the trees appears to be a prohibited transaction by the Louisiana Code of Governmental Ethics.

Effect:

The transaction appeared to be a potential ethics violation.

LIVINGSTON PARISH SCHOOL BOARD

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2022

Recommendation:

We recommended the School Board request an advisory opinion from the Louisiana Board of Ethics on the transaction and take appropriate action, if any, based on that opinion.

Management's Response:

Management submitted the information to the Louisiana Board of Ethics. As of December 29, 2022, the School Board has not received a conclusion on the information provided to the Louisiana Board of Ethics.

Corrective Action:

During the current year, we noted two separate occurrences similar in nature to the above prior year finding on ethics. See current year finding 2022-02.



Livingston Parish Public Schools

Excellence in Education!

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Livingston, Louisiana 70754-1130

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Alan "Joe" Murphy
Superintendent

Jody Purvis
Assistant Superintendent

Bruce Chaffin
Assistant Superintendent

December 22, 2022

Hannis T. Bourgeois, LLP, CPAs
178 Del Orleans Ave, Suite C
Denham Springs, LA 70726

Re: Livingston Parish School Board
2022 Audit Findings
Management Response

Finding 2022-01 Fraudulent Electronic Funds Transfer Activity – Management concurs with the recommendation and plans to stress the importance to employees that policies and procedures are followed at all times. The School Board plans to strengthen policies and procedures to ensure that vendor changes are verified according to adopted policies and procedures. The School Board plans to continue to monitor its internal controls to ensure the safeguarding of public funds.

Finding 2022-02 Ethics Violation – Management concurs with the recommendation and will make sure the School Board requests an advisory opinion from the Louisiana Board of Ethics on the two instances noted and take appropriate action, if any, based on the opinions.

Sincerely,

Alan Murphy, Superintendent

Kim Stewart, Business Manager

LIVINGSTON PARISH SCHOOL BOARD
INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES

JUNE 30, 2022

LIVINGSTON, LOUISIANA

Independent Accountant’s Report
on Applying Agreed-Upon Procedures

President and Members of the
Livingston Parish School Board
Livingston, Louisiana

Louisiana Legislative Auditor

We have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor (LLA’s) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period July 1, 2021 through June 30, 2022. The School Board’s management is responsible for those C/C areas identified in the SAUPs.

The School Board has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA’s SAUPs for the fiscal period July 1, 2022 through June 30, 2022. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated exceptions are as follows:

Written Policies and Procedures

1. Obtain and inspect the entity’s written policies and procedures and observe whether they address each of the following categories and subcategories if applicable to public funds and the entity’s operations:
 - a) **Budgeting**, including preparing, adopting, monitoring, and amending the budget. – **No exceptions.**
 - b) **Purchasing**, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the Public Bid Law; and (5) documentation required to be maintained for all bids and price quotes. – **No exceptions.**
 - c) **Disbursements**, including processing, reviewing, and approving. – **No exceptions.**

- d) **Receipts/Collections**, including receiving, recording, and preparing deposits. Also, policies and procedures should include management’s actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g., periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation). – **No exceptions.**
- e) **Payroll/Personnel**, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee(s) rate of pay or approval and maintenance of pay rate schedules. – **No exceptions.**
- f) **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process. – **No exceptions.**
- g) **Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases). – **No exceptions.**
- h) **Travel and Expense Reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers. – **No exceptions.**
- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity’s ethics policy.

Exception – The School Board has a written policy and procedure relating to ethics, however, the School Board’s policy and procedures do not address item (4).

- j) **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements. – **No exceptions.**
- k) **Information Technology Disaster Recovery/Business Continuity**, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.

Exception – The School Board does not have a written policy and procedure related to items (1) through (6). Although the School Board does not have formal written policies and procedures related to the above items, they do have informal procedures in place.

- l) **Sexual Harassment**, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

Exception – The School Board does have written policies and procedures relating to sexual harassment; however, the School Board’s policies and procedures do not address annual employee training and annual reporting.

