

Comprehensive Annual *Financial Report*

For the Fiscal Year
July 1, 2003 - June 30, 2004

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the 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 1-26-05



St. Tammany Parish School Board
Covington, Louisiana

Cover Artwork:
"Sunset on the Bayou"
By: Casey Adkins, Grade 5
Mandeville Middle School

**ST. TAMMANY PARISH
SCHOOL BOARD**
Covington, Louisiana

**COMPREHENSIVE
ANNUAL FINANCIAL REPORT**
July 1, 2003 – June 30, 2004

Prepared by:
DEPARTMENT OF BUSINESS AFFAIRS
Ronald J. Caruso, CPA, CGFM, Director
Brett M. Stoltz, CPA, CGFM, Chief Accountant



"Lilyanna"
by: Hoang Thi Vu, Grade 7
St. Tammany Junior High
Teacher:
Francine B. Dunn

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2004

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Covington, Louisiana

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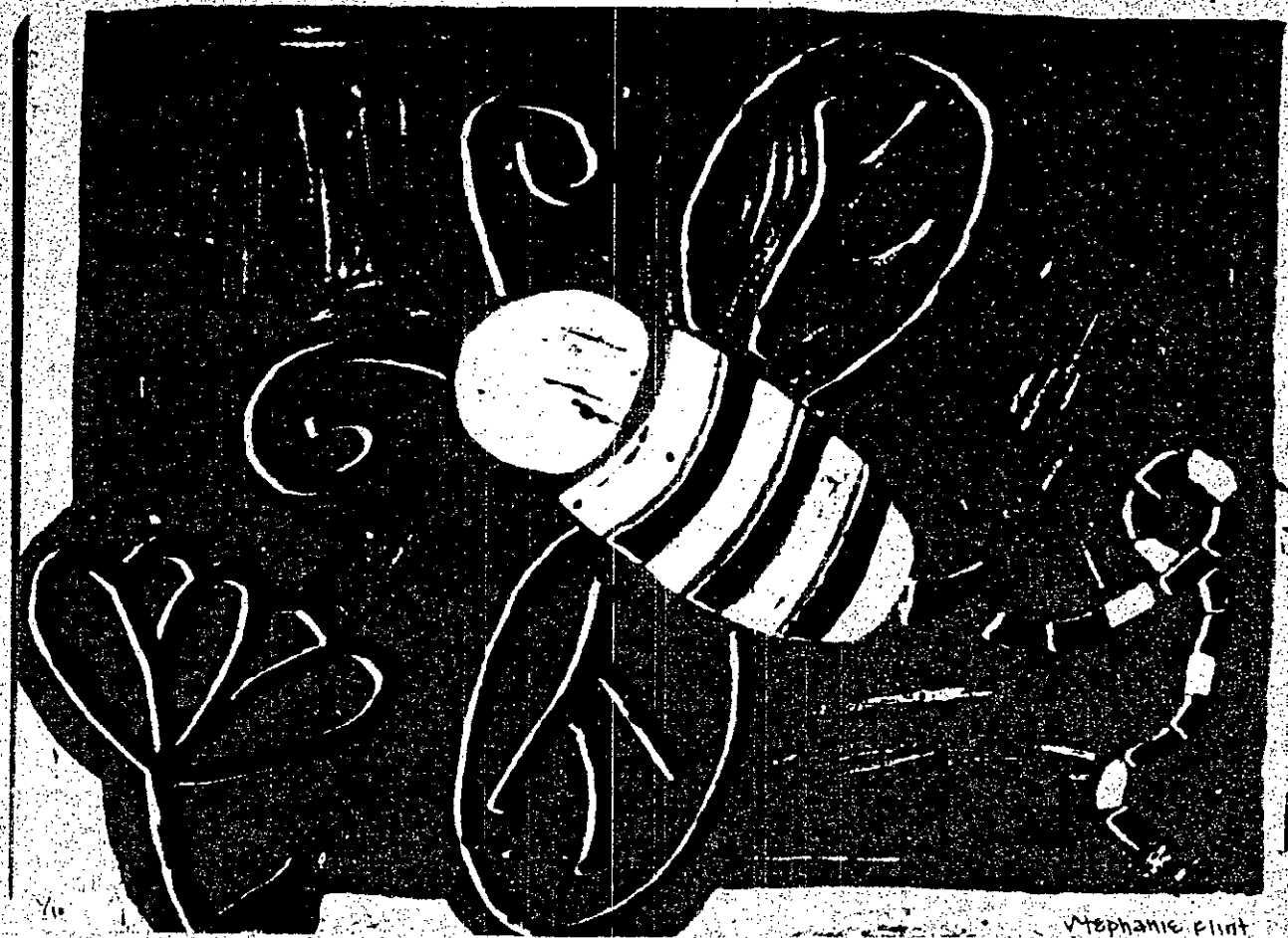
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"Bee Yourself"

by: Stephanie Flint, Grade 12

CHS

Teacher:

Diane Andry

St. Tammany Parish School Board

212 W. 17th AVENUE • POST OFFICE BOX 940
COVINGTON, LOUISIANA 70434-0940
PHONE (985) 892-2276 - FAX (985) 898-3267

GAYLE SLOAN
SUPERINTENDENT

DISTRICT	BOARD MEMBERS
13	JOHN C. LAMARQUE, PRESIDENT
4	DIANE D. SAMBOLA, VICE PRESIDENT
1	NEAL M. HENNEGAN
2	ELIZABETH B. HEINTZ
3	MICHAEL J. DIRMANN
5	CHARLES T. HARRELL
6	DONALD J. VILLERE
7	SOROLA "JODY" PALMER
8	DANIEL G. ZECHENELLY
9	CARMEN H. JOHNSON
10	RONALD "RON" BETTENCOURT
11	DR. E. ROTH ALLEN
12	JAMES "RONNIE" PANKS, SR.
14	RAY A. ALFRED
15	MARY K. BELLISARIO

November 30, 2004

The Members of the
St. Tammany Parish School Board
Covington, Louisiana:

The comprehensive annual financial report of the St. Tammany Parish School Board for the fiscal year ended June 30, 2004, is hereby submitted. State law requires that all general-purpose local governments publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the School Board. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the School Board. All disclosures necessary to enable the reader to gain an understanding of the School Board's financial activities have been included. More specific and detailed information pertaining to the School Board's economic and financial status can be found in the management discussion and analysis section of these reports.

The comprehensive annual financial report is presented in four sections: introductory, financial, statistical and single audit. The introductory section, which begins on page vi, includes this transmittal letter, the School Board's organizational chart and a list of principal officials. The financial section, which begins on page 1, includes the independent auditors' report, management discussion and analysis section, basic financial statements and the combining and individual fund financial statements and schedules. The statistical section, which begins on page 94, includes selected financial and demographic information, generally presented on a multi-year basis.

The School Board is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act, as amended, and U.S. Office of Management and Budget Circular A-133, Audits of

States, Local Governments and Non-Profit Organizations. Information related to this single audit, including the schedule of expenditures of federal awards, findings and recommendations, and the Reports on Compliance and on Internal Control over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards and the Report on Compliance with Requirements Applicable to Each Major Program and Internal Control over Compliance in Accordance with OMB Circular A-133, are included in the single audit section of this report which begins on page 114.

This report includes all funds and activities for which the School Board exercises financial accountability. The School Board is a legislative body authorized to govern the public education system of St. Tammany Parish, Louisiana. A fifteen-member board governs the School System with each member serving a concurrent four-year term. The current board is in the second year of its four-year term.

It is the responsibility of the School Board to make public education available to the residents of St. Tammany Parish, including instructional personnel, instructional facilities, administrative support, business services, operation and maintenance and bus transportation. The School Board provides a full range of public education services appropriate to grade levels ranging from pre-kindergarten through grade 12. These include regular and enriched academic education, special education for handicapped children and vocational education. The school system has a current enrollment of 35,214 which includes 996 pre-kindergarten students.

The School Board is authorized to establish public schools as it deems necessary, to provide adequate school facilities for the children of the parish, to determine the number of teachers to be employed and to determine the local supplement to their salaries. Accordingly, since the School Board members are elected by the public and have decision-making authority, the power to designate management, the ability to significantly influence operations and primary accountability for financial matters, the School Board is not included in any other governmental reporting entity.

ECONOMIC CONDITION AND OUTLOOK

St. Tammany Parish is one of the southeastern parishes (counties) of Louisiana and covers an area of 1,141 square miles. St. Tammany Parish is located directly north of New Orleans on the north shore of Lake Pontchartrain. The Parish's population and economic base continues to expand. The population estimated at 202,203.

The economy of St. Tammany Parish is primarily residential oriented, which has brought an influx of retail and service establishments, offices and shopping centers. However, there is a

unique blend of residents employed in a variety of diverse industries ranging from agriculture to space-aged technology. The parish currently has approximately 3.6 percent unemployment rate, down from prior years, as compared to a statewide rate of 5.3 percent. The per capita personal income of St. Tammany ranks as one of the highest in the State. Individual home sales in St. Tammany Parish continued to increase. For calendar year 2004, the number of homes sold in St. Tammany Parish is running around 19.7 percent higher than last year, and the average sales price of single-family homes in St. Tammany Parish averaged \$173,078. Total new business licenses issued (596) in the 2nd quarter of 2004 increased 115.9 percent from the same time last year indicating continued economic growth for St. Tammany Parish.

This population growth and economic expansion presents both opportunities and challenges for the School Board in the coming years.

MAJOR INITIATIVES

The School Board continues to make progress on its major capital expansion programs of its school facilities. This expansion program started with the issuance of \$25 million in bonds in 1996 and continued with an additional \$129 including \$30 million issued in July 2004. The School Board has been authorized and plans to issue an additional \$50 million. With this issue, the School Board will have spent in excess of \$204 million on this initiative. In fact, since 1990, the School Board has completed 9 new schools, added 1,211 classrooms. The School Board has an additional 134 classroom under construction and hundreds of classrooms have been renovated or under renovation. At least 5 new schools and more classroom additions are being planned for the next few years with the proceeds from the 2004-2005 bond issues.

This expansion project has enabled the School Board to reduce the student/teacher ratio for all classrooms. The average elementary student/teacher ratio is approximately 20 students per classroom.

Student/teacher ratios are just one piece of the puzzle when it comes to achieving higher levels of success through student achievement. The School Board has over time become a magnet for attracting highly skilled, experienced, certified teachers and administrators. Virtually all of the School Board's nearly 2,750 full-time teachers are certificated and more than 44 percent of our teachers hold an advanced level degree. 60 percent of our teachers have more than 10 years teaching experience and all of our principals and assistant principals each holds at a minimum of both a masters degree and teacher certification.

The school system has experienced unprecedented gains in student achievement levels by lowering the student teacher ratios across the

board, retaining more qualified teachers and administrators, and dedicating our staff to reach higher goals. St. Tammany Parish School Board was ranked the number one District in the State of Louisiana for District Performance Scores (DPS) for three years running.

Currently, the Southern Association of Colleges and Schools (SACS) has accredited all schools within the St. Tammany Parish School District.

Not all of our successes can be attributable to our staff and teachers though. The School Boards Parent Involvement Program is utilized in every school in the system. The goal of this program is to involve parents in the child's education in whatever capacity the parents offer (first aid assistant, library aide, classroom tutor, parenting workshop, etc.). In fiscal 2004, parent volunteers donated the equivalent of over \$3.4 million dollars in volunteer hours.

FINANCIAL INFORMATION

Internal Controls. Management of the School Board is responsible for establishing and maintaining internal controls designed to ensure that the assets of the School Board are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. Internal controls are designed to provide reasonable, but not absolute, assurance that these objectives are met. 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 costs and benefits requires estimates and judgements by management.

Single Audit. As a recipient of federal, state and local financial assistance, the School Board also is responsible for ensuring that adequate internal controls are in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is subject to periodic evaluation by management.

As a part of the School Board's single audit, tests are made to determine the adequacy of internal controls, including that portion related to federal programs, as well as to determine that the School Board has complied with applicable laws and regulations. The results of the School Board's single audit for the fiscal year ended June 30, 2003 provided no instances of material weaknesses in internal controls or significant violations of applicable laws and regulations.

Budgeting Controls. In addition, the School Board maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with the annual appropriated budgets, including all

subsequent amendments, approved by the School Board. Activities of the General Fund, Special Revenue Funds, Debt Service Funds and Capital Projects Funds are included in the annual appropriated budget. The level of budgetary control (that is, the level at which expenditures cannot exceed the appropriated amount) is established at the function or project level within the individual funds. The School Board also maintains an encumbrance accounting system as one technique of accomplishing budgetary control throughout the year. Beginning in 2004, encumbered amounts in all funds lapse at year-end; however, encumbrances generally are reappropriated as part of the next year's budget.

As demonstrated by the statements and schedules included in the financial section of this report, the School Board continues to meet its responsibility for sound financial management.

Debt Administration. At June 30, 2004 the School Board had a number of debt issues outstanding totaling \$132.3 million. Not included in the School Board's long-term debt are \$38.8 million in defeased debt. The Notes to the Financial Statements contain more detailed information on the defeased bonds.

The School Board is limited by state statute from issuing sales tax bonds in excess of seventy-five percent of the anticipated sales tax revenues. The one-cent sales and use tax of which a portion was dedicated to service the bonds and was due to expire in 2007 was made permanent in April 2004.

Cash Management. Cash temporarily idle during the year was invested in demand deposits, certificates of deposit and Louisiana Asset Management Program ("LAMP"). The average yield on investments was 1.7 percent and the School Board earned interest revenue of \$1.8 million on its investments for the year ended June 30, 2004.

The School Board's investment policy is to minimize credit and market risks while maintaining a competitive yield on its portfolio. Accordingly, deposits were either insured by federal depository insurance or secured by the pledge of securities owned by the financial institution. These pledged securities are held by a mutually agreed upon third-party financial institution in the name of the School Board. All of the investments held by the School Board during the year and at June 30, 2004 are classified in the category of the lowest credit risk as defined by the Governmental Accounting Standards Board.

Risk Management. In fiscal year 1988, the School Board initiated a limited risk management program for workers' compensation. As part of this comprehensive plan, resources began to be accumulated in an Internal Service Fund to meet potential losses. In addition, various

risk control techniques, including employee accident prevention training, have been implemented to minimize accident-related losses. Third-party coverage is currently maintained for individual workers' compensation claims in excess of \$250,000.

In addition, in fiscal year 1990, the School Board initiated a limited risk management program for general liability and property damage. Resources are transferred from the General Fund and accumulated in an Internal Service Fund to pay potential claims. The School Board has undertaken a program to determine methods to limit our exposure to general liability claims and to minimize any potential loss of or damage to property. Third party coverage of commercial insurance for individual claims in excess of \$250,000 for both general liability and property damage is maintained by the School Board, an increase from prior years.

OTHER INFORMATION

Independent Audit. State statutes require an annual audit by independent certified public accountants. The accounting and auditing firm of Postlethwaite and Netterville, APAC performed the fiscal year 2004 audit. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the federal Single Audit Act, as amended and related OMB Circular A-133. The independent auditors' report on the financial statements is included in the financial section of this report. The independent auditors' reports related specifically to the Single Audit Act are included in the Single Audit Section.

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. Tammany Parish School Board for its comprehensive annual financial report for the fiscal year ended June 30, 2003.

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

The St. Tammany 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, 2003 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. Tammany Parish School Board has received both certificates for the last sixteen consecutive years. We believe our current comprehensive annual financial report continues to conform to the program requirements of both organizations and we are submitting it to GFOA and ASBO to determine its eligibility for each of the certificates.

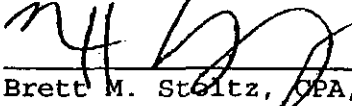
Acknowledgments. The preparation of the comprehensive annual financial report on a timely basis was made possible by the dedicated service of the entire staff of the Business Affairs Department. Each member of the department has our sincere appreciation for the contributions made in the preparation of this report. In addition, our gratitude is extended to the Arts Department for their valued assistance in the design of this report and to the students whose art is displayed throughout the report.

In closing, without the leadership and support of the Members of the School Board, both individually and collectively, preparation of this report would not have been possible.


Respectfully submitted,



Gayle Sloan
Superintendent



Brett M. Stoltz, CPA, CGFM
Chief Accountant



Ronald J. Caruso, CPA, CGFM
Dir. of Business Affairs

Certificate of Achievement for Excellence in Financial Reporting

Presented to

St. Tammany Parish
School Board, Louisiana

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2003

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.



President

Executive Director

ASSOCIATION OF SCHOOL BUSINESS OFFICIALS
INTERNATIONAL



This Certificate of Excellence in Financial Reporting is presented to
ST. TAMMANY PARISH SCHOOL BOARD
For its Comprehensive Annual Financial Report (CAFR)
For the Fiscal Year Ended June 30, 2003

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

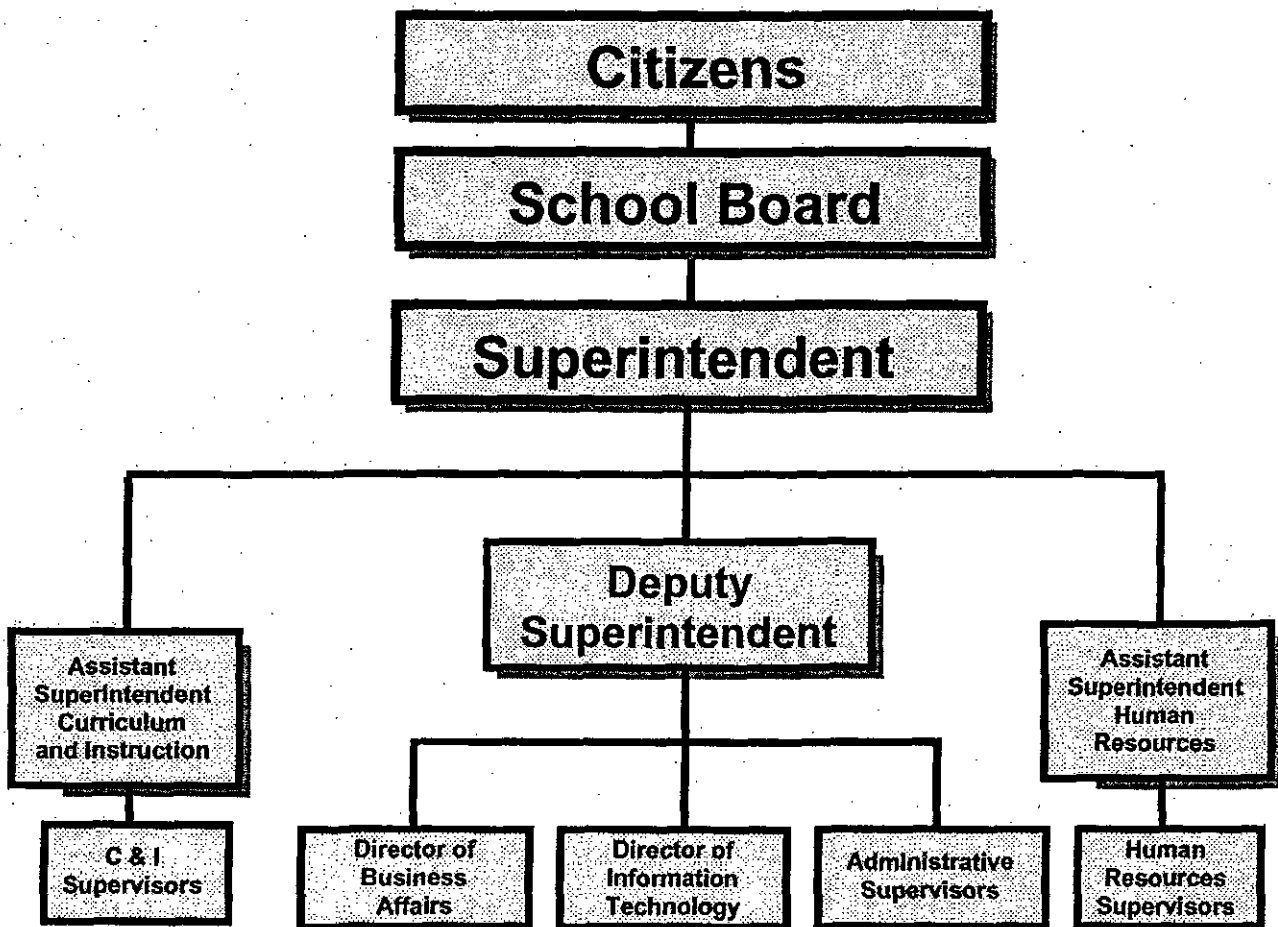
William F. Kelly
President

James H. Keller
Executive Director

ORGANIZATIONAL CHART



St. Tammany Parish Public School System



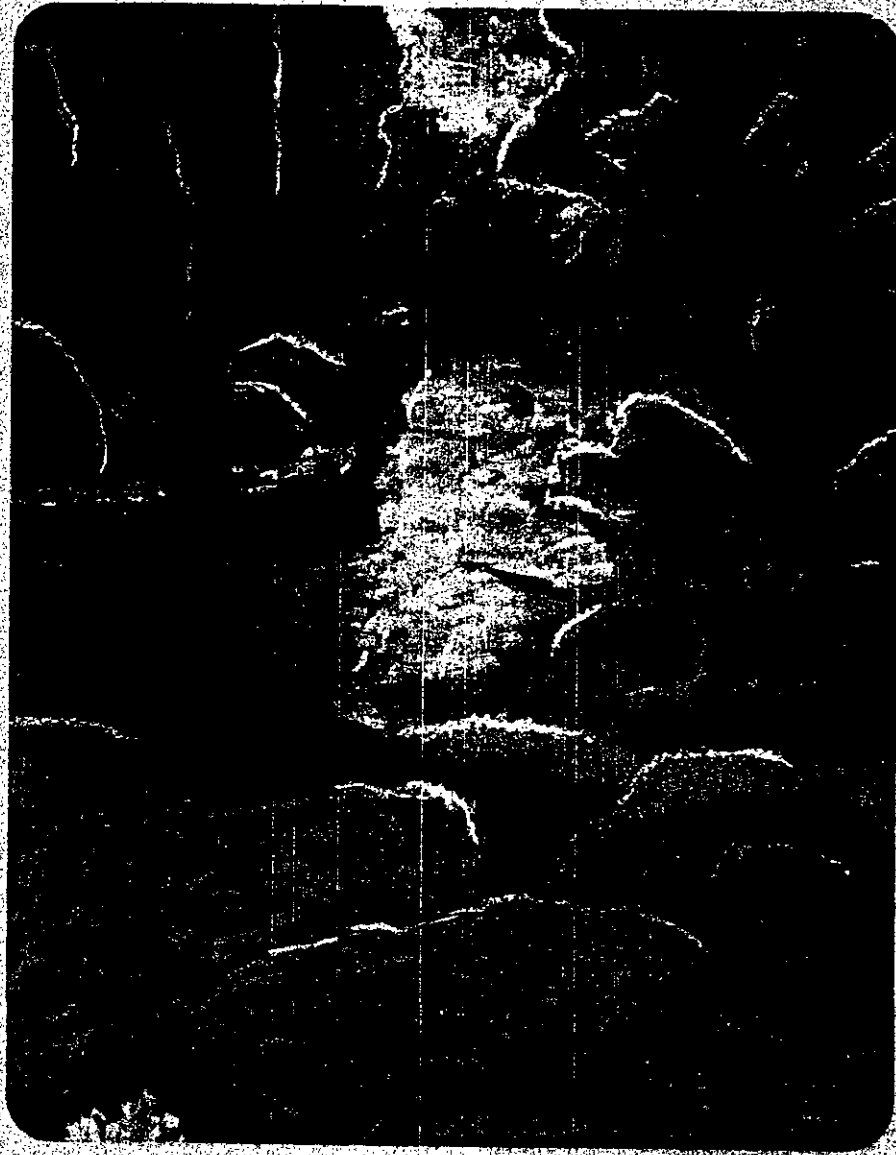
St. Tammany Parish School Board Principal Officials

School Board Members

John C. Lamarque - <i>President</i>	District 13
Diane D. Sambola - <i>Vice President</i>	District 4
Neal M. Hennegan	District 1
Elizabeth B. Heintz	District 2
Michael J. Dirmann	District 3
Charles T. Harrell	District 5
Donald J. Villere	District 6
Sorola "Jody" Palmer, Sr.	District 7
Daniel "Dan" G. Zechenelly	District 8
Carmen H. Johnson	District 9
Ronald "Ron" L. Bettencourt	District 10
E. Roth Allen, Ph. D.	District 11
James "Ronnie" Panks, Sr.	District 12
Ray A. Alfred	District 14
Mary K. Bellisario	District 15

Administrative Officials

Gayle Sloan, *Superintendent*
William "Trey" Folsie, III, *Deputy Superintendent-Administration*
Margo Guillot, Ph. D., *Assistant Superintendent-Curriculum & Instruction*
Peter J. Jabbia, *Assistant Superintendent-Human Resources*
Ronald J. Caruso, CPA, *Director of Business Affairs*
Louis Boullion, *Director of Information Technology*



"Stream"

by: Robert Weist, Grade 8
Fontainebleau Junior High
Teacher:
Adair Watkins



Postlethwaite & Netterville

A Professional Accounting Corporation
Associated Offices in Principal Cities of the United States
www.pncpa.com

The Members of the
St. Tammany Parish School Board
Covington, Louisiana:

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the St. Tammany Parish School Board (the School Board), as of and for the year ended June 30, 2004, which collectively comprise the School Board's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the School Board's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of the School Board, as of June 30, 2004, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 30, 2004 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. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

The management's discussion and analysis and budgetary comparison information on pages 3 through 13 and 53 through 59 are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School Board's basic financial statements. The accompanying other supplementary information and statistical data on pages 60 through 115 are presented for purposes of additional analysis and are not a required part of the basic financial statements. The other supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The other supplementary information included in the statistical data has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Postlethwaite & Netterville

Metairie, Louisiana
November 30, 2004

**ST. TAMMANY PARISH SCHOOL BOARD
COVINGTON, LOUISIANA**

**REQUIRED SUPPLEMENTARY
INFORMATION**

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

ST. TAMMANY PARISH SCHOOL BOARD

Management's Discussion and Analysis June 30, 2004

As management of the St. Tammany Parish School Board, we offer readers of the St. Tammany Parish School Board's financial statements this narrative overview and analysis of the financial activities of the School Board for the fiscal year ended June 30, 2004. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages vi through xii and the School Board's financial statements, which begins on page 1.

FINANCIAL HIGHLIGHTS

The financial highlights for the St. Tammany Parish School Board for fiscal year ended June 30, 2004 were:

- The School Board's general fund expended over \$236 million dollars on a budgetary basis in fiscal year ended June 30, 2004 on education for St. Tammany Parish. Nearly \$197 million, or 83 percent of the expenditures, was spent on instructional and support programs with less than 17 percent spent on administration, operation and maintenance of schools.
- Certified teachers received a salary increase of \$1,156 in 2004 bringing the beginning teacher salary to \$31,153.
- The total health and life insurance premiums paid by the School Board in 2004 were \$31,421,713. This was an increase of 8.8 percent from prior year.
- The School Board's general fund revenues on a budgetary basis for fiscal year ending June 30, 2004 were just over \$186 million. The largest single sources of funds were from the State of Louisiana Minimum Foundation Program (\$140.3 million), ad valorem taxes (\$39.3 million) and operating transfers from the sales tax funds (\$55.9 million).
- The assets of the St. Tammany Parish School Board exceeded its liabilities at the close of the year by \$122.1 million, of this amount, \$43.6 million will be used to meet the School Board's ongoing obligations to the citizen's of St. Tammany Parish and its creditors.
- The St. Tammany Parish School Board's net assets increased by \$8.0 million. The majority of this increase was due to Louisiana's minimum foundation program.

ST. TAMMANY PARISH SCHOOL BOARD

Management's Discussion and Analysis June 30, 2004

- The School Board's governmental funds reported combined ending fund balances of \$105.6 million, a decrease of \$16.6 million in comparison of prior year. Most of the decrease is attributed to capital spending of proceeds from the general obligation bonds issued over the last few years.
- The School Board expended approximately \$26.1 million on capital projects in 2003-04. The majority of these expenditures were on construction of additional of classrooms and renovations to existing schools.
- The School Board's general fund on a budgetary basis had an increase in fund balance of \$1.3 million.
- The School Board issued \$23.1 million in new debt in 2003-04. The proceeds were used to refinance existing debt to take advantage of the lowest interest rates. As of June 30, 2004, the School Board had \$132.3 million in bonds outstanding.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

Government-wide financial statements include the Statement of Net Assets and the Statement of Activities (on pages 15 and 16, respectively); they provide information about the financial position of the School Board as a whole and present a longer-term view of the School Board's finances. Fund financial statements start on page 16. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the School Board's operations in more detail than the government-wide statements by providing information about the School Board's most significant funds. The fiduciary fund statements provide financial information about activities for which the School Board acts solely as a trustee or agent for the benefit of those outside of the government.

Our auditor has provided assurance in his independent auditors' report, located immediately preceding this management discussion and analysis (MD&A), that the Basic Financial Statements are fairly stated. The auditor has also provided varying degrees of assurance regarding the required supplementary information and other supplementary information. A user of this report should read the independent auditor's report carefully to ascertain the level of assurance being provided for each of the other parts in the Financial Statements.

ST. TAMMANY PARISH SCHOOL BOARD

Management's Discussion and Analysis

June 30, 2004

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

Notes to the financial statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 26 through 50 of this report.

Other information

The combining statements referred to earlier in connection with non-major governmental funds and internal service funds are presented immediately following the notes to the financial statements. Combining and individual fund statements and schedules can be found on pages 59 through 91 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Our analysis of the School Board as a whole begins on page 14. One of the most important questions asked about the School Board's finances is, "Is the School Board as a whole better off or worse off as a result of the years activities?" The Statement of Net Assets and the Statement of Activities report information about the School Board as a whole and about activities in a way that helps answer the question. These statements include *all* assets and liabilities using the *accrual basis of accounting*, which is similar to the accounting used by most private-sector companies. All of the year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the School Board's *net assets* and changes in them. You can think of the School Board's net assets—the difference between assets and liabilities—as one way to measure the School Board's financial health, or *financial position*. Over time, *increase or decreases* in the School Board's net assets are one indicator of whether its *financial health* is improving or deteriorating. You will need to consider other nonfinancial factors, however, such as changes in the School Board's property tax base and the condition of the Schools, to assess the *overall financial health* of the School Board.

In the Statement of Net Assets and the Statement of Activities, School Board's can be divided into two kinds of activities:

Governmental Activities – Most of the School Board's basic services are reported here, including instruction, plant services, transportation, and food services. Property taxes, sales taxes, Minimum Foundation Program ("MFP") Funds, and state and federal grants

ST. TAMMANY PARISH SCHOOL BOARD

Management's Discussion and Analysis

June 30, 2004

finance most of these activities. In the internal service funds, the School Board charges fees to departments to help cover the costs of certain services it provides by being self insured. The School Board's general liability and workers' compensation programs are accounted for here.

Business-type activities – Business-type activities are those activities which are conducted by the School Board whereas the fees/charges for those services provided are intended to be sufficient to realize a profit. The School Board did not have any such activities in fiscal year ending June 30, 2004.

Our analysis below focuses on the net assets (Table 1) and changes in net assets (Table 2) of the School Board's governmental activities.

