
WEST FELICIANA PARISH SCHOOL BOARD

ST. FRANCISVILLE, LOUISIANA

JUNE 30, 2020



WEST FELICIANA PARISH SCHOOL BOARD
ST. FRANCISVILLE, LOUISIANA

BASIC FINANCIAL STATEMENTS

JUNE 30, 2020

TABLE OF CONTENTS

Independent Auditors' Report	1-3
REQUIRED SUPPLEMENTARY INFORMATION – Part I	
Management's Discussion and Analysis	4-16
BASIC FINANCIAL STATEMENTS	
<u>Government-Wide Financial Statements (GWFS)</u>	
Statement of Net Position	17
Statement of Activities	18
<u>Fund Financial Statements (FFS)</u>	
<u>Governmental Funds:</u>	
Balance Sheet	19
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	20
Statement of Revenues, Expenditures, and Changes in Fund Balances	21-22
Reconciliation of the Governmental Funds - Statement of Revenues, Expenditures, and Changes in Fund Balance to Statement of Activities	23
<u>Fiduciary Funds:</u> Statement of Fiduciary Net Position	24
Notes to the Financial Statements	25-55
REQUIRED SUPPLEMENTARY INFORMATION – Part II	
Major Fund Descriptions	56
<u>Budgetary Comparison Schedule:</u>	
General Fund	57
Schedule of Changes in Total Other Post-Employment Benefits Liability and Related Ratios	58

TABLE OF CONTENTS (continued)

REQUIRED SUPPLEMENTARY INFORMATION – Part II (continued)

Schedule of School Board's Proportionate Share of the Net Pension Liability for the Retirement Systems	59
Schedule of Employer Contributions to the Retirement Systems	60
Notes to Required Supplementary Information	61-65

Other Supplemental Information:

Non-major Governmental Funds:

Non-major Governmental Fund Descriptions	66-67
Combining Balance Sheet	68-71
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance	72-73
Schedule of Board Members' Compensation	74
Schedule of Compensation, Benefits, and Other Payments to the Superintendent	75
Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	76-77
Independent Auditors' Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance	78-79
Schedule of Expenditures of Federal Awards and Accompanying Notes	80-81
Schedule of Findings and Questioned Costs	82-83
Summary Schedule of Prior Audit Findings	84
Performance and Statistical Data:	
Independent Accountants' Report on Applying Agreed-Upon Procedures	85-87
Description of Schedules	88
Prescribed Schedules	89-90

INDEPENDENT AUDITORS' REPORT

The Members of the
West Feliciana Parish School Board
St. Francisville, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the West Feliciana Parish School Board (the School Board) as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the School Board's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the School Board, as of June 30, 2020, and the respective changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the budgetary comparison schedule, the schedule of changes in total other post-employment benefits liability and related ratios, the schedule of the school board's proportionate share of the net pension liability for the retirement systems, the schedule of employer contributions to the retirement systems, and the notes to required supplementary information presented on pages 4 through 16, page 57, page 58, page 59, page 60, and pages 61 through 65, respectively, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School Board's basic financial statements. The combining non-major governmental fund financial statements; the schedule of board members' compensation; and the schedule of compensation, benefits, other payments to the superintendent; and the performance and statistical data on pages 66 through 73, page 74, page 75, and pages 85 through 90 respectively, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards and accompanying notes on pages 80 through 81 is also presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The combining non-major governmental fund financial statements; the schedule of board members' compensation; the schedule of compensation, benefits, and other payments to the superintendent; the performance and statistical data, and the schedule of expenditures of federal awards 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, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

The information included in the performance and statistical data section on pages 85 through 90 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 it.



Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 25, 2021, 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.

Postlethwaite & Netterville

Baton Rouge, Louisiana
January 25, 2021

**WEST FELICIANA PARISH SCHOOL BOARD
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF JUNE 30, 2020**

The Management's Discussion and Analysis (MD&A) of the West Feliciana Parish School Board's (the School Board) financial performance provides an overall review of the School Board's financial activities for the year ended June 30, 2020. We encourage readers to consider the information presented here in conjunction with the School Board's basic financial statements, which follows this MD&A. This document focuses on the current year's activities, resulting changes, and currently known facts in comparison with the prior year's information.

Financial Highlights

- The School Board's total net position increased by \$547,781 during the current fiscal year.
- The School Board's liabilities and deferred inflows of resources exceed the assets and deferred outflows of resources for fiscal year ending 2020 by \$35,538,617. Of this net position deficit amount, there is a \$49,777,042 unrestricted net deficit due to the recording of the total other post-employment benefit liability of \$30,522,834 and a net pension liability of \$36,906,893.
- In August 2019, the School Board issued General Obligation Bonds of \$30,000,000 at a premium of \$3,511,220 for the purpose of acquiring and improving school board buildings and facilities.
- The School Board's governmental funds reported combined ending fund balances of \$40,900,198, an increase of \$31,916,566 in comparison with the prior year predominantly due to the Series 2019 bond issuance. Of this fund balance, \$9,273,173 is available for spending at the School Board's discretion (unassigned fund balance). \$1,010,916 is restricted for debt service and \$30,564,897 is restricted for capital projects.
- The General Fund had \$31,699,313 in fiscal year revenues, which primarily consisted of state aid, sales and property taxes. The School Boards General Fund had \$30,961,653 in expenditures. The General Fund's fund balance increased from \$8.7 million as of June 30, 2019 to \$9.3 million as of June 30, 2020.
- The School Board expended approximately \$4 million on capital projects in the current period. These expenditures were primarily for the first expenses of construction of a new elementary school to replace Bains Elementary and additions and renovations at West Feliciana High School.
- In 2020, increases in property values and construction of residential and business properties as well as a new millage for construction approved by voters in August 2019 in West Feliciana Parish resulted in increased ad valorem tax revenues. Sales tax in the Parish showed a decrease due to the nationwide economic turndown due to the Covid-19 pandemic.

**WEST FELICIANA PARISH SCHOOL BOARD
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF JUNE 30, 2020**

Overview of the Financial Statements

The discussion and analysis is intended to serve as an introduction to the School Board's financial statements. The School Board's financial statements comprise three components: Management's Discussion and Analysis (this section), the basic financial statements (including the notes to the financial statements), and required supplementary information. The following graphics illustrates the minimum requirements for Special Purpose Governments:

- MD&A
- Basic Financial Statements
- Required Supplementary Information (Other than MD&A)

Government-wide financial statements - The government-wide financial statements are designed to provide readers with a broad overview of the School Board's finances, in a manner similar to a private-sector business. The government-wide financial statements include the following two statements:

- The *statement of net position* presents information on all of the School Board's assets, liabilities, and deferred inflows and deferred outflows with the difference between them reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the School Board is improving or deteriorating.
- The *statement of activities* presents information showing how the net position of the School Board changed as a result of the current year operations. Regardless of when cash is affected, all changes in net position are reported when the underlying event giving rise to the change occurs. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused compensated absences).

The government-wide financial statements can be found on pages 17-18 of this report.

Fund financial statements - A fund is a group of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The School Board uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the School Board can be divided into two categories: governmental funds and fiduciary funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

**WEST FELICIANA PARISH SCHOOL BOARD
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF JUNE 30, 2020**

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the School Board's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities. These governmental fund statements are on pages 19-23 of this report.

The School Board maintains individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund and Construction Fund, which are considered major funds, and other non-major funds.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the School Board. Fiduciary funds are not reflected in the government-wide financial statements because resources of those funds are not available to support the School Board's own programs. The School Board's fiduciary funds consist of agency funds held for student activities and groups and for sales tax collections for other taxing authorities.

The statement of fiduciary fund net position can be found on page 24 of this report.

Notes to the basic financial statements - The notes provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found beginning on page 25.

Government-wide Financial Analysis

Net Position

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the School Board, liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources by \$35,538,617 at June 30, 2020. This is primarily due to the reporting of the School board's pension and OPEB liabilities.

The comparative statements on the next page show the composition of June 30, 2020 and 2019.

**WEST FELICIANA PARISH SCHOOL BOARD
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF JUNE 30, 2020**

Government-wide Financial Analysis (continued)

Net Position (continued)

**Statements of Net Position
as of June 30, 2020 and 2019**

	2020	2019
Assets		
Cash and cash equivalents	\$ 32,749,056	\$ 109,207
Certificate of deposit	100,000	100,000
Investments	11,222,691	11,041,382
Receivables	481,904	352,002
Inventory	51,212	31,576
Land, building, and equipment, net	16,008,176	12,990,468
Total assets	60,613,039	24,624,635
 Deferred outflows of resources	 16,540,791	 15,070,053
Liabilities		
Accounts payable and accrued expenses	4,092,612	2,634,788
Unearned revenues	23,486	15,747
Long-term liabilities		
Due within one year	941,378	357,150
Due in more than one year	33,425,251	1,022,403
Total other post-employment benefit liability		
Due within one year	795,000	765,000
Total other post-employment benefit liability		
Due in more than one year	29,727,834	27,461,975
Net pension liability	36,906,893	35,728,964
Total liabilities	105,912,454	67,986,027
 Deferred inflows of resources	 6,779,993	 7,795,059
 Net position:		
Net investment in capital assets	13,383,412	12,971,989
Restricted for capital projects	255,530	255,593
Restricted for debt service	599,483	-
Unrestricted (deficit)	(49,777,042)	(49,313,980)
Total net position	\$ (35,538,617)	\$ (36,086,398)

**WEST FELICIANA PARISH SCHOOL BOARD
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF JUNE 30, 2020**

Government-wide Financial Analysis (continued)

Net Position (continued)

The following are significant current year transactions that have had an impact on the Statement of Net Position.

- Unrestricted net position contains a deficit of \$49,777,042, an increase of \$463,062 over last fiscal year. This deficit is primarily attributable to the net pension liability and total other post-employment benefit liability.
- Increase in the total other post-employment benefit liability of approximately \$2.3 million for 2020 as a result of changes in valuation by the School Board's actuary.
- Net pension liability increased by approximately \$1.2 million as a result in changes in the valuation by the actuary.
- Bonds payable increased by approximately \$32 million as the School Board issued new bonded debt in the amount of \$30 million plus at a premium of approximately \$3.5 million. These proceeds will be used to build a new elementary school and additions and renovations at the high school.
- Of the investment of \$4 million in capital assets, \$3.8 million was for land and construction in progress for the new school and for the high school construction in progress. Approximately \$300,000 was for investments in distance learning and other equipment to assist students learning in a remote environment due to the Covid-19 pandemic.

**WEST FELICIANA PARISH SCHOOL BOARD
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF JUNE 30, 2020**

Government-wide Financial Analysis (continued)

Changes in Net Position

The School Board's net position *increased* by \$547,781 during the current fiscal year. The following table presents a summary of the changes in net position for the fiscal years ended June 30, 2020 and 2019:

		2020	2019
	Program revenues		
	Charges for services	\$ 31,775	\$ 41,452
	Operating grants	3,721,277	3,743,555
	General revenues		
	Property taxes	15,030,529	12,265,185
	Sales and use taxes	7,572,800	8,415,568
	Earnings on Investments	244,482	212,821
	MFP	10,341,566	10,091,633
	Loss on disposal of capital assets	(50,381)	(646,103)
	Other	561,739	534,278
	Total	37,453,787	34,658,389
	Expenses		
	Regular education	12,485,789	10,397,998
	Special education	3,788,949	3,385,109
	Other education	3,514,224	3,232,945
	Pupil support	1,483,552	1,300,022
	Instructional staff	2,270,782	1,988,868
	General administrative services	916,878	918,057
	School administrative services	2,206,361	2,034,597
	Business services	691,811	666,769
	Plant operations and maintenance	3,599,493	4,075,272
	Transportation	2,251,034	1,953,334
	Technical support and central services	1,069,042	1,449,327
	Food service	1,320,072	1,397,695
	Community service programs	13,000	13,000
	Appropriations – charter schools	154,717	82,339
	Interest and fiscal charges (debt service)	1,140,302	1,140
		36,906,006	32,896,472
	Change in net position	\$ 547,781	\$ 1,761,917

**WEST FELICIANA PARISH SCHOOL BOARD
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF JUNE 30, 2020**

Government-wide Financial Analysis (continued)

Changes in Net Position (continued)

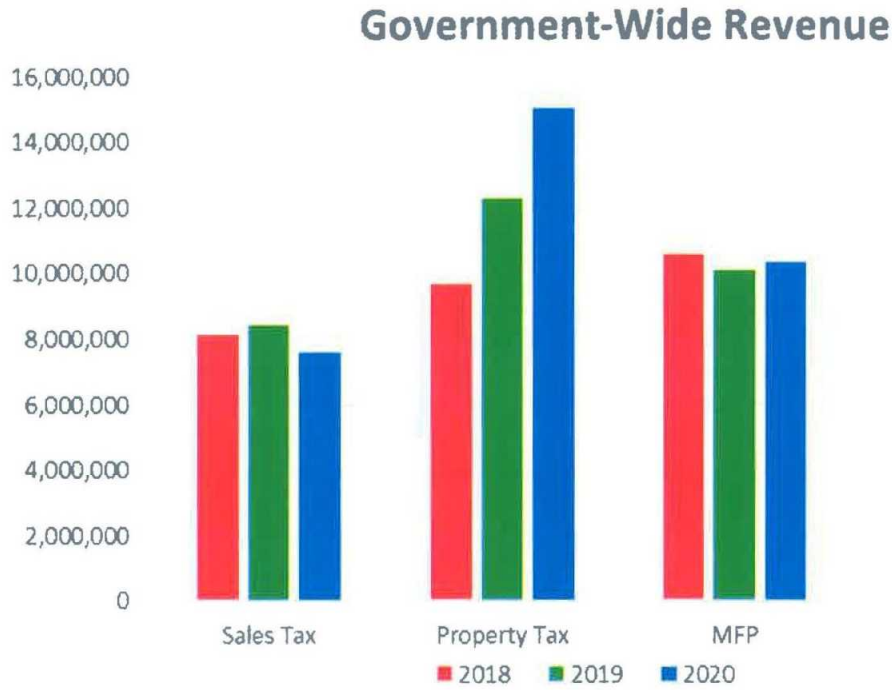
The key elements for the increase of the School Board's net position for the year ended June 30, 2020 are as follows:

- Overall revenues increased approximately \$2,795,000 and expenses increased approximately \$4,010,000. Revenues increased mainly due to the increase in property taxes of approximately \$2,765,000. The assessed valuation of property increased in the 2019 tax year as well as additional tax revenue of \$2,192,386 as the result of a new millage for bonded debt.
- Local revenues consisting of sales and property taxes are approximately 60% of total revenue. Property taxes increased from the prior year by approximately \$2,765,000. Sales tax revenues have decreased approximately \$843,000 as a result of the decrease in business activity due to the COVID-19 pandemic.
- Operating grant revenue had a slight decrease of approximately \$22,000.
- Minimum Foundation Program (MFP) revenue increased by approximately \$250,000 from fiscal year 2018-2019.
- Total expenses have increased by approximately \$4,010,000 during the fiscal year. This was primarily due to budgeted and expected increases in payroll, pension, transportation, and bond interest/issuance costs.

