

ST. BERNARD PARISH SCHOOL BOARD

Chalmette, Louisiana

COMPREHENSIVE
ANNUAL
FINANCIAL REPORT

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the audited, or reviewed, entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date _____
FOR THE FISCAL YEAR

July 1, 1998 - June 30, 1999

ST. BERNARD PARISH SCHOOL BOARD

Chalmette, Louisiana

**COMPREHENSIVE
ANNUAL
FINANCIAL REPORT**

For the Fiscal Year

July 1, 1998 - June 30, 1999

Prepared by the

Department of Business Operations

David Fernandez, Financial Manager



ST. BERNARD PARISH SCHOOL BOARD
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 1999

**TABLE OF
CONTENTS**

	<u>Exhibit</u>	<u>Page No.</u>
<u>INTRODUCTORY SECTION</u>		
Transmittal Letter		i
List of Principal Officials		xv
Organizational Chart		xvi
Certificate of Achievement for Excellence in Financial Reporting		xvii
Certificate of Excellence in Financial Reporting		xviii
<u>FINANCIAL SECTION</u>		
Independent Auditors' Report		1
General Purpose Financial Statements:		
Combined Balance Sheet - All Fund Types and Account Groups	1	3
Combined Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	2	5

	<u>Exhibit</u>	<u>Page No.</u>
Combined Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual (Adjusted to Budgetary Basis) - General and Special Revenue Funds	3	6
Combined Statement of Revenues, Expenses, and Changes in Retained Earnings/Fund Balance - Proprietary and Similar Trust Fund	4	7
Combined Statement of Cash Flows - Proprietary and Similar Trust Fund	5	8
Notes to the Combined Financial Statements		9
Required Supplementary Information:		
Year 2000 Disclosure		33
Combining Individual Funds and Account Group Financial Statements and Schedules:		
General Fund:		
Comparative Balance Sheet	A-1	35
Comparative Statement of Revenues, Expenditures, and Changes in Fund Balance	A-2	36
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual (Adjusted to Budgetary Basis)	A-3	37
Special Revenue Funds:		
Individual Fund Descriptions		38
Combining Balance Sheet	B-1	41
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances	B-2	44

	<u>Exhibit</u>	<u>Page No.</u>
Combining Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	B-3	48
Debt Service Funds:		
Individual Fund Descriptions		56
Combining Balance Sheet	C-1	57
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance	C-2	58
Capital Projects Fund:		
Combining Balance Sheet	D-1	59
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance	D-2	60
Internal Service Fund:		
Comparative Balance Sheet	E-1	61
Comparative Statement of Revenues, Expenses and Changes in Fund Equity	E-2	62
Comparative Statement of Cash Flows	E-3	63
Trust and Agency Funds:		
Individual Fund Descriptions		64
Combining Balance Sheet	F-1	66
Non-Expendable Trust Fund:		
Comparative Balance Sheet	F-2	68

	<u>Exhibit/ Table</u>	<u>Page No.</u>
Comparative Statement of Revenues, Expenses and Changes in Fund Balance	F-3	69
Comparative Statement of Cash Flows	F-4	70
Agency Funds:		
Combining Statement of Changes in Assets and Liabilities	F-5	71
Schedule of Changes in Deposit Balances By School - School Activity Fund	F-6	73
Schedule of Changes in Deposit Balances - Other Agency Funds	F-7	74
General Fixed Assets Account Group:		
Schedule of General Fixed Assets - By Source	G-1	76
Schedule of General Fixed Assets - By Function	G-2	77
Schedule of Changes in General Fixed Assets - By Function	G-3	78
Long-Term Debt Account Group:		
Schedule of Long-Term Debt	H-1	79

STATISTICAL SECTION (Unaudited)

General School System Expenditures by Function and Other Financing Uses - Governmental Fund Types	1	81
---	---	----

	<u>Table</u>	<u>Page No.</u>
General School System Revenue by Source and Other Financing Sources - Governmental Fund Types	2	83
Property Tax Levies and Collections	3	85
Assessed and Estimated Actual Value of Taxable Property	4	86
Property Tax Rates - All Direct and Overlapping Governments	5	88
Principal Property Taxpayers	6	90
Ratio of Net General Obligation Bonded Debt to Assessed Value and Net General Obligation Bonded Debt Per Capita	7	91
Sales Tax Bond Coverage	8	93
Ratio of Net Sales Tax Bonded Debt to Total Sales and Net Sales Tax Bonded Debt Per Capita	9	94
Computation of Legal Debt Margin	10	96
Computation of Direct and Underlying Bonded Debt - General Obligation Bonds	11	97
Ratio of Annual Debt Service Expenditures for General Obligation Bonded Debt to Total Expenditures - All Governmental Fund Types	12	98
Demographic Statistics	13	99
Property Value, Construction and Bank Deposits	14	101
Miscellaneous Statistics	15	103

	<u>Table/ Exhibit</u>	<u>Page No.</u>
Schedule of Compensation Paid to Board Members	16	104

SINGLE AUDIT SECTION

Independent Auditors' Report:

Report on Compliance and on Internal Control over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards		105
Report on Compliance with Requirements Applicable to each Major Program and Internal Control over Compliance in Accordance with OMB Circular A-133		107
Schedule of Expenditures of Federal Awards	I-1	109
Notes to Schedule of Expenditures of Federal Awards		111
Schedule of Findings and Questioned Costs		112

INTRODUCTORY SECTION



ST. BERNARD PARISH SCHOOL BOARD

October 15, 1999

To the Members of the St. Bernard Parish School Board and the Citizens of St. Bernard Parish, Louisiana:

DIANA B. DYSART
PRESIDENT
RONALD J. NICOSIA
VICE-PRESIDENT
FRANK P. AUDERER, JR.
SUPERINTENDENT
SECRETARY-TREASURER

MEMBERS:

HERMAN J. BONNETTE, SR.
DONALD D. CAMPBELL
HUGH C. CRAFT
DIANA B. DYSART
WILLIAM H. EGAN
CLIFFORD M. ENGLANDE
SHARON A. HANZO
JOE V. LONG, SR.
RONALD J. NICOSIA
JACQUES A. SANBORN
MAX L. SHANEYFELT

The Comprehensive Annual Financial Report of the St. Bernard Parish School Board for the fiscal year ended June 30, 1999, is herewith submitted. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the Financial Manager, the Assistant Superintendent, the Superintendent and the School Board. We believe the data presented is accurate in all material respects and is presented in a manner designed to fairly reflect the financial positions and results of operations of the various funds and account groups of the School Board. All disclosures necessary to gain maximum understanding of the School Board's financial activities have been included.

The Comprehensive Annual Financial Report consists of the following four sections:

- 1) The Introductory Section includes this letter of transmittal, a list of the School Board members and principal officials and the School Board's organizational chart.
- 2) The Financial Section includes the independent auditor's report, the general purpose financial statements, and the combining and individual fund and account group financial statements and schedules arranged by fund type.
- 3) The Statistical Section includes several tables providing a financial history of the School Board as well as demographics and other informative statistics.
- 4) The Single Audit Section includes the schedule of federal financial assistance and the independent auditor's reports on the internal control structure, compliance with applicable laws and regulations and schedule of findings and questioned costs. This

single audit is required in conformity with the provisions of the Single Audit Act of 1984 and U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments and Non-Profit Organizations.

The St. Bernard Parish School Board was created by Louisiana Revised Statute (LSA-R.S.) 17:51 to provide public education for the children within St. Bernard Parish. The School Board is authorized by LSA-R.S. 17:81 to establish policies and regulations for its own government consistent with the laws of the State of Louisiana and the regulations of the Louisiana Board of Elementary and Secondary Education. The School Board is comprised of eleven members who are elected from eleven districts serving concurrent terms of four years. The Superintendent serves as secretary/treasurer to the School Board.

The School Board operates seventeen schools within the parish providing a full range of public educational programs and services appropriate to the 8,875 students enrolled. To supplement the regular educational programs, gifted and talented, special education, adult education and vocational education programs are offered. Instructional support services, as well as transportation services and food services are provided for the students.

This report includes all funds, account groups and activities which are not legally separate from the School Board and has been prepared in conformity with generally accepted accounting principles.

ECONOMIC CONDITION AND OUTLOOK

St. Bernard Parish is located in the extreme southeastern section of Louisiana bordering on the Mississippi River and extending eastward to the Gulf of Mexico. Population has not changed significantly over the past ten years. The Parish currently has a 5.7% unemployment rate as compared with a statewide rate of 6.1% and a national average of 4.5%. Latest per capita income figures show St. Bernard Parish at \$19,113 compared with \$20,458 for Louisiana and \$25,288 for the nation. From the perspective of the educational system, a school to work program has been developed in an effort to reduce the unemployment levels of newly graduated high school students.

St. Bernard Parish is continuing to diversify its industrial base so as to better utilize its natural resources. Key to this is the Mississippi River, its fishing estuaries and its growing port facilities. The Port of St. Bernard, located on the convergence of the three major maritime corridors of the Mississippi River, the Mississippi Gulf Outlet and the Gulf Intracoastal Waterway, has expanded its physical facilities in order to attract additional commercial development and to serve as a warehousing and distribution center. Operating both the Chalmette and Arabi Terminals, the Port of St. Bernard currently has 44 tenants. The tenants occupy approximately 1.1 million square feet of building space and 346 thousand square feet of dock space at the Port. These tenants employ approximately 650 workers, 250 of which live in St. Bernard Parish. The tenants engage in a wide array of activities, including general cargo and

bulk commodities transfer, bagging and storage; trucking and warehousing; manufacturing, fabrication and repair; boat building; push boat operators; electrical contractors; sewing operations; auto body work; screen printing; state offices; and marine container repairs.

The combined annual payroll of the 44 firms totals approximately \$8,000,000. This money passes through several hands in the community as goods and services are purchased by the employees who reside in St. Bernard Parish. It is estimated that the direct payroll for parish residents is \$3,500,000 and that the "Multiplier Effect" generates another \$3,500,000 indirectly in the community, for a total impact of \$7,000,000 per year. Vessel and barge activity at the Arabi terminal accounts for over 5,000 man-hours of employment and \$1,000,000 in pay annually. The Port tenants spend approximately \$160,000,000 per year in the purchase of goods and services, of which \$110,000,000 is spent in Louisiana, \$75,000,000 in the New Orleans area and \$9,000,000 in St. Bernard Parish. The Port's two Industrial Districts generate nearly \$5,600,000 each year in taxes, with approximately \$4,980,000 going to the state and \$622,500 to the parish.

The St. Bernard Parish Economic Development Commission (EDC) is continuing their five year strategic plan centering on the following focus areas of economic development: business retention and expansion; industrial recruitment; small business development; parish business advocacy and workforce development.

In an effort to encourage investment and the creation of new jobs, the EDC has heavily promoted an awareness of the availability of business incentives to existing and prospective businesses. Companies who have applied for these incentives within the last year have committed to the creation of over 225 new permanent jobs and the investment of over \$95 million in infrastructure, buildings and equipment in St. Bernard Parish.

The economic future of St. Bernard Parish is bright. Unemployment continues to decrease and small businesses are thriving. The School Board continues to face many challenges. The instructional and capital needs of the district remain numerous, with needs increasing as we serve a greater and more diverse population of students. To address these issues citizen and educational groups are continuing to join together for the purpose of long range strategic planning.

MAJOR INITIATIVES, SERVICE EFFORTS AND ACCOMPLISHMENTS

The members of the School Board in cooperation with the community, the parents, the staff and the students have worked tirelessly to ensure a quality system of public education for all students within St. Bernard Parish. To achieve that primary goal the following have been undertaken:

- 1) We are very proud of the fact that all of our schools have been accredited by the Southern Association of Colleges and Schools (SACS). In an effort to ensure continued accreditation, the School Board has renewed its commitment to provide funds for necessary personnel, textbooks, library books and equipment.

- 2) The School-Community-Business Partnership Program continued within the school district, with its focus shifting to partnering for job shadowing and internship opportunities for high school students. Over 45 St. Bernard business and community partners opened their doors during the 1998-99 school year to allow high school juniors and seniors the chance to explore their vocational choices during day-long, one-on-one shadowing experiences with workers in their chosen fields. Also, fourteen students spent their summers in internship programs with construction, legal, finance and culinary arts professionals. The program, in addition to its past purpose of bringing schools and the community closer together, has a new and, perhaps, more important purpose of playing a role in the learning process. Mentoring, shadowing and internships - all done through the assistance of our school-community-business partners - are helping students make better decisions about career choices and the educational programs necessary for them to achieve their dreams.
- 3) The district received a \$113,353 grant from the LA LEARN commission which allowed teachers to revise and update mathematics, language arts and social studies curricula. The grant financed four Saturday workshops which brought core curricula teachers together for the purpose of revising and editing current curricula documents. Also, the grant allowed the district to focus on the development of a classroom activities bank for teachers which they could use in their classrooms to ensure that students were achieving at higher levels. In addition, approximately six teachers received individual LA LEARN grants which funded particular projects for their individual classrooms. All of the professional development, curricula revision and materials and supplies funded by the LA LEARN grants helped our teachers to take additional steps to ensure higher levels of student achievement as they address new state standards and benchmarks.
- 4) The testing program in the district assumed a greater role during the 1998-99 school year with the implementation of the state's new accountability program. Elementary and middle schools now receive school performance scores, with 70% of the scores based on students' performance on the state's new LEAP for the 21st Century test and the Iowa Test of Basic Skills. The LEAP test is considered a "high stakes" test, as students are required by the state to pass the test at 4th and 8th grades in order to be promoted, beginning in the 1999-2000 school year. Educators, parents and students alike were involved in great efforts to prepare students academically in those areas in which the tests focus, and much of the professional development for the year centered around educating teachers to the format and requirements of the new test. Recently released school performance scores indicate that 7 of the district's schools scored above average, 6 scored below average and none were rated as "unacceptable."
- 5) The School-to-Career program in the St. Bernard Parish Public Schools is the one programs that focuses students in activities related to their paths after graduation from high school. Eighth-graders are now required to complete, with the assistance of their parents and their counselors, five-year educational plans that will follow them through high school and one year beyond. Career academies are in place or in planning stages at each of the district's three high schools. The

Finance Academies and the Travel and Tourism Academy are all associated with the National Academy Foundation. Additionally, the Informational Technology Academy is also making application to the NAF. Schools also offer Architectural, Engineering, Drafting and Construction Academies, Culinary Arts Academies and a Law Academy. Plans are underway for the development of Education and Fine Arts Academies. These academies offer academic, elective credit to students who actually begin career training in their chosen fields.

- 6) Continued implementation of a standards-based curriculum in all curriculum areas was a major focus throughout the 1998-99 school year. Title I, Title II, Title VI, 8(g) and local funds were used to provide a major staff development initiative in support of standards and benchmarks. Additionally, teachers and coordinators teamed to review and revise each curriculum and to develop scope and sequence for each discipline.

Saturday in-service sessions provided teachers, supervisors and curriculum coordinators opportunities to share ideas and to begin planning interdisciplinary units of study. These sessions also afforded an opportunity for middle and high school teams to insure a seamless flow of content and skills from grade 6 through grade 12.

During the summer of 1999, middle school teachers developed multi-task activities to be published for sharing among all middle schools. This will be an ongoing project which will be expanded as more activities are added to each collection.

A summer remediation/intervention LEAP Assistance Program (LAP) was provided for students identified as at-risk of failing LEAP 21. Certified teachers with an aide were hired for each middle school site to provide four hours of daily instruction in language arts and mathematics for a period of three weeks. Local funding was used to pay employees and to provide special materials for instruction.

- 7) The consolidation of middle schools from five sites to three sites was completed with the advent of the 1998-99 school year with the removal of the middle school grades at Sebastien Roy Elementary. These former Sebastien Roy students were assimilated into the student body at P.G.T. Beauregard Middle School. The completion of the consolidation project brings the enrollment count at each of the three middle schools to within fifty of each other, thus allowing the district to establish similar student programs and projects at each of the sites without busing of students.
- 8) An alternative school, NOVA Academy, opened after the beginning of the 1996-97 school year to provide instruction and supervision for middle and high school students who would otherwise have been expelled. NOVA provides a program that is rehabilitative in nature, with the aim of having students successfully return to their district school campus. The faculty and staff work with many community

agencies to provide family counseling, drug use monitoring and rehabilitation as needed to reach the students' goals for return to the district school.

- 9) Collaborative efforts among the St. Bernard Parish School Board, the St. Bernard Parish Sheriff's Office, the St. Bernard Parish Council and the 34th Judicial System resulted in two programs, one for middle school and one for high school, to keep suspended students under the supervision of the school system. The program is housed at the site of our alternative school, NOVA. The program will continue to serve all public middle and high schools in St. Bernard Parish.

Students who violate the parish code of conduct in a grievous way or who are habitually disruptive to the school program are assigned to the Suspension-on-Site (SOS) program in lieu of suspension out of school. Statistics for 1998-99 show a continued decrease in the number of suspensions over the past three years that the program has been in operation.

- 10) Title I and the K-3 Reading/Math Initiative once again combined forces to provide summer institutes at which the new Hand to Hand Parental Involvement program was developed. Teachers were in-serviced in the use of these home based activities which will assist students in taking the new state tests. Parent meetings were held at all elementary schools with an attendance rate of 87%.

Additionally, prior test scores were examined with the goal of developing groups and activities for at-risk students. Facilitators at the schools used these activities directly with the at-risk students and were able to gauge the progress of those students. Materials were purchased to familiarize all students with the new format of the state tests. Reteaching, retesting and use of higher order thinking skills were also stressed in teacher in-services.

- 11) The Accelerated Reader Program continues to enhance the language arts program by motivating students to read independently. Since the start of the program, students successfully passed over 350,000 tests on books they have read. Ten students, one from each elementary school, have been identified as Top Readers and are recognized at the Parish's annual Recognition Ceremony.
- 12) In an effort to work toward the goal of having all children ready to start school, the St. Bernard Parish School Board has continued to work with at-risk families through the Head Start and Model Early Childhood Programs. Teachers, assistants and component coordinators go into the home to assess the needs and collaborate with families in meeting these needs and in setting goals to be achieved through education. One hundred families are served through Head Start and an additional forty families are served through the Model Early Childhood Program.

A Federal Head-Start review team visited in March, 1999 and reviewed every aspect of the district's Head Start Program. Program components addressed included instruction, parental involvement, social interactions, nutrition and finance among others. The School Board received a very positive review with

regard to all aspects of the local Head Start program. Federal reviews are conducted every three years for existing Head Start Programs.

Services provided by the Head Start Family Literacy Center will continue and additional services and activities are planned to be implemented this year. A partnership with the St. Bernard Kiwanis in developing a Reading is Fundamental (RIF) program for Head Start families will be continued and will provide motivational and cultural activities, as well as free books for children to keep as their own. Literacy Lunch Bags were provided to all Head Start students to share and encourage interaction between children and their families over the Easter Holidays. The bags included a variety of art materials, writing materials, a storybook, a cassette and a blank book to be created by the child and/or family. Feedback from parents, as well as children, about this activity was very positive.

- 13) As the state moved forward with its new accountability program, the curriculum offered within the district's schools came under greater scrutiny during the 1998-99 school year. Using both federal and local staff development funds, the district brought teachers together for an unprecedented number of workshops to revise, edit and revisit curricula documents, ensuring that requirements for students addressed state standards and were rigorous and demanding. Great effort was put into aligning local English, reading, math, science and social studies curricula to state standards and testing requirements, and correlations between testing requirements, state standards and textbooks were completed. Master teachers also spent a great deal of time constructing activities for all teachers to use in their classrooms which would ensure student success and higher levels of achievement. At some levels, diagnostic tests were developed in order to assess student academic strengths and weaknesses at the start of the school year. All of these initiatives were undertaken to ensure that local curricula were more than adequate in addressing state standards and more than adequate preparation for student testing and academic performance at higher levels.
- 14) Phase I of a \$30 million three-phase facilities construction program neared completion during the 1998-99 school year. Renovations at Chalmette Middle and Trist Middle schools were substantially completed as well as the newly constructed buildings at Rowley Elementary and Davies Elementary. All Phase I projects were completed within budget projections. Phase II renovation/construction projects at Sebastien Roy Elementary and Arabi Elementary School were also completed. Other Phase II projects at Gauthier Elementary and Beauregard Middle are well under way with completion estimated before December 1999. The final phase of the construction program which will include renovations of the three high schools and the building of another new elementary school is currently in the design and bid phase. Once the construction program is completed, the St. Bernard Parish School System will consist of three high schools, three middle schools, seven elementary schools and one alternative school offering the finest educational programs in state of the art facilities wired for the latest technology.

FINANCIAL INFORMATION

Internal Controls

When establishing and maintaining its accounting system, the School Board ensures that adequate internal controls are in place. Internal controls are designed to provide reasonable, but not absolute, assurances that the assets of the School Board are protected from loss, theft or misuse and to ensure the reliability of the financial records used in the preparation of financial statements. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of cost and benefits requires estimates and judgements by management. We believe that the School Board, through its internal control structure, adequately safeguards assets and provides reasonable assurances of proper recording of financial transactions.

Budgetary Controls

Louisiana state law requires all School Boards to adopt a balanced budget for its General Fund by September 30th of each year and for each Special Revenue Fund by September 30th or when the Special Revenue Fund is established.

The School Board presents its annual General Fund and Special Revenue Funds budgets by purpose, function and object. The School Board adopts budgets at the fund level giving management the authority to transfer amounts among line items within any fund.

If actual revenues within the General Fund fail to meet budgeted revenues by five percent or more and/or actual expenditures within the General Fund exceed budgeted expenditures by five percent or more, a budget amendment is adopted by the School Board in an open meeting. Budgetary controls are in effect to ensure that the level of expenditures does not exceed the appropriated amounts and to ensure that all budget amendments are adopted when necessary.

An encumbrance accounting system, to further ensure budgetary controls, is used to record outstanding commitments of expenditures per line item. Encumbered amounts in the General Fund at year end are reserved in the fund balance but, for budgetary comparison purposes, are included as expenditures. In the Special Revenue Funds, encumbered amounts lapse at year end; however, encumbrances generally are reappropriated as part of the following year's budget.

Governmental Fund Operations

The Governmental Funds consisting of the General Fund, the Special Revenue Funds, the Debt Service Funds and the Capital Projects Fund with revenues totaling \$53,935,095 represent the largest portion of the School Board's revenues. The following schedule presents a summary of these revenues for the fiscal year ended June 30, 1999, and the amounts and percentages of increases and decreases in relation to prior year revenues.

<u>Revenues</u>	<u>1999 Amount</u>	<u>Percent of Total</u>	<u>1998 Amount</u>	<u>Increase (Decrease) from 1998</u>	<u>Percent of Increase (Decrease)</u>
Local Sources:					
Ad valorem tax	\$ 5,455,771	10.1%	\$ 5,286,517	\$ 169,254	3.2%
Sales and use tax	12,521,722	23.1%	11,834,237	687,485	5.8%
Rentals, leases and royalties	177,620	0.3%	125,236	52,384	41.8%
Tuition	550,576	1.0%	528,882	21,694	4.1%
Food service	446,657	0.8%	453,005	<6,348>	<1.4%>
Interest earnings	1,510,623	2.8%	1,449,519	61,104	4.2%
Settlements	150,000	0.3%	-	150,000	-
Other	<u>365,402</u>	<u>0.7%</u>	<u>386,725</u>	<u><21,323></u>	<u><5.5%></u>
Total Local Sources	<u>21,178,371</u>	<u>39.1%</u>	<u>20,064,121</u>	<u>964,250</u>	4.8%
State Sources:					
Equalization	25,005,600	46.2%	23,803,548	1,202,052	5.0%
Contributions to Teachers' Retirement	44,085	0.1%	48,331	<4,246>	<8.8%>
Revenue sharing	362,737	0.7%	370,662	<7,925>	<2.1%>
Professional Improvement Program	337,383	0.6%	374,179	<36,796>	<9.8%>
Other	<u>1,830,399</u>	<u>3.4%</u>	<u>1,510,274</u>	<u>320,125</u>	<u>21.2%</u>
Total State Sources	<u>27,580,204</u>	<u>51.0%</u>	<u>26,106,994</u>	<u>1,473,210</u>	5.6%
Total Federal Sources	<u>5,326,520</u>	<u>9.9%</u>	<u>5,113,941</u>	<u>212,579</u>	4.2%
Total Revenues	<u>\$54,085,095</u>	<u>100.0%</u>	<u>\$51,285,056</u>	<u>\$2,800,039</u>	5.5%

The School Board has continued its agreement with Bell South Interactive Media to lease excess air time on the School Board's Instructional Television Fixed Services (ITFS) licenses. Royalties generated through this agreement along with one-time lease payments for seismic testing on School Board owned 16th Section land account for increases in rentals, leases and royalties revenues.

State revenues continue to provide the majority of revenue available to the School Board. An increase in Equalization funding from the prior year is the result of an increase in the per-pupil amount in the state funding formula as well as additional state money to fund a teacher pay raise. Continued state funding was received for the K-3 Reading and Math Initiative, the Classroom Based Technology, the Technology Literacy Challenge Grants and the School-to-Career program. New state funding was received from the Department of Health and Hospitals for the Primary Drug Prevention Program administered by the School Board's Drug Free Schools program.

A small increase in federal revenues is largely the result of additional Title I funding.

The following schedule presents a summary of governmental funds expenditures for the fiscal year ended June 30, 1999, and the percentages of increases and decreases in relation to prior year expenditures.

<u>Expenditures</u>	<u>1999 Amount</u>	<u>Percent of Total</u>	<u>1998 Amount</u>	<u>Increase (Decrease) from 1998</u>	<u>Percent of Increase (Decrease)</u>
Instruction:					
Regular programs	\$21,531,824	32.5%	\$20,678,972	\$ 852,852	4.1%
Special programs	8,839,883	13.3%	8,270,235	569,648	6.9%
Adult and continuing education programs	<u>185,017</u>	<u>0.3%</u>	<u>130,785</u>	<u>54,232</u>	41.5%
Total Instruction	<u>30,556,724</u>	<u>46.1%</u>	<u>29,079,992</u>	<u>1,476,732</u>	5.0%
Support Services:					
Student services	2,220,291	3.4%	2,041,654	178,637	8.8%
Instructional staff services	2,820,207	4.3%	2,690,554	129,653	2.4%
General administration	827,583	1.2%	808,161	19,422	2.4%
School administration	2,750,447	4.1%	2,665,583	84,864	3.2%
Business services	340,849	0.5%	317,465	23,384	7.4%
Plant services	4,185,154	6.3%	4,105,170	79,984	1.9%
Student transportation services	2,519,635	3.8%	2,589,942	<70,307>	<2.7%>
Central services	<u>668,071</u>	<u>1.0%</u>	<u>335,359</u>	<u>332,712</u>	99.2%
Total Support Services	<u>16,332,237</u>	<u>24.6%</u>	<u>15,553,888</u>	<u>778,349</u>	5.0%
Food Services	<u>2,952,409</u>	<u>4.4%</u>	<u>2,975,433</u>	<u><23,024></u>	<0.8%>
Community Services	<u>3,681</u>	<u>0.0%</u>	<u>2,100</u>	<u>1,581</u>	75.3%
Facility acquisition and construction	<u>11,807,276</u>	<u>17.8%</u>	<u>4,512,586</u>	<u>7,294,690</u>	161.7%
Debt Service	<u>4,695,303</u>	<u>7.1%</u>	<u>7,478,505</u>	<u><2,783,202></u>	<37.2%>
Total Expenditures	<u>\$66,347,630</u>	<u>100.00%</u>	<u>\$59,602,504</u>	<u>\$6,745,127</u>	11.3%

Overall expenditures in 1999 are at the School Board's normal operating level showing an 11.3% increase from the prior year. This increase in expenditures in program cost areas are primarily attributable to increased labor costs resulting from employee pay raises, costs related to the School Board's construction program and related debt service expenditures, and the expenditure of \$335,000 for the purchase of a Unisys mainframe computer system.

The total fund balance of all governmental funds is \$21,274,836 at year-end, which is a decrease of \$10,500,085. This decrease was due mainly to expenditures related to the School Board's \$30,000,000 school renovation and construction program. While the School Board has no need to enter the short-term debt market to finance current operations, it did issue a \$335,000 certificate of indebtedness to finance the purchase of a Unisys mainframe computer system to replace the previous, outdated model.

Proprietary Fund Operation and Risk Management

On July 1, 1989, the School Board initiated a limited risk management program for workers' compensation and established a self funded Workers' Compensation Internal Service Fund. Monies are transferred from the General Fund and School Lunch Fund each year to accumulate resources to pay current claims and provide for potential losses. Insurance has been purchased to fund individual workers' compensation claims exceeding \$300,000. Loss control procedures,

including employee safety training, have been implemented. More aggressive claims handling and increased settlements have resulted in increased expenditures and a decrease in retained earnings of \$148,509.

Fiduciary Funds Operations

The School Board acts in a trustee capacity for the Joseph Accardo Scholarship Fund. The donated principal of \$15,000 must remain intact, and the earnings from investment of the principal are used to award a college scholarship to a deserving senior chosen from each high school on a rotating basis. Fund equity for the year ended June 30, 1999 is \$43,400.

The School Board has oversight responsibility for all school activity and clearing accounts. Monies collected in the clearing accounts are transferred to the appropriate governmental funds and are recognized as revenues only after transfer. School principals exercise significant authority over the disbursement of funds in the school activity accounts. We believe that sufficient internal controls are in place to ensure that these funds are expended in accordance with all state laws and regulations.

Debt Administration

At June 30, 1999, the School Board had the following outstanding debt: \$30,635,000 of general obligation bonds and \$5,435,000 of sales tax bonds. The School Board issued \$1,445,000 in general obligation refunding bonds in order to retire outstanding general obligation bonds issued in 1990 and to realize savings by taking advantage of lower interest rates.

Under Louisiana Revised Statute 39:562, the School Board is legally restricted from incurring general obligation long-term bonded debt in excess of 35% of the total assessed value of the taxable property within the parish. At June 30, 1999, the outstanding general obligation bonded debt of \$30,635,000 is well under the statutory limit of \$100,496,857. The general obligation bonds are serviced by an ad valorem tax levy on all taxable property. The 1990 bond issuance with an outstanding amount of \$90,000, the 1997 bond issuance with an outstanding amount of \$21,135,000, the 1998 bond issuance with an outstanding amount of \$8,000,000 and the 1998 refunding issuance with an outstanding amount of \$1,410,000 have each received a bond rating of "AAA" from Standard & Poor's Corporation and a rating of "Aaa" from Moody's Investors Service as well as insurance coverage from Municipal Bond Investors Assurance Corporation.

In addition the School Board is legally restricted from incurring long-term bonded debt secured by sales and use tax in excess of 75% of the avails of the tax. The School Board was within this 75% limitation in 1990 when the sales tax bonds were issued. Each one-half percent sales tax generates approximately \$2,950,000. Outstanding sales tax bonds from the 1990 issuance totaling \$305,000 and the 1997 refunding issue totaling \$5,130,000 each have a "AAA" rating from Standard & Poor's Corporation and a "Aaa" rating from Moody's Investors Service as well as insurance coverage from Municipal Bond Investors Assurance Corporation.

Cash Management

The School Board currently invests all idle funds in demand deposits and certificates of deposit with local banks and savings and loans based on competitive bids. Interest earnings on all investments totaled \$1,544,004 for the year.