TABLE 1
SUMMARY OF NET ASSETS
(in thousands)

	Governmental Activities	
	2004	2003
Assets:		
Current and other assets	\$145,609	\$159,974
Capital Assets	<u>151,623</u>	<u>136,824</u>
Total Assets	<u>297,232</u>	<u>296,798</u>
Liabilities:		
Long-term debt outstanding	143,724	153,577
Other liabilities	<u>31,651</u>	<u>29,167</u>
Total Liabilities	<u>175,375</u>	<u>182,744</u>
Net Assets:		
Invested in capital assets, net of debt	38,647	32,880
Restricted	39,897	25,591
Unrestricted	<u>43,313</u>	<u>55,583</u>
Total Net Assets, Restated	<u>\$121,857</u>	<u>\$114,054</u>

As mentioned earlier, in fiscal year ending June 30, 2004, the School Board issued \$23.1 million in general obligation bonds for the purpose of refinancing existing debt at a lower rate. The term of the debt was not increased. The decrease in current assets, specifically cash, and other assets and long-term debt outstanding can largely be attributed to the payment of bonds and capital expenditures on facilities.

ST. TAMMANY PARISH SCHOOL BOARD

**Management's Discussion and Analysis
June 30, 2004**

**TABLE 2
SUMMARY OF CHANGES IN NET ASSETS
(in Thousands)**

	Governmental Activities	
	<u>2004</u>	<u>2003</u>
Revenues		
Program Revenues:		
Charges for services	\$ 4,231	\$ 3,838
Operating grants and contributions	26,534	23,899
Capital grants and contributions	665	790
General revenues:		
Property taxes	55,954	51,461
Sales taxes	61,162	55,642
State Equalization (MFP)	141,756	133,675
Other general revenues	<u>12,068</u>	<u>13,112</u>
Total revenues	<u>302,370</u>	<u>282,417</u>
Program expenses		
Regular programs	107,802	103,626
Special education programs	52,774	47,554
Vocational education	4,470	4,383
Other instructional programs	11,701	10,836
Special programs	6,842	5,945
Adult education programs	568	644
Pupil support	11,263	10,418
Instructional staff support	10,930	9,835
General administration	5,160	3,596
School administration	14,250	13,560
Business administration	1,975	1,683
Operation and maintenance of plant	22,087	19,947
Pupil transportation	18,228	16,791
Central services	3,592	5,462
Food services	14,765	14,061
Community services programs	1,324	1,013
Interest on long-term debt	<u>6,836</u>	<u>7,743</u>
Total Expenses	<u>294,567</u>	<u>277,097</u>
Increase in net assets	\$ 7,803	\$ 5,320
Beginning net assets, as restated	<u>114,054</u>	<u>108,734</u>
Ending net assets	<u>\$121,857</u>	<u>\$114,054</u>

Revenues increased 7 percent or approximately \$19.95 million. The largest increases were sales and ad valorem (property) taxes, federal and state grants and state equalization ("MFP") revenues. Sales taxes increased from prior year at a rate of approximately 9.9 percent which is a result of economic growth in St. Tammany Parish. New home construction and rising property values resulted in a 8.7 percent increase in ad valorem tax revenues.

ST. TAMMANY PARISH SCHOOL BOARD

Management's Discussion and Analysis

June 30, 2004

The student enrollment continued to increase from 34,463 students in 2003 to 35,214 students in 2004 along with MFP funding for those additional students. In addition, the School Board received approximately \$2.4 million in additional federal grants than in prior years.

Expenses increased 6.3 percent or approximately \$17.5 million in 2004, which was a slightly lower percentage increase than revenues grew for the same period. The largest increase in expenses were in regular and special education instruction as part of the School Boards plan to reduce classroom size and enhance student achievement. Salary and benefits cost account for nearly 86 percent of general fund expenditures for the School Board. The increase in instructional programs as well as other programs is mainly attributed to increase in salaries across the board funded by local and state sources and additional teachers and support staff hired for the reasons stated above. Operation and maintenance increase also as energy and insurance costs rose throughout the year.

REPORTING THE SCHOOL BOARD'S MOST SIGNIFICANT FUNDS

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

Our analysis of the School Board's major funds begins on page 51. The fund financial statements begin on page 16 and provide detailed information about the most significant funds – not the School Board as a whole. Some funds are required to be established by State law or by bond covenants. However, the School Board establishes other funds to help it control and manage financial resources for particular purposes or to demonstrate that it is meeting legal responsibilities for using certain taxes, grants, and other money.

The School Board's three types of funds – governmental, proprietary and fiduciary funds – use different accounting approaches.

Governmental Funds – most of the School Board's basic services are reported in the governmental funds, which focus on how money flows into and out of these funds and the balances left at year-end that are available for spending. These funds are reported using modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the School Board's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the School Board's programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds in a reconciliation on pages 18 and 21.

ST. TAMMANY PARISH SCHOOL BOARD

Management's Discussion and Analysis

June 30, 2004

The School Board's governmental funds reported combined ending fund balances of \$105.6 million, a decrease of \$16.6 million after restatement (see Statement C) in comparison with the prior year. The components of this decrease is described below.

The general fund balance increased by \$1.3 million from prior year to \$61.5 million as of June 30, 2004. General fund expenditures before transfers and other financing uses increased 6.4 percent, or \$14.2 million from prior year. General fund revenue before transfers and other financing sources increased only 5.0 percent, or \$8.9 million. Operating transfers, mostly from the sales tax funds increased \$4.9 million from 2003. The nearly 9.5 percent increase in sales tax revenue was significantly more than originally budgeted.

The fund balances in the capital project funds decreased \$19.9 from prior year. This decrease was a result of the expenditures on capital assets and construction and is part of the School Board's ongoing growth projects.

The 1966 and 1977 Sales Tax Funds had combined revenues of over \$60.7 million in 2003-04. This was an increase of over 9.5 percent from the prior years.

Proprietary Funds - When the School Board charges for the services it provides - whether to outside sources or to other units of the School Board - these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Assets and Statement of Activities. The School Board maintains two internal service (proprietary) funds. An internal service fund accumulates and allocates costs internally among the School Board's various functions. The School Board maintains separate internal service funds to account for its self-insured portion of its general liability and employee workers' compensation programs. Because the services provided in both of these funds benefit governmental rather than business-type functions, they have been included as governmental activities in the government-wide financial statements.

Fiduciary Funds - The School Board is trustee, or fiduciary, for its student activity funds that are under the control and administration of the Board. All of the School Board's fiduciary activities are reported in the Statement of Fiduciary Assets and Liabilities on page 25 of this section. These funds are not available to the School Board to finance its operations, and therefore not included in the government-wide financial statements. The School Board is responsible for ensuring that the assets reported by these funds are used for their intended purposes.

ST. TAMMANY PARISH SCHOOL BOARD

**Management's Discussion and Analysis
June 30, 2004**

General Fund Budgetary Highlights

Differences between the original budget and the final amended budget can be briefly summarized as follows:

\$5.1 million increase in projected revenues as follows:

- \$1.7 million increase in minimum foundation program
- \$2.1 million increase in sales tax transfers
- \$1.1 million increase in ad valorem taxes
- \$.2 million increase in miscellaneous other revenues

\$3.9 million increase in projected expenditures as follows:

- \$2.3 million increase in salaries and benefits funded through the minimum foundation program and local sources
- \$1.6 million increase in transfers to the Parishwide Construction Fund for capital improvements

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

As of June 30, 2004, the School Board invested in broad range of capital assets, including land, school facilities, and equipment totaling \$151.6 million. (See Table 4 below) The net increase (including additions and deductions) in capital assets in 2004 was \$14.8 million, or 10.8 percent, over last year.

**TABLE 4
CAPITAL ASSETS AT YEAR-END
(Net of Depreciation, in Thousands)**

	Governmental Activities	
	<u>2004</u>	<u>2003</u>
Land	\$ 7,931	\$ 7,783
Buildings & Improvements	116,317	113,708
Equipment	4,129	4,565
Construction in progress	<u>23,246</u>	<u>10,768</u>
Total	<u>\$151,624</u>	<u>\$136,823</u>

Major additions completed in 2004 include:

Renovation of athletic facilities throughout the Parish	\$ 555,000
Construction of 38 classroom additions throughout the Parish	\$ 5,301,000
Miscellaneous additions/renovations throughout the Parish	<u>\$ 4,750,000</u>
Totals	<u>\$ 10,606,000</u>

ST. TAMMANY PARISH SCHOOL BOARD

Management's Discussion and Analysis

June 30, 2004

Long-term Debt

As of June 30, 2004, the School Board had \$143.7 million in long-term debt outstanding a decrease of \$9.8 million or 6.4 percent over the amount of June 30, 2003 – as shown in Table 5.

TABLE 5
OUTSTANDING DEBT AT YEAR-END
(in Thousands)

	Governmental Activities	
	2004	2003
General obligation bonds (backed by the School Board)	\$127,035	\$135,610
Revenue bonds and notes (backed by specific tax and fee revenue)	\$ 5,255	\$ 6,820
Compensated Absences	\$ 11,434	\$ 11,147
Totals	<u>\$143,724</u>	<u>\$153,577</u>

The School Board refinanced \$22.3 million in debt in 2004 mainly to improve cash flow and to take advantage of lower interest rates. By refinancing the debt, the School Board will save \$2.4 million in principle and interest over the next 12 years.

The School Board's bond rating in 2004 was AA- by *Standard & Poors* and A1 for *Moody's*. The State constitution limits the amount of general obligation debt that the School Board can issue to 35 percent of the assessed value of all taxable property within the school district. The School Board's outstanding general obligation debt of \$132.3 million is significantly below the current \$367.3 million limit.

The School Board initiated a risk management program for general liability and workers' compensation in prior years. The School Board purchases commercial insurance for claims in excess of coverage provided through its self-insurance funds. The School Board had \$2.3 million and \$1.9 million in claims and judgments outstanding for fiscal year ending June 30, 2004 and 2003, respectively. Other obligations include accrued vacation pay and sick leave. More detailed information about the School Board's long-term liabilities is presented in Notes 8 and 9 to the financial statements.

ST. TAMMANY PARISH SCHOOL BOARD

Management's Discussion and Analysis June 30, 2004

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS

The following are currently known St. Tammany Parish economic factors considered into the 2004-05 fiscal year:

- Sales taxes are expected to continue to increase for St. Tammany Parish, as the Parish remains one of the wealthiest parishes in the State of Louisiana.
- The School Board's student attendance is expected to continue to increase for the next couple of years.
- Pressure to increase teacher salaries to keep up with the *Southern Average* continues and it is likely that salary cost will increase accordingly. This being a renewal year for the School Boards collective bargaining agreement with its employees, additional pay raises of nearly \$1,850 per teacher is expected in 2004-05.
- The School Board's fiscal year 2005 budget for capital projects is \$35.4 million, principally for five new schools, new/additional classrooms, school renovations, athletic facilities and completion of construction of the new junior high school and central office buildings. More detailed information about the School Board's capital assets is presented in Note 6 to the financial statements.

At the time these financial statements were prepared and audited, the School Board was aware of the following circumstances that could significantly affect the School Board's financial health in the future:

- Sales taxes continue to increase above fiscal year ended June 30, 2004 levels.
- The student count for fiscal year ending June 30, 2005 is expected to increase again by approximately 700.
- The School Board issued \$30 million in general obligation bonds in July 2004, the first series of bonds to be issued to begin construction of 5 new schools including one high school, 3 elementary schools and 1 early learning (pre-K) center and other construction and remodeling projects. The School Board expects to issue an additional \$55 million to complete this construction phase sometime in the current year.

All of these factors were considered in preparing the St. Tammany Parish School Board's budget for the 2004-05 fiscal year.

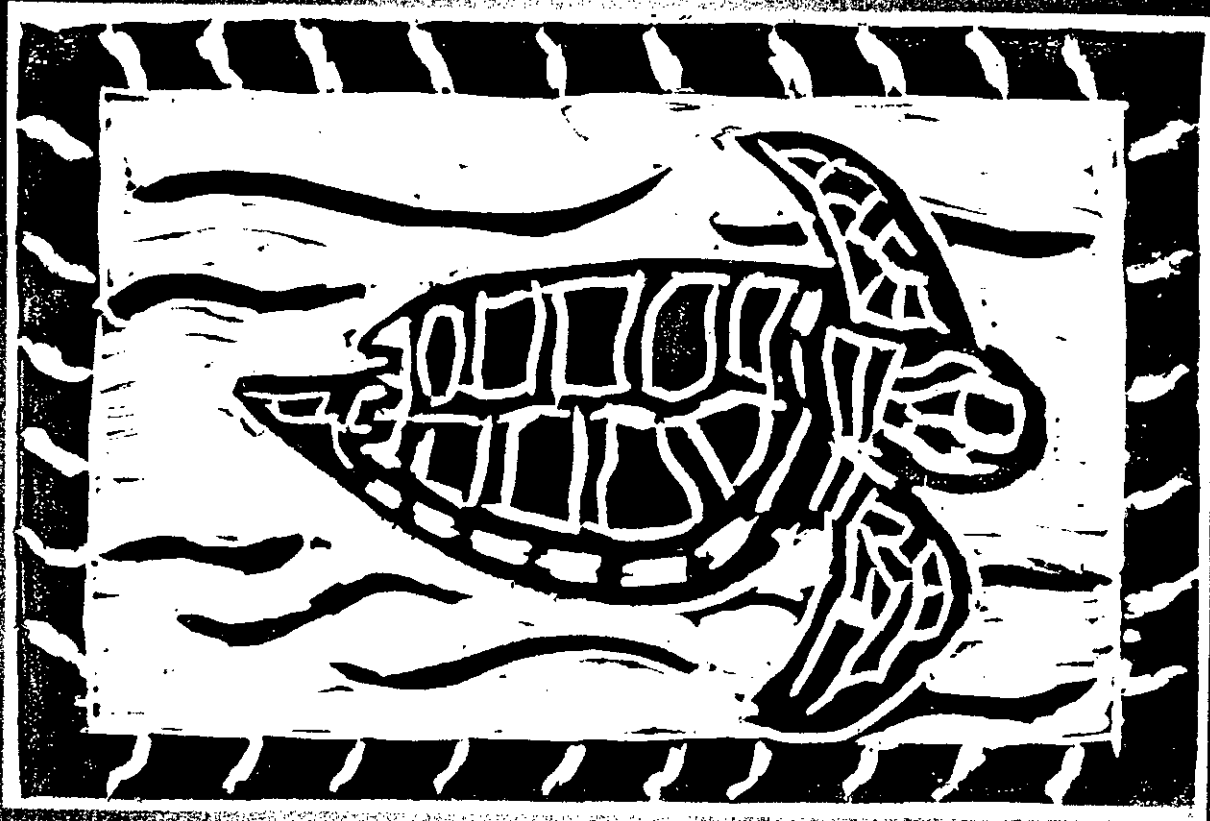
ST. TAMMANY PARISH SCHOOL BOARD

Management's Discussion and Analysis

June 30, 2004

REQUESTS FOR INFORMATION

This financial report is designed to provide citizens, taxpayers, investors and creditors with a general overview of the School Board's finances and to show the School Board's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Mr. Ronald J. Caruso, Director of Business Services at the St. Tammany Parish Public School System, P.O. Box 940, Covington, LA 70434-0940 or by calling (985) 898-3217 during regular business hours, Monday through Friday, from 8:30 a.m. to 4:30 p.m., central standard time.



"Swimming Upstream"

by: Patrick Moore, Grade 8
Fontainebleau Junior High

Teacher:

Adair Watkins

**ST. TAMMANY PARISH SCHOOL BOARD
COVINGTON, LOUISIANA**

BASIC FINANCIAL STATEMENTS:

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



"Louisiana Party"
by, Miranda Barajas, Grade 3
Mandeville Elementary
Teacher:
Hasmig V. Brewster

**ST TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana**

Statement A

**Statement of Net Assets
For the Year Ended June 30, 2004**

	<u>GOVERNMENTAL ACTIVITIES</u>
ASSETS	
Cash and cash equivalents	\$ 79,618,863
Investments	20,478,652
Receivables (Net):	
Taxes:	
Ad valorem	855,654
Sales and use	10,530,267
Intergovernmental :	
Federal	1,278,274
State	1,071,376
Other Receivables:	
Other	775,038
Inventory	253,261
Restricted cash and cash equivalents	27,468,696
Restricted investments	3,278,898
Capital assets:	
Land	7,931,497
Construction in progress	23,245,762
Capital assets, net of depreciation	<u>120,445,933</u>
TOTAL ASSETS	<u>297,232,171</u>
LIABILITIES	
Salaries & wages payable	19,678,404
Payroll deductions and withholdings payable	4,770,760
Accounts payable	2,489,455
Retainages payable	1,293,351
Deferred revenue	799,871
Claims and judgments	2,544,575
Other	75,380
Long-term liabilities:	
Due within one year	10,365,000
Due in more than one year	<u>133,358,668</u>
TOTAL LIABILITIES	<u>175,375,464</u>
NET ASSETS	
Invested in capital assets, net of related debt	38,647,118
Restricted for:	
Construction	28,108,989
Debt Service	11,787,297
Unrestricted	<u>43,313,303</u>
TOTAL NET ASSETS	<u>\$ 121,856,707</u>

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

Statement B

ST. TAMMANY PARISH SCHOOL BOARD
Covington, LouisianaStatement of Activities
For the Year Ended June 30, 2004

	Expenses	Charges For Services	Operating Grants and Contributions	Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Assets
FUNCTIONS/PROGRAMS					
<i>Governmental Activities:</i>					
<i>Instruction:</i>					
Regular Programs	\$107,802,859	\$220,706	\$3,167,864	\$0	(\$104,414,289)
Special Education Programs	52,774,203	0	4,857,634	0	(47,916,569)
Vocational Educational Programs	4,470,356	0	238,302	0	(4,232,054)
Other Instructional Programs	11,700,505	0	1,484,423	0	(10,216,082)
Special Programs	6,842,357	0	8,168,364	0	(673,993)
Adult Educational Programs	567,927	0	313,487	0	(254,440)
<i>Support Services:</i>					
Pupil Support	11,263,233	0	1,253,415	0	(10,009,818)
Instructional Staff Support	10,929,418	0	2,253,231	0	(8,676,187)
General Administration	5,159,647	0	19,887	0	(5,139,760)
School Administration	14,250,363	0	526,108	0	(13,724,255)
Business Administration	1,974,375	0	0	0	(1,974,375)
Operation and Maintenance of Plant	22,087,125	0	243,744	0	(21,843,381)
Pupil Transportation	18,227,864	0	343,074	0	(17,884,790)
Central Services	3,591,531	0	0	0	(3,591,531)
Food Services	14,764,947	2,928,164	5,664,047	665,308	(5,507,428)
Community Service Programs	1,324,381	1,082,352	0	0	(242,029)
Interest on Long-term Debt	6,835,848	0	0	0	(6,835,848)
<i>Total Governmental Activities</i>	<u>\$294,566,939</u>	<u>\$4,231,222</u>	<u>\$26,533,580</u>	<u>\$665,308</u>	<u>(\$263,136,829)</u>
<i>General Revenues:</i>					
<i>Taxes:</i>					
Ad Valorem (Property) Taxes					\$55,953,605
Sales and Use Taxes					61,162,354
State Revenue Sharing					1,804,707
<i>Grants and Contributions not Restricted to Specific Programs-</i>					
Minimum Foundation Program					141,755,563
Interest and Investment Earnings					1,790,474
Miscellaneous					8,473,088
<i>Total General Revenues</i>					<u>270,939,791</u>
<i>Changes in Net Assets</i>					7,802,962
<i>Net Assets, Beginning as restated</i>					<u>114,053,745</u>
<i>Net Assets, Ending</i>					<u>\$121,856,707</u>

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



"Whoooo Lives in Louisiana"

by: Sarah Liuzza, Grade 6

Lake Harbor Middle

Teacher:

Barbara Dooley

**ST. TAMMANY PARISH SCHOOL BOARD
COVINGTON, LOUISIANA**

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



Oh, Deer!

Ashley N. Hunt

Madisonville Middle School

Teacher

Robin Kenney

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

Governmental Funds - Balance Sheet
June 30, 2004
With Comparative Totals for June 30, 2003

	Major Fund Types			
	<u>General</u>	<u>1966 Sales Tax Fund</u>	<u>1977 Sales Tax Fund</u>	<u>2002 Construction Fund</u>
Assets				
Cash and cash equivalents	\$59,500,321	\$5,348	\$5,348	\$20,328,591
Investments	19,313,541			1,942,438
Receivables:				
Taxes:				
Ad valorem	592,409			
Sales and use		2,522,281	2,522,281	
Intergovernmental:				
Federal	38,619			
State	600,889			
Other	241,456	858	858	
Prepays	112,838			
Due from other funds	7,848,611		15,051	
Inventory				
Total Assets	<u>\$88,248,684</u>	<u>\$2,528,487</u>	<u>\$2,543,538</u>	<u>\$22,271,029</u>
Liabilities and Fund Balances				
Liabilities:				
Salaries and wages payable	\$19,678,404			
Payroll deductions and withholdings payable	4,770,760			
Accounts payable	1,179,329			\$640,099
Contracts and retainages payable				961,763
Due to other funds	799,162	\$2,494,133	\$2,494,113	
Other liabilities	75,380			
Deferred revenues	264,608			300,000
Total Liabilities	<u>26,767,643</u>	<u>2,494,133</u>	<u>2,494,113</u>	<u>1,901,862</u>
Fund Balances:				
Reserved for:				
Reserved for prepaids	112,838			
Reserved for inventory				
Reserved for debt service				
Reserved for:				
Designated for bond rating	17,002,388			
Designated for construction	3,300,000			
Unreserved, undesignated reported in:				
General fund	41,065,815			
Special revenue fund		34,354	49,425	
Capital projects fund				20,369,167
Total Fund Balances	<u>61,481,041</u>	<u>34,354</u>	<u>49,425</u>	<u>20,369,167</u>
Total Liabilities and Fund Balances	<u>\$88,248,684</u>	<u>\$2,528,487</u>	<u>\$2,543,538</u>	<u>\$22,271,029</u>

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

Statement C

Non-Major Fund Types	Totals	
	2004	2003
Other Governmental		
\$23,397,777	\$103,237,385	\$131,809,431
1,444,869	22,700,848	9,797,200
263,245	855,654	388,138
	5,044,562	4,746,816
1,239,655	1,278,274	1,460,389
470,487	1,071,376	968,842
	243,172	169,792
	112,838	0
991,222	8,854,884	8,909,794
253,261	253,261	274,005
<u>\$28,060,516</u>	<u>\$143,652,254</u>	<u>\$158,524,407</u>
	\$19,678,404	\$17,921,784
	4,770,760	3,192,759
\$598,417	2,417,845	4,366,921
331,588	1,293,351	1,096,685
3,213,485	9,000,893	9,059,026
	75,380	130,742
235,263	799,871	508,886
<u>4,378,753</u>	<u>38,036,504</u>	<u>36,276,803</u>
	112,838	14,960,953
95,427	95,427	95,833
11,787,297	11,787,297	10,630,434
	17,002,388	15,232,503
	3,300,000	0
	41,065,815	44,681,043
4,059,217	4,142,996	3,271,067
7,739,822	28,108,989	33,375,771
<u>23,681,763</u>	<u>105,615,750</u>	<u>122,247,604</u>
<u>\$28,060,516</u>	<u>\$143,652,254</u>	<u>\$158,524,407</u>



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ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

**Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Assets
as of June 30, 2004**

Total fund balances – governmental funds	\$ 105,615,750
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The cost of capital assets (land, buildings, furniture and equipment) purchased or constructed is reported as an expenditure in governmental funds. The Statement of Net Assets includes those capital assets among the assets of the School Board as a whole. The costs of those assets allocated over their estimated useful lives (as depreciation expense) to the various programs reported as governmental activities in the Statement of Activities. Because depreciation expense does not affect financial resources, it is not reported in governmental funds.

Cost of capital assets	\$ 350,329,578	
Accumulated depreciation	<u>(198,706,386)</u>	151,623,192

Elimination of interfund assets and liabilities

Interfund assets	\$ (8,854,884)	
Interfund liabilities	<u>9,000,893</u>	146,009

Change in revenue accruals – Under modified accrual basis of accounting, revenues are not recognized unless they are deemed "available" to finance the expenditures of the current period. Accrual basis recognition is not limited to availability, so certain revenues need to be reduced by the amounts that were unavailable at the beginning of the year and increased by the amounts that were unavailable at the end of the year. This adjustment records a net increase in revenues.

5,485,705

Net assets of the internal service fund reported as proprietary fund type in the fund financial statement but included as governmental activities in the government-wide financial statement less interfund balances eliminated in the consolidation into the governmental activities.

Total net assets	\$ 2,855,728	
Interfund balances	<u>(146,009)</u>	2,709,719

Long-term liabilities applicable to the School Board's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All Liabilities – both current and long-term – are reported in the Statement of Net Assets.

Balance at June 30, 2003 are:

Bonds payable	\$ (132,290,000)	
Compensated absences	<u>(11,433,668)</u>	<u>(143,723,668)</u>

Net assets – governmental activities	<u>\$ 121,856,707</u>
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The notes to the financial statements are an integral part of this statement.

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

Governmental Funds
Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended June 30, 2004
With Comparative Totals for the Year Ended June 30, 2003

	Major Fund Types			
	General	1966 Sales Tax Fund	1977 Sales Tax Fund	2002 Construction Fund
Revenues				
Local sources:				
Taxes:				
Ad valorem	\$39,308,471			
Sales and use		\$30,324,419	\$30,324,419	
Rentals, leases, and royalties				
Tuition	220,708			
Earnings on investments	1,018,012	15,219	15,219	410,135
Food service				
Other	842,736			
State sources:				
Minimum foundation program	140,304,257			
Contributions to				
Teachers' Retirement	68,964			
Revenue sharing	1,804,707			
Professional Improvement Program	742,434			
Other	1,419,977			
Federal sources	614,016			
Total Revenues	\$186,342,280	\$30,339,638	\$30,339,638	\$410,135
Expenditures				
Current:				
Instruction:				
Regular education programs	93,858,083			
Special education programs	46,785,764			
Vocational education programs	3,935,340			
Other instructional programs	9,819,347			
Special programs	711,822			
Adult education programs	442,342			
Support services:				
Pupil support	9,661,638			
Instructional staff support	8,484,073			
General administration	3,580,826	320,253	320,254	
School administration	13,364,291			
Business administration	1,910,530			
Operation and maintenance of plant	21,078,588			
Pupil transportation	17,443,710			
Central services	3,210,861			
Food service	2,114,503			
Community service programs	43,717			
Facilities acquisition and construction	492,262			18,778,185
Debt service:				
Issuance costs				
Principal retirement				
Interest and bank charges				
Total Expenditures	236,947,697	320,253	320,254	18,778,185
Excess (Deficiency) of Revenues Over Expenditures	(50,605,417)	30,019,385	30,019,384	(18,368,050)
Other Financing Sources (Uses)				
Payment to escrow agent from refunding bond proceeds (note 8)				
Accrued interest on issued refunding bonds (note 8)				
Premium received on refunding bonds issued (note 8)				
Refunding bonds issued (note 8)				
Transfers in	56,799,376		15,051	
Transfers out	(4,897,080)	(29,990,673)	(29,990,654)	
Total Other Financing Sources (Uses)	51,902,296	(29,990,673)	(29,975,603)	0
Net Change in Fund Balances	1,296,879	28,712	43,781	(18,368,050)
Fund Balances, Beginning of Year	60,184,162	5,642	5,644	38,737,217
Fund Balances, End of Year	\$61,481,041	\$34,354	\$49,425	\$20,369,167

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

Statement F

Non-major Fund Types	Totals	
	2004	2003
Other Governmental		
\$16,647,134	\$55,953,605	\$51,460,415
	60,648,838	55,386,185
2,580	2,580	2,070
1,082,352	1,303,058	1,024,972
282,779	1,741,364	2,661,276
2,928,164	2,928,164	2,813,498
96,956	939,692	1,042,813
1,451,306	141,755,563	133,675,440
	68,964	73,469
	1,804,707	1,789,692
	742,434	801,646
2,088,458	3,518,435	4,451,834
25,069,661	25,683,677	23,108,141
<u>\$49,659,390</u>	<u>\$297,091,081</u>	<u>\$278,291,251</u>
2,770,073	96,628,156	92,686,712
4,594,765	51,390,529	46,364,165
238,302	4,173,642	4,109,980
1,484,423	11,303,770	10,431,225
5,881,796	6,593,618	5,735,752
97,262	539,604	614,765
1,253,415	10,915,053	10,108,090
2,162,291	10,646,354	9,596,066
585,664	4,806,997	3,490,848
526,108	13,890,399	13,240,897
0	1,910,530	1,630,206
243,744	21,322,332	19,275,397
343,074	17,786,784	16,418,519
0	3,210,861	5,143,488
12,142,167	14,256,670	13,581,850
1,248,215	1,291,932	975,825
6,809,410	26,079,857	19,167,874
151,977	151,977	63,585
10,140,000	10,140,000	10,170,000
6,683,820	6,683,820	7,879,190
<u>57,356,496</u>	<u>313,722,885</u>	<u>290,484,434</u>
<u>(7,697,106)</u>	<u>(16,631,804)</u>	<u>(12,193,183)</u>
(24,253,119)	(24,253,119)	(14,125,000)
35,732	35,732	21,584
1,132,337	1,132,337	0
23,085,000	23,085,000	13,185,000
8,953,904	65,768,331	62,594,287
(889,924)	(65,768,331)	(62,594,287)
<u>8,063,930</u>	<u>(50)</u>	<u>(918,416)</u>
368,824	(16,631,854)	(13,111,599)
<u>23,314,939</u>	<u>122,247,604</u>	<u>135,359,203</u>
<u>\$23,681,763</u>	<u>\$105,615,750</u>	<u>\$122,247,604</u>



"A Cool Louisiana Morning"

by: Kristine Morris, Grade 4

Lake Harbor Middle

Teacher

Barbara Dooley

**ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana**

**Reconciliation of the Governmental Funds Statement of
Revenues, Expenditures and Changes in Fund Balances to the
Statement of Activities
As of June 30, 2004**

Total net changes in fund balances – governmental funds \$ (16,631,854)

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

Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeds capital outlays in the project.

Capital outlays	\$25,218,890	
Depreciation expense	<u>(10,341,354)</u>	
		\$ 14,877,536

New bond issues provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets. Repayment of bond principal and capital leases is expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets. This is the amount that repayments exceeded the amount issued.

\$ 10,140,000

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.

\$ 513,516

In the Statement of Activities, certain expenses-compensated absences are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid). This year, vacation and sick time earned (\$787,989) exceeded the amounts used (\$501,362) by \$286,627.

\$ (286,627)

All revenues, expenses and changes in fund net assets (deficits) of the internal service fund are reported as proprietary fund type in the fund financial statement but included as governmental activities in the government-wide financial statement.