**WEST FELICIANA PARISH SCHOOL BOARD
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF JUNE 30, 2020**

Government-wide Financial Analysis (continued)

Changes in Net Position (continued)



**WEST FELICIANA PARISH SCHOOL BOARD
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF JUNE 30, 2020**

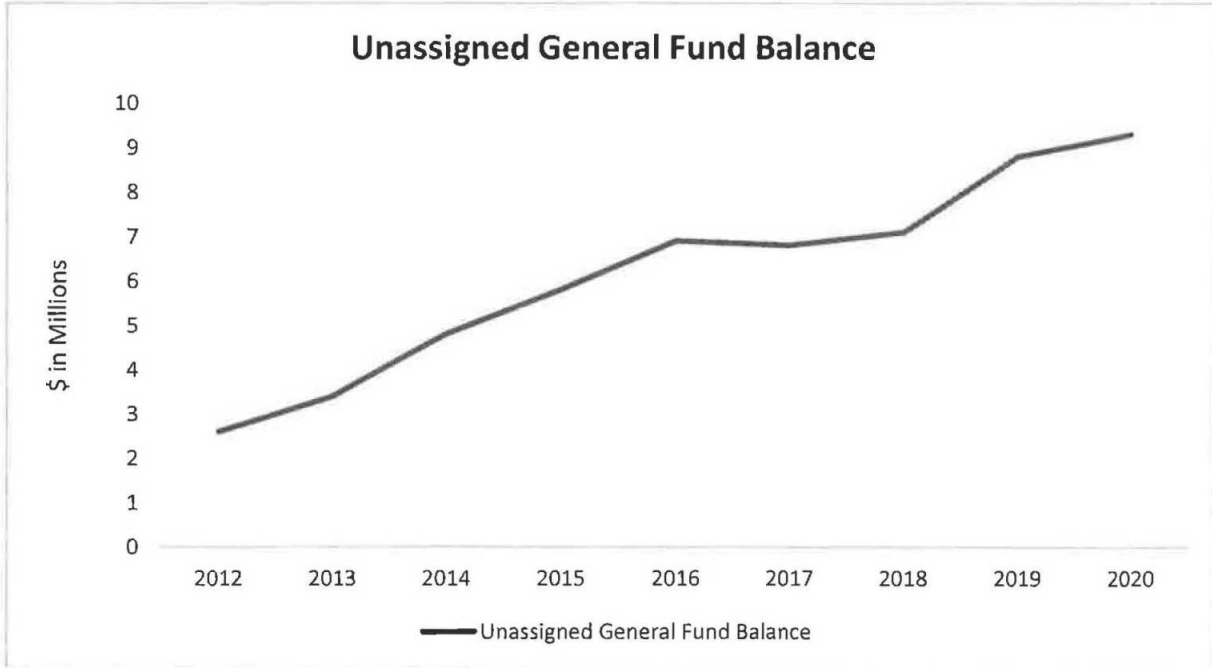
Financial Analysis of the School Board's Funds

The School Board uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. Most of the School Board's basic services are reported in the governmental funds, which focus on how money flows into and out of these funds and the balances left at year end that are available for spending. The governmental fund statements provide a detailed short-term view of the School Board's general government operations and the basic services it provides. Governmental fund information is useful in assessing the School Board's financing requirements.

- As the School Board completed the fiscal year its governmental funds reported a combined fund balance of \$40,900,198 an increase of approximately \$31,917,000. This was a result predominantly due to the issuance of bonded debt that generated proceeds of \$33,511,220. Unassigned fund balance is \$9,273,173, Nonspendable fund balance is \$51,212, and Restricted fund balance is \$31,575,813.
- The majority of the School Board's financial activity occurs in the General Fund. The fund balance at June 30, 2020 is \$9,324,527 compared to \$8,729,371 at the end of 2019, or an increase of \$595,156. This fund balance is the result of accumulated operating surpluses from the current and prior fiscal years and serves to sustain the system during periods of decreased revenue or need for additional major expenditures.
- The School Board reclassified remaining fund balances from completed state operating grant programs of \$1,191 to the General Fund that were included in Other Non-Major Funds in 2019.
- In 2019, the Proprietary Fund was used to account for the recording of the School Board's workers' compensation claims. This fund held a deficit net position for multiple years. In 2020, the Proprietary Fund and its deficit net position of \$127,856 was absorbed by the General Fund. Workers' compensation claims are now recorded in the General Fund.
- The Construction Fund, a major capital projects fund, reported a total fund balance of \$30,309,367 that is restricted. The fund accounts for the proceeds generated from the Series 2019 bond issuance for construction of new facilities and building improvements of the School Board.
- The Debt Service Fund, which is included in the other non-major fund total, was established to meet the requirements of bond ordinances, and is used to account for the accumulation of resources for, and the payment of long-term debt principal, interest and related costs. The fund balance in this fund is \$1,010,916 at June 30, 2020.

**WEST FELICIANA PARISH SCHOOL BOARD
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF JUNE 30, 2020**



Variation Between Original and Final Budgets

Over the course of the year, the School Board revised the annual General Fund budget for changes in projected revenues and expenditures. The difference between the original budgeted amount and the final amended budget was primarily due to an increase in projected revenue from ad valorem taxes and an increase in expenditures due to additional positions added in order to serve the growing population. The General Fund, with actual revenues of \$31,699,313 operated within the available resources as planned through respective budgets.

Capital Asset and Debt Administration

Capital assets. The School Board's investment in capital assets for its governmental activities as of June 30, 2020, totaled \$16,008,176 (net of accumulated depreciation). This investment includes land, buildings and improvements, furniture and equipment, and vehicles. The total increase in the School Board's capital assets was \$3,017,708 or 23.2%. There were capital additions of \$4,056,931 predominantly due to construction in progress for the new elementary school and facility improvements to the high school. Total depreciation expense for the year was \$957,440.

**WEST FELICIANA PARISH SCHOOL BOARD
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF JUNE 30, 2020**

Capital Asset and Debt Administration (continued)

The following schedule presents capital asset balances net of accumulated depreciation as of June 30, 2020 and 2019:

	Governmental Activities	
	2020	2019
Land	\$ 1,099,713	\$ 299,441
Construction-in-progress	2,920,148	-
Buildings and improvements	11,039,388	11,758,288
Equipment and fixtures	905,373	902,886
Food services	43,554	29,853
Total capital assets	\$ 16,008,176	\$ 12,990,468

Additional information on the School Board's capital assets can be found in Note 5 on page 35 of the basic financial statements.

Debt Administration. As of June 30, 2020, the School Board had \$34,366,629 in long-term liabilities. The long-term liabilities consist primarily of \$1,372,450 in compensated absences and \$32,844,179 in general obligation bonds plus premium outstanding. The School Board's long-term liabilities increased by \$32,987,076 predominantly due to the issuance of the Series 2019 General Obligation Bonds. The following table presents a summary of the outstanding long-term obligations for the School Board:

Long-Term Liabilities at June 30,

	2020	2019
Compensated absences	\$ 1,372,450	\$ 1,211,074
Capital leases	-	18,479
General obligation bonds	29,450,000	-
Premium on bonds	3,394,179	-
Claims and judgments	150,000	150,000
	\$ 34,366,629	\$ 1,379,553

Additional information on the School Board's long-term liabilities can be found in Note 6 on page 36 of the basic financial statements.

**WEST FELICIANA PARISH SCHOOL BOARD
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF JUNE 30, 2020**

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The following are currently known West Feliciana Parish economic factors being considered going into the 2020-2021 fiscal year.

- The School Board's 2020-2021 operations will likely be affected by the recent and ongoing outbreak of the coronavirus disease 2019 (COVID-19) which was declared a pandemic by the World Health Organization in March 2020. The world-wide pandemic associated with COVID-19 has spread across the state of Louisiana, including the parish of West Feliciana. COVID-19 has had an impact on the operations of the School Board. The ultimate disruption which may be caused by the outbreak is uncertain; however, it may result in an adverse impact on the School Board's subsequent financial statements. Possible effects may include, but not limited to, decrease in sales tax revenue, decrease or no growth of student count, increased expenditures to provide enhanced cleaning and disinfecting, proper social distancing, and remote learning devices and programs.
- Minimum Foundation Program revenue is projected at approximately \$9,740,000, a decrease of approximately \$500,000 from fiscal year 2019-2020. This decrease is primarily from a reduction due to increased local taxes, as well as increased amounts to be allocated to charter schools.
- Maintaining competitive salaries for employees has become a major concern for the future, especially considering the increased requirements pertaining to the COVID-19 pandemic.
- Student enrollment is expected to remain constant for the 2020-2021 fiscal year. Enrollment as of October 1, 2020 was 2,248 for an increase of 21 students over October 2019.
- In September 2019, the School Board issued General Obligation Bonds of \$30,000,000 and in November 2020 the School Board issued another \$22,600,000 for the purpose of acquiring property and building a new elementary school, additions and renovations at the high school and other capital projects throughout the district.

These indicators were considered when adopting the budget for fiscal year 2020-2021. Total General Fund revenues and expenditures are anticipated to be an estimated \$31,400,377, an increase of approximately 1%.

**WEST FELICIANA PARISH SCHOOL BOARD
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF JUNE 30, 2020**

Contacting the School Board's Financial Management

This financial report is designed to provide our citizens and taxpayers with a general overview of the School Board's finances and to demonstrate the School Board's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the School Board Office, Misty Cook, Business Manager, West Feliciana Parish School Board, P.O. Box 1910, St. Francisville, LA 70775.

WEST FELICIANA PARISH SCHOOL BOARD
ST. FRANCISVILLE, LOUISIANA

STATEMENT OF NET POSITION
JUNE 30, 2020

	<u>Governmental Activities</u>
<u>ASSETS</u>	
Cash and cash equivalents	\$ 32,749,056
Certificate of deposit	100,000
Investments	11,222,691
Receivables	481,904
Inventory	51,212
Capital assets, net	<u>16,008,176</u>
TOTAL ASSETS	<u>60,613,039</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>	
Deferred amounts related to net pension liability	11,136,806
Deferred amounts related to other post-employment benefits liability	5,403,985
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>16,540,791</u>
<u>LIABILITIES</u>	
Accounts payable and accrued expenses	4,092,612
Unearned revenues	23,486
Long-term liabilities	
Due within one year	
Compensated absences payable	314,337
Bonds payable	627,041
Due in more than one year	
Claims and judgments	150,000
Compensated absences payable	1,058,113
Bonds payable and premium	32,217,138
Total other post-employment benefit liability - due within one year	795,000
Total other post-employment benefit liability - due in more than one year	29,727,834
Net pension liability	<u>36,906,893</u>
TOTAL LIABILITIES	<u>105,912,454</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>	
Deferred amounts related to net pension liability	5,109,227
Deferred amounts related to other post-employment benefits obligation	1,670,766
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>6,779,993</u>
<u>NET POSITION</u>	
Net investment in capital assets	13,383,412
Restricted for:	
Capital projects	255,530
Debt service	599,483
Unrestricted (Deficit)	<u>(49,777,042)</u>
TOTAL NET POSITION	<u>\$ (35,538,617)</u>

The accompanying notes are an integral part of this statement.

WEST FELICIANA PARISH SCHOOL BOARD
ST. FRANCISVILLE, LOUISIANA

STATEMENT OF ACTIVITIES
JUNE 30, 2020

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net (Expense) Revenue and Changes in Net Position</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	
Instruction:				
Regular education programs	\$ 12,485,789	\$ -	\$ 942,527	\$ (11,543,262)
Special education programs	3,788,949	-	290,270	(3,498,679)
Other education programs	3,514,224	-	271,011	(3,243,213)
Support Services:				
Pupil support services	1,483,552	-	113,332	(1,370,220)
Instructional staff services	2,270,782	-	173,881	(2,096,901)
General administration services	916,878	-	70,980	(845,898)
School administration services	2,206,361	-	168,925	(2,037,436)
Business services	691,811	-	55,787	(636,024)
Plant operation and maintenance	3,599,493	-	338,081	(3,261,412)
Transportation	2,251,034	-	171,763	(2,079,271)
Technical support and central services	1,069,042	-	56,178	(1,012,864)
Non-Instructional Services:				
Food service	1,320,072	31,775	1,067,483	(220,814)
Community service programs	13,000	-	1,059	(11,941)
Appropriations - charter schools	154,717	-	-	(154,717)
Debt Service:				
Interest and fiscal charges	1,140,302	-	-	(1,140,302)
Total Governmental Activities	\$ 36,906,006	\$ 31,775	\$ 3,721,277	\$ (33,152,954)
Local sources				
Taxes:				
Ad valorem				15,030,529
Sales and use taxes				7,572,800
Earnings on investments				244,482
Loss on disposal of capital assets				(50,381)
Other				561,739
State sources:				
Minimum foundation program (MFP)				10,341,566
				33,700,735
				547,781
				(36,086,398)
				\$ (35,538,617)

The accompanying notes are an integral part of this statement.

WEST FELICIANA PARISH SCHOOL BOARD
ST. FRANCISVILLE, LOUISIANA

GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2020

	General	Construction	Other Non-Major	Total
<u>ASSETS</u>				
Cash and cash equivalents	\$ 149,703	\$ 31,300,872	\$ 1,298,481	\$ 32,749,056
Certificate of deposit	100,000	-	-	100,000
Investments	11,222,691	-	-	11,222,691
Receivables	38,813	-	443,091	481,904
Due from other funds	363,123	-	82,192	445,315
Inventory	-	-	51,212	51,212
	TOTAL ASSETS	\$ 31,300,872	\$ 1,874,976	\$ 45,050,178
<u>LIABILITIES AND FUND BALANCES</u>				
Liabilities:				
Accounts payable and accrued expenses	\$ 2,477,472	\$ 991,505	\$ 212,202	\$ 3,681,179
Unearned revenues	14,042	-	9,444	23,486
Due to other funds	58,289	-	387,026	445,315
	TOTAL LIABILITIES	991,505	608,672	4,149,980
Fund balances:				
Nonspendable	-	-	51,212	51,212
Spendable				
Restricted for:				
Debt service	-	-	1,010,916	1,010,916
Capital projects	-	30,309,367	255,530	30,564,897
Unassigned (deficit)	9,324,527	-	(51,354)	9,273,173
	TOTAL FUND BALANCES	30,309,367	1,266,304	40,900,198
	TOTAL LIABILITIES AND FUND BALANCES	\$ 31,300,872	\$ 1,874,976	\$ 45,050,178

The accompanying notes are an integral part of this statement.

WEST FELICIANA PARISH SCHOOL BOARD
ST. FRANCISVILLE, LOUISIANA

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
JUNE 30, 2020

Total Fund Balances - Governmental Funds		\$	40,900,198
Cost of capital assets at June 30, 2020	\$		42,963,525
Less: Accumulated depreciation as of June 30, 2020:			
Buildings		(22,739,102)	
Movable property		<u>(4,216,247)</u>	16,008,176
Claims and judgments			(150,000)
Elimination of interfund assets and liabilities:			
Interfund receivables		(445,315)	
Interfund payables		<u>445,315</u>	-
Accrued interest on bonds payable			(411,433)
Long-term liabilities at June 30, 2020:			
Bonds payable		(32,844,179)	
Compensated absences payable		<u>(1,372,450)</u>	(34,216,629)
Other post-employment benefit liability balances in accordance with GASB 75			
Deferred inflow of resources - related to other post-employment benefits		(1,670,766)	
Deferred outflow of resources - related to other post-employment benefits		5,403,985	
Total other post-employment benefit liability		<u>(30,522,834)</u>	(26,789,615)
Net pension obligation balances in accordance with GASB 68			
Deferred outflow of resources - related to net pension liability		11,136,806	
Net pension liability		(36,906,893)	
Deferred inflow of resources - related to net pension liability	\$	<u>(5,109,227)</u>	<u>(30,879,314)</u>
Total net position at June 30, 2020 - Governmental Activities		\$	<u><u>(35,538,617)</u></u>

The accompanying notes are an integral part of this statement.

WEST FELICIANA PARISH SCHOOL BOARD
ST. FRANCISVILLE, LOUISIANA

GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2020

	General	Construction	Other Non-Major	Total
<u>REVENUES</u>				
Local sources:				
Taxes:				
Ad valorem taxes	\$ 12,838,143	\$ -	\$ 2,192,386	\$ 15,030,529
Sales and use taxes	7,572,800	-	-	7,572,800
Rentals, leases, and royalties	33,850	-	-	33,850
Food Sales	-	-	31,775	31,775
Earnings on investments	153,403	89,952	1,127	244,482
Other	408,892	-	1,956	410,848
State sources:				
Minimum foundation program (MFP)	10,257,598	-	83,968	10,341,566
Restricted grants-in-aid	293,777	-	-	293,777
Other	90,697	-	-	90,697
Federal sources:				
Restricted grants-in-aid - direct	50,153	-	1,049,048	1,099,201
Restricted grants-in-aid - subgrants	-	-	2,137,381	2,137,381
Commodities	-	-	100,221	100,221
TOTAL REVENUES	31,699,313	89,952	5,597,862	37,387,127
<u>EXPENDITURES</u>				
Current:				
Instruction:				
Regular education programs	11,281,012	-	386,365	11,667,377
Special education programs	3,461,159	-	234,003	3,695,162
Other education programs	2,563,648	-	917,347	3,480,995
Support services:				
Pupil support services	1,402,081	-	26,325	1,428,406
Instructional staff services	1,683,612	-	507,766	2,191,378
General administration services	837,410	-	70,566	907,976
School administration services	2,130,495	-	2,064	2,132,559
Business services	638,580	-	37,202	675,782
Plant operation and maintenance	3,550,891	-	150,422	3,701,313
Transportation	2,172,416	-	10,784	2,183,200
Technical support and central services	1,020,373	-	-	1,020,373
Non-Instructional services:				
Food service	33,500	-	1,304,023	1,337,523
Community service programs	13,000	-	-	13,000
Facility acquisition and construction	-	3,126,076	-	3,126,076
Appropriations - charter schools	154,717	-	-	154,717
Debt service:				
Principal retirement	18,479	-	550,000	568,479
Interest and bank charges	280	-	562,860	563,140
Bond issuance costs	-	165,729	-	165,729
TOTAL EXPENDITURES	30,961,653	3,291,805	4,759,727	39,013,185
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	\$ 737,660	\$ (3,201,853)	\$ 838,135	\$ (1,626,058)

(continued)

WEST FELICIANA PARISH SCHOOL BOARD
ST. FRANCISVILLE, LOUISIANA

GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2020

	General	Construction	Other Non-Major	Total
<u>OTHER FINANCING SOURCES (USES)</u>				
Operating transfers in	\$ 246,899	\$ -	\$ 366,018	\$ 612,917
Operating transfers out	(420,807)	-	(192,110)	(612,917)
Bond proceeds	-	30,000,000	-	30,000,000
Premium on bond issuance	-	3,511,220	-	3,511,220
Sale of assets	31,404	-	-	31,404
TOTAL OTHER FINANCING SOURCES (USES)	(142,504)	33,511,220	173,908	33,542,624
<u>CHANGES IN FUND BALANCE</u>	595,156	30,309,367	1,012,043	31,916,566
 Fund balances, June 30, 2019, restated	 8,729,371	 -	 254,261	 8,983,632
 FUND BALANCES, JUNE 30, 2020	 \$ 9,324,527	 \$ 30,309,367	 \$ 1,266,304	 \$ 40,900,198

(concluded)

The accompanying notes are an integral part of this statement.