At June 30, 1999, the School Board has collected bank balances of \$25,534,768. Of the balances, \$320,000 is covered by federal depository insurance. In compliance with state laws, the remaining balance of \$25,214,768 is secured by bank owned securities specifically pledged to the School Board and held by an independent custodian bank. Under the provisions of GASB Statement No. 3, this remaining balance is considered uncollateralized because the securities are held by the pledging institution or its agent. However, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell pledged securities within ten days of being notified by the School Board that the fiscal agent has failed to pay deposited funds upon demand.

MAJOR OPERATIONAL OR FINANCIAL CONCERNS

The St. Bernard Parish Public School System enjoys a fine reputation throughout the metropolitan New Orleans area for the excellence of its educational offerings and the resulting achievements of its students. However, there are serious concerns which must be addressed in order to maintain the excellence of its programs.

Foremost among our concerns is the fact that our teachers continue to be among the lowest paid in the metropolitan New Orleans area. Working conditions, student achievement and conservative community values help us to maintain a highly qualified teaching corps; however, for the first time, we have begun to lose good teachers to surrounding parishes solely because of higher salaries. Small state pay raises have been passed on to our teachers; however, as a result of the state funding formula, our teachers continue to receive less in the form of raises than those in surrounding areas. We must address this issue if our educational system is to improve and student achievement is to remain consistent with local, state and national expectations. The school system must give serious consideration to returning to the voters in the near future to fund this initiative.

Instructional accountability continues to be our major focus. The school district has continued with its five-year plan to address implementation of instructional strategies which will increase student achievement. This initiative corresponds with the Louisiana State Accountability Plan which mandates higher standards and expectations for all students in Louisiana. The emphasis at the district level is on training teachers in instructional strategies, assessments and methodologies which will increase the levels of student achievement on state and local criterion- and norm-referenced tests. It is a district-wide commitment in staff development, test preparation and lesson planning programs. Through this initiative we intend to become more accountable to the community in our efforts to turn the St. Bernard Parish Public Schools into a "*different kind of public school system.*"

OTHER INFORMATION

Independent Audit

The financial records and transactions of the School Board for the year ended June 30, 1999, have been audited by KPMG, LLP, a firm of independent certified public accountants. In addition to meeting the requirements set forth in Louisiana state statutes, the audit was designed to meet the requirements of the Single Audit Act and related OMB Circular A-133. The auditor's report on the general purpose financial statements is included in the financial section of this report; the auditor's reports related to the Single Audit Act are included in the Single Audit Section.

Financial Reporting Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the St. Bernard Parish School Board for its comprehensive annual financial report for the fiscal year ended June 30, 1998. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

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

The St. Bernard Parish School Board was also awarded a Certificate of Excellence in Financial Reporting for its comprehensive annual financial report for the fiscal year ended June 30, 1998 by the Association of School Business Officials International (ASBO).

The award certifies that the school system has presented its comprehensive annual financial report to the ASBO Panel of Review for critical review and evaluation and that the report was judged to have complied with the principles and practices of financial reporting recognized by ASBO. Receiving the award is recognition that the school system has met the highest standards of excellence in school financial reporting.

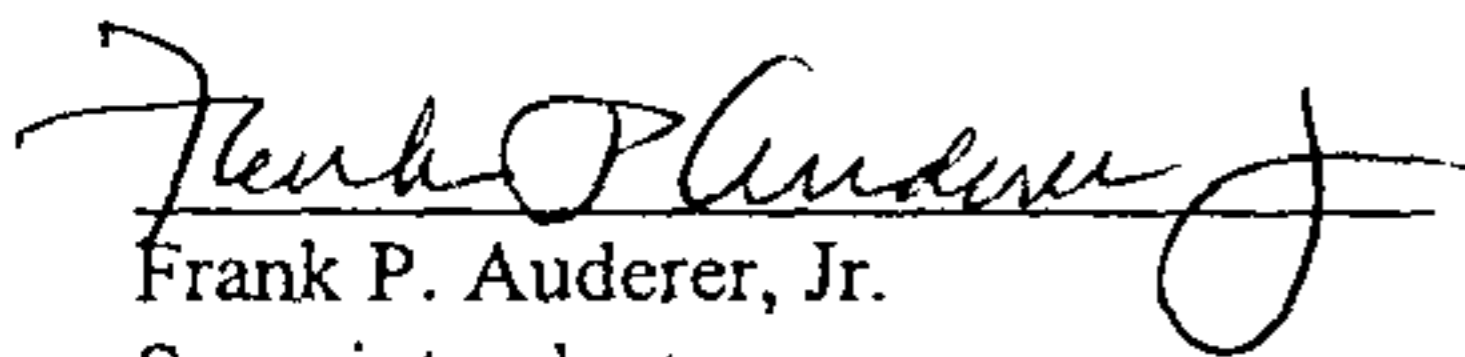
Both a Certificate of Achievement (GFOA) and a Certificate of Excellence (ASBO) are valid for a period of one year only. The St. Bernard Parish School Board has received these certificates for the last seven consecutive years. We believe our current comprehensive annual financial report continues to conform to the program requirements of both GFOA and ASBO and are submitting it to both organizations to determine its eligibility for each of the certificates.

Acknowledgments

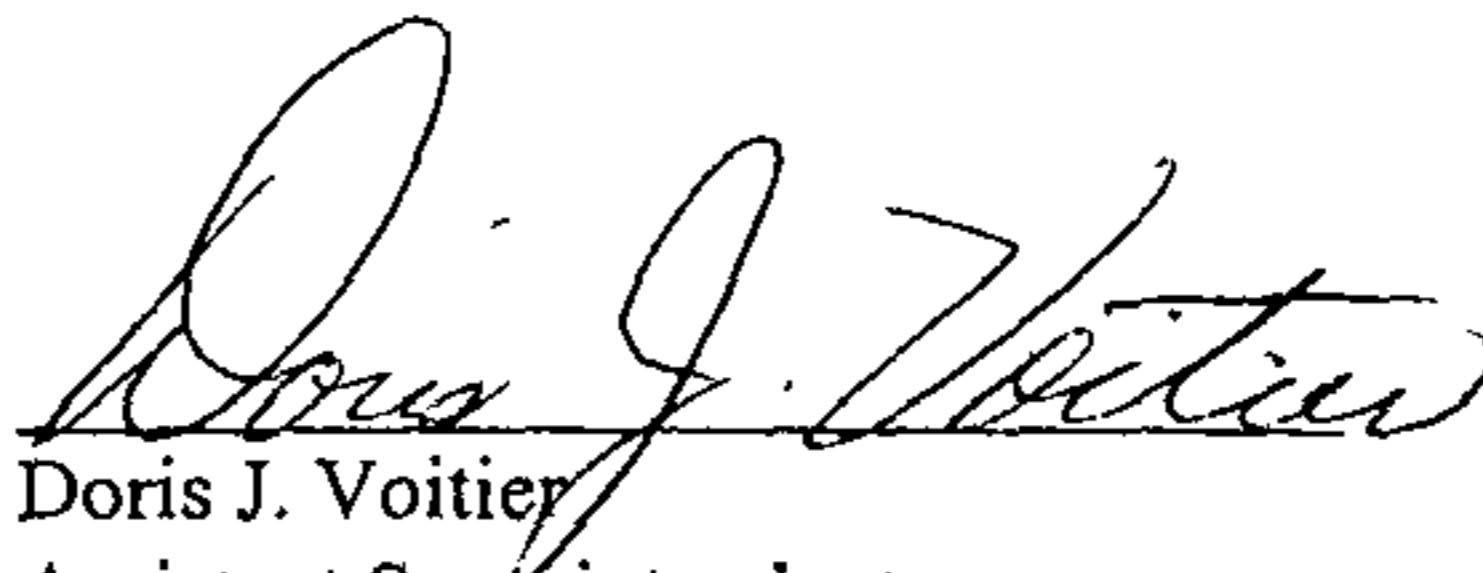
The preparation of the Comprehensive Annual Financial Report on a timely basis could not have been accomplished without the efforts and dedication of the entire business operations staff. We would like to express our sincere thanks and appreciation to each and every employee who contributed to the development of this report as well as the St. Bernard Parish Assessor and the employees of the Planning Commission of the St. Bernard Parish Government for their help in providing the statistical data.

Lastly, we would like to thank and applaud the members of the St. Bernard Parish School Board for their leadership in planning and conducting the financial operation of the school system in a dedicated and responsible manner.

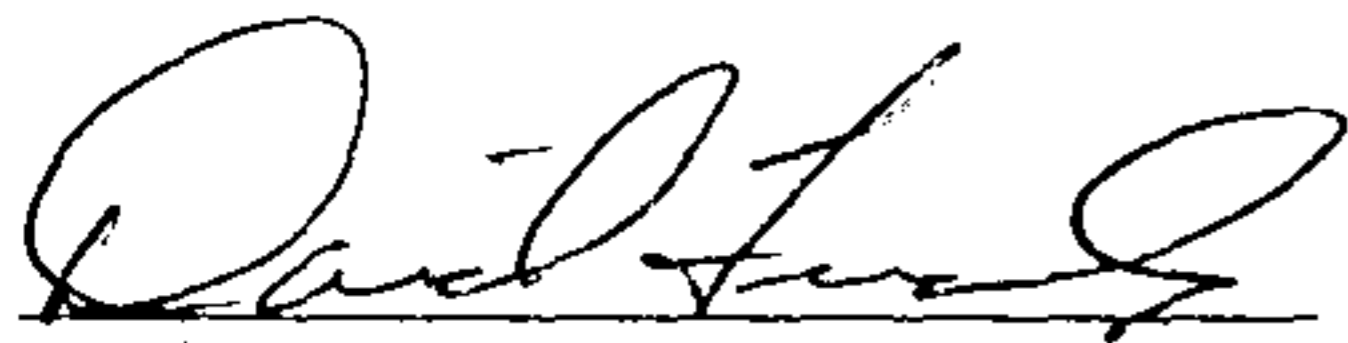
Respectfully submitted,



Frank P. Auderer, Jr.
Superintendent



Doris J. Voitier
Assistant Superintendent



David F. Fernandez
Financial Manager

ST. BERNARD PARISH SCHOOL BOARD

PRINCIPAL OFFICIALS

SCHOOL BOARD MEMBERS

PRESIDENT
DIANA B. DYSART

VICE-PRESIDENT
RONALD J. NICOSIA

HERMAN J. BONNETTE, SR.

SHARON A. HANZO

DONALD D. CAMPBELL

JOSEPH V. LONG, SR.

HUGH C. CRAFT, Ed.D.

JACQUES A. SANBORN

WILLIAM H. EGAN

MAX L. SHANEYFELT

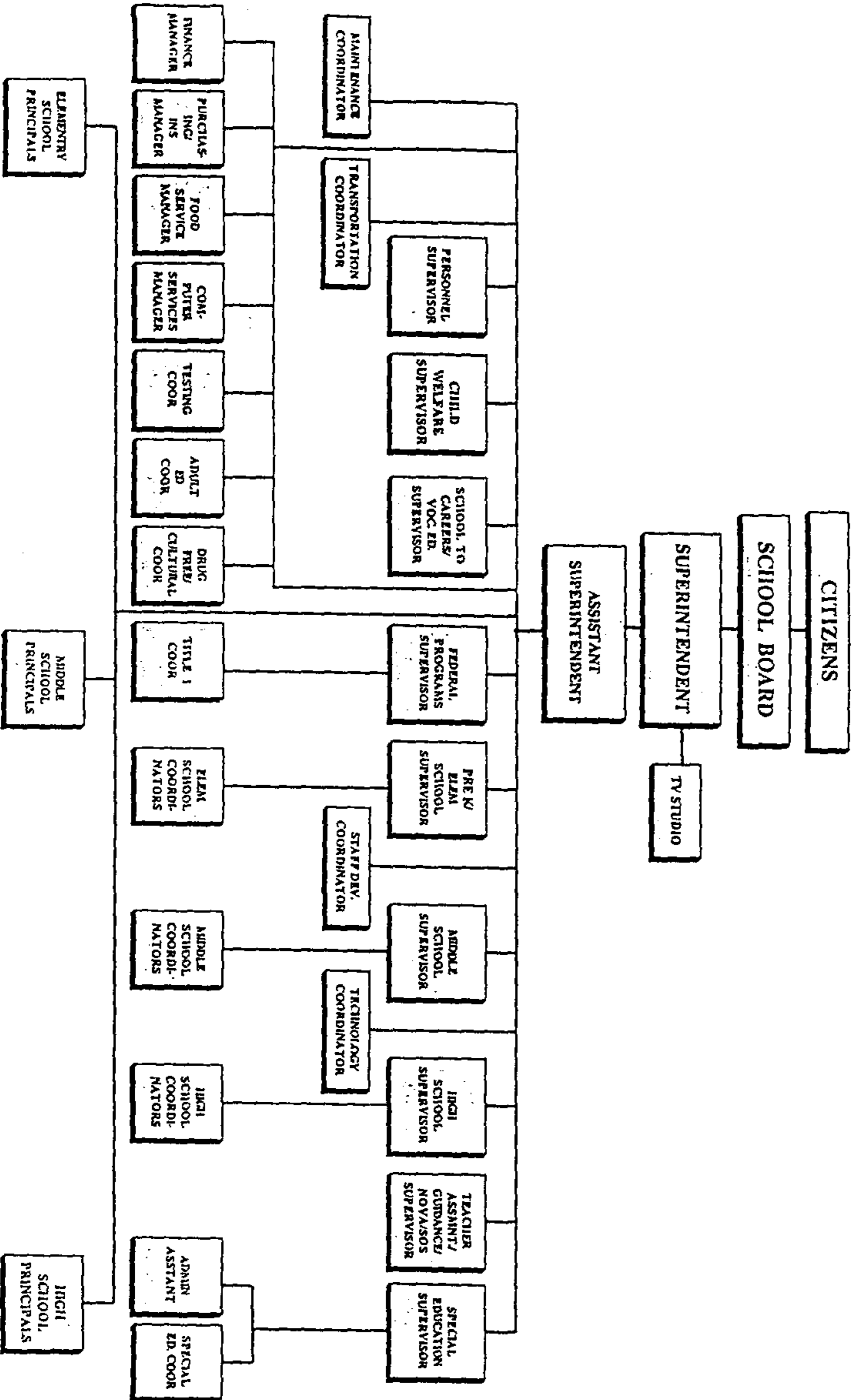
CLIFFORD M. ENGLANDE

ADMINISTRATIVE OFFICIALS

SUPERINTENDENT
FRANK P. AUDERER, JR.

ASSISTANT SUPERINTENDENT
DORIS J. VOITIER

ST. BERNARD PARISH SCHOOL BOARD ORGANIZATIONAL CHART



Certificate of Achievement for Excellence in Financial Reporting

Presented to

St. Bernard Parish School
Board, Louisiana

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 1998

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



CE 534 Bruecker
President

Jeffrey L. Esler
Executive Director

**ASSOCIATION OF SCHOOL BUSINESS OFFICIALS
INTERNATIONAL**



This Certificate of Excellence in Financial Reporting is presented to
ST. BERNARD PARISH SCHOOL BOARD
For its Comprehensive Annual Financial Report (CAFR)
For the Fiscal Year Ended June 30, 1998

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

Allen A. Henshaw
President

Don T. Hagan
Executive Director



FINANCIAL SECTION





Suite 3500 One Shell Square
New Orleans, LA 70139-3599

Telephone 504 523 5000
Fax 504 529 1518

Independent Auditors' Report

The Members of the
St. Bernard Parish School Board
Chalmette, Louisiana:

We have audited the accompanying general purpose financial statements and the combining, individual fund, and account group financial statements of the St. Bernard Parish School Board (the School Board), as of and for the year ended June 30, 1999, as listed in the table of contents. These general purpose financial statements are the responsibility of the School Board's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the School Board as of June 30, 1999, and the results of its operations and the cash flows of its proprietary fund type for the year then ended in conformity with generally accepted accounting principles. Also, in our opinion, the combining, individual fund, and account group financial statements and schedules, as listed in the table of contents, present fairly, in all material respects, the financial position of each of the individual funds and individual account groups of the School Board at June 30, 1999, and the results of operations of such individual funds and the cash flows of the individual Proprietary Fund Type for the year then ended in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 8, 1999, on our consideration of the School Board's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

The Year 2000 supplementary information, as listed in the table of contents, is not a required part of the general purpose financial statements, but is supplementary information required by the Governmental Accounting Standards Board, and we did not audit and do not express an opinion on such information. Further, we were unable to apply to the information certain procedures prescribed by professional standards, because of the nature of the subject matter underlying the disclosure requirements and because sufficiently specific criteria regarding the matters to be disclosed have not been established. In addition, we do not provide assurance that the School Board is or will become year 2000 compliant, that the School Board's year 2000 remediation efforts will be successful in whole or in part, or that parties with which the School Board does business are or will become year 2000 compliant.

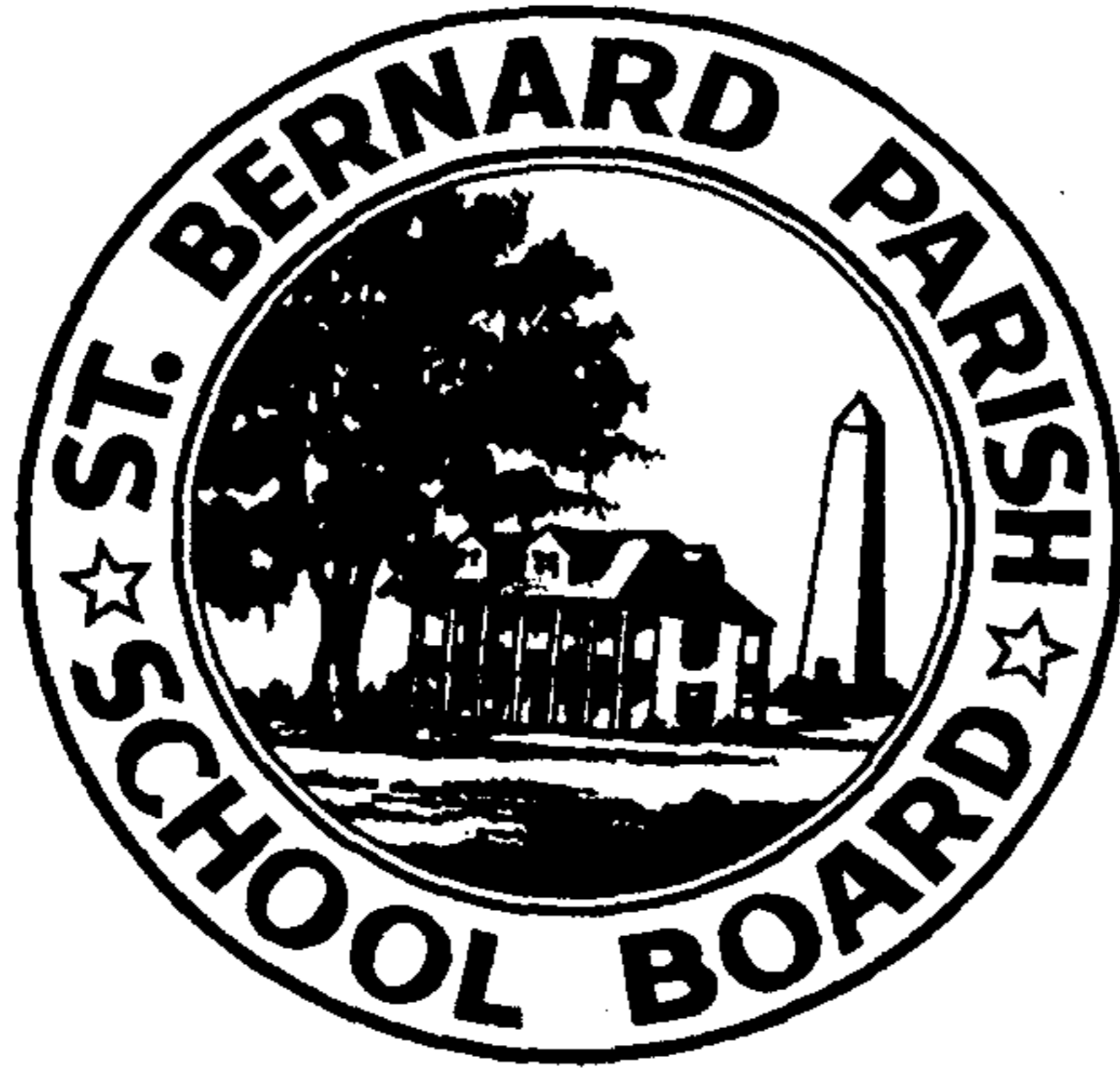


Our audit was performed for the purpose of forming an opinion on the general purpose financial statements of the School Board taken as a whole. The combining, individual fund and individual account group financial statements and schedules listed in the accompanying table of contents are presented for purposes of additional analysis and are not a required part of the general purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general purpose financial statements taken as a whole.

The accompanying financial information listed in Statistical Tables 1-16 is presented for purposes of additional analysis and is not a required part of the financial statements of the St. Bernard Parish School Board. The information has not been audited by us, and accordingly, we express no opinion on this information.

KPMG LLP

October 8, 1999



**GENERAL PURPOSE
FINANCIAL STATEMENTS**





THIS PAGE LEFT BLANK INTENTIONALLY

ST. BERNARD PARISH SCHOOL BOARD

ALL FUND TYPES AND ACCOUNT GROUPS
 Combined Balance Sheet, June 30, 1999
 With Comparative Totals for 1998

	GOVERNMENTAL FUNDS TYPES			
	GENERAL FUND	SPECIAL REVENUE FUNDS	DEBT SERVICE FUNDS	CAPITAL PROJECTS FUNDS
ASSETS AND OTHER DEBITS				
Assets:				
Cash and cash equivalents (notes 1-H and 2)	\$1,146,336	\$129,766	\$1,918,343	\$17,193,179
Investments (notes 2, 5 and 7)	-	-	-	-
Receivables (note 3)	936,069	1,130,006	-	-
Interfund receivables (notes 1-I and 10)	3,113,760	15,650	112,649	-
Inventory (note 1-J)	-	33,057	-	-
Other assets	164,549	-	-	-
Land, buildings, furniture and equipment (notes 1-K and 4)	-	-	-	-
Other debits:				
Amount available in debt service funds	-	-	-	-
Amount to be provided for retirement of general long-term debt	-	-	-	-
TOTAL ASSETS AND OTHER DEBITS	\$5,360,714	\$1,308,479	\$2,030,992	\$17,193,179
LIABILITIES, EQUITY AND OTHER CREDITS				
Liabilities:				
Accounts, salaries and other payables (note 8)	\$3,013,197	\$258,539	-	\$214,364
Interfund payables (notes 1-I and 10)	16,569	977,489	\$100	-
Deposits due others (note 7)	-	-	-	-
Deferred revenues (note 1-E)	138,270	-	-	-
Compensated absences payable (notes 1-L and 9)	-	-	-	-
Certificates of indebtedness payable (note 9)	-	-	-	-
Bonds payable (note 9)	-	-	-	-
Total Liabilities	3,168,036	1,236,028	100	214,364
Equity and Other Credits:				
Investment in general fixed assets (note 4)	-	-	-	-
Retained Earnings-workers' compensation fund	-	-	-	-
Fund balances: (notes 1-N and 11)				
Reserved	302,439	33,057	2,030,892	6,417,443
Unreserved:				
Designated	413,261	-	-	-
Undesignated	1,476,978	39,394	-	10,561,372
Total Equity and Other Credits	2,192,678	72,451	2,030,892	16,978,815
TOTAL LIABILITIES, EQUITY AND OTHER CREDITS	\$5,360,714	\$1,308,479	\$2,030,992	\$17,193,179

SEE ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS.

EXHIBIT 1

PROPRIETARY FUND TYPE - INTERNAL SERVICE FUND	FIDUCIARY FUND TYPE - TRUST AND AGENCY FUNDS	ACCOUNT GROUPS		TOTALS (MEMORANDUM ONLY)	
		GENERAL FIXED ASSETS	GENERAL LONG-TERM DEBT	1999	1998
\$396,850	\$568,455	-	-	\$21,352,929	\$33,873,385
-	346,692	-	-	346,692	286,783
-	2,244,807	-	-	4,310,882	4,007,643
-	-	-	-	3,242,059	3,227,132
-	-	-	-	33,057	58,655
27,951	-	-	-	192,500	267,205
-	-	\$64,035,551	-	64,035,551	51,401,564
-	-	-	\$2,030,892	2,030,892	1,963,079
-	-	-	41,163,790	41,163,790	42,197,793
<u>\$424,801</u>	<u>\$3,159,954</u>	<u>\$64,035,551</u>	<u>\$43,194,682</u>	<u>\$136,708,352</u>	<u>\$137,283,239</u>
\$146,274	-	-	-	\$3,632,374	\$5,381,467
-	\$2,247,901	-	-	3,242,059	3,227,132
-	868,653	-	-	868,653	752,606
-	-	-	-	138,270	120,431
-	-	-	\$6,852,682	6,852,682	6,995,872
-	-	-	272,000	272,000	-
-	-	-	36,070,000	36,070,000	37,165,000
<u>146,274</u>	<u>3,116,554</u>	<u>-</u>	<u>43,194,682</u>	<u>51,076,038</u>	<u>53,642,508</u>
-	-	\$64,035,551	-	64,035,551	51,401,564
278,527	-	-	-	278,527	427,036
-	15,000	-	-	8,798,831	10,577,924
-	28,400	-	-	441,661	922,130
-	-	-	-	12,077,744	20,312,077
<u>278,527</u>	<u>43,400</u>	<u>64,035,551</u>	<u>-</u>	<u>85,632,314</u>	<u>83,640,731</u>
<u>\$424,801</u>	<u>\$3,159,954</u>	<u>\$64,035,551</u>	<u>\$43,194,682</u>	<u>\$136,708,352</u>	<u>\$137,283,239</u>

GOVERNMENTAL FUNDS
 Combined Statement of Revenues, Expenditures
 and Changes in Fund Balances
 For the Year Ended June 30, 1999
 With Comparative Totals for the Year Ended June 30, 1998

	GENERAL FUND	SPECIAL REVENUE FUNDS	DEBT SERVICE FUNDS	CAPITAL PROJECTS FUND	TOTALS (MEMORANDUM ONLY)	
					1999	1998
REVENUES						
Local sources:						
Ad valorem tax	\$2,815,882	-	\$2,639,889	-	\$5,455,771	\$5,286,517
Sales and use tax	11,910,586	-	611,136	-	12,521,722	11,834,237
Rentals, leases and royalties	177,620	-	-	-	177,620	125,236
Tuition	550,576	-	-	-	550,576	528,882
Food services income	-	\$446,657	-	-	446,657	453,005
Interest earnings	195,486	8,072	73,299	\$1,233,766	1,510,623	1,449,519
Settlements	-	-	-	150,000	150,000	-
Other	365,402	-	-	-	365,402	386,725
State sources:						
Unrestricted grants-in-aid	24,389,950	615,650	-	-	25,005,600	24,174,210
Restricted grants-in-aid	2,206,195	368,409	-	-	2,574,604	1,932,784
Federal sources:						
Unrestricted-indirect cost recoveries	-	96,145	-	-	96,145	95,128
Restricted grants-in-aid:						
Direct	244,346	477,916	-	-	722,262	503,037
Subgrants	-	4,338,878	-	-	4,338,878	4,343,761
Other-Commodities	-	169,235	-	-	169,235	172,015
Total Revenues	42,858,043	6,520,962	3,324,324	1,383,766	54,085,095	51,285,056
EXPENDITURES						
Current:						
Instruction:						
Regular programs	21,327,382	204,442	-	-	21,531,824	20,678,972
Special programs	6,962,725	1,877,158	-	-	8,839,883	8,270,235
Adult and continuing education programs	135,562	49,455	-	-	185,017	130,785
Support Services:						
Student services	1,709,980	510,311	-	-	2,220,291	2,041,654
Instructional staff support	1,872,006	948,201	-	-	2,820,207	2,690,554
General administration	741,615	2,150	83,818	-	827,583	808,161
School administration	2,750,447	-	-	-	2,750,447	2,685,583
Business services	340,849	-	-	-	340,849	317,465
Plant services	4,173,268	11,886	-	-	4,185,154	4,105,170
Student transportation services	2,503,255	16,380	-	-	2,519,635	2,589,942
Central services	668,071	-	-	-	668,071	335,359
Community service programs	3,681	-	-	-	3,681	2,100
Food service programs	162,855	2,789,554	-	-	2,952,409	2,975,433
Facility acquisition and construction	-	-	-	11,807,276	11,807,276	4,512,586
Debt service:						
Principal retirement	63,000	-	2,540,000	-	2,603,000	5,290,000
Interest and bank charges	12,010	-	2,077,693	-	2,089,703	2,186,505
Other charges	2,600	-	-	-	2,600	-
Total Expenditures	43,429,306	6,409,537	4,701,511	11,807,276	66,347,630	59,602,504
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(573,263)	111,425	(1,377,187)	(10,423,510)	(12,262,535)	(8,317,448)
OTHER FINANCING SOURCES (USES)						
Sale of equipment	1,707	-	-	-	1,707	3,425
Proceeds from sale of bonds	335,000	-	1,445,000	-	1,445,000	13,220,000
Proceeds from certificate of indebtedness	96,651	-	-	-	96,651	95,128
Operating transfers in	-	(115,908)	-	-	(115,908)	(95,128)
Operating transfers out	-	-	-	-	-	-
Total Other Financing Sources (Uses)	433,358	(115,908)	1,445,000	-	1,762,450	13,223,425
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	(139,905)	(4,483)	67,813	(10,423,510)	(10,500,085)	4,905,977
FUND BALANCES AT BEGINNING OF YEAR	2,332,583	76,934	1,963,079	27,402,325	31,774,921	26,868,944
FUND BALANCES AT END OF YEAR	\$2,192,678	\$72,451	\$2,030,892	\$16,978,815	\$21,274,836	\$31,774,921

ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS.