Net (loss) \$ (809,609)

Change in net assets of governmental activities \$ 7,802,962

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

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

Proprietary Fund Type - Internal Service Fund
Statements of Net Assets
June 30, 2004
With Comparative Totals for June 30, 2003

	<u>2004</u>	<u>2003</u>
Current Assets		
Cash and cash equivalents	\$3,850,174	\$3,965,322
Investments	1,056,702	1,055,680
Accounts receivable	256,350	436,544
Prepaid items	162,678	7,549
Due from other funds	146,009	157,086
Total Assets	<u>\$5,471,913</u>	<u>\$5,622,181</u>
Liabilities and Net Assets		
Current Liabilities		
Accounts payable	\$71,610	\$63,193
Due to other funds	0	7,854
Liability for self-insurance losses	1,806,522	1,030,522
Claims liability	738,053	855,275
Total Liabilities	<u>\$2,616,185</u>	<u>\$1,956,844</u>
Net Assets		
Restricted for employee benefits	\$554	\$504,681
Unrestricted	2,855,174	3,160,656
Total Net Assets	<u>\$2,855,728</u>	<u>\$3,665,337</u>
Total Liabilities and Net Assets	<u>\$5,471,913</u>	<u>\$5,622,181</u>

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

Statement H

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

Proprietary Fund Type - Internal Service Funds
Statements of Revenues, Expenses , and
Changes in Net Assets
For the Year Ended June 30, 2004
With Comparative Totals for the Year Ended June 30, 2003

	<u>2004</u>	<u>2003</u>
Operating Revenues		
Employer contributions	\$4,716,194	\$3,774,310
Total Operating Revenues	<u>4,716,194</u>	<u>3,774,310</u>
Operating Expenses		
Administrative	122,268	138,473
Contractual services	237,543	216,018
Premium payments	1,804,850	1,463,085
Benefit Payments	2,071,071	1,545,634
Claims	680,403	310,535
Increase (decrease) in provision for self-insurance losses	658,778	212,302
Total Operating Expenses	<u>5,574,913</u>	<u>3,886,047</u>
Operating Loss	(858,719)	(111,737)
Non-Operating Revenues		
Earnings on investments	49,110	75,237
Changes in Net Assets	(809,609)	(36,500)
Total Net Assets - Beginning of Year	<u>3,665,337</u>	<u>3,701,837</u>
Total Net Assets - End of Year	<u>\$2,855,728</u>	<u>\$3,665,337</u>

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

Statement I

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

Proprietary Fund Type - Internal Service Funds
Statements of Cash Flows
For the Year Ended June 30, 2004
With Comparative Totals For June 30, 2003

	<u>2004</u>	<u>2003</u>
Cash Flows From Operating Activities		
Cash receipts from:		
Employer contributions	\$4,716,194	\$3,774,310
Cash payments for:		
Benefits and claims	(2,714,769)	(2,395,465)
Insurance premiums	(1,804,850)	(1,463,085)
Other	(359,811)	(354,491)
Net Cash Used in Operating Activities	<u>(163,236)</u>	<u>(438,731)</u>
Cash Flows From Investing Activities		
Earnings on investments	<u>49,110</u>	<u>75,237</u>
Net Decrease in Cash, Cash Equivalents and Investments	(114,126)	(363,494)
Cash, Cash Equivalents and Investments at Beginning of Year	<u>5,021,002</u>	<u>5,384,496</u>
Cash, Cash Equivalents and Investments at End of Year	<u>\$4,906,876</u>	<u>\$5,021,002</u>
Reconciliation of operating loss to net cash used by operating activities:		
Operating loss	(\$858,719)	(\$111,737)
Adjustments to reconcile operating loss to net cash used by operating activities:		
Decrease in provision for self insurance losses	658,778	212,302
Changes in assets and liabilities:		
(Increase) decrease in receivables	191,271	(529,012)
Increase (decrease) in payables	563	(2,735)
Decrease in prepaid insurance	(155,129)	(7,549)
Net cash used by operating activities	<u>(\$163,236)</u>	<u>(\$438,731)</u>

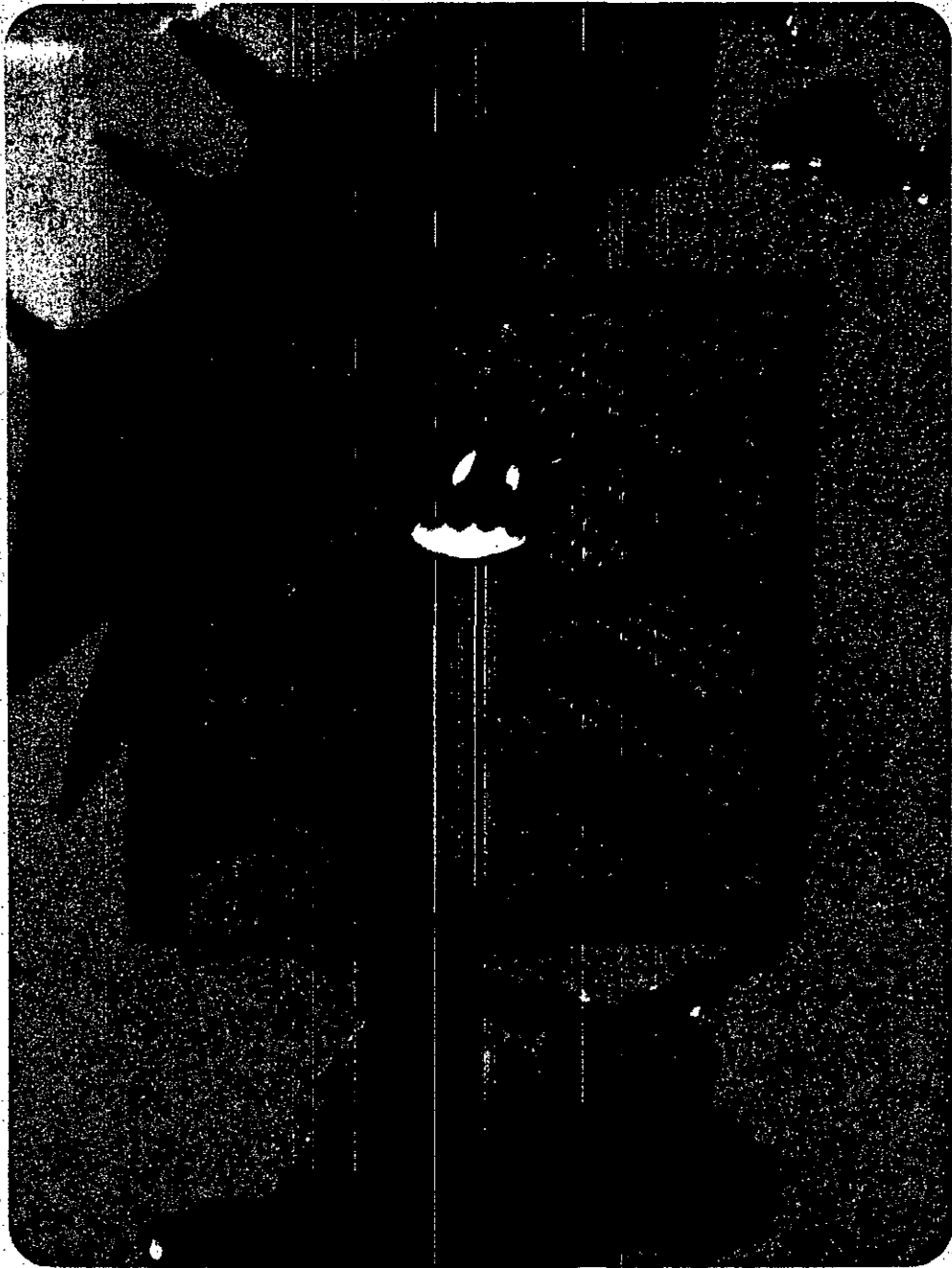
The notes to the financial statements are an integral part of this statement.

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

Agency/Fiduciary Fund
Comparative Statement of Fiduciary Assets and Liabilities - School Activity Funds
For the Year Ended June 30, 2004
With Comparatives Totals for June 30, 2003

	<u>2004</u>	<u>2003</u>
Assets		
Cash and cash equivalents	\$1,625,629	\$1,455,054
Investments	<u>2,439,969</u>	<u>2,454,413</u>
Total Assets	<u>\$4,065,598</u>	<u>\$3,909,467</u>
Liabilities		
Deposits due others	<u>\$4,065,598</u>	<u>\$3,909,467</u>
Total Liabilities	<u>\$4,065,598</u>	<u>\$3,909,467</u>

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



"Splat!"

by: Patrick Fernandez, Grade 8

Boyet Junior High

Teacher:

Rosanna Hill

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

Notes to the Financial Statements
June 30, 2004

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

- A. Reporting Entity
- B. Basis of Presentation-Fund Accounting
- C. Basis of Accounting-Measurement Focus
- D. Budget Practices
- E. Encumbrances
- F. Cash, Cash Equivalents and Investments
- G. Receivables
- H. Short-Term Interfund Receivables/Payables
- I. Inventory
- J. Capital Assets
- K. Long-Term Obligations
- L. Compensated Absences
- M. Sales and Use Taxes
- N. Restricted Net Assets – Government-wide Financial Statements
- O. Reserves of Fund Balance – Fund Financial Statements
- P. Claims and Judgments
- Q. Comparative Data and Total Columns on Combined Statements

2. AD VALOREM TAXES

3. CASH AND CASH EQUIVALENTS

4. INVESTMENTS

5. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

6. PROPERTY, PLANT AND EQUIPMENT

7. RISK MANAGEMENT

8. CHANGES IN LONG-TERM DEBT

9. DEFEASED DEBT

10. TAX ARBITRAGE REBATE

11. RETIREMENT PLANS

12. POSTEMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENEFITS

13. CHANGES IN AGENCY DEPOSITS DUE OTHERS

14. LITIGATION AND CLAIMS

15. CHANGE IN BUDGETARY ACCOUNTING METHOD

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

Notes to the Financial Statements
June 30, 2004

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. REPORTING ENTITY

The St. Tammany Parish School Board (School Board) was created by Louisiana Revised Statute (LRS) 17:51 for the purpose of providing public education for the children within St. Tammany Parish, Louisiana. The School Board is authorized by LRS 17:81 to establish policies and regulations for its own government consistent with the laws of the State of Louisiana and the regulations of the Louisiana Board of Elementary and Secondary Education. The School Board is authorized to establish public schools as it deems necessary, to provide adequate school facilities for the children of the parish, to determine the number of teachers to be employed, and to determine local supplement to their salaries. The School Board is comprised of 15 members who are elected from 15 districts for concurrent terms of four years expiring in December 2006.

The School Board operates 52 schools within the parish with a total enrollment of approximately 35,250 pupils. In conjunction with the regular educational programs, some of these schools offer special education and/or adult education programs. Additionally, the School Board provides transportation and school food services for the students.

For financial reporting purposes, the School Board includes all funds and activities for which the School Board exercises financial accountability. The School Board members are elected by the public, have decision-making authority, the power to designate management, the ability to significantly influence operations and primary accountability for fiscal matters. Certain units of local government, over which the School Board exercises no financial accountability, such as the parish council, other independently elected parish officials, and municipalities within the parish, are excluded from the financial statements. These units of government are considered separate reporting entities and issue financial statements separate from that of the School Board. The School Board is not a component unit of any other entity and does not have any component units that require inclusion in the financial statements.

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

Notes to the Financial Statements
June 30, 2004

B. BASIS OF PRESENTATION-FUND ACCOUNTING

The accounts of the School Board are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprises its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. Revenues are accounted for in these individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The funds presented in the financial statements are described as follows:

Governmental Fund Types:

Governmental funds are those through which most governmental functions of the School Board are financed. The acquisition, use and balances of the School Board's expendable financial resources and the related liabilities (except those accounted for in the proprietary funds) are accounted for through governmental funds. The measurement focus is upon determination of changes in financial position, rather than upon net income determination. The following are the School Board's governmental fund types:

General Fund

The General Fund is the general operating fund of the School Board. It accounts for all financial resources except those required to be accounted for in other funds.

Special Revenue Funds

Special Revenue Funds account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. These funds account for the revenues and expenditures related to federal, state and local grant and entitlement programs and special district funds established for various educational objectives.

Debt Service Funds

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

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

Notes to the Financial Statements
June 30, 2004

Capital Projects Funds

Capital Projects Funds account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by the proprietary funds). Separate capital project funds are maintained to account for the proceeds of general obligation bonds and other financing proceeds.

Proprietary Fund Type:

Proprietary Funds are used to account for the School Board's ongoing organizations and activities that are similar to those often found in the private sector. The measurement focus is upon determination of net income. The School Board's proprietary fund type is limited to Internal Service Funds as follows:

Internal Service Funds

The Internal Service Funds are used to account for the accumulation of resources for and the payment of benefits by the School Board's self-insurance programs. The School Board maintains the following self-insurance funds:

Workers' Compensation Fund - This fund is used to account for the payment of workers' compensation benefits.

Risk Management Fund - This fund is used to account for general liability, which is fully insured for FYE June 30, 2004 with a deductible of \$250,000 per occurrence, and property damage, which is fully insured for FYE June 30, 2004 with a deductible of \$250,000 per occurrence.

Fund revenues are derived from government allocations. These revenues are planned to match: (1) expenses of insurance premiums in excess of self-insurance amounts; (2) estimated claim losses resulting from self-insurance programs which include estimated liabilities for claims incurred but not yet reported at year end, and (3) operating expenses. Non-operating income includes interests income.

Fiduciary Fund Type:

Fiduciary Funds are used to account for assets held by the School Board in a trustee or agency capacity. The School Board maintains one fiduciary fund type, an agency fund. The agency fund is custodial in nature (assets equal liabilities) and does not involve measurement of results of operations.

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

Notes to the Financial Statements
June 30, 2004

Agency Fund

The School Board maintains one agency fund, the School Activity Agency Fund, which accounts for assets held by the Board as an agent for the individual schools and school organizations.

C. BASIS OF ACCOUNTING-MEASUREMENT FOCUS

Government-Wide Financial Statements (GWFS) The Statement of Net Assets and the Statement of Activities display information about the reporting government as a whole. Fiduciary funds are not included in the GWFS. Fiduciary funds are reported only in the Statement of Assets and Liabilities at the fund financial statement level.

The Statement of Net Assets and the Statement of Activities were prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from the exchange and exchange-like transactions are recognized when the exchange takes place. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes (ad valorem) are recognized as revenue in the year they are levied and grant revenues are recognized as soon as all eligibility requirements are met. Revenues not earned are reported as deferred revenue.

Internal Activities The workers' compensation and risk management funds provide services to the governmental funds. Accordingly, these funds were rolled up into the governmental activities. Pursuant to GASB 34, the internal activities have been eliminated in order to avoid the "grossing-up" effect of a straight inclusion.

Program Revenues Program revenues include: 1) charges for services provided, 2) operating grants and contributions, and 3) capital grants and contributions; program revenues reduce the cost of the function to be financed from the School Board's general revenues. Charges for services are primarily derived from food sales. Operating grants and contributions consist of the many educational grants received from the federal and state government.

Allocation of Indirect Expenses The School Board reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Depreciation expense is specifically identified by function and is included in the direct expense of each function. Interest on general long-term debt is considered an indirect expense and is reported separately in the Statement of Activities. Other indirect expenses are not allocated.

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

Notes to the Financial Statements
June 30, 2004

Fund Financial Statements (FFS)

Fund financial statements report detailed information about the School Board. The focus of governmental and enterprise fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. The major funds reported are the General Fund, 1966 Sales Tax Fund, 1977 Sales Tax Fund, and 2002 Construction Fund. The General Fund is used to account for the day-to-day operations for the School Board. The 1966 and 1977 Sales Tax Funds are used to account for the collection of the respective sales taxes for the Board. Non-major funds are aggregated and presented in a single column. The internal service funds are presented in a single column on the face of the proprietary fund statements.

Governmental Funds

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

The proprietary fund type is accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of this fund type are included on the balance sheet.

The fiduciary fund types (agency fund) are reported in the financial statements on the accrual basis of accounting. Under the accrual basis, revenues are recorded when they earned. Revenues not considered earned are recorded as deferred revenues. The following practices in recording revenues and expenditures have been used for the governmental funds.

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

Notes to the Financial Statements
June 30, 2004

Revenues

Federal and state entitlements, which include state equalization and state revenue sharing, are recorded as unrestricted grants-in-aid when available and measurable. For this purpose, the Board considers all revenues to be available if they are collected within 60 days of the end of the current fiscal period. Federal and state grants which are restricted as to the purpose of the expenditures are recorded when the reimbursable expenditures have been made. Ad valorem taxes are recorded in the year the taxes are due and payable. Ad valorem taxes are assessed on a calendar year basis, based on the assessed value on January 1, become due on November 15 of each year, and become delinquent on December 31. An enforceable lien attaches to the property as of November 15. The taxes were levied by the School Board on May 13, 2003. However, before the taxes can be collected, the tax rolls must be submitted to the State Tax Commission for approval. The taxes are generally collected in December, January, and February of the fiscal year. Property tax revenues are accrued at fiscal year end to the extent that they have been collected and are unremitted by the St. Tammany Parish Tax Collector's Office. Such amounts are measurable and available to finance current operations. Interest income on time deposits and revenues from rentals, leases, and royalties are recorded when earned. Sales and use tax revenues are recorded in the month in which the School Board considers them available (60 days) to finance current year obligations and are collected by the St. Tammany Parish Tax Collector. Substantially all other revenues are recorded when received.

Expenditures

Salaries are recorded as expenditures when incurred. Nine-month employee salaries are incurred over a nine-month period but paid over a twelve-month period. Compensated absences are recognized as expenditures when leave is actually taken or when employees (or heirs) are paid for accrued leave upon retirement or death, while the cost of earned leave privileges not requiring current resources is recorded as a liability on the government-wide financial statements. Commitments under construction contracts are recognized as expenditures when earned by the contractor. Principal and interest on general long-term obligations are not recognized until due. All other expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

The proprietary fund type is reported in the financial statements on the accrual basis of accounting. Revenues are recognized when they are earned, and expenses are recognized when they are incurred.

Deferred Revenues

Deferred revenues arise when resources are received before the School Board has a legal claim to them, such as when grant monies are received prior to the incurrence of qualifying expenditures, when tuition is received in advance of the commencement of classes, taxes paid in protest, or when there is an inventory of donated food commodities at year end. In subsequent periods, when the School Board has a legal claim to the resources, the liability for deferred revenue is removed from the balance sheet and the revenue is recognized.

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

Notes to the Financial Statements
June 30, 2004

D. BUDGET PRACTICES

The proposed budgets for fiscal year 2004 were completed and made available for public inspection at the School Board office on August 5, 2003. A public hearing was held on August 12, 2003 for suggestions and comments from taxpayers. The proposed fiscal year 2003 budgets were formally adopted by the School Board on September 9, 2003 and amended on April 1, 2004. The budgets, which included proposed expenditures and the means of financing them, for the General, Special Revenue, Debt Service and Capital Projects Funds were published in the official journal ten days prior to the public hearings.

The budgets for all Funds for the fiscal year 2004 were prepared on a modified accrual basis, consistent with generally accepted accounting principles (GAAP).

Formal budgetary accounts are integrated into the accounting system during the year as a management control device, including the recording of encumbrances. Appropriations are valid only for the year in which made, and any part of such appropriation which is not encumbered or expensed lapses at the end of the year. Current year transactions which are directly related to prior year's budget are not rebudgeted in the current year.

The level of control over the budget is exercised at the function or program level for the General and Special Revenue Funds, at the project level for the Capital Projects Funds and at the individual debt issue level for the Debt Service Funds. The Superintendent is authorized to transfer budget amounts within each function; however, any supplemental appropriations that amend the total expenditures of any fund require School Board approval. As required by state law, when actual revenues within a fund are failing to meet estimated annual budgeted revenues by five per cent or more, and/or actual expenditures within a fund are exceeding estimated budgeted expenditures by five per cent or more, a budget amendment to reflect such changes is adopted by the School Board in an open meeting. Budgeted amounts included in the financial statements include the original adopted budget and all subsequent amendments.

Because the budgets are prepared on a modified accrual basis, no differences in budget basis and GAAP basis occurs. Additional information on the original and final budgets can be found in the Budgetary Comparison Schedules in the Other Supplementary Information Section of this report.

E. ENCUMBRANCES

Encumbrance accounting, under which purchase orders, contracts, and other commitments are recorded, is employed by the General Fund and Capital Projects Funds during the year as a budgetary tool. Encumbrances outstanding at year-end are liquidated.

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F. CASH, CASH EQUIVALENTS AND INVESTMENTS

Cash includes amounts in demand deposits and interest-bearing demand deposits. Cash equivalents include amounts in time deposits with maturities of 90 days or less.

Under state law, the School Board may deposit funds with a fiscal agent organized under the laws of the State of Louisiana, the laws of any other state in the union, or the laws of the United States. The School Board may invest in United States bonds, 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. Investments are stated at cost, which approximates fair value, and is the same as the value of the pool shares.

For purposes of the statement of cash flows, all highly liquid investments with a maturity of three months or less at date of acquisition are considered to be cash equivalents in the Internal Service Funds.

G. RECEIVABLES

Intergovernmental receivables:

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

Other receivables:

All Trade and other receivables are considered to be receivable within one year. No allowances for uncollectables has been established as all receivable are considered collectable.

H. SHORT-TERM INTERFUND RECEIVABLES/PAYABLES

During the normal course of operations, numerous transactions occur between funds for goods provided or services rendered. Activities between the funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/due from other funds" (i.e. the current portion) or "advances to/from other funds" (i.e. the non-current portion). These receivables and payables, as well as short-term interfund loans, are classified as due from other funds or due to other funds. Any residual balances outstanding between governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances".

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I. INVENTORY

Inventory of the School Food Service Special Revenue Fund consists of food purchased by the School Board and commodities granted by the United States Department of Agriculture through the Louisiana Department of Education. The commodities are recorded as revenues and expenditures when consumed. Commodities inventory at year-end is recorded as deferred revenue. The purchased food is recorded as expenditures when consumed. All inventory items purchased are valued at cost (first-in, first-out), and donated commodities are assigned values based on information provided by the United States Department of Agriculture.

J. CAPITAL ASSETS

Land, buildings and improvements, and furniture and equipment are recorded as expenditures in the governmental or business-type activities columns in the government-wide financial statements. Capital assets are recorded at historical cost or estimated historical cost, if actual historical cost is not available. Donated fixed assets are valued at their estimated market value on the date of donation. Approximately 95 per cent of general fixed assets are valued at historical cost, while the remaining 5 per cent are valued at estimated cost, based on the historical cost of like items. Capital assets are defined by the government as assets with an initial individual cost of more than \$1,000.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized over the remaining useful lives of the assets.

Capital assets are depreciated over their estimated useful lives (excluding any applicable salvage value). Estimated useful life is management's estimate of how long the asset is expected to meet service demands. Straight line depreciation is used based on the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Land	n/a
<i>Buildings and Improvements:</i>	
Fixed Buildings and Improvements	20
Temporary Buildings (Portables)	20
<i>Furniture & equipment:</i>	
Heavy Equipment	10
Office Equipment	5
Furniture and Fixtures	5
Computers, electronics, and Video Equipment	3

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K. LONG-TERM OBLIGATIONS

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

L. COMPENSATED ABSENCES

All 12-month non-school administrative employees earn from 10 to 20 days of vacation leave each year, depending on length of service with the School Board. A maximum of five days of vacation leave may be carried forward to the next calendar year. Upon termination, earned vacation leave is paid to the employee at the employee's current rate of pay.

All School Board employees earn from 10 to 13 days of sick leave each year, depending upon the number of months employed. Sick leave can be accumulated without limitation. Upon retirement, a maximum of 25 days of unused sick leave is paid to the employee at the employee's current rate of pay, and all unused sick leave is used in the retirement benefit computation as earned service. Any employee with a teaching certificate is entitled, subject to approval by the School Board, to one semester of sabbatical leave after three years of continuous service or two semesters of sabbatical leave after six or more years of continuous service. Leave may be granted for medical purposes and professional and cultural improvement.

The cost of compensated absence privileges (unused sick leave) is recognized as a current year expenditure in the General Fund when leave is actually taken, or when employees are paid for accrued leave upon retirement or death. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

At June 30, 2004, employees of the School Board have accumulated and vested \$16,844,919 of compensated absence benefits in salary and salary related payments.

M. SALES AND USE TAXES

On June 25, 1966, the voters of St. Tammany Parish approved a one per cent sales and use tax which, after payment of necessary costs and expenses of collecting the tax, is dedicated for payments of salaries of teachers and other school personnel and for other operating expenses. On September 18, 1976, the voters of St. Tammany Parish approved a one per cent sales tax to be levied on behalf of the St. Tammany Parish School Board for a period of 15 years. In April 2004, the voters of the parish designated this tax as permanent.

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The proceeds are dedicated for the purposes of capital improvements, maintenance, and operating expenses of the School Board. The sales and use taxes are collected by the St. Tammany Parish Tax Collector for a percentage of the monthly collections.

N. RESTRICTED NET ASSETS-GOVERNMENT-WIDE FINANCIAL STATEMENTS

For the government-wide statement of net assets, net assets are reported as restricted when constraints placed on net asset use are either:

- Externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments;
- Imposed by law through constitutional provisions or enabling legislation.

When both restricted and unrestricted resources are available for use, it is the School Board's policy to use restricted resources first, then unrestricted resources as they are needed.

O. RESERVES OF FUND BALANCE – FUND FINANCIAL STATEMENTS

Reserves on the governmental funds represent portions of fund balances that are not available for appropriations for expenditures or have been legally segregated for future use. *Reserved for Inventory* represents an offset against an asset, inventory, because it doesn't constitute a available, spendable resource of the fund. *Reserved for Debt Service* represents the amount of fund balance available to pay the remaining amounts of outstanding debt.

P. CLAIMS AND JUDGMENTS

The School Board provides for losses and anticipated expenses resulting from claims and judgments including claim adjustment expenditures/expense, salvage and subrogation. Losses resulting from claims and judgments are estimated by utilizing a case by case review of all claims in accordance with Governmental Accounting Standards Board Codification Section C50.

The liability for such losses is recorded in the Internal Service Funds. Incurred but not reported claims as of June 30, 2004, have been considered in determining the accrued liability.

Q. COMPARATIVE DATA AND TOTAL COLUMNS ON STATEMENTS

Comparative total data for the prior year has been presented in the basic financial statements in order to provide an understanding of changes in the School Board's financial position and operations of these funds. However, comparative data (i.e., presentation of prior year total by fund type) has not been presented in each of the statements since their inclusion would make the statements unduly complex and difficult to read. Also, certain amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation. In the fund financial statements interfund elimination's have not been made in the aggregation of this data and there are certain reconciling items which are further explained in Statements D and F.

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Notes to the Financial Statements
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2. AD VALOREM TAXES

The following is a summary of authorized and levied parish-wide ad valorem taxes for the fiscal year ended June 30, 2004:

	<u>Mills</u>	<u>Year of Expiration</u>
Constitutional	4.47	N/A
Additional Support	6.26	2013
Construction, Maintenance and Operations	4.47	2013
Improve, Maintain and Operating	46.00	2013
Bond and Interest - District No. 12	<u>25.90</u>	2022
Total millage	<u>87.10</u>	

3. CASH AND CASH EQUIVALENTS

For reporting purposes, cash and cash equivalents include, savings, demand deposits, time deposits, and certificates of deposit. Deposits in bank accounts are stated at cost, which approximates market. Further, the School Board may invest in time certificates of deposit in state banks organized under the laws of Louisiana, national banks having their principal of office in the State of Louisiana, in savings accounts or shares of savings and loan associations and savings banks and in share accounts and share certificate accounts of federally or state chartered credit unions. Cash balances of all funds are combined. Interest earned on deposits is distributed to the individual funds based on the invested balances of the participating funds during the year. Interest is recorded when earned.

At June 30, 2004, the School Board's carrying value of deposits are as follows:

Cash and cash equivalents on deposit:	
Money market accounts:	
Governmental Funds	\$103,237,385
Proprietary Funds	<u>3,850,174</u>
Total Cash and cash equivalents on deposit:	<u>\$107,087,559</u>

Under state law, the bank balances of these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal or exceed the amount on deposit with the fiscal agent. These pledged securities must be held in the name of the School Board or the pledging fiscal agent bank in a holding or custodial bank in the form of safekeeping receipts held by the state treasure. At June 30, 2004, cash and cash equivalents are entirely insured or collateralized with securities held by a mutually acceptable third party financial institution in the School Board's name; however, the securities may be released only upon the written authorization of the School Board. This is the lowest credit risk as defined by the Governmental Accounting Standards Board. The bank balances are fully insured and collateralized at June 30, 2004 as follows:

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Money market accounts	\$112,644,875
Time deposit accounts (investments)	<u>1,950,000</u>
Total bank balances	<u>\$114,594,875</u>
Federal deposit insurance	400,000
Pledged securities	<u>133,242,493</u>
Total collateral	<u>\$133,642,493</u>

In addition, at year-end, the individual schools held cash, cash equivalents and investments of \$4,065,598 in various accounts. The balances of these accounts are collateralized with either FDIC insurance and/or pledged securities in the School Board's name. Because these accounts are not assets of the School Board (Agency Funds) the balances are not reflected in the fund financial statement or the government-wide financial statements.

4. INVESTMENTS

Investments of \$23,757,550 (\$22,700,848 in the governmental funds and \$1,056,702 in the proprietary funds) at June 30, 2004 include \$15,996,720 in U.S. treasury notes, \$1,950,000 in certificates of deposits, and \$5,810,829 that are in the Louisiana Asset Management Pool (LAMP), a local government investment pool. Investments are categorized into these three categories of credit risks: 1.) Insured or registered, or securities held by the government or its agent in the government's name, 2.) Uninsured and unregistered, with securities held by the counterparty's trust department or agent in the governments name, Or 3.) Uninsured or unregistered, with securities held by the counterparty, or by its trust department or agent, but not in the government's name. In accordance with GASB Codification Section I50.165, the investment in LAMP is not categorized in the three risk categories provided by GASB Codification Section I50.164 because the investment is in the pool of funds and thereby not evidenced by securities that exist in physical or book entry form. LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local governments having contracted to participate in LAMP have an investment interest in its pool of assets. While LAMP is not required to be a registered investment company under the Investment Company Act of 1940, its investment policies are similar to those established by rule 2-a7, which governs registered money market funds. The Lamp portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest. Accordingly, Lamp investments are restricted to securities issued, guaranteed, or backed by the U.S. Treasury, the U.S. Government, or one of its agencies, enterprises, or instrumentality's, as well as repurchase agreements collateralized by those securities. The dollar weighted average portfolio maturity of Lamp assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days. The fair value of investments is determined on a weekly basis to monitor any variances between amortized costs and market value. For purposes of determining participant's shares, investments are valued at amortized cost that approximates fair value. Lamp is designed to be highly liquid to give its participants immediate access to their account balances.