WEST FELICIANA PARISH SCHOOL BOARD
ST. FRANCISVILLE, LOUISIANA

RECONCILIATION OF THE GOVERNMENTAL FUNDS -
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2020

Total Net Changes in Fund Balance - Governmental Funds		\$ 31,916,566
Capital Assets:		
Capital outlay capitalized	\$ 4,056,931	
Disposal of capital assets	(81,783)	
Depreciation expense for year ended June 30, 2020	<u>(957,440)</u>	3,017,708
Change in accrued interest on bonds payable		(411,433)
Long Term Liabilities:		
Decrease in capital lease payable	18,479	
Issuance of bonds payable with premium	(33,511,220)	
Principal payment on bonds	550,000	
Amortization of premium on bonds	117,041	
Increase of compensated absences earned over amounts used	<u>(161,376)</u>	(32,987,076)
Change in total other post-employment benefits liability and deferred outflows and inflows in accordance with GASB 75		(1,419,893)
Change in net pension liability and deferred inflows and outflows in accordance with GASB 68		<u>431,909</u>
Change in Net Position - Governmental Activities		<u>\$ 547,781</u>

The accompanying notes are an integral part of this statement.

WEST FELICIANA PARISH SCHOOL BOARD
ST. FRANCISVILLE, LOUISIANA

STATEMENT OF FIDUCIARY NET POSITION
BALANCE SHEET
JUNE 30, 2020

	<u>School Activity</u>	<u>Sales Tax</u>	<u>Total</u>
<u>ASSETS</u>			
Cash and cash equivalents	\$ 588,060	\$ 7,436	\$ 595,496
Total assets	<u>588,060</u>	<u>7,436</u>	<u>595,496</u>
<u>LIABILITIES</u>			
Liabilities:			
Deposits due others	<u>588,060</u>	<u>7,436</u>	<u>595,496</u>
Total liabilities	<u>\$ 588,060</u>	<u>\$ 7,436</u>	<u>\$ 595,496</u>

The accompanying notes are an integral part of this statement.

WEST FELICIANA PARISH SCHOOL BOARD
ST. FRANCISVILLE, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

The accompanying basic financial statements of West Feliciana Parish School Board (the 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 standards standard setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the School Board's significant policies.

a. Reporting Entity

The School Board was created by Louisiana Revised Statute (LSA-R.S.) 17:51 for the purpose of providing public education for the residents of West Feliciana Parish (the 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 authorized to establish public schools as it deems necessary, to provide adequate school facilities for the children of the parish, to determine the number of teachers to be employed, and to determine local supplement to their salaries. The School Board is currently comprised of 7 members who are elected from 7 districts for a term of four years.

The School Board operates 4 schools within the Parish with a total enrollment of approximately 2,200 pupils. In conjunction with the regular educational programs, some of these schools offer special education programs. Additionally, the School Board provides transportation and school food services for the students.

The Governmental Accounting Standards Board (GASB) *Codification of Government Accounting and Financial Reporting Standard* establishes criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under the provisions, the School Board is considered a *primary government*, since it is a special purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments. Fiscally independent means that the School Board may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges, and issue debt in its own name with the approval of the state bond commission. The School Board also has no *component units*, defined by GASB as other legally separate organizations for which the elected school board members are financially accountable. There are no other primary governments with which the School Board has a significant relationship.

b. Fund Accounting

The financial transactions of the School Board are recorded in individual funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate.

WEST FELICIANA PARISH SCHOOL BOARD
ST. FRANCISVILLE, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies (continued)

b. Fund Accounting (continued)

Emphasis of fund financial reporting is on the major funds. Non-major funds (by category) or fund type are summarized into a single column. The major funds of the School Board are the General Fund and the Construction Fund.

Construction Fund - The Construction Fund is used to account for capital projects funded by the Series 2019 General Obligation Bonds.

Revenues are accounted for in these individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The funds presented in the financial statements are described as follows:

Governmental Fund Types:

Governmental funds are those through which most governmental functions of the School Board are financed. The acquisition, use and balances of the School Board's expendable financial resources and the related liabilities are accounted for through governmental funds. The measurement focus is upon determination of changes in financial position, rather than upon net income determination. The following are the School Board's 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 - Special Revenue Funds account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. These funds account for the revenues and expenditures related to federal and state grant and entitlement programs established for various educational objectives.

Debt Service Fund - The Debt Service Fund, established to meet requirements of bond ordinances, is used to account for the accumulation of resources for and the payment of general long-term debt principal, interest, and related costs.

Capital Project Fund - The Capital Projects Fund, established to account for funds dedicated to capital improvements, including construction of new facilities and renovations.

Fiduciary Fund Type - Agency Funds:

Fiduciary funds are used to account for assets held by the School Board in a trustee or agency capacity. The agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results or operations.

WEST FELICIANA PARISH SCHOOL BOARD
ST. FRANCISVILLE, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

1. **Summary of Significant Accounting Policies** (continued)

c. **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 only reported as the Statement of 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 the exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets and liabilities resulting from non-exchange transactions are recognized in accordance with the requirements of GASB No. 33, *Accounting and Reporting for Nonexchange transactions*.

Program Revenues

Program revenues included in the Statement of Activities are derived directly from parties outside of 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 by 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 the buildings is assigned to the plant operation and maintenance function due to the fact that school buildings serve multiple purposes. Interest on long term debt is considered an indirect expense and is reported separately on the Statement of Activities.

WEST FELICIANA PARISH SCHOOL BOARD
ST. FRANCISVILLE, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies (continued)

c. Measurement Focus/Basis of Accounting (continued)

Fund Financial Statements (FFS)

Governmental Funds

The accounting and financial reporting treatments applied to a fund is determined by its measurement focus. All Governmental Funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financial sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

Governmental Funds are accounted for on the modified accrual basis of accounting. Under this basis of accounting, revenues are recognized in the accounting period in which they become susceptible to accrual - that is, when they become measurable and available to pay current period liabilities. Ad valorem taxes revenues reported in the governmental funds are considered to be available if collected within sixty days after year-end. Sales and use taxes are considered "available" when expected to be collected within the next month. Revenue from state and federal grants is recorded when the reimbursable expenditures have been incurred and is anticipated to be collected within one year.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Costs of accumulated unpaid vacation, sick leave and other employee benefit amounts are reported in the period due and payable rather than the period earned by employees and general long-term obligations principal and interest payments are recognized only when due.

d. Budget and Budgetary Accounting

The proposed budgets for fiscal year 2019-2020 were completed and made available for public inspection on July 23, 2019 at the School Board office. A public hearing was held on August 20, 2019 for suggestions and comments from taxpayers. The proposed fiscal year 2020 budgets were formally adopted by the School Board after the public hearing. The budgets, which included proposed expenditures and the means of financing them for the General and Special Revenue Funds, were published in the official journal ten days prior to the public hearings.

The budgets for the General and Special Revenue Funds were prepared on the modified accrual basis of accounting. Formal budgetary integration is used during the year as a management control device.

The School Board is authorized to transfer amounts between line items within any fund. When actual total revenues within a fund are failing to meet estimated annual budgeted revenues by five percent or more, and/or actual total expenditures within a fund are exceeding estimated budgeted expenditures by five percent or more, a budget amendment to reflect such changes is adopted by the School Board in an open meeting. Budgeted amounts included in the financial statements include the original adopted budget and all subsequent amendments.

WEST FELICIANA PARISH SCHOOL BOARD
ST. FRANCISVILLE, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies (continued)

e. Cash, Cash Equivalents, and Investments

Under state law, the School Board may deposit funds with a fiscal agent organized under the laws of the State of Louisiana, the laws of any other state in the union, or the laws of the United States. The School Board may invest in United States bonds, notes, bills, or certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana.

Cash and cash equivalents include cash on hand, cash on deposit, certificates of deposit and money market accounts. These deposits are stated at cost, which approximates market. Under state law, the resulting bank balances of these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal or exceed the amount on deposit with the fiscal agent.

f. Federal Grants Receivable

Federal grants receivable consists of receivables for reimbursement of expenditures under various federal programs and grants. All amounts are expected to be collected within the next twelve months.

g. Inventory

Inventory of the School Food Service 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 Education. The commodities are recorded as revenues when received. All inventory items purchased are valued at the lower of cost (first-in, first-out) or market, and donated commodities are assigned values based on information provided by the United States Department of Agriculture.

h. Capital Assets

Capital assets are capitalized at historical cost, or estimated historical cost for assets where the actual historical cost is not available. Donated assets are recorded as capital assets at their acquisition value at the date of the donation. The system for the accumulation of fixed asset cost data does not provide the means for determining the percentage of assets valued at actual and those valued at estimated cost or acquisition value. The School Board maintains a \$5,000 threshold level for capitalizing assets.

Capital assets are recorded in the GWFS, but are not recorded 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 are approximately 40 years for buildings and 3 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, 2001 were considered to be part of the cost of buildings or other immovable property such as stadiums.

WEST FELICIANA PARISH SCHOOL BOARD
ST. FRANCISVILLE, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies (continued)

h. Capital Assets (continued)

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

i. Compensated Absences

All 12-month employees earn from 10 to 20 days of vacation leave each year, depending on length of service with the School Board. Vacation leave may be accumulated up to 40 days; the School Board will pay the balance of unused vacation upon separation.

All school board employees earn 10 to 12 days of sick leave each year depending on the number of months employed within a year. Sick leave may be accumulated without limitation. Upon death or retirement, a maximum of 25 days of unused sick leave is paid to the employee or designated heir at the employee's current rate of pay. Under the Louisiana Teacher's Retirement System, the unused sick leave is used in the retirement benefit computation as earned service. Under the Louisiana School Employees Retirement System, all unpaid sick leave, which excludes the 25 days paid, is used in the retirement benefit computation as earned service.

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. Leave may be granted for rest and recuperation and professional and cultural improvement.

The cost of compensated absence privileges is recognized as current year expenditure in the General Fund when leave is actually taken, or when employees or their heirs are paid for accrued leave upon retirement or death, while the cost of leave privileges not requiring current resources is recorded as long-term liabilities.

j. Pension Plans

The School Board is a participating employer in three defined benefit pension plans (plans) as described in Note 7. For purposes of measuring the Net Pension Liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of each of the plans, and additions to/deductions from each plans' fiduciary net position have been determined on the same basis as they are reported by each of 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 have been reported at fair value within each plan.

k. Sales, Use and Property Taxes

The West Feliciana Parish School Board receives a three percent sales tax dedicated for salaries and related benefits, payment of principal and interest on any bonds issued by the School Board and for maintaining and operating the public schools within the Parish.

WEST FELICIANA PARISH SCHOOL BOARD
ST. FRANCISVILLE, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies (continued)

k. Sales, Use and Property Taxes (continued)

Also, the School Board is authorized to collect one percent sales and use tax levied by the West Feliciana Parish Police Jury and the Town of St. Francisville for all sales within the incorporated area of the Town of St. Francisville. The School Board is authorized to collect a two percent sales and use tax levied by the West Feliciana Parish Police Jury for all sales outside the incorporated area of the Town of St. Francisville.

Ad valorem taxes are collected by the West Feliciana Parish Sheriff's Office and remitted to the School Board on a monthly basis. Values are established by the West Feliciana Parish Assessor's Office each year.

Ad valorem taxes are assessed and levied on a calendar year basis, based on the assessed value on January 1 of the assessment year. However, before taxes can be levied, the tax rolls must be submitted to the State Tax Commission for approval. Taxes are due and payable by November 15. An enforceable lien attaches on the property as of November 15. As of December 31, taxes become delinquent and interest and penalty accrue. Taxes are generally collected in January, February and March of the fiscal year.

l. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities to 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.

m. Inter-fund transactions

During the course of normal operations, the School Board has numerous transactions between funds, including expenditures and transfers of resources to provide services, construct assets and service debt. The accompanying fund financial statements generally reflect such transactions as operating transfers.

n. Fund Equity of Fund Financial Statements

Accounting standards require governmental fund balances to be reported in as many as five classifications as listed below:

Nonspendable – represents amounts that are not expected to be converted to cash because they are either not in spendable form or legally or contractually required to be maintained intact.

Spendable

Restricted – represents balances where constraints have been established by parties outside the School Board or imposed by law through constitutional provisions or enabling legislation.

Committed – represents balances that can only be used for specific purposes pursuant to constraints imposed by formal action of the School Board's highest level of decision-making authority.

WEST FELICIANA PARISH SCHOOL BOARD
ST. FRANCISVILLE, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies (continued)

n. Fund Equity of Fund Financial Statements (continued)

Assigned – represents balances that are constrained by the School Board’s or its designee’s intent to be used for specific purposes, but are not restricted nor committed.

Unassigned – represents balances that have not been assigned to other funds and that have not been restricted, committed, or assigned to specific purposes within the general fund.

When expenditures are incurred for the purposes for which both restricted and unrestricted amounts are available, the School Board reduces restricted amounts first, followed by unrestricted amounts. When expenditures are incurred for purposes for which committed, assigned, and unassigned amounts are available, the School Board reduces committed amounts first, followed by assigned amounts and then unassigned amounts.

o. Newly Adopted Accounting Standards

Certain accounting and other changes were initially planned, however; the School Board applied GASB Statement No. 95 *Postponement of the Effective Dates of Certain Authoritative Guidance* which delayed implementation of GASB Statement No. 84 *Fiduciary Activities*, which was initially scheduled to be effective for the fiscal year ended June 30, 2020.

2. Ad Valorem Taxes

Ad valorem (property) taxes were levied for the fiscal year 2020 by the School Board on September 17, 2019 based on the assessed valuation of property as of January 1, 2019. These taxes become due and payable on November 15 of each year and become delinquent after December 31 of the year levied.

Total assessed value was \$379,832,610 in calendar year 2019. Louisiana state law exempts the first \$75,000 of assessed value of a taxpayer’s primary residence from parish property taxes. This homestead exemption was \$18,170,566 of the assessed value in calendar year 2019.

The following is a summary of authorized and levied parish-wide ad valorem taxes collected during the fiscal year ended June 30, 2020:

	<u>Authorized Millage</u>	<u>Levied Millage</u>	<u>Expiration Date</u>
Constitutional School Tax	5.00	4.46	N/A
Special	14.75	14.75	2028
General Fund	3.75	3.75	2021
Consolidated General Fund	11.00	11.00	2029
Series 2019 General Obligation Bonds	5.8	5.8	2048

WEST FELICIANA PARISH SCHOOL BOARD
ST. FRANCISVILLE, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

3. Cash, Deposits, and Investments

A. Deposits

The carrying amount of the School Board's deposits with financial institutions was \$33,444,552 and the bank balances were \$34,783,235. Custodial credit risk is the risk that in the event of a financial institution failure, the School System's deposits may not be returned to them. To mitigate this risk, state law requires deposits to be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent financial institution. As of June 30, 2020, approximately \$9,255,000 of the School Board's deposits were uninsured and exposed to credit risk.