GOVERNMENTAL FUNDS-GENERAL AND
SPECIAL REVENUE FUNDS
Combined Statement of Revenues, Expenditures
and Changes in Fund Balances-Budget
and Actual (Adjusted to Budgetary Basis)
For the Year Ended June 30, 1999

	GENERAL FUND			SPECIAL REVENUE FUNDS		
	BUDGET	ACTUAL (ADJUSTED TO BUDGETARY BASIS)	VARIANCE FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES						
Local sources:						
Ad valorem tax	\$2,880,489	\$2,815,882	(\$64,607)	-	-	-
Sales and use tax	11,500,000	11,910,586	410,586	-	-	-
Rentals, leases and royalties	160,000	177,620	17,620	-	-	-
Tuition	565,600	550,576	(15,024)	-	-	-
Food service income	-	-	-	\$446,992	\$446,657	(\$335)
Interest earnings	205,000	195,486	(9,514)	6,300	8,072	1,772
Other	330,635	365,402	34,767	-	-	-
State sources:						
Unrestricted grants-in-aid	24,389,951	24,389,950	(1)	615,650	615,650	-
Restricted grants-in-aid	2,512,073	2,206,195	(305,878)	369,990	368,409	(1,581)
Federal sources:						
Unrestricted-indirect cost recoveries	-	-	-	97,466	96,145	(1,321)
Restricted grants-in-aid:						
Direct	211,455	244,346	32,891	477,916	477,916	-
Subgrants	-	-	-	4,490,878	4,338,878	(152,000)
Other-Commodities	-	-	-	170,200	169,235	(965)
Total Revenues	42,755,203	42,856,043	100,840	6,675,392	6,520,962	(154,430)
EXPENDITURES						
Current:						
Instruction:						
Regular programs	21,728,803	21,594,264	134,539	204,441	204,442	(1)
Special programs	8,965,016	6,964,167	849	1,872,250	1,877,158	(4,908)
Adult and continuing education programs	146,440	135,880	10,560	60,389	49,455	10,934
Support Services:						
Student services	1,711,090	1,709,980	1,110	524,397	510,817	13,580
Instructional staff support	2,082,937	1,883,113	199,824	975,941	948,201	27,740
General administration	769,107	757,840	11,267	2,150	2,150	-
School administration	2,758,229	2,750,447	7,782	-	-	-
Business services	344,557	343,153	1,404	-	-	-
Plant services	4,148,979	4,175,791	(26,812)	11,886	11,886	-
Student transportation services	2,527,276	2,504,381	22,895	18,850	16,380	2,470
Central services	673,708	668,583	5,125	-	-	-
Community service programs	3,682	3,681	1	-	-	-
Food service programs	160,797	162,855	(2,058)	2,903,318	2,789,554	113,764
Debt Service:						
Principal retirement	63,000	63,000	-	-	-	-
Interest	12,010	12,010	-	-	-	-
Other charges	2,600	2,600	-	-	-	-
Total Expenditures	44,098,231	43,731,745	366,486	6,573,622	6,410,043	163,579
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,343,028)	(875,702)	467,326	101,770	110,919	9,149
OTHER FINANCING SOURCES (USES)						
Sale of equipment	1,707	1,707	-	-	-	-
Proceeds from certificate of indebtedness	335,000	335,000	-	-	-	-
Operating transfers in	100,305	96,651	(3,654)	-	-	-
Operating transfers out	-	-	-	(97,466)	(115,402)	(17,936)
Total Other Financing Sources (Uses)	437,012	433,358	(3,654)	(97,466)	(115,402)	(17,936)
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	(906,016)	(442,344)	463,672	4,304	(4,483)	(8,787)
ENCUMBRANCES OUTSTANDING AT END OF YEAR	-	302,439	302,439	-	-	-
FUND BALANCES AT BEGINNING OF YEAR	2,332,583	2,332,583	-	76,934	76,934	-
FUND BALANCES AT END OF YEAR	\$1,426,567	\$2,192,678	\$766,111	\$81,238	\$72,451	(\$8,787)

SEE ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS.

PROPRIETARY AND SIMILAR TRUST FUND

Combined Statement of Revenues, Expenses and Changes
in Retained Earnings/Fund Balance
For the Year Ended June 30, 1999
With Comparative Totals for the Year Ended June 30, 1998

	PROPRIETARY FUND - WORKERS' COMPENSATION INTERNAL SERVICE	FIDUCIARY FUND - JOSEPH ACCARDO SCHOLARSHIP NON-EXPENDABLE TRUST	TOTALS (MEMORANDUM ONLY)	
			1999	1998
OPERATING REVENUES				
Billings to General Fund	\$350,000	-	\$350,000	\$350,000
Billings to Lunch Fund	40,743	-	40,743	50,000
Contributions received	-	\$5,000	5,000	6,500
Interest earnings	-	1,990	1,990	1,713
Total Operating Revenues	390,743	6,990	397,733	408,213
OPERATING EXPENSES				
Claims	488,785	-	488,785	373,163
Claims administration and loss control	11,642	-	11,642	28,419
Excess insurance premiums	14,652	-	14,652	29,081
Surety Bond	2,013	-	2,013	2,013
Other operating expenses	54,663	800	55,463	32,479
Total Operating Expenses	571,755	800	572,555	465,155
OPERATING INCOME (LOSS)	(181,012)	6,190	(174,822)	(56,942)
NON-OPERATING REVENUES				
Interest earnings	13,246	-	13,246	21,393
INCOME (LOSS) BEFORE OPERATING TRANSFERS	(167,766)	6,190	(161,576)	(35,549)
OPERATING TRANSFER IN	19,257	-	19,257	-
NET INCOME (LOSS)	(148,509)	6,190	(142,319)	(35,549)
RETAINED EARNINGS/FUND BALANCE AT BEGINNING OF YEAR	427,036	37,210	464,246	499,795
RETAINED EARNINGS/FUND BALANCE AT END OF YEAR	\$278,527	\$43,400	\$321,927	\$464,246

SEE ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS.

PROPRIETARY AND SIMILAR TRUST FUND
 Combined Statement of Cash Flows
 For the Year Ended June 30, 1999
 With Comparative Totals for the Year Ended June 30, 1998

	PROPRIETARY FUND - WORKERS' COMPENSATION INTERNAL SERVICE	FIDUCIARY FUND - JOSEPH ACCARDO SCHOLARSHIP NON-EXPENDABLE TRUST	TOTALS (MEMORANDUM ONLY)	
			1999	1998
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received from General Fund	\$350,000	-	\$350,000	\$350,000
Cash received from Lunch Fund	40,743	-	40,743	50,000
Second injury fund reimbursement received	-	-	-	23,153
Cash paid to claimants	(431,042)	-	(431,042)	(446,343)
Cash paid for claims administration & loss control	(10,206)	-	(10,206)	(28,419)
Cash paid for scholarships	-	(\$800)	(800)	(1,600)
Contributions received	-	5,000	5,000	6,500
Excess insurance premium paid	(676)	-	(676)	(42,390)
Application fee and assessment paid	(18,510)	-	(18,510)	(15,600)
Salaries paid	(17,827)	-	(17,827)	(14,021)
Professional development expenses paid	(1,118)	-	(1,118)	(701)
Surety bond paid	(2,013)	-	(2,013)	-
Office expense paid	(874)	-	(874)	(557)
Net cash provided (used) by operating activities	<u>(91,523)</u>	<u>4,200</u>	<u>(87,323)</u>	<u>(119,978)</u>
CASH FLOWS PROVIDED BY NON-CAPITAL FINANCING ACTIVITIES:				
Operating transfers in	<u>19,257</u>	<u>-</u>	<u>19,257</u>	<u>-</u>
Net cash provided by non-capital financing activities	<u>19,257</u>	<u>-</u>	<u>19,257</u>	<u>-</u>
CASH FLOWS PROVIDED BY INVESTING ACTIVITIES:				
Interest received	<u>13,246</u>	<u>1,990</u>	<u>15,236</u>	<u>23,106</u>
Net cash provided by investing activities	<u>13,246</u>	<u>1,990</u>	<u>15,236</u>	<u>23,106</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(59,020)	6,190	(52,830)	(96,872)
CASH & CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>455,870</u>	<u>37,210</u>	<u>493,080</u>	<u>589,952</u>
CASH & CASH EQUIVALENTS AT END OF YEAR	<u>\$396,850</u>	<u>\$43,400</u>	<u>\$440,250</u>	<u>\$493,080</u>

Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:

Operating Income (Loss)	(\$181,012)	\$6,190	(\$174,822)	(\$56,942)
Interest reported as operating income	-	(1,990)	(1,990)	(1,713)
Changes in Assets and Liabilities:				
Decrease in accounts receivable	-	-	-	23,153
(Increase) decrease in prepaid expenses	13,976	-	13,976	(11,296)
Increase (decrease) in accounts payable	<u>75,513</u>	<u>-</u>	<u>75,513</u>	<u>(73,180)</u>
Net Cash Provided by (Used in) Operations	<u>(\$91,523)</u>	<u>\$4,200</u>	<u>(\$87,323)</u>	<u>(\$119,978)</u>

Reconciliation of Cash and Cash Equivalents to the Combined Balance Sheet:

Total cash and cash equivalents per combined balance sheet	\$396,850	\$568,455	\$965,305	\$1,077,698
Less: cash and cash equivalents in agency funds	<u>-</u>	<u>(525,055)</u>	<u>(525,055)</u>	<u>(584,618)</u>
Cash and cash equivalents in proprietary and similar trust funds	<u>\$396,850</u>	<u>\$43,400</u>	<u>\$440,250</u>	<u>\$493,080</u>

SEE ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS.

ST. BERNARD PARISH SCHOOL BOARD

Notes to the Combined Financial Statements
June 30, 1999

1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. ORGANIZATION

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

The School Board operates 17 schools within the Parish with a total enrollment of 8,875 pupils. In conjunction with the regular educational programs, some of these schools offer special education and/or adult education programs. An alternative school has been established to serve students who have been expelled from the regular educational program or who have been placed in a more restrictive special education environment. In addition, the School Board provides transportation and school food services for the students.

B. REPORTING ENTITY

Governmental Accounting Standards Board (GASB) Statement No. 14 established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Because the School Board has a separately elected governing body and is legally separate and fiscally independent, the School Board is a separate governmental reporting entity. The School Board includes all funds, account groups, activities, et cetera, that are not legally separate from the School Board.

C. BASIS OF PRESENTATION

The accompanying financial statements of the School Board have been prepared in conformity with generally accepted accounting principles as applied to governmental units.

The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

D. FUND ACCOUNTING

The School Board uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain School Board functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. An account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

The following fund types and account groups are used by the School Board:

Governmental Funds

Governmental funds account for most of the School Board's general activities, including the collection and disbursement of specific or legally restricted monies, the acquisition or construction of general fixed assets, and the servicing of general long-term obligations. Governmental funds include:

1. General Fund - the general operating fund of the School Board. This fund is used to account for all financial resources except those required to be accounted for in other funds.
2. Special Revenue Funds - account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.
3. Debt Service Funds - account for transactions relating to resources retained and used for the payment of principal, interest and related costs on those long-term obligations in the General Long-Term Debt Account Group.
4. Capital Projects Fund - accounts for financial resources received and used for the acquisition, construction or improvement of capital facilities not reported in the other governmental funds.

Proprietary Fund Type - Internal Service Fund

Proprietary funds account for activities similar to those found in the private sector where the determination of net income is necessary or useful for sound financial administration.

Proprietary funds differ from governmental funds in that their focus is on income measurement which, together with the maintenance of equity, is an important financial indicator. The School Board has one proprietary fund - the Workers' Compensation Internal Service Fund. This fund accounts for the financing of the School Board's self insurance program for workers' compensation.

Fiduciary Fund Type

Fiduciary funds account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the School Board. Fiduciary funds include:

1. Joseph Accardo Scholarship Non-Expendable Trust Fund - accounts for a \$15,000 donation received from the widow of Joseph Accardo in March 1970 for the purpose of establishing a permanent college scholarship fund in memory of her late husband. The principal is to remain intact. The income from investment of the principal is to be awarded annually to the most deserving student in the top 10 percent of his/her class from a high school in St. Bernard Parish on a rotating basis.
2. Agency Funds - account for assets held by the School Board on behalf of other funds and as an agent for the individual schools, school organizations and employees.

Account Groups - Fixed Assets and Long-Term Obligations

Fixed assets used in the governmental fund type operations of the School Board are accounted for in the General Fixed Assets Account Group rather than in the governmental funds. General Fixed Assets consist of land, buildings, machinery, furniture and equipment with an expected useful life of more than one year. No depreciation has been provided on general fixed assets. All fixed assets are stated at historical cost or estimated historical cost if historical cost is not available. Donated fixed assets are stated at fair market value at the date of donation.

The long-term debts expected to be financed from governmental funds are accounted for in the General Long-Term Debt Account Group, not in the governmental funds.

The two account groups, General Fixed Assets and General Long-Term Debt are not "funds". They are concerned only with the measurement of financial position and not the measurement of results of operations.

E. BASIS OF ACCOUNTING / MEASUREMENT FOCUS

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current

liabilities generally are included on the balance sheet. Operating statements of the governmental funds present increases and decreases in net current assets. The modified accrual basis of accounting is used by all governmental funds.

The proprietary fund follows the accrual basis of accounting whereby revenues are recorded as earned and expenses are recorded when incurred in accordance with the standards issued by the Governmental Accounting Standards Board (GASB). Governmental funds use the following practices in recording revenues and expenditures:

Revenues

Revenues are recognized when they become measurable and available.

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

Ad valorem taxes are recorded in the year the taxes are levied, due and payable. Ad valorem taxes are assessed on a calendar year basis and finance the budget of the current fiscal year. The taxes become due on December 1 of each year, and become delinquent on December 31. The taxes are generally collected in December, January and February of the fiscal year.

Food services income is recorded as operating revenue when collected. All food services income applicable to an accounting period is collected during that accounting period.

Interest earnings on time deposits are recorded when the time deposits have matured and the interest is available.

Sales and use tax revenues are recorded in the accounting period in which they become measurable and available to finance expenditures of the fiscal period.

Substantially all other revenues are recorded when received.

Expenditures

Salaries are recorded as expenditures when earned. Teachers' salaries are earned over a 9-month period but are paid over a 12-month period.

Purchases of various operating supplies, excluding inventory items in the School Lunch Fund which are recorded as expenditures when consumed, are recorded as expenditures in the accounting period in which they are purchased.

Compensated absences are recognized as expenditures when leave is actually taken or when employees (or heirs) are paid for accrued leave upon retirement or death, while the cost of

leave privileges not requiring current resources is recorded in the General Long-Term Debt Account Group.

Principal and interest on general long-term debt are recognized when due.

Substantially all other expenditures are recognized when the related fund liability has been incurred.

Other Financing Sources (Uses)

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

Deferred Revenues

Deferred revenues arise when monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when the School Board has a legal claim to the resources, the liability for deferred revenue is removed from the combined balance sheet and revenue is recognized.

The Proprietary Fund and Non-Expendable Trust Fund are accounted for on a flow of economic resources measurement focus and a determination of net income and capital maintenance. With this measurement focus, all assets and liabilities associated with the operation of these funds are included on the balance sheet. The Proprietary Fund and the Non-Expendable Trust Fund use the accrual basis of accounting in accordance with the standards issued by the Governmental Accounting Standards Board.

Revenues are recognized when earned, and expenses are recognized at the time the liabilities are incurred.

Agency funds are custodial in nature (assets equal liabilities) and thus do not involve measurement of results of operations. Agency fund assets and liabilities are accounted for on the modified accrual basis of accounting.

F. BUDGETS

The following summarizes the budget activities of the School Board:

Public notices	August 7, 1998
Completed and available for public inspection	August 10, 1998
Public hearings	August 25, 1998
Board adoption	August 25, 1998

The School Board legally adopts budgets for the General Fund and Special Revenue Funds. Formal budget integration is employed as a management control device. The School Board approves budgets at the fund level giving management the authority to transfer amounts among line items within any fund. When actual revenues within a fund fail to meet budgeted revenues by five percent or more and/or actual expenditures within a fund exceed budgeted expenditures by five percent or more, a budget amendment is adopted by the School Board in an open meeting. Budget amounts included in the accompanying financial statements include the original adopted budget and all subsequent amendments. There were no material budget amendments in 1998-99.

The budgets are prepared on a basis which differs from generally accepted accounting principles in that the School Board's budget includes encumbered amounts. Accordingly, the budgetary basis expenditure data reflected in the Combined Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual (Adjusted to Budgetary Basis) - General and Special Revenue Funds (Exhibit 3) includes encumbrances and, thus, differs from the expenditure data reflected in the Combined Statement of Revenues, Expenditures and Changes in Fund Balances - All Governmental Fund Types (Exhibit 2) by the amount of encumbrances outstanding at year end. Unencumbered appropriations lapse at year-end.

G. ENCUMBRANCES

Commitments relating to outstanding purchase orders and contracts for goods and services are recorded as encumbrances in order to reserve the applicable portion of the appropriation. Encumbrances outstanding at year end are reported as reservations of fund balances since they do not constitute expenditures or liabilities but represent authority for expenditures in the subsequent year. Encumbered appropriations lapse at year end but are reappropriated in the subsequent fiscal year. As materials are subsequently received and contracts are executed, liabilities are recorded and the related encumbrances are liquidated.

H. CASH, CASH EQUIVALENTS AND INVESTMENTS

Cash includes amounts in demand deposits and interest bearing demand deposits. Cash equivalents include amounts in time deposits, all of which are certificates of deposit. Under state law, the School Board may deposit funds in demand deposits, interest bearing demand deposits, money market accounts or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

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 of America. The School Board may invest in United States bonds, treasury notes and bills or certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. In addition, local governments in Louisiana are authorized to invest in the Louisiana Asset Management Pool (LAMP), a non-profit corporation formed by the State Treasurer and organized under the laws of the State of Louisiana, which operates a local government investment pool.

For purposes of the Statement of Cash Flows, the School Board considers all highly liquid investments with a maturity of six months or less when purchased to be cash equivalents.

Investments in the deferred compensation agency fund are fixed annuities which are reported at market value.

I. SHORT-TERM INTERFUND RECEIVABLES/PAYABLES

During the course of operations, short-term loans occur between individual funds. These short-term interfund loans are classified as interfund receivables/payables.

J. INVENTORY

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

K. GENERAL FIXED ASSETS

Fixed assets of governmental funds are recorded as expenditures at the time they are purchased or constructed, and the related assets are capitalized (reported) at cost in the General Fixed Assets Account Group. No interest is capitalized on constructed fixed assets. Actual historical cost data was not available for furniture and equipment acquired prior to

January 1, 1980. Approximately 83 percent of fixed assets are valued at actual historical cost while the remaining 17 percent are valued at estimated historical cost using catalog prices of the acquisition period.

L. COMPENSATED ABSENCES

Sick Leave

Teachers accrue 10 to 14.5 days of sick leave each year, which may be accumulated without limitation. Other 9-month employees accrue 10 to 12 days of sick leave each year, which may be accumulated without limitation. Upon retirement or death, unused accumulated sick leave of up to 25 days is paid to the employee or to the employee's estate at the employee's current rate of pay.

Twelve month employees accrue from 12 to 18 days of sick leave each year, depending upon their length of service with the School Board. Upon retirement or death, unused accumulated leave of up to 25 days is paid to the employee or to the employee's estate at the employee's current rate of pay.

The amount of sick leave expenditure reported in the General Fund and the Lunch Fund for the fiscal year is the amount actually claimed by employees during that period. A liability of \$2,427,609 is reported in the General Long-Term Debt Account Group for salary related payments.

Vacation Leave

All 12-month employees are entitled to vacation leave which must be approved by the Superintendent. Employees earn from 5 to 20 days of vacation leave each year depending on their length of service. Vacation leave may be accumulated without limitation. Upon retirement, resignation or death, unused vacation leave up to 60 days earned prior to July 1, 1988 is paid to the employee or to the employee's estate at the employee's current rate of pay. The amount of vacation claimed during the fiscal year is the reported expenditure for that period in the General Fund and the Lunch Fund. A long-term liability of \$626,812 has been reported for vacation in the General Long-Term Debt Account Group for salary related payments. This liability represents accumulated vacation at June 30, 1999, none of which met the condition for accrual in the General Fund and thus will not be retired from expendable available financial resources.

Sabbatical Leave

Sabbatical leave may be granted for rest and recuperation or for professional and cultural improvement. Any employee with a teaching certificate is entitled, subject to approval by the School Board, to one semester of sabbatical leave after three years of continuous service or two semesters of sabbatical leave after six or more years of continuous service.

Sabbatical leave benefits are recorded as expenditures in the period paid. Unused sabbatical leave may be carried forward to one or more periods subsequent to that in which it is earned, but no more than two semesters of leave may be accumulated. Sabbatical leave does not vest. All sabbatical leaves must be approved by the School Board.

The cost of leave privileges, computed in accordance with GASB Codification Section C60, is recognized as a current-year expenditure in the governmental funds when leave is actually taken.

At June 30, 1999 the amount of salary related payments accumulated for sabbatical leave was \$3,798,261, none of which met the condition for accrual in the governmental funds and thus will not be retired from expendable available financial resources; hence, the entire amount is reported in the General Long-Term Debt Account Group.

M. LONG-TERM DEBT

Long-term debt expected to be financed from governmental funds are reported in the General Long-Term Debt Account Group. Expenditures for principal and interest payments for long-term debt are recognized in the governmental funds when due. Long-term debt expected to be financed from proprietary fund operations are accounted for in that fund.

N. FUND EQUITY

Reserves

Reserves represent those portions of fund equity which are not appropriable for expenditures or have not been legally segregated for a specific future use.

Designated Fund Balances

Designated fund balances represent tentative plans for future use of financial resources.

O. INTERFUND TRANSACTIONS

Quasi-external transactions are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers. Nonrecurring and non-routine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating

transfers.

P. SALES AND USE TAX

At June 30, 1999, a five percent local sales and use tax is levied and collected within St. Bernard Parish of which two percent is received by the School Board. The sales and use tax received by the School Board is pledged as security for the sales tax bonds. The amount received in excess of the debt service requirements on the sales tax bonds may be used for any other lawful purpose.

The tax is collected by the St. Bernard Parish Sheriff's Office, except those taxes levied on the sale of motor vehicles, which are collected by the State of Louisiana. The Sheriff's Office receives a commission of eight percent on the gross amount of one and one-half percent of the two percent sales tax collected for the School Board. The Sheriff's Office receives no commission in the collection of the additional one-half percent. The sales tax revenues reported in the accompanying financial statements are shown net of the sheriff's commission.

Q. AD VALOREM TAX

The ad valorem tax is due and becomes an enforceable lien on property on the first day of the month following the filing of the tax rolls by the assessor with the Louisiana Tax Commission (usually December 1). The tax is delinquent thirty days after the due date. The tax is levied based on property values determined by the St. Bernard Parish Assessor's Office. Land and improvements are assessed at 10% of fair market value and all other property is assessed at 15% of fair market value. The tax is billed and collected by the St. Bernard Parish Sheriff's Office.

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

	<u>Authorized</u> <u>Millage</u>	<u>Levied</u> <u>Millage</u>	<u>Expiration</u> <u>Date</u>
Parishwide taxes:			
Constitutional	3.75	3.75	Constitutional
Maintenance	9.25	9.25	December 31, 2002
Maintenance	3.00	3.00	December 31, 1999
Bond and Interest	15.00	15.00	Various

R. COMPARATIVE DATA AND TOTAL COLUMNS ON COMBINED STATEMENTS (MEMORANDUM ONLY)

Comparative total data for the prior year have been presented in the accompanying combined general purpose financial statements in order to provide an understanding of changes in the School Board's financial position and operations. However, comparative data (i.e., presentation of prior year total by fund type) have not been presented in each of the statements since their inclusion would make the statements unduly complex and difficult to read.

Total columns on the combined statements are captioned Memorandum Only (overview) to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations or cash flows in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

2. CASH, CASH EQUIVALENTS AND INVESTMENTS

At June 30, 1999, the School Board has cash and cash equivalents (book balances) totaling \$21,352,929, as follows:

Interest bearing demand deposits	\$ 3,684,264
Time deposits	<u>17,668,665</u>
TOTAL	<u>\$ 21,352,929</u>

In accordance with Louisiana Statutes, the School Board maintains all deposits in financial institutions. At June 30, 1999, the School Board has collected bank balances of \$25,534,768. Of the bank balances, \$320,000 is covered by federal depository insurance. In compliance with state laws, the remaining balance of \$25,214,768 is secured by bank owned securities specifically pledged to the School Board and held by an independent custodian bank. Under the provisions of GASB Statement No. 3, this remaining balance is considered uncollateralized because the securities are held by the pledging institution or its agent, but not in the School Board's name. However, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell pledged securities within 10 days of being notified by the School Board that the fiscal agent has failed to pay deposited funds upon demand.

The School Board's time certificates of deposit are considered cash equivalents.

Investments in the deferred compensation agency fund (discussed in note 5) are fixed rate annuities which have a market value of \$346,692 at June 30, 1999. The carrying value of these investments is equal to the market value.

3. RECEIVABLES

The receivables of \$4,310,882 at June 30, 1999, are as follows:

<u>Class of Receivable</u>	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Agency Funds</u>	<u>Total</u>
Taxes:				
Sales and Use	\$-	\$-	\$2,227,389	\$2,227,389
Ad Valorem	-	-	17,418	17,418
Grants:				
Federal	151,795	942,736	-	1,094,531
State	722,784	187,270	-	910,054
Other	<u>61,490</u>	<u>-</u>	<u>-</u>	<u>61,490</u>
TOTAL	<u>\$ 936,069</u>	<u>\$1,130,006</u>	<u>\$ 2,244,807</u>	<u>\$4,310,882</u>

4. FIXED ASSETS

A summary of changes in general fixed assets follows:

	<u>Balance July 1, 1998</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 1999</u>
Land	\$ 934,696	\$-	\$-	\$ 934,696
Buildings and Improvements	36,921,532	11,808,889	-	48,730,421
Furniture & Equipment	<u>13,545,336</u>	<u>1,077,473</u>	<u>252,375</u>	<u>14,370,434</u>
	<u>\$51,401,564</u>	<u>\$12,886,362</u>	<u>\$ 252,375</u>	<u>\$64,035,551</u>

5. RETIREMENT AND DEFERRED COMPENSATION PLANS

Substantially all employees of the School Board are members of two statewide retirement systems. In general, professional employees (such as teachers and administrators) and lunchroom workers are members of the Teachers' Retirement System of Louisiana; other employees, such as custodial personnel and bus drivers are members of the Louisiana School Employees' Retirement System. These systems are cost-sharing, multiple-employer defined benefit pension plans administered by separate boards of trustees. Pertinent information, as required by the Governmental Accounting Standards Board Statement No. 27, relative to each plan follows:

A. Teachers' Retirement System of Louisiana (TRSL)

Plan Description:

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

Funding Policy:

Plan members are required to contribute 8.0% and 9.1% of their annual covered salary for the Regular Plan and Plan A, respectively. The School Board is required to contribute at an actuarially determined rate. The 1998-99 rate was 16.5% of annual covered payroll for both membership plans. Member contributions and employer contributions for the TRSL are established by state law and rates are established by the Public Retirement Systems' Actuarial Committee. The School Board's employer contribution to the TRSL, as provided by state law, is funded by the State of Louisiana through annual appropriations, by deductions from local ad valorem taxes, and by remittances from the School Board.

The Schools Board's contributions to the TRSL for the years ended June 30, 1997, 1998 and 1999, were \$3,743,439, \$3,996,232 and \$4,282,259, respectively, equal to the required contributions for each year.

B. Louisiana School Employees' Retirement System (LSERS)

Plan Description:

The LSERS provides retirement benefits as well as disability and survivors benefits. Ten

years of service credit is required to become vested for retirement benefits and five years to become vested for disability and survivor benefits. Benefits are established and amended by state statute. The LSERS issues a publicly available financial report that includes financial statements and required supplementary information for the LSERS. That report may be obtained by writing to the Louisiana School Employees' Retirement System, Post Office Box 44516, Baton Rouge, Louisiana 70804, or by calling (225) 925-6484.

Funding Policy:

Plan members are required to contribute 6.35% of their annual covered salary and the School Board is required to contribute at an actuarially determined rate. The 1998-99 rate was 6.00% of annual covered payroll. Member contributions and employer contributions for the LSERS are established by state law and rates are established by the Public Retirement Systems' Actuarial Committee. The School Board's employer contribution for the LSERS is funded by the State of Louisiana through annual appropriations and by remittances from the School Board.

The Schools Board's contributions to the LSERS for the years ended June 30, 1997, 1998 and 1999 were \$168,874, \$165,178 and \$167,475, respectively, equal to the required contribution for each year.

C. Deferred Compensation Plan

The School Board offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all School Board employees, permits them to defer until future years up to 33 1/3% of gross earnings per year not to exceed \$7,500. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency.

Participation in the plan is mandatory for those employees not eligible for enrollment in the Teachers' Retirement System or the Louisiana School Employees' Retirement System. Participation in the plan is optional for those employees enrolled in either of the above retirement systems.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property or rights are (until paid or made available to the employee or other beneficiary) solely the property and rights of the School Board, subject only to the claims of the School Board's general creditors. Participants' rights under the plan are equal to those of general creditors of the School Board in an amount equal to the fair market value of the deferred account for each participant.

Management is of the opinion that the School Board has no liability for losses under the

plan but does have the duty of due care that would be required of an ordinary prudent investor. The School Board believes that it is unlikely that it will use the assets to satisfy the claims of general creditors in the future.

6. POST-RETIREMENT HEALTH CARE AND LIFE INSURANCE BENEFITS

The School Board provides certain continuing health care and life insurance benefits for its retired employees. In accordance with Louisiana Revised Statute Title 42 chapter 12, substantially all of the School Board's employees become eligible for these benefits if they reach normal retirement age while working for the School Board. A portion of the retiree premium is funded through mandated state contributions. The School Board has further elected to treat retirees in the same manner as active employees and provide a local contribution toward their premium. These benefits for retirees and similar benefits for active employees are provided through the State Employees Group Benefits Program, whose monthly premiums are paid jointly by the employee and the School Board. The School Board recognizes the cost of providing these benefits as an expenditure when the monthly premiums are due. For the year ended June 30, 1999 the cost of retiree benefits totaled \$1,745,065, of which \$1,573,284 was paid by the employer and \$171,781 was paid by the employee. Benefits are provided for approximately 460 retirees.

7. CHANGES IN AGENCY FUND DEPOSITS DUE OTHERS

A summary of changes in Agency Fund deposits due others follows:

	School Activity Fund	Deferred Compensation Fund	Total
Balance at July 1, 1998	\$ 465,823	\$ 286,783	\$ 752,606
Additions	2,297,660	80,943	2,378,603
Deductions	<u>(2,241,522)</u>	<u>(21,034)</u>	<u>(2,262,556)</u>
Balance at June 30, 1998	<u>\$ 521,961</u>	<u>\$ 346,692</u>	<u>\$ 868,653</u>

8. ACCOUNTS, SALARIES AND OTHER PAYABLES

The payables of \$3,632,374 at June 30, 1999, are as follows:

	General Fund	Special Revenue Funds	Capital Projects Funds	Workers' Compensation Internal Service Fund	Total
Salaries payable	\$1,785,615	\$118,930	-	-	\$ 1,904,545
Withholding payable	1,167,899	19,243	-	-	1,187,142
Accounts payable	<u>59,683</u>	<u>120,366</u>	<u>\$214,364</u>	<u>\$146,274</u>	<u>540,687</u>
TOTAL	<u>\$3,013,197</u>	<u>\$258,539</u>	<u>\$214,364</u>	<u>\$146,274</u>	<u>\$3,632,374</u>

9. CHANGES IN GENERAL LONG-TERM DEBT

The following is a summary of the long-term debt transactions for the year ended June 30, 1999:

	Bonded Debt	Certificates of Indebtedness	Compensated Absences	Total
Long-term Debt at July 1, 1998	\$ 37,165,000	\$-	\$ 6,995,872	\$ 44,160,872
Additions	1,445,000	335,000	430,693	2,210,693
Deductions	<u>(2,540,000)</u>	<u>(63,000)</u>	<u>(573,883)</u>	<u>(3,176,883)</u>
Long-term Debt at June 30, 1999	<u>\$36,070,000</u>	<u>\$272,000</u>	<u>\$ 6,852,682</u>	<u>\$ 43,194,682</u>

Bonded Debt

School Board bonds outstanding at June 30, 1999 in the amount of \$36,070,000 are general obligation and sales tax bonds with maturities from 2000 to 2018 and interest rates from 3.9 to 10.0 percent. The individual issues are as follows:

<u>Bond Issue</u>	<u>Original Issue</u>	<u>Interest Rates</u>	<u>Final Payments Due</u>	<u>Interest to Maturity</u>	<u>Principal Outstanding</u>	<u>Funding Source</u>
General Obligation:						
3/1/90	\$ 1,965,000	6.5%	3/1/00	\$ 5,850	\$ 90,000	Ad valorem
3/1/97	22,000,000	4.8-9.0%	3/1/17	12,337,170	21,135,000	Ad valorem
3/1/98	8,000,000	4.0-7.5%	3/1/18	4,422,056	8,000,000	Ad valorem
12/28/98	1,445,000	4.6%	3/1/10	456,452	1,410,000	Ad valorem
Sales Tax:						
5/1/90	7,000,000	6.6-10.0%	5/1/00	20,435	305,000	Sales Tax
11/1/97	5,220,000	3.9- 4.9%	5/1/10	<u>1,637,045</u>	<u>5,130,000</u>	Sales Tax
Total				<u>\$18,879,008</u>	<u>\$36,070,000</u>	

All principal and interest requirements are funded in accordance with Louisiana law by the annual ad valorem tax levy on taxable property within the Parish and sales tax. At June 30, 1999, the School Board has accumulated \$2,030,892 in the Debt Service Funds for future debt requirements. The bonds are due as follows:

<u>Year Ending June 30</u>	<u>Principal Payments</u>	<u>Interest Payments</u>	<u>Total</u>
2000	\$1,450,000	\$1,903,053	\$3,353,053
2001	1,540,000	1,796,668	3,336,668
2002	1,620,000	1,685,816	3,305,816
2003	1,715,000	1,573,698	3,288,698
2004	1,810,000	1,487,084	3,297,084
2005	1,900,000	1,403,584	3,303,584
2006	1,995,000	1,315,281	3,310,281
2007	2,105,000	1,221,849	3,326,849
2008	2,205,000	1,121,784	3,326,784
2009	2,325,000	1,016,174	3,341,174
2010	2,455,000	902,669	3,357,669
2011	1,730,000	780,559	2,510,559
2012	1,825,000	692,659	2,517,659
2013	1,925,000	599,259	2,524,259
2014	2,025,000	499,771	2,524,771
2015	2,140,000	394,096	2,534,096
2016	2,260,000	280,796	2,540,796
2017	2,390,000	160,153	2,550,153
2018	655,000	32,423	687,423
Total	<u>\$36,070,000</u>	<u>\$18,867,376</u>	<u>\$54,937,376</u>

In accordance with Louisiana Revised Statute 39:562, the School Board is legally restricted from incurring long-term general obligation bonded debt in excess of 35 percent of the assessed value of taxable property. At June 30, 1999, the statutory limit is \$100,496,857 and outstanding general obligation bonded debt totals \$30,635,000.