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At year-end, the School Board's investment balances were as follows:

	Category			Reported Amount/ Fair Value
	1	2	3	
U.S. Government Securities	\$ -	\$ 15,996,720	\$ -	\$ 15,996,720
Certificates of Deposits	1,950,000	-	-	1,950,000
Total	<u>\$ 1,950,000</u>	<u>\$ 15,996,720</u>	<u>\$ -</u>	17,946,720
Investments not subject to Categorization: Louisiana Asset Management Pool				<u>5,810,830</u>
Total Investments				<u>\$ 23,757,550</u>

5. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

As of June 30, 2004, individual balances due from/to other funds are as follows:

Fund	Due From Other Funds	Due To Other Funds
*General Fund	<u>\$ 7,848,611</u>	<u>\$ 799,162</u>
Special Revenue Funds:		
IASA	325,412	1,712,538
IDEA	-	451,728
TANF	7,314	15,933
Miscellaneous Programs	12,523	494,738
8G	21,380	236,002
School Food Service	148,362	1,477
*1977 Sales Tax	15,051	2,494,133
*1966 Sales Tax	-	2,494,113
Vocational Ed	-	26,329
Community Ed	11,667	11,628
Total Special Revenue Funds	<u>541,709</u>	<u>7,938,619</u>
Debt Service Funds:		
Sales Tax Bond Sinking	160,000	-
Sales Tax Bond Reserve	-	15,051
Total Debt Service Funds	<u>160,000</u>	<u>15,051</u>
Capital Projects Funds:		
\$55 million construction fund	13,730	-
Construction roofing	104,167	-
Parish Wide Construction	186,667	248,061
Total Capital Project Funds	<u>304,564</u>	<u>248,061</u>
Total Governmental Fund Type	<u>\$ 8,854,884</u>	<u>\$ 9,000,893</u>
Internal Service Funds:		
Risk Management	130,705	-
Workers' Compensation	15,304	-
Total Internal Service Funds	<u>146,009</u>	<u>-</u>
Total Proprietary Fund Type	<u>\$ 146,009</u>	<u>\$ -</u>
Total	<u>\$ 9,000,893</u>	<u>\$ 9,000,893</u>

* Indicates major fund

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The School Board's lending/borrowing activities referred to as "due to/due from" are further explained in the summary of significant accounting policies (note 1) section H. The general fund loaned money to various funds for the payment of expenditures prior to receipt of funds from federal, state and local sources through reimbursement. The 1977 & 1966 Sales Tax Funds each had balances owed to the General Fund representing June collections of sales taxes due to the general and other funds and will be paid when received. Various federal and state programs, including IASA had balances due to the general fund for reasons stated above. All other interfund lending were for normal operating activities.

As if June 30, 2004, individual transfers are as follows:

<u>Fund</u>	<u>Transfers-In</u>	<u>Transfer-Out</u>
General Fund:		
1966 Sales Tax Fund	\$ 28,973,583	\$ -
1977 Sales Tax Fund	26,950,921	-
Non Major Governmental Funds	<u>874,872</u>	<u>4,897,080</u>
Total General Fund	<u>56,799,376</u>	<u>4,897,080</u>
1966 Sales Tax Fund:		
General Fund	-	28,973,583
Non Major Governmental Funds	<u>-</u>	<u>1,017,091</u>
Total Special Revenue Funds	<u>-</u>	<u>29,990,674</u>
1977 Sales Tax Fund:		
General Fund	-	26,950,921
Non Major Governmental Funds	<u>15,051</u>	<u>3,039,733</u>
Total Special Revenue Funds	<u>15,051</u>	<u>29,990,654</u>
Non Major Governmental Funds:		
General Fund	4,897,080	874,872
1966 Sales Tax Fund	1,017,091	15,051
1977 Sales Tax Fund	3,039,733	-
Non Major Governmental Funds	<u>-</u>	<u>-</u>
Total Non Major Governmental Funds	<u>10,612,332</u>	<u>3,924,752</u>
Total Governmental Funds	<u>\$ 65,768,331</u>	<u>\$ 65,768,331</u>

The School Board transfers funds between funds as part of the normal operating of fund activity through out the year to account for payment of expenditures and receipt of revenues. The 1966 & 1977 Sales Tax Funds transfers monthly to the general fund and other funds the balances of sales tax collections. The general fund transfers MFP monies to the School Food Service Fund and general revenues to the capital project funds and to various other funds throughout the year as the budget prescribes. All other transfers were for other normal operating activities.

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Notes to the Financial Statements
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6. PROPERTY, PLANT AND EQUIPMENT

A summary of changes in capital assets are as follows:

	<u>Balance July 1, 2003</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2004</u>
Governmental activities:				
Non Depreciable Assets:				
Land	\$ 7,783,215	\$ 148,282	\$ -	\$ 7,931,497
Construction in progress	10,768,340	23,084,344	10,606,922	23,245,762
Depreciable Assets:				
Buildings and improvements	278,126,008	10,788,204	-	288,914,212
Furniture and equipment	<u>29,267,862</u>	<u>1,787,361</u>	<u>817,116</u>	<u>30,238,107</u>
Total	<u>\$ 325,945,425</u>	<u>\$35,808,191</u>	<u>\$ 11,424,038</u>	<u>\$ 350,329,578</u>
Less accumulated depreciation:				
Buildings and improvements	\$ 164,418,652	\$ 8,178,474	\$ -	172,597,126
Furniture and equipment	<u>24,702,497</u>	<u>2,162,880</u>	<u>756,117</u>	<u>26,109,260</u>
Total accumulated depreciation	<u>\$ 189,121,149</u>	<u>10,341,354</u>	<u>756,117</u>	<u>\$198,706,386</u>
Governmental activities				
Capital assets, net	<u>\$ 136,824,276</u>	<u>\$25,466,837</u>	<u>\$ 10,667,921</u>	<u>\$151,623,192</u>

Depreciation expense was charged to governmental activities as follows:

Regular programs	\$ 467,733
Special programs	146,790
Vocational education programs	196,261
Other instructional programs	124,673
Special programs	90,042
Adult/continuing education programs	15,336
Pupil support	85,472
Instructional staff support	26,824
General administration	28,954
School administration	25,646
Business administration	17,862
Operation and maintenance of plant	251,600
Pupil transportation	12,982
Central services	303,391
Food services	165,143
Community service programs	1,353
Facilities, Acquisitions & Construction	<u>8,381,292</u>
Total depreciation expense	<u>\$10,341,354</u>

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Construction in progress at June 30, 2004 is composed of the following:

	<u>Project</u>	<u>Incurred as of</u>	
	<u>Authorization</u>	<u>June 30, 2004</u>	<u>Committed</u>
Abita Springs Elementary	\$ 1,356,339	\$ 1,326,547	\$ 29,792
Abita Springs Elementary	\$ 1,984,684	\$ 90,709	\$ 1,893,975
Abney Elementary	897,721	481,189	416,532
Cypress Cove Elementary	1,339,458	869,375	470,083
Folsom Elementary	702,909	40,025	662,884
Folsom Junior High	1,183,286	192,119	991,167
Fountainebleau High	4,084,371	4,032,246	52,125
Fountainebleau High	2,032,299	1,823,912	208,387
Honey Island Elementary	1,238,279	804,088	434,191
Lee Road Junior High	1,301,099	129,853	1,171,246
Lyon Elementary	904,102	348,587	555,515
Madisonville Elementary	1,619,485	186,988	1,432,497
Magnolia Trace Elementary	1,109,319	978,664	130,655
Mandeville High	2,189,499	2,037,370	152,129
Mandeville Middle	1,166,480	1,159,780	6,700
Mandeville Junior High	743,263	415,586	327,677
Monteleone Junior High	9,088,768	2,961,464	6,127,304
Northshore High	2,241,460	1,273,082	968,378
Northshore High	158,161	37,927	120,234
Salmen High	2,720,670	161,934	2,558,736
Schoen Office Building	8,714,568	2,641,224	6,073,344
Central Office	342,000	143,350	198,650
Sixth Ward Elementary	1,611,261	81,196	1,530,065
Slidell High	1,359,842	887,641	472,201
Slidell High	2,860,000	65,052	2,794,948
Slidell High	<u>316,323</u>	<u>75,854</u>	<u>240,469</u>
Total	<u>\$53,265,646</u>	<u>\$ 23,245,762</u>	<u>\$ 30,019,884</u>

7. RISK MANAGEMENT

The School Board initiated a risk management program for workers' compensation in fiscal year 1988. Premiums are paid into the Workers' Compensation Internal Service Fund by all funds from which salaries are paid and are available to pay claims, claim reserves and administrative costs of the program. During fiscal year 2004, a total of \$3,283,315 was incurred in benefits and administrative costs. An excess coverage insurance policy covers individual claims in excess of \$250,000. An amount for self-insurance losses of \$1,806,522 has been accrued as a liability based upon an actuary's estimate. Interfund premiums are based primarily upon the individual funds' claims experience and are reported as expenditures in the individual funds.

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In addition, the School Board is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; and natural disasters. During fiscal year 1990, the School Board established a Risk Management Fund (an internal service fund) to account for and finance its uninsured risk of loss. Under this program, the Risk Management Fund provides coverage up to a maximum of \$250,000 for each general liability claim and \$5,000,000 for each property damage claim. The School Board purchases commercial insurance for claims in excess of coverage provided by the Fund. In 2004 and 2003, the School Board paid \$256,350 and \$436,544, respectively, to claimants in excess of the \$250,000 maximum. This amount is due to the Board from its insurance provider.

The General Fund makes payments to the Risk Management Fund based on estimates of the amounts needed to pay claims and to accumulate funds for future catastrophic losses. At June 30, 2004, \$3,063,174 of fund equity is designated for future catastrophic losses and claims liabilities are \$530,053.

Changes in the claims liability amount in previous fiscal years were as follows:

	<u>Beginning of Fiscal Year Liability</u>	<u>Benefit Claims and Changes in Estimates</u>	<u>Payments And Claims</u>	<u>Balance at Fiscal Year-End</u>
Workers' Compensation:				
1994-95	\$ 967,275	\$ 783,809	\$ 621,322	\$1,129,762
1995-96	1,129,762	804,968	971,398	963,332
1996-97	963,332	703,135	851,223	815,244
1997-98	815,244	1,246,261	1,106,116	955,389
1998-99	955,389	1,492,873	1,266,378	1,181,884
1999-00	1,181,884	963,236	1,248,426	896,694
2000-01	896,694	1,287,634	1,305,470	878,858
2001-02	878,858	2,119,421	1,930,360	1,067,919
2002-03	1,067,919	1,937,630	1,975,027	1,030,522
2003-04	\$1,030,522	\$2,847,071	\$2,071,071	\$1,806,522
Risk Management:				
1994-95	\$ 827,206	\$ 539,874	\$ 394,954	\$ 972,126
1995-96	972,126	920,627	920,627	972,126
1996-97	972,126	462,088	566,693	867,521
1997-98	867,521	529,393	496,914	900,000
1998-99	900,000	580,853	580,853	900,000
1999-00	900,000	711,930	711,930	900,000
2000-01	900,000	562,063	562,063	900,000
2001-02	900,000	8,719	303,143	605,576
2002-03	605,576	560,234	310,535	855,275
2003-04	\$ 855,275	\$ 563,181	\$ 680,403	\$ 738,053

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Notes to the Financial Statements
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The School Board continues to carry commercial insurance for all other risks of loss, including employee health and accident insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

8. CHANGES IN LONG-TERM DEBT

The following is a summary of the long-term debt transactions for the year ended June 30, 2004:

	Balance July 1, 2003	Additions	Deductions	Balance June 30, 2004	Due Within One Year
Sales Tax Bonds	\$ 6,820,000	\$ -0-	\$ 1,565,000	\$ 5,255,000	\$ 1,650,000
General Obligation Bonds	<u>135,610,000</u>	<u>23,085,000</u>	<u>31,660,000</u>	<u>127,035,000</u>	<u>8,215,000</u>
Sub-total Bonds	142,430,000	23,085,000	33,225,000	132,290,000	9,865,000
Compensated Absences	<u>11,147,041</u>	<u>787,989</u>	<u>501,362</u>	<u>11,433,668</u>	<u>500,000</u>
Total Long-Term Debt	<u>\$153,577,041</u>	<u>\$23,872,989</u>	<u>\$33,726,362</u>	<u>\$ 143,723,668</u>	<u>\$10,365,000</u>

In July 2003, the School Board issued \$5,440,000 in general obligation bonds with a final maturity date of June 1, 2010. The bond proceeds less the issuance costs were deposited into an irrevocable trusts to be used to refund the remaining bonds from the \$7,415,000, series 1997 sales tax bonds. The interest rate on the 2003 bonds is set at 2.10%. The interest rate on the 1997 bonds ranged from 4.90% to 5.20%. By refunding the 1997 bonds, which are considered defeased, the School Board will save approximately \$722,000 in future interest and principal payments and result in an economic gain of approximately \$600,000.

In April 2004, the School Board also issued \$17,645,000 in general obligation bonds with a final maturity date of March 1, 2016. The bond proceeds less the issuance costs were deposited into an irrevocable trusts to be used to refund \$17,540,000 of the remaining bonds from the \$25,000,000, series 1996 general obligation bonds. The interest rate on the 2004 bonds ranges from 2.00% to 5.00%. The interest rate on the 1996 bonds ranged from 5.40% to 8.00%. By refunding the 1996 bonds, which are considered defeased, the School Board will save approximately \$1,700,000 in future interest and principal payments and result in an economic gain of approximately \$1,575,000.

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

Notes to the Financial Statements
June 30, 2004

A schedule of the individual issues outstanding as of June 30, 2004 is as follows:

	<u>Original Issue</u>	<u>Interest Rate</u>	<u>Final Payment Due</u>	<u>Interest to Maturity</u>	<u>Principal Outstanding</u>
Sales Tax Bonds:					
2002	\$ 4,000,000	2.5-2.8%	2007	\$ 148,265	\$ 2,750,000
1995	<u>7,500,000</u>	5.5-5.5%	2007	<u>282,150</u>	<u>2,505,000</u>
Total Sales Tax Bonds	11,500,000			430,415	5,255,000
General Obligation Bonds:					
1996	25,000,000	8.0-8.0%	2005	87,200	1,090,000
2003	9,185,000	2.2-3.6%	2013	1,435,779	8,460,000
2004	17,645,000	2.0-5.0%	2016	5,410,238	17,645,000
2003	5,440,000	2.1-2.1%	2010	361,620	4,755,000
1998A	55,000,000	4.5-5.0%	2018	18,348,030	44,140,000
1998B	14,480,000	4.5-5.0%	2011	1,281,600	6,760,000
2002	<u>47,410,000</u>	3.5-5.0%	2022	<u>21,739,230</u>	<u>44,185,000</u>
Total General Obligation Bonds	<u>149,160,000</u>			<u>48,663,697</u>	<u>127,035,000</u>
Total	<u>\$160,660,000</u>			<u>\$49,094,112</u>	<u>\$ 132,290,000</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 or by the 1977 sales and use tax. At June 30, 2004, the School Board has accumulated \$11,787,297 in the debt service funds for future debt service requirements.

The Sales Tax Bonds require the maintenance of a reserve as additional security for debt repayment. At June 30, 2004, the School Board has \$1,150,000 in reserve and is in compliance with the requirements of the debt agreement.

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

Notes to the Financial Statements
June 30, 2004

The sales tax bonds and general obligation bonds are due as follows:

<u>Year Ending</u> <u>June 30,</u>	<u>Principal Bond</u> <u>Payments</u>	<u>Interest</u> <u>Payments</u>	<u>Total</u>
2005	\$ 9,865,000	\$ 5,754,839	\$ 15,619,839
2006	8,415,000	5,366,526	13,781,526
2007	10,080,000	5,028,525	15,108,525
2008	8,620,000	4,663,085	13,283,085
2009	9,045,000	4,338,568	13,383,568
2010-2014	43,220,000	16,145,639	59,365,639
2015-2019	33,345,000	6,810,430	40,155,430
2020-2023	9,700,000	986,500	10,686,500
	<u>\$132,290,000</u>	<u>\$49,094,112</u>	<u>\$181,384,112</u>

In accordance with Louisiana Revised Statute 39:562, the School Board is legally restricted from incurring long-term bonded debt funded solely by ad valorem taxes in excess of 35 percent of the assessed value of taxable property. At June 30, 2004, the statutory limit is \$367,301,991 and the legal debt margin is \$250,253,447. Outstanding bonded debt payable from ad valorem taxes at June 30, 2002 totaled \$127,035,000.

9. DEFEASED DEBT

The School Board defeased the following General Obligation Bonds and Sales Tax Bonds. An irrevocable trust fund was created for each defeasement. New debt was issued and the proceeds were 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. As of June 30, 2004, the following outstanding bonds are considered defeased:

	<u>Amount</u> <u>Outstanding</u>	<u>Date of</u> <u>Defeasance</u>	<u>Final</u> <u>Maturity Date</u>
General Obligation Bonds:			
\$13,625,000,1984 Series	\$ 995,000	June 1, 1991	March 1, 2005
\$ 7,415,000,1997 Series	4,800,000	July 16, 2003	June 1, 2010
\$ 5,000,000,1992 Series	3,165,000	April 1, 2002	April 1, 2012
\$13,195,000,1993 Series	9,145,000	March 1, 2003	March 1, 2013
\$25,000,000,1996 Series	17,540,000	April 1, 2004	March 1, 2016
Sales Tax Bonds:			
\$11,000,000,1992 Series	<u>\$ 3,180,000</u>	October 1, 2002	April 1, 2007
Total	<u>\$38,825,000</u>		

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

Notes to the Financial Statements
June 30, 2004

10. TAX ARBITRAGE REBATE

Under the Tax Reform Act of 1986, interest earned on the debt proceeds in excess of interest expense prior to the disbursement of the proceeds must be rebated to the Internal Revenue Service (IRS). For fiscal year 2004, no arbitrage was due to the IRS.

11. RETIREMENT PLANS

Substantially all employees of the School Board are members of two statewide retirement systems. In general, professional employees (such as teachers and principals) 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 (TRS)

Plan Description: The School Board participates in two membership plans of the TRS, the Regular Plan and Plan A. The TRS 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 TRS issues a publicly available financial report that includes financial statements and required supplementary information of the TRS. 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 percent and 9.1 percent 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 current rate is 13.8 percent of annual covered payroll for both membership plans. Member contributions and employer contributions for the TRS are established by state law and rates are established by the Public Retirement Systems' Actuarial Committee. The School Board's employer contribution to the TRS, 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 School Board's contributions to the TRS for the years ended June 30, 2004, 2003, and 2002, were \$20,077,721, \$17,614,406, and \$16,506,102, respectively, equal to the required contributions for each year.

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

Notes to the Financial Statements
June 30, 2004

B. Louisiana School Employees' Retirement System (LSERS)

Plan Description: The LSERS 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 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: For fiscal years 2002 and 2003, neither plan members nor the School Board were required to contribute to LSERS since it is considered actuarially to be fully funded. For fiscal year 2004 the employees share and School Board's share was 7.5 and 8.5, respectively. 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 Actuary has determined that beginning in fiscal year 2003-2004, the School Board should contribute 8.5 percent on behalf of the membership plan. The School Board's employer contribution \$1,231,199 for 2004 for the LSERS is funded by the State of Louisiana through annual appropriations and by remittances from the School Board.

12. POSTEMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENEFITS

In accordance with State statutes, the School Board provides certain continuing health care and life insurance benefits for its retired employees. 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. Currently, 1,084 retirees are eligible to participate in the health care benefits. These benefits for retirees are provided through the State Employees Group Benefits Program whose monthly premiums are paid jointly by the retirees and by the School Board. During fiscal year 2003-2004, the School Board contributed 60.8% of the total premium for life insurance and 93.8% of the total premium for health care insurance provided to the retirees. The School Board recognizes the cost of providing these benefits (the Board's portion of premiums) as an expenditure on a pay-as-you-go basis when the monthly premiums are due. The School Board's cost of providing all health care benefits and life insurance premiums to the approximately 4,685 active and 1,218 retired participating employees amounted to \$31,421,713 for 2004. For 2004, the cost of premiums paid for retirees totaled \$8,778,601.

13. CHANGES IN AGENCY DEPOSITS DUE OTHERS

A summary of changes in the School Activity Agency Fund's deposits due others are as follows:

Balance at Beginning of Year	\$ 3,909,467
Additions	9,127,237
Deductions	<u>8,971,106</u>
Balance at End of Year	<u>\$ 4,065,598</u>

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

Notes to the Financial Statements
June 30, 2004

14. LITIGATION AND CLAIMS

At June 30, 2004, the School Board was a defendant in lawsuits principally arising from the normal course of operations. The School Board's legal counsel has reviewed the School Board's claims and lawsuits, which are primarily personal injury claims, in order to evaluate the likelihood of an unfavorable outcome to the School Board and to arrive at an estimate, if any, of the amount or range of potential loss to the School Board. As a result of the review, the various claims and lawsuits have been categorized into "probable", "reasonably possible", or "remote", as defined by the Governmental Accounting Standards Board. Amounts of claims classified as "probable" have been accrued in the claims liability and the liability for self-insurance losses, as explained in Note 7. The amount of claims and lawsuits that have been classified as "reasonably possible" individually range from \$5,000 to \$162,000. It is the opinion of the School Board, after conferring with legal counsel, that the liability, if any, which might arise from these lawsuits would not have a material adverse effect on the School Board's financial position.

The School Board participates in a number of federal financial assistance programs. Although the grant programs have been audited in accordance with the Single Audit Act through June 30, 2004, these programs are still subject to financial and compliance audits and resolution of previously identified questioned costs. The amount, if any, of expenditures that may be disallowed by the granting agencies cannot be determined at this time, although the School Board expects such amounts, if any, to be immaterial.

15. CHANGE IN BUDGETARY ACCOUNTING METHOD

In fiscal year ending June 30, 2004, the School Board changed its budgetary accounting treatment for encumbrance accounting in the General Fund and Capital Project Funds. As in all other funds, the School Board now allows all encumbrances to lapse at year-end. Because of this change in budgetary accounting methods the reconciliation between GAAP statements under the modified accrual basis of accounting and budgetary basis is no longer required. The effect of this change had no affect on prior year expenditures; however, the effect on current year capital outlay expenditures for budgetary purposes is summarized below:

General Fund	\$ 226,183
2002 Construction Fund	10,894,295
1998 Construction Fund	(106,497)
Roofing Construction Fund	962,158
Parishwide Construction Fund	<u>75,967</u>
	<u>\$12,052,106</u>



**ST. TAMMANY PARISH SCHOOL BOARD
COVINGTON, LOUISIANA**

**REQUIRED SUPPLEMENTARY
INFORMATION - OTHER**

**BUDGETARY COMPARISON
SCHEDULES**



ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

General Fund
Budget Comparison Schedule
For the Year Ended June 30, 2004

	Budgeted Amounts		Net Change	2004 Actual	Variance From Budget
	Original	Final			
Budgetary Fund Balance, Beginning of Year (as restated)	\$59,913,546	\$59,913,546	\$0	\$60,184,162	\$270,616
Resources (Inflows)					
Local Sources:					
Ad valorem taxes	\$38,607,806	\$39,689,390	\$1,081,584	\$39,306,471	(\$382,919)
Tuition:					
Summer school	150,000	150,000	0	168,606	18,606
Driver education	59,133	59,133	0	52,100	(7,033)
Earnings on investments	975,000	975,000	0	1,018,012	43,012
Medical services	312,148	312,148	0	291,855	(20,293)
Other	378,334	454,334	75,000	550,881	96,547
Total Resources From Local Sources	40,483,421	41,640,005	1,156,584	41,387,925	(252,080)
State Sources:					
Equalization	138,703,954	140,304,257	1,600,303	140,304,257	0
Contributions to					
Teachers' Retirement	73,469	73,469	0	68,964	(4,505)
Revenue sharing	1,789,692	1,789,692	0	1,804,707	15,015
Professional Improvement Program	801,646	806,277	4,631	742,434	(63,843)
Special education	164,553	164,553	0	178,890	14,337
Adult education	197,033	163,489	(33,544)	163,489	0
Non-public students	480,837	507,783	26,946	504,979	(2,804)
Miscellaneous	459,505	564,786	105,281	572,619	7,833
Total Resources From State Sources	142,670,689	144,374,306	1,703,617	144,340,339	(33,967)
Federal Sources:					
ROTC	373,366	373,366	0	397,791	24,425
Adult education	239,403	245,424	6,021	216,225	(29,199)
Total Resources From Federal Sources	612,769	618,790	6,021	614,016	(4,774)
Total Resources	\$183,766,879	\$186,633,101	\$2,866,222	\$186,342,280	(\$290,821)
Other Financing Sources					
Transfers in:					
1966 Sales Tax Fund	\$27,480,000	\$28,553,843	\$1,073,843	\$28,973,583	\$419,740
1977 Sales Tax Fund	25,472,447	28,546,501	1,074,054	26,950,921	\$404,420
School Food Service Fund	231,604	231,604	0	234,486	\$2,882
Indirect costs	600,000	675,761	75,761	640,386	(\$35,375)
Total Other Financing Sources	\$53,784,051	\$56,007,709	\$2,223,658	\$56,799,376	\$791,667
Amounts Available for Appropriations	\$297,464,476	\$302,554,356	\$5,089,880	\$303,325,818	\$771,462

(continued...)

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

General Fund
Budget Comparison Schedules
For the Year Ended June 30, 2004

	Budgeted Amounts		Net Change	2004 Actual	Variance From Budget
	Original	Final			
Expenditures					
Current:					
Instruction:					
Regular Ed programs	\$94,273,513	\$94,987,084	(\$713,571)	\$93,858,083	\$1,129,001
Special Ed programs	46,447,438	47,020,106	(572,668)	46,795,764	224,342
Vocational Ed programs	4,065,950	4,078,219	(12,269)	3,935,340	142,879
Other instructional programs	10,413,127	10,979,874	(566,747)	9,819,347	1,160,527
Special programs	763,313	762,605	708	711,822	50,783
Adult Ed programs	477,092	497,092	(20,000)	442,342	54,750
Support Services:					
Pupil support	9,780,173	9,763,951	16,222	9,661,638	102,313
Instructional staff support	8,459,828	8,514,750	(54,922)	8,484,073	30,677
General administration	3,607,867	3,627,035	(19,168)	3,580,826	46,209
School administration	13,325,318	13,528,894	(203,576)	13,364,291	164,603
Business administration	1,985,390	2,037,197	(51,807)	1,910,530	126,667
Operation and maintenance of plant	20,680,399	20,801,805	(121,406)	21,078,588	(276,783)
Pupil transportation	17,790,938	17,667,173	123,763	17,443,710	223,463
Central services	4,622,306	4,633,633	(11,327)	3,210,861	1,422,772
Food service	1,991,030	2,098,884	(107,854)	2,114,503	(15,619)
Community service programs	46,600	46,600	0	43,717	2,883
Facilities acquisition and construction	298,265	310,269	(12,004)	492,262	(181,993)
Transfers out	3,273,526	4,897,080	1,623,554	4,897,080	0
Total Charges to Appropriations	\$242,302,071	\$246,252,251	(\$3,950,180)	\$241,844,777	\$4,407,474
Budgetary Fund Balance, Ending	\$55,162,406	\$56,302,105	\$1,139,699	\$61,481,041	\$5,178,936

See notes to budgetary comparison schedules and independent auditors' report.

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

1966 Sales Tax Fund
Budget Comparison Schedule
For the Year Ended June 30, 2004

	Budgeted Amounts		Net Change	2004 Actual	Variance From Budget
	Original	Final			
Budgetary Fund Balance, Beginning of Year	\$5,644	\$5,644	\$0	\$5,643	(\$1)
Resources (Inflows)					
Local sources:					
Taxes-sales and use	\$28,799,065	\$29,904,990	\$1,105,925	\$30,324,419	\$419,429
Earnings on investments	20,000	16,000	(4,000)	15,219	(781)
Amounts Available for Appropriations	28,824,709	29,926,634	1,101,925	30,345,281	418,647
Charges to Appropriations (Outflows)					
Support services-general administration	322,618	350,700	28,082	320,253	30,447
Transfers out	28,497,091	29,570,934	1,073,843	29,990,674	(419,740)
Total Charges to Appropriations	28,819,709	29,921,634	1,101,925	30,310,927	(389,293)
Budgetary Fund Balance, End of Year	\$5,000	\$5,000	\$0	\$34,354	\$29,354

See notes to budgetary comparison schedules and independent auditors' report.

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

1977 Sales Tax Fund
Budget Comparison Schedule
For the Year Ended June 30, 2004

	Budgeted Amounts		Net Change	2004 Actual	Variance From Budget
	Original	Final			
Budgetary Fund Balance, Beginning of Year	\$5,644	\$5,644	\$0	\$5,644	\$0
Resources (Inflows)					
Local sources:					
Taxes-sales and use	\$28,799,066	\$29,904,990	\$1,105,924	\$30,324,419	\$419,429
Earnings on investments	20,000	16,000	(4,000)	15,219	(781)
Fund Transfers In	13,800	15,300	1,500	15,051	(249)
Amounts Available for Appropriations	<u>28,838,510</u>	<u>29,941,934</u>	<u>1,103,424</u>	<u>30,360,333</u>	<u>418,399</u>
Charges to Appropriations (Outflows)					
Support services-general administration	321,330	350,700	29,370	320,254	30,446
Transfers out	<u>28,512,180</u>	<u>29,586,234</u>	<u>1,074,054</u>	<u>29,990,654</u>	<u>(404,420)</u>
Total Charges to Appropriations	<u>28,833,510</u>	<u>29,936,934</u>	<u>1,103,424</u>	<u>30,310,908</u>	<u>(373,974)</u>
Budgetary Fund Balance, End of Year	<u>\$5,000</u>	<u>\$5,000</u>	<u>\$0</u>	<u>\$49,425</u>	<u>\$44,425</u>

See notes to budgetary comparison schedules and independent auditors' report.

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

Notes to the Budgetary Comparison Schedules
For the Year Ended June 30, 2004

A. BUDGETS

General Budget Practices

The proposed budgets for fiscal year 2004 were completed and made available for public inspection at the School Board office on August 1, 2003. A public hearing was held on August 7, 2003 for suggestions and comments from taxpayers. The proposed fiscal year 2004 budgets were formally adopted by the School Board on September 11, 2003. The budgets, which included proposed expenditures and the means of financing them, for the General, Special Revenue, Debt Service and Capital Projects Funds were published in the official journal ten days prior to the public hearings.

Formal budgetary accounts are integrated into the accounting system during the year as a management control device, including the recording of encumbrances. Appropriations are valid only for the year in which made, and any part of such appropriation which is not encumbered or expensed lapses at the end of the year. Current year transactions that are directly related to prior year's budget are not rebudgeted in the current year.

The level of control over the budget is exercised at the function or program level for the General and Special Revenue Funds, at the project level for the Capital Projects Funds and at the individual debt issue level for the Debt Service Funds. The Superintendent is authorized to transfer budget amounts within each function; however, any supplemental appropriations that amend the total expenditures of any fund require School Board approval. As required by state law, when actual revenues within a fund are failing to meet estimated annual budgeted revenues by five per cent or more, and/or actual expenditures within a fund are exceeding estimated budgeted expenditures by five per cent or more, a budget amendment to reflect such changes is adopted by the School Board in an open meeting. Budgeted amounts included in the financial statements include the original adopted budget and all subsequent amendments. Amendments to the budget were not material.

Budget Basis of Accounting

The budgets for the General, Special Revenue, Debt Service and Capital Projects Funds for the fiscal year 2004 were prepared on the modified accrual basis of accounting, consistent with generally accepted accounting principles (GAAP).

Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments are recorded, is employed by the General Fund and Capital Projects Funds.

Encumbrances outstanding at year-end lapse and are re-encumbered the following year.

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

Notes to the Budgetary Comparison Schedules
For the Year Ended June 30, 2004

B. EXCESS OF EXPENDITURES OVER APPROPRIATIONS

For the year ended June 30, 2004, the following funds had actual expenditures over appropriations, at the functional level:

<u>Fund and Function</u>	<u>Budget</u>	<u>Actual</u>	<u>Excess</u>
General Fund:			
Operation and Maintenance of Plant	\$20,801,805	\$21,078,588	\$276,783
Food Service	2,098,884	2,114,503	15,619
Facilities acquisition and construction	310,269	492,262	181,993
Special Revenue Funds:			
Sales Tax 1966-operating transfers	29,570,934	29,990,674	419,740
Sales Tax 1977-operating transfers	29,586,234	29,990,654	404,420

Actual expenditures exceeded appropriations as a result of unanticipated expenditures occurring in the month of June after the last budget revision. The excess expenditures were funded by available and appropriable fund balances.