Securities that may be pledged as collateral consist of obligations of the U.S. Government and its agencies, obligations of the State of Louisiana and its municipalities and school districts.

B. Investments

As of June 30, 2020, the Board had the following investments:

<u>Investment Type</u>	<u>Fair Value</u>
Investments measured at the net asset value (NAV)	
External investment pool	<u>\$ 11,222,691</u>

The \$11,222,691 in investments is invested in LAMP. LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local government entities having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LA-R.S. 33.2955.

- Credit risk: LAMP is rated AAAM by Standard & Poor's.
- Interest rate risk: LAMP is designed to be highly liquid to give its participants immediate access to their account balances. LAMP prepares its own interest rate disclosure using the weighted average maturity (WAM) method. The WAM of LAMP assets is restricted to not more than 90 days and consists of no securities with a maturity in excess of 397 days or 762 days for U.S. Government floating/variable rate investments.
- Concentration of credit risk: The School Board does not have a limit on the amount the School Board may invest in one issuer. One hundred percent of the School Board's investments are in LAMP funds.
- Foreign currency risk: Not applicable. LAMP complies with the provisions of Louisiana Law concerning permissible investments for municipalities, parishes and other political subdivisions set forth in La R.S. 33:2955 and the investment policy does not provide for investment in foreign obligations.

WEST FELICIANA PARISH SCHOOL BOARD
ST. FRANCISVILLE, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

3. Cash, Deposits, and Investments (continued)

B. Investments (continued)

The investments in LAMP are stated at fair value based on quoted market rates. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the value of the pool shares.

LAMP, Inc. is subject to the regulatory oversight of the state treasurer and board of directors. LAMP is not registered with the SEC as an investment company.

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

LAMP issues financial reports which can be obtained by writing: LAMP, Inc., 228 St. Charles Avenue, Suite 1123, New Orleans, LA 70130.

4. Interfund Transactions

Individual balances due from/to other funds are as follows:

<u>Fund</u>	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>
General Fund	\$ 363,123	\$ 58,289
Other Non-major Funds	<u>82,192</u>	<u>387,026</u>
Total	<u>\$ 445,315</u>	<u>\$ 445,315</u>

The primary purpose of interfund advances is to cover expenditures on cost reimbursement grant programs until reimbursements are received from the granting agencies.

Transfers:

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ 246,899	\$ 420,807
Other Non-major Funds	<u>366,018</u>	<u>192,110</u>
Total	<u>\$ 612,917</u>	<u>\$ 612,917</u>

The purpose of interfund transfers is to cover operating expenditures of the general fund through indirect cost recoveries charged to grant programs and to cover operating deficits of other governmental non-major funds with transfers from the general fund.

WEST FELICIANA PARISH SCHOOL BOARD
ST. FRANCISVILLE, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

5. Capital Assets

Capital assets and depreciation activity as of and for the year ended June 30, 2020 is as follows:

	<u>Balance at</u> <u>June 30, 2019</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance at</u> <u>June 30, 2020</u>
<u>Cost</u>				
Land	\$ 299,441	\$ 855,072	\$ 54,800	\$ 1,099,713
Buildings and improvements	33,778,490	-	-	33,778,490
Equipment and fixtures	4,853,200	260,511	339,234	4,774,477
Food Service equipment	369,497	21,200	-	390,697
Construction in progress	-	2,920,148	-	2,920,148
	<u>\$ 39,300,628</u>	<u>\$ 4,056,931</u>	<u>\$ 394,034</u>	<u>\$ 42,963,525</u>
 <u>Accumulated depreciation</u>				
Buildings and improvements	\$ 22,020,202	\$ 718,900	\$ -	\$ 22,739,102
Equipment and fixtures	3,950,314	231,041	312,251	3,869,104
Food Service equipment	339,644	7,499	-	347,143
	<u>\$ 26,310,160</u>	<u>\$ 957,440</u>	<u>\$ 312,251</u>	<u>\$ 26,955,349</u>
Capital assets, net of Depreciation	<u>\$ 12,990,468</u>	<u>\$ 3,099,491</u>	<u>\$ 81,783</u>	<u>\$ 16,008,176</u>

Depreciation expense of \$957,440 for the year ended June 30, 2020 was charged to the following governmental functions:

Regular education programs	\$ 80,524
Special education programs	25,421
Other educational programs	18,359
Pupil support services	10,147
Instructional staff services	11,742
General administrative services	7,325
School administrative services	16,127
Business and central services	4,793
Plant operation and maintenance	745,958
Transportation	15,621
Technical support	13,823
Food service	7,600
	<u>\$ 957,440</u>

WEST FELICIANA PARISH SCHOOL BOARD
ST. FRANCISVILLE, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

6. Long-term Liabilities

In September 2019, the School Board issued \$30,000,000 of Series 2019 General Obligation Bonds for the purpose of acquiring and/or improving lands for building sites and playgrounds, including construction of necessary sidewalks and streets adjacent thereto; purchasing, erecting, and/or improving school buildings and other school related facilities, and acquiring the necessary equipment and furnishings therefor. Bond payments are due on March 1st of each year beginning 2020 through 2049 with interest payments due semiannually on March 1st and September 1st, bearing an interest rate of 4.00%. The bonds are secured by and payable in principal and interest from ad valorem taxes.

The following is a summary of the changes in long-term liabilities for the year ended June 30, 2020:

	<u>Balance at</u> <u>June 30, 2019</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance at</u> <u>June 30, 2020</u>	<u>Current</u>
Compensated Absences	\$ 1,211,074	\$ 475,713	\$ 314,337	\$ 1,372,450	\$ 314,337
Capital Leases	18,479	-	18,479	-	-
Claims & Judgements	150,000	-	-	150,000	-
Premium on bonds	-	3,511,220	117,041	3,394,179	117,041
General Obligation Bonds	-	30,000,000	550,000	29,450,000	510,000
	<u>\$ 1,379,553</u>	<u>\$ 33,986,933</u>	<u>\$ 999,857</u>	<u>\$ 34,366,629</u>	<u>\$ 941,378</u>

General obligation bonds were issued to provide funds for the acquisition and construction of major capital facilities. General obligation bonds issued included the following:

	<u>Principal Outstanding</u> <u>at June 30, 2020</u>
\$30,000,000 General Obligation Bonds, Series 2019, issued September 19, 2019 for the purpose of construction, rehabilitation, or purchase of public school facilities due in annual installments of \$510,00 to \$1,695,000 through March 1, 2049 with interest at 3.0% to 5.0% secured by an annual ad valorem tax levy.	<u>\$ 29,450,000</u>

The Series 2019 General Obligation Bonds were offered for public sale that are subject to the following events of default, termination events, and acceleration clauses:

- *Events of default with finance-related consequences* – These bonds would be in default for failure of payment of principal and interest when due. The School Board has the authority to assess and collect property taxes that will be used to repay this debt.
- *Termination events with finance related consequences* – Events that will result in finance related consequences include bonds being callable early and insufficient taxes levied and collected to meet debt service requirements on all bonds outstanding.
- *Subjective acceleration clauses* – The School Board may refund early with refunding certificates or bonds, and the School Board may defease bonds.

WEST FELICIANA PARISH SCHOOL BOARD
ST. FRANCISVILLE, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

6. Long-term Liabilities (continued)

The debt service requirements for the Series 2019 General Obligation Bonds are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 510,000	\$ 1,225,800	\$ 1,735,800
2022	535,000	1,199,883	1,734,883
2023	560,000	1,172,717	1,732,717
2024	590,000	1,144,217	1,734,217
2025	620,000	1,114,217	1,734,217
2026-2030	3,610,000	5,067,483	8,677,483
2031-2035	4,480,000	4,163,267	8,643,267
2036-2040	5,470,000	3,106,467	8,576,467
2041-2045	6,680,000	1,879,533	8,559,533
2046-2049	6,395,000	439,033	6,834,033
	<u>\$ 29,450,000</u>	<u>\$ 20,512,617</u>	<u>\$ 49,962,617</u>

In accordance with LSA – R.S. 39:562, the School Board is legally restricted from incurring long-term bonded debt in excess of 50% of the assessed value of taxable property within the parish. At June 30, 2020, the total assessed value of taxable property for the parish was \$379,832,610, which resulted in a statutory limit of \$189,916,305.

Compensated absences payable consist of the portion of accumulated sick and annual leave of the governmental funds that is expected to require current resources. These liabilities will be liquidated through the general and special revenue funds.

The claims and judgments will be liquidated from the general fund.

WEST FELICIANA PARISH SCHOOL BOARD
ST. FRANCISVILLE, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

7. Retirement Systems

The School Board (the School Board) is a participating employer in three cost-sharing defined benefit pension plans. These plans are administered by three public employee retirement systems, the Teachers' Retirement System of Louisiana (TRSL), the Louisiana School Employees' Retirement System (LSERS) and the Louisiana State Employees' Retirement System (LASERS). Article X, Section 29(F) of the Louisiana Constitution of 1974 assigns the authority to establish and amend benefit provisions of these plans to the State Legislature. Each system is administered by a separate board of trustees and all Systems are component units of the State of Louisiana.

Each of the Systems issues an annual publicly available financial report that includes financial statements and required supplementary information for the system. These reports may be obtained by writing, calling or downloading the reports as follows:

TRSL:
8401 United Plaza Blvd.
P. O. Box 94123
Baton Rouge, Louisiana 70804-9123
(225) 925-6446
www.trsl.org

LSERS:
8660 United Plaza Blvd.
Baton Rouge, LA 70804
(225) 925-6484
www.lasers.net

LASERS
8401 United Plaza Blvd.
P. O. Box 44213
Baton Rouge, Louisiana 70804-4213
(225) 925-0185
www.lasersonline.org

The School Board implemented Government Accounting Standards Board (GASB) Statement 68 on Accounting and Financial Reporting for Pensions and Statement 71 on Pension Transition for Contributions Made Subsequent to the Measurement Date – an Amendment of GASB 68. These standards require the School Board to record its proportional share of each of the pension plans Net Pension Liability and report the following disclosures:

Plan Descriptions:

Teachers' Retirement System of Louisiana (TRSL) is the administrator of a cost-sharing defined benefit pension plan. The plan provides retirement, disability, and survivor benefits to employees who meet the legal definition of a "teacher" as provided for in LRS 11:701. Eligibility for retirement benefits and the calculation of retirement benefits are provided for in LRS 11:761.

Louisiana School Employees' Retirement System (LSERS) is the administrator of a cost-sharing defined benefit pension plan. The plan provides retirement, disability, and survivor benefits to school employees as defined in LRS 11:1002. Eligibility for retirement benefits and the computation of retirement benefits are provided for in LRS 11:1141.

Louisiana State Employees' Retirement System (LASERS) is the administrator of a cost-sharing defined benefit pension plan. The plan provides retirement, disability, and survivor benefits to state employees as defined in LRS 11:411-414. Eligibility for retirement benefits and the computation of retirement benefits are provided for in LRS 11:444.

WEST FELICIANA PARISH SCHOOL BOARD
ST. FRANCISVILLE, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

7. Retirement Systems (continued)

A brief summary of eligibility and benefits of the plans are provided in the following table:

	<u>TRSL</u>	<u>LSERS</u>	<u>LASERS</u>
Final average salary	Highest 36 or 60 months ¹	Highest 36 or 60 months ¹	Highest 36 or 60 months ¹
Years of service required and/or age eligible for benefits	30 years any age ⁵ 25 years age 55 20 years any age ² 5 years age 60 5 years age 62 ⁷	30 years any age 25 years age 55 20 years any age ² 5-10 years age 60 ⁶ 5 years age 62 ⁷	30 years any age 25 years age 55 20 years any age ² 5-10 years age 60 ⁶ 5 years age 62 ⁷
Benefit percent per years of service	2% to 3.0% ⁴	2.5% to 3.33% ⁴	2.5% to 3.5% ³

¹ Employees hired after a certain date use the revised benefit calculation based on the highest 60 months of service

² With actuarial reduced benefits

³ Members in regular plan 2.5%, hazardous duty plan 3.33%, and judges 3.5%

⁴ Benefit percent varies depending on when hired

⁵ For school food service workers, hired on or before 6-30-15, 30 years at age 55

⁶ Five to ten years of creditable service at age 60 depending upon the plan or when hired

⁷ Hired on or after 7/1/15, age eligibility is 5 years at age 62

Cost of Living Adjustments

The pension plans in which the School System participates have the authority to grant cost-of-living adjustments (COLAs) on an ad hoc basis. COLAs may be granted to these systems, (TRSL, LSERS, and LASERS) if approved with a two-thirds vote of both houses of the Legislature, provided the plan meets certain statutory criteria related to funded status and interest earnings.

Contributions

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

WEST FELICIANA PARISH SCHOOL BOARD
ST. FRANCISVILLE, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

7. Retirement Systems (continued)

Contributions to the plans are required and determined by State statute (which may be amended) and are expressed as a percentage of covered payroll. The contribution rates in effect for the year ended June 30, 2020, for the School Board and covered employees were as follows:

	<u>School Board</u>	<u>Employees</u>
Teachers' Retirement System:		
Regular Plan	26.00%	8.00%
Plan B	26.00%	5.00%
School Employees' Retirement System	29.40%	7.50 % - 8.00%
State Employees' Retirement System	40.70%	7.50 % - 8.00 %

The contributions made to the Systems for the past three fiscal years, which equaled the required contributions for each of these years, were as follows:

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Teachers' Retirement System	\$ 4,364,251	\$ 4,261,235	\$ 4,030,024
School Employees' Retirement System	383,827	345,854	313,853
State Employees' Retirement System	22,516	15,511	15,716

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

The following schedule lists the School Board's proportionate share of the Net Pension Liability allocated by each of the pension plans based on the June 30, 2019 measurement date. The School Board uses this measurement to record its Net Pension Liability and associated amounts as of June 30, 2020 in accordance with GASB Statement 68. The schedule also includes the proportionate share allocation rate used at June 30, 2019 along with the change compared to the June 30, 2018 rate. The School Board's proportion of the Net Pension Liability was based on a projection of the Agency's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined.

	<u>Net Pension Liability at June 30, 2019</u>	<u>Rate at June 30, 2019</u>	<u>Increase (Decrease) to June 30, 2018 Rate</u>
Teachers' Retirement System	\$ 33,181,876	0.3343%	(0.0019%)
School Employees' Retirement System	2,958,867	0.4227%	0.0431%
State Employees' Retirement System	766,150	0.0106%	0.0085%
	<u>\$ 36,906,893</u>		

WEST FELICIANA PARISH SCHOOL BOARD
ST. FRANCISVILLE, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

7. Retirement Systems (continued)

The following schedule lists each pension plan's recognized pension expense to the School Board for the year ended June 30, 2020:

	<u>Pension Expense</u>
Teachers' Retirement System	\$ 3,410,165
School Employees' Retirement System	550,334
State Employees' Retirement System	378,186
	<u>\$ 4,338,685</u>

At June 30, 2020, the School Board reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 4,704	\$ (1,112,286)
Changes of assumptions	2,451,310	-
Net difference between projected and actual earnings on pension plan investments	1,943,486	(3,031,284)
Changes in proportion and differences between employer contributions and proportionate share of contributions	1,966,712	(965,657)
Employer contributions subsequent to the measurement date	4,770,594	-
Total	<u>\$ 11,136,806</u>	<u>\$ (5,109,227)</u>

Summary totals of deferred outflows of resources and deferred inflows of resources by pension plan:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Teachers' Retirement System	\$ 10,016,715	\$ (4,973,433)
School Employees' Retirement System (LSERS)	771,997	(101,263)
State Employees' Retirement System (LASERS)	348,094	(34,531)
	<u>\$ 11,136,806</u>	<u>\$ (5,109,227)</u>

WEST FELICIANA PARISH SCHOOL BOARD
ST. FRANCISVILLE, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

7. Retirement Systems (continued)

The School Board reported a total of \$4,770,594 as deferred outflow of resources related to pension contributions made subsequent to the measurement period of June 30, 2019 which will be recognized as a reduction in Net Pension Liability in the year ended June 30, 2020. The following schedule list the pension contributions made subsequent to the measurement period for each pension plan:

	Subsequent Contributions
Teachers' Retirement System	\$ 4,364,251
School Employees' Retirement System (LSERS)	383,827
State Employees' Retirement System (LASERS)	22,516
	\$ 4,770,594

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

Year	TRSL	LSERS	LASERS	Total
2020	\$ 217,472	\$ 155,364	\$ 281,549	\$ 654,385
2021	(44,509)	40,904	(7,703)	(11,308)
2022	171,461	51,885	7,282	230,628
2023	334,605	38,753	9,922	383,280
	\$ 679,029	\$ 286,906	\$ 291,050	\$ 1,256,985