In addition, the School Board is legally restricted from incurring long-term bonded debt secured by sales and use taxes in excess of 75 percent of the avails of the tax. The School Board was within this 75 percent limitation in 1990 when the sales tax bonds were issued.

On December 28, 1998, the School Board defeased \$1,360,000 of the March 1, 1990 School Board General Obligation Bonds maturing on or after March 1, 2000. For this defeasance an irrevocable trust was created. New debt was issued and used to purchase U.S. Government securities that were placed in the trust funds. The investments and fixed earnings from the investments are sufficient to fully service the defeased debt until the debt is called or matures. For financial reporting purposes, the debt is considered defeased and therefore removed as a liability from the School Board's General Long-Term Debt Account Group. The full, outstanding amount of the defeased issue \$1,360,000 will be redeemed on March 1, 2000. As a result of the refunding, the economic gain to the School Board will be \$73,833.

Certificates of Indebtedness

Certificates of indebtedness outstanding at June 30, 1999 in the amount of \$272,000 have a maturity date of June 1, 2003 and an interest rate of 4.5%. All principal and interest payments are funded by General Fund monies. Payments are due as follows:

Year Ending	Principal	Interest	
<u>June 30</u>	<u>Payments</u>	<u>Payments</u>	<u>Total</u>
2000	\$ 63,000	\$ 11,543	\$ 74,543
2001	67,000	8,662	75,662
2002	69,000	5,625	74,625
2003	<u>73,000</u>	<u>2,475</u>	<u>75,475</u>
Total	<u>\$272,000</u>	<u>\$ 28,305</u>	<u>\$300,305</u>

10. OTHER INDIVIDUAL FUND DISCLOSURES

(A) Interfund Receivables/Payables

Individual fund balances due from/to other funds at June 30, 1999 are as follows:

<u>Fund</u>	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>
General Fund	\$ 3,113,760	\$ 16,569
Special Revenue Funds:		
Improving America's Schools Act - Title I	-	385,670
Improving America's Schools Act - Title II	-	13,850
Improving America's Schools Act - Title IV	-	14,763
Improving America's Schools Act - Title VI	-	19,096
Head Start	-	59,030
School Lunch Fund	16,650	2,993
Public Law 101-476 - Flow Thru	-	67,191
Public Law 101-476 - Preschool	-	10,876
Public Law 101-476 - IDEA Part B	-	13,698
Goals 2000 : Educate America Act	-	85,158
State Extended School Year Program	-	11,928
Early Childhood Development Program	-	6,537
Infant/Toddler Child Search Program	-	5,900
Job Training Partnership Act	-	7,135
Vocational Education	-	67,633
Adult Education	-	51,058
School to Career	-	57,636
Charter Schools Initiative	-	15,791
Primary Drug Prevention	-	81,546
Debt Service Funds:		
Ad Valorem Tax	8,428	-
Sales Tax Bond Sinking Fund	103,302	100
Sales Tax Bond Reserve Fund	919	-
Agency Funds:		
General Clearing Fund	-	17,430
Sales Tax Clearing Fund	-	2,229,901
Extended Day School Clearing Fund	-	570
Totals	<u>\$3,242,059</u>	<u>\$3,242,059</u>

(b) Operating Transfers

Individual fund interfund operating transfers for the year ended June 30, 1999 were as follows:

<u>Fund</u>	<u>Operating transfers in</u>	<u>Operating transfers out</u>
General Fund	<u>\$ 96,651</u>	<u>\$-</u>
Special Revenue:		
IASA (Title I, II, IV, VI)	-	54,581
Headstart	-	15,807
School Lunch Fund	-	19,257
IDEA (Special Education)	-	21,504
Goals 2000 (Title III)	-	3,375
Infant/Toddler Child Search	-	128
Adult Education	-	750
Charter Schools Initiative	<u>-</u>	<u>506</u>
Total - Special Revenue	<u>-</u>	<u>115,908</u>
Workers' Compensation - Internal Service Fund	<u>19,257</u>	<u>-</u>
Total - all funds	<u>\$ 115,908</u>	<u>\$ 115,908</u>

11. RESERVED AND UNRESERVED - DESIGNATED FUND BALANCES

The reserved and unreserved - designated components of fund balances consist of the following:

	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Debt Service Funds</u>	<u>Capital Projects Funds</u>	<u>Joseph Accardo Scholarship Non- Expendable Trust Fund</u>	<u>Total</u>
Reserved for:						
Encumbrances	\$ 302,439	\$-	\$-	\$ 6,417,443	\$-	\$ 6,719,882
Debt service	-	-	2,030,891	-	-	2,030,892
Scholarships	-	-	-	-	\$15,000	15,000
Inventory	-	33,057	-	-	-	33,057
Total Reserved	<u>302,439</u>	<u>33,057</u>	<u>2,030,892</u>	<u>6,417,443</u>	<u>15,000</u>	<u>8,798,831</u>
Unreserved -						
Designated for:						
Special Education	15,021	-	-	-	-	15,021
Telecommunication Services	149,240	-	-	-	-	149,240
Contribution	15,000	-	-	-	-	15,000
Media Services	<u>234,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>234,000</u>
Total Unreserved - Designated	<u>413,261</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>28,400</u>	<u>441,661</u>
Undesignated	<u>1,476,978</u>	<u>39,394</u>	<u>-</u>	<u>\$10,561,372</u>	<u>-</u>	<u>12,077,744</u>
TOTAL FUND BALANCE	<u>\$2,192,678</u>	<u>\$ 72,451</u>	<u>\$2,030,892</u>	<u>\$16,978,815</u>	<u>\$43,400</u>	<u>\$21,318,236</u>

The nature and purpose of the reserves and designations of fund balance are as follows:

Reserved for Encumbrances

This reserve was established for outstanding purchase orders that the School Board intends to honor.

Reserved for Debt Service

This reserve represents the amounts reserved for payment of principal and interest maturing in future years on bonded debt.

Reserved for Scholarships

This reserve represents the principal amount donated by the widow of Joseph Accardo. The earnings from investment of the \$15,000 principal are used for scholarships.

Reserved for Inventory

This reserve was established for food inventories in the School Lunch Fund which will be used in the future fiscal period.

Designated for Special Education

This represents the unexpended portion of unrestricted monies received by the School Board and designated for Special Education programs.

Designated for Telecommunication Services

This represents a designation of funds received from the Universal Services Fund for purchase of telecommunication services for the district.

Designated for Contribution

This represents a designation of funds received as a contribution to the district. These funds will be used for a yet to be determined future project.

Designated for Media Services

This represents a designation by the School Board of funds received from Bell South Interactive Media to provide additional media services for the school system.

Designated for Scholarships

This designation represents the amount in the Joseph Accardo Scholarship Fund Balance in excess of the initial \$15,000 donation.

12. EXCESS OF EXPENDITURES OVER APPROPRIATIONS

For those funds for which a budget-to-actual comparison was made, actual expenditures exceeded budgeted expenditures on a line item basis as follows:

	<u>Expenditures</u>		<u>Unfavorable Variance</u>
	<u>Budget</u>	<u>Actual</u>	
General Fund:			
Support Services:			
Plant Services	\$ 4,148,979	\$ 4,175,791	(26,812)
Food Service Programs	160,797	162,855	(2,058)
Special Revenue Funds:			
Instruction:			
Regular Programs	204,441	204,442	(1)
Special Programs	1,872,250	1,877,158	(4,908)

In the General Fund, and increase in the cost of maintenance services and hospitalization benefits for food service retirees caused an excess of expenditures over appropriations in the respective categories. The excess of expenditures over appropriations in the Special Revenue funds were caused by over expenditures of funds for line items accompanied by under expenditure of budgeted funds on other line items. The monetary amount of the variances was not at such a level as to require an official budget revision.

13. COMMITMENTS AND CONTINGENCIES

A. Claims and Judgements

At June 30, 1999, the School Board is involved in several lawsuits. In the opinion of legal counsel for the School Board, the potential claims against the School Board not covered by insurance would not materially affect the financial statements.

B. Federal Programs

The School Board participates in a number of federally financed grant programs. Although the grant programs have been audited in accordance with the Single Audit Act through June 30, 1999, these programs are subject to compliance audits by the grantors. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this

time. However, the School Board expects such amounts, if any, to be immaterial.

C. Risk Management

The School Board established a limited risk management program for workers' compensation in 1989-90. Premiums are paid into the Internal Service Fund by the General and Special Revenue School Lunch Funds and are available to pay claims, claim reserves and administrative costs of the program. During fiscal year 1998-99, a total of \$488,785 was expended for benefits and administrative costs. An excess coverage insurance policy covers individual claims in excess of \$300,000 per occurrence. The cost of this policy and the accompanying surety bond required by the State of Louisiana totaled \$16,665 for the 1998-99 fiscal year. Incurred but not reported claims of \$134,215 have been accrued as a liability based primarily upon an actuary's estimate. This liability is included in accounts, salaries and other payables on Exhibit 1. Changes in the Fund's claims liability amount in fiscal years 1990-1999 were:

	Beginning of Fiscal Year <u>Liability</u>	Claims and Changes in <u>Estimates</u>	Claims <u>Payments</u>	Balance at Fiscal <u>Year-End</u>
1989-90	\$ -	\$ 79,370	\$ 49,367	\$ 30,003
1990-91	30,003	167,731	159,952	37,782
1991-92	37,782	236,133	224,856	49,059
1992-93	49,059	396,279	357,674	87,664
1993-94	87,664	338,897	280,351	146,210
1994-95	146,210	324,129	374,876	95,463
1995-96	95,463	298,383	208,648	185,198
1996-97	185,198	234,648	276,986	142,860
1997-98	142,860	372,841	446,343	69,358
1998-99	69,358	495,899	431,042	134,215

The School Board purchases conventional insurance for all other risks of loss including property, flood, fleet, liability and errors and omissions. Settled claims have not exceeded coverage in any of the past three fiscal years. There have been no significant reductions in insurance coverage from the prior year.

THIS PAGE LEFT BLANK INTENTIONALLY

**REQUIRED
SUPPLEMENTARY
INFORMATION**



ST. BERNARD PARISH SCHOOL BOARD

Required Supplementary Information

Year 2000 Disclosure (Unaudited)

The following is a synopsis of the process that the St. Bernard Parish School Board used to insure that its systems would be Year 2000 compliant and would be operational on January 1, 2000 and beyond.

Awareness Stage:

During the 1997-98 fiscal period, the School Board began the process of identifying systems which may be affected due to Year 2000 non-compliance. Key personnel were identified and charged with investigating the compliance of all essential systems, which included the School Board's mainframe computer system, classroom and office PCS, security systems and energy management systems.

Assessment Stage:

During the assessment stage, it was determined that the Board's mainframe computer system was in need of upgrading. Also, many classroom computers and the Board's energy management system software were not Year 2000 compliant.

Remediation Stage:

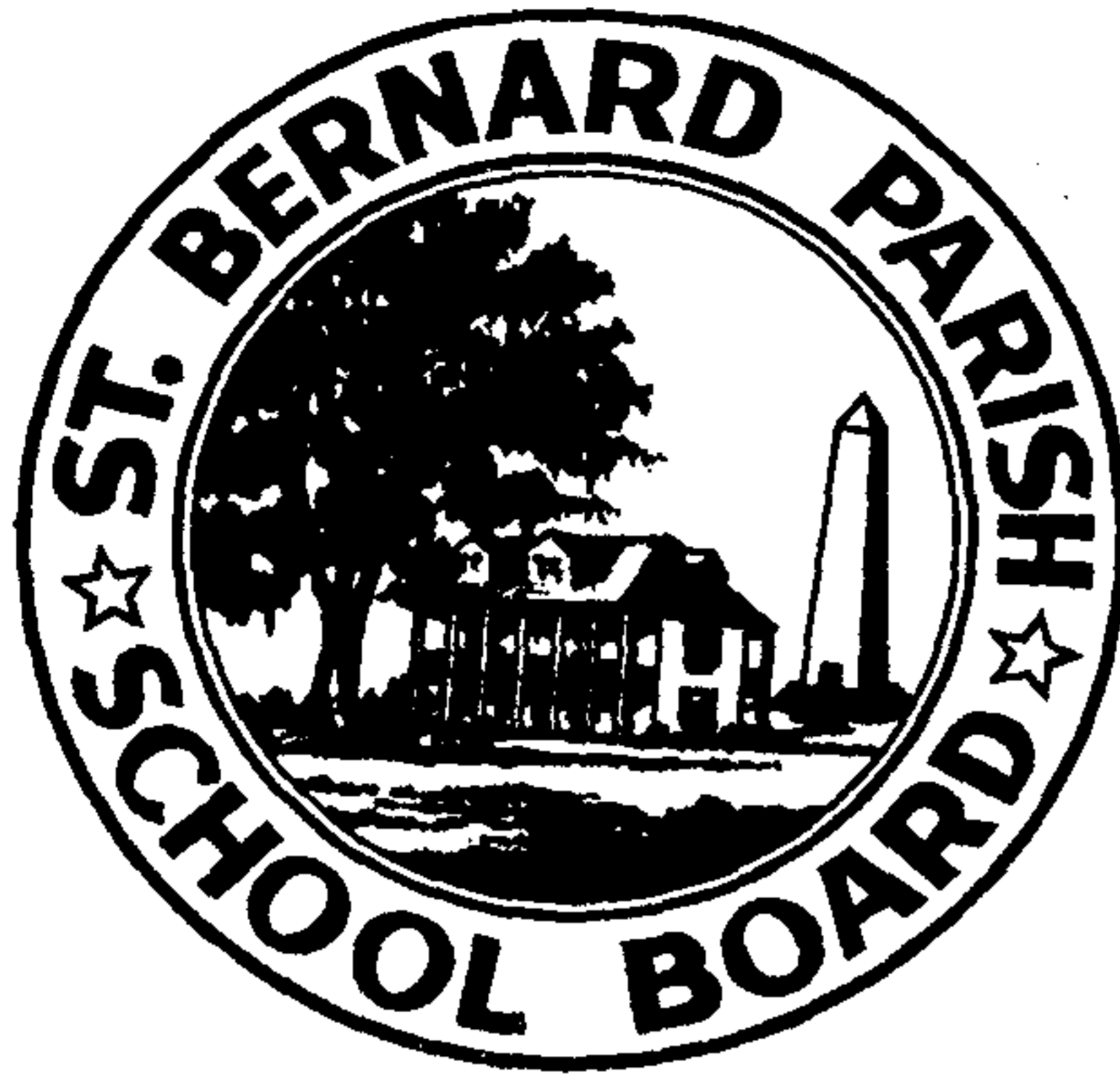
In July 1998, a new Unisys mainframe computer system was purchased at a cost of \$335,000. The new system corrected the Board's Year 2000 issues as well as provided needed additional memory capacity. The Board is a member of a consortium headed by the Lafourche Parish School Board which has written and maintains the specialized software which records all student, accounting, purchasing and payroll data. The consortium has been addressing needed changes to this software since early 1998. Title I funds, state technology funds and undesignated general fund monies were utilized to provide needed upgrades to classroom computers. In its 1999-2000 budget the School Board allocated \$40,000 for an upgrade of its energy management system to bring it into compliance.

Validation/Testing Stage:

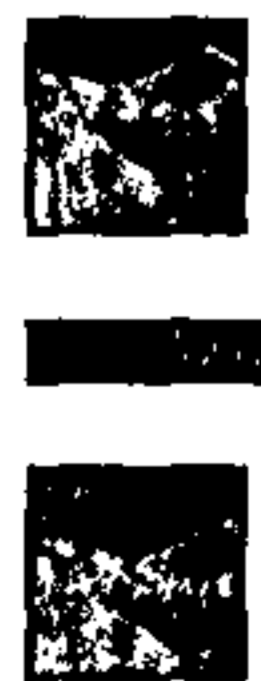
The School Board's new mainframe computer system was installed in July 1998 and fully tested and operational in September, 1998. Final modifications to the mainframe software were completed and tested in August 1999. By June 30, 1999, all affected classroom computers have

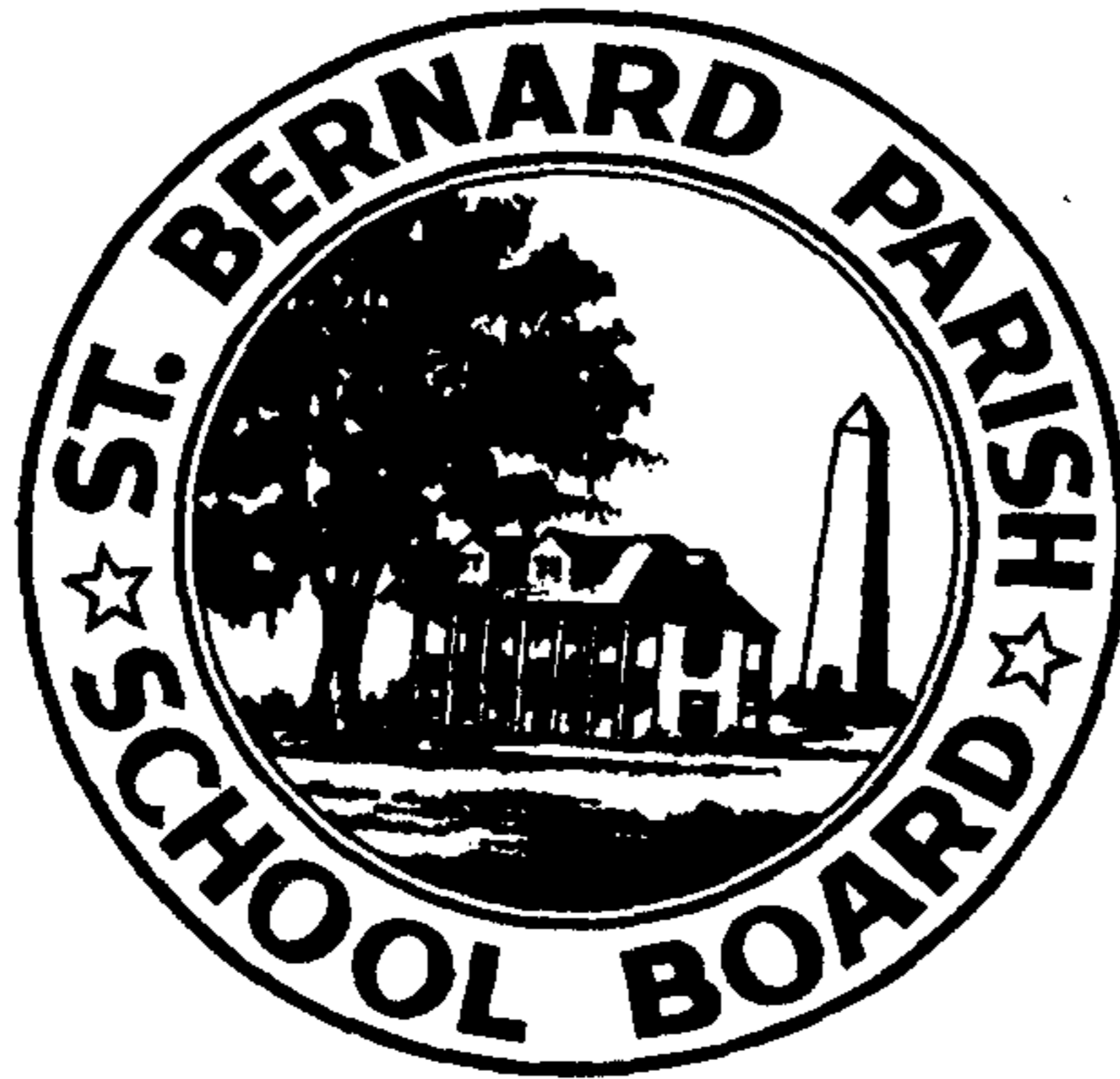
been upgraded and tested. The School Board's energy management system will be upgraded and tested by the end of October 1999.

Because of the unprecedented nature of the Year 2000 issue, its effects and the success of related remediation efforts will not be fully determined until the year 2000 and thereafter. Management cannot assure that the School Board is or will be Year 2000 ready, that the School Board's remediation efforts will be successful in whole or in part, or that parties with whom the School Board does business will be year 2000 ready.



**COMBINING INDIVIDUAL
FUNDS AND ACCOUNT
GROUP FINANCIAL
STATEMENTS AND
SCHEDULES**





GENERAL FUND

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



GENERAL FUND
Comparative Balance Sheet
June 30, 1999 and 1998

	1999	1998
ASSETS		
Cash and cash equivalents	\$1,146,336	\$3,142,114
Receivables	936,069	772,542
Interfund receivables	3,113,760	3,108,645
Other assets	164,549	225,278
TOTAL ASSETS	\$5,360,714	\$7,248,579
LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts, salaries, and other payables	\$3,013,197	\$4,795,565
Interfund payables	16,569	-
Deferred revenues	138,270	120,431
Total Liabilities	3,168,036	4,915,996
Fund balance:		
Reserved for encumbrances	302,439	242,690
Unreserved:		
Designated for special education	15,021	19,060
Designated for telecommunication services	149,240	-
Designated for pay raises - combined bargaining unit	-	669,070
Designated for contribution	15,000	-
Designated for media services	234,000	234,000
Undesignated fund balance	1,476,978	1,167,763
Total Fund Balance	2,192,678	2,332,583
TOTAL LIABILITIES AND FUND BALANCE	\$5,360,714	\$7,248,579

SEE ACCOMPANYING INDEPENDENT AUDITORS' REPORT.

GENERAL FUND

Comparative Statement of Revenues, Expenditures
and Changes in Fund Balance
For the Year Ended June 30, 1999 and 1998

	1999	1998
REVENUES		
Local sources:		
Ad valorem tax	\$2,815,882	\$2,820,095
Sales and use tax	11,910,586	11,219,015
Rentals, leases and royalties	177,620	125,236
Tuition	550,576	528,882
Interest earnings	195,486	244,515
Other	365,402	386,725
State sources:		
Unrestricted grants-in-aid	24,389,950	23,558,560
Restricted grants-in-aid	2,206,195	1,701,822
Federal sources:		
Restricted grants-in-aid:		
Direct	244,346	43,017
Total Revenues	42,856,043	40,627,867
EXPENDITURES		
Current:		
Instruction:		
Regular programs	21,327,382	20,463,087
Special programs	6,962,725	6,402,807
Adult and continuing education programs	135,562	83,574
Support Services:		
Student services	1,709,980	1,692,340
Instructional staff support	1,872,006	1,789,361
General administration	741,615	728,568
School administration	2,750,447	2,665,583
Business services	340,849	317,465
Plant services	4,173,268	4,094,806
Student transportation services	2,503,255	2,570,590
Central services	668,071	335,359
Community service programs	3,681	2,100
Food service programs	162,855	155,530
Debt Service:		
Principal retirement	63,000	-
Interest	12,010	-
Other Charges	2,600	-
Total Expenditures	43,429,306	41,301,170
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(573,263)	(673,303)
OTHER FINANCING SOURCES (USES)		
Sale of equipment	1,707	3,425
Proceeds from certificate of indebtedness	335,000	-
Operating transfers in	96,651	95,128
Total Other Financing Sources (Uses)	433,358	98,553
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	(139,905)	(574,750)
FUND BALANCE AT BEGINNING OF YEAR	2,332,583	2,907,333
FUND BALANCE AT END OF YEAR	\$2,192,678	\$2,332,583

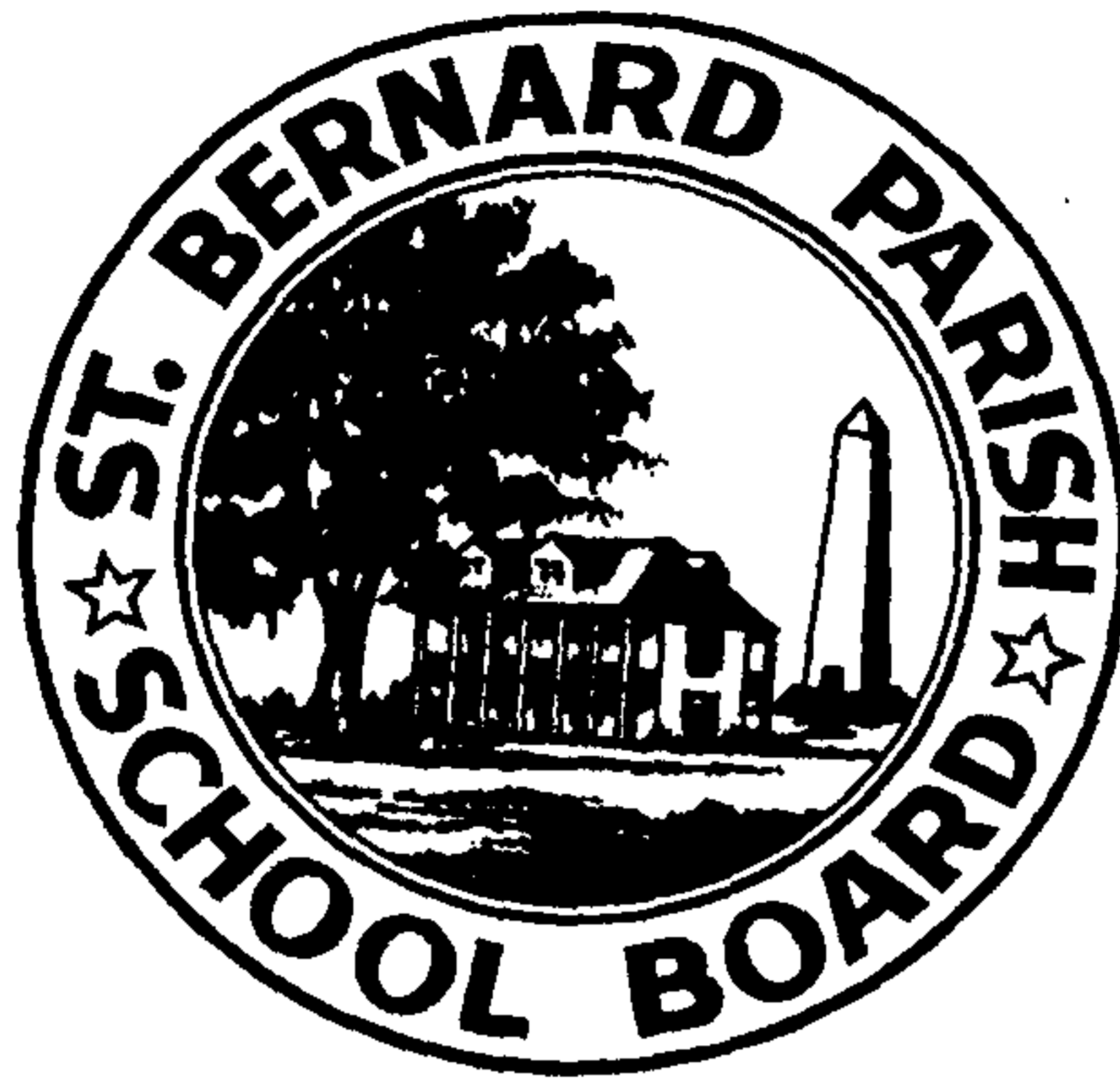
SEE ACCOMPANYING INDEPENDENT AUDITORS' REPORT.

GENERAL FUND
 Schedule of Revenues, Expenditures
 and Changes in Fund Balance-Budget
 and Actual (Adjusted to Budgetary Basis)
 For the Year Ended June 30, 1999

	BUDGET	ACTUAL (ADJUSTED TO BUDGETARY BASIS)	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Local sources:			
Ad valorem tax	\$2,880,489	\$2,815,882	(\$64,607)
Sales and use tax	11,500,000	11,910,586	410,586
Rentals, leases and royalties	160,000	177,620	17,620
Tuition	565,600	550,576	(15,024)
Interest earnings	205,000	195,486	(9,514)
Other	330,635	365,402	34,767
State sources:			
Unrestricted grants-in-aid	24,389,951	24,389,950	(1)
Restricted grants-in-aid	2,512,073	2,206,195	(305,878)
Federal sources:			
Restricted grants-in-aid:			
Direct	211,455	244,346	32,891
Total Revenues	42,755,203	42,856,043	100,840
EXPENDITURES			
Current:			
Instruction:			
Regular programs	21,728,803	21,594,264	134,539
Special programs	6,965,016	6,964,167	849
Adult and continuing education programs	146,440	135,880	10,560
Support Services:			
Student services	1,711,090	1,709,980	1,110
Instructional staff support	2,082,937	1,883,113	199,824
General administration	769,107	757,840	11,267
School administration	2,758,229	2,750,447	7,782
Business services	344,557	343,153	1,404
Plant services	4,148,979	4,175,791	(26,812)
Student transportation services	2,527,276	2,504,381	22,895
Central services	673,708	668,583	5,125
Community service programs	3,682	3,681	1
Food service programs	160,797	162,855	(2,058)
Debt Service:			
Principal retirement	63,000	63,000	-
Interest	12,010	12,010	-
Other Charges	2,600	2,600	-
Total Expenditures	44,098,231	43,731,745	366,486
(DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,343,028)	(875,702)	467,326
OTHER FINANCING SOURCES			
Sale of equipment	1,707	1,707	-
Proceeds from certificate of indebtedness	335,000	335,000	-
Operating transfers in	100,305	96,651	(3,654)
Total Other Financing Sources	437,012	433,358	(3,654)
(DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES	(906,016)	(442,344)	463,672
ENCUMBRANCES OUTSTANDING AT YEAR END	-	302,439	302,439
FUND BALANCE AT BEGINNING OF YEAR	2,332,583	2,332,583	-
FUND BALANCE AT END OF YEAR	\$1,426,567	\$2,192,678	\$766,111

SEE ACCOMPANYING INDEPENDENT AUDITORS' REPORT.