Board or Finance Committee

2. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:
 - a) Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.
– **No exceptions.**
 - b) For those entities reporting on the governmental accounting model, observe whether the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget-to-actual, at a minimum, on all special revenue funds. *Alternately, for those entities reporting on the nonprofit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.*
– **No exceptions.**
 - c) For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.
– **No exceptions.**

Bank Reconciliations

3. Obtain a listing of entity bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:
 - a) Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated or electronically logged); – **No exceptions.**
 - b) Bank reconciliations include evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and
Exception – 2 of the 5 bank reconciliations did not include evidence that a member of management/board member who does not handle cash, post ledgers, or issues checks has reviewed each bank reconciliation.
 - c) Management has documentation reflecting it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable. – **No exceptions.**

Collections (excluding electronic funds transfers)

4. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5). – **No exceptions.**

5. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e., 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:
 - a) Employees responsible for cash collections do not share cash drawers/registers. – **No exceptions.**
 - b) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g., pre-numbered receipts) to the deposit. – **No exceptions.**
 - c) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit. – **No exceptions.**
 - d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, are not responsible for collecting cash, unless another employee/official verifies the reconciliation. – **No exceptions.**
6. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe the bond or insurance policy for theft was enforced during the fiscal period. – **No exceptions.**
7. Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3 under "Bank Reconciliations" above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *Alternately, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and:
 - a) Observe that receipts are sequentially pre-numbered. – **No exceptions.**
 - b) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip. – **No exceptions.**
 - c) Trace the deposit slip total to the actual deposit per the bank statement. – **No exceptions.**
 - d) Observe the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).

Exception – 2 of the 10 deposits reviewed were not deposited within one business day of receipt at the collection location.
 - e) Trace the actual deposit per the bank statement to the general ledger. – **No exceptions.**

Non-Payroll Disbursements (excluding card purchases/payments, travel reimbursements, and petty cash purchases)

8. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5). – **No exceptions.**

9. For each location selected under #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:
 - a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase. – **No exceptions.**
 - b) At least two employees are involved in processing and approving payments to vendors. – **No exceptions.**
 - c) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files. – **No exceptions.**
 - d) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments. – **No exceptions.**
10. For each location selected under #8 above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction, and: – **No exceptions.**
 - a) Observe whether the disbursement matched the related original itemized invoice and supporting documentation indicates deliverables included on the invoice were received by the entity. – **No exceptions.**
 - b) Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable. – **No exceptions.**

Credit Cards/Debit Cards/Fuel Cards/P-Cards

11. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete. – **No exceptions.**
12. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtain supporting documentation, and:
 - a) Observe whether there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) were reviewed and approved, in writing (or electronically approved), by someone other than the authorized card holder.

Exception – For 2 of the 5 monthly statements reviewed, we did not observe evidence that the monthly statement or combined statement and supporting documentation were reviewed and approved, in writing (or electronically approved), by someone other than the authorized card holder.
 - b) Observe that finance charges and late fees were not assessed on the selected statements. – **No exceptions.**

13. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e., each card should have 10 transactions subject to testing). For each transaction, observe it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and note whether management had a compensating control to address missing receipts, such as a “missing receipt statement” that is subject to increased scrutiny. – **No exceptions.**

Travel and Travel-Related Expense Reimbursements (excluding card transactions)

14. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management’s representation that the listing or general ledger is complete. Randomly select 5 reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:
- a) If reimbursed using a per diem, observe the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov). – **No exceptions.**
 - b) If reimbursed using actual costs, observe the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased. – **No exceptions.**
 - c) Observe each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1h). – **No exceptions.**
 - d) Observe each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement. – **No exceptions.**

Contracts

15. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *Alternately, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtain management’s representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner’s contract, and:
- a) Observe whether the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law. – **No exceptions.**
 - b) Observe whether the contract was approved by the governing body/board, if required by policy or law (e.g., Lawrason Act, Home Rule Charter). – **No exceptions.**
 - c) If the contract was amended (e.g., change order), observe the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment, was approval documented). – **No exceptions.**
 - d) Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe the invoice and related payment agreed to the terms and conditions of the contract. – **No exceptions.**

Payroll and Personnel

16. Obtain a listing of employees and officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees or officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files. – **No exceptions.**
17. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under #16 above, obtain attendance records and leave documentation for the pay period, and:
 - a) Observe all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, officials are not eligible to earn leave and do not document their attendance and leave. However, if the official is earning leave according to a policy and/or contract, the official should document his/her daily attendance and leave.) – **No exceptions.**
 - b) Observe whether supervisors approved the attendance and leave of the selected employees or officials. – **No exceptions.**
 - c) Observe any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records. – **No exceptions.**
 - d) Observe the rate paid to the employees or officials agree to the authorized salary/pay rate found within the personnel file. – **No exceptions.**
18. Obtain a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees or officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations and the entity's policy on termination payments. Agree the hours to the employee or officials' cumulative leave records, agree the pay rates to the employee or officials' authorized pay rates in the employee or officials' personnel files, and agree the termination payment to entity policy. – **No exceptions.**
19. Obtain management's representation that employer and employee portions of third-party payroll related amounts (e.g., payroll taxes, retirement contributions, health insurance premiums, garnishments, workers' compensation premiums, etc.) have been paid, and any associated forms have been filed, by required deadlines. – **No exceptions.**