C. BUDGET TO GAAP RECONCILIATION

Sources/inflows of resources:

Actual amounts (budgetary basis) "available for appropriation" from the Budgetary Comparison Schedule	<u>General Fund</u> \$ 303,325,818
The fund balance at the beginning of the year is a budgetary resource but is not a current year revenue	(60,184,162)
Transfer from other funds is considered as revenue on budgetary basis but is considered operating transfers on a GAAP basis	<u>(56,799,376)</u>
Total revenues as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balance – Governmental Funds	<u>\$ 186,342,280</u>

Uses/outflows of resources:

Actual amounts (budgetary basis) "total charges to appropriations" from the Budgetary Comparison Schedule	\$ 241,844,777
Transfer to other funds is considered as outflows on budgetary basis but is considered operating transfers on a GAAP basis	<u>(4,897,080)</u>
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balance – Governmental Funds	<u>\$ 236,947,697</u>

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

Notes to the Budgetary Comparison Schedules
For the Year Ended June 30, 2004

Sources/inflows of resources:

	1966 SALES TAX FUND
Actual amounts (budgetary basis) "available for appropriation" from the Budgetary Comparison Schedule	\$ 30,345,281
The fund balance at the beginning of the year is a budgetary resource but is not a current year revenue	<u>(5,643)</u>
Total revenues as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balance – Governmental Funds	<u>\$ 30,339,638</u>

Uses/outflows of resources:

Actual amounts (budgetary basis) "total charges to appropriations" from the Budgetary Comparison Schedule	\$ 30,310,927
Transfer to other funds is considered as outflows on budgetary basis but is considered operating transfers on a GAAP basis	<u>(29,990,674)</u>
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balance – Governmental Funds	<u>\$ 320,253</u>

Sources/inflows of resources:

	1977 SALES TAX FUND
Actual amounts (budgetary basis) "available for appropriation" from the Budgetary Comparison Schedule	\$ 30,360,333
The fund balance at the beginning of the year is a budgetary resource but is not a current year revenue	(5,644)
Transfer from other funds is considered as revenue on budgetary basis but is considered operating transfers on a GAAP basis	<u>(15,051)</u>
Total revenues as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balance – Governmental Funds	<u>\$ 30,339,638</u>

Uses/outflows of resources:

Actual amounts (budgetary basis) "total charges to appropriations" from the Budgetary Comparison Schedule	\$ 30,310,908
Transfer to other funds is considered as outflows on budgetary basis but is considered operating transfers on a GAAP basis	<u>(29,990,654)</u>
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balance – Governmental Funds	<u>\$ 320,254</u>

**ST. TAMMANY PARISH SCHOOL BOARD
COVINGTON, LOUISIANA**

OTHER SIGNIFICANT GOVERNMENTAL FUNDS

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

2002 Construction Capital Projects Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual

For the Year Ended June 30, 2004

	<u>Budget</u>	<u>Actual</u>	<u>Variance From Budget</u>
Revenues			
Earnings on investments	<u>\$425,000</u>	<u>\$410,135</u>	<u>(\$14,865)</u>
Total Revenues	<u>425,000</u>	<u>410,135</u>	<u>(14,865)</u>
Expenditures			
Facilities acquisition and construction:			
Land & Building Acquisition	30,000	29,050	950
Construction contracts	24,000,000	18,099,484	5,900,516
Architects and engineers	1,000,000	484,775	515,225
Site Improvements	100,000	88,116	11,884
Equipment	150,000	58,243	91,757
Other	<u>30,000</u>	<u>18,517</u>	<u>11,483</u>
Total Expenditures	<u>25,310,000</u>	<u>18,778,185</u>	<u>6,531,815</u>
Excess (Decrease) of Revenues Over Expenditures	<u>(24,885,000)</u>	<u>(18,368,050)</u>	<u>6,516,950</u>
Fund Balance, Beginning of Year	<u>25,657,108</u>	<u>38,737,217</u>	<u>13,080,109</u>
Fund Balance, End of Year	<u>\$772,108</u>	<u>\$20,369,167</u>	<u>\$19,597,059</u>



"Reflection"

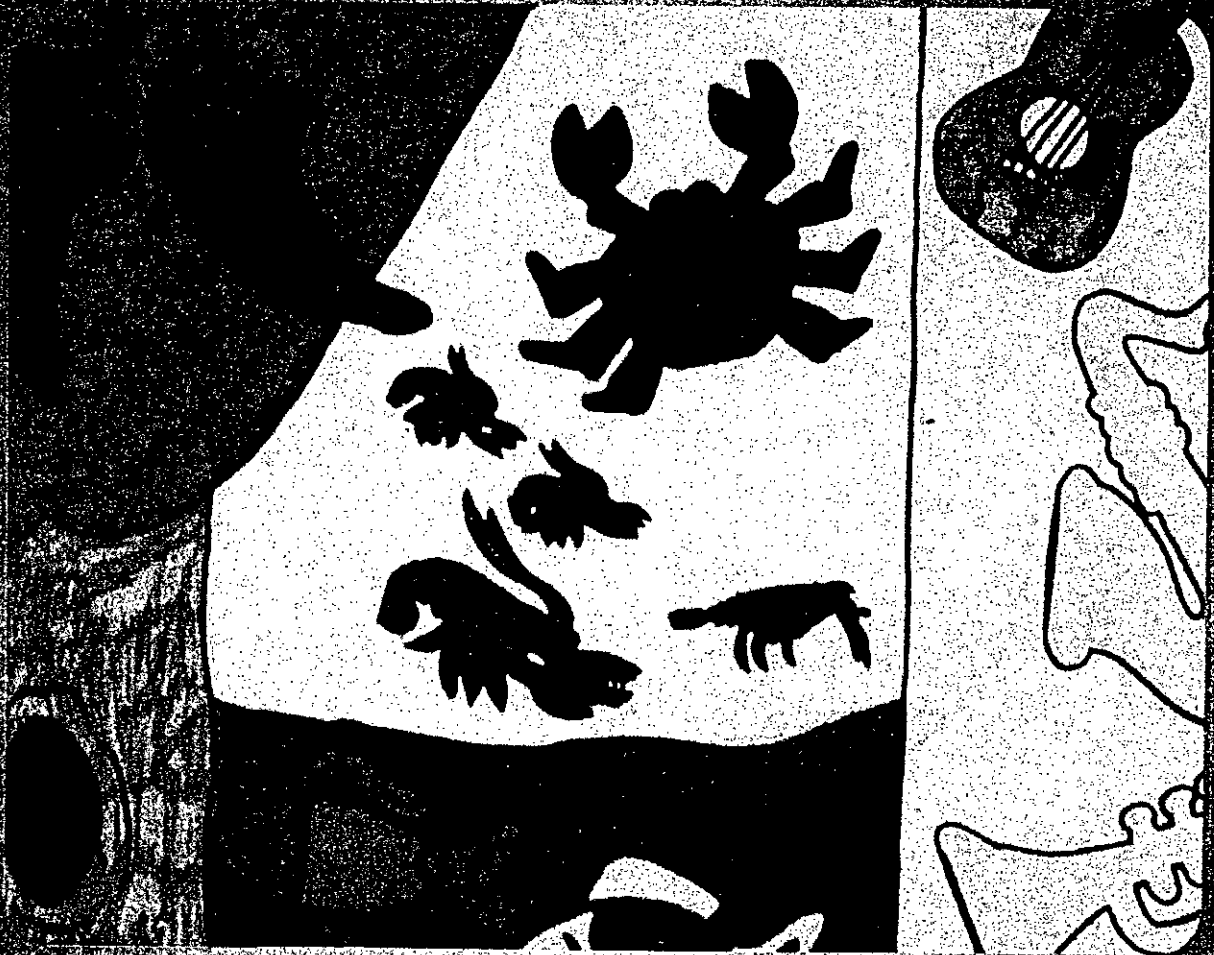
by: Chris Yee, Grade 8
Fontainebleau Junior High
Teacher:
Adair Watkins

**ST. TAMMANY PARISH SCHOOL BOARD
COVINGTON, LOUISIANA**

OTHER SUPPLEMENTARY INFORMATION

**ST. TAMMANY PARISH SCHOOL BOARD
COVINGTON, LOUISIANA**

**COMBINING
NONMAJOR GOVERNMENTAL FUNDS –
BY FUND TYPE**



"What Louisiana Represents"

by: Brandon Dixon, Grade 5

Folsom Elementary

Teacher:

Mrs. Steele

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

Nonmajor Governmental Funds
Combining Balance Sheet - By Fund Type
June 30, 2004
With Comparative Totals for June 30, 2003

	Special Revenue	Debt Service	Capital Projects	Totals	
				2004	2003
Assets:					
Cash and cash equivalents	\$4,922,982	\$11,334,890	\$7,140,105	\$23,397,777	\$20,580,643
Investments	0	108,409	1,338,460	1,444,869	4,578,720
Receivables:					
Taxes:					
Ad valorem	0	263,245	0	263,245	115,485
Intergovernmental:					
Federal	1,239,855	0	0	1,239,855	1,392,198
State	470,487	0	0	470,487	331,935
Due from other funds (note 6)	528,858	160,000	304,564	991,222	1,177,580
Inventory (note 1-J)	253,281	0	0	253,281	274,005
Total Assets	\$7,413,043	\$11,866,344	\$8,781,129	\$28,060,516	\$28,450,534
Liabilities and Fund Balances					
Liabilities:					
Accounts payable	\$136,759	\$0	\$461,658	\$598,417	\$396,210
Contract/retainage payable	0	0	331,588	331,588	856,547
Due to other funds (note 6)	2,950,373	15,051	248,061	3,213,485	3,554,910
Other liabilities	0	0	0	0	68,426
Deferred revenues	171,287	63,996	0	235,283	259,502
Total Liabilities	3,258,399	79,047	1,041,307	4,378,753	5,135,595
Fund balances:					
Reserved for inventory	95,427	0	0	95,427	95,833
Reserved for debt service	0	11,787,297	0	11,787,297	10,630,434
Unreserved, undesignated	4,059,217	0	7,739,822	11,799,039	12,588,672
Total Fund Balances	4,154,644	11,787,297	7,739,822	23,681,763	23,314,939
Total Liabilities and Fund Balances	\$7,413,043	\$11,866,344	\$8,781,129	\$28,060,516	\$28,450,534

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

Nonmajor Governmental Funds
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - By Fund Type
For the Year Ended June 30, 2004
With Comparative Totals for the Year Ended June 30, 2003

	Special Revenue	Debt Service	Capital Projects	Totals	
				2004	2003
Revenues:					
Local sources:					
Taxes:					
Ad valorem	\$0	\$16,647,134	\$0	\$16,647,134	\$15,000,164
Rentals, leases, and royalties	2,580	0	0	2,580	2,070
Tuition	1,082,352	0	0	1,082,352	823,389
Earnings on Investments	33,201	142,791	106,787	282,779	699,651
Food service	2,928,164	0	0	2,928,164	2,813,498
Other	93,343	3,613	0	96,956	122,643
State sources:					
Equalization	1,451,306	0	0	1,451,306	1,183,518
Other	2,098,458	0	0	2,098,458	1,579,553
Federal sources					
	25,069,661	0	0	25,069,661	22,495,372
Total revenues	\$32,759,065	\$16,793,538	\$106,787	\$49,659,390	\$44,719,858
Expenditures					
Current:					
Instruction:					
Regular Ed programs	2,770,073	0	0	2,770,073	2,292,283
Special Ed programs	4,594,765	0	0	4,594,765	3,577,848
Vocational Ed programs	238,302	0	0	238,302	341,208
Other instructional programs	1,484,423	0	0	1,484,423	1,580,352
Special programs	5,881,796	0	0	5,881,796	5,066,124
Adult Ed programs	97,262	0	0	97,262	154,159
Support services:					
Pupil support	1,253,415	0	0	1,253,415	1,066,693
Instructional staff support	2,162,281	0	0	2,162,281	1,988,014
General administration	19,887	565,777	0	585,664	228,080
School administration	526,108	0	0	526,108	513,396
Operation and maintenance of plant	243,744	0	0	243,744	225,730
Pupil transportation	343,074	0	0	343,074	604,360
Food service	12,142,167	0	0	12,142,167	11,695,921
Community service programs	1,248,215	0	0	1,248,215	933,389
Facilities acquisition and construction	0	0	6,809,410	6,809,410	6,842,712
Debt service:					
Issuance costs	0	151,977	0	151,977	63,585
Principal retirement	0	10,140,000	0	10,140,000	10,170,000
Interest and bank charges	0	6,683,820	0	6,683,820	7,679,190
Total expenditures	33,005,512	17,541,574	6,809,410	57,356,496	55,023,044
Excess (Deficient) of Revenues					
Over Expenditures	(246,447)	(748,036)	(6,702,623)	(7,697,106)	(10,303,186)
Other Financing Sources					
To escrow agent from refunding bond proceed:	0	(24,253,119)	0	(24,253,119)	(14,125,000)
Refunding bonds issued	0	23,085,000	0	23,085,000	13,185,000
Premium on issued refunding bonds	0	1,132,337	0	1,132,337	0
Accrued interest on issued refunding bonds	0	35,732	0	35,732	21,584
Transfers in	1,920,350	1,920,000	5,113,554	8,953,904	10,612,332
Transfers out	(874,873)	(15,051)	0	(889,924)	(3,924,752)
Total other financing sources (uses)	1,045,477	1,904,899	5,113,554	8,063,930	5,769,164
Excess (Deficient) of Revenues and					
Other Financing Sources Over Expenditures	799,030	1,156,863	(1,589,069)	366,824	(4,534,022)
Fund Balances, Beginning of Year	3,355,614	10,630,434	9,328,891	23,314,939	27,848,961
Fund Balances, End of Year	\$4,154,644	\$11,787,297	\$7,739,822	\$23,681,763	\$23,314,939



The Crocodile

by: Mary Casarici, Grade 3
Honey Island Elementary
Teacher:
Ginny Shurlds

**ST. TAMMANY PARISH SCHOOL BOARD
COVINGTON, LOUISIANA**

**SPECIAL REVENUE FUNDS-
Individual Fund Descriptions**

IMPROVING AMERICA'S SCHOOL ACT

Improving America's School Act (IASA) is a federally funded program promulgated by Public Law (PL) 103-382 which consolidated fourteen programs. IASA's purposes are to ensure high standards for all students, provide students with an enriched and accelerated educational program, provide staff development, and to align the efforts of state and local educational agencies.

INDIVIDUALS WITH DISABILITIES EDUCATION ACT

Individuals with Disabilities Education Act (IDEA), Public Law (PL) 101-476, is a federally financed program of free public education in the least restrictive environment for children with exceptionalities.

TANF

The Temporary Assistance of Needy Families (TANF) Fund is a federally financed program used to assist families in need for education.

VOCATIONAL EDUCATION

The Vocational Education (Voc. Ed.) Fund is a federally financed program used to expand and improve the agriculture, business, home economics, marketing and industrial arts curriculum.

MISCELLANEOUS PROGRAMS

The Miscellaneous Programs Fund is used to account for those programs that are anticipated to have a short duration and/or not material in nature. For fiscal year 2004, After School Learning, Funds to Improve Education, Adult Education Programs, Work Investment Act, Learn and Serve America, Tech Prep, High Schools that Work, Advanced Placement, National Science, Education Excellence, LINC's, GEE 21, Schools Improvement, K-12 Rewards, Arts in Education, and K-3 Reading and Math Initiative are among those accounted for in this fund.

8-G

The 8-G Fund is a state program to provide enhancement to elementary, secondary and vocational programs funded through the State Minimum Foundation Program.

SCHOOL FOOD SERVICE FUND

The School Food Service Fund accounts for the federal, state and local funds used for the operations of the school cafeterias.

COMMUNITY EDUCATION

The Community Education Fund is a locally funded program that offers a wide variety of informal leisure learning classes and activities for children and adults in St. Tammany Parish.

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

NON-MAJOR SPECIAL REVENUE FUNDS
Combining Balance Sheet
June 30, 2004
With Comparative Totals for June 30, 2003

	<u>IASA</u>	<u>IDEA</u>	<u>TANF</u>	<u>Vocational Education</u>	<u>Miscellaneous Programs</u>
Assets					
Cash and cash equivalents	\$905,410	\$0	\$231,487	\$0	\$384,858
Receivables					
Federal	499,394	459,080	6,938	26,329	227,098
State					255,856
Due from other funds	325,412	0	7,314	0	12,523
Inventory	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Assets	<u><u>\$1,730,216</u></u>	<u><u>\$459,080</u></u>	<u><u>\$245,739</u></u>	<u><u>\$26,329</u></u>	<u><u>\$880,335</u></u>
Liabilities and Fund Balances					
Liabilities					
Accounts payable	\$16,969	\$7,352	\$0	\$0	\$21,810
Due to other funds	1,712,538	451,728	15,933	26,329	494,738
Other liabilities	0	0	0	0	0
Deferred revenues	<u>709</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>12,725</u>
Total Liabilities	<u><u>1,730,216</u></u>	<u><u>459,080</u></u>	<u><u>15,933</u></u>	<u><u>26,329</u></u>	<u><u>529,273</u></u>
Fund balances					
Reserved for inventory	0	0	0	0	0
Unreserved, undesignated	<u>0</u>	<u>0</u>	<u>229806</u>	<u>0</u>	<u>351062</u>
Total Fund Balances	<u><u>0</u></u>	<u><u>0</u></u>	<u><u>229806</u></u>	<u><u>0</u></u>	<u><u>351062</u></u>
Total Liabilities and Fund Balances	<u><u>\$1,730,216</u></u>	<u><u>\$459,080</u></u>	<u><u>\$245,739</u></u>	<u><u>\$26,329</u></u>	<u><u>\$880,335</u></u>

Exhibit 3

Totals

8G	School Food Service	Community Education	Totals	
			2004	2003
\$0	\$3,018,492	\$382,735	\$4,922,982	\$4,568,760
	20,816		1,239,855	1,392,186
214,631			470,487	331,935
21,380	148,362	11,667	526,658	566,066
0	253,261	0	253,261	274,005
<u>\$236,011</u>	<u>\$3,440,931</u>	<u>\$394,402</u>	<u>\$7,413,043</u>	<u>\$7,132,952</u>
\$9	\$90,619	\$0	\$136,759	\$54,348
236,002	1,477	11,628	2,950,373	3,459,058
0	0	0	0	68,426
0	157,833	0	171,267	195,506
<u>236,011</u>	<u>249,929</u>	<u>11,628</u>	<u>3,258,399</u>	<u>3,777,338</u>
0	95,427	0	95,427	95,833
0	3,095,575	382,774	4,059,217	3,259,781
0	3,191,002	382,774	4,154,644	3,355,614
<u>\$236,011</u>	<u>\$3,440,931</u>	<u>\$394,402</u>	<u>\$7,413,043</u>	<u>\$7,132,952</u>

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

NON-MAJOR SPECIAL REVENUE FUNDS

Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended June 30, 2004
With Comparative Totals for the Year Ended June 30, 2003

	<u>IASA</u>	<u>IDEA</u>	<u>TANF</u>	<u>Vocational Education</u>	<u>Miscellaneous Programs</u>
Revenues					
Local sources:					
Rentals, leases and royalties	\$0	\$0	\$0	\$0	\$0
Tuition	0	0	0	0	0
Earnings on investments	0	0	0	0	0
Food service	0	0	0	0	0
Other	53	0	0	0	16,384
State sources:					
Equalization	0	0	0	0	0
Other	0	0	0	0	1,427,481
Federal sources	<u>7,434,453</u>	<u>6,429,783</u>	<u>2,521,236</u>	<u>316,748</u>	<u>2,038,106</u>
Total Revenues	<u>\$7,434,506</u>	<u>\$6,429,783</u>	<u>\$2,521,236</u>	<u>\$316,748</u>	<u>\$3,481,971</u>
Expenditures					
Current					
Instruction:					
Regular Ed programs	1,501,230	0	388,064	0	451,732
Special Ed programs	0	4,381,411	0	0	213,354
Vocational Ed programs	0	0	0	238,302	0
Other instructional programs	60,313	79,323	57,338	0	1,287,449
Special programs	4,113,962	21	1,641,325	0	0
Adult Ed programs	0	0	57,945	0	39,317
Support services:					
Pupil support	385,609	771,423	0	78,414	17,969
Instructional staff support	917,744	750,305	97,712	0	287,857
General administration	7,085	65	0	32	12,705
School administration	0	0	0	0	526,108
Operation and maintenance of plant	157,212	81,979	0	0	4,553
Pupil transportation	4,783	102,367	47,382	0	181,763
Food service	0	0	1,664	0	17,152
Community service programs	0	0	0	0	0
Total Expenditures	<u>7,147,938</u>	<u>6,166,894</u>	<u>2,291,430</u>	<u>316,748</u>	<u>3,039,959</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>286,568</u>	<u>262,869</u>	<u>229,806</u>	<u>0</u>	<u>442,012</u>
Other Financing Sources (Uses)					
Transfers in	0	0	0	0	0
Transfers out	(286,568)	(262,869)	0	0	(90,950)
Total Other Financing Sources (Uses)	<u>(286,568)</u>	<u>(262,869)</u>	<u>0</u>	<u>0</u>	<u>(90,950)</u>
Net Change in Fund Balance	<u>0</u>	<u>0</u>	<u>229,806</u>	<u>0</u>	<u>351,062</u>
Fund Balances, Beginning of Year, as restated	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balances, End of Year	<u>\$0</u>	<u>\$0</u>	<u>\$229,806</u>	<u>\$0</u>	<u>\$351,062</u>

Exhibit 4

8G	School Food Service	Community Education	Totals	
			2004	2003
\$0	\$0	\$2,580	\$2,580	\$2,070
0	0	1,082,352	1,082,352	823,389
0	33,201	0	33,201	44,249
0	2,928,164	0	2,928,164	2,813,498
0	53,817	23,089	93,343	111,040
0	1,451,306	0	1,451,306	1,183,518
670,977	0	0	2,098,458	1,579,553
0	6,329,355	0	25,069,661	22,495,372
<u>\$670,977</u>	<u>\$10,795,843</u>	<u>\$1,108,021</u>	<u>\$32,759,065</u>	<u>\$29,052,689</u>
429,047	0	0	2,770,073	2,292,283
0	0	0	4,594,765	3,577,848
0	0	0	238,302	341,208
0	0	0	1,484,423	1,580,352
126,488	0	0	5,881,796	5,066,124
0	0	0	97,262	154,159
0	0	0	1,253,415	1,066,693
108,683	0	0	2,162,281	1,988,014
0	0	0	19,887	12,514
0	0	0	528,108	513,396
0	0	0	243,744	225,730
6,779	0	0	343,074	604,360
0	12,123,351	0	12,142,167	11,695,921
0	0	1,248,215	1,248,215	933,389
<u>670,977</u>	<u>12,123,351</u>	<u>1,248,215</u>	<u>33,005,512</u>	<u>30,051,991</u>
0	(1,327,508)	(140,194)	(246,447)	(999,302)
0	1,780,350	140,000	1,920,350	1,920,350
0	(234,486)	0	(874,873)	(898,866)
0	1,545,864	140,000	1,045,477	1,021,484
0	218,356	(194)	789,030	22,182
0	2,972,646	382,968	3,355,614	3,333,432
<u>\$0</u>	<u>\$3,191,002</u>	<u>\$382,774</u>	<u>\$4,154,644</u>	<u>\$3,355,614</u>

**ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana**

**IASA Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget and Actual
For the Year Ended June 30, 2004**

	<u>Budget</u>	<u>Actual</u>	<u>Variance From Budget</u>
Revenues			
Local sources - other	\$762	\$53	(\$709)
Federal sources	8,380,940	7,434,453	(946,487)
Total Revenues	<u>8,381,702</u>	<u>7,434,506</u>	<u>(947,196)</u>
Expenditures			
Instruction:			
Regular Ed programs	1,615,527	1,501,230	114,297
Other instructional programs	51,717	60,313	(8,596)
Special programs	4,564,521	4,113,962	450,559
Support services:			
Pupil support	493,218	385,609	107,609
Instructional staff support	1,126,489	917,744	208,745
General administration	14,299	7,085	7,214
Operation and maintenance of plant	180,121	157,212	22,909
Pupil transportation	6,414	4,783	1,631
Total Expenditures	<u>8,052,306</u>	<u>7,147,938</u>	<u>904,368</u>
Excess of Revenues Over Expenditures	329,396	286,568	(42,828)
Other Financing Sources (Uses)			
Transfers out	<u>(329,396)</u>	<u>(286,568)</u>	<u>42,828</u>
Net Change in Fund Balance	0	0	0
Fund Balance, Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance, End of Year	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

IDEA Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget and Actual
For the Year Ended June 30, 2004

	<u>Budget</u>	<u>Actual</u>	<u>Variance From Budget</u>
Revenues			
Federal sources	\$5,992,076	\$6,429,763	\$437,687
Total Revenues	<u>5,992,076</u>	<u>6,429,763</u>	<u>437,687</u>
Expenditures			
Instruction:			
Special education programs	4,208,127	4,381,411	(173,284)
other instructional programs	74,000	79,323	(5,323)
Special programs	0	21	(21)
Support services:			
Pupil support	622,633	771,423	(148,790)
Instructional staff support	576,834	750,305	(173,471)
General administration	4,186	65	4,121
Operation and maintenance of plant	72,000	81,979	(9,979)
Pupil transportation	194,542	102,367	92,175
Total expenditures	<u>5,752,322</u>	<u>6,166,894</u>	<u>(414,572)</u>
Excess of Revenues Over Expenditures	239,754	262,869	23,115
Other Financing Sources (Uses)			
Transfers out	<u>(239,754)</u>	<u>(262,869)</u>	<u>(23,115)</u>
Net Change in Fund Balance	0	0	0
Fund Balance, Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance, End of Year	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

TANF Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget and Actual
For the Year Ended June 30, 2004

	<u>Budget</u>	<u>Actual</u>	<u>Variance From Budget</u>
Revenues			
Federal sources	\$2,666,656	\$2,521,236	(\$145,420)
Total Revenues	<u>2,666,656</u>	<u>2,521,236</u>	<u>(145,420)</u>
Expenditures			
Instruction:			
Regular education programs	164,393	388,064	(223,671)
Other instructional programs	0	57,338	(57,338)
Special programs	2,243,609	1,641,325	602,284
Adult/continuing education programs	112,994	57,945	55,049
Support services:			
Instructional staff support	122,938	97,712	25,226
Pupil transportation	22,722	47,382	(24,660)
Food service programs	0	1,664	(1,664)
Total expenditures	<u>2,666,656</u>	<u>2,291,430</u>	<u>375,226</u>
Excess of Revenues Over Expenditures	0	229,806	229,806
Fund Balance, Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance, End of Year	<u>\$0</u>	<u>\$229,806</u>	<u>\$229,806</u>

**ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana**

**Vocational Education Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget and Actual
For the Year Ended June 30, 2004**

	<u>Budget</u>	<u>Actual</u>	<u>Variance From Budget</u>
Revenues			
Federal sources	<u>\$342,429</u>	<u>\$316,748</u>	<u>(\$25,681)</u>
Total Revenues	<u>342,429</u>	<u>316,748</u>	<u>(25,681)</u>
Expenditures			
Instruction-Vocational Ed programs	279,547	238,302	41,245
Support services - pupil support programs	62,673	78,414	(15,741)
General Administration	<u>209</u>	<u>32</u>	<u>177</u>
Total Expenditures	<u>342,429</u>	<u>316,748</u>	<u>25,681</u>
Excess Revenues over Expenditures	0	0	0
Fund Balance, Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance, End of Year	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

Miscellaneous Programs Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget and Actual
For the Year Ended June 30, 2004

	<u>Budget</u>	<u>Actual</u>	<u>Variance From Budget</u>
Revenues			
Local sources-other	\$20,307	\$16,384	(\$3,923)
State sources-other	411,291	1,427,481	1,016,190
Federal sources	<u>2,810,149</u>	<u>2,038,106</u>	<u>(772,043)</u>
Total revenues	<u>3,241,747</u>	<u>3,481,971</u>	<u>240,224</u>
Expenditures			
Instruction:			
Regular Ed programs	358,479	451,732	(93,253)
Special Ed programs	220,989	213,354	7,635
Other instructional programs	1,280,925	1,287,449	(6,524)
Adult Ed programs	59,105	39,317	19,788
Support services:			
Pupil support	21,104	17,969	3,135
Instructional staff support	287,192	287,857	(665)
General administration	1,227	12,705	(11,478)
School administration	633,181	526,108	107,073
Operation and maintenance of plant	2,350	4,553	(2,203)
Pupil transportation	239,210	181,763	57,447
Food Service	<u>20,574</u>	<u>17,152</u>	<u>3,422</u>
Total expenditures	<u>3,124,336</u>	<u>3,039,959</u>	<u>84,377</u>
Excess of Revenues Over Expenditures	117,411	442,012	324,601
Other Financing Sources (Uses)			
Transfers out	<u>(117,411)</u>	<u>(90,950)</u>	<u>26,461</u>
Net Change in Fund Balance	0	351,062	351,062
Fund Balance, Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance, End of Year	<u>\$0</u>	<u>\$351,062</u>	<u>\$351,062</u>

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

8G Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget and Actual
For the Year Ended June 30, 2004

	<u>Budget</u>	<u>Actual</u>	<u>Variance From Budget</u>
Revenues			
State sources-other	<u>\$742,776</u>	<u>\$670,977</u>	<u>(\$71,799)</u>
Total Revenues	<u>742,776</u>	<u>670,977</u>	<u>(71,799)</u>
Expenditures			
Instruction:			
Regular Ed programs	411,787	429,047	(17,260)
Special programs	211,050	126,488	84,562
Support services:			
Instructional staff support	112,132	108,663	3,469
Pupil transportation	<u>7,807</u>	<u>6,779</u>	<u>1,028</u>
Total Expenditures	<u>742,776</u>	<u>670,977</u>	<u>71,799</u>
Excess Revenues over Expenditures	0	0	0
Fund Balance, Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance, End of Year	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

**ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana**

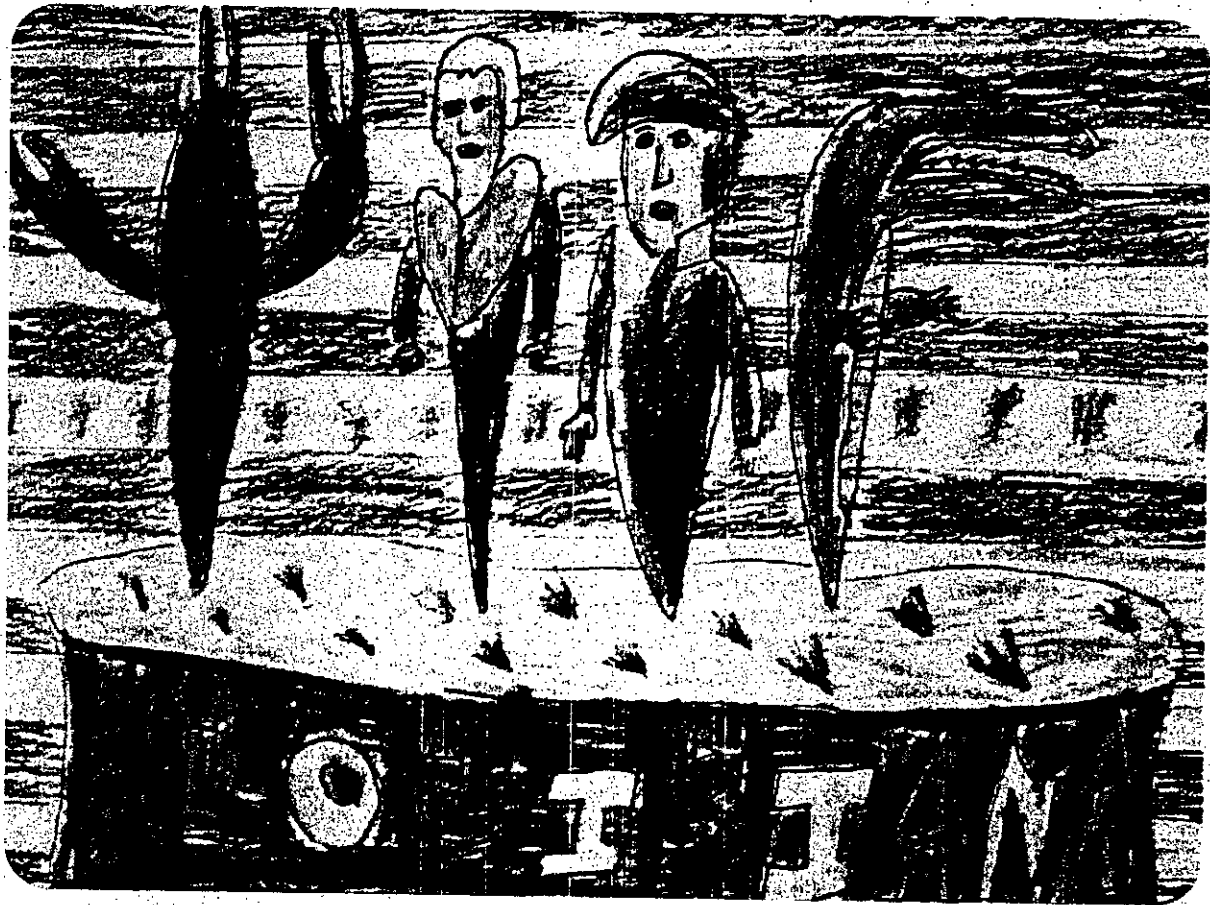
**School Food Service Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget and Actual
For the Year Ended June 30, 2004**

	<u>Budget</u>	<u>Actual</u>	<u>Variance From Budget</u>
Revenues			
Local sources:			
Earnings on investments	\$40,000	\$33,201	(\$6,799)
Food service	2,796,000	2,928,164	132,164
Other	51,000	53,817	2,817
State sources - Equalization	1,451,306	1,451,306	0
Federal sources	<u>6,007,013</u>	<u>6,329,355</u>	<u>322,342</u>
Total Revenues	<u>10,345,319</u>	<u>10,795,843</u>	<u>450,524</u>
Expenditures			
Food service	<u>12,368,050</u>	<u>12,123,351</u>	<u>244,699</u>
Total Expenditures	<u>12,368,050</u>	<u>12,123,351</u>	<u>244,699</u>
Excess (Deficiency) Revenues Over Expenditures	(2,022,731)	(1,327,508)	695,223
Other Financing Sources (Uses)			
Transfers in	1,780,350	1,780,350	0
Transfers out	<u>(231,604)</u>	<u>(234,486)</u>	<u>(2,882)</u>
Total Other Financing Sources (Uses)	<u>1,548,746</u>	<u>1,545,864</u>	<u>(2,882)</u>
Net Change in Fund Balance	(473,985)	218,356	692,341
Fund Balance, Beginning of Year	<u>2,972,646</u>	<u>2,972,646</u>	<u>0</u>
Fund Balance, End of Year	<u><u>\$2,498,661</u></u>	<u><u>\$3,191,002</u></u>	<u><u>\$692,341</u></u>

**ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana**

**Community Education Special Revenue Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
For the Year Ended June 30, 2004**

	<u>Budget</u>	<u>Actual</u>	<u>Variance From Budget</u>
Revenues			
Local sources:			
Rentals, leases and royalties	\$3,000	\$2,580	(\$420)
Tuition	800,000	1,082,352	282,352
Miscellaneous	25,000	23,089	(1,911)
Total Revenues	<u>828,000</u>	<u>1,108,021</u>	<u>280,021</u>
Expenditures			
Community service programs	<u>1,077,800</u>	<u>1,248,215</u>	<u>(170,415)</u>
Total Expenditures	<u>1,077,800</u>	<u>1,248,215</u>	<u>(170,415)</u>
Excess (Deficiency) of Revenues Over Expenditures	(249,800)	(140,194)	109,606
Other Financing Sources (Uses)			
Transfers in	<u>140,000</u>	<u>140,000</u>	<u>0</u>
Net Change in Fund Balance	(109,800)	(194)	109,606
Fund Balance, Beginning of Year	<u>382,970</u>	<u>382,968</u>	<u>(2)</u>
Fund Balance, End of Year	<u>\$273,170</u>	<u>\$382,774</u>	<u>\$109,604</u>



"Louisiana"

by: Brandon Slay, Grade 5

Tchefuncte Middle

Teacher:

Gay Gladney

**ST. TAMMANY PARISH SCHOOL BOARD
COVINGTON, LOUISIANA**

**DEBT SERVICE FUNDS
Individual Fund Descriptions**

SALES TAX BOND SINKING

The Sales Tax Bond Sinking Fund is used for the repayment of bonds secured by a one percent sales and use tax.

SALES TAX BOND RESERVE

The Sales Tax Bond Reserve Fund is used to accumulate resources for the purpose of paying the principal and interest on the bonds secured by a one percent sales and use tax, that would otherwise be placed in default, as required by the bond agreement.

PARISHWIDE SCHOOL DISTRICT NO. 12

The Parishwide School District No. 12 Debt Service Fund is used for the repayment of bonds secured by unlimited ad valorem taxes within the District.

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

NON-MAJOR DEBT SERVICE FUNDS

Combining Balance Sheet
June 30, 2004
With Comparative Totals for June 30, 2003

	<u>Sales Tax Bond Sinking</u>	<u>Sales Tax Bond Reserve</u>	<u>Parishwide School District No. 12</u>
ASSETS			
Cash and cash equivalents	\$490,841	\$1,165,051	\$9,678,798
Investments	0	0	108,409
Receivables			
Ad valorem taxes	0	0	263,245
Due from other funds	<u>160,000</u>	<u>0</u>	<u>0</u>
TOTAL ASSETS	<u>\$650,841</u>	<u>\$1,165,051</u>	<u>\$10,050,452</u>
LIABILITIES AND EQUITY			
Liabilities:			
Deferred revenue	\$0	\$0	\$63,996
Due to other funds	<u>0</u>	<u>15,051</u>	<u>0</u>
Total Liabilities	<u>0</u>	<u>15,051</u>	<u>63,996</u>
Equity:			
Fund balances:			
Reserved for debt service	<u>650,841</u>	<u>1,150,000</u>	<u>9,986,456</u>
Total Equity	<u>650,841</u>	<u>1,150,000</u>	<u>9,986,456</u>
TOTAL LIABILITIES AND EQUITY	<u>\$650,841</u>	<u>\$1,165,051</u>	<u>\$10,050,452</u>

Exhibit 13

Totals

<u>2004</u>	<u>2003</u>
\$11,334,690	\$10,217,598
108,409	107,372
263,245	115,465
<u>160,000</u>	<u>280,000</u>
<u>\$11,866,344</u>	<u>\$10,720,435</u>
\$63,996	\$63,996
<u>15,051</u>	<u>26,005</u>
<u>79,047</u>	<u>90,001</u>
<u>11,787,297</u>	<u>10,630,434</u>
<u>11,787,297</u>	<u>10,630,434</u>
<u>\$11,866,344</u>	<u>\$10,720,435</u>

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

NON-MAJOR DEBT SERVICE FUNDS

Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended June 30, 2004
With Comparative Totals for the Year Ended June 30, 2003

	<u>Sales Tax Bond Sinking</u>	<u>Sales Tax Bond Reserve</u>	<u>Parishwide School District No. 12</u>
Revenues			
Local sources:			
Taxes-ad valorem	\$0	\$0	\$16,647,134
Miscellaneous	0	0	3,613
Earnings on investments	<u>10,584</u>	<u>15,051</u>	<u>117,156</u>
Total Revenues	<u>10,584</u>	<u>15,051</u>	<u>16,767,903</u>
Expenditures			
Debt Service:			
Support services-administration	0	0	565,777
Issuance costs	0	0	151,977
Principal Retirement	1,565,000	0	8,575,000
Interest and bank charges	<u>271,672</u>	<u>0</u>	<u>6,412,148</u>
Total Expenditures	<u>1,836,672</u>	<u>0</u>	<u>15,704,902</u>
Excess (Deficiency) of Revenues Over Expenditures	(1,826,088)	15,051	1,063,001
Other Financing Sources			
Payments to escrow agent from bond proceeds	0	0	(24,253,119)
Proceeds from refunding bond sale	0	0	23,085,000
Premium received on refunding bonds issued	0	0	1,132,337
Accrued interest on issued refunding bonds	0	0	35,732
Transfers in	1,920,000	0	0
Transfers out	<u>0</u>	<u>(15,051)</u>	<u>0</u>
Other Financing Sources (Uses)	1,920,000	(15,051)	(50)
Net Change in Fund Balance	93,912	0	1,062,951
Fund Balances, Beginning of Year	<u>556,929</u>	<u>1,150,000</u>	<u>8,923,505</u>
Fund Balances, End of Year	<u>\$650,841</u>	<u>\$1,150,000</u>	<u>\$9,986,456</u>

Exhibit 14

Totals	
<u>2004</u>	<u>2003</u>
\$16,647,134	\$15,000,164
3,613	0
<u>142,791</u>	<u>202,167</u>
<u>16,793,538</u>	<u>15,202,331</u>
565,777	215,566
151,977	63,585
10,140,000	10,170,000
<u>6,683,820</u>	<u>7,679,190</u>
<u>17,541,574</u>	<u>18,128,341</u>
(748,036)	(2,926,010)
(24,253,119)	(14,125,000)
23,085,000	13,185,000
1,132,337	0
35,732	21,584
1,920,000	5,551,982
<u>(15,051)</u>	<u>(3,025,886)</u>
1,904,899	1,607,680
1,156,863	(1,318,330)
<u>10,630,434</u>	<u>11,948,764</u>
<u>\$11,787,297</u>	<u>\$10,630,434</u>

**ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana**

**Sales Tax Bond Sinking Debt Service Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
For the Year Ended June 30, 2004**

	<u>Budget</u>	<u>Actual</u>	<u>Variance From Budget</u>
Revenues			
Earnings on investments	<u>\$12,000</u>	<u>\$10,584</u>	<u>(\$1,416)</u>
Total Revenues	<u>12,000</u>	<u>10,584</u>	<u>(1,416)</u>
Expenditures			
Debt service:			
Principal retirement	<u>1,565,000</u>	<u>1,565,000</u>	<u>0</u>
Interest and bank charges	<u>271,530</u>	<u>271,672</u>	<u>(142)</u>
Total Expenditures	<u>1,836,530</u>	<u>1,836,672</u>	<u>(142)</u>
Deficiency of Revenues Over Expenditures	<u>(1,824,530)</u>	<u>(1,826,088)</u>	<u>(1,558)</u>
Other Financing Sources (Uses)			
Transfers in	<u>1,920,000</u>	<u>1,920,000</u>	<u>0</u>
Total Financing Sources (Uses)	<u>1,920,000</u>	<u>1,920,000</u>	<u>0</u>
Net Change in Fund Balance	<u>95,470</u>	<u>93,912</u>	<u>(1,558)</u>
Fund Balance, Beginning of Year	<u>556,930</u>	<u>556,929</u>	<u>1</u>
Fund Balance, End of Year	<u>\$652,400</u>	<u>\$650,841</u>	<u>(\$1,557)</u>

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

Sales Tax Bond Reserve Debt Service Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
For the Year Ended June 30, 2004

	<u>Budget</u>	<u>Actual</u>	<u>Variance From Budget</u>
Revenues			
Earnings on investments	<u>\$15,300</u>	<u>\$15,051</u>	<u>(\$249)</u>
Total Revenues	<u>15,300</u>	<u>15,051</u>	<u>(249)</u>
Other Financing Sources (Uses)			
Transfers out	<u>(15,300)</u>	<u>(15,051)</u>	<u>249</u>
Total Other Financing Sources (Uses)	<u>(15,300)</u>	<u>(15,051)</u>	<u>249</u>
Net Change in Fund Balance	0	0	0
Fund Balance, Beginning of Year	<u>1,150,000</u>	<u>1,150,000</u>	<u>0</u>
Fund Balance, End of Year	<u>\$1,150,000</u>	<u>\$1,150,000</u>	<u>\$0</u>

**ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana**

**Parishwide School District No. 12 Debt Service Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
For the Year Ended June 30, 2004**

	<u>Budget</u>	<u>Actual</u>	<u>Variance From Budget</u>
Revenues			
Local sources:			
Taxes-ad valorem	\$16,370,677	16,647,134	276,457
Earnings on investments	150,000	117,156	(32,844)
Miscellaneous	0	3,613	3,613
Total Revenues	<u>16,520,677</u>	<u>16,767,903</u>	<u>247,226</u>
Expenditures			
Support services-general administration	567,000	565,777	1,223
Debt service:			
Issuance Costs	121,000	151,977	(30,977)
Principal retirement	8,890,000	8,575,000	315,000
Interest and bank charges	7,972,476	6,412,148	1,560,328
Total Expenditures	<u>17,550,476</u>	<u>15,704,902</u>	<u>1,845,574</u>
Excess (Deficiency) Revenues Over Expenditures	<u>(1,029,799)</u>	<u>1,063,001</u>	<u>2,092,800</u>
Other Financing Sources (Uses)			
To Escrow Agent for Refunding Bond Proceeds	(23,085,000)	(24,253,119)	(1,168,119)
Proceeds From Sale of Refunding Bonds	23,085,000	23,085,000	0
Premium Received on Issued Refunding Bonds	1,132,000	1,132,337	(337)
Accrued Interest on Issued Refunding Bonds	36,000	35,732	268
Total Other Financing Sources (Uses)	<u>1,168,000</u>	<u>(50)</u>	<u>(1,168,188)</u>
Net Change in Fund Balance	138,201	1,062,951	924,750
Fund Balance, Beginning of Year	<u>8,923,505</u>	<u>8,923,505</u>	<u>0</u>
Fund Balance, End of Year	<u>\$9,061,706</u>	<u>\$9,986,456</u>	<u>\$924,750</u>

**ST. TAMMANY PARISH SCHOOL BOARD
COVINGTON, LOUISIANA**

CAPITAL PROJECTS FUNDS
Individual Fund Descriptions

2002 CONSTRUCTION

The 2002 Construction Fund, which is a major fund, was used to account for the 2002 bond (\$44 million) issuance for the construction and renovation of schools.

1998 CONSTRUCTION

The 1998 Construction Fund was used to account for the 1998 bond (\$55 million) issuance for the construction and renovation of schools.

1995 CONSTRUCTION

The 1995 Construction Fund was used to account for the 1995 bond (\$50 million) issuance for the construction and renovation of schools.

1996 CONSTRUCTION

The 1996 Construction Fund was used to account for the 1996 bond (\$25 million) issuance for the construction and renovation of schools.

ROOFING CONSTRUCTION

The Roofing Construction Fund is used to account for the appropriation from the General Fund to provide for a systematic roofing replacement program of school facilities.

PARISHWIDE CONSTRUCTION

The Parishwide Construction Fund accounts for the appropriations from the 1977 Sales Tax Special Revenue Fund and the General Fund and is used for School Board prioritized construction throughout the school system.

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

NON-MAJOR CAPITAL PROJECT FUNDS

Combining Balance Sheet
June 30, 2004
With Comparative Totals for June 30, 2003

	<u>1998</u> <u>Construction</u>	<u>1995</u> <u>Construction</u>	<u>1996</u> <u>Construction</u>
ASSETS			
Cash and cash equivalents	\$3,010,250	\$0	\$0
Investments	1,229,084	0	0
Due from other funds	<u>13,730</u>	<u>0</u>	<u>0</u>
TOTAL ASSETS	<u>\$4,253,064</u>	<u>\$0</u>	<u>\$0</u>
LIABILITIES AND EQUITY			
Liabilities:			
Accounts payable	\$248,949	\$0	\$0
Retainage payable	127,125	0	0
Deferred revenue	0	0	0
Due to other funds	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities	<u>376,074</u>	<u>0</u>	<u>0</u>
Equity:			
Fund balances:			
Unreserved, undesignated	<u>3,876,990</u>	<u>0</u>	<u>0</u>
Total Equity	<u>3,876,990</u>	<u>0</u>	<u>0</u>
TOTAL LIABILITIES AND EQUITY	<u>\$4,253,064</u>	<u>\$0</u>	<u>\$0</u>

Exhibit 18

Roofing Construction	Parishwide Construction	Totals	
		2004	2003
\$2,116,778	\$2,013,077	\$7,140,105	\$5,794,285
53,688	53,688	1,336,460	4,468,254
104,167	186,667	304,564	331,514
<u>\$2,274,633</u>	<u>\$2,253,432</u>	<u>\$8,781,129</u>	<u>\$10,594,053</u>
\$66,340	\$146,369	\$461,658	\$338,768
68,788	135,675	331,588	856,547
0	0	0	0
0	248,061	248,061	69,847
135,128	530,105	1,041,307	1,265,162
<u>2,139,505</u>	<u>1,723,327</u>	<u>7,739,822</u>	<u>9,328,891</u>
<u>2,139,505</u>	<u>1,723,327</u>	<u>7,739,822</u>	<u>9,328,891</u>
<u>\$2,274,633</u>	<u>\$2,253,432</u>	<u>\$8,781,129</u>	<u>\$10,594,053</u>

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

NON-MAJOR CAPITAL PROJECTS FUNDS

**Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended June 30, 2004
With Comparative Totals for the Year Ended June 30, 2003**

	<u>1998</u> <u>Construction</u>	<u>1995</u> <u>Construction</u>	<u>1996</u> <u>Construction</u>
Revenues			
Earnings on investments	\$29,567	\$6,304	\$31,559
Miscellaneous other	<u>0</u>	<u>0</u>	<u>0</u>
Total Revenues	<u>29,567</u>	<u>6,304</u>	<u>31,559</u>
Expenditures			
Facilities acquisition and construction:			
Building improvements	123,824	0	0
Building and land acquisitions	0	0	0
Construction contracts	2,430,777	0	0
Architect and engineers	124,873	0	0
Equipment	6,285	0	0
Building relocation	0	0	0
Other	<u>2,512</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>2,688,271</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	(2,658,704)	6,304	31,559
Other Financing Sources			
Transfers in	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balance	(2,658,704)	6,304	31,559
Fund Balances, Beginning of Year	3,800,505	290,878	2,406,448
Residual equity transfers	<u>2,735,189</u>	<u>(297,182)</u>	<u>(2,438,007)</u>
Fund Balances, End of Year	<u>\$3,876,990</u>	<u>\$0</u>	<u>\$0</u>

Exhibit 19

<u>Roofing Construction</u>	<u>Parishwide Construction</u>	<u>Totals</u>	
		<u>2004</u>	<u>2003</u>
\$27,129	\$12,228	\$106,787	\$245,767
0	0	0	219,071
<u>27,129</u>	<u>12,228</u>	<u>106,787</u>	<u>464,838</u>
0	370,254	494,078	1,373,543
0	133,152	133,152	0
1,145,989	2,067,161	5,643,927	4,588,240
34,776	121,493	281,142	451,263
0	139,332	145,617	316,221
0	108,000	108,000	113,070
<u>982</u>	<u>0</u>	<u>3,494</u>	<u>375</u>
<u>1,181,747</u>	<u>2,939,392</u>	<u>6,809,410</u>	<u>6,842,712</u>
(1,154,618)	(2,927,164)	(6,702,623)	(6,377,874)
<u>1,250,000</u>	<u>3,863,554</u>	<u>5,113,554</u>	<u>3,140,000</u>
95,382	936,390	(1,589,069)	(3,237,874)
2,044,123	786,937	9,328,891	12,566,765
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>\$2,139,505</u>	<u>\$1,723,327</u>	<u>\$7,739,822</u>	<u>\$9,328,891</u>

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

1998 Construction Capital Projects Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual

For the Year Ended June 30, 2004

	<u>Budget</u>	<u>Actual</u>	<u>Variance From Budget</u>
Revenues			
Earnings on investments	\$30,000	\$29,567	(\$433)
Total Revenues	<u>30,000</u>	<u>29,567</u>	<u>(433)</u>
Expenditures			
Facilities acquisition and construction:			
Equipment	20,000	6,285	13,715
Construction contracts	5,200,000	2,430,777	2,769,223
Architects and engineers	275,000	124,873	150,127
Site Improvements	124,000	123,824	176
Other	7,500	2,512	4,988
Total Expenditures	<u>5,626,500</u>	<u>2,688,271</u>	<u>2,938,229</u>
Excess (Deficiency) of Revenues Over Expenditures	(5,596,500)	(2,658,704)	2,937,796
Fund Balance, Beginning of Year	3,468,263	3,800,505	332,242
Residual equity transfer	<u>2,890,697</u>	<u>2,735,189</u>	<u>(155,508)</u>
Fund Balance, End of Year	<u>\$762,460</u>	<u>\$3,876,990</u>	<u>\$3,114,530</u>

**ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana**

**1995 Construction Capital Projects Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
(Non-GAAP Basis)
For the Year Ended June 30, 2004**

	<u>Budget</u>	<u>Actual</u>	<u>Variance From Budget</u>
Revenues			
Earnings on investments	\$4,500	\$6,304	\$1,804
Total Revenues	<u>4,500</u>	<u>6,304</u>	<u>1,804</u>
Expenditures			
Facilities acquisition and construction:			
Construction contracts	0	0	0
Architects and engineers	0	0	0
Equipment	0	0	0
Other	0	0	0
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balance	4,500	6,304	1,804
Fund Balance, Beginning of Year	470,006	290,878	(179,128)
Residual Equity Transfer	<u>(474,506)</u>	<u>(297,182)</u>	<u>177,324</u>
Fund Balance, End of Year	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

**ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana**

**1996 Construction Capital Projects Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
(Non-GAAP Basis)
For the Year Ended June 30, 2004.**

	<u>Budget</u>	<u>Actual</u>	<u>Variance From Budget</u>
Revenues			
Earnings on investments	<u>\$22,500</u>	<u>\$31,559</u>	<u>\$9,059</u>
Total Revenues	<u>22,500</u>	<u>31,559</u>	<u>9,059</u>
Expenditures			
Facilities acquisition and construction:			
Building Improvements	0	0	0
Construction contracts	0	0	0
Architects and engineers	0	0	0
Equipment	0	0	0
Other	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balance	22,500	31,559	9,059
Fund Balance, Beginning of Year	2,393,691	2,406,448	12,757
Residual Equity Transfer	<u>(2,416,191)</u>	<u>(2,438,007)</u>	<u>(21,816)</u>
Fund Balance, End of Year	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

**ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana**

**Reroofing Construction Capital Projects Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
(Non-GAAP Basis)
For the Year Ended June 30, 2004**

	<u>Budget</u>	<u>Actual</u>	<u>Variance From Budget</u>
Revenues			
Earnings on investments	<u>\$24,000</u>	<u>\$27,129</u>	<u>\$3,129</u>
Total Revenues	<u>24,000</u>	<u>27,129</u>	<u>3,129</u>
Expenditures			
Facilities acquisition and construction:			
Construction contracts	1,250,000	1,145,989	104,011
Architects and engineers	100,000	34,776	65,224
Other	<u>5,000</u>	<u>982</u>	<u>4,018</u>
Total Expenditures	<u>1,355,000</u>	<u>1,181,747</u>	<u>173,253</u>
Excess (Deficiency) Revenues Over Expenditures	<u>(1,331,000)</u>	<u>(1,154,618)</u>	<u>176,382</u>
Other Financing Sources (Uses)			
Transfers in	<u>1,250,000</u>	<u>1,250,000</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>1,250,000</u>	<u>1,250,000</u>	<u>0</u>
Net Change in Fund Balance	(81,000)	95,382	176,382
Fund Balance, Beginning of Year	<u>1,025,645</u>	<u>2,044,123</u>	<u>1,018,478</u>
Fund Balance, End of Year	<u>\$944,645</u>	<u>\$2,139,505</u>	<u>\$1,194,860</u>

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

Parishwide Construction Capital Projects Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
(Non-GAAP Basis)
For the Year Ended June 30, 2004

	<u>Budget</u>	<u>Actual</u>	<u>Variance From Budget</u>
Revenues			
Earnings on investments	<u>\$10,000</u>	<u>\$12,228</u>	<u>\$2,228</u>
Total Revenues	<u>10,000</u>	<u>12,228</u>	<u>2,228</u>
Expenditures			
Facilities acquisition and construction:			
Land & Building Acquisition	130,000	133,152	(3,152)
Site improvements	450,000	370,254	79,746
Construction contracts	2,500,000	2,067,161	432,839
Building Relocation	125,000	108,000	17,000
Equipment	200,000	139,332	60,668
Architects and engineers	225,000	121,493	103,507
Other	<u>20,000</u>	<u>0</u>	<u>20,000</u>
Total Expenditures	<u>3,650,000</u>	<u>2,939,392</u>	<u>710,608</u>
Excess (Deficiency)	<u>(3,640,000)</u>	<u>(2,927,164)</u>	<u>712,836</u>
Other Financing Sources (Uses)			
Transfers in	<u>3,863,554</u>	<u>3,863,554</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>3,863,554</u>	<u>3,863,554</u>	<u>0</u>
Net Change in Fund Balance	<u>223,554</u>	<u>936,390</u>	<u>712,836</u>
Fund Balance, Beginning of Year	<u>570,693</u>	<u>786,937</u>	<u>216,244</u>
Fund Balance, End of Year	<u>\$794,247</u>	<u>\$1,723,327</u>	<u>\$929,080</u>

**ST. TAMMANY PARISH SCHOOL BOARD
COVINGTON, LOUISIANA**

**PROPRIETARY - INTERNAL SERVICE FUNDS-
Individual Fund Descriptions**

WORKERS COMPENSATION

The Workers Compensation Fund is used to account for premium payments received from various School Board Funds for the payment of claims and administrative costs under the worker's compensation insurance plans maintained by the School Board.

RISK MANAGEMENT

The Risk Management Fund is used to account for premium payments received from various School Board Funds for the payment of claims and administrative costs under the auto and general liability and property damage insurance plans maintained by the School Board.

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

Proprietary Fund Type - Internal Service Funds
Combining Statement of Net Assets
June 30, 2004

	<u>Workers'</u> <u>Compensation</u>	<u>Risk</u> <u>Management</u>	<u>Total</u> <u>June 30,</u> <u>2004</u>
Current Assets			
Cash and cash equivalents	\$1,430,317	\$3,476,559	\$4,906,876
Accounts receivable	256,350	0	256,350
Prepaid Premiums	154,673	8,005	162,678
Due from other funds	15,304	130,705	146,009
Total Assets	<u>\$1,856,644</u>	<u>\$3,615,269</u>	<u>\$5,471,913</u>
Liabilities and Net Assets			
Current Liabilities			
Accounts payable	\$49,568	\$22,042	\$71,610
Liability for self-insurance losses	1,806,522	0	1,806,522
Claims liability	0	738,053	738,053
Total Liabilities	<u>1,856,090</u>	<u>760,095</u>	<u>2,616,185</u>
Net Assets			
Restricted for employee benefits	554	0	554
Unrestricted	0	2,855,174	2,855,174
Total Net Assets	<u>554</u>	<u>2,855,174</u>	<u>2,855,728</u>
Total Liabilities and Net Assets	<u>\$1,856,644</u>	<u>\$3,615,269</u>	<u>\$5,471,913</u>

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

Proprietary Fund Type - Internal Service Funds
Combining Statement of Revenues, Expenses , and
Changes in Net Assets
For the Year Ended June 30, 2004

	<u>Workers'</u> <u>Compensation</u>	<u>Risk</u> <u>Management</u>	<u>Total</u> <u>June 30,</u> <u>2004</u>
Operating Revenue			
Employer contributions	<u>\$2,762,510</u>	<u>\$1,953,684</u>	<u>\$4,716,194</u>
Total operating revenue	<u>2,762,510</u>	<u>1,953,684</u>	<u>4,716,194</u>
Operating Expenses			
Administrative	58,880	63,388	122,268
Contractual services	93,154	144,389	237,543
Premium payments	284,210	1,520,640	1,804,850
Benefit Payments	2,071,071	0	2,071,071
Claims	0	680,403	680,403
Increase (Decrease) in provision for self-insurance losses	<u>776,000</u>	<u>(117,222)</u>	<u>658,778</u>
Total operating expenses	<u>3,283,315</u>	<u>2,291,598</u>	<u>5,574,913</u>
Operating Income (Loss)	(520,805)	(337,914)	(858,719)
Non-Operating Revenue			
Earnings on investments	<u>16,678</u>	<u>32,432</u>	<u>49,110</u>
Total Non-Operating Revenue	<u>16,678</u>	<u>32,432</u>	<u>49,110</u>
Changes in Net Assets	(504,127)	(305,482)	(809,609)
Net Assets, Beginning of Year	<u>504,681</u>	<u>3,160,656</u>	<u>3,665,337</u>
Net Assets, End of Year	<u>\$554</u>	<u>\$2,855,174</u>	<u>\$2,855,728</u>

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

Proprietary Fund Type - Internal Service Fund
Combining Statement of Cash Flows
For the Year Ended June 30, 2004

	<u>Workers'</u> <u>Compensation</u>	<u>Risk</u> <u>Management</u>	<u>Total</u> <u>June 30,</u> <u>2004</u>
Cash Provided by Operating Activities			
Cash receipts from:			
employer contributions	\$2,762,510	\$1,953,684	\$4,716,194
Cash disbursements for:			
Benefits and claims	(2,060,553)	(654,216)	(\$2,714,769)
Insurance premiums	(284,210)	(1,520,640)	(\$1,804,850)
Other	<u>(152,034)</u>	<u>(207,777)</u>	<u>(\$359,811)</u>
Net Cash Provided (Used) by Operating Activities	<u>265,713</u>	<u>(428,949)</u>	<u>(163,236)</u>
Cash Provided by Investing Activities			
Earnings on investments	<u>16,678</u>	<u>32,432</u>	<u>\$49,110</u>
Net Increase (Decrease) in Cash, Cash Equivalents and Investments	282,391	(396,517)	(114,126)
Cash, Cash Equivalents and Investments, Beginning of Year	<u>1,147,926</u>	<u>3,873,076</u>	<u>\$5,021,002</u>
Cash, Cash Equivalents and Investments, End of Year	<u>\$1,430,317</u>	<u>\$3,476,559</u>	<u>\$4,906,876</u>

Reconciliation of operating income (loss) to net cash provided (used) by operating activities:

Operating income (loss)	(\$520,805)	(337,914)	(858,719)
Adjustments to reconcile operating income (loss) to net cash used by operating activities:			
Increase (Decrease) in provision for self insurance losses	776,000	(117,222)	658,778
Changes in assets and liabilities:			
(Increase) decrease in receivables	164,890	26,381	191,271
Increase (decrease) in payables	301	262	563
(Increase) decrease in prepaid items	<u>(154,673)</u>	<u>(456)</u>	<u>(155,129)</u>
Net Cash Provided (Used) by Operating Activities	<u>\$265,713</u>	<u>(\$428,949)</u>	<u>(\$163,236)</u>

**ST. TAMMANY PARISH SCHOOL BOARD
COVINGTON, LOUISIANA**

AGENCY/FIDUCIARY FUNDS-
Individual Fund Descriptions

SCHOOL ACTIVITY FUNDS

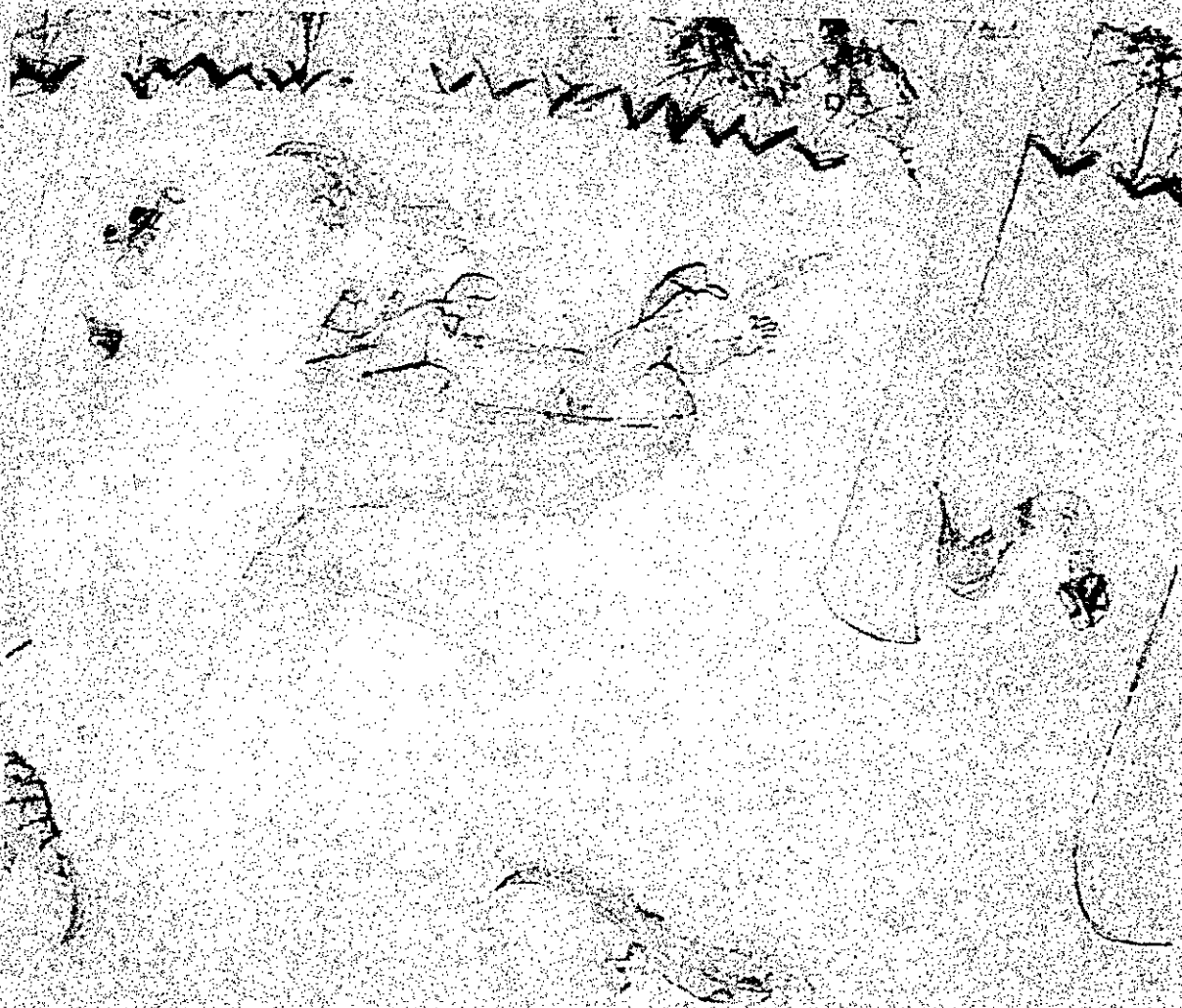
The Student Activity Fund is used to account for those student activity programs, which have student participation in the activity and have students involved in the management of the program.