THIS PAGE LEFT BLANK INTENTIONALLY



SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes. The School Board maintains the following Special Revenue Funds:

- **IMPROVING AMERICA'S SCHOOLS ACT -
Title I, Title II, Title IV and Title VI**
- **ECONOMIC OPPORTUNITY ACT - Head Start**
- **SCHOOL LUNCH FUND**
- **SPECIAL EDUCATION - PL 101-476**
- **GOALS 2000: EDUCATE AMERICA ACT-TITLE III**
- **STATE EXTENDED SCHOOL YEAR PROGRAM**
- **EARLY CHILDHOOD DEVELOPMENT PROGRAM**
- **INFANT/TODDLER CHILD SEARCH PROGRAM**
- **JOB TRAINING PARTNERSHIP ACT**
- **VOCATIONAL EDUCATION**
- **ADULT EDUCATION**
- **SCHOOL TO CAREER**
- **FEDERAL CHARTER SCHOOLS INITIATIVES**
- **PRIMARY DRUG PREVENTION**



SPECIAL REVENUE FUNDS

IMPROVING AMERICA'S SCHOOLS ACT FUNDS

Title I of Public Law 103-382, the Improving America's Schools Act (IASA), is a program for educationally deprived school children residing in areas having high concentrations of children from low-income families. Title I services are provided through various projects that are designed to meet the special needs of educationally deprived children. The activities supplement, rather than replace, state and locally mandated activities.

Title II of Public Law 103-382, the Improving America's Schools Act, is a federally financed program designed to strengthen the skills of teachers in mathematics, science, foreign languages and computer learning.

Title IV of Public Law 103-382, the Improving America's Schools Act, establishes programs of drug abuse education and prevention coordinated with related community efforts and resources.

Title VI of Public Law 103-382, the Improving America's Schools Act, is a program by which the federal government provides block grant funds to the school system based on a per pupil allocation for audio-visual materials, equipment and library resources.

ECONOMIC OPPORTUNITY ACT FUND - HEADSTART

Headstart is a federally financed program designed to benefit economically disadvantaged pre-school age children. Medical, dental, mental health and social services as well as adult education and literacy programs are provided for Headstart students, their parents and their families.

SCHOOL LUNCH FUND

The School Lunch Fund accounts for revenues received from food services, federal and state grants and entitlements for operation of the school cafeterias.

SPECIAL EDUCATION FUNDS

Public Law 101-476 is a federally financed program of free education in the least restrictive environment for children with exceptionalities. The Pre-School Intervention Program, which serves pre-school children with disabilities, and the IDEA - Part B Program which provides behavior management training to teachers, pupil appraisal personnel, counselors and disciplinarians. The IDEA - Part B program also includes a component which provides for a mentorship program for beginning teachers.

GOALS 2000 : EDUCATE AMERICA ACT FUND

Title III of Public Law 103-227, The Goals 2000 : Educate America Act, is a program to empower parents and communities to improve their public schools. Federal funds through this act are passed to the state in a block grant, with funds being distributed to local school districts through a competitive process. St. Bernard Parish school/community leadership teams were awarded grants in the area of local improvement planning, professional development planning and curriculum and assessment development which have allowed the district and each of the seventeen schools to plan improvement programs leading into the 21st century. In Louisiana, the Goals 2000 initiative is termed Louisiana Learn.

STATE EXTENDED SCHOOL YEAR PROGRAM FUND

The State Extended School Year Program is a state funded program to provide a summer program for the more severely handicapped children whose educational development would be hampered by regression that cannot be compensated for in the regular school year.

EARLY CHILDHOOD DEVELOPMENT PROGRAM FUND

The Early Childhood Development Program is a program that includes children who are at high risk of being insufficiently ready for the regular school program and who have not been identified as eligible for special education services.

INFANT/TODDLER CHILD SEARCH PROGRAM FUND

The Infant/Toddler Child Search Program is a state funded search to identify children from birth to age three who are in need of special education and social services.

JOB TRAINING PARTNERSHIP ACT FUND

The Job Training Partnership Act Fund accounts for federal funds allocated to programs which provide basic education, job training and employment skills to economically disadvantaged

students or those who face significant employment barriers.

VOCATIONAL EDUCATION FUND

The Vocational Education Fund accounts for Carl D. Perkins Vocational and Applied Technology Education federal funds allocated for business education, guidance and counseling.

ADULT EDUCATION FUND

The Adult Education Fund accounts for federal funds allocated to programs serving undereducated individuals sixteen years of age and above whose goal is to achieve a general equivalency diploma.

SCHOOL TO CAREER FUND

The School to Career program, administered for the state by Metrovision, allows students to explore career opportunities through rigorous coursework, career oriented presentations and field experiences and participation in internships.

CHARTER SCHOOLS INITIATIVE

The Charter Schools Initiative allows for the study of the feasibility of opening charter schools. Using these funds, the School Board conducted an investigation to study the feasibility of converting four of its fourteen current schools to program-specific charter schools.

PRIMARY DRUG PREVENTION GRANT

The Primary Drug Prevention Program, working in conjunction with the Drug Free Schools Program, offered supplementary educational programs for students in the elementary and middle schools. These included afternoon and weekend programs, educational field trips, and a supplement to the School Boards existing Summer Discovery Festival. The main focus of these programs were drug awareness and prevention and character development training.

ST. BERNARD PARISH SCHOOL BOARD

SPECIAL REVENUE FUNDS
 Combining Balance Sheet,
 June 30, 1999
 With Comparative Totals for June 30, 1998

	IMPROVING AMERICA'S SCHOOLS ACT				ECONOMIC OPPORTUNITY ACT: HEAD START	SCHOOL LUNCH FUND
	TITLE I	TITLE II	TITLE IV	TITLE VI		
ASSETS						
Cash and cash equivalents	\$19,091	-	-	\$102	-	\$109,754
Receivables	442,267	13,850	21,523	\$18,994	94,895	18,902
Interfund receivables	-	-	-	-	-	15,650
Inventory	-	-	-	-	-	33,057
TOTAL ASSETS	\$461,358	\$13,850	\$21,523	\$19,096	\$94,895	\$177,363
LIABILITIES AND FUND BALANCE						
Liabilities:						
Accounts, salaries and other payables	\$75,688	-	\$6,760	-	\$35,865	\$101,919
Interfund payables	385,670	\$13,850	14,763	\$19,096	59,030	2,993
Total Liabilities	461,358	13,850	21,523	19,096	94,895	104,912
Fund Balance:						
Reserved for inventory	-	-	-	-	-	33,057
Unreserved- undesignated	-	-	-	-	-	39,394
Total Fund Balance	-	-	-	-	-	72,451
TOTAL LIABILITIES & FUND BALANCE	\$461,358	\$13,850	\$21,523	\$19,096	\$94,895	\$177,363

SEE ACCOMPANYING INDEPENDENT AUDITORS' REPORT.

SPECIAL EDUCATION PUBLIC LAW 101-476			GOALS 2000: EDUCATE AMERICA ACT Title III	STATE EXTENDED SCHOOL YEAR PROGRAM	EARLY CHILDHOOD DEVELOPMENT PROGRAM	INFANT/ TODDLER CHILD SEARCH	JOB TRAINING PARTNERSHIP ACT
FLOW THRU	PRESCHOOL	IDEA PART B					
-	\$514	-	-	\$88	\$42	\$34	\$23
73,266	11,377	13,698	\$85,158	11,840	15,717	5,866	\$12,613
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$73,266</u>	<u>\$11,891</u>	<u>\$13,698</u>	<u>\$85,158</u>	<u>\$11,928</u>	<u>\$15,759</u>	<u>\$5,900</u>	<u>\$12,636</u>
\$6,075	\$1,015	-	-	-	\$9,222	-	\$5,501
67,191	10,876	\$13,698	\$85,158	11,928	6,537	5,900	7,135
73,266	11,891	13,698	85,158	11,928	15,759	5,900	12,636
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$73,266</u>	<u>\$11,891</u>	<u>\$13,698</u>	<u>\$85,158</u>	<u>\$11,928</u>	<u>\$15,759</u>	<u>\$5,900</u>	<u>\$12,636</u>

SPECIAL REVENUE FUNDS
Combining Balance Sheet,
June 30, 1999
With Comparative Totals for June 30, 1998

	VOCATIONAL EDUCATION	ADULT EDUCATION	SCHOOL TO CAREER	CHARTER SCHOOLS INITIATIVE	PRIMARY DRUG PREVENTION	TOTALS	
						1999	1998
ASSETS							
Cash and cash equivalents	-	-	\$118	-	-	\$129,766	\$262,351
Receivables	68,278	51,455	62,064	15,791	92,452	1,130,006	1,037,006
Interfund receivables	-	-	-	-	-	15,650	-
Inventory	-	-	-	-	-	33,057	58,655
TOTAL ASSETS	\$68,278	\$51,455	\$62,182	\$15,791	\$92,452	\$1,308,479	\$1,358,012
LIABILITIES AND FUND BALANCE							
Liabilities:							
Accounts, salaries and other payables	\$645	\$397	\$4,546	-	\$10,906	\$258,539	\$399,494
Interfund payables	\$67,633	\$51,058	\$57,636	\$15,791	81,546	977,489	881,584
Total Liabilities	68,278	51,455	62,182	15,791	92,452	1,236,028	1,281,078
Fund balance:							
Reserved for inventory	-	-	-	-	-	33,057	58,655
Unreserved- undesignated	-	-	-	-	-	39,394	18,279
	-	-	-	-	-	72,451	76,934
TOTAL LIABILITIES & FUND BALANCE	\$68,278	\$51,455	\$62,182	\$15,791	\$92,452	\$1,308,479	\$1,358,012

SEE ACCOMPANYING INDEPENDENT AUDITORS' REPORT.

THIS PAGE LEFT BLANK INTENTIONALLY

ST. BERNARD PARISH SCHOOL BOARD

SPECIAL REVENUE FUNDS
 Combining Statement of Revenues, Expenditures
 and Changes in Fund Balances
 For the Year Ended June 30, 1999
 With Comparative Totals for the Year Ended June 30, 1998

	IMPROVING AMERICA'S SCHOOLS ACT				ECONOMIC OPPORTUNITY ACT: HEAD START	SCHOOL LUNCH FUND
	TITLE I	TITLE II	TITLE IV	TITLE VI		
REVENUES						
Local Sources:						
Food services income	-	-	-	-	-	\$446,657
Interest earnings	-	-	-	-	-	8,072
State Sources:						
Unrestricted grants-in-aid	-	-	-	-	-	615,650
Restricted grants-in-aid	-	-	-	-	-	-
Federal Sources:						
Unrestricted- indirect cost recoveries	\$48,276	\$1,680	\$2,442	\$2,183	\$15,807	-
Restricted grants-in aid:						
Direct	-	-	-	-	477,916	-
Subgrants	1,572,970	58,724	74,909	65,945	-	1,564,714
Other - Commodities	-	-	-	-	-	169,235
Total Revenues	1,621,246	60,404	77,351	68,128	493,723	2,804,328
EXPENDITURES						
Current:						
Instruction:						
Regular programs	-	-	-	-	-	-
Special programs	1,165,260	6,751	-	65,945	297,395	-
Adult and continuing education programs	-	-	-	-	-	-
Support Services:						
Student services	-	-	71,586	-	82,436	-
Instructional staff support	396,634	51,973	-	-	93,062	-
General administration	900	-	-	-	750	-
Plant services	10,176	-	-	-	-	-
Student transportation services	-	-	3,323	-	4,273	-
Food services program	-	-	-	-	-	2,789,554
Total Expenditures	1,572,970	58,724	74,909	65,945	477,916	2,789,554
EXCESS OF REVENUES OVER EXPENDITURES	48,276	1,680	2,442	2,183	15,807	14,774
OTHER FINANCING SOURCES (USES):						
Operating transfers out	(48,276)	(1,680)	(2,442)	(2,183)	(15,807)	(19,257)
Total Other Financing Sources (Uses)	(48,276)	(1,680)	(2,442)	(2,183)	(15,807)	(19,257)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER SOURCES (USES)	-	-	-	-	-	(4,483)
FUND BALANCES AT BEGINNING OF YEA	-	-	-	-	-	76,934
FUND BALANCES AT END OF YEAR	-	-	-	-	-	\$72,451

SEE ACCOMPANYING INDEPENDENT AUDITORS' REPORT.

SPECIAL EDUCATION			GOALS 2000:	STATE	EARLY	INFANT/	JOB
PUBLIC LAW 101-476			EDUCATE	EXTENDED	CHILDHOOD	TODDLER	TRAINING
FLOW THRU	PRESCHOOL	IDEA Part B	AMERICA ACT	SCHOOL	DEVELOPMENT	CHILD	PARTNERSHIP
			Title III	YEAR	PROGRAM	SEARCH	ACT
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	\$32,433	\$93,328	\$8,056	-
\$18,788	\$1,959	\$757	\$3,375	-	-	128	-
-	-	-	-	-	-	-	-
587,123	58,574	22,866	109,861	-	-	3872	\$63,297
-	-	-	-	-	-	-	-
605,911	60,533	23,623	113,236	32,433	93,328	12,056	63,297
-	-	-	-	-	-	-	63,297
90,890	39,560	7,086	85,787	25,156	93,328	-	-
-	-	-	-	-	-	-	-
233,426	-	2,132	-	1,066	-	11,928	-
258,977	18,061	13,648	24,074	-	-	-	-
500	-	-	-	-	-	-	-
-	-	-	-	1,710	-	-	-
3,330	953	-	-	4,501	-	-	-
-	-	-	-	-	-	-	-
587,123	58,574	22,866	109,861	32,433	93,328	11,928	63,297
18,788	1,959	757	3,375	-	-	128	-
(18,788)	(1,959)	(757)	(3,375)	-	-	(128)	-
(18,788)	(1,959)	(757)	(3,375)	-	-	(128)	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-

ST. BERNARD PARISH SCHOOL BOARD

SPECIAL REVENUE FUNDS
 Combining Statement of Revenues, Expenditures
 and Changes in Fund Balances
 For the Year Ended June 30, 1999
 With Comparative Totals for the Year Ended June 30, 1998

	VOCATIONAL EDUCATION	ADULT EDUCATION	SCHOOL TO CAREER	CHARTER SCHOOLS INITIATIVE	PRIMARY DRUG PREVENTION
REVENUES					
Local Sources:					
Food services income	-	-	-	-	-
Interest earnings	-	-	-	-	-
State Sources:					
Unrestricted grants-in-aid	-	-	-	-	-
Restricted grants-in-aid	-	-	\$142,140	-	\$92,452
Federal Sources:					
Unrestricted- indirect cost recoveries	-	\$750	-	-	-
Restricted grants-in aid:					
Direct	-	-	-	-	-
Subgrants	\$89,527	50,705	-	15,791	-
Other - Commodities	-	-	-	-	-
Total Revenues	89,527	51,455	142,140	15,791	92,452
EXPENDITURES					
Current:					
Instruction:					
Regular programs	89,527	-	51,618	-	-
Special programs	-	-	-	-	-
Adult and continuing education programs	-	49,455	-	-	-
Support Services:					
Student services	-	-	-	15,285	92,452
Instructional staff support	-	1250	90,522	-	-
General administration	-	-	-	-	-
Plant services	-	-	-	-	-
Student transportation services	-	-	-	-	-
Food services program	-	-	-	-	-
Total Expenditures	89,527	50,705	142,140	15,285	92,452
EXCESS OF REVENUES OVER EXPENDITURES	-	750	-	506	-
OTHER FINANCING SOURCES (USES):					
Operating transfers out	-	(750)	-	(506)	-
Total Other Financing Sources (Uses)	-	(750)	-	(506)	-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER SOURCES (USES)	-	-	-	-	-
FUND BALANCES AT BEGINNING OF YEAR	-	-	-	-	-
FUND BALANCES AT END OF YEAR	-	-	-	-	-

SEE ACCOMPANYING INDEPENDENT AUDITORS' REPORT.

EXHIBIT B-2
concluded

TOTALS	
1999	1998
\$446,657	\$453,005
8,072	6,230
615,650	615,650
368,409	230,962
96,145	95,128
477,916	460,020
4,338,878	4,343,761
169,235	172,015
6,520,962	6,376,771
204,442	215,885
1,877,158	1,867,428
49,455	47,211
510,311	349,314
948,201	901,193
2,150	3,196
11,886	10,364
16,380	19,352
2,789,554	2,819,903
6,409,537	6,233,846
111,425	142,925
(115,908)	(95,128)
(115,908)	(95,128)
(4,483)	47,797
76,934	29,137
\$72,451	\$76,934

ST. BERNARD PARISH SCHOOL BOARD

SPECIAL REVENUE FUNDS
 Combining Schedule of Revenues, Expenditures
 and Changes in Fund Balances -
 Budget and Actual
 For the Year Ended June 30, 1999

	IASA TITLE I			IASA TITLE II		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES						
Local Sources:						
Food services income	-	-	-	-	-	-
Interest earnings	-	-	-	-	-	-
State Sources:						
Unrestricted grants-in-aid	-	-	-	-	-	-
Restricted grants-in-aid	-	-	-	-	-	-
Federal Sources:						
Unrestricted- indirect cost recoveries	\$48,276	\$48,276	-	\$1,935	\$1,680	(\$255)
Restricted grants-in aid:						
Direct	-	-	-	-	-	-
Subgrants	1,572,981	1,572,970	(\$11)	58,469	58,724	255
Other - Commodities	-	-	-	-	-	-
Total Revenues	1,621,257	1,621,246	(11)	60,404	60,404	-
EXPENDITURES						
Current:						
Instruction:						
Regular programs	-	-	-	-	-	-
Special programs	1,165,271	1,165,260	11	6,315	6,751	(436)
Adult and continuing education programs	-	-	-	-	-	-
Support Services:						
Student services	-	-	-	-	-	-
Instructional staff support	396,634	396,634	-	52,154	51,973	181
General administration	900	900	-	-	-	-
Plant services	10,176	10,176	-	-	-	-
Student transportation services	-	-	-	-	-	-
Food services program	-	-	-	-	-	-
Total Expenditures	1,572,981	1,572,970	11	58,469	58,724	(255)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	48,276	48,276	-	1,935	1,680	(255)
OTHER FINANCING SOURCES (USES)						
Operating transfers out	(48,276)	(48,276)	-	(1,935)	(1,680)	255
Total Other Financing Sources (Uses)	(48,276)	(48,276)	-	(1,935)	(1,680)	255
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER (USES)	-	-	-	-	-	-
FUND BALANCES AT BEGINNING OF YEAR	-	-	-	-	-	-
FUND BALANCES AT END OF YEAR	-	-	-	-	-	-

SEE ACCOMPANYING INDEPENDENT AUDITORS' REPORT.

BUDGET	IASA TITLE IV			IASA TITLE VI			EOA HEADSTART PROGRAM		
	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	
-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	
\$2,442	\$2,442	-	\$2,183	\$2,183	-	\$15,807	\$15,807	-	
74,909	74,909	-	65,945	65,945	-	477,916	477,916	-	
77,351	77,351	-	68,128	68,128	-	493,723	493,723	-	
-	-	-	65,945	65,945	-	291,115	297,395	(6,280)	
71,767	71,586	181	-	-	-	88,817	82,436	6,381	
-	-	-	-	-	-	90,639	93,062	(2,423)	
-	-	-	-	-	-	750	750	-	
3,142	3,323	(181)	-	-	-	6,595	4,273	2,322	
74,909	74,909	-	65,945	65,945	-	477,916	477,916	-	
2,442	2,442	-	2,183	2,183	-	15,807	15,807	-	
(2,442)	(2,442)	-	(2,183)	(2,183)	-	(15,807)	(15,807)	-	
(2,442)	(2,442)	-	(2,183)	(2,183)	-	(15,807)	(15,807)	-	
-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	

ST. BERNARD PARISH SCHOOL BOARD

SPECIAL REVENUE FUNDS
 Combining Schedule of Revenues, Expenditures
 and Changes in Fund Balances -
 Budget and Actual
 For the Year Ended June 30, 1999

	SCHOOL LUNCH FUND			PUBLIC LAW 101-476 FLOW THRU		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES						
Local Sources:						
Food services income	\$446,992	\$446,657	(\$335)	-	-	-
Interest earnings	6,300	8,072	1,772	-	-	-
State Sources:						
Unrestricted grants-in-aid	615,650	615,650	-	-	-	-
Restricted grants-in-aid	-	-	-	-	-	-
Federal Sources:						
Unrestricted- indirect cost recoveries	-	-	-	\$18,788	\$18,788	-
Restricted grants-in-aid:						
Direct	-	-	-	-	-	-
Subgrants	1,668,480	1,564,714	(103,766)	587,123	587,123	-
Other - Commodities	170,200	169,235	(965)	-	-	-
Total Revenues	2,907,622	2,804,328	(103,294)	605,911	605,911	-
EXPENDITURES						
Current:						
Instruction:						
Regular programs	-	-	-	-	-	-
Special programs	-	-	-	90,890	90,890	-
Adult and continuing education programs	-	-	-	-	-	-
Support Services:						
Student services	-	-	-	233,426	233,426	-
Instructional staff support	-	-	-	258,977	258,977	-
General administration	-	-	-	500	500	-
Plant services	-	-	-	-	-	-
Student transportation services	-	-	-	3,330	3,330	-
Food services program	2,903,318	2,789,554	113,764	-	-	-
Total Expenditures	2,903,318	2,789,554	113,764	587,123	587,123	-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	4,304	14,774	10,470	18,788	18,788	-
OTHER FINANCING SOURCES (USES)						
Operating transfers out	-	(19,257)	(19,257)	(18,788)	(18,788)	-
Total Other Financing Sources (Uses)	-	(19,257)	(19,257)	(18,788)	(18,788)	-
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER (USES)	4,304	(4,483)	(8,787)	-	-	-
FUND BALANCES AT BEGINNING OF YEAR	76,934	76,934	-	-	-	-
FUND BALANCES AT END OF YEAR	\$81,238	\$72,451	(\$8,787)	-	-	-

SEE ACCOMPANYING INDEPENDENT AUDITORS' REPORT.

PUBLIC LAW 101-476 PRESCHOOL			PUBLIC LAW 101-476 IDEA Part B			GOALS 2000: EDUCATE AMERICA ACT TITLE III		
BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
\$1,959	\$1,959	-	\$1,815	\$757	(\$1,058)	\$3,375	\$3,375	-
58,574	58,574	-	54,834	22,866	(31,968)	109,978	109,861	(117)
60,533	60,533	-	56,649	23,623	(33,026)	113,353	113,236	(117)
39,560	39,560	-	15,915	7,086	8,829	77,612	85,787	(8,175)
18,061	18,061	-	4,832 34,087	2,132 13,648	2,700 20,439	32,366	24,074	8,292
953	953	-	-	-	-	-	-	-
58,574	58,574	-	54,834	22,866	31,968	109,978	109,861	117
1,959	1,959	-	1,815	757	(1,058)	3,375	3,375	-
(1,959)	(1,959)	-	(1,815)	(757)	1,058	(3,375)	(3,375)	-
(1,959)	(1,959)	-	(1,815)	(757)	1,058	(3,375)	(3,375)	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-

ST. BERNARD PARISH SCHOOL BOARD

SPECIAL REVENUE FUNDS
 Combining Schedule of Revenues, Expenditures
 and Changes in Fund Balances -
 Budget and Actual
 For the Year Ended June 30, 1999

	STATE EXTENDED SCHOOL YEAR PROGRAM			EARLY CHILDHOOD DEVELOPMENT PROGRAM		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES						
Local Sources:						
Food services income	-	-	-	-	-	-
Interest earnings	-	-	-	-	-	-
State Sources:						
Unrestricted grants-in-aid	-	-	-	\$93,328	\$93,328	-
Restricted grants-in-aid	\$34,012	\$32,433	(\$1,579)	-	-	-
Federal Sources:						
Unrestricted- indirect cost recoveries	-	-	-	-	-	-
Restricted grants-in aid:						
Direct	-	-	-	-	-	-
Subgrants	-	-	-	-	-	-
Other - Commodities	-	-	-	-	-	-
Total Revenues	34,012	32,433	(1,579)	93,328	93,328	-
EXPENDITURES						
Current:						
Instruction:						
Regular programs	-	-	-	93,328	93,328	-
Special programs	26,299	25,156	1,143	-	-	-
Adult and continuing education programs	-	-	-	-	-	-
Support Services:						
Student services	1,173	1,066	107	-	-	-
Instructional staff support	-	-	-	-	-	-
General administration	-	-	-	-	-	-
Plant services	1,710	1,710	-	-	-	-
Student transportation services	4,830	4,501	329	-	-	-
Food services program	-	-	-	-	-	-
Total Expenditures	34,012	32,433	1,579	93,328	93,328	-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES						
OTHER FINANCING SOURCES (USES)						
Operating transfers out						
Total Other Financing Sources (Uses)						
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER (USES)						
FUND BALANCES AT BEGINNING OF YEAR						
FUND BALANCES AT END OF YEAR						

SEE ACCOMPANYING INDEPENDENT AUDITORS' REPORT.

INFANT/TODDLER CHILD SEARCH			JOB TRAINING PARTNERSHIP ACT			VOCATIONAL EDUCATION		
BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
\$8,058	\$8,056	(\$2)	-	-	-	-	-	-
128	128	-	-	-	-	-	-	-
3,872	3,872	-	\$63,297	\$63,297	-	\$89,527	\$89,527	-
12,058	12,056	(2)	63,297	63,297	-	89,527	89,527	-
-	-	-	63,297	63,297	-	89,527	89,527	-
-	-	-	-	-	-	-	-	-
11,930	11,928	2	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
11,930	11,928	2	63,297	63,297	-	89,527	89,527	-
128	128	-	-	-	-	-	-	-
(128)	(128)	-	-	-	-	-	-	-
(128)	(128)	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-

ST. BERNARD PARISH SCHOOL BOARD

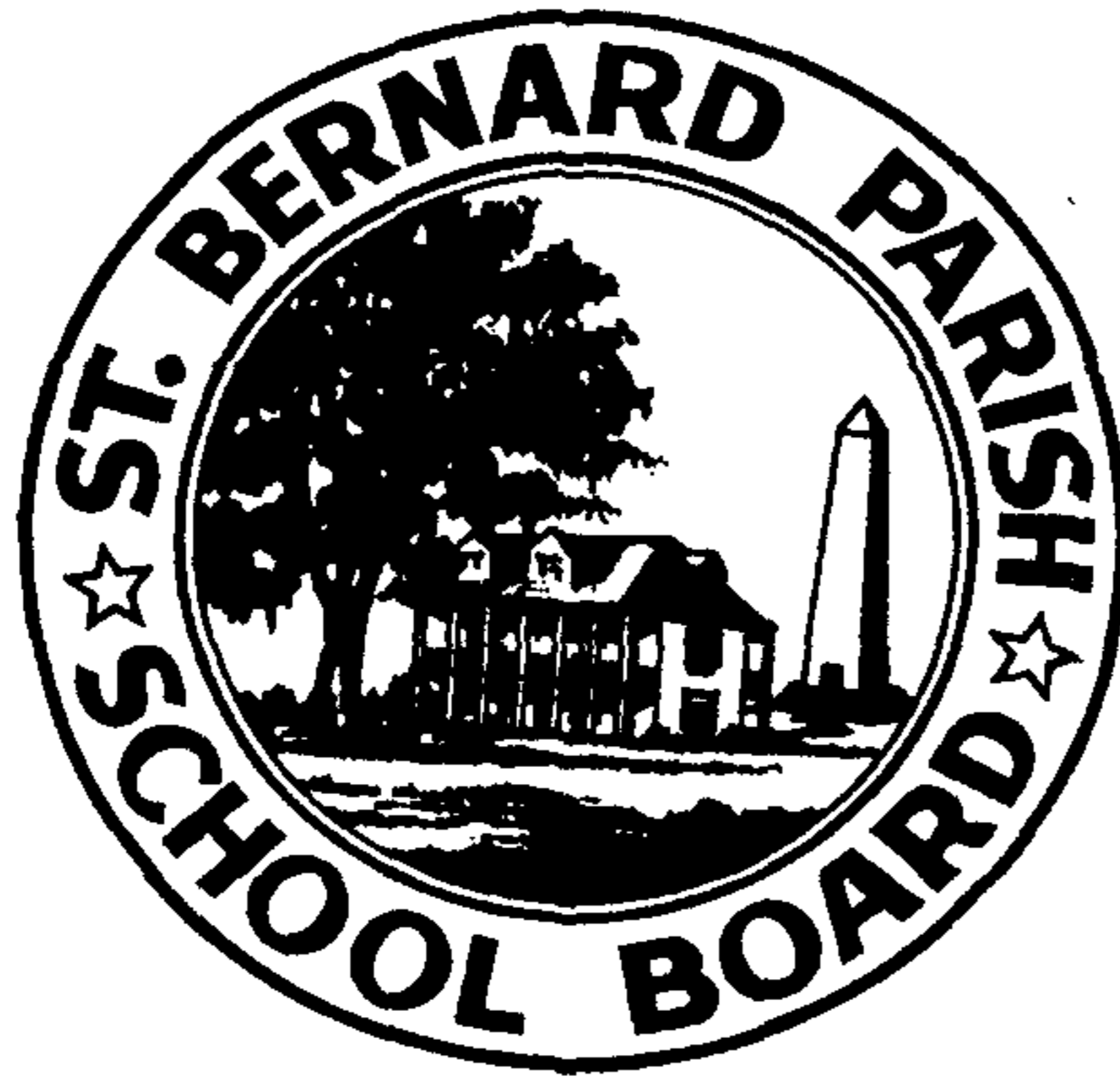
SPECIAL REVENUE FUNDS
 Combining Schedule of Revenues, Expenditures
 and Changes in Fund Balances -
 Budget and Actual
 For the Year Ended June 30, 1999

	ADULT EDUCATION			SCHOOL TO CAREER		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES						
Local Sources:						
Food services income	-	-	-	-	-	-
Interest earnings	-	-	-	-	-	-
State Sources:						
Unrestricted grants-in-aid	-	-	-	-	-	-
Restricted grants-in-aid	-	-	-	142,140	142,140	-
Federal Sources:						
Unrestricted- indirect cost recoveries	758	750	(\$8)	-	-	-
Restricted grants-in aid:						
Direct	-	-	-	-	-	-
Subgrants	62,889	50,705	(12,184)	-	-	-
Other - Commodities	-	-	-	-	-	-
Total Revenues	63,647	51,455	(12,192)	142,140	142,140	-
EXPENDITURES						
Current:						
Instruction:						
Regular programs	-	-	-	51,617	51,618	(1)
Special programs	-	-	-	-	-	-
Adult and continuing education programs	60,389	49,455	10,934	-	-	-
Support Services:						
Student services	-	-	-	-	-	-
Instructional staff support	2,500	1,250	1,250	90,523	90,522	1
General administration	-	-	-	-	-	-
Plant services	-	-	-	-	-	-
Student transportation services	-	-	-	-	-	-
Food services program	-	-	-	-	-	-
Total Expenditures	62,889	50,705	12,184	142,140	142,140	-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	758	750	(8)	-	-	-
OTHER FINANCING SOURCES (USES)						
Operating transfers out	(758)	(750)	8	-	-	-
Total Other Financing Sources (Uses)	(758)	(750)	8	-	-	-
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER (USES)	-	-	-	-	-	-
FUND BALANCES AT BEGINNING OF YEAR	-	-	-	-	-	-
FUND BALANCES AT END OF YEAR	-	-	-	-	-	-

SEE ACCOMPANYING INDEPENDENT AUDITORS' REPORT.