Ethics

20. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above obtain ethics documentation from management, and:
 - a. Observe whether the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period. – **No exceptions.**
 - b. Observe whether the entity maintains documentation which demonstrates each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable. – **There were no changes to the entity's ethics policy during the fiscal period.**

Debt Service

21. Obtain a listing of bonds/notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. Select all debt instruments on the listing, obtain supporting documentation, and observe State Bond Commission approval was obtained for each debt instrument issued. – **No exceptions.**

22. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants (including contingency funds, short-lived asset funds, or other funds required by the debt covenants). – **No exceptions.**

Fraud Notice

23. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled.

Note: There was an occurrence of a misappropriations of public funds and assets during the fiscal period. We obtained supporting documentation, and observed that the School Board reported the misappropriation to the legislative auditor and the district attorney of the parish in which the School Board is domiciled.

24. Observe the entity has posted, on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds. – **Notice posted on premises and on website.**

Information Technology Disaster Recovery/Business Continuity

25. Perform the following procedures, **verbally discuss the results with management, and report “We performed the procedure and discussed the results with management.”**

- a) Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if no written documentation, inquire of personnel responsible for backing up critical data) and observe that such backup occurred within the past week. If backups are stored on a physical medium (e.g., tapes, CDs), observe evidence that backups are encrypted before being transported. – **We performed the procedure and discussed the results with management.**
- b) Obtain and inspect the entity's most recent documentation that it has tested/verified that its backups can be restored (if no written documentation, inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months. – **We performed the procedure and discussed the results with management.**
- c) Obtain a listing of the entity's computers currently in use and their related locations, and management's representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor. – **We performed the procedure and discussed the results with management.**

Sexual Harassment

26. Using the 5 randomly selected employees/officials from procedure #16 under “Payroll and Personnel” above, obtain sexual harassment training documentation from management, and observe the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year. – **No exceptions.**

27. Observe the entity has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the entity's premises if the entity does not have a website). – **No exceptions.**
28. Obtain the entity's annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe it includes the applicable requirements of R.S. 42:344: – **No exceptions.**
- a) Number and percentage of public servants in the agency who have completed the training requirements;
 - b) Number of sexual harassment complaints received by the agency;
 - c) Number of complaints which resulted in a finding that sexual harassment occurred;.
 - d) Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
 - e) Amount of time it took to resolve each complaint.

We were engaged by the School Board to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

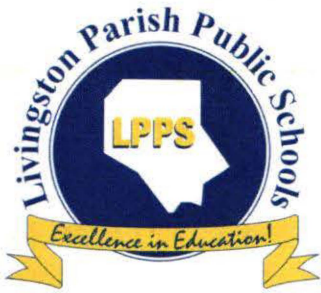
We are required to be independent of the School Board and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

The purpose of this report is solely to describe the scope of testing performed on those C/C areas identified in the SAUPs, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the LLA as a public document.

Respectfully submitted,

Hannis T. Bourgeois, LLP

Denham Springs, Louisiana
December 29, 2022



Livingston Parish Public Schools

Excellence in Education!

13909 Florida Boulevard

P.O. Box 1130

Livingston, Louisiana 70754-1130

Phone: (225) 686-7044 Fax: (225) 686-3052 Website: www.lpsb.org

Alan "Joe" Murphy
Superintendent

Jody Purvis
Assistant Superintendent

Bruce Chaffin
Assistant Superintendent

December 29, 2022

Hannis T. Bourgeois, LLP, CPAs
178 Del Orleans Ave, Suite C
Denham Springs, LA 70726

Re: Livingston Parish School Board
Statewide Agreed Upon Procedures Exceptions
Management Response

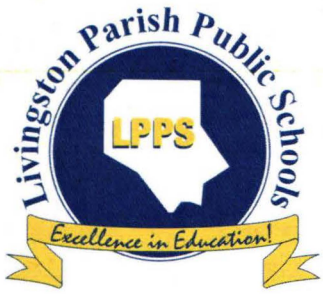
Written Policy & Procedures - Ethics): The School Board will revise ethics written policy and procedures to address item (4).