WEST FELICIANA PARISH SCHOOL BOARD
ST. FRANCISVILLE, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

7. Retirement Systems (continued)

Actuarial Assumptions

A summary of the actuarial methods and assumptions used in determining the total pension liability for each pension plan as of June 30, 2020 are as follows:

	TRSL	LSERS	LASERS
Valuation Date	June 30, 2019	June 30, 2019	June 30, 2019
Actuarial Cost Method	Entry Age Normal	Entry Age Normal	Entry Age Normal
Actuarial Assumptions:			
Expected Remaining			
Service Lives	5 years	3 years	2 years (decreased from 3 years in 2018)
Investment Rate of Return	7.55% net of investment expenses (decreased from 7.65% in 2018)	7.00% per annum; net of plan investment expenses, including inflation (decrease from 7.0625 in 2018)	7.60% net of investment expenses (decreased from 7.65% in 2018)
Inflation Rate	2.5% per annum	2.5% per annum	2.5% per annum (decreased from 2.75% in 2018)
Mortality	<p>Active members – RP-2014 White Collar Employee tables, adjusted by 1.010 for males and by 0.997 for females.</p> <p>Non-Disabled retiree/inactive members – RP-2014 White Collar Healthy Annuitant tables, adjusted by 1.366 for males and by 1.189 for females.</p> <p>Disability retiree mortality – RP-2014 Disability tables, adjusted by 1.111 for males and by 1.134 for females.</p> <p>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.</p>	<p>Mortality rates based on the RP-2014 Healthy Annuitant Tables, RP-2014 Sex Distinct Employee Table, and RP-2014 Sex Distinct Disabled Tables.</p>	<p>Non-disabled members - Mortality rates for 2019 were based on the RP-2014 Healthy Mortality Table with mortality improvement projected using the MP-2018 Mortality Improvement Scale, applied on a fully generational basis.</p> <p>Disabled members – Mortality rates based on the RP-2000 Disabled Retiree Mortality Table, with no projection for mortality improvement.</p>

WEST FELICIANA PARISH SCHOOL BOARD
ST. FRANCISVILLE, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

7. Retirement Systems (continued)

Actuarial Assumptions (continued)

	TRSL	LSERS	LASERS																		
Termination, Disability, and Retirement	Termination, disability, and retirement assumptions were projected based on a five year (July 1, 2012 - June 30, 2017) experience study of the System's members.		Termination, disability, and retirement assumptions were projected based on a five-year (2014-2018) experience study of the System's members for .																		
Salary Increases	3.3% - 4.8% varies depending on duration of service	Salary increases were projected based on the 2013-2017 experience study of the Plan's members set at 3.25%.	Salary increases were projected based on a 2014-2018 experience study of the System's members. The salary increase ranges for specific types of members are: <table border="0" style="margin-left: 20px;"> <thead> <tr> <th style="text-align: left;">Member Type</th> <th style="text-align: center;">Lower Range</th> <th style="text-align: center;">Upper Range</th> </tr> </thead> <tbody> <tr> <td>Regular</td> <td style="text-align: center;">3.2%</td> <td style="text-align: center;">13.0%</td> </tr> <tr> <td>Judges</td> <td style="text-align: center;">2.8%</td> <td style="text-align: center;">5.3%</td> </tr> <tr> <td>Corrections</td> <td style="text-align: center;">3.8%</td> <td style="text-align: center;">14.0%</td> </tr> <tr> <td>Hazardous Duty</td> <td style="text-align: center;">3.8%</td> <td style="text-align: center;">14.0%</td> </tr> <tr> <td>Wildlife</td> <td style="text-align: center;">3.8%</td> <td style="text-align: center;">14.0%</td> </tr> </tbody> </table>	Member Type	Lower Range	Upper Range	Regular	3.2%	13.0%	Judges	2.8%	5.3%	Corrections	3.8%	14.0%	Hazardous Duty	3.8%	14.0%	Wildlife	3.8%	14.0%
Member Type	Lower Range	Upper Range																			
Regular	3.2%	13.0%																			
Judges	2.8%	5.3%																			
Corrections	3.8%	14.0%																			
Hazardous Duty	3.8%	14.0%																			
Wildlife	3.8%	14.0%																			
Cost of Living Adjustments	None	Cost-of-living raises may be granted from the Experience Account provided there are sufficient funds needed to offset the increase in the actuarial liability and the plan has met the criteria and eligibility requirements outline by ACT 399 of 2014.	The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost of living increases. The projected benefit payments do not include provisions for potential future increases not yet authorized by the Board of Trustees as they were deemed not to be substantively automatic.																		

WEST FELICIANA PARISH SCHOOL BOARD
ST. FRANCISVILLE, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

7. Retirement Systems (continued)

The following schedule list the methods used by each of the retirement systems in determining the long term rate of return on pension plan investments:

TRSL

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.5% and an adjustment for the effect of rebalancing/diversification. The resulting expected long-term rate of return is 8.48% for 2019.

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, of 2%, and an adjustment for the effect of rebalancing/diversification. The resulting long-term arithmetic nominal expected return is 8.76%.

LASERS

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adjusting for expected inflation of 2.75% and an adjustment for the effect of rebalancing/diversification. The resulting expected long-term nominal rate of return is 9.0% for 2019.

WEST FELICIANA PARISH SCHOOL BOARD
ST. FRANCISVILLE, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

7. Retirement Systems (continued)

The following table provides a summary of the best estimates of arithmetic/geometric real rates of return for each major asset class included in each of the Retirement Systems target asset allocations as of June 30, 2019:

Asset Class	Target Allocation			Long-Term Expected Real Rate of Return		
	TRSL	LSERS	LASERS	TRSL	LSERS	LASERS
Cash	-	-	-	-	-	0.24%
Domestic equity	27.00%	-	23.00%	4.60%	-	4.83%
International equity	19.00%	-	32.00%	5.70%	-	5.83%
Equity	-	39.00%	-	-	2.93%	-
Domestic fixed income	13.00%	-	6.00%	1.69%	-	2.79%
International fixed income	5.50%	-	10.00%	2.10%	-	4.49%
Fixed income	-	26.00%	-	-	1.07%	-
Alternatives	-	17.00%	22.00%	-	1.43%	8.32%
Private equity	25.50%	-	-	8.67%	-	-
Other private equity	10.00%	-	-	3.65%	-	-
Risk parity	-	-	7.00%	-	-	5.06%
Real estate	-	12.00%	-	-	0.73%	-
Real assets	-	6.00%	-	-	0.60%	-
Total	100.00%	100.00%	100.00%			

Inflation

Expected Arithmetic Nominal Return

n/a - amount not provided by Retirement System

Discount Rate

The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that sponsor contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, each of the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate used to measure the total pension liability for TRSL, LSERS and LASERS was 7.55%, 7.00% and 7.60%, respectively for the year ended June 30, 2019.

WEST FELICIANA PARISH SCHOOL BOARD
ST. FRANCISVILLE, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

7. Retirement Systems (continued)

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

The following table presents the School Board’s proportionate share of the Net Pension Liability (NPL) using the discount rate of each Retirement System as well as what the School Board’s proportionate share of the NPL would be if it were calculated using a discount rate that is one percentage-point lower or one percentage-point higher than the current rate used by each of the Retirement Systems:

	<u>1.0% Decrease</u>	<u>Current Discount Rate</u>	<u>1.0% Increase</u>
TRSL			
Rates	6.55%	7.55%	8.55%
WFPSB Share of NPL	\$ 44,169,825	\$ 33,181,876	\$ 23,920,713
LSERS			
Rates	6.00%	7.00%	8.00%
WFPSB Share of NPL	\$ 4,009,858	\$ 2,958,867	\$ 2,060,417
LASERS			
Rates	6.60%	7.60%	8.60%
WFPSB Share of NPL	\$ 966,978	\$ 766,150	\$ 596,517

8. Total Other Post-Employment Benefits

Plan Description. The West Feliciana Parish School Board (the School Board) provides certain continuing health care and life insurance benefits for its retired employees. The West Feliciana Parish School Board’s OPEB plan (the OPEB Plan) is a single-employer defined benefit OPEB plan administered by the School Board. The School Board has the authority to establish and/or amend the obligation of the employer, employees and retirees as provided by Louisiana Revised Statute Title 17 Sections 1221 through 1224. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Governmental Accounting Standards Board (GASB) Statement No. 75.

Benefits Provided. Medical benefits are provided through an insured comprehensive medical plan and insured life insurance programs to employees upon actual retirement. 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 65 and 20 years of service.

Basic life insurance of \$5,000 and additional life insurance coverage in varying amounts are provided to retirees. The employer pays for 50% of the basic coverage and 50% of the additional coverage (maximum of \$35,000 additional coverage). The rates used for basic coverage are blended for all active and retired combined, while unblended rates are used for the additional coverage. Since GASB 74/75 requires the use of “unblended” rates, the valuation used a mortality table to determine the “unblended” rates for the basic coverage so as to reproduce the composite blended rate overall as the rate structure to calculate the actuarial valuation results for life insurance. All of the assumptions used for the valuation of the medical benefits have been used except for the trend assumption; zero trend was used for life insurance.

WEST FELICIANA PARISH SCHOOL BOARD
ST. FRANCISVILLE, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

8. Total Other Post-Employment Benefits (continued)

Employees Covered by Benefit Terms. At June 30, 2020, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	170
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	235
	405

Total OPEB Liability

The School Board's total OPEB liability of \$30,522,834 was measured as of June 30, 2020 and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and other inputs – The total OPEB liability in the June 30, 2020 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
Prior discount rate	3.50%, annually (beginning of year to determine ADC)
Discount rate	2.21%, annually (as of end of measurement date)
Healthcare cost trend rates	Flat 5.5% annually

The discount rate was based on the average of the Bond Buyers' 20 Year General Obligation municipal bond index over the 52 weeks immediately preceding the applicable measurement dates.

Mortality rates were based on the RP-2014 Table modified according to TRSL experience study.

The actuarial assumptions used in the June 30, 2020 valuation were based on the results of ongoing evaluations of the assumptions from July 1, 2009 to June 30, 2020.

Changes in the Total OPEB Liability

Balance at June 30, 2019	\$ 28,226,975
Changes for the year:	
Service Cost	523,492
Interest	974,752
Differences between expected and actual experience	(1,150,137)
Changes in assumptions	2,701,611
Benefit payments and net transfers	(753,859)
Net changes	2,295,859
Balance at June 30, 2020	\$ 30,522,834

The amount due within one year for the total OPEB Liability is estimated to be \$795,000.

WEST FELICIANA PARISH SCHOOL BOARD
ST. FRANCISVILLE, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

8. Total Other Post-Employment Benefits (continued)

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 (1.21%) or 1-percentage-point higher (3.21%) than the current discount rate:

	1.0% Decrease (1.21%)	Current Discount (2.21%)	1.0% Increase (3.21%)
Total OPEB liability	\$ 36,299,918	\$ 30,522,834	\$ 26,014,577

Sensitivity of the total OPEB liability to changes in the healthcare cost trends. 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 trends that are 1-percentage-point lower (4.5%) or 1-percentage-point higher (6.5%) than the current healthcare trend rates:

	1.0% Decrease (4.5%)	Current Trend (5.5%)	1.0% Increase (6.5%)
Total OPEB liability	\$ 27,320,716	\$ 30,522,834	\$ 34,595,040

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

For the year ended June 30, 2020, the School Board recognized OPEB Expense of \$2,173,752. At June 30, 2020, 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	\$ -	\$ (1,670,766)
Changes in assumptions	5,403,985	-
Total	<u>\$ 5,403,985</u>	<u>\$ (1,670,766)</u>

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

Years ending June 30:	
2021	\$ 675,508
2022	675,508
2023	675,508
2024	675,508
2025	365,213
Thereafter	665,974
	<u>\$ 3,733,219</u>

WEST FELICIANA PARISH SCHOOL BOARD
ST. FRANCISVILLE, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

9. Changes in Agency Deposits Due Others

A summary of the changes in agency funds (amounts due others) due to taxing authorities and amounts due others for school activity accounts follows:

	<u>School Activity</u>	<u>Sales Tax</u>	<u>Total</u>
Balance at June 30, 2019	\$ 536,097	\$ 7,426	\$ 543,523
Additions	947,412	12,755,877	13,703,289
Reductions	(895,449)	(12,755,867)	(13,651,316)
Balance at June 30, 2020	<u>\$ 588,060</u>	<u>\$ 7,436</u>	<u>\$ 595,496</u>

10. State Required Disclosure – Tax Collections Remitted to Other Taxing Authorities

Act 711 of the 2010 Louisiana Legislative Session amended LRS 24:513 B to provide required note disclosure in the financial statements of local governments that collect tax for other taxing jurisdictions. For the year ended June 30, 2020 the School Board collected \$5,032,691 of sales tax for the West Feliciana Parish Government (\$4,015,971), the Town of St. Francisville (\$1,001,147) and the Council on Aging (\$15,573). Of this amount, the School Board withheld \$85,965 for the taxing authorities' share of administrative fees. This resulted in a distribution of \$4,946,726 of sales tax collections to the West Feliciana Parish Government (\$3,946,167), the Town of St. Francisville (\$984,986) and the Council on Aging (\$15,573) during the year ended June 30, 2020.

11. Contingencies

Litigation. The School Board is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the School Board's attorney, the resolution of these matters will not have a material adverse effect on the financial condition of the government. An accrual of \$150,000 has been made within the statement of net position to cover any potential exposure.

Grant Disallowances. The School Board participates in a number of state and federally assisted grant programs. The programs are subject to audits under the single audit approach as well as audits conducted by the Louisiana and U.S. Department of Education. Such audits could lead to requests for reimbursement by the grantor agency for expenditures disallowed under the terms of the grants.

WEST FELICIANA PARISH SCHOOL BOARD
ST. FRANCISVILLE, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

12. Operating Lease

The School Board leases school buses through a lease arrangement which qualifies as an operating lease. The lease payments are to be made on a semi-annual basis and are scheduled for July 1, 2019 through June 30, 2023.

Lease payments are estimated to be as follows:

<u>June 30,</u>	<u>Amount</u>
2021	\$ 406,500
2022	406,500
2023	406,500
	<u>\$ 1,219,500</u>

Lease payments made during the year ended June 30, 2020 totaled approximately \$406,500.

13. Receivables

Receivables as of June 30, 2020 for the School Board are as follows:

	<u>General Fund</u>	<u>Non-major Governmental Funds</u>	<u>Total</u>
<u>Receivables:</u>			
Due from other governments	\$ 38,813	\$ 443,091	\$ 481,904
Gross receivables	<u>\$ 38,813</u>	<u>\$ 443,091</u>	<u>\$ 481,904</u>

14. Detailed Restricted Net Position and Fund Balances

a. Details of restricted Net Position as reported in the entity-wide Statement of Net Position are as follows:

	<u>Governmental Activities</u>
Net Position Restricted:	
Capital projects	\$ 255,530
Debt services	599,483
Total Net Position Restricted	<u>\$ 855,013</u>

WEST FELICIANA PARISH SCHOOL BOARD
ST. FRANCISVILLE, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

14. Detailed Restricted Net Position and Fund Balances (continued)

b. Details of nonspendable, restricted, and unassigned fund balances at year-end are as follows:

	<u>General Fund</u>	<u>Construction Fund</u>	<u>Other Non-Major Funds</u>	<u>Total</u>
Nonspendable:				
School Food inventory	\$ -	\$ -	\$ 51,212	\$ 51,212
Restricted:				
Debt service	-	-	1,010,916	1,010,916
Capital projects	-	<u>30,309,367</u>	<u>255,530</u>	<u>30,564,897</u>
Total restricted	-	<u>30,309,367</u>	<u>1,266,446</u>	<u>31,575,813</u>
Unassigned (deficit)	<u>9,324,527</u>	-	<u>(51,354)</u>	<u>9,273,173</u>
Total fund balances	<u>\$ 9,324,527</u>	<u>\$30,309,367</u>	<u>\$ 1,266,304</u>	<u>\$40,900,198</u>

15. Deficit Net Position or Fund Balances

A deficit fund balance of \$142 (Head Start) was incurred as of June 30, 2020. If additional revenues are not obtained from other external sources, then the general fund will ultimately absorb this deficit.