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

Agency/Fiduciary Fund

Schedule of Changes in Assets and Liabilities - School Activity Funds
Year Ended June 30, 2004

	<u>Balance</u> <u>June 30, 2003</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2004</u>
ASSETS				
Cash and cash equivalents	\$1,455,054	\$8,518,299	\$8,347,724	\$1,625,629
Investments	<u>2,454,413</u>	<u>608,938</u>	<u>623,382</u>	<u>2,439,969</u>
TOTAL ASSETS	<u>\$3,909,467</u>	<u>9,127,237</u>	<u>8,971,106</u>	<u>4,065,598</u>
LIABILITIES				
Deposits due others	<u>\$3,909,467</u>	<u>\$9,127,237</u>	<u>\$8,971,106</u>	<u>\$4,065,598</u>



"The Swamp Tour"

by: Jessica Strauss, Grade 2

Folsom Elementary

Teacher:

Mrs. Muller

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

SCHOOL ACTIVITY AGENCY FUND

Schedule of Changes in Deposits
By School
For the Year Ended June 30, 2004

School	Balance July 1, 2003	Additions	Deductions	Balance June 30, 2004
Abita Springs Elementary	\$26,860	\$153,968	\$142,128	\$38,700
Abney Elementary	57,102	211,931	204,389	64,644
Alton Elementary	65	17,500	15,281	2,284
Bayou Woods Elementary	46,066	89,908	95,284	40,690
Bonne Ecole Elementary	42,773	190,857	180,295	53,335
Brock Elementary	39,331	2,143	6,009	35,465
Chahta-Ima Elementary	6,849	58,525	60,962	4,412
Covington Elementary	41,177	113,791	130,730	24,238
Cypress Cove Elementary	43,682	185,183	188,951	39,914
Florida Ave. Elementary	73,578	55,653	68,081	61,150
Folsom Elementary	18,171	105,909	85,983	38,097
Honey Island Elementary	27,263	176,514	182,284	21,493
Lyon Elementary	45,666	86,572	86,355	45,883
Madisonville Elementary	43,368	137,910	144,537	36,741
Magnolia Trace Elementary	68,766	146,467	167,643	47,590
Mandeville Elementary	106,404	119,654	96,163	129,895
Pontchartrain Elementary	91,077	225,624	214,291	102,410
Riverside Elementary	17,562	100,196	90,667	27,091
Whispering Forest Elementary	70,778	72,399	80,831	62,346
Woodlake Elementary	56,072	231,185	225,895	61,362
Covington Pathways	2,829	6,341	8,414	756
Slidell Pathways	3,854	1,016	1,445	3,425
Abita Springs Middle	88,410	115,969	107,043	97,338
Bayou Lacombe Middle	10,024	35,332	33,362	11,994
Carolyn Park Middle	33,875	99,842	112,332	21,385
Lake Harbor Middle	34,997	192,697	186,007	41,687
Little Oak Middle	22,049	210,704	214,710	18,043
Mandeville Middle	50,215	234,293	209,579	74,929
Pine View Middle	23,692	107,962	100,139	31,515
Tchefuncte Middle	65,734	185,915	203,698	47,951
Boyet Jr. High	70,644	249,745	242,261	78,128
Clearwood Jr. High	38,767	202,569	179,874	61,462
Creekside Jr. High	37,185	118,141	123,148	32,178
Fifth Ward Jr. High	38,767	185,473	187,729	36,511
Folsom Jr. High	46,539	106,102	107,977	44,664
Fontainebleau Jr. High	62,623	360,688	347,317	75,994
Lee Road Jr. High	26,101	189,895	171,072	44,924
Madisonville Jr. High	28,513	142,727	132,026	39,214
Mandeville Jr. High	46,144	258,791	258,056	46,879
Pitcher Jr. High	40,676	129,444	141,820	28,500
St. Tammany Jr. High	64,466	65,755	95,704	34,517
Sixth Ward Jr. High	36,851	43,362	43,913	36,300
Slidell Jr. High	241,279	68,992	92,991	217,280
Covington High	195,551	593,120	627,306	161,365
Fontainebleau High	432,693	458,184	413,291	477,586
Mandeville High	291,261	682,995	649,537	324,719
Northshore High	297,190	538,157	507,571	327,776
Pearl River High	135,577	210,722	261,322	84,977
Salmen High	169,292	327,363	267,354	229,301
Slidell High	351,059	523,052	477,549	396,562
TOTAL	\$3,909,467	\$9,127,237	\$8,971,106	\$4,065,598

**ST. TAMMANY PARISH SCHOOL BOARD
COVINGTON, LOUISIANA**

STATISTICAL INFORMATION

ST. TAMMANY PARISH SCHOOL BOARD
COVINGTON, LOUISIANA

Table 1

Government-wide Expenses by Function

	June 30, 2004	June 30, 2003	June 30, 2002	June 30, 2001
Governmental Activities;				
Instruction:				
Regular programs	\$107,802,859	\$103,626,358	\$94,895,134	\$90,950,146
Special ed. programs	52,774,203	47,554,331	43,764,346	38,209,685
Vocational ed. programs	4,470,356	4,383,262	4,624,007	4,379,030
Other instructional programs	11,700,505	10,836,452	8,683,473	6,950,731
Special programs	6,842,357	5,945,125	4,121,088	3,817,801
Adult ed. programs	567,927	643,693	561,205	437,420
Support services:				
Pupil support	11,263,233	10,417,550	9,805,615	8,817,759
Instructional staff support	10,929,418	9,835,320	9,809,344	8,793,830
General administration	5,159,647	3,586,121	4,271,971	3,847,394
School administration	14,250,363	13,559,777	12,747,955	11,115,928
Business administration	1,974,375	1,683,054	1,646,685	1,637,047
Operation and maintenance of plant	22,087,125	19,946,780	18,261,133	17,583,421
Pupil transportation	18,227,864	16,791,257	15,137,579	13,446,369
Central services	3,591,531	5,461,851	2,367,639	1,948,164
Food services	14,764,947	14,061,263	13,241,043	12,273,048
Community service programs	1,324,381	1,012,787	994,973	892,720
Interest on long-term debt	6,835,848	7,742,775	6,242,420	6,624,593
Total governmental activities	<u>\$294,566,939</u>	<u>\$277,097,754</u>	<u>\$251,175,610</u>	<u>\$231,725,086</u>

Note: The above information is available only for the years shown.



“French Quarter”

by: Katherine LeBlanc, Grade 6

Folsom Junior High

Teacher:

Francine B. Dunn

ST. TAMMANY PARISH SCHOOL BOARD
COVINGTON, LOUISIANA

Table 2

Government-wide Revenues

	<u>June 30, 2004</u>	<u>June 30, 2003</u>	<u>June 30, 2002</u>	<u>June 30, 2001</u>
Program Revenues:				
Charges for services	\$4,231,222	\$3,838,470	\$3,733,773	\$3,658,505
Operating grants and contributions	26,533,580	23,898,970	20,438,008	15,817,481
Capital grants and contributions	665,308	790,420	752,333	714,985
General Revenues:				
Ad valorem taxes	55,953,605	51,460,415	48,344,307	45,507,454
Sales and use taxes	61,162,354	55,641,711	52,847,766	48,795,600
State revenue sharing	1,804,707	1,789,692	1,799,322	1,802,063
Minimum foundation program	141,755,563	133,675,440	124,341,219	117,742,209
Interests and investment earnings	1,790,474	2,736,513	3,499,995	7,305,887
Other miscellaneous	8,473,088	8,586,277	6,479,498	6,617,265
Total governmental activities	<u>\$302,369,901</u>	<u>\$282,417,908</u>	<u>\$262,236,221</u>	<u>\$247,961,449</u>

Note: The above information is available only for the years shown.

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

General Fund Expenditures by Function
Last Ten Fiscal Years
(Unaudited)

Fiscal Year	Instruction			Support Services				
	Regular Ed Programs	Special Ed Programs	Other Programs	Pupil Support Services	Instructional Staff Support	General Administration	School Administration	Business Administration
1995	\$54,674,839	\$21,853,260	\$6,125,842	\$5,216,295	\$4,825,474	\$2,021,695	\$8,192,367	\$1,059,538
1996	57,176,090	24,119,662	6,693,220	5,474,147	4,938,319	2,566,886	8,740,377	1,096,043
1997	62,538,271	27,452,174	7,357,686	6,050,112	5,519,268	2,308,558	10,009,169	1,149,804
1998	68,662,667	30,353,316	8,303,694	6,650,424	5,966,842	2,318,068	10,401,807	1,252,376
1999	72,433,920	32,754,851	9,027,966	7,281,105	6,432,566	2,465,956	10,721,643	1,399,455
2000	73,785,154	34,445,565	9,878,663	7,352,035	6,703,377	2,650,489	10,890,055	1,486,139
2001	80,263,966	35,661,404	10,992,005	7,665,798	6,560,117	2,772,849	10,901,678	1,586,630
2002	81,623,426	39,304,082	12,082,853	8,431,597	7,463,799	3,027,343	11,896,939	1,582,030
2003	90,394,429	42,786,317	13,749,879	9,041,397	7,608,052	2,625,116	12,727,501	1,630,206
2004	93,858,083	46,795,764	14,908,851	9,661,638	8,484,073	3,580,826	13,364,291	1,910,530

Table 3

<u>Operation and Maintenance of Plant</u>	<u>Pupil Transportation</u>	<u>Central Activities</u>	<u>Food Service</u>	<u>Community Service Programs</u>	<u>Facilities Acquisition and Construction</u>	<u>Debt Service</u>	<u>Total</u>
\$11,595,233	\$8,924,263	\$1,118,305	\$690,666	\$27,064	\$154,225	\$67,724	\$126,546,790
12,408,116	9,678,857	1,253,259	752,614	36,788	145,711		135,080,089
13,285,388	10,628,069	1,394,746	872,370	37,885	556,912		149,160,412
14,022,575	11,190,562	1,535,856	881,017	33,879	201,684		161,774,767
14,563,643	11,684,723	1,758,373	1,032,479	33,960	199,161		171,789,801
14,789,523	12,008,109	1,942,967	1,102,879	43,751	385,336		177,464,042
16,917,530	13,088,088	1,813,426	1,441,995	40,758	223,103		189,919,347
17,333,312	14,270,323	2,208,452	1,641,058	42,604	197,401		201,105,219
19,049,667	15,814,159	5,143,488	1,885,929	42,436	205,627		222,704,203
21,078,588	17,443,710	3,210,861	2,114,503	43,717	492,262		236,947,697

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

General Fund Revenues by Source
Last Ten Fiscal Years
(Unaudited)

Fiscal Year	Local Sources				State Sources	
	Ad Valorem Taxes	Tuition	Earnings On Investments	Other	Equalization	Contributions to Teachers' Retirement
1995	\$19,032,717	\$149,401	\$805,002	\$427,091	\$76,660,386	\$190,291
1996	20,124,363	147,340	1,102,542	429,438	81,569,868	178,803
1997	24,177,250	154,412	1,375,408	446,336	92,312,015	169,212
1998	25,990,794	169,963	1,604,305	377,795	99,195,469	160,037
1999	26,534,959	207,170	1,958,052	573,862	106,736,966	157,280
2000	29,246,334	198,203	2,660,879	652,491	111,640,762	132,408
2001	32,236,742	210,574	3,301,445	624,917	116,558,691	111,340
2002	34,245,594	208,698	1,860,064	674,423	123,157,701	114,847
2003	36,460,251	201,583	1,455,759	700,898	132,491,922	73,469
2004	39,306,471	220,706	1,018,012	842,736	140,304,257	68,964

Table 4

<u>Revenue Sharing</u>	<u>Professional Improvement Program</u>	<u>Other</u>	<u>Federal Sources</u>	<u>Total</u>
\$1,569,300	\$1,292,745	\$2,176,624	\$347,557	\$103,651,114
1,650,879	1,256,489	642,343	252,740	107,354,805
1,631,845	1,200,771	1,069,436	267,077	122,803,762
1,721,553	1,153,762	2,405,952	334,481	133,114,111
1,781,976	1,130,613	2,785,670	305,664	142,172,212
1,753,710	1,018,771	1,576,656	475,339	149,355,553
1,802,063	929,037	1,748,744	531,058	158,054,611
1,799,322	885,409	1,347,704	583,265	164,877,027
1,789,692	801,646	2,872,281	612,769	177,460,270
1,804,707	742,434	1,419,977	614,016	186,342,280

Table 5

**ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana**

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

<u>Fiscal Year</u>	<u>Total Tax Levy</u>	<u>Current Year Tax Levy Collections (1)</u>	<u>Total Tax Collections (1)</u>	<u>Percentage of Total Current Year Collections to Tax Levy</u>	<u>Current Year Outstanding Taxes</u>	<u>Percentage of Current Year Outstanding Taxes to Tax Levy</u>
1995	\$26,111,200	\$25,686,081	\$26,881,093	98.4%	\$425,119	1.6%
1996	28,304,369	27,432,575	28,419,028	96.9%	871,794	3.1%
1997	33,989,981	32,981,367	34,136,248	97.0%	1,008,614	3.0%
1998	37,323,704	35,451,881	36,698,311	95.0%	1,871,823	5.0%
1999	37,921,259	36,371,394	37,543,149	95.9%	1,549,565	4.1%
2000	41,120,255	39,759,869	41,292,355	96.7%	1,660,386	3.3%
2001	46,310,731	44,240,854	45,507,454	95.5%	2,069,877	4.5%
2002	49,560,110	47,180,514	48,344,307	95.1%	2,379,596	4.9%
2003	53,110,286	51,074,450	51,460,415	96.0%	2,035,836	4.0%
2004	57,680,678	55,662,237	55,953,605	96.4%	2,018,441	3.6%

(1) Source: St. Tammany Tax Collector's Office

Table 6

**ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana**

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

Fiscal Year	Real Estate Assessed Value	Commercial and Other Property Assessed Value	Total Assessed Value	Homestead Exemption Value	Total Assessed Value Taxed	Total Estimated Actual Value	Percentage of Total Assessed Value to Total Estimated Actual Value
1995	\$420,818,901	\$115,744,760	\$536,563,661	\$236,779,583	\$299,784,078	\$4,829,278,397	11.1%
1996	453,039,166	124,016,650	577,055,816	252,091,848	324,963,968	5,201,903,433	11.1%
1997	532,174,889	134,343,983	666,518,872	276,278,015	390,240,857	6,058,688,723	11.0%
1998	573,279,924	147,820,260	721,100,184	292,584,805	428,515,379	6,552,878,573	11.0%
1999	583,140,747	160,875,374	744,016,121	308,640,221	435,375,900	6,733,548,083	11.0%
2000	615,274,982	178,671,405	793,946,387	321,842,771	472,103,616	7,159,968,947	11.1%
2001	677,730,005	193,753,558	871,483,563	339,787,718	531,695,845	7,872,082,277	11.1%
2002	722,448,235	203,144,702	925,592,937	356,569,968	569,022,969	8,043,876,643	11.5%
2003	767,836,778	213,642,550	981,479,328	371,717,419	609,761,909	8,619,853,365	11.4%
2004	802,074,853	247,359,406	1,049,434,259	387,199,479	662,234,780	9,237,034,865	11.4%

Source: St. Tammany Parish Assessor's Office

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

Property Tax Rates (per \$1,000 of Assessed Valuation)
All Direct and Overlapping Governments
- Last Ten Fiscal Years
(Unaudited)

<u>Fiscal Year</u>	<u>School Board Millage</u>	<u>Parish Council Millage</u>	<u>Other Governments (Parishwide)</u>	
			<u>Law Enforcement Millage</u>	<u>Assessor Millage</u>
1995	87.10	18.35	12.94	3.21
1996	87.10	18.35	12.94	3.21
1997	87.10	20.82	12.94	3.21
1998	87.10	17.76	12.94	3.05
1999	87.10	17.76	12.94	3.05
2000	87.10	19.76	12.94	3.05
2001	87.10	18.95	12.94	3.00
2002	87.10	16.67	12.94	3.21
2003	87.10	16.67	12.94	3.21
2004	87.10	16.67	12.94	3.21

Source: Respective Taxing Jurisdiction

Table 7

Other Governments (Special Districts)						
City of Abita Springs Millage	City of Covington Millage	City of Madisonville Millage	City of Mandeville Millage	City of Pearl River Millage	City of Slidell Millage	Other
19.18	18.25	11.30	19.18	5.83	33.93	398.52
19.18	26.80	11.30	17.95	5.83	33.93	428.28
19.70	24.55	11.52	17.60	5.83	37.54	433.18
15.72	24.55	11.52	17.30	5.83	37.04	437.70
15.72	24.55	11.52	16.95	5.83	36.62	437.84
15.72	24.55	11.52	16.80	5.83	36.25	441.26
15.72	24.15	11.63	16.40	5.83	34.79	460.69
17.86	24.15	11.63	16.30	10.00	34.64	458.94
17.86	24.15	11.63	20.25	10.00	34.58	499.26
17.86	24.15	11.63	19.75	10.00	34.15	524.68

Table 8

**ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana**

**Principal Taxpayers
June 30, 2004
(Unaudited)**

<u>Taxpayer</u>	<u>Type of Business</u>	<u>Fiscal Year 2003 Assessed Valuation</u>	<u>Percentage of Total Assessed Valuation</u>
Central La. Elec. Co.	Utility	\$31,481,190	3.00%
BellSouth Communications	Telephone	20,420,290	1.95%
Hibernia National Bank	Bank	11,568,730	1.10%
McKesson Corp.	Warehousing	8,018,060	0.76%
Banc One Management Corp.	Bank	7,979,490	0.76%
Charter Communications	Communications	5,151,040	0.49%
Wash.-St. Tammany Elect.	Utility	4,777,930	0.46%
ATMOS Energy of Louisiana	Utility	4,655,970	0.44%
Parish National Bank	Bank	4,485,930	0.43%
Tri-States NGL Pipeline, LLC	Pipeline	3,874,200	0.37%
		<u>\$102,412,830</u>	<u>9.76%</u>

Source: St. Tammany Parish Assessor's Office

Table 9

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

Computation of Legal Debt Margin
June 30, 2004
(Unaudited)

Assessed valuations:		
Taxable assessed value		\$662,234,780
Add back:		
Exempt property		<u>387,199,479</u>
Total assessed value		<u>\$1,049,434,259</u>
Legal debt margin:		
Debt limitation-35 percent of total assessed value		\$367,301,991
Less:		
Debt applicable to limitation:		
Total general obligation bonded debt	\$127,035,000	
Less: Amount available for repayment of general obligation bonds	<u>9,986,456</u>	
Total general obligation debt applicable to limitation		<u>117,048,544</u>
Legal debt margin		<u>\$250,253,447</u>

Table 10

**ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana**

**State Support and Local Support
Per Student
Last Ten Fiscal Years
(Unaudited)**

<u>Fiscal Year</u>	<u>Number of Students</u>	<u>State Support(1)</u>	<u>State Support per Student</u>	<u>Total Student Expenditures(1)</u>	<u>Total Cost per Student</u>	<u>Local Support(1)</u>	<u>Local Support per Student</u>
1995	31,412	\$83,704,980	\$2,665	\$141,910,870	\$4,518	\$54,184,671	\$1,725
1996	31,852	87,141,280	2,736	150,924,250	4,738	61,056,129	1,917
1997	32,677	98,043,602	3,000	165,721,221	5,071	66,670,666	2,040
1998	32,559	107,633,632	3,306	181,031,180	5,560	72,555,734	2,228
1999	32,567	115,251,077	3,539	191,633,809	5,884	75,861,509	2,329
2000	32,495	118,502,516	3,647	199,146,081	6,129	84,146,447	2,590
2001	32,680	123,548,862	3,781	212,351,734	6,498	88,985,360	2,723
2002	32,870	124,341,219	3,783	228,094,818	6,939	93,651,098	2,849
2003	34,463	133,675,440	3,879	253,393,846	7,353	98,038,618	2,845
2004	35,214	141,755,563	4,026	270,367,533	7,678	106,206,841	3,016

(1) Consists of General Fund and Special Revenue Funds.

Table 11

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

**Ratio of Net General Obligation Debt
To Assessed Value and Net
Bonded Debt per Capita and Per Student
Last Ten Fiscal Years
(Unaudited)**

Fiscal Year	Population(1)	Number of Students	Assessed Value(2)	Gross Bonded Debt(3)	Less Debt Service Fund(4)	Net Bonded Debt	Percentage of Net Bonded Debt to Assessed Value	Net Bonded Debt per Capita	Net Bonded Debt per Student
1995	164,394	31,412	\$536,563,661	\$57,165,000	\$3,536,974	\$53,628,026	10.0	\$326	\$1,707
1996	170,321	31,852	577,055,816	53,695,000	4,762,929	48,932,071	8.5	287	1,536
1997	174,856	32,677	666,518,872	75,130,000	6,617,872	68,512,128	10.3	392	2,097
1998	180,692	32,559	721,100,184	70,655,000	8,450,210	62,204,790	8.6	344	1,911
1999	183,727	32,567	744,016,121	120,230,000	8,108,246	112,121,754	15.1	610	3,443
2000	188,053	32,495	793,946,387	113,520,000	7,230,791	106,289,209	13.4	565	3,271
2001	191,268	32,680	871,483,563	106,550,000	7,629,613	98,920,387	11.4	517	3,027
2002	193,466	32,870	925,570,447	143,820,000	9,302,207	134,517,793	14.5	695	4,092
2003	201,462	34,463	981,479,328	135,610,000	8,923,505	126,686,495	12.9	629	3,676
2004	202,203	35,214	1,049,434,259	127,035,000	9,986,456	117,048,544	11.1	579	3,324

- (1) Source: Louisiana Technical University
- (2) From Table 9
- (3) General obligation bonds
- (4) Amount available for repayment of general obligation bonds

Table 12

**ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana**

**Percentage of Annual Debt Service Expenditures
For General Bonded Debt to
Total General Fund Expenditures
Last Ten Fiscal Years
(Unaudited)**

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>	<u>Total General Fund Expenditures</u>	<u>Percentage of Debt Service to General Fund Expenditures</u>
1995	\$4,115,000	\$4,664,815	\$8,779,815	\$126,546,790	6.94%
1996	4,975,000	4,927,773	9,902,773	135,080,089	7.33%
1997	5,630,000	5,532,069	11,162,069	149,160,412	7.48%
1998	6,215,000	5,544,845	11,759,845	161,774,767	7.27%
1999	7,740,000	5,964,317	13,704,317	171,789,801	7.98%
2000	8,680,000	7,124,348	15,804,348	177,464,042	8.91%
2001	9,065,000	6,616,931	15,681,931	189,919,347	8.26%
2002	8,965,000	6,106,390	15,071,390	201,105,219	7.49%
2003	10,170,000	7,679,190	17,849,190	222,704,203	8.01%
2004	10,140,000	6,683,820	16,823,820	236,947,697	7.10%

Table 13

**ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana**

**Computation of Direct and Overlapping General Bonded Debt
June 30, 2004
(Unaudited)**

<u>Jurisdiction</u>	<u>General Obligation Bonded Debt Outstanding</u>	<u>Percentage Applicable to Government</u>	<u>Amount Applicable to Government</u>
Direct:			
St. Tammany Parish School Board	<u>\$127,035,000</u>	100%	<u>\$127,035,000</u>
Overlapping:			
City of Abita Springs	689,000 *	100%	689,000
City of Covington	8,680,000 *	100%	8,680,000
City of Mandeville	9,935,000 **	100%	9,935,000
City of Slidell	9,695,000	100%	9,695,000
Parish Council	<u>145,000 *</u>	100%	<u>145,000</u>
Total Overlapping	<u>29,144,000</u>		<u>29,144,000</u>
Total	<u>\$156,179,000</u>		<u>\$156,179,000</u>

* As of 12/31/03

** As of 8/31/04

Source: Respective government entities

Table 14

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

Demographic Statistics
Last Ten Fiscal Years
(Unaudited)

Fiscal Year	Population(1)	Total Number of Students	Public Schools		Private Schools	
			Number of Students	Percentage of Number of Students to Total Students	Number of Students	Percentage of Number of Students to Total Students
1995	164,394	35,768	31,412	87.8	4,356	12.2
1996	170,321	36,772	31,852	86.6	4,920	13.4
1997	174,856	37,801	32,677	86.4	5,124	13.6
1998	180,692	37,903	32,559	85.9	5,344	14.1
1999	183,727	38,104	32,567	85.5	5,537	14.5
2000	188,053	38,349	32,495	84.7	5,854	15.3
2001	191,268	38,747	32,680	84.3	6,067	15.6
2002	193,466	38,758	32,870	84.8	5,888	15.2
2003	201,462	40,201	34,463	85.7	5,738	14.3
2004	202,203	40,919	35,214	86.1	5,705	13.9

(1) Source: St. Tammany Economic Development Foundation

Table 15

**ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana**

**Property Value and Bank Deposits
Last Ten Calendar Years
(Unaudited)**

<u>Calendar Year</u>	<u>Estimated Actual Property Value</u>	<u>Bank Deposits(1)</u>
1994	\$4,829,278,397	\$288,612,000
1995	5,201,903,433	33,948,000
1996	6,058,688,723	37,082,000
1997	6,552,878,573	41,562,000
1998	6,733,548,083	71,012,000
1999	7,159,968,947	104,745,000
2000	7,872,082,277	133,135,000
2001	8,043,876,643	160,466,000
2002	8,619,853,365	224,686,000
2003	9,237,034,865	239,854,000

(1) Consists of deposit liabilities of major banks and savings and loan institutions domiciled in St. Tammany Parish.

Source: Annual Report of the Office Of Financial Institutions, State of Louisiana.

Note-Does not include construction because neither the parish nor the numerous municipal governing authorities maintain this information.

Table 16

**ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana**

**Schedule of Compensation Paid to Board Members
For the Year Ended June 30, 2004
(Unaudited)**

Ray A. Alfred	\$9,600
E. Roth Allen, Ph. D.	9,600
Michael J. Dirmann	9,600
Charles T. Harrell	9,600
Elizabeth B. Heintz	9,600
Neal M. Hennegan	9,600
Carmen H. Johnson	9,600
John C. Lamarque - President	10,800
Mary K. Bellisario	9,600
James "Ronnie" Panks, Sr.	9,600
Diane D. Sambola - Vice President	9,600
Ronald "Ron" L. Bettencourt	9,600
Sorola "Jody" Palmer, Sr.	9,600
Donald J. Villere	9,600
Daniel "Dan" G. Zechenelly	9,600
	<hr/>
	\$145,200

This Schedule of Compensation paid to Board Members was prepared in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. The compensation of the School Board members is included in the general administrative expenditures of the General Fund. In accordance with Louisiana Revised Statute 17:56, the School Board Members have elected the monthly payment method of compensation. Under this method, each member of the School Board receives \$800 per month and the President receives \$900 per month for performing the duties of his office.