CHARTER SCHOOLS INITIATIVE			PRIMARY DRUG PREVENTION			TOTALS		
BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
-	-	-	-	-	-	\$446,992	\$446,657	(\$335)
-	-	-	-	-	-	6,300	8,072	1,772
-	-	-	-	-	-	615,650	615,650	-
-	-	-	92,452	92,452	-	369,990	368,409	(1,581)
-	-	-	-	-	-	97,466	96,145	(1,321)
-	-	-	-	-	-	477,916	477,916	-
20,000	15,791	(4,209)	-	-	-	4,490,878	4,338,878	(152,000)
-	-	-	-	-	-	170,200	169,235	(965)
20,000	15,791	(4,209)	92,452	92,452	-	6,675,392	6,520,962	(154,430)
-	-	-	-	-	-	204,441	204,442	(1)
-	-	-	-	-	-	1,872,250	1,877,158	(4,908)
-	-	-	-	-	-	60,389	49,455	10,934
19,494	15,285	4,209	92,452	92,452	-	523,891	510,311	13,580
-	-	-	-	-	-	975,941	948,201	27,740
-	-	-	-	-	-	2,150	2,150	-
-	-	-	-	-	-	11,886	11,886	-
-	-	-	-	-	-	18,850	16,380	2,470
-	-	-	-	-	-	2,903,318	2,789,554	113,764
19,494	15,285	4,209	92,452	92,452	-	6,573,116	6,409,537	163,579
506	506	-	(506)	(506)	-	101,770	110,918	9,149
(506)	(506)	-	506	506	-	(97,466)	(115,402)	(17,936)
(506)	(506)	-	506	506	-	(97,466)	(115,402)	(17,936)
-	-	-	-	-	-	4,304	(4,483)	(8,787)
-	-	-	-	-	-	76,934	76,934	-
-	-	-	-	-	-	\$81,238	\$72,451	(\$8,787)

THIS PAGE LEFT BLANK INTENTIONALLY



DEBT SERVICE FUNDS

The Debt Service Funds are used to account for the accumulation of monies for the payment of general obligation and sales tax bond principal and interest. The general obligation bond payments are financed by ad valorem tax levies and the sales tax bond payments are financed by sales tax collections. The School Board maintains the following Debt Service Funds:

- **AD VALOREM TAX BOND SINKING**
- **SALES TAX BOND SINKING - 1990**
- **SALES TAX BOND RESERVE - 1990**



Handwritten text, possibly bleed-through from the reverse side of the page. The text is illegible due to fading and blurring.

DEBT SERVICE FUNDS

AD VALOREM TAX BOND SINKING FUND

The Ad Valorem Tax Bond Sinking Fund accounts for the proceeds of property taxes (ad valorem taxes) that are dedicated for debt service.

SALES TAX BOND SINKING FUND - 1990

The Sales Tax Bond Sinking Fund - 1990 accounts for that portion of sales and use taxes required to meet the debt service requirements on the 1990 sales tax bonds. Monthly deposits out of the proceeds of the sales and use taxes are required to be made into this fund in an amount that will equal one-sixth of the interest falling due on the next interest payment date and one-twelfth of the principal falling due on the next principal payment date.

SALES TAX BOND RESERVE FUND - 1990

The Sales Tax Bond Reserve - 1990 Fund accounts for that portion of the sales and use taxes that are set aside as a reserve to pay principal and interest on the sales tax bonds payable from the bond fund for which there would otherwise be default. The maximum amount required to be accumulated in this fund at June 30, 1998 is \$671,360.

DEBT SERVICE FUNDS
 Combining Balance Sheet
 As Of June 30, 1999
 With Comparative Totals for June 30, 1998

	AD VALOREM TAX BOND	SALES TAX BOND - 1990		TOTALS	
		SINKING	RESERVE	1999	1998
ASSETS					
Cash and cash equivalents	\$1,144,476	\$103,426	\$670,441	\$1,918,343	\$1,873,250
Interfund receivables	8,428	103,302	919	112,649	118,487
TOTAL ASSETS	\$1,152,904	\$206,728	\$671,360	\$2,030,992	\$1,991,737
LIABILITIES AND FUND BALANCE					
Liabilities:					
Interfund payables	-	100	-	100	28,658
Total Liabilities	-	100	-	100	28,658
Fund Balance:					
Reserved for debt service	\$1,152,904	\$206,628	\$671,360	\$2,030,892	\$1,963,079
TOTAL LIABILITIES AND FUND BALANCE	\$1,152,904	\$206,728	\$671,360	\$2,030,992	\$1,991,737

SEE ACCOMPANYING INDEPENDENT AUDITORS' REPORT.

DEBT SERVICE FUNDS

Combining Statement of Revenues, Expenditures
and Changes in Fund Balances

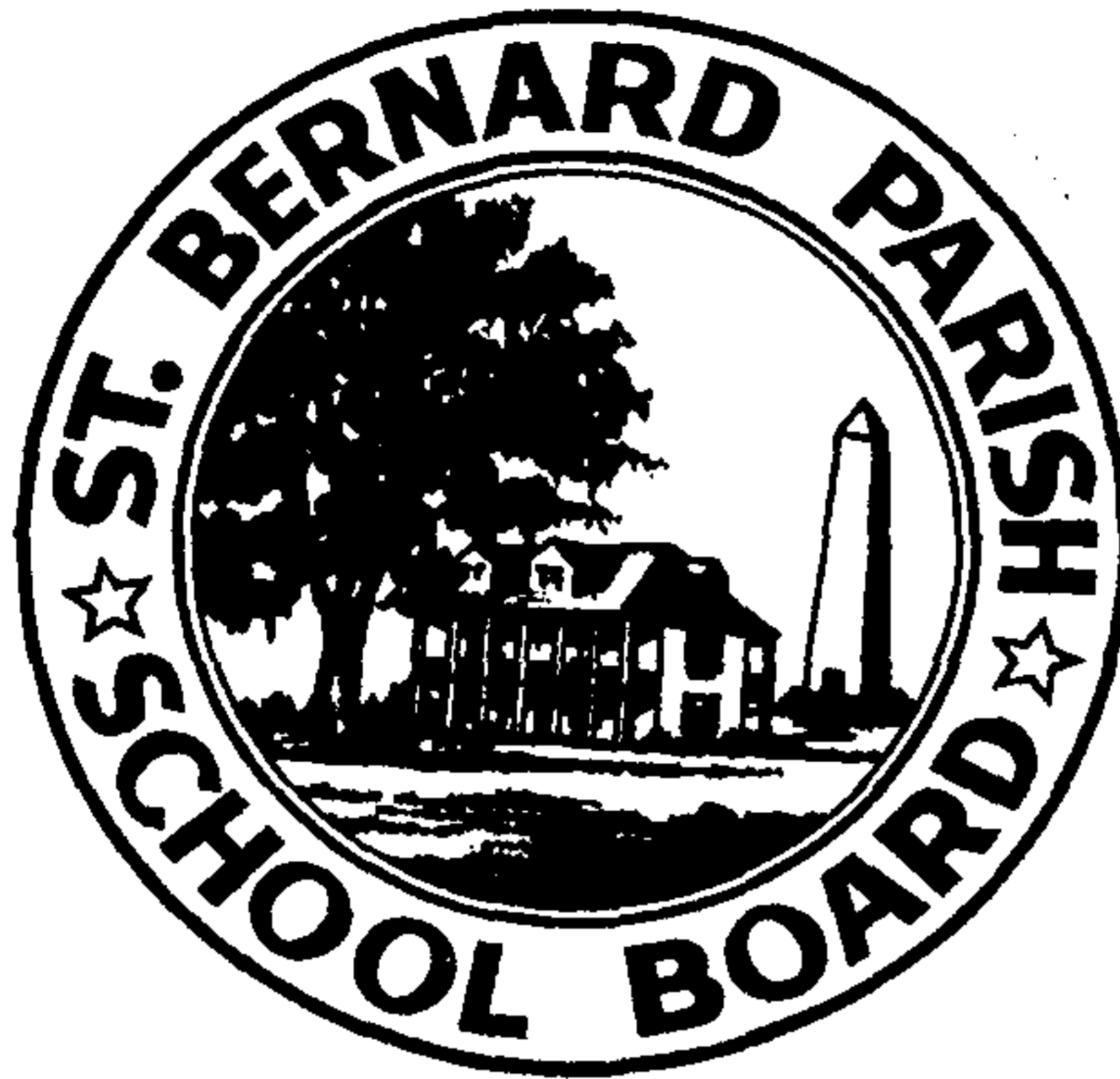
For the Year Ended June 30, 1999

With Comparative Totals for the Year Ended June 30, 1998

	AD VALOREM TAX BOND	SALES TAX BOND - 1990		TOTALS	
		SINKING	RESERVE	1999	1998
REVENUES					
Local Sources:					
Ad valorem tax	\$2,639,889	-	-	\$2,639,889	\$2,466,422
Sales and use tax	-	\$611,136	-	611,136	615,222
Interest earnings	62,251	11,048	-	73,299	36,283
Total Revenues	2,702,140	622,184	-	3,324,324	3,117,927
EXPENDITURES					
Current:					
Support services- general administration	83,818	-	-	83,818	76,397
Debt service:					
Principal retirement	2,195,000	345,000	-	2,540,000	5,290,000
Interest	1,796,972	274,812	-	2,071,784	2,184,477
Bank charges	4,153	1,756	-	5,909	4,028
Total Expenditures	4,079,943	621,568	-	4,701,511	7,554,902
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,377,803)	616	-	(1,377,187)	(4,436,975)
OTHER FINANCING SOURCES					
Proceeds from refunding bond issue	1,445,000	-	-	1,445,000	5,220,000
Total Other Financing Sources	1,445,000	-	-	1,445,000	5,220,000
EXCESS OF REVENUES AND OTHER SOURCES OVER EXPENDITURES	67,197	616	-	67,813	783,025
FUND BALANCES AT BEGINNING OF YEAR	1,085,707	206,012	\$671,360	1,963,079	1,180,054
FUND BALANCES AT END OF YEAR	\$1,152,904	\$206,628	\$671,360	\$2,030,892	\$1,963,079

SEE ACCOMPANYING INDEPENDENT AUDITORS' REPORT.

THIS PAGE LEFT BLANK INTENTIONALLY



CAPITAL PROJECTS FUNDS

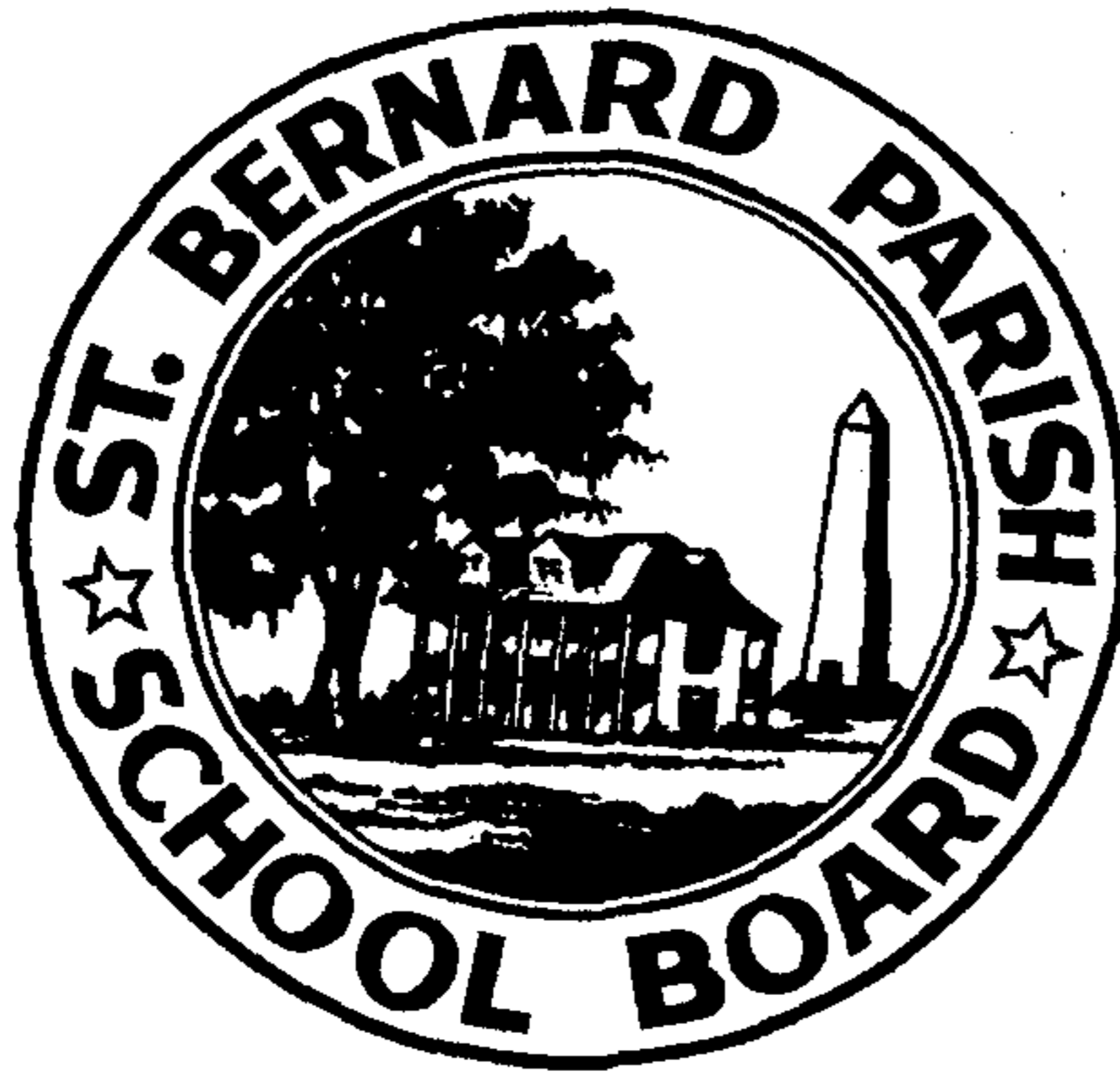
The Capital Projects Funds are used to account for the district-wide improvement and construction of public school facilities. Financing has been provided by monies transferred from the General Fund and the proceeds from the sale of general obligation bonds. The School Board maintains the following Capital Projects Funds:

- **CAPITAL PROJECTS CONSTRUCTION FUND**
- **1997 AD VALOREM TAX BOND
CONSTRUCTION FUND**
- **1998 AD VALOREM TAX BOND
CONSTRUCTION FUND**

CAPITAL PROJECTS FUNDS
 Combining Balance Sheet
 As of June 30, 1999
 With Comparative Totals for June 30, 1998

	CAPITAL PROJECTS CONSTRUCTION FUND	1997 AD VALOREM TAX BOND CONSTRUCTION FUND	1998 AD VALOREM TAX BOND CONSTRUCTION FUND	TOTALS 1999	1998
ASSETS					
Cash and cash equivalents	\$728,997	\$8,336,184	\$8,127,998	\$17,193,179	\$27,517,972
TOTAL ASSETS	\$728,997	\$8,336,184	\$8,127,998	\$17,193,179	\$27,517,972
LIABILITIES AND FUND BALANCE					
Liabilities:					
Accounts payable	-	\$214,364	-	214,364	115,647
Total Liabilities	-	214,364	-	214,364	115,647
Fund Balance:					
Reserved for encumbrances	\$65,500	6,351,943	-	\$6,417,443	\$8,298,500
Unreserved - undesignated	\$663,497	1,769,877	8,127,998	10,561,372	19,103,825
Total Fund Balance	728,997	8,121,820	8,127,998	16,978,815	27,402,325
TOTAL LIABILITIES AND FUND BALANCE	\$728,997	\$8,336,184	\$8,127,998	\$17,193,179	\$27,517,972

SEE ACCOMPANYING INDEPENDENT AUDITORS' REPORT.



INTERNAL SERVICE FUND

The Workers' Compensation Fund is used to account for the accumulation of resources to pay the claims of and provide benefits to employees under the School Board's self insurance program.



CAPITAL PROJECTS FUNDS
 Combining Statement of Revenues, Expenditures
 and Changes in Fund Balances
 For the Year Ended June 30, 1999
 With Comparative Totals for the Year Ended June 30, 1998

	CAPITAL PROJECTS CONSTRUCTION FUND	1997 AD VALOREM TAX BOND CONSTRUCTION FUND	1998 AD VALOREM TAX BOND CONSTRUCTION FUND	TOTALS 1999	1998
REVENUES					
Local Sources:					
Settlements	\$150,000	-	-	\$150,000	-
Interest earnings	32,803	\$1,027,263	\$173,700	1,233,766	\$1,162,491
Total Revenues	182,803	1,027,263	173,700	1,383,766	1,162,491
EXPENDITURES					
Facility acquisition and construction:					
Improvement or remodeling of existing buildings	98,688	11,348,953	-	11,447,641	3,674,907
Architects, engineers and legal fees	780	360,468	-	361,248	811,639
Other expenditures	-	-	(1,613)	(1,613)	26,040
Total Expenditures	99,468	11,709,421	(1,613)	11,807,276	4,512,586
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	83,335	(10,682,158)	175,313	(10,423,510)	(3,350,095)
OTHER FINANCING SOURCES					
Proceeds from sale of bonds	-	-	-	-	8,000,000
Total Other Financing Sources	-	-	-	-	8,000,000
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES	83,335	(10,682,158)	175,313	(10,423,510)	4,649,905
FUND BALANCES AT BEGINNING OF YEAR	645,662	18,803,978	7,952,685	27,402,325	22,752,420
FUND BALANCES AT END OF YEAR	\$728,997	\$8,121,820	\$8,127,998	\$16,978,815	\$27,402,325

SEE ACCOMPANYING INDEPENDENT AUDITORS' REPORT.

INTERNAL SERVICE FUND
 Workers' Compensation Fund
 Comparative Balance Sheet
 June 30, 1999 and 1998

	<u>1999</u>	<u>1998</u>
<u>ASSETS</u>		
Cash and cash equivalents	\$396,850	\$455,870
Prepaid expenses	27,951	41,927
 TOTAL ASSETS	 <u>\$424,801</u>	 <u>\$497,797</u>
 <u>LIABILITIES AND FUND EQUITY</u>		
Liabilities:		
Accounts, salaries and other payables	<u>\$146,274</u>	<u>\$70,761</u>
 Total Liabilities	 <u>146,274</u>	 <u>70,761</u>
Fund equity:		
Retained earnings	<u>278,527</u>	<u>427,036</u>
 TOTAL LIABILITIES AND FUND EQUITY	 <u>\$424,801</u>	 <u>\$497,797</u>

SEE ACCOMPANYING INDEPENDENT AUDITORS' REPORT.

INTERNAL SERVICE FUND
 Workers' Compensation Fund
 Comparative Statement of Revenues, Expenses
 and Changes in Fund Equity
 For the Years Ended June 30, 1999 and 1998

	<u>1999</u>	<u>1998</u>
<u>OPERATING REVENUES</u>		
Billings to General Fund	\$350,000	\$350,000
Billings to Lunch Fund	40,743	50,000
Total Operating Revenues	<u>390,743</u>	<u>400,000</u>
<u>OPERATING EXPENSES</u>		
Claims	488,785	373,163
Claims administration and loss control	11,642	28,419
Excess insurance premiums	14,652	29,081
Surety bond	2,013	2,013
Other operating expenses	54,663	30,879
Total Operating Expenses	<u>571,755</u>	<u>463,555</u>
OPERATING LOSS	(181,012)	(63,555)
<u>NON-OPERATING REVENUES</u>		
Interest earnings	<u>13,246</u>	<u>21,393</u>
LOSS BEFORE OPERATING TRANSFER	(167,766)	(42,162)
OPERATING TRANSFER IN	<u>19,257</u>	<u>-</u>
NET LOSS	<u>(148,509)</u>	<u>(42,162)</u>
RETAINED EARNINGS AT BEGINNING OF YEAR	<u>427,036</u>	<u>469,198</u>
RETAINED EARNINGS AT END OF YEAR	<u>\$278,527</u>	<u>\$427,036</u>

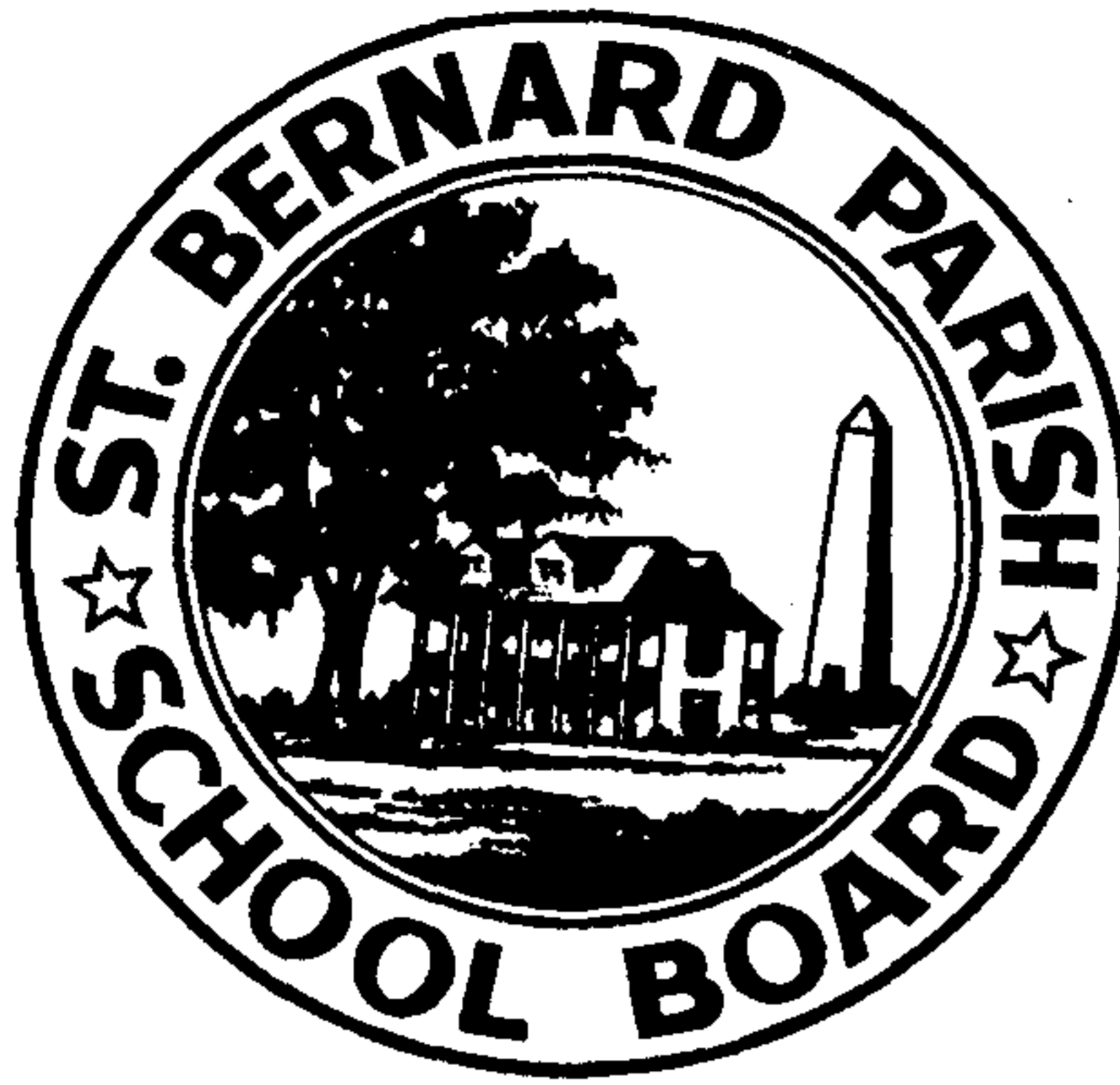
SEE ACCOMPANYING INDEPENDENT AUDITORS' REPORT.

INTERNAL SERVICE FUND
 Workers' Compensation Fund
 Comparative Statement of Cash Flows
 For the Year Ended June 30, 1999 and 1998

	1999	1998
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from General Fund	\$350,000	\$350,000
Cash received from Lunch Fund	40,743	50,000
Second injury fund reimbursement received	-	23,153
Cash paid to claimants	(431,042)	(446,343)
Cash paid for claims administration & loss control	(10,206)	(28,419)
Excess insurance premium paid	(676)	(42,390)
Application fee and assessment paid	(18,510)	(15,600)
Salaries paid	(17,827)	(14,021)
Professional development expenses paid	(1,118)	(701)
Surety bond paid	(2,013)	-
Office expense paid	(874)	(557)
Net cash used by operating activities	(91,523)	(124,878)
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:		
Operating transfers in	19,257	-
Net cash provided by non-capital financing activities	19,257	-
CASH FLOWS FROM INVESTING ACTIVITIES:		
Interest received	13,246	21,393
Net cash provided by investing activities	13,246	21,393
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(59,020)	(103,485)
CASH & CASH EQUIVALENTS AT BEGINNING OF YEAR	455,870	559,355
CASH & CASH EQUIVALENTS AT END OF YEAR	\$396,850	\$455,870
Reconciliation of Operating Loss to Net Cash Used by Operating Activities:		
Operating Loss	(\$181,012)	(\$63,555)
Changes in Assets and Liabilities:		
Decrease in accounts receivable	-	23,153
(Increase) decrease in prepaid expenses	13,976	(11,296)
Increase (decrease) in accounts payable	75,513	(73,180)
Net Cash Used by Operating Activities	(\$91,523)	(\$124,878)

SEE ACCOMPANYING INDEPENDENT AUDITORS' REPORT.

THIS PAGE LEFT BLANK INTENTIONALLY



TRUST AND AGENCY FUNDS

Trust funds are used to account for assets held by the School Board in a trustee capacity. Agency funds are used to account for assets held by the School Board as an agent of others. The School Board maintains the following Trust and Agency Funds:

- **JOSEPH ACCARDO SCHOLARSHIP**
- **FEDERAL CLEARING**
- **SALES TAX CLEARING**
- **EXTENDED DAY SCHOOL CLEARING**
- **SCHOOL ACTIVITY FUNDS**
- **SUMMER SCHOOL CLEARING**
- **DEFERRED COMPENSATION FUND**





NON-EXPENDABLE TRUST FUND

JOSEPH ACCARDO SCHOLARSHIP FUND

The Joseph Accardo Scholarship Fund accounts for a \$15,000 donation received from the widow of Joseph Accardo in March 1970. The principal remains intact, and the earnings from investment of the principal are used for an annual scholarship. The most deserving student from a high school in St. Bernard Parish, chosen on a rotating basis, is awarded the scholarship.

AGENCY FUNDS

GENERAL CLEARING FUND

The General Clearing Fund is used to separate all state and/or federal monies that are multi-fund in nature.

SALES TAX CLEARING FUND

The Sales Tax Clearing Fund accounts for the collection and distribution of a two cent sales and use tax.

EXTENDED DAY SCHOOL CLEARING FUND

The Extended Day School Clearing Fund accounts for all tuition collected for the extended day program at St. Claude Heights Elementary School.

SCHOOL ACTIVITY FUND

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

SUMMER SCHOOL FUND

The School Board provides a summer school program during June and July for elementary and high school students.

DEFERRED COMPENSATION FUND

The Deferred Compensation Fund accounts for receipts and disbursements of the deferred compensation plan created in accordance with Internal Revenue Code Section 457.

THIS PAGE LEFT BLANK INTENTIONALLY

ST. BERNARD PARISH SCHOOL BOARD

TRUST AND AGENCY FUNDS

Combining Balance Sheet

June 30, 1999

With Comparative Totals for June 30, 1998

	NON-EXPENDABLE TRUST FUND- JOSEPH ACCARDO SCHOLARSHIP	GENERAL CLEARING	SALES TAX CLEARING
ASSETS			
Cash and cash equivalents	\$43,400	\$12	\$2,512
Investments	-	-	-
Receivables	-	17,418	2,227,389
TOTAL ASSETS	\$43,400	\$17,430	\$2,229,901
LIABILITIES AND FUND BALANCE			
Liabilities:			
Interfund payables	-	\$17,430	\$2,229,901
Deposits due others	-	-	-
Total Liabilities	-	17,430	2,229,901
Fund balance:			
Reserved for scholarships	\$15,000	-	-
Unreserved- designated	28,400	-	-
Total Fund Balance	43,400	-	-
TOTAL LIABILITIES AND FUND BALANCE	\$43,400	\$17,430	\$2,229,901

SEE ACCOMPANYING INDEPENDENT AUDITORS' REPORT.

AGENCY FUNDS					
EXTENDED DAY SCHOOL CLEARING	SCHOOL ACTIVITY	SUMMER SCHOOL	DEFERRED COMPENSATION	TOTALS	
				1999	1998
\$570	\$521,961	-	-	\$568,455	\$621,828
-	-	-	\$346,692	346,692	286,783
-	-	-	-	2,244,807	2,198,095
\$570	\$521,961	-	\$346,692	\$3,159,954	\$3,106,706
\$570	-	-	-	\$2,247,901	\$2,316,890
-	\$521,961	-	\$346,692	868,653	752,606
570	521,961	-	346,692	3,116,554	3,069,496
-	-	-	-	15,000	15,000
-	-	-	-	28,400	22,210
-	-	-	-	43,400	37,210
\$570	\$521,961	-	\$346,692	\$3,159,954	\$3,106,706

NON-EXPENDABLE TRUST FUND
 Joseph Accardo Scholarship Fund
 Comparative Balance Sheet
 June 30, 1999 and 1998

	<u>1999</u>	<u>1998</u>
ASSETS		
Cash and cash equivalents	<u>\$43,400</u>	<u>\$37,210</u>
TOTAL ASSETS	<u>\$43,400</u>	<u>\$37,210</u>
 FUND BALANCE		
Fund Balance:		
Reserved for scholarships	<u>\$15,000</u>	<u>\$15,000</u>
Unreserved- designated	<u>28,400</u>	<u>22,210</u>
TOTAL FUND BALANCE	<u>\$43,400</u>	<u>\$37,210</u>

SEE ACCOMPANYING INDEPENDENT AUDITORS' REPORT.

NON-EXPENDABLE TRUST FUND
 Joseph Accardo Scholarship Fund
 Comparative Statement of Revenues, Expenses
 and Changes in Fund Balance
 For the Year Ended June 30, 1999 and 1998

	<u>1999</u>	<u>1998</u>
OPERATING REVENUES		
Contributions	\$5,000	\$6,500
Interest earnings	1,990	1,713
Total operating revenues	<u>6,990</u>	<u>8,213</u>
OPERATING EXPENSES		
Other operating expenses	<u>800</u>	<u>1,600</u>
Total operating expenses	<u>800</u>	<u>1,600</u>
NET INCOME	6,190	6,613
FUND BALANCE AT BEGINNING OF YEAR	<u>37,210</u>	<u>30,597</u>
FUND BALANCE AT END OF YEAR	<u>\$43,400</u>	<u>\$37,210</u>

SEE ACCOMPANYING INDEPENDENT AUDITORS' REPORT.