16. Disaggregation of Accounts Payable and Accrued Liabilities

Accounts, salaries and other payables as of June 30, 2020, were as follows:

Vendors	\$ 1,255,038
Salaries and benefits	2,377,788
Accrued interest payable	411,433
Claims payable	<u>48,353</u>
Total governmental activities	<u>\$ 4,092,612</u>

17. Tax Revenues Abated

The Louisiana Industrial Ad Valorem Tax Exemption program (Louisiana Administrative Code, Title 13, Chapter 5) is a state incentive program which abates, up to ten years, local ad valorem taxes on a manufacturer's new investment and annual capitalized additions related to the manufacturing site. Applications to exempt qualified property for five years are approved by the Board of Commerce and Industry. The exemption may be renewed for an additional five years. For the fiscal year ending June 30, 2020, approximately \$2,150,000 in West Feliciana Parish School Board ad valorem tax revenues were abated by the state of Louisiana through the Louisiana Industrial Ad Valorem Tax Exemption program.

WEST FELICIANA PARISH SCHOOL BOARD
ST. FRANCISVILLE, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

18. Appropriations to Charter Schools

Appropriations to Type 2 Charter Schools during the year ended June 30, 2020 were as follows:

Louisiana Key Academy	\$ 28,740
Advantage Charter Academy	9,580
Louisiana Virtual Charter Academy	25,866
University View Academy	<u>90,531</u>
Grant total	<u>\$ 154,717</u>

19. Current Accounting Standards Scheduled to be Implemented

Following is a summary of accounting standards adopted by the Governmental Accounting Standards Board (GASB) that are scheduled to be implemented in the future that may affect the School Board's financial report:

GASB Statement 84, *Fiduciary Activities*. This standard defines and establishes criteria for identifying and reporting fiduciary activities. The focus of the criteria is on (1) whether the School Board controls the assets in a fiduciary activity and (2) there are separate identifiable beneficiaries with whom a fiduciary relationship exists. The standard is effective for annual reporting periods beginning after December 15, 2019. The School Board will include the requirements of this standard, as applicable, in its June 30, 2021 financial statement. The effect of this standard or its applicability to the School Board are unknown at this time.

GASB Statement 87, *Leases*. This standard will require all leases to be reported on the statement of net position under a single accounting model for both lessors and lessees. The statement will require the recognition of lease assets or liabilities for leases previously reported as operating leases. Both operating and capital leases will be reported under this single accounting method and reported by lessees as an intangible right to use asset and by lessors as a receivable with both reporting a deferred inflow of resources. The standard is effective for annual reporting periods beginning after June 15, 2021. The School Board will include the requirements of this standard, as applicable, in its June 30, 2022 financial statement. All of the School Board lease agreements will need to be evaluated to determine the impact of implementing this standard; however, the effect of this standard or its applicability to the School Board are unknown at this time.

GASB Statement 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*. The objectives of this Statement are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period. The requirements of this Statement are effective for reporting periods beginning after December 15, 2020. The School Board will include the requirements of this standard, as applicable, in its June 30, 2022 financial statement. The effect of this standard or its applicability to the School Board are unknown at this time.

WEST FELICIANA PARISH SCHOOL BOARD
ST. FRANCISVILLE, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

19. Current Accounting Standards Scheduled to be Implemented (continued)

GASB Statement 90, *Majority Equity Interests*. The primary objectives of this Statement are to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. It defines a majority equity interest and specifies that a majority equity interest in a legally separate organization should be reported as an investment if a government's holding of the equity interest meets the definition of an investment. A majority equity interest that meets the definition of an investment should be measured using the equity method, unless it is held by a special-purpose government engaged only in fiduciary activities, a fiduciary fund, or an endowment (including permanent and term endowments) or permanent fund. Those governments and funds should measure the majority equity interest at fair value. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019. The School Board will include the requirements of this standard, as applicable, in its June 30, 2021 financial statement. The effect of this standard or its applicability to the School Board are unknown at this time.

GASB Statement 91, *Conduit Debt Obligations*. The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. The requirements of this Statement are effective for reporting periods beginning after December 15, 2021. The School Board will include the requirements of this standard, as applicable, in its June 30, 2023 financial statement. The effect of this standard or its applicability to the School Board are unknown at this time.

20. Restated Fund Financial Statements

	<u>General Fund</u>	<u>Proprietary Fund</u>	<u>Other Non-Major Funds</u>
Fund Balance, June 30, 2019, as previously reported	\$ 8,856,046	\$ (127,866)	\$ 255,452
Reclassified fund balances	1,191	-	(1,191)
Absorption of Proprietary Fund	<u>(127,866)</u>	<u>127,866</u>	<u>-</u>
Fund Balance, June 30, 2019, Restated	<u>\$ 8,729,371</u>	<u>\$ -</u>	<u>\$ 254,261</u>

The School Board reclassified remaining fund balances from completed state operating grant programs of \$1,191 to the General Fund.

The Proprietary Fund was used to account for the recording of the School Board's workers' compensation claims. This fund held a deficit net position for multiple years. The fund and its deficit net position of \$127,856 was absorbed by the General Fund. Workers' compensation claims are now recorded in the General Fund.

WEST FELICIANA PARISH SCHOOL BOARD
ST. FRANCISVILLE, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

21. Commitments

The School Board had construction commitments of approximately \$3,900,000 related to Construction Fund projects at June 30, 2020.

22. Subsequent Events

In March, 2020, the World Health Organization declared the coronavirus (COVID-19) a global pandemic. The spread of the virus has adversely affected global business activities and has resulted in significant uncertainty in the global economy. The impact of the COVID-19 continues to evolve and has been marked by rapid changes and developments. The impact of the outbreak may be short-term or may last for an extended period of time. The extent to which the COVID-19 pandemic may directly or indirectly impact the School Board's financial condition or results of operations cannot be reasonably estimated at this time.

The School Board entered into construction commitments of approximately \$13,900,000 related to Construction Fund projects.

In November 2020, the School Board issued General Obligation Bonds of \$22,600,000 for the purpose of acquiring and/or improving lands for building sites and playgrounds including construction of necessary sidewalks and streets adjacent thereto; purchasing, erecting and/or improving school buildings and other school related facilities, and acquiring the necessary equipment and furnishings. The bonds constitute the second issuance of \$52,600,000 of bonds authorized in the election held on May 4, 2019. The bonds are to be payable from ad valorem taxes to be levied with an estimated 8.80 mills in the first year.

WEST FELICIANA PARISH SCHOOL BOARD
ST. FRANCISVILLE, LOUISIANA

MAJOR FUND DESCRIPTIONS

GENERAL FUND

The General Fund is used to account for resources traditionally associated with the School Board which are not required legally or by sound financial management to be accounted for in another fund.

CONSTRUCTION FUND

The Construction Fund is used to account for capital projects funded by the Series 2019 General Obligation Bonds.

WEST FELICIANA PARISH SCHOOL BOARD
ST. FRANCISVILLE, LOUISIANA

GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2020

	Original	Final	Actual	Variance with Final Budget Positive (Negative)
<u>REVENUES</u>				
Local sources:				
Taxes:				
Ad valorem taxes	\$ 12,040,000	\$ 12,465,250	\$ 12,838,143	\$ 372,893
Sales and use taxes	8,097,000	8,097,000	7,572,800	(524,200)
Rentals, leases, and royalties	-	-	33,850	33,850
Earnings on investments	127,000	127,000	153,403	26,403
Other	225,455	323,955	408,892	84,937
State sources:				
Minimum foundation program (MFP)	10,200,000	10,200,000	10,257,598	57,598
Restricted grants-in-aid	2,500	6,123	293,777	287,654
Other	212,540	299,756	90,697	(209,059)
Federal sources:				
Restricted grants-in-aid-direct	60,000	60,000	50,153	(9,847)
TOTAL REVENUES	30,964,495	31,579,084	31,699,313	120,229
<u>EXPENDITURES</u>				
Current:				
Instruction:				
Regular education programs	10,957,334	11,640,283	11,281,012	359,271
Special education programs	3,266,412	3,612,926	3,461,159	151,767
Other education programs	2,594,367	2,719,700	2,563,648	156,052
Support services:				
Pupil support services	1,329,160	1,424,575	1,402,081	22,494
Instructional staff services	1,868,757	1,849,408	1,683,612	165,796
General administration services	597,158	614,454	837,410	(222,956)
School administration services	2,087,920	2,133,826	2,130,495	3,331
Business services	764,248	772,110	638,580	133,530
Plant operation and maintenance	3,482,770	3,600,315	3,550,891	49,424
Transportation	2,128,692	2,273,780	2,172,416	101,364
Technical support and central services	1,686,935	1,099,939	1,020,373	79,566
Non-Instructional services:				
Food service	-	71	33,500	(33,429)
Community service programs	13,000	13,000	13,000	-
Appropriations - charter schools	-	-	154,717	(154,717)
Debt service	-	-	18,759	(18,759)
TOTAL EXPENDITURES	30,776,753	31,754,387	30,961,653	792,734
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	187,742	(175,303)	737,660	912,963
<u>OTHER FINANCING SOURCES (USES)</u>				
Operating transfers in	164,457	164,457	246,899	82,442
Operating transfers out	(375,199)	(375,199)	(420,807)	(45,608)
Sale of assets	23,000	35,000	31,404	(3,596)
TOTAL OTHER FINANCING SOURCES (USES)	(187,742)	(175,742)	(142,504)	33,238
CHANGES IN FUND BALANCE	-	(351,045)	595,156	946,201
Fund balance, June 30, 2019, as restated	8,856,046	8,729,371	8,729,371	-
FUND BALANCE, JUNE 30, 2020	\$ 8,856,046	\$ 8,378,326	\$ 9,324,527	\$ 946,201

WEST FELICIANA PARISH SCHOOL BOARD
ST. FRANCISVILLE, LOUISIANA

SCHEDULE OF CHANGES IN TOTAL OTHER POST-EMPLOYMENT
BENEFITS LIABILITY AND RELATED RATIOS
YEAR ENDED JUNE 30, 2020

Financial statement reporting date	Measurement Date	Service Cost	Interest	Difference between actual and expected experience	Changes in assumptions	Benefit Payments	Net change in total OPEB liability	Total OPEB liability - beginning	Total OPEB liability - ending	Covered-employee payroll	Total OPEB liability as a percentage of covered payroll
6/30/2020	6/30/2020	\$ 523,492	\$ 974,752	\$ (1,150,137)	\$ 2,701,611	\$ (753,859)	\$ 2,295,859	\$28,226,975	\$30,522,834	\$11,518,774	264.98%
6/30/2019	6/30/2019	407,122	849,393	(302,201)	4,169,180	(720,845)	4,402,649	23,824,326	28,226,975	11,075,744	254.85%
6/30/2018	6/30/2018	350,004	893,950	(708,964)	-	(1,055,403)	(520,413)	24,344,739	23,824,326	10,342,489	230.35%

Notes to Schedule:

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

There are no assets accumulated in a trust that meets the criteria of paragraph 4 of GASB 75 for this OPEB plan.

Benefit Changes

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

Changes of Assumptions

For fiscal year 2019, the mortality rates were changed from based on RP-2000 Table to the RP-2014 Table.

The changes in assumptions balance was a result of changes in the discount rate, and change in the assured commenced of benefits. The following are the discount rates used for in each measurement of total OPEB liability:

Measurement Date	Rate	Change
6/30/2020	2.21%	-1.29%
6/30/2019	3.50%	-0.12%
6/30/2018	3.62%	0.12%
6/30/2017	3.50%	

The commencement of benefits changes for 3 years from eligibility for retirement benefits to 5 years.

WEST FELICIANA PARISH SCHOOL BOARD
ST. FRANCISVILLE, LOUISIANA

SCHEDULE OF SCHOOL BOARD'S PROPORTIONATE SHARE OF THE NET PENSION
LIABILITY FOR THE RETIREMENT SYSTEMS
FOR THE YEAR ENDED JUNE 30, 2020 (*)

<u>Pension Plan</u>	<u>Year</u>	<u>Employer's Proportion of the Net Pension Liability (Asset)</u>	<u>Employer's Proportionate Share of the Net Pension Liability (Asset)</u>	<u>Employer's Covered Payroll</u>	<u>Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll</u>	<u>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</u>
TRSL	2020	0.3343%	\$ 33,181,876	\$ 15,969,610	207.7814%	68.57%
	2019	0.3363%	33,049,665	15,179,131	217.7309%	68.20%
	2018	0.3394%	34,789,950	14,933,126	232.9716%	65.60%
	2017	0.3069%	36,025,625	14,019,472	256.9685%	59.90%
	2016	0.3257%	35,018,339	14,047,301	249.2887%	62.50%
	2015	0.3287%	33,594,890	14,376,425	233.6804%	63.70%
LSERS	2020	0.4227%	2,958,867	1,234,905	239.6028%	73.49%
	2019	0.3795%	2,535,808	1,137,138	222.9991%	74.44%
	2018	0.3917%	2,506,639	1,138,350	220.1993%	75.03%
	2017	0.3794%	2,862,227	1,079,873	265.0522%	70.09%
	2016	0.4183%	2,652,344	1,134,968	233.6933%	74.49%
	2015	0.4705%	2,727,320	1,320,472	206.5413%	76.18%
LASERS	2020	0.0106%	766,150	40,926	1,872.0373%	62.90%
	2019	0.0021%	143,491	41,122	348.9397%	64.30%
	2018	0.0020%	141,058	38,907	362.5517%	62.50%
	2017	0.0010%	74,678	20,287	368.1077%	57.70%
	2016	0.0025%	171,126	45,140	379.1006%	62.70%
	2015	0.0051%	320,773	79,703	402.4604%	65.00%

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

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

WEST FELICIANA PARISH SCHOOL BOARD
ST. FRANCISVILLE, LOUISIANA

SCHEDULE OF EMPLOYER CONTRIBUTIONS TO THE RETIREMENT SYSTEMS
FOR THE YEAR ENDED JUNE 30, 2020

Pension Plan	Year	Contractually Required Contribution ¹	Contributions in Relation to Contractually Required Contribution ²	Contribution Deficiency (Excess)	Employer's Covered Payroll ³	Contributions as a % of Covered Payroll
TRSL	2020	\$ 4,364,251	\$ 4,364,251	\$ -	\$ 16,825,418	25.9384%
	2019	4,261,235	4,261,235	-	15,969,610	26.6834%
	2018	4,030,024	4,030,024	-	15,179,131	26.5498%
	2017	3,824,820	3,824,820	-	14,933,126	25.6130%
	2016	3,697,321	3,697,321	-	14,019,472	26.3728%
	2015	3,939,399	3,939,399	-	14,047,301	28.0438%
LSERS	2020	383,827	383,827	-	1,305,376	29.4036%
	2019	345,854	345,854	-	1,234,905	28.0065%
	2018	313,853	313,853	-	1,137,138	27.6003%
	2017	310,780	310,780	-	1,138,350	27.3009%
	2016	325,709	325,709	-	1,079,873	30.1618%
	2015	374,388	374,388	-	1,134,968	32.9867%
LASERS	2020	22,516	22,516	-	55,322	40.6999%
	2019	15,511	15,511	-	40,926	37.9001%
	2018	15,716	15,716	-	41,122	38.2180%
	2017	13,929	13,929	-	38,907	35.8008%
	2016	7,516	7,516	-	20,287	37.0484%
	2015	17,812	17,812	-	45,140	39.4595%

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

For reference only:

¹ Employer contribution rate multiplied by employer's covered payroll

² Actual employer contributions remitted to retirement systems

³ Employer's covered payroll amount for the fiscal year ended June 30 of each year

WEST FELICIANA PARISH SCHOOL BOARD
ST. FRANCISVILLE, LOUISIANA

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2020

Changes of Benefit Terms include:

Teachers Retirement System of Louisiana

2016 - Act 93 of the 2016 provides for a 1.5% permanent benefit increase on the first \$60,000 of a recipient's benefit for eligible members effective 7/1/16 for those retired on or before 6/30/15 who are at least the age of 60.

Louisiana School Employees Retirement System

2016 - Act 93 of the 2016 provides for an up to 2.0% COLA on the first \$60,000 of a recipient's benefit for eligible members effective 7/1/16.

Louisiana State Employees' Retirement System

2016 - Act 93 of the 2016 provides for a 1.5% permanent benefit increase on the first \$60,000 of a recipient's benefit for eligible members effective 7/1/16 for those retired on or before 6/30/15 who are at least the age of 60.

2016 - The Harbor Police Retirement System transferred into LASERS in 2016 that resulted in a change in benefit terms.