Table 17

**ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana**

**Miscellaneous Statistical Data
June 30, 2004
(Unaudited)**

<u>DEGREE</u>	<u>NO. OF TEACHERS</u>	<u>% OF TOTAL</u>
Bachelor's Degree	1,517	55.30%
Master's Degree	892	32.52%
Master's + 30	299	10.90%
Education Specialist	23	0.84%
Doctorate	12	0.44%
Totals:	<u>2,743</u>	<u>100.00%</u>

<u>YEARS OF EXPERIENCE</u>	<u>NO. OF TEACHERS</u>	<u>% OF TOTAL</u>
0-5	588	21.44%
6-10	508	18.52%
11-14	357	13.01%
15-19	354	12.91%
20-24	359	13.09%
25-over	577	21.04%
Totals:	<u>2,743</u>	<u>100.00%</u>

Year of incorporation: 1900
 Form of government: School Board President
 Area of parish: 1,141 square miles
 Regular School Days: 182
 Population: 202,203

	<u>NUMBER OF SCHOOLS</u>		<u>ENROLLMENT</u>
Elementary	24	Pre-kindergarten	996
Middle	8	Elementary	10,481
Junior	13	Middle	7,804
Senior	7	Junior	5,655
	<u>52</u>	Senior	10,278
			<u>35,214</u>



"Firehawk Hill"
by: R. Juneau, Grade 3
Bayou Woods Elementary



Postlethwaite & Netterville

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

The Members of the
St. Tammany Parish School Board
Covington, Louisiana:

We have audited the financial statements of St. Tammany Parish School Board (the School Board), as of and for the year ended June 30, 2004, and have issued our report thereon dated November 30, 2004. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

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 reporting and its operation that we consider to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the School Board's 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*.

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.

Postlethwaite + Hetterville

Metairie, Louisiana
November 30, 2004



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**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. Tammany Parish School Board
Covington, Louisiana:

Compliance

We have audited the compliance of St. Tammany 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, 2004. 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 auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and 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, 2004. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs as items 2004-1 and 2004-2.

Internal Control Over Compliance

The management of the School Board is responsible for establishing and maintaining effective internal control over compliance with the 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 the 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 reportable 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 caused by error or fraud 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 financial statements of the School Board as of and for the year ended June 30, 2004, and have issued our report thereon dated November 23, 2004. Our audit was performed for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying schedule of expenditures of federal awards for the year ended June 30, 2004 as required by OMB Circular A-133, *Audits of States Local Governments, and Non-Profit Organizations* is presented for the purpose of additional analysis and is not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the 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.



Metairie, Louisiana
November 30, 2004



"Louisiana"

by: Lauren Giambelluca, Grade 4

Tchefuncte Middle School

Teacher:

Gay Gladney

ST. TAMMANY PARISH SCHOOL BOARD
COVINGTON, LOUISIANA

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2004

Federal Grantor/ Pass-Through Grantor/ Program Name	CFDA Number	Pass Through Grantor Award Number	Expenditures
<u>United States Department of Agriculture</u>			
Passed Through Louisiana Department of Agriculture:			
Food Distribution Program	10.550	NONE	\$665,308
Passed Through Louisiana Department of Education:			
School Breakfast Program	10.553	NONE	1,272,565
National School Lunch Program	10.555	NONE	4,391,482
Total United States Department Of Agriculture			<u>6,329,355</u>
<u>United States Department of Education</u>			
Direct Program- After School Learning Center	84.287B	S287B010850	1,308,190
Direct Program- FIE-Funds to Improve Education	84.215K	U215K030349	54,643
Direct Program- FIE-Funds to Improve Education	84.215K	R215K010009A	84,702
			<u>139,345</u>
Passed Through Louisiana Department of Education:			
Adult Education-State Administered Program	84.002A	0444-52	216,225
	84.002A	0244-52-C	10,118
	84.002A	0413-52	4,199
	84.002A	0407-52	25,000
	84.002A	280344-52-C	0
			<u>255,542</u>
Work Investment Act	17.259	NONE	212,872
			<u>212,872</u>
Improving America's School Act (IASA):			
Title I: Helping Disadvantaged Children Meet High Standards			
	84.010A	03-T1-52	166,478
	84.010A	04-T1-52	4,569,412
	84.010A	02-T1-52 C/O	0
	84.010A	03-T1-52-C/O	397,515
			<u>5,133,405</u>
Title II: Dwight D. Eisenhower Professional Development Program			
	84.367A	03-50-52	61,070
	84.281A	04-50-52	1,654,885
	84.281A	02-50-52-C/O	19,234
	84.281A	03-50-52-C/O	121,784
			<u>1,856,973</u>
Title III English Language			
Title III English Language	84.365A	03-60-52	1,617
Title III English Language	84.365A	2804-60-52	24,792
Title III English Language Influx C/O	84.365A	03-S3-52-C/O	3,247
Title III English Language Influx	84.365A	04-S3-52	1,391
Title III English Language Influx	84.365A	03-S3-52	2,867
			<u>33,914</u>
Title IV: Safe and Drug Free School and Communities			
	84.186A	03-70-52	1,203
	84.186A	03-70-52-C/O	48,290
	84.186A	04-70-52	158,448
			<u>207,941</u>
Title V: Innovative Education Program Strategies			
	84.298A	03-80-52	9
	84.298A	40-80-52	180,313
	84.298A	03-80-52-C/O	12,064
			<u>192,386</u>
Title VI: Class Size Reduction	84.340A	02-01-52C/O	9,834
Total IASA			<u>7,434,453</u>

ST. TAMMANY PARISH SCHOOL BOARD
COVINGTON, LOUISIANA

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2004

Federal Grantor/ Pass-Through Grantor/ Program Name	CFDA Number	Pass Through Grantor Award Number	Expenditures
Individuals with Disabilities Education Act (IDEA): Part B-Regular Education	84.027A	03-B1-52	\$424,344
	84.027A	04-B1-52	5,732,720
Assistive Technology	84.027A	NONE	5,000
			<u>6,162,064</u>
Preschool Education	84.173A	03-P1-52	39,367
	84.173A	04-P1-52	204,872
Preschool Set Aside	84.173A	02-P2-52	11,858
Preschool Set Aside	84.173A	03-P2-52	11,120
			<u>267,217</u>
Part H-Infants and Families Total IDEA	84.181A	03-C5-52	482
			<u>6,429,763</u>
Vocational Education: Basic Grants to States	84.048	0402-52	316,748
Learn and Serve America	94.004	NONE	3,450
Technology Literacy Challenge	84.318X	0314-52	34,252
	84.318X	0349-52	23,431
	84.318X	0449-52	107,828
	84.318X	0449-52	110,705
	84.318X	280446-52	44,991
			<u>321,207</u>
High Schools That Work	84.243	NONE	4,935
Advance Placement	84.330A	28-04-26-52	3,796
Total United States Department of Education			<u>16,430,301</u>
National Science Foundation			
Direct Program - Presidential Award for Excellence in Science and Mathematics Teaching	47.066	NONE	4,994
Total National Science Foundation			<u>4,994</u>
United States Department of Health and Human Development			
Passed Through the Louisiana Department of Education:			
TANF-Starting Points-Preschool Program	93.558	NONE	123,956
TANF-PreGED Skills Option Program	93.558	280436-52	128,393
TANF-Early Childhood Development	93.558	NONE	1,975,486
TANF-PreGED Skills Option Program	93.558	0336-52	77,393
TANF-After School Tutorial Program	93.558	NONE	2,707
TANF-Adult & Family Literacy	93.558	03-LG-52	6,098
TANF-Adult & Family Literacy	93.558	03-WK-52	50,000
TANF-Early Childhood Development	93.558	588621	131,891
TANF-After School Tutorial Program	93.558	NONE	23,465
TANF-Strategies to Empower People	93.558	2804EP-52	1,847
Total United States Department of Health and Human Development			<u>2,521,236</u>
United States Department of Defense			
Air Force - JROTC	12.998	NONE	96,665
Army - JROTC	12.998	NONE	106,708
Marines - JROTC	12.998	NONE	44,568
Navy - JROTC	12.998	NONE	149,850
Total United States Department of Defense			<u>397,791</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$25,883,677</u>

See accompanying Notes to Schedule of Federal Awards

**St. Tammany Parish School Board
Covington, Louisiana**

**Notes to Schedule of Expenditures of Federal Awards
June 30, 2004**

1. General

The accompanying Schedule of Federal Awards presents the activity of all federal awards programs of the St. Tammany Parish School Board (the School Board). The School Board reporting entity is defined in the notes to the financial statements for the year ended June 30, 2004. All federal awards received directly from federal agencies are included on the schedule as well as federal awards passed through other government agencies. The following programs are considered major federal programs of the School Board: National School Lunch Program, School Breakfast Program, Food Distribution Program, Improving America's School Act (IASA) Dwight D. Eisenhower Grant (Title II), Individual's With Disabilities Education Act (IDEA) – Part B, and Temporary Assistance for Needy Families.

2. Basis of Accounting

Schedule of Federal Awards is presented using the modified accrual basis of accounting, which is described in the notes to the School Board's financial statements for the year ended June 30, 2004. Commodities received, which are non-cash revenue are valued at prices provided by the U.S. Department of Agriculture. Any received but unused commodities are recorded as deferred revenue until used.

3. Relationship to General Purpose Financial Statements

Federal award revenues are reported in the School Board's financial statements as follows:

From Federal Sources

General Fund	\$614,016
Special Revenue Funds	<u>25,069,661</u>
Total	<u>\$25,683,677</u>

4. Relationship to Federal Financial Reports

Amounts reported in the Schedule of Federal Awards agree with the amounts reported in the related federal financial reports, except for the amounts in reports submitted as of a date subsequent to June 30, 2004, which will differ from the schedule by the amount of receivable as of June 30, 2004, liquidated to the dates of the reports.

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

Schedule of Findings and Questioned Costs

Year Ended June 30, 2004

(1) Summary of Auditors' Results

- (a) The type of report issued on the 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 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: yes
- (g) Major programs:
 - United States Department of Education:
 - Individuals with Disabilities (IDEA) – CFDA No. 84.027
 - Preschool Program – CFDA No. 84.173
 - United States Department of Health and Human Services:
 - Temporary Aid to Needy Families – CFDA No. 93.558
- (h) Dollar threshold used to distinguish between Type A and Type B programs: \$770,510
- (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: yes

2004-1

Federal program and specific federal award identification:

Individuals with Disabilities (IDEA) – CFDA No. 84.027
Preschool Program – CFDA No. 84.173
Federal award number: None

Criteria: OMB Circular A-87, item h, subpart 4, requires that employees working on a sole single Federal award, support by periodic certifications that the employees worked solely on that program for the period covered by periodic certifications. These certifications should be prepared at least semi-annually and will be signed by the employee or supervisory official having first hand knowledge of the work performed by the employee. For employees working on multiple activities or cost objectives, a distribution of their salaries or wages should be supported by personnel activity reports or equivalent documentation which meets the standards defined in the Circular; at a minimum, the reports should be made at least monthly.

Condition: Out of a sample of forty employees selected, eight employees did not have a certification for one of the two certification periods.

Questioned Costs: Questioned costs, if any, cannot be determined.

Context: Certifications were not completed for all required employees.

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

Schedule of Findings and Questioned Costs

Year Ended June 30, 2004

Effect: Certifications were not completed for all required employees.

Cause: The Program Director had knowledge of the requirements but did not follow up to ensure that the certification had been received.

Recommendation: The Program Director should comply with the provisions of OMB Circular A-87.

Management's response: The Program Director will follow up to ensure compliance.

2004-2

Federal program and specific federal award identification:

Temporary Aid to Needy Families – CFDA No. 93.558

Federal award number: None

Criteria: OMB Circular A-87, item h, subpart 4, requires that employees working on a sole single Federal award, support by periodic certifications that the employees worked solely on that program for the period covered by periodic certifications. These certifications should be prepared at least semi-annually and will be signed by the employee or supervisory official having first hand knowledge of the work performed by the employee. For employees working on multiple activities or cost objectives, a distribution of their salaries or wages should be supported by personnel activity reports or equivalent documentation which meets the standards defined in the Circular; at a minimum, the reports should be made at least monthly.

Condition: Out of a sample of forty employees selected, three employees in Fund 648 did not have a certification for the two certification periods.

Questioned Costs: Questioned costs, if any, cannot be determined.

Context: Certifications were not completed for all required employees.

Effect: Certifications were not completed for all required employees.

Cause: The Program Director had knowledge of the requirements but did not follow up to ensure that the certification had been received.

Recommendation: The Program Director should comply with the provisions of OMB Circular A-87.

Management's response: The Program Director will follow up to ensure compliance.

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

Schedule of Findings and Questioned Costs

Year Ended June 30, 2004

Prior Year Findings – 2004

2003-1

Federal program and specific federal award identification:

CFDA Title: Child Nutrition Cluster

CFDA Numbers: 10.553 and 10.555

Federal award number: None

Criteria: In accordance with OMB Circular A-87 Attachment B, Section 25, Item d, Subpart 3, contributions to reserve contributions to reserves for workman's compensation should be based on sound actuarial principles.

Condition: The current rates charged to Federal grants for workman's compensation charges have not been reviewed for several years.

Questioned Costs: Questioned costs if any cannot be determined.

Context: A total of \$292,326 for workman's compensation charges were charged to the Child Nutrition funds during the year.

Effect: Rates charged to federal funds may not be accurate.

Cause: The School Board need to comply with OMB Circular A-87 Attachment B, Section 25, Item d, Subpart 3.

Recommendation: We recommend that the School Board obtain an actuarial study of cash on hand and rates charged for premiums for the workman's compensation fund.

Management's response: An actuarial study is in process. New rates will be established and utilized in 2004. Contact Person: Brett Stoltz, (985) 898-3220

Status: Completed

2003-2

Federal program and specific federal award identification:

CFDA Title: Improving Teacher Quality State Grants (Title II)

CFDA Number: 84.367A

Federal award number: None

Criteria: OMB Circular A-87, item h, subpart 4, requires that employees working on a sole single Federal award, support by periodic certifications that the employees worked solely on that program for the period covered by periodic certifications. These certifications should be prepared at least semi-annually and will be signed by the employee or supervisory official having first hand knowledge of the work performed by the employee. For employees working on multiple activities or cost objectives, a distribution of their salaries or wages should be supported by personnel activity reports or equivalent documentation which meets the standards defined in the Circular; at a minimum, the reports should be made at least monthly.

Condition: Out of a sample of forty employees selected, one employee did not have a certification for one of the two certification periods and two substitute employees did not have proper supervisor approval.

Questioned Costs: Questioned costs, if any, cannot be determined.

Context: Certifications were not completed for all required employees.

ST. TAMMANY PARISH SCHOOL BOARD
Covington, Louisiana

Schedule of Findings and Questioned Costs

Year Ended June 30, 2004

Effect: Certifications were not completed for all required employees.

Cause: The Program Director had knowledge of the requirements but did not follow up to ensure that the certification had been received.

Recommendation: The Program Director should comply with the provisions of OMB Circular A-87.

Management's response: The Program Director will follow up to ensure compliance.

Status: In progress.

ST. TAMMANY PARISH SCHOOL BOARD
PERFORMANCE AND STATISTICAL DATA
FOR THE YEAR ENDED JUNE 30, 2004



Postlethwaite & Netterville

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

To the Members of the
St. Tammany Parish School Board
Covington, Louisiana:

We have performed the procedures included in the *Louisiana Governmental Audit Guide* and enumerated below, which were agreed to by the management of the St. Tammany Parish School Board (the School Board) and the Legislature Auditor, State of Louisiana, solely to assist users in evaluating management's assertions about the performance and statistical data accompanying the annual financial statements of the School Board and to determine whether the specified schedules are free of obvious errors and omissions as provided by the Board of Elementary and Secondary Education (BESE) Bulletin. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings relate to the accompanying schedules of supplemental information and are as follows:

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

- 1) We selected a random sample of 25 transactions and reviewed supporting documentation to determine if the sampled expenditures/revenues are classified correctly and are reported in the proper amounts for each of the following amounts reported on the schedule:
 - Total General Fund Instructional Expenditures,
 - Total General Fund Equipment Expenditures,
 - Total Local Taxation Revenue,
 - Total Local Earnings on Investment in Real Property,
 - Total State Revenue in Lieu of Taxes,
 - Nonpublic Textbook Revenue, and
 - Nonpublic Transportation Revenue.

We noted that one of the revenue selections tested amounting to \$12,509.28 was a duplicate entry. Total revenue selections were \$46,846,135.77. Per client, this will be corrected in the 2004-05 school year.

Education Levels of Public School Staff (Schedule 2)

2. We reconciled the total number of full-time classroom teachers per the schedule "Experience of Public Principals and Full-time Classroom Teachers" (Schedule 4) to the combined total number of full-time classroom teachers per this schedule and to school board supporting payroll records as of October 2003. We noted the following exceptions:

Number of teachers per Schedule 2	2580
Number of teachers per Schedule 4	<u>2487</u>
Difference	<u>93</u>

3. We reconciled the combined total of principals and assistant principals per the schedule "Experience of Public Principals and Full-time Classroom Teachers" (Schedule 4) to the combined total of principals and assistant principals per this schedule.

We noted no exceptions.

4. We obtained a list of full-time teachers, principals, and assistant principals by classification as of October 1, 2003 and as reported on the schedule. We traced a random sample of 25 teachers to the individual's personnel file and determined if the individual's education level was properly classified on the schedule.

We noted no exceptions.

Number and Type of Public Schools (Schedule 3)

5. We obtained a list of schools by type as reported on the schedule. We compared the list to the schools and grade levels as reported on the Title I Grants to Local Educational Agencies (CFDA 84.010) application.

Operation Jumpstart, Covington Pathways, and Slidell Pathways were included on Schedule 3 but not reported on the Title I application. However, the students at these schools were included on the application, but they were not classified under a specific school.

Experience of Public Principals and Full-time Classroom Teachers (Schedule 4)

6. We obtained a list of full-time teachers, principals, and assistant principals by classification as of October 1, 2003 and as reported on the schedule and traced the same sample used in procedure 4 to the individual's personnel file to determine if the individual's experience was properly classified on the schedule.

We noted no exceptions.

Public School Staff Data (Schedule 5)

7. We were unable to obtain a list of all classroom teachers including their base salary, extra compensation, and ROTC or rehired retiree status as well as full-time equivalent as reported on the schedule and were unable to trace a random sample of 25 teachers to the individual's personnel file and determined if the individual's salary, extra compensation, and full-time equivalents were properly included on the schedule. We were provided with a copy of the PEP report to the State of Louisiana which did not contain the data in the required format.
8. We were unable to recalculate the average salaries and full-time equivalents reported in the schedule.

We did not obtain a list of all classroom teachers and were unable to perform this recalculation.

Class Size Characteristics (Schedule 6)

9. We did not obtain a list of classes by school, school type, and class size as reported on the schedule and were unable to reconcile school type classifications to Schedule 3 data as obtained in procedure 5. We were unable to trace a random sample of 10 classes to the October 1, 2003 roll books for those classes and determined if the class was properly classified on the schedule.

Louisiana Educational Assessment Program (LEAP) for the 21st Century (Schedule 7)

10. We obtained test scores as provided by the testing authority and reconciled scores as reported by the testing authority to scores reported in the schedule by the School Board.

We noted no exceptions.

The Graduation Exit Exam for the 21st Century (Schedule 8)

11. We obtained test scores as provided by the testing authority and reconciled scores as reported by the testing authority to scores reported in the schedule by the School Board.

We noted no exceptions.

The Iowa Tests (Schedule 9)

12. We obtained test scores as provided by the testing authority and reconciled scores as reported by the testing authority to scores reported in the schedule by the School Board.

We noted no exceptions.

We were not engaged to, and did not perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management of the School Board, the Louisiana Department of Education, the Louisiana Legislature, and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Postlethwaite & Netterville

December 16, 2004

ST. TAMMANY PARISH SCHOOL BOARD
COVINGTON, LOUISIANA

Schedules Required by State Law (R.S. 24:514 - Performance and Statistical Data)
As of and for the Year Ended June 30, 2004

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

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

Schedule 2 - Education Levels of Public School Staff

This schedule includes the certificated and uncertificated number and percentage of full-time classroom teachers and the number and percentage of principals and assistant principals with less than a Bachelor's; Master's; Master's +30; Specialist in Education; and Ph. D or Ed. D. degrees. This data is currently reported to the Legislature in the Annual Financial and Statistical Report (AFSR).

Schedule 3 - Number and Type of Public Schools

This schedule includes the number of elementary, middle/junior high, secondary and combination schools in operation during the fiscal year. This data is currently reported to the Legislature in the Annual Financial Statistical Report (AFSR).

Schedule 4 - Experience of Public Teachers and Full-time Classroom Teachers

This schedule includes the number of years of experience in teaching for assistant principals, principals, and full-time classroom teachers. This data is currently reported to the Legislature in the Annual Financial and Statistical Report (AFSR).

Schedule 5 - Public School Staff Data

This schedule includes average classroom teachers salary using full-time equivalents, including and excluding ROTC and rehired retiree teachers. This data is currently reported to the Legislature in the Annual Financial and Statistical Report (AFSR).

Schedule 6 - Class Size Characteristics

This schedule includes the percent and number of classes with student enrollment in the following ranges: 1-20, 21-26, 27-33, and 34+ students. This data is currently reported to the legislature in the Annual School Report (ASR).

Schedule 7 - Louisiana Educational Assessment Program (LEAP)

This schedule represents student performance testing data and includes summary scores by district for grades 4 and 8 in each category tested. Scores are reported as Advanced, Proficient, Basic, Approaching Basic, and Unsatisfactory. This schedule includes three years of data.

Schedule 8 - The Graduation Exit Exam

This schedule represents student performance testing data and includes summary scores by district for grades 10 and 11 in each category tested. Scores are reported as Advanced, Proficient, Basic, Approaching Basic, and Unsatisfactory. This schedule includes three years of data.

Schedule 9 - The IOWA Tests

This schedule represents student performance testing data and includes a summary score for grades 3, 5, 6, 7 and 9 for each district. The summary score reported is the National Percentile Rank showing relative position or rank as compared to a large, representative sample of students in the same grade from the entire nation. This schedule includes three years of data.

**St. Tammany Parish School Board
General Fund Instructional and Support Expenditures and
Certain Local Revenue Sources
2003-2004**

Schedule 1

General Fund Instructional and Equipment Expenditures

General Fund Instructional Expenditures:

Teacher and Student Interaction Activities:

Classroom Teacher Salaries	98,716,061	
Other Instructional Staff Activities	14,952,912	
Employee Benefits	36,951,079	
Purchased Professional and Technical Services	190,621	
Instructional Materials and Supplies	4,049,054	
Instructional Equipment	329,421	
Total Teacher and Student Interaction Activities		155,189,148

Other Instructional Activities 373,550

Pupil Support Activities 9,661,638
 Less: Equipment for Pupil Support Activities (6,688)
 Net Support Activities 9,654,950

Instructional Staff Services 8,484,073
 Less: Equipment for Instructional Staff Services (23,974)
 Net Instructional Staff Services 8,460,099

Total General Fund Instructional Expenditures 173,304,197

Total General Fund Equipment Expenditures 2,009,568

Certain Local Revenue Sources

Local Taxation Revenue:

Constitutional Ad Valorem Taxes	2,766,540
Renewable Ad Valorem Taxes	35,234,829
Debt Service Ad Valorem Taxes	16,647,134
Up to 1% Collections by the Sheriff on Taxes Other Than School Taxes	1,305,102
Sales and Uses Taxes	60,648,838
Total Local Taxation Revenue	116,602,443

Local Earnings on Investments in Real Property:

Earnings from 16th Section Property	0
Earnings from Other Real Property	0
Total Local Earnings on Investments in Real Property	0

State Revenue in Lieu of Taxes:

Revenue Sharing - Constitutional Taxes	131,826
Revenue Sharing - Other Taxes	1,672,881
Revenue Sharing - Excess Portion	0
Other Revenue in Lieu of Taxes	0
Total State Revenue in Lieu of Taxes	1,804,707

Non Public Textbook Revenue 160,470

Non Public Transportation Revenue 344,509

Schedule 2

St. Tammany Parish School Board
 Educational Levels of Public School Staff
 As of October 1, 2003

Category	Full Time Classroom Teachers			Principals & Assistant Principals				
	Certificated		Uncertificated	Certificated		Uncertificated		
	Number	Percent	Number	Number	Percent	Number	Percent	
Less than a Bachelor's Degree	0	0.00%	8	100.00%	0	0.00%	0	0.00%
Bachelor's Degree	1560	60.65%	0	0.00%	0	0.00%	0	0.00%
Master's Degree	733	28.50%	0	0.00%	37	34.91%	0	0.00%
Master's Degree +30	253	9.84%	0	0.00%	50	47.17%	0	0.00%
Specialist in Education	17	0.66%	0	0.00%	12	11.32%	0	0.00%
Ph. D. or Ed. D.	9	0.35%	0	0.00%	7	6.60%	0	0.00%
Total	2572	100.00%	8	100.00%	106	100.00%	0	0.00%

**St. Tammany Parish School Board
Number and Type of Public Schools
For the Year Ended June 30, 2004**

Schedule 3

Type	Number
Elementary	23
Middle/Jr. High	18
Secondary	7
Combination	3*
Total	51

Note: Schools opened or closed during the fiscal year are included in this schedule

* Combination schools (Covington Pathways, Slidell Pathways and Operation Jumpstart are not listed on the Title I application for the STPSB

Schedule 4

St. Tammany Parish School Board
 Experience of Public Principals and Full Time Classroom Teachers
 As of October 1, 2003

	0-1 Yr.	2-3 Yrs.	4-10 Yrs.	11-14 Yrs.	15-19 Yrs.	20-24 Yrs.	25+ Yrs.	Total
Assistant Principals*	0	0	3	3	12	11	26	55
Principals*	-0	0	3	4	6	6	32	51
Classroom Teachers	124	168	642	330	335	349	539	2487
Total	124	168	648	337	353	366	597	2593

* Information on Principals and Assistant Principals is unavailable in format perscribed.

**St. Tammany Parish School Board
Public School Staff Data
For the Year Ended June 30, 2004**

Schedule 5

	All Classroom Teachers	Classroom Teachers Excluding ROTC and Rehired Retirees
Average Classroom Teachers Salary Including Extra Compensation	\$40,108	\$40,052
Average Classroom Teachers Salary Excluding Extra Compensation	\$39,476	\$39,427
Number of Teacher Full-time Equivalents (FTE's) used in <i>Computation of Average Salaries</i>	2,495	2,478

Note: Figures reported include all sources of funding (i.e. Federal, State and Local) but exclude employee benefits. Generally, retired teachers rehired to teach receive less compensation than non-retired teachers and ROTC teachers receive more compensation because of federal supplement. Therefore, these teachers are excluded from the computation in the last column. This schedule excludes day-to-day substitutes and temporary employees.

St. Tammany Parish School Board
Class Size Characteristics, 2003-2004
As of October 1, 2003

Schedule 6

School Type	Class Size Range				27-33	34+
	1-20	21-26	27-33	34+		
	Percent	Number	Percent	Number	Percent	Number
Elementary	49.20	930	38.40	726	12.40	235
Elementary Activity Classes	51.10	359	27.60	194	21.10	148
Middle/Jr. High	35.00	526	35.40	532	29.60	445
Middle/Jr. High Activity Classes	32.60	112	20.60	71	37.20	128
High	41.50	1274	34.40	1055	24.20	742
High Activity Classes	54.80	200	15.60	57	15.60	57
Combination	100.00	17	0.00	0	0.00	0
Combination Activity Classes	0.00	0	0.00	0	0.00	0

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

Schedule 7

St. Tammany Parish School Board
Louisiana Educational Assessment Program (LEAP) for the 21st Century
Fiscal Year Ended June 30, 2004

District Achievement Level Results	ENGLISH LANGUAGE ARTS						MATHEMATICS					
	2004		2003		2002		2004		2003		2002	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 4												
Advanced	177	7.1%	48	1.9%	200	8.0%	113	4.5%	135	5.4%	108	4.3%
Mastery/Proficient	749	30.2%	622	24.9%	704	28.3%	536	21.6%	509	20.4%	483	19.4%
Basic	992	40.0%	1277	51.2%	1065	42.8%	1149	46.3%	1248	50.0%	1200	48.2%
Approaching Basic	356	14.3%	403	16.1%	380	15.3%	442	17.8%	399	16.0%	434	17.4%
Unsatisfactory	209	8.4%	146	5.8%	140	5.6%	244	9.8%	203	8.1%	265	10.6%
Total	2483	100.0%	2496	100.0%	2489	100.0%	2484	100.0%	2494	100.0%	2490	100.0%

District Achievement Level Results	SCIENCE						SOCIAL STUDIES					
	2004		2003		2002		2004		2003		2002	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 8												
Advanced	45	1.7%	46	1.8%	57	2.3%	41	1.6%	11	0.4%	59	2.3%
Mastery/Proficient	693	26.7%	702	27.3%	742	29.4%	454	17.5%	447	17.4%	479	19.0%
Basic	1066	41.1%	1102	42.8%	1093	43.3%	1313	50.7%	1372	53.4%	1370	54.4%
Approaching Basic	568	21.9%	580	22.5%	476	18.9%	558	21.5%	535	20.8%	425	16.9%
Unsatisfactory	223	8.6%	145	5.6%	156	6.2%	226	8.7%	204	7.9%	186	7.4%
Total	2595	100.0%	2575	100.0%	2524	100.0%	2592	100.0%	2569	100.0%	2519	100.0%

Schedule 8

**St. Tammany Parish School Board
The Graduate Exit Exam for the 21st Century
Fiscal Year Ended June 30, 2004**

District Achievement Level Results	ENGLISH LANGUAGE ARTS						MATHEMATICS					
	2004		2003		2002		2004		2003		2002	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 10												
Advanced	104	4.46%	29	1.26%	70	3.16%	416	17.84%	359	15.53%	293	13.20%
Mastery/Proficient	789	33.86%	496	21.49%	510	23.06%	508	21.78%	585	25.30%	462	20.82%
Basic	976	41.89%	1205	52.21%	1133	51.22%	902	38.68%	914	39.53%	902	40.65%
Approaching Basic	278	11.93%	374	16.20%	349	15.78%	242	10.38%	235	10.16%	267	12.03%
Unsatisfactory	183	7.85%	204	8.84%	150	6.78%	264	11.32%	219	9.47%	295	13.29%
Total	2330	100.00%	2308	100.00%	2212	100.00%	2332	100.00%	2312	100.00%	2219	100.00%

District Achievement Level Results	SCIENCE						SOCIAL STUDIES					
	2004		2003		2002		2004		2003		2002	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 11												
Advanced	152	7.21%	103	4.86%	132	6.40%	50	2.37%	68	3.21%	46	2.23%
Mastery/Proficient	574	27.23%	508	23.96%	555	26.89%	452	21.44%	522	24.63%	346	16.78%
Basic	919	43.60%	1033	48.73%	850	41.18%	1259	59.72%	1122	52.95%	1117	54.17%
Approaching Basic	326	15.46%	334	15.75%	332	16.09%	258	12.24%	288	13.59%	350	16.97%
Unsatisfactory	137	6.50%	142	6.70%	195	9.45%	89	4.22%	119	5.62%	203	9.84%
Total	2108	100.00%	2120	100.00%	2064	100.00%	2108	100.00%	2119	100.00%	2062	100.00%

St. Tammany Parish School Board
The IOWA Tests
Fiscal Year Ended June 30, 2004

Schedule 9

	Composite		
	2004	2003	2002
Test of Basic Skills (ITBS)			
Grade 3	73	73	69
Grade 5	67	69	66
Grade 6	61	60	67
Grade 7	62	62	65
Test of Educational Development (ITED)			
Grade 9	60	61	61

Scores are reported by National Percentile Rank. A Student's National Percentile Rank shows the Student's relative position or rank as compared to a large, representative sample of students in the same grade from the entire nation. A student with a score of 72 indicates that the student scored the same or better than 72 percent of the students in the norm group.