NON-EXPENDABLE TRUST FUND
 Joseph Accardo Scholarship Fund
 Comparative Statement of Cash Flows
 For the Year Ended June 30, 1999 and 1998

	<u>1999</u>	<u>1998</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash paid for scholarships	(\$800)	(\$1,600)
Contributions received	<u>5,000</u>	<u>6,500</u>
Net cash provided by operating activities	<u>4,200</u>	<u>4,900</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	<u>1,990</u>	<u>1,713</u>
Net cash provided by investing activities	<u>1,990</u>	<u>1,713</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	6,190	6,613
CASH & CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>37,210</u>	<u>30,597</u>
CASH & CASH EQUIVALENTS AT END OF YEAR	<u>\$43,400</u>	<u>\$37,210</u>

Reconciliation of Net Income to Net Cash Provided by Operating Activities:

Net income from operating activities	\$6,190	\$6,613
Interest reported as operating income	<u>(1,990)</u>	<u>(1,713)</u>
Net cash provided by operating activities	<u>\$4,200</u>	<u>\$4,900</u>

SEE ACCOMPANYING INDEPENDENT AUDITORS' REPORT.

AGENCY FUNDS
Combining Statement of Changes in Assets and Liabilities
For the Year Ended June 30, 1999

	BALANCE July 1, 1998	ADDITIONS	DEDUCTIONS	BALANCE June 30, 1999
General Clearing Fund				
Assets:				
Cash and equivalents	\$4,050	\$32,605,367	\$32,609,405	\$12
Investments	-	-	-	-
Receivables	33,859	17,418	33,859	17,418
Total Assets	\$37,909	\$32,622,785	\$32,643,264	\$17,430
Liabilities:				
Due to other funds	\$37,909	\$20,839	\$41,318	\$17,430
Deposits due others	-	-	-	-
Total Liabilities	\$37,909	\$20,839	\$41,318	\$17,430
Sales Tax Clearing Fund				
Assets:				
Cash and equivalents	\$2,544	\$12,458,804	\$12,458,836	\$2,512
Investments	-	-	-	-
Receivables	2,164,236	2,227,389	2,164,236	2,227,389
Total Assets	\$2,166,780	\$14,686,193	\$14,623,072	\$2,229,901
Liabilities:				
Due to other funds	\$2,166,780	\$2,227,401	\$2,164,280	\$2,229,901
Deposits due others	-	-	-	-
Total Liabilities	\$2,166,780	\$2,227,401	\$2,164,280	\$2,229,901
Extended Day School Clearing Fund				
Assets:				
Cash and equivalents	\$562	\$248,156	\$248,148	\$570
Investments	-	-	-	-
Receivables	-	-	-	-
Total Assets	\$562	\$248,156	\$248,148	\$570
Liabilities:				
Due to other funds	\$562	\$248,156	\$248,148	\$570
Deposits due others	-	-	-	-
Total Liabilities	\$562	\$248,156	\$248,148	\$570
School Activity Fund				
Assets:				
Cash and equivalents	\$465,823	\$2,297,660	\$2,241,522	\$521,961
Investments	-	-	-	-
Receivables	-	-	-	-
Total Assets	\$465,823	\$2,297,660	\$2,241,522	\$521,961
Liabilities:				
Due to other funds	-	-	-	-
Deposits due others	\$465,823	\$2,297,660	\$2,241,522	\$521,961
Total Liabilities	\$465,823	\$2,297,660	\$2,241,522	\$521,961

SEE ACCOMPANYING INDEPENDENT AUDITORS' REPORT.

	BALANCE July 1, 1998	ADDITIONS	DEDUCTIONS	BALANCE June 30, 1999
Summer School Clearing Fund				
Assets:				
Cash and equivalents	\$111,639	\$109,220	\$220,859	-
Investments	-	-	-	-
Receivables	-	-	-	-
Total Assets	\$111,639	\$109,220	\$220,859	-
Liabilities:				
Due to other funds	\$111,639	\$109,220	\$220,859	-
Deposits due others	-	-	-	-
Total Liabilities	\$111,639	\$109,220	\$220,859	-
Deferred Compensation Fund				
Assets:				
Cash and equivalents	-	-	-	-
Investments	\$286,783	\$80,943	\$21,034	\$346,692
Receivables	-	-	-	-
Total Assets	\$286,783	\$80,943	\$21,034	\$346,692
Liabilities:				
Due to other funds	-	-	-	-
Deposits due others	\$286,783	\$80,943	\$21,034	\$346,692
Total Liabilities	\$286,783	\$80,943	\$21,034	\$346,692
Total - All Agency Funds				
Assets:				
Cash and equivalents	\$584,618	\$47,719,207	\$47,778,770	\$525,055
Investments	286,783	80,943	21,034	\$346,692
Receivables	2,198,095	2,244,807	2,198,095	\$2,244,807
Total Assets	\$3,069,496	\$50,044,957	\$49,997,899	\$3,116,554
Liabilities:				
Due to other funds	\$2,316,890	\$2,605,616	\$2,674,605	\$2,247,901
Deposits due others	752,606	2,378,603	2,262,556	868,653
Total Liabilities	\$3,069,496	\$4,984,219	\$4,937,161	\$3,116,554

SEE ACCOMPANYING INDEPENDENT AUDITORS' REPORT.

SCHOOL ACTIVITY AGENCY FUND
 Schedule of Changes in Deposit Balances - By School
 For the Year Ended June 30, 1999

SCHOOL	BALANCE JULY 1, 1998	ADDITIONS	DEDUCTIONS	BALANCE JUNE 30, 1999
Arabi Elementary	\$1,009	\$44,809	\$38,176	\$7,642
Arabi Park Middle	4,052	2,721	6,773	-
Borgnemouth Elementary	4,677	30,088	31,348	3,417
Carolyn Park Elementary	9,707	33,079	33,399	9,387
Chalmette Middle	50,921	300,454	293,378	57,997
Chalmette High	49,749	307,845	291,307	66,287
Chalmette High- Athletic	40,962	201,878	222,008	20,832
Andrew Jackson High	83,549	451,033	434,121	100,461
Sebastien Roy Elementary	15,704	80,642	81,952	14,394
N.P. Trist Middle	39,739	174,152	151,239	62,652
P.G.T. Beauregard Middle	25,587	111,389	109,529	27,447
J.F. Gauthier Elementary	6,754	58,877	55,463	10,168
Lacoste Elementary	31,090	40,855	39,322	32,623
Meraux Elementary	14,682	72,349	69,539	17,492
Millaudon Elementary	12,532	63,434	50,473	25,493
C.F. Rowley Elementary	1,899	19,795	21,033	661
St. Bernard High	64,642	259,887	261,848	62,681
St. Claude Heights	8,568	44,373	50,614	2,327
TOTAL	<u>\$465,823</u>	<u>\$2,297,660</u>	<u>\$2,241,522</u>	<u>\$521,961</u>

SEE ACCOMPANYING INDEPENDENT AUDITORS' REPORT.

ST. BERNARD PARISH SCHOOL BOARD

OTHER AGENCY FUNDS

Schedule of Changes in Deposit Balances

For the Year Ended June 30, 1999

With Comparative Totals for June 30, 1998

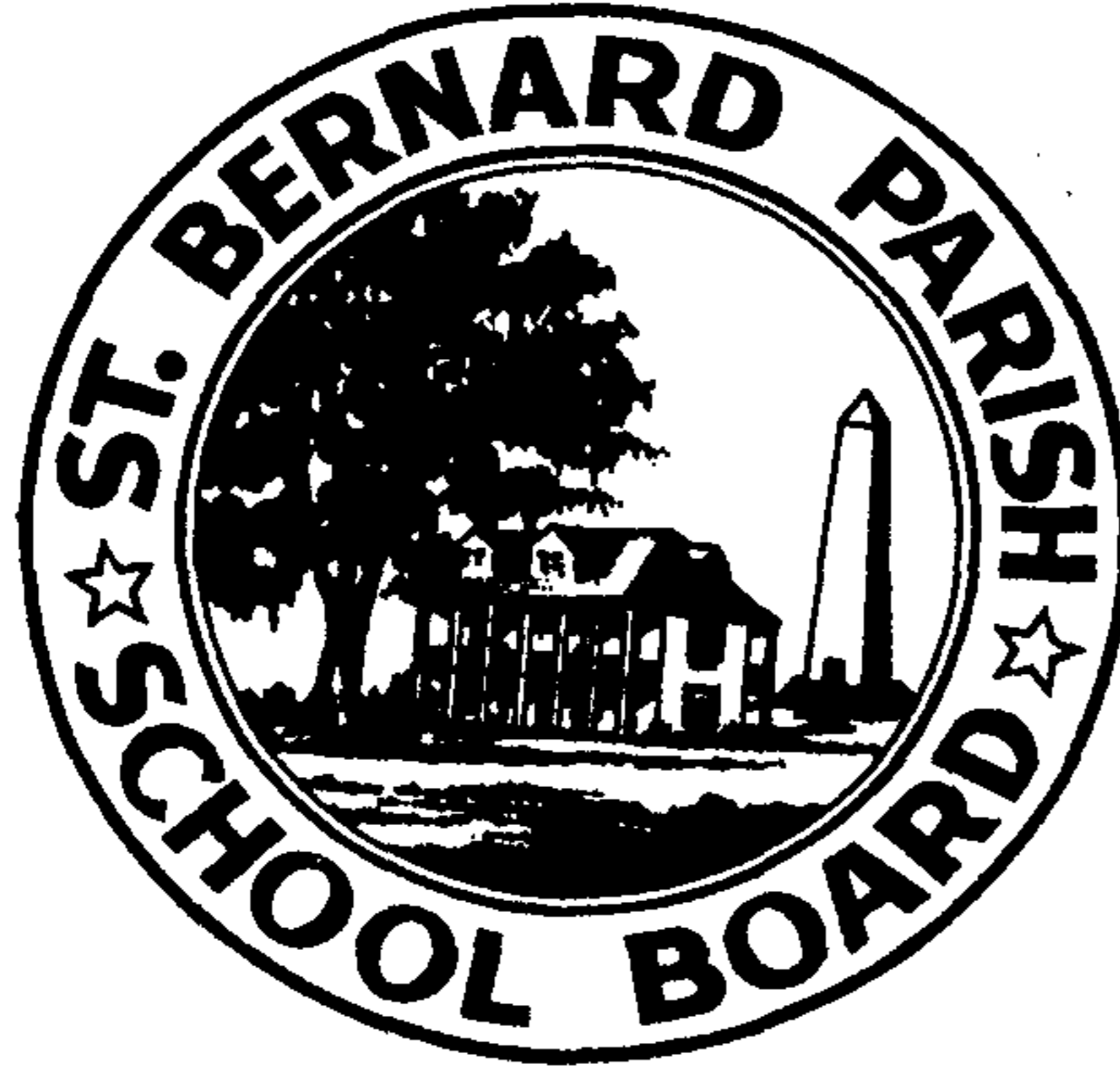
	GENERAL CLEARING	SALES TAX CLEARING	EXTENDED DAY SCHOOL CLEARING
DEPOSIT BALANCES: July 1, 1998	-	-	-
ADDITIONS:			
Federal and State Grants	\$27,261,428	-	-
Taxes	5,282,549	\$12,521,722	-
Fees, Tuition, Etc.	-	-	\$247,061
Interest Earnings	5,097	235	1,095
Investment Transfers	-	-	-
Contributions to Deferred Compensation Plan	-	-	-
Total Additions	32,549,074	12,521,957	248,156
TOTAL	32,549,074	12,521,957	248,156
DEDUCTIONS:			
Distributions:			
General Fund	28,305,893	11,910,821	248,156
Debt service funds:			
Ad valorem tax bond	2,556,072	-	-
Sales tax bond	-	611,136	-
Special revenue funds	1,687,109	-	-
Other	-	-	-
Total Deductions	32,549,074	12,521,957	248,156
DEPOSIT BALANCES: June 30, 1999	-	-	-

SEE ACCOMPANYING INDEPENDENT AUDITORS' REPORT.

EXHIBIT F-7

SUMMER SCHOOL	DEFERRED COMPENSATION	TOTALS	
		1999	1998
-	\$286,783	\$286,783	\$218,648
-	-	27,261,428	25,185,655
-	-	17,804,271	16,957,144
\$109,185	-	356,246	355,975
35	11,683	18,145	23,199
-	-	-	834,315
-	69,260	69,260	72,443
109,220	80,943	45,509,350	43,428,731
109,220	367,726	45,796,133	43,647,379
109,220	-	40,574,090	37,674,970
-	-	2,556,072	3,224,340
-	-	611,136	615,222
-	-	1,687,109	1,832,529
-	21,034	21,034	13,535
109,220	21,034	45,449,441	43,360,596
-	\$346,692	\$346,692	\$286,783

THIS PAGE LEFT BLANK INTENTIONALLY



GENERAL FIXED ASSETS ACCOUNT GROUP

The General Fixed Assets Account Group is used to account for land, buildings, machinery, furniture and equipment with an expected useful life of more than one year. No depreciation has been provided on general fixed assets.



GENERAL FIXED ASSETS ACCOUNT GROUP
 Comparative Schedule of General Fixed Assets - By Source
 June 30, 1999 and 1998

	1999	1998
General fixed assets:		
Land	\$934,696	\$934,696
Buildings and Improvements	48,730,421	36,921,532
Furniture and Equipment	14,370,434	13,545,336
Total Assets	<u>\$64,035,551</u>	<u>\$51,401,564</u>
Investment in general fixed assets:		
General Fund	\$11,397,169	\$10,617,522
Special Revenue Funds	3,949,955	3,904,504
Capital Project Funds	48,688,427	36,879,538
Total Investment in General Fixed Assets	<u>\$64,035,551</u>	<u>\$51,401,564</u>

SEE ACCOMPANYING INDEPENDENT AUDITORS' REPORT.

GENERAL FIXED ASSETS ACCOUNT GROUP
 Schedule of General Fixed Assets - By Function
 June 30, 1999

Function	Land	Buildings and Improvements	Furniture and Equipment	Total
Instruction:				
Regular	\$810,646	\$48,095,782	\$5,841,824	\$54,748,252
Special	68,750	155,700	2,521,721	2,746,171
Support Services:				
Student Services	-	-	57,633	57,633
Instructional Staff Support	-	-	335,273	335,273
General Administration	5,000	264,239	179,295	448,534
School Administration	-	-	250,924	250,924
Business Services	50,000	206,200	338,032	594,232
Plant Services	-	-	301,568	301,568
Student Transportation	300	8,500	2,826,656	2,835,456
Central Services	-	-	290,032	290,032
Food Services	-	-	1,427,476	1,427,476
Total	<u>\$934,696</u>	<u>\$48,730,421</u>	<u>\$14,370,434</u>	<u>\$64,035,551</u>

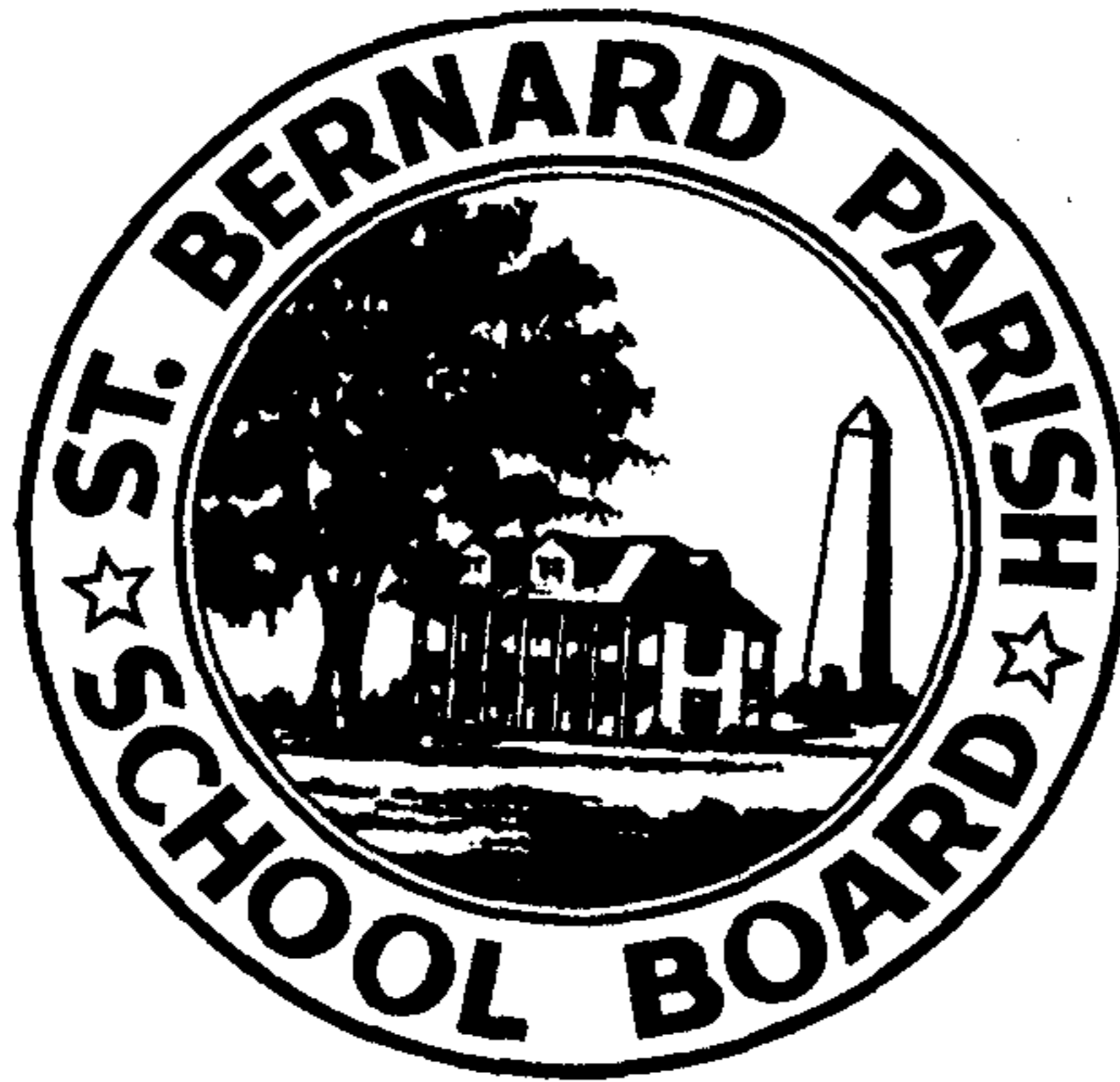
SEE ACCOMPANYING INDEPENDENT AUDITORS' REPORT.

GENERAL FIXED ASSETS ACCOUNT GROUP
 Schedule of Changes in General Fixed Assets - By Function
 For the Year Ended June 30, 1999

Function	General Fixed Assets July 1, 1998	ADDITIONS	DEDUCTIONS	General Fixed Assets June 30, 1999
Instruction:				
Regular	\$42,645,454	\$12,179,492	\$76,694	\$54,748,252
Special	2,700,720	63,407	17,956	2,746,171
Support Services:				
Student Services	57,633	-	-	57,633
Instructional Staff Support	314,722	20,551	-	335,273
General Administration	420,828	27,706	-	448,534
School Administration	265,583	-	14,659	250,924
Business Services	395,354	340,344	141,466	594,232
Plant Services	301,085	483	-	301,568
Student Transportation	2,605,207	230,249	-	2,835,456
Central Services	290,032	-	-	290,032
Food Services	1,404,946	24,130	1,600	1,427,476
Total	<u>\$51,401,564</u>	<u>\$12,886,362</u>	<u>\$252,375</u>	<u>\$64,035,551</u>

SEE ACCOMPANYING INDEPENDENT AUDITORS' REPORT.

THIS PAGE LEFT BLANK INTENTIONALLY



GENERAL LONG-TERM DEBT ACCOUNT GROUP

The long-term liabilities expected to be financed from governmental funds are accounted for in the General Long-Term Debt Account Group, not in the governmental fund type operations.





THIS PAGE LEFT BLANK INTENTIONALLY

ST. BERNARD PARISH SCHOOL BOARD

GENERAL LONG-TERM DEBT ACCOUNT GROUP
 Schedule of Long-Term Debt
 For the Year Ended June 30, 1999

DESCRIPTION OF DEBT	ORIGINAL ISSUE	OUTSTANDING AT JULY 1, 1998	ADDITIONS
Bonded Debt:			
General Obligation Bonds:			
March 1, 1990	\$1,965,000	\$1,530,000	-
March 1, 1997	22,000,000	21,855,000	-
March 1, 1998	8,000,000	8,000,000	-
December 28, 1998	1,445,000	-	\$1,445,000
Sales Tax Bonds:			
May 1, 1990	7,000,000	590,000	-
November 1, 1997	5,220,000	5,190,000	-
Total Bonded Debt	<u>\$45,630,000</u>	<u>37,165,000</u>	<u>1,445,000</u>
Certificates of Indebtedness:			
July 27, 1998	335,000	-	335,000
Compensated Absences:			
Vacation		649,661	260,511
Sick Leave		2,465,620	46,164
Sabbatical Leave		3,880,591	124,018
Total Compensated Absences		<u>6,995,872</u>	<u>430,693</u>
 Total Long-Term Debt		 <u>\$44,160,872</u>	 <u>\$2,210,693</u>

SEE ACCOMPANYING INDEPENDENT AUDITORS' REPORT.

DEDUCTIONS	OUTSTANDING AT JUNE 30, 1999	FINAL PAYMENT DUE	INTEREST RATES	INTEREST TO MATURITY
\$1,440,000	\$90,000	3/01/10	6.5%	\$5,850
720,000	21,135,000	3/01/17	4.8-9.0%	12,337,170
-	8,000,000	3/01/18	4.0-7.5%	4,422,056
\$35,000	1,410,000	3/01/10	4.6%	444,820
285,000	305,000	5/01/00	6.6-10.0%	20,435
60,000	5,130,000	5/01/10	3.9-4.9%	1,637,045
2,540,000	36,070,000			18,867,376
63,000	272,000	6/01/03	4.5%	28,305
				<u>18,895,681</u>
283,360	626,812			
84,175	2,427,609			
206,348	3,798,261			
573,883	6,852,682			
\$3,176,883	<u>\$43,194,682</u>			

THIS PAGE LEFT BLANK INTENTIONALLY

STATISTICAL SECTION



THIS PAGE LEFT BLANK INTENTIONALLY

ST. BERNARD PARISH SCHOOL BOARD

General School System Expenditures by Function
and Other Financing Uses - Governmental Fund Types
1990-1999
(Unaudited)

Function	1990	1991	1992	1993
Regular Instructional Programs	\$15,138,944	\$15,953,435	\$16,871,393	\$17,184,189
Special Instructional Programs	5,252,732	5,342,067	6,215,793	6,762,944
Adult and Community College Programs	1,119,380	1,354,591	1,565,826	118,071
Student Support Services	1,061,756	1,197,055	1,307,788	1,613,366
Instructional Staff Support Services	1,165,378	1,442,056	1,494,392	1,692,014
General Administration Services	616,193	624,024	683,390	796,001
School Administration Services	1,990,314	2,166,091	2,347,290	2,343,654
Business Services	317,887	345,165	375,169	355,247
Plant Services	3,454,309	3,399,688	3,473,865	3,696,008
Student Transportation Services	1,855,999	1,956,061	2,064,401	2,155,388
Central Services	263,791	499,371	307,710	327,101
Food Services	2,381,658	2,328,292	2,486,843	2,564,638
Community Services	2,100	2,100	2,100	2,100
Facility Acquisition and Construction	331,298	6,562,671	1,595,691	587,745
Debt Service	702,950	1,146,026	1,191,546	1,098,944
Total Expenditures	35,654,689	44,318,693	41,983,197	41,297,410
Other Financing Uses	261,933	145,728	131,900	1,245,500
Total Expenditures and Other Financing Uses	<u>\$35,916,622</u>	<u>\$44,464,421</u>	<u>\$42,115,097</u>	<u>\$42,542,910</u>

TABLE 1

1994	1995	1996	1997	1998	1999
\$17,554,969	\$17,827,232	\$18,062,595	\$19,024,418	\$20,678,972	\$21,531,824
7,029,979	7,409,708	7,522,459	7,978,736	8,270,235	8,839,883
119,933	121,940	115,002	113,534	130,785	185,017
1,694,846	1,784,667	1,864,144	1,945,266	2,041,654	2,220,291
1,888,857	2,112,740	2,119,115	2,257,964	2,690,554	2,820,207
805,043	981,755	805,716	823,182	808,161	827,583
2,404,705	2,403,555	2,412,101	2,531,972	2,665,583	2,750,447
341,025	340,833	354,743	354,486	317,465	340,849
3,615,233	3,700,964	3,826,352	4,041,785	4,105,170	4,185,154
2,415,069	2,533,182	2,544,227	2,500,931	2,589,942	2,519,635
361,925	307,605	355,102	330,793	335,359	668,071
2,845,885	2,972,110	2,993,409	2,982,065	2,975,433	2,952,409
2,100	2,100	2,100	2,100	2,100	3,681
1,171,920	213,115	250,225	251,226	4,512,586	11,807,276
874,902	922,520	891,842	852,880	7,478,505	4,695,303
43,126,391	43,634,026	44,119,132	45,991,338	59,602,504	66,347,630
124,452	94,220	786,234	248,253	95,128	115,908
\$43,250,843	\$43,728,246	\$44,905,366	\$46,239,591	\$59,697,632	\$66,463,538

ST. BERNARD PARISH SCHOOL BOARD

General School System Revenue by Source and
Other Financing Sources - Governmental Fund Types
1990-1999
(Unaudited)

GOVERNMENTAL FUND TYPES REVENUES BY SOURCE

Year Ended June 30	LOCAL SOURCES						
	Ad Valorem Taxes	Sales Taxes	Royalties and Leases	Tuition	Food Services	Interest Earnings	Other
1990	\$2,200,200	\$7,064,781	\$245,487	\$477,684	\$429,195	\$293,460	\$290,941
1991	2,232,877	9,144,832	232,681	575,384	431,529	808,345	394,929
1992	2,291,945	9,550,943	211,197	667,894	473,245	338,644	443,229
1993	2,326,518	9,617,219	198,759	376,699	463,759	164,279	295,031
1994	2,305,641	9,922,138	103,027	384,524	468,070	162,724	369,802
1995	2,377,977	10,542,099	154,006	450,378	435,418	255,576	328,088
1996	2,462,685	11,559,779	119,186	474,107	429,542	311,131	316,286
1997	2,812,836	11,668,222	300,041	493,804	396,898	654,119	435,398
1998	5,286,517	11,834,237	125,236	528,882	453,005	1,449,519	386,725
1999	5,455,771	12,521,722	177,620	550,576	446,657	1,510,623	515,402

GENERAL FUND REVENUE BY SOURCE

Year Ended June 30	LOCAL SOURCES						
	Ad Valorem Taxes	Sales Taxes	Royalties and Leases	Tuition	Food Services	Interest Earnings	Other
1990	\$1,541,314	\$6,915,401	\$245,487	\$477,684	-	\$224,961	\$286,308
1991	1,936,380	8,415,676	232,681	575,384	-	268,789	394,327
1992	1,987,577	8,829,884	211,197	667,894	-	241,274	437,522
1993	2,017,577	8,945,089	198,759	376,699	-	138,121	295,031
1994	2,100,800	9,255,881	103,027	384,524	-	127,265	369,802
1995	2,174,139	9,880,966	154,006	450,378	-	222,380	328,088
1996	2,264,527	10,905,752	119,186	474,107	-	276,010	316,286
1997	2,613,543	11,018,144	300,041	493,804	-	220,843	435,398
1998	2,820,095	11,219,015	125,236	528,882	-	244,515	386,725
1999	2,815,882	11,910,586	177,620	550,576	-	195,486	365,402

TABLE 2

	STATE SOURCES				Federal Sources	Total	Other Financing Sources	Total Revenues and Other Financing Sources
	Contribution to Teacher's Retirement	Revenue Sharing	Professional Improvement Program	Other				
Equalization	\$355,413	\$379,693	\$651,882	\$426,585	\$2,934,111	\$35,510,781	\$9,104,161	\$44,614,942
20,386,110	84,089	359,641	615,533	502,067	3,000,440	38,768,457	265,155	39,033,612
21,580,513	103,613	356,609	582,998	442,490	3,451,456	40,494,776	67,999	40,562,775
22,083,105	84,788	359,499	535,317	535,927	4,489,299	41,530,199	1,235,834	42,766,033
22,516,888	73,614	358,080	514,682	495,537	4,657,391	42,332,118	125,602	42,457,720
22,178,848	64,121	335,551	476,963	1,350,788	4,940,449	43,890,262	113,859	44,004,121
22,633,586	59,483	325,214	449,539	689,424	4,854,350	44,684,312	786,685	45,470,997
23,127,555	52,981	330,998	424,379	663,327	4,921,766	46,282,324	22,118,308	68,400,632
23,803,548	48,331	370,662	374,179	1,510,274	5,113,941	51,285,056	13,318,553	64,603,609
25,005,600	44,085	362,737	337,383	1,830,399	5,326,520	54,085,095	1,878,358	55,963,453

	STATE SOURCES				Federal Sources	Total	Other Financing Sources	Total Revenues and Other Financing Sources
	Contribution to Teacher's Retirement	Revenue Sharing	Professional Improvement Program	Other				
Equalization	\$355,413	\$379,693	\$648,315	\$342,922	\$354,252	\$30,972,271	\$108,944	\$31,081,215
19,797,280	84,089	359,641	615,533	427,619	373,415	33,480,814	265,155	33,745,969
20,964,863	103,613	356,609	582,998	368,306	402,017	35,153,754	67,999	35,221,753
21,467,455	84,788	359,499	535,317	461,312	247,036	35,126,683	110,509	35,237,192
21,901,238	73,614	358,080	514,682	404,011	27,611	35,620,535	125,602	35,746,137
21,563,198	64,121	335,551	476,963	1,221,542	39,201	36,910,533	73,112	36,983,645
22,017,936	59,483	325,214	449,539	594,992	30,392	37,833,424	84,620	37,918,044
22,498,726	52,981	330,998	424,379	576,000	42,072	39,006,929	89,452	39,096,381
23,187,898	48,331	370,662	374,179	1,279,312	43,017	40,627,867	98,553	40,726,420
24,389,950	44,085	362,737	337,383	1,461,990	244,346	42,856,043	433,358	43,289,401

Property Tax Levies and Collections
1990-1999
(Unaudited)

YEAR ENDED JUNE 30	TAX MILLAGE	ASSESSSED VALUE OF TAXABLE MILLAGE	TAXES LEVIED (1)	TAXES COLLECTED	TAXES NOT COLLECTED(2)
1990	18.55 ¹	119,133,248	2,206,287	2,200,200	6,087
1991	18.45 ²	122,292,238	2,251,825	2,232,877	18,948
1992	18.45	125,192,425	2,305,334	2,291,945	13,389
1993	18.45	127,421,019	2,346,456	2,326,518	19,938
1994	17.56 ³	131,521,833	2,306,058	2,305,641	417
1995	17.50 ⁴	136,574,794	2,385,593	2,377,977	7,616
1996	17.40 ⁵	142,003,374	2,466,394	2,462,685	3,709
1997	17.22 ⁶	163,257,521	2,806,825	2,812,836	-
1998	30.00 ⁷	176,594,025	5,294,615	5,286,517	8,098
1999	31.00 ⁸	181,848,921	5,635,382	5,455,771	179,611 (3)

Recap of Tax Millage per \$1,000 of assessed value

General Fund	13.00	16.00	16.00	16.00	16.00	16.00	16.00	16.00
Debt Service	5.55	2.45	1.56	1.50	1.40	1.22	14.00	15.00
Total	18.55 ¹	18.45 ²	17.56 ³	17.50 ⁴	17.40 ⁵	17.22 ⁶	30.00 ⁷	31.00 ⁸

- (1) Figures provided by the St. Bernard Parish Assessor's Office. Some of the assessed properties are exempted from this tax millage, But since these exempt properties are not identifiable by the School Board their values remain in the Taxable Assessed amount.
- (2) Uncollected taxes are not expected to be collected, therefore they are not reflected in the accounting records as receivables.
- (3) A state-wide protest was filed by a large landowner with regard to their assessment. The taxes related to this protest were deposited in escrow with the state, however, as of this date a determination on this matter had not been made.