WEST FELICIANA PARISH SCHOOL BOARD
ST. FRANCISVILLE, LOUISIANA

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2020

Changes of Assumptions

Discount
Rate:

Year (*)	Rate	Change
TRSL		
2019	7.550%	-0.100%
2018	7.650%	-0.050%
2017	7.700%	-0.050%
2016	7.750%	0.000%
2015	7.750%	
 LSERS		
2019	7.000%	-0.0625%
2018	7.0625%	-0.0625%
2017	7.125%	0.000%
2016	7.125%	0.125%
2015	7.000%	
 LASERS		
2019	7.600%	-0.050%
2018	7.650%	-0.050%
2017	7.700%	-0.050%
2016	7.750%	0.000%
2015	7.750%	

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

WEST FELICIANA PARISH SCHOOL BOARD
ST. FRANCISVILLE, LOUISIANA

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2020

Changes of Assumptions (continued)

Inflation		
Rate:		
<u>Year (*)</u>	<u>Rate</u>	<u>Change</u>
TRSL		
2019	2.500%	0.000%
2018	2.500%	0.000%
2017	2.500%	0.000%
2016	2.500%	0.000%
2015	2.500%	
LSERS		
2019	2.500%	0.000%
2018	2.500%	-0.125%
2017	2.625%	0.000%
2016	2.625%	-0.125%
2015	2.750%	
LASERS		
2019	2.500%	-0.250%
2018	2.750%	0.000%
2017	2.750%	-0.250%
2016	3.000%	0.000%
2015	3.000%	

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

WEST FELICIANA PARISH SCHOOL BOARD
ST. FRANCISVILLE, LOUISIANA

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2020

Changes of Assumptions (continued)

Salary Increases:

<u>Year (*)</u>	<u>Range</u>
TRSL	
2019	3.300% to 4.800%
2018	3.300% to 4.800%
2017	3.500% to 10.00%
2016	3.500% to 10.00%
2015	3.500% to 10.00%
LSERS	
2019	3.250%
2018	3.250%
2017	3.075% to 5.375%
2016	3.200% to 5.500%
2015	3.200% to 5.500%
LASERS	
2019	2.800% to 14.000%
2018	2.800% to 14.300%
2017	2.800% to 14.300%
2016	3.000% to 14.500%
2015	3.000% to 14.500%

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

WEST FELICIANA PARISH SCHOOL BOARD
ST. FRANCISVILLE, LOUISIANA

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2020

Changes of Assumptions (continued)

Mortality table:

TRSL

2019 – No Changes

2018 – Active members – RP-2014 White Collar Employee tables, adjusted by 1.010 for males and by 0.997 for females.

Non-Disabled retiree/inactive members – RP-2014 White Collar Healthy Annuitant tables, adjusted by 1.366 for males and by 1.189 for females.

Disability retiree mortality – RP-2014 Disability tables, adjusted by 1.111 for males and by 1.134 for females.

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.

2017 – Mortality rates were projected based on the RP-2000 Mortality Table with projection to 2025 using Scale AA.

LSERS

2019 – No Changes

2018 – RP-2014 Healthy Annuitant, Sex Distinct Employee, Sex Distinct Disabled Tables

2017 – RP-2000 Sex Distinct Mortality and Disabled Lives Mortality Tables

LASERS

2019 – Non-disabled members - Mortality rates were based on the RP-2014 Healthy Mortality Table with mortality improvement projected using the MP-2018 Mortality Improvement Scale, applied on a fully generational basis.

Disabled members – Mortality rates based on the RP-2000 Disabled Retiree Mortality Table, with no projection for mortality improvement.

2018 – No Changes

2017 – Non-disabled members - Mortality rates based on the RP-2000 Combined Healthy Mortality Table with mortality improvement.

Disabled members – Mortality rates based on the RP-2000 Disabled Retiree Mortality Table, with no projection for mortality improvement.

WEST FELICIANA PARISH SCHOOL BOARD
ST. FRANCISVILLE, LOUISIANA

NON-MAJOR GOVERNMENTAL FUND DESCRIPTIONS

School Food Service

The School Food Service fund includes lunch and breakfast and is used to account for the operations of the school food service programs in the parish school system during the regular school term. The basic goals of the school food service programs are to serve nutritionally adequate, attractive and moderately priced meals, to help children grow socially and emotionally, to extend educational influences to the homes of school children, and to provide learning experiences that will improve children's food habits with the ultimate goal of physically fit adults.

Julius Freyhan

The Julius Freyhan fund accounts for funding used to restore the Julius Freyhan building as a community center and as a museum of early West Feliciana Parish education.

Title I

Title I includes programs primarily in the areas of reading and math. These programs strive to meet the special needs of economically and educationally deprived children through federal funding for teachers, aids, instructional materials, equipment and parental involvement.

iSpeak

The purpose of this program is to improve efforts to reduce violent crime through the creation of school threat assessment teams and the use of technology for anonymously reporting suspicious activity as it relates to violence in schools.

Special Education - IDEA B

IDEA B (Individuals with Disabilities Educational Act - Part B) is a federally funded program designed to assist states in providing free, appropriate education to all handicapped children from 3 to 21 years of age in the least restrictive environment.

Head Start

The objectives of the Head Start Program are to provide comprehensive health, educational, nutritional, social and other services primarily to economically disadvantaged preschool children so that the children will attain overall social competence. Parents also participate in various decision-making processes related to the operation of the program.

Title II

Title II is a federally funded program to provide financial assistance to improve the skills of teaching and instruction in mathematics, science, computer learning, and foreign languages; and increase the access of all students to this instruction.

WEST FELICIANA PARISH SCHOOL BOARD
ST. FRANCISVILLE, LOUISIANA

NON-MAJOR GOVERNMENTAL FUND DESCRIPTIONS

Carl Perkins

Carl Perkins is a federally funded program restricted to expenditures for salaries, supplies, and equipment to be used in vocational education programs.

Cohort 2

The Cohort 2 program will implement the five strategies outlined in the Early Childhood Care and Education Network- Roadmap. The ultimate goal of the Early Childhood and Education Network is to prepare children for Kindergarten.

Direct Student Services

Direct Student Services supports individualized academic services to improve student achievement.

Get Ready Cohort

The Get Ready Cohort strengthens early childhood care and education system by formalizing local governance for community networks. Participating leading agencies will use this funding to support the development of Ready Start activity in their community.

Strong Start

The Strong Start grant, also known as the Elementary and Secondary School Emergency Relief Fund (ESSER Fund), is federally awarded by the Department of Education to State educational agencies for the purpose of providing local educational agencies, including charter schools, with emergency relief funds to address the impact that Novel Coronavirus Disease 2019 (COVID-19) has had, and continues to have on elementary and secondary schools across the nation.

Title IV SSAE

The program intends to improve student academic achievement by increasing the capacity of local education agencies to provide all students with access to a well-rounded education; improve school conditions for student learning; and improve the use of technology to improve the academic and digital literacy of all students.

Debt Service

This fund accumulates funds for the payment of the 2019 general obligation limited tax revenue bonds.

Team Nutrition

The goal of the program is to improve children's lifelong eating and physical activity habits by using the principles of the Dietary Guidelines for Americans and the USDA Food Guidance System.

WEST FELICIANA PARISH SCHOOL BOARD
ST. FRANCISVILLE, LOUISIANA

NON-MAJOR GOVERNMENTAL FUNDS-
COMBINING BALANCE SHEET

June 30, 2020

	<u>School Food Service</u>	<u>Julius Freyhan</u>	<u>Title I</u>	<u>iSpeak</u>
<u>Assets</u>				
Cash and cash equivalents	\$ 31,821	\$ 255,530	\$ 1,281	\$ -
Receivables	-	-	53,251	701
Due from other funds	-	-	-	-
Investments	-	-	-	-
Inventory	51,212	-	-	-
	<u>51,212</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	<u>\$ 83,033</u>	<u>\$ 255,530</u>	<u>\$ 54,532</u>	<u>\$ 701</u>
 <u>Liabilities and Fund Balances</u>				
Liabilities:				
Accounts payable and accrued expenses	\$ 65,283	\$ -	\$ 21,505	\$ -
Unearned revenues	9,444	-	-	-
Due to other funds	8,306	-	33,027	701
	<u>83,033</u>	<u>-</u>	<u>54,532</u>	<u>701</u>
Total liabilities	<u>83,033</u>	<u>-</u>	<u>54,532</u>	<u>701</u>
Fund balances:				
Nonspendable	51,212	-	-	-
Spendable:				
Restricted	-	255,530	-	-
Unassigned (deficit)	(51,212)	-	-	-
	<u>-</u>	<u>255,530</u>	<u>-</u>	<u>-</u>
Total fund balances	<u>-</u>	<u>255,530</u>	<u>-</u>	<u>-</u>
Total liabilities and fund balances	<u>\$ 83,033</u>	<u>\$ 255,530</u>	<u>\$ 54,532</u>	<u>\$ 701</u>

(continued)

<u>Special Education</u>	<u>Head Start</u>	<u>Title II</u>	<u>Carl Perkins</u>
\$ 1,153	\$ -	\$ -	-
73,150	18,259	36,765	4,015
-	82,192	-	-
-	-	-	-
-	-	-	-
<u>\$ 74,303</u>	<u>\$ 100,451</u>	<u>\$ 36,765</u>	<u>\$ 4,015</u>
16,454	\$ 100,593	\$ 8,332	\$ 35
-	-	-	-
<u>57,849</u>	<u>-</u>	<u>28,433</u>	<u>3,980</u>
<u>74,303</u>	<u>100,593</u>	<u>36,765</u>	<u>4,015</u>
-	-	-	-
-	-	-	-
<u>-</u>	<u>(142)</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>(142)</u>	<u>-</u>	<u>-</u>
<u>\$ 74,303</u>	<u>\$ 100,451</u>	<u>\$ 36,765</u>	<u>\$ 4,015</u>

(continued)

WEST FELICIANA PARISH SCHOOL BOARD
ST. FRANCISVILLE, LOUISIANA

NON-MAJOR GOVERNMENTAL FUNDS-
COMBINING BALANCE SHEET

June 30, 2020

	<u>Cohort 2</u>	<u>Direct Student Services</u>	<u>Get Ready Cohort</u>	<u>Strong Start</u>
<u>Assets</u>				
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -
Receivables	413	-	487	253,281
Due from other funds	-	-	-	-
Investments	-	-	-	-
Inventory	-	-	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total assets	<u>\$ 413</u>	<u>\$ -</u>	<u>\$ 487</u>	<u>\$ 253,281</u>
 <u>Liabilities and Fund Balances</u>				
Liabilities:				
Accounts payable and accrued expenses	\$ -	\$ -	\$ -	\$ -
Unearned revenues	-	-	-	-
Due to other funds	413	-	487	253,281
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total liabilities	<u>413</u>	<u>-</u>	<u>487</u>	<u>253,281</u>
 Fund Balances:				
Nonspendable	-	-	-	-
Spendable:				
Restricted	-	-	-	-
Unassigned (deficit)	-	-	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total fund balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total liabilities and fund balances	<u>\$ 413</u>	<u>\$ -</u>	<u>\$ 487</u>	<u>\$ 253,281</u>

(continued)

<u>Title IV SSAE</u>	<u>Debt Service</u>	<u>Team Nutrition</u>	<u>Total</u>
\$ -	\$ 1,008,696	\$ -	\$ 1,298,481
407	2,220	142	443,091
-	-	-	82,192
-	-	-	-
-	-	-	51,212
<u>\$ 407</u>	<u>\$ 1,010,916</u>	<u>\$ 142</u>	<u>\$ 1,874,976</u>
\$ -	\$ -	\$ -	\$ 212,202
-	-	-	9,444
407	-	142	387,026
<u>407</u>	<u>-</u>	<u>142</u>	<u>608,672</u>
-	-	-	51,212
-	1,010,916	-	1,266,446
-	-	-	(51,354)
<u>-</u>	<u>1,010,916</u>	<u>-</u>	<u>1,266,304</u>
<u>\$ 407</u>	<u>\$ 1,010,916</u>	<u>\$ 142</u>	<u>\$ 1,874,976</u>

WEST FELICIANA PARISH SCHOOL BOARD
ST. FRANCISVILLE, LOUISIANA

NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2020

	School Food Service	Julius Freyhan	Title I	iSpeak	Special Education	Head Start	Title II
Revenues							
Local sources:							
Food sales	\$ 31,775	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Ad valorem taxes	-	-	-	-	-	-	-
Earnings on investments	-	1,127	-	-	-	-	-
Other	-	-	-	-	-	-	-
State sources:							
Unrestricted grants-in-aid	83,968	-	-	-	-	-	-
Federal sources:							
Restricted grants-in-aid - direct	-	-	-	79,027	-	970,021	-
Restricted grants-in-aid - subgrants	865,136	-	373,916	-	445,462	-	114,811
Commodities	100,221	-	-	-	-	-	-
Total revenues	<u>1,081,100</u>	<u>1,127</u>	<u>373,916</u>	<u>79,027</u>	<u>445,462</u>	<u>970,021</u>	<u>114,811</u>
Expenditures							
Current:							
Instruction:							
Regular education programs	-	-	64,910	-	-	-	68,174
Special education programs	-	-	-	-	234,003	-	-
Other education programs	-	-	154,563	-	3,760	691,622	-
Support services:							
Pupil support services	-	-	-	-	26,325	-	-
Instructional staff services	-	-	83,440	-	141,668	238,263	36,241
General administration	-	-	-	-	-	-	-
School administration	-	-	-	-	-	2,064	-
Business and central services	-	-	37,146	-	56	-	-
Plant operation and maintenance	-	-	-	79,027	-	71,395	-
Transportation	-	-	-	-	-	10,784	-
Non-Instructional Services:							
School food service	1,299,516	-	-	-	-	-	-
Debt Service:							
Principal retirement	-	-	-	-	-	-	-
Interest and bank charges	-	-	-	-	-	-	-
Total expenditures	<u>1,299,516</u>	<u>-</u>	<u>340,059</u>	<u>79,027</u>	<u>405,812</u>	<u>1,014,128</u>	<u>104,415</u>
Excess (deficiency) of revenues over expenditures	<u>(218,416)</u>	<u>1,127</u>	<u>33,857</u>	<u>-</u>	<u>39,650</u>	<u>(44,107)</u>	<u>10,396</u>
Other financing sources (uses)							
Operating transfers out	-	-	(33,857)	-	(40,803)	(102,342)	(10,396)
Operating transfers in	218,416	-	-	-	1,153	146,449	-
Total other sources (uses)	<u>218,416</u>	<u>-</u>	<u>(33,857)</u>	<u>-</u>	<u>(39,650)</u>	<u>44,107</u>	<u>(10,396)</u>
Changes in fund balance	-	1,127	-	-	-	-	-
Fund balances at beginning of year, restated	-	254,403	-	-	-	(142)	-
Fund balance at end of year	<u>\$ -</u>	<u>\$ 255,530</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (142)</u>	<u>\$ -</u>

(Continued)

Carl Perkins	Cohort 2	Direct Student Services	Get Ready Cohort	Strong Start	Title IV SSAE	Debt Service	Team Nutrition	Total
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 31,775
-	-	-	-	-	-	2,192,386	-	2,192,386
-	-	-	-	-	-	-	-	1,127
-	-	-	-	-	-	1,956	-	1,956
-	-	-	-	-	-	-	-	83,968
-	-	-	-	-	-	-	-	1,049,048
21,723	3,709	12,252	18,609	253,281	23,443	-	5,039	2,137,381
-	-	-	-	-	-	-	-	100,221
<u>21,723</u>	<u>3,709</u>	<u>12,252</u>	<u>18,609</u>	<u>253,281</u>	<u>23,443</u>	<u>2,194,342</u>	<u>5,039</u>	<u>5,597,862</u>
-	-	-	-	253,281	-	-	-	386,365
-	-	-	-	-	-	-	-	234,003
19,033	296	11,143	15,609	-	21,321	-	-	917,347
-	-	-	-	-	-	-	-	26,325
2,690	3,077	-	2,310	-	-	-	77	507,766
-	-	-	-	-	-	70,566	-	70,566
-	-	-	-	-	-	-	-	2,064
-	-	-	-	-	-	-	-	37,202
-	-	-	-	-	-	-	-	150,422
-	-	-	-	-	-	-	-	10,784
-	-	-	-	-	-	-	4,507	1,304,023
-	-	-	-	-	-	550,000	-	550,000
-	-	-	-	-	-	562,860	-	562,860
<u>21,723</u>	<u>3,373</u>	<u>11,143</u>	<u>17,919</u>	<u>253,281</u>	<u>21,321</u>	<u>1,183,426</u>	<u>4,584</u>	<u>4,759,727</u>
-	336	1,109	690	-	2,122	1,010,916	455	838,135
-	(336)	(1,109)	(690)	-	(2,122)	-	(455)	(192,110)
-	-	-	-	-	-	-	-	366,018
-	<u>(336)</u>	<u>(1,109)</u>	<u>(690)</u>	<u>-</u>	<u>(2,122)</u>	<u>-</u>	<u>(455)</u>	<u>173,908</u>
-	-	-	-	-	-	1,010,916	-	1,012,043
-	-	-	-	-	\$ -	-	-	254,261
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,010,916</u>	<u>\$ -</u>	<u>\$ 1,266,304</u>

(Concluded)

WEST FELICIANA PARISH SCHOOL BOARD
ST. FRANCISVILLE, LOUISIANA

SCHEDULE OF BOARD MEMBERS' COMPENSATION

FOR THE YEAR ENDED JUNE 30, 2020

Milton Coats, President	\$ 4,800
Sara Wilson-Rogers	4,200
Amanda McKinney	4,200
Kelly O'Brien	4,200
Helen W. Whitfield	4,200
Angelia Norwood	4,200
Scotty Owens	<u>4,200</u>
Total	\$ <u>30,000</u>

WEST FELICIANA PARISH SCHOOL BOARD
ST. FRANCISVILLE, LOUISIANA

SCHEDULE OF COMPENSATION, BENEFITS, AND OTHER PAYMENTS
TO THE SUPERINTENDENT

FOR THE YEAR ENDED JUNE 30, 2020

Superintendent Name: Hollis G. Milton

Salary	\$ 158,000
Benefits-insurance	4,891
Benefits-life insurance	59
Benefits-retirement	41,080
Benefits-medicare	2,362
Car allowance	9,600
Reimbursements	1,426
Registration and conference fees	<u>3,238</u>
	<u>\$ 220,656</u>

**INDEPENDENT AUDITORS' 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**

The Members of the West Feliciana
Parish School Board
St. Francisville, 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 West Feliciana Parish School Board (the School Board), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the School Board's basic financial statements and have issued our report thereon dated January 25, 2021.