Written Policy & Procedures – Information Technology Disaster Recovery/Business Continuity: The School Board will revise written policies and procedures to include an Information Technology Disaster Recovery/Business Continuity written policy and procedures that addresses items (1) through (6).

Written Policy & Procedures – Sexual Harassment: The School Board will revise Sexual Harassment written policy and procedures to address annual employee training and annual reporting.

Bank reconciliations): The School Board's management has been made aware of this exception and is currently creating procedures to address these issues.

Credit Cards/Debit Cards/Fuel Cards/P-Cards): The School Board's management has been made aware of this exception and is currently creating procedures to address these issues.



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Alan "Joe" Murphy
Superintendent

Jody Purvis
Assistant Superintendent

Bruce Chaffin
Assistant Superintendent

Fraud Notice: The School Board plans to stress the importance to employees that policies and procedures are followed at all times. The School Board plans to strengthen policies and procedures to ensure that vendor changes are verified according to adopted policies and procedures. The School Board plans to continue to monitor its internal controls to ensure the safeguarding of public funds.

Sincerely,

A handwritten signature in blue ink that reads "Alan Murphy".

Alan Murphy, Superintendent

A handwritten signature in blue ink that reads "Kim Stewart".

Kim Stewart, Business Manager



Baton Rouge | Denham Springs | New Orleans | Hammond
www.htbcpa.com

December 29, 2022

President and Members of the
Livingston Parish School Board
Livingston, Louisiana

In planning and performing our audit of the financial statements of the Livingston Parish School Board (the School Board) as of and for the year ended June 30, 2022, 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, we considered the School Board's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the School Board's internal control. Accordingly, we do not express an opinion on the effectiveness of School Board's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. We did not identify any deficiencies in internal control that we consider to be material weaknesses. However, as discussed below, we identified certain matters involving the internal control and other operational matters that are presented for your consideration. This letter does not affect our report dated December 29, 2022 on the financial statements of the School Board. We will review the status of these comments during our next audit engagement. Our comments and recommendations, all of which have been discussed with appropriate members of management, are intended to improve the internal control or result in other operating efficiencies. Our comments are summarized as follows:

School Activity Funds Annual Reviews and Corrective Action Plans:

The School Board has a School Activity Funds Procedures Manual that outlines the procedures that should be followed by the schools in administering school activity funds.

Each year the school activity funds at the schools have agreed-upon procedures (annual reviews) performed on them to determine if the School Activity Funds Procedures Manual is being properly followed. During the performance of our audit, we noted that some of the annual reviews have repeat findings from the prior year's reviews and that the corrective action plans are not being adequately implemented to correct the findings.

The repeat findings appear to be due to the corrective action plans are not being fully implemented.

If the corrective action plans are not being fully implemented, the findings could continue to occur and possibly lead to additional findings in future annual reviews.

We recommend that the School Board's School Activity Funds Procedures Manual be followed. In addition, we recommend possible additional training on the procedure's manual with an emphasis on the importance of the procedures and why they are in place. Also, if there are finding identified in the annual review, additional procedures need to be implemented to ensure that there is a follow-up on the corrective action plan to ensure each finding is properly addressed.

We believe that the implementation of these recommendations will provide Livingston Parish School Board with a stronger system of internal control while also making its operations more efficient. We will be happy to discuss the details of these recommendations with you at your convenience.

This communication is intended solely for the information and use of management, the Members of the Livingston Parish School Board, others within the organization, and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully submitted,

Hannis T. Bourgeois, LLP

Denham Springs, Louisiana
December 29, 2022



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Alan "Joe" Murphy
Superintendent

Jody Purvis
Assistant Superintendent

Bruce Chaffin
Assistant Superintendent

December 22, 2022

Hannis T. Bourgeois, LLP, CPAs
178 Del Orleans Ave, Suite C
Denham Springs, LA 70726

Re: Livingston Parish School Board
2022 School Activity Funds
Management Response

School Activity Funds Annual Reviews and Corrective Action Plans: Management concurs with the recommendations and will create school procedures to address these issues.

Sincerely,

Alan Murphy, Superintendent

Kim Stewart, Business Manager