Source: St. Bernard Parish Assessor's Office

THIS PAGE LEFT BLANK INTENTIONALLY

ST. BERNARD PARISH SCHOOL BOARD

Assessed and Estimated Actual Value of Taxable Property
1990-1999
(Unaudited)

YEAR ENDED JUNE 30	LAND AND IMPROVEMENTS (1)		OTHER PROPERTY (2)	
	ASSESSED VALUE	ESTIMATED ACTUAL VALUE	ASSESSED VALUE	ESTIMATED ACTUAL VALUE
1990	140,960,568 (4)	1,409,605,680 (4)	74,270,552	431,185,947
1991	141,942,451	1,419,424,510	77,028,782	453,291,213
1992	144,682,257	1,446,822,570	78,538,950	460,277,640
1993	145,624,094	1,456,240,940	80,773,187	474,941,007
1994	146,585,462	1,465,854,620	85,361,214	505,527,853
1995	148,869,678	1,488,696,780	89,261,944	532,454,667
1996	151,091,984	1,510,919,840	93,092,473	557,412,753
1997	154,338,115	1,543,381,150	112,065,201 (5)	682,755,607 (5)
1998	157,708,736	1,577,087,360	122,694,287	755,071,993
1999	161,848,154	1,618,481,540	125,285,722	767,462,627

- (1) Land and Improvements are assessed at 10% of estimated actual value.
- (2) Public Service Properties are assessed at 25% of estimated actual value. All other properties are assessed at 15% of estimated actual value.
- (3) A Homestead Exemption is allowed for up to \$7,500 of the assessed value of the taxpayer's principal residence.
- (4) Total land value increased as a result of additional properties added to the tax rolls.
- (5) Assessed value and estimated actual value increased due to a property reassessment which occurred during the 1996-97 fiscal year.

Source: St Bernard Parish Assessor's Office

TABLE 4

EXEMPTIONS (3)	TOTAL		RATIO OF TOTAL ASSESSED VALUE TO TOTAL ESTIMATED ACTUAL VALUE
LAND AND IMPROVEMENTS	ASSESSED VALUE	ESTIMATED ACTUAL VALUE	
96,097,872	119,133,248 (4)	1,840,791,627 (4)	6.47%
96,678,995	122,292,238	1,872,715,723	6.53%
98,028,782	125,192,425	1,907,100,210	6.56%
98,976,262	127,421,019	1,931,181,947	6.60%
100,424,843	131,521,833	1,971,382,473	6.67%
101,556,828	136,574,794	2,021,151,447	6.76%
102,181,083	142,003,374	2,068,332,593	6.87%
103,145,795	163,257,521 (5)	2,226,136,757 (5)	7.33%
103,808,998	176,594,025	2,332,159,353	7.57%
105,284,955	181,848,921	2,385,944,167	7.62%

ST. BERNARD PARISH SCHOOL BOARD

Property Tax Rates - All Direct and Overlapping Governments
 (per \$1,000 of assessed value)
 1990-1999
 (Unaudited)

TAX YEAR TAXING DISTRICT	1990	1991	1992	1993
Parishwide				
School District	18.55	18.45	18.45	18.45
Parish Government:				
Health District	0.67	0.67	0.67	0.66
Public Library	1.33	4.00	4.00	3.94
Road Lighting	1.31	1.31	1.31	1.29
Parish Maintenance	2.64	2.64	2.64	2.60
Public Improvement Bonds	7.45	7.00	7.00	5.50
Recreation Department	2.33	2.33	2.33	2.30
Garbage District	3.29	3.29	3.29	3.24
Road District	3.29	3.29	3.29	3.24
Council on Aging	-	-	-	-
Total Parish Government	22.31	24.53	24.53	22.77
Assessment District	1.95	1.95	1.95	1.92
Lake Borgne Basin Levee District	14.33	14.33	14.33	14.22
Law Enforcement District	9.53	9.53	9.53	9.40
Port Harbor and Terminal Authority	3.30	3.30	3.30	3.25
Total Parishwide	69.97	72.09	72.09	70.01
Special Non-Parishwide Districts				
Fire District #1	7.98	7.98	7.98	7.88
Fire District #2	8.67	8.67	8.67	8.51
Sewerage District #1	12.70	12.48	11.59	11.61
Sewerage District #2	10.60	9.94	9.47	8.69
Water District #1	6.93	6.75	6.59	6.37
Water District #2	-	-	-	-

Source: St. Bernard Parish Assessor's Office

TABLE 5

1994	1995	1996	1997	1998	1999
17.56	17.50	17.40	17.22	30.00	31.00
0.66	0.66	0.66	0.66	0.66	0.66
3.94	3.94	3.94	3.94	3.94	3.94
1.29	1.29	1.29	1.29	1.29	1.29
2.60	2.60	2.60	2.60	2.60	2.60
5.50	5.50	5.50	3.50	3.50	3.50
2.30	2.30	2.30	2.30	2.30	2.30
3.24	3.24	3.24	3.24	3.24	3.24
3.24	3.24	3.24	3.24	3.24	3.24
-	-	-	-	-	1.00
22.77	22.77	22.77	20.77	20.77	21.77
1.92	1.92	1.92	1.92	1.92	1.92
13.72	12.82	15.62	15.02	15.02	14.47
9.40	9.40	9.40	10.68	10.68	10.68
3.25	3.25	3.25	3.22	3.22	3.22
68.62	67.66	70.36	68.83	81.61	83.06
7.88	7.88	7.88	7.88	7.88	7.88
8.51	8.51	8.51	8.51	8.51	8.51
11.61	11.61	9.69	6.08	5.00	5.00
8.69	8.30	8.27	6.79	3.75	3.75
6.37	6.24	5.05	4.82	0.15	-
-	-	-	-	-	-

THIS PAGE LEFT BLANK INTENTIONALLY

Principal Property Taxpayers
June 30, 1999
(Unaudited)

TAXPAYER	TYPE OF BUSINESS	1999 ASSESSED VALUATION	1999 PERCENTAGE OF ASSESSED VALUATION
(1) Chalmette Refining	Oil and Gas	\$41,514,371	14.46%
(2) Murphy Oil	Oil and Gas	18,652,884	6.50%
(3) Shell	Oil and Gas	7,500,316	2.61%
(4) Entergy Louisiana, Inc.	Electric Utility	6,506,650	2.27%
(5) Domino Sugar	Sugar Refinery	6,443,293	2.24%
(6) Bellsouth	Telephone Utility	6,168,609	2.15%
(7) Southern Natural Gas	Gas Utility	5,439,490	1.89%
(8) Hibernia National Bank	Financial Services	3,886,865	1.35%
(9) Total Minatome Corporation	Oil and Gas	3,664,044	1.28%
(10) First National Bank of Commerce	Financial Services	3,201,023	1.11%
Totals		<u>\$102,977,545</u>	35.86%

Source: St. Bernard Parish Assessor's Office

ST. BERNARD PARISH SCHOOL BOARD

Ratio of Net General Obligation Bonded Debt to Assessed Value
and Net General Obligation Bonded Debt Per Capita
1990-1999
(Unaudited)

YEAR ENDED JUNE 30	ESTIMATED POPULATION (1)	NUMBER OF STUDENTS	ASSESSED VALUE OF TAXABLE PROPERTY (2)	GROSS BONDED DEBT
1990	67,575	10,208	\$119,133,248	\$2,530,000
1991	66,631	10,267	122,292,238	2,325,000
1992	66,901	10,243	125,192,425	2,060,000
1993	67,302	9,309 *	127,421,019	1,870,000
1994	67,938	9,365	131,521,833	1,805,000
1995	67,369	9,402	136,574,794	1,740,000
1996	67,679	9,452	142,003,374	1,675,000
1997	67,447	9,187	163,257,521	23,605,000 **
1998	66,927	9,008	176,594,024	31,385,000 ***
1999	67,264	8,875	181,848,921	30,635,000

* The governance of the St. Bernard Parish Community College was transferred from the St. Bernard Parish School Board to the State Board of Colleges and Universities resulting in a loss of approximately 1,000 students.

** In March of 1997, the St. Bernard Parish School Board issued \$22,000,000 of general obligation bonds to build new schools and renovate existing buildings

*** In March of 1998, the St. Bernard Parish School Board issued \$8,000,000 of general obligation bonds to build new schools and renovate existing buildings

(1) Source: Louisiana Technical University

(2) Source: St. Bernard Parish Assessor's Office

TABLE 7

DEBT SERVICE FUNDS	NET BONDED DEBT	RATIO OF NET BONDED DEBT TO ASSESSED VALUE	NET BONDED DEBT PER CAPITA	NET BONDED DEBT PER STUDENT
\$402,511	\$2,127,489	1.79%	\$31	\$208
341,598	1,983,402	1.62%	30	193
219,714	1,840,286	1.47%	28	180
186,509	1,683,491	1.32%	25	181
187,350	1,617,650	1.23%	24	173
195,223	1,544,777	1.13%	23	164
208,727	1,466,273	1.03%	22	155
261,796	23,343,204	14.30%	346	2,541
1,085,707	30,299,293	17.16%	453	3,364
1,152,904	29,482,096	16.21%	438	3,322

Sales Tax Bond Coverage
1990-1999
(Unaudited)

YEAR ENDED JUNE 30	SALES TAX REVENUE	DEBT SERVICE REQUIREMENTS			COVERAGE
		PRINCIPAL	INTEREST	TOTAL	
1990	\$7,064,781	\$65,000	\$14,250	\$79,250	89.1
1991	9,144,832	225,000	542,023	767,023	11.9
1992	9,550,943	240,000	523,022	763,022	12.5
1993	9,617,219	255,000	502,773	757,773	12.7
1994	9,922,138	190,000	481,023	671,023	14.8
1995	10,542,099	210,000	462,023	672,023	15.7
1996	11,559,779	225,000	441,022	666,022	17.4
1997	11,668,222	245,000	418,523	663,523	17.6
1998	11,834,237	290,000	374,670	664,670	17.8
1999	12,521,722	345,000	274,812	619,812	20.2

THIS PAGE LEFT BLANK INTENTIONALLY

ST. BERNARD PARISH SCHOOL BOARD

Ratio of Net Sales Tax Bonded Debt to Total Sales
and Net Sales Tax Bonded Debt Per Capita
1990-1999
(Unaudited)

YEAR ENDED JUNE 30	ESTIMATED POPULATION (1)	NUMBER OF STUDENTS	TOTAL SALES	GROSS (2) BONDED DEBT
1990	67,575	10,208	\$449,705,701	\$7,220,000
1991	66,631	10,267	487,618,500	6,995,000
1992	66,901	10,243	507,881,445	6,755,000
1993	67,302	9,309 *	515,647,355	6,500,000
1994	67,938	9,365	527,773,298	6,310,000
1995	67,369	9,402	560,749,947	6,100,000
1996	67,679	9,452	614,881,862	5,875,000
1997	67,447	9,187	620,650,106	5,630,000
1998	66,927	9,008	629,480,691	5,780,000
1999	67,264	8,875	666,040,043	5,435,000

* The governance of the St. Bernard Parish Community College was transferred from the St. Bernard Parish School Board to the State Board of Colleges and Universities resulting in a loss of approximately 1,000 students.

(1) Source: Louisiana Technical University

(2) Source: St. Bernard Parish Sheriff's Office - Tax Collector

TABLE 9

LESS DEBT SERVICE FUNDS	NET BONDED DEBT	RATIO OF NET BONDED DEBT TO TOTAL SALES	NET BONDED DEBT PER CAPITA	NET BONDED DEBT PER STUDENT
\$1,115,282	\$6,104,718	1.357%	\$90	\$598
1,041,616	5,953,384	1.221%	89	580
949,890	5,805,110	1.143%	87	567
867,823	5,632,177	1.092%	84	605
868,290	5,441,710	1.031%	80	581
922,894	5,177,106	0.923%	77	551
921,250	4,953,750	0.806%	73	524
918,258	4,711,742	0.759%	70	513
877,372	4,902,628	0.779%	73	544
877,988	4,557,012	0.684%	68	513

Computation of Legal Debt Margin
 June 30, 1999
 (Unaudited)

Assessed Valuation:		
Taxable Assessed Value		\$181,848,921
Add: Exempt Property (Homestead Exemptions)		105,284,955
Total Assessed Value		<u>\$287,133,876</u>
Legal Debt Margin:		
Debt Limitation - 35% of Total Assessed Value		\$100,496,857
Debt Applicable to Limitation:		
Total General Obligation Bonded Debt	\$30,635,000	
Less: Amount Available for Repayment of General Obligation Bonds	<u>1,152,904</u>	
Total General Obligation Debt Applicable to Limitation		<u>29,482,096</u>
Legal Debt Margin		<u>\$71,014,761</u>

Computation of Direct and Underlying Bonded Debt
 General Obligation Bonds
 June 30, 1999
 (Unaudited)

Jurisdiction	General Obligation Bonded Debt Outstanding	Percentage Applicable to Government	Amount Applicable to Government	Total Assessed Valuation of Property Applicable to Bonded Debt (1)
Direct:				
St. Bernard Parish School Board	\$30,635,000	100%	\$30,635,000	\$181,848,921
Underlying:				
Parish of St. Bernard	4,170,000	100%	4,170,000	181,848,921
Lake Borgne Basin Levee District	5,325,000	100%	5,325,000	181,848,921
St. Bernard Sewerage District No. 1	320,000	100%	320,000	40,753,410
St. Bernard Sewerage District No. 2	<u>1,695,000</u>	100%	<u>1,695,000</u>	213,788,904
Total	<u>\$42,145,000</u>		<u>\$42,145,000</u>	

(1) Taxable assessed value of property subject to School Board's assessment - \$181,848,921

Source: Respective Government Entities

Ratio of Annual Debt Service Expenditures for General
Obligation Bonded Debt to Total Expenditures -
All Governmental Fund Types
1990-1999
(Unaudited)

YEAR ENDED JUNE 30	PRINCIPAL	INTEREST	TOTAL DEBT SERVICE	TOTAL GOVERNMENTAL FUNDS EXPENDITURES	RATIO OF DEBT SERVICE TO GOVERNMENTAL FUNDS EXPENDITURES
1990	\$640,000	\$60,425	\$700,425	\$35,654,689	2.0%
1991	430,000	712,132	1,142,132	44,318,693	2.6%
1992	505,000	683,882	1,188,882	41,983,197	2.8%
1993	445,000	650,745	1,095,745	41,297,410	2.7%
1994	255,000	617,070	872,070	43,126,391	2.0%
1995	275,000	591,820	866,820	43,634,026	2.0%
1996	290,000	564,570	854,570	44,119,132	1.9%
1997	315,000	535,570	850,570	45,991,338	1.8%
1998	5,290,000	2,184,477	7,474,477	59,602,504	12.5% *
1999	2,540,000	2,071,784	4,611,784	66,348,136	7.0% **

* A \$5,220,000 refunding issue was sold with the proceeds being used to liquidate previously issued debt.

** A \$1,445,000 refunding issue was sold with the proceeds being used to liquidate previously issued debt.

THIS PAGE LEFT BLANK INTENTIONALLY

ST. BERNARD PARISH SCHOOL BOARD

Demographic Statistics
1990-1999
(Unaudited)

FISCAL YEAR	POPULATION (1)	PER CAPITA INCOME (2)	PUBLIC SCHOOL ENROLLMENT (3)	PUBLIC HIGH SCHOOL GRADUATES (4)
1990	67,575	\$12,665	10,208	477
1991	66,631	13,734	10,267	456
1992	66,901	14,180	10,243	415
1993	67,302	14,833	9,309	431
1994	67,938	15,386	9,365	505
1995	67,369	16,137	9,402	508
1996	67,679	17,721	9,452	513
1997	67,447	18,359	9,187	502
1998	66,927	19,113	9,008	537
1999	67,264	*	8,875	*

* Information not yet available

(1) Estimated population as of December 31 of Fiscal Year.

(2) Source: Bureau of Labor Statistics, Survey of Current Business.

(3) Includes enrollment at St. Bernard Parish Community College through 1992.

(4) Source: Louisiana Annual Financial and Statistical Report.

TABLE 13

PERCENT OF GRADUATING SENIORS GOING ON TO COLLEGE (4)	EXPENDITURES PER STUDENT (4)	PUPIL/TEACHER RATIO (4)	MEAN SALARY OF ALL FULL-TIME TEACHERS (4)	CLASSROOM TEACHER/SCHOOL ADMINISTRATOR RATIO (4)
65.39%	\$3,630	16.39 : 1	\$23,176	16.59 : 1
58.12%	4,060	17.18 : 1	25,959	17.66 : 1
58.12%	4,058	16.36 : 1	24,601	17.66 : 1
63.17%	4,197	16.13 : 1	25,661	16.97 : 1
70.03%	4,219	17.54 : 1	26,052	16.03 : 1
69.49%	4,380	16.32 : 1	26,017	16.46 : 1
70.05%	4,409	15.63 : 1	25,955	16.63 : 1
70.16%	4,757	15.59 : 1	28,038	16.39 : 1
69.52%	5,156	15.13 : 1	29,878	21.59 : 1
*	*	*	*	*

ST. BERNARD PARISH SCHOOL BOARD

Property Value, Construction and Bank Deposits
1990-1999
(Unaudited)

YEAR ENDED JUNE 30	ASSESSED PROPERTY VALUE (1)			
	LAND AND IMPROVEMENTS	OTHER PROPERTY	EXEMPTIONS	TOTAL
1990	\$140,960,568	\$74,270,552	\$96,097,872	\$119,133,248
1991	141,942,451	77,028,782	96,678,995	122,292,238
1992	144,682,257	78,538,950	98,028,782	125,192,425
1993	145,624,094	80,773,187	98,976,262	127,421,019
1994	146,585,462	85,361,214	100,424,843	131,521,833
1995	148,869,678	89,261,944	101,556,828	136,574,794
1996	151,091,984	93,092,473	102,181,083	142,003,374
1997	154,338,115	112,065,201	103,145,795	163,257,521
1998	157,708,736	122,694,287	103,808,998	176,594,025
1999	161,848,154	125,285,722	105,284,955	181,848,921

* Beginning January, 1996, the St. Bernard Parish Planning Commission was no longer required to maintain statistics with regard to non-residential construction.

(1) Source: St. Bernard Parish School Board

(2) Source: St. Bernard Parish Planning Commission

(3) Source: St. Bernard Bank and Trust Co.
People's Bank and Trust Co.
Regions Bank - St. Bernard Branches

TABLE 14

RESIDENTIAL CONSTRUCTION (2)		NON-RESIDENTIAL CONSTRUCTION (2)		COMMERCIAL BANK DEPOSITS (3)
NUMBER OF UNITS	VALUE	NUMBER OF UNITS	VALUE	
256	\$8,727,869	79	\$3,590,544	\$339,286,000
196	6,860,209	96	26,472,094	395,631,000
303	11,527,273	109	2,866,602	505,213,000
251	10,163,997	97	2,440,276	498,706,000
198	8,369,149	86	4,144,084	495,161,000
186	12,381,914	90	2,668,867	485,212,000
179	9,264,604	40	1,762,639	571,589,000
203	9,797,890	*	*	629,667,934
179	9,463,935	*	*	637,452,375
161	9,468,365	*	*	651,872,313

Miscellaneous Statistics
(Unaudited)

Year of Incorporation: 1877
 Form of Government: School Board
 Area of Parish: 2,386 Square Miles
 Regular School Days: 177
 Population:

Number of Schools	
Elementary	10
Middle	3
High	4
	<u>17</u>

Enrollment	
Elementary	4,304
Middle	1,893
High	2,678
	<u>8,875</u>

DEGREE	NUMBER OF TEACHERS	PERCENTAGE OF TOTAL
Bachelor's Degree	453	65.84%
Master's Degree	166	24.13%
Master's Degree + 30	64	9.30%
Doctorate	5	0.73%
	<u>688</u>	<u>100.00%</u>

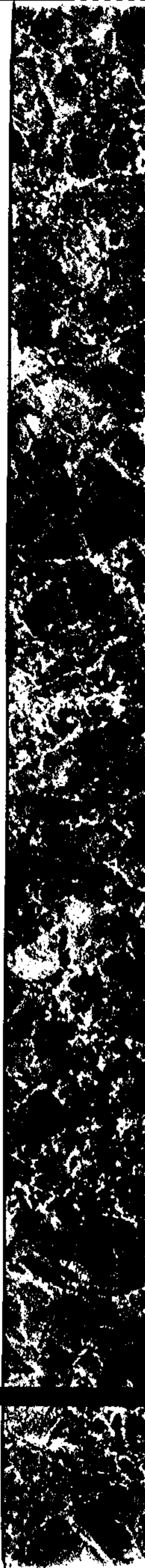
YEARS OF EXPERIENCE	NUMBER OF TEACHERS	PERCENTAGE OF TOTAL
0 - 4	170	24.71%
5 - 9	116	16.86%
10 - 14	94	13.66%
15 - 19	76	11.05%
20 - 24	109	15.84%
25 and Over	123	17.88%
	<u>688</u>	<u>100.00%</u>

Schedule of Compensation Paid to Board Members
 For the Year Ended June 30, 1999
 With Comparative Totals for the Year Ended June 30, 1998
 (Unaudited)

	<u>1999</u>	<u>1998</u>
Herman J. Bonnette, Sr.	\$7,200	\$7,200
Donald D. Campbell	7,200	7,200
Alfred A. Claude, III	7,200	7,200
Hugh C. Craft	7,200	7,200
Diana B. Dysart - President (beginning January 1999)	7,500	7,200
William H. Egan	7,200	7,200
Clifford M. Englande	7,200	7,200
Sharon A. Hanzo	7,200	7,200
Ronald J. Nicosia	7,200	7,200
Jacques A. Sanborn - President (through December 1998)	7,500	7,800
Max L. Shaneyfelt	7,200	7,200
	<u>\$79,800</u>	<u>\$79,800</u>

THIS PAGE LEFT BLANK INTENTIONALLY

SINGLE AUDIT SECTION



THIS PAGE LEFT BLANK INTENTIONALLY



Suite 3500 One Shell Square
New Orleans, LA 70139-3599

Telephone 504 523 5000
Fax 504 529 1518

**REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER
FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

The Members of the
St. Bernard Parish School Board
Chalmette, Louisiana:

We have audited the general purpose financial statements of St. Bernard Parish School Board (the School Board), as of and for the year ended June 30, 1999, and have issued our report thereon dated October 8, 1999. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the School Board's general purpose financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. 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 no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the School Board's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.



This report is intended solely for the information and use of the Board, the School Board's management and federal awarding agencies and pass-through entities, such as the State of Louisiana and Legislative Auditor's Office, and is not intended to be and should not be used by anyone other than these specified parties.

KPMG LLP

October 8, 1999



Suite 3500 One Shell Square
New Orleans, LA 70139-3599

Telephone 504 523 5000
Fax 504 529 1518

**REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO
EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN
ACCORDANCE WITH OMB CIRCULAR A-133**

The Members of the
St. Bernard Parish School Board
Chalmette, Louisiana:

Compliance

We have audited the compliance of St. Bernard Parish School Board (the School Board), with the types of compliance requirements described in the *U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 1999. 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. Compliance with the requirements of laws, regulations, contracts and grants applicable to its major federal programs is the responsibility of School Board's management. Our responsibility is to express an opinion on the School Board's compliance based on our audit.

We conducted our audit of compliance in accordance with generally accepted auditing standards; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 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. Our audit does not provide a legal determination on the School Board's compliance with those requirements.

In our opinion, the School Board complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 1999.

Internal Control Over Compliance

The management of the School Board is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the School Board's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.



Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts, and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

Schedule of Expenditures of Federal Awards

We have audited the general purpose financial statements of the School Board as of and for the year ended June 30, 1999, and have issued our report thereon dated October 8, 1999. Our audit was performed for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the general purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general purpose financial statements taken as a whole.

This report is intended solely for the information and use of the Board, the School Board's management and federal awarding agencies and pass-through entities, such as the State of Louisiana and Legislative Auditor's Office, and is not intended to be and should not be used by anyone other than these specified parties.

KPMG LLP

October 8, 1999

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 1999

FEDERAL GRANTOR/ PASS THROUGH GRANTOR/ PROGRAM NAME	FEDERAL CFDA NUMBER	PASS-THROUGH GRANTORS' AWARD NUMBER	EXPENDITURES
United States Department of Agriculture: Passed through Louisiana Department of Agriculture and Forestry: Food Distribution Program	10.550	N/A	\$169,235
Passed through Louisiana Department of Education: School Breakfast Program	10.553	N/A	382,605
National School Lunch Program	10.555	N/A	<u>1,182,109</u>
Total United States Department of Agriculture			<u>1,733,949</u>
United States Department of Health and Human Services: Direct Program: 1999 Headstart	13.600	06CHO392/08	<u>493,723</u>
Total United States Department of Health and Human Services			<u>493,723</u>
United States Department of Labor: Passed through Louisiana Department of Labor: Passed Through Plaquemines, St Bernard St Tammany Parishes Consortium: 1999 JTPA Basic Program	17.250	190030	57,623
1999 JTPA - Summer School	17.250	190030	<u>5,674</u>
Total passed through Louisiana Department of Labor			<u>63,297</u>
Total United States Department of Labor			<u>63,297</u>
United States Department of Defense: 1999 Department of the Air Force - JROTC	12.998	N/A	<u>44,538</u>
Total United States Department of Defense			<u>44,538</u>
United States Department of Education: Passed through Louisiana Department of Education: 1999 Adult Education - State Administered Basic Grant	84.002	N/A	51,455
			<u>51,455</u>
Educationally Deprived Children: 1998 Title I - Carryover	84.010	98-061-44 C/O	63,352
1999 Title I	84.010	99-061-44	<u>1,557,894</u>
			<u>1,621,246</u>

SEE ACCOMPANYING INDEPENDENT AUDITORS' REPORT AND
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS.

ST. BERNARD PARISH SCHOOL BOARD

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 1999

<u>FEDERAL GRANTOR/ PASS THROUGH GRANTOR/ PROGRAM NAME</u>	<u>FEDERAL CFDA NUMBER</u>	<u>PASS-THROUGH GRANTORS' AWARD NUMBER</u>	<u>CASH DISBURSEMENTS</u>
Handicapped School Programs:			
1998 Flow-Through	84.027	98-FT-44	269,626
1999 Flow-Through	84.027	99-FT-44	336,285
1998 Preschool Incentive	84.173A	98-PF-44	20,223
1999 Preschool Incentive	84.173A	99-PF-44	40,310
1999 Part H - Infant/Toddler Child Search	84.181	99-CIT-44	4,000
1998 IDEA - Part B Discretionary Carryover	84.027	98-D-44 C/O	13,142
1998 IDEA - Part B Discretionary 2 Carryover	84.027	98-D2-44 C/O	10,481
			<u>694,067</u>
Innovative Education Program Strategies:			
1999 IASA Title VI	84.151	28-99-0044-6	68,128
			<u>68,128</u>
Strengthening The Skills of Teachers:			
1999 IASA Title II	84.164	28-99-5044-11	60,404
			<u>60,404</u>
Drug Free Schools and Communities:			
1999 IASA Title IV	84.186	28-99-7044-D	77,351
			<u>77,351</u>
Vocational Education:			
Title II A:			
1999 Basic Grant	84.048	N/A	80,574
1999 Guidance	84.048	N/A	8,953
			<u>89,527</u>
Goals 2000 Programs:			
1999 Title III - Professional Development	84.276B	N/A	113,236
			<u>113,236</u>
Charter Schools Demonstration Program:			
1999 Charter Schools Study	N/A	N/A	15,791
			<u>15,791</u>
Total United States Department of Education			<u>2,791,205</u>
Federal Emergency Management Agency:			
Disaster Relief	93.516	N/A	50,568
			<u>50,568</u>
Universal Services Fund:			
Passed through the School and Libraries Corporation	N/A	N/A	149,240
			<u>149,240</u>
Total Federal Financial Assistance			<u>\$5,326,520</u>

SEE ACCOMPANYING INDEPENDENT AUDITORS' REPORT AND
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS.

St. Bernard Parish School Board

Notes to Schedule of Expenditures
of Federal Awards
June 30, 1999

1. General

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal awards programs of the St. Bernard Parish School Board. The School Board reporting entity is defined in note 1 to the general purpose financial statements for the year ended June 30, 1999. All federal awards received directly from federal agencies are included on the schedule as well as federal awards passed through other government agencies. The IASA Title I is currently the only major federal program of the School Board.

2. Basis of Accounting

The Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting, which is described in note 1 to the School Board's general purpose financial statements for the year ended June 30, 1999. Commodities received, which are non-cash revenue are valued at prices provided by the U.S. Department of Agriculture. Any received but unused commodities at June 30, 1999 are reserved in the fund balance of the School Lunch Fund.

3. Relationship to General Purpose Financial Statements

Federal Award revenues are reported in the School Board's general purpose financial statements as follows:

<u>From Federal Sources</u>	
General Fund	\$244,346
Special Revenue Funds	<u>5,082,174</u>
Total	<u>\$5,326,520</u>

4. Relationship to Federal Financial Reports

Amounts reported in the Schedule of Expenditures of Federal Awards agree with the amounts reported in the related federal financial reports.

ST. BERNARD PARISH SCHOOL BOARD
Chalmette, Louisiana

Schedule of Findings and Questioned Costs

Year ended June 30, 1999

(1) Summary of Auditors' Results

- (a) The type of report issued on the general purpose financial statements: unqualified opinion
 - (b) Reportable conditions in internal control were disclosed by the audit of the Financial Statements: none reported Material weaknesses: no
 - (c) Noncompliance which is material to the general purpose financial statements: no
 - (d) Reportable conditions in internal control over major programs: none reported Material weaknesses: no
 - (e) The type of report issued on compliance for major programs: unqualified opinion
 - (f) Any audit findings which are required to be reported under Section. 510(a) of OMB Circular A-133: no
 - (g) Major program:
United States Department of Education:
Improving America's School Act (IASA) (CFDA Number 84.010)
 - (h) Dollar threshold used to distinguish between Type A and Type B programs: \$300,000
 - (i) Auditee qualified as a low-risk auditee under Section.530 of OMB Circular A-133: yes
- (2) Findings Relating to the Financial Statements Reported in Accordance with *Government Auditing Standards*:
None
- (3) Findings and Questioned Costs relating to Federal Awards: None

THIS PAGE LEFT BLANK INTENTIONALLY