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) as a basis for designing 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 have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2020-001 that we consider to be a significant deficiency.

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 matters 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 2020-001.

The School Board's Response to Finding

The School Board's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The School Board's response was not subjected to the 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 School Board'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 School Board's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Postlethwaite & Netterville

Baton Rouge, Louisiana
January 25, 2021

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

The Members of the West Feliciana
Parish School Board
St. Francisville, Louisiana

Report on Compliance for Each Major Federal Program

We have audited West Feliciana Parish School Board's (the School Board) compliance with the types of compliance requirements described 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, 2020. The School Board's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of federal statutes, regulations, and the terms and conditions of its federal awards applicable to its major federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the School Board's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; 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). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the School Board's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the School Board's compliance.

Opinion on Each Major Federal Program

In our opinion, the 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, 2020.

Report on Internal Control over Compliance

Management of the School Board is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the School Board's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program 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 internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the School Board's 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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.

Postlethwaite & Netterville

Baton Rouge, Louisiana
January 25, 2021

WEST FELICIANA PARISH SCHOOL BOARD
ST. FRANCISVILLE, LOUISIANA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2020

<u>Federal Grantor/ Pass-Through Grantor/ Program Name</u>	<u>Grantor Project Number</u>	<u>CFDA Number</u>	<u>Expenditures 2020</u>
<u>UNITED STATES DEPARTMENT OF AGRICULTURE</u>			
CHILD NUTRITION CLUSTER			
Passed through Louisiana Department of Agriculture and Forestry - Food Distribution (Commodities)	N/A	10.555 \$	100,221
Passed through Louisiana Department of Education:			
National School Breakfast Program	LDE/103-63	10.553	192,322
National School Lunch Program	LDE/103-63	10.555	616,304
Summer Food Service Program for Children	LDE/103-63	10.559	<u>3,289</u>
TOTAL CHILD NUTRITION CLUSTER			912,136
Passed through Louisiana Department of Education:			
Child and Adult Care Food Program - Dinner Feeding	05-SFS-103	10.558	53,221
Team Nutrition Mini Grant	28-19-TN-63	10.574	<u>5,039</u>
TOTAL UNITED STATES DEPARTMENT OF AGRICULTURE			<u>970,396</u>
<u>UNITED STATES DEPARTMENT OF EDUCATION</u>			
SPECIAL EDUCATION (IDEA) CLUSTER			
Special Education Grants to States			
Passed through Louisiana Department of Education:			
Individuals with Disabilities Educational Act - Part B	28-20-B1-63	84.027A	<u>435,580</u>
Total Special Education Grants to States			<u>435,580</u>
Special Education Preschool Grants			
IDEA B - Preschool	28-20-P1-63	84.173A	<u>9,882</u>
Total Special Education - Preschool Grants			<u>9,882</u>
TOTAL SPECIAL EDUCATION CLUSTER (IDEA)			445,462
Passed through Louisiana Department of Education:			
Title I - Grants to Local Educational Agencies	28-20-T1-63	84.010A	373,916
Direct Student Services - Title I	28-20-DSS-63	84.010A	12,252
Carl Perkins Grant	28-20-02-63	84.048A	21,723
Title IV - ESEA, as amended by ESSA	28-20-71-63	84.424A	23,443
Title II - Part A, Supporting Effective Instruction State Grants	28-20-50-63	84.367A	114,811
COVID-19 Cares Act: Strong Start	28-20-ESRF-63	84.425D	<u>253,281</u>
TOTAL UNITED STATES DEPARTMENT OF EDUCATION			<u>1,244,888</u>
<u>UNITED STATES DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>			
Administration for Children, Youth, and Families - Head Start - (Direct Funding)	06CH10137-04-00	93.600	<u>970,021</u>
TOTAL HEAD START CLUSTER			970,021
Passed through Louisiana Department of Education:			
Child Care and Development Block Grant - Early Childhood Network Pilots	28-19-CO-63	93.575	<u>3,709</u>
TOTAL CHILD CARE AND DEVELOPMENT FUND (CCDF) CLUSTER			3,709
Passed through Louisiana Department of Education:			
Every Student Succeeds Act/Preschool	28-19-GRC-63	93.434	<u>18,609</u>
TOTAL UNITED STATES DEPARTMENT OF HEALTH AND HUMAN SERVICES			<u>992,339</u>
<u>UNITED STATES DEPARTMENT OF JUSTICE</u>			
iSpeak (internet Safety Prevention Educational Anonymous Kibitz) - (Direct Funding)	2018-YS-BX-0027	16.839	<u>79,027</u>
<u>UNITED STATES DEPARTMENT OF DEFENSE</u>			
ROTC - Navy Junior Reserve Officers Training Program - (Direct Funding)	WF-101-63	12.XXX	<u>50,153</u>
Total Expenditures of Federal Awards			<u>\$ 3,336,803</u>

WEST FELICIANA PARISH SCHOOL BOARD
ST. FRANCISVILLE, LOUISIANA

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2020

NOTE A – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of West Feliciana Parish School Board and is presented on the modified 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* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

NOTE B – FOOD DISTRIBUTION

Nonmonetary assistance is reported in the schedule at the fair market value of the commodities received and disbursed. At June 30, 2020, the organization had food commodities totaling \$19,987 in inventory. The value of commodities received and used during the period ended June 30, 2020 totaled \$100,221.

NOTE C – DE MINIMUS COST RATE

During the year ended June 30, 2020, the West Feliciana Parish School Board did not elect to use the 10% de minimus cost rate as covered in §200.414 of the Uniform Guidance.

NOTE D – AMOUNTS PASSED THROUGH TO SUBRECIPIENTS

During the year ended June 30, 2020, the West Feliciana Parish School Board did not pass through any federal funding to subrecipients.

NOTE E – RECONCILIATION TO THE BASIC FINANCIAL STATEMENTS

Reconciliation of the Schedule of Expenditures of Federal Awards (SEFA) to the Financial Statements

Federal Restricted Grants-in-aid-direct	\$ 1,099,201
Federal Restricted Grants-in-aid-subgrants	2,137,381
Commodities	<u>100,221</u>
Total Federal Expenditures - SEFA	<u>\$ 3,336,803</u>

WEST FELICIANA PARISH SCHOOL BOARD
ST. FRANCISVILLE, LOUISIANA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

A. SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditors' report issued: Unmodified

- Material weakness(es) identified? _____ yes x no
- Significant deficiencies identified that are not considered to be material weaknesses? x yes _____ none reported

Noncompliance material to financial statements noted?

 x yes _____ no

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? _____ yes x no
- Significant deficiencies identified that are not considered to be material weaknesses? _____ yes x none reported

Type of auditors' report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR §200.516(a)?

_____ yes x no

Identification of major programs:

CFDA Numbers

10.553, 10.555, 10.559

Name of Federal Program or Cluster

Child Nutrition Cluster

- The threshold for distinguishing types A & B programs was program expenditures exceeding \$750,000.
- The West Feliciana Parish School Board qualified as a low-risk auditee.

WEST FELICIANA PARISH SCHOOL BOARD
ST. FRANCISVILLE, LOUISIANA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

B. Findings – Financial Statement Audit

2020-001

Pledged Collateral for Deposits

Criteria: According to Louisiana state law, deposits over the Federal Deposit Insurance Corporation's (FDIC) allowed limit must be secured by securities owned by the local bank and pledged to the local government as collateral.

Condition: The School Board's deposits at the financial institution exceeded the FDIC coverage limit combined with pledged securities and were under collateralized by \$9,254,571. The School Board does not have a process in place to monitor adherence to the state law requirement.

Cause: Letters of credit expired and were not renewed prior to June 30, 2020. Therefore, the deposits were not secured by pledged securities as required by State law.

Effect: The School Board's deposits were uncollateralized resulting in a violation of Louisiana law.

Recommendation: Management should obtain written evidence of the local bank's compliance with deposit collateral requirements on a monthly basis.

View of Responsible Official and Planned Corrective Action:

Rather than depend solely on the Bank to meet compliance with deposit collateral requirements, management will track the expiration and amounts of pledged collateral to be sure pledges meet minimum amount and that documentation on all letters of credit renewals are received on or before the expiration date to ensure compliance.

C. Findings and Questioned Costs – Major Federal Award Programs

None.

WEST FELICIANA PARISH SCHOOL BOARD
ST. FRANCISVILLE, LOUISIANA

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

B. Findings – Financial Statement Audit

None.

C. Findings and Questioned Costs – Major Federal Award Programs

None.

**Independent Accountants' Report
On Applying Agreed-Upon Procedures**

To the Members of the
West Feliciana Parish School Board,
and the Louisiana Legislative Auditor

We have performed the procedures enumerated below, which were agreed to by the West Feliciana Parish School Board and the Louisiana Legislative Auditor (the specified parties), on the performance and statistical data accompanying the annual financial statements of the West Feliciana Parish School Board for the fiscal year ended June 30, 2020 in order to determine whether the specified schedules are free of obvious errors and omissions as provided by the Board of Elementary and Secondary Education (BESE) Bulletin, in compliance with Louisiana Revised Statute 24:514 I. Management of the West Feliciana Parish School Board is responsible for its performance and statistical data. The sufficiency of these procedures is solely the responsibility of the specified parties. Consequently, we make no representation regarding the sufficiency of the procedures enumerated below either for the purpose for which this report has been requested or for any other purpose.

The procedures and associated findings are as follows:

**General Fund Instructional and Support Expenditures and Certain Local Revenue Sources
(Schedule 1)**

1. We selected a sample of 25 transactions, reviewed supporting documentation, and observed that the sampled expenditures/revenues are classified correctly and are reported in the proper amounts among 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
 - Nonpublic Transportation Revenue

No differences noted.

Class Size Characteristics (Schedule 2)

2. We obtained a list of classes by school, school type, and class size as reported on the schedule. We then traced a 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.

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 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 was properly classified on the PEP data (or equivalent listing prepared by management).

No differences noted.

Experience of Public Principals, Assistant Principals, and Full-time Classroom Teachers (NO SCHEDULE)

4. We obtained October 1st PEP data submitted to the Department of Education (or equivalent listing prepared by management), of full-time teachers, principals, and assistant principals by classification and obtained management's representation that the data/listing was complete. We traced the same sample used in procedure 3 to the individual's personnel file and observed that each individual's 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)

5. 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.

This agreed-upon procedures engagement was performed 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, 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.

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 West Feliciana Parish School Board as required by Louisiana Revised Statute 24:514.I, and the results 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.



Baton Rouge, Louisiana
January 25, 2021

WEST FELICIANA PARISH SCHOOL BOARD
ST FRANCISVILLE, LOUISIANA

Schedules Required by State Law (R.S. 24:514 - Performance Measurement Data)

As of and for the Year Ended June 30, 2020

Schedule 1 – General Fund Instructional and Support Expenditures and Certain Local Revenue Sources

This schedule includes general fund instructional and equipment expenditures. It also contains local taxation revenue, earnings on investments, revenue in lieu of taxes, and nonpublic textbook and transportation revenue. This data is used either in the Minimum Foundation Program (MFP) formula or is presented annually in the MFP 70% Expenditure Requirement Report.

Schedule 2 (Formerly Schedule 6) Class Size Characteristics

This schedule includes the percent and number of classes with student enrollment in the following ranges: 1-20, 21-26, 27-33, and 34+ students.

WEST FELICIANA PARISH SCHOOL BOARD

PERFORMANCE MEASUREMENT DATA

**West Feliciana Parish School Board
 General Fund Instructional and Support Expenditures
 and Certain Local Revenue Sources
 For the Year Ended June 30, 2020**

Schedule 1

	<u>Column A</u>	<u>Column B</u>
<u>General Fund Instructional and Equipment Expenditures</u>		
General Fund Instructional Expenditures:		
Teacher and Student Interaction Activities:		
Classroom Teacher Salaries	\$10,117,879	
Other Instructional Staff Activities	961,322	
Instructional Staff Employee Benefits	4,406,081	
Purchased Professional and Technical Services	354,850	
Instructional Materials and Supplies	597,449	
Instructional Equipment	421,880	
Total Teacher and Student Interaction Activities		<u>\$16,859,461</u>
Other Instructional Activities		<u>446,357</u>
Pupil Support Activities	1,402,079	
Less: Equipment for Pupil Support Activities	-	
Net Pupil Support Activities		<u>1,402,079</u>
Instructional Staff Services	1,683,614	
Less: Equipment for Instructional Staff Services	-	
Net Instructional Staff Services		<u>1,683,614</u>
School Administration Services	2,130,493	
Less: Equipment for School Administration Services	-	
Net School Administration Services		<u>2,130,493</u>
 Total General Fund Instructional Expenditures		 <u>\$ 22,522,004</u>
Total General Fund Equipment Expenditures		<u>\$ 421,880</u>
<u>Certain Local Revenue Sources</u>		
Local Taxation Revenue:		
Constitutional Ad Valorem Taxes	\$ 1,686,118	
Renewable Ad Valorem Tax	10,847,648	
Debt Service Ad Valorem Tax	2,192,386	
Up to 1% of Collections by the Sheriff on Taxes Other than School Taxes	304,377	
Sales and Use Taxes	7,572,800	
Total Local Taxation Revenue		<u>\$ 22,603,329</u>
Local Earnings on Investment in Real Property:		
Earnings from 16th Section Property	\$ -	
Earnings from Other Real Property	-	
Total Local Earnings on Investment in Real Property		<u>\$ -</u>
State Revenue in Lieu of Taxes:		
Revenue Sharing - Constitutional Tax	\$ 57,832	
Revenue Sharing - Other Taxes	-	
Revenue Sharing - Excess Portion	-	
Other Revenue in Lieu of Taxes	-	
Total State Revenue in Lieu of Taxes		<u>\$ 57,832</u>
Nonpublic Textbook Revenue	\$ -	
Nonpublic Transportation Revenue	-	
Total State Revenue for Non-public Education		<u>\$ -</u>

Schedule 2: Class Size Characteristics

Category	Class Size Range							
	1-20		21-26		27-33		34+	
	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Elementary	21%	10	77%	36	2%	1	0.0%	0
Elementary Activity Classes	33%	89	66%	176	1%	3	0.0%	0
Middle /Jr. High	91%	70	6%	5	3%	2	0.0%	0
Middle /Jr. High Activity Classes	68%	194	30%	84	2%	5	0.0%	0
High	69%	34	25%	12	6%	3	0.0%	0
High Activity Classes	70%	141	30%	60	0%	0	0.0%	0