
WEST BATON ROUGE PARISH SCHOOL BOARD

PORT ALLEN, LOUISIANA

JUNE 30, 2021

WEST BATON ROUGE PARISH SCHOOL BOARD

BASIC FINANCIAL STATEMENTS

JUNE 30, 2021

TABLE OF CONTENTS

Independent Auditors' Report	1-2
REQUIRED SUPPLEMENTARY INFORMATION – Part I	
Management's Discussion and Analysis	3-9
BASIC FINANCIAL STATEMENTS	
<u>Government-Wide Financial Statements (GWFS)</u>	
Statement of Net Position	10
Statement of Activities	11
<u>Fund Financial Statements (FFS)</u>	
<u>Governmental Funds:</u>	
Balance Sheet	12
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	13
Statement of Revenues, Expenditures, and Changes in Fund Balances	14-15
Reconciliation of the Governmental Funds - Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities	16
Notes to the Financial Statements	17-50
REQUIRED SUPPLEMENTARY INFORMATION – Part II	
Major Fund Descriptions	51
Budgetary Comparison Schedules	52-58
Schedule of Changes in Total Other Post-Employment Benefits Liability and Related Ratios	59
Schedule of School Board's Proportionate Share of the Net Pension Liability for the Retirement Systems	60

TABLE OF CONTENTS

REQUIRED SUPPLEMENTARY INFORMATION – Part II (continued)

Schedule of Employer Contributions to the Retirement Systems	61
Notes to Required Supplementary Information	62-65

OTHER SUPPLEMENTAL INFORMATION:

Non-major Governmental Funds:

Non-major Fund Descriptions	66-67
Combining Balance Sheet	68-70
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance	71-73
Schedule of Board Members' Compensation	74
Schedule of Compensation, Benefits, and Other Payments to the Superintendent	75

OTHER REPORTS REQUIRED BY *GOVERNMENT AUDITING STANDARDS* AND BY THE U.S. OFFICE OF MANAGEMENT AND BUDGET (OMB) UNIFORM GUIDANCE

Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	76-77
Independent Auditors' Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance	78-79
Schedule of Expenditures of Federal Awards and Accompanying Notes	80-81
Schedule of Findings and Questioned Costs	82-83
Summary Schedule of Prior Audit Findings	84

PERFORMANCE AND STATISTICAL SCHEDULES:

Independent Accountants' Report on Applying Agreed-Upon Procedures	85-87
Schedules Required by State Law – Descriptions	88
Schedules Required by State Law	89-90

Independent Auditors' Report

The Members of the
West Baton Rouge Parish School Board
Port Allen, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the West Baton Rouge Parish School Board (the School Board) as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the School Board's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the School Board, as of June 30, 2021, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the budgetary comparison schedules, the schedule of changes in total other post-employment benefits liability and related ratios, the schedule of school board's proportionate share of the net pension liability for the retirement systems, and the schedule of employer contributions to the retirement systems and related notes, presented on pages 3 through 9, pages 52 through 58, page 59, page 60, page 61, and pages 62 through 65, respectively, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

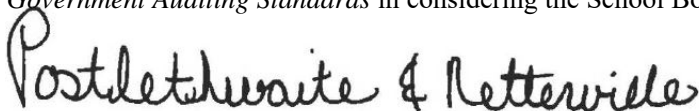
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School Board's basic financial statements. The combining non-major governmental fund financial statements; the schedule of board members' compensation; the schedule of compensation, benefits, and other payments to the superintendent; and the performance and statistical schedules, on pages 66 through 73, page 74, page 75, and pages 88 to 90, respectively, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards and accompanying notes on pages 80 and 81 is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The combining non-major governmental fund financial statements; the schedule of board members' compensation; the schedule of compensation benefits, and other payments to the superintendent; and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

The information included in the performance and statistical schedules have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 31, 2022, on our consideration of the School Board's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grants agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School Board's internal control over financial reporting and compliance.

A handwritten signature in dark ink that reads 'Postlethwaite & Netterville'. The script is cursive and fluid, with the first letters of the first and last names being capitalized and prominent.

Baton Rouge, Louisiana
March 31, 2022

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF JUNE 30, 2021

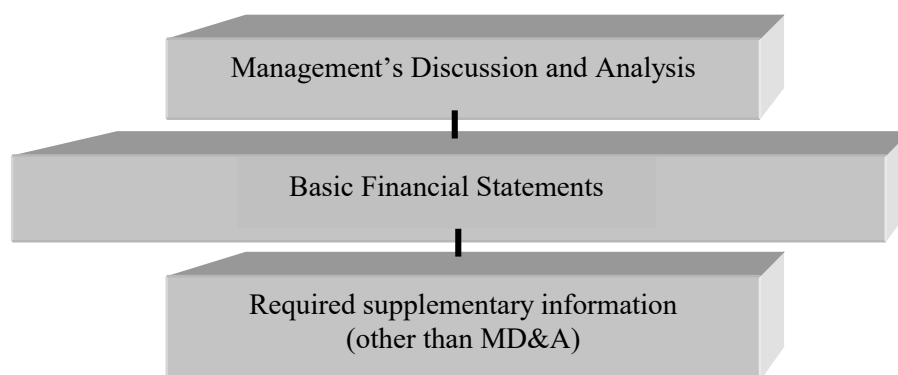
The Management's Discussion and Analysis of the West Baton Rouge Parish School Board's (the School Board) financial performance presents a narrative overview and analysis of the School Board's financial activities for the year ended June 30, 2021. This document focuses on the current year's activities, resulting changes, and currently known facts in comparison with the prior year's information (where available).

FINANCIAL HIGHLIGHTS

- ★ The School Board's liabilities and deferred inflows of resources exceeded its assets and deferred outflows of resources by \$60,617,023 at the close of fiscal year 2021. Of this deficit net position, \$32,555,126 is either restricted or invested in capital assets and is unavailable for payment of ongoing obligations. The unrestricted net position reflects a deficit balance of \$93,172,149.
- ★ During the year, the School Board's revenues exceeded expenses by \$3,214,264 representing an increase in the financial condition of the School Board.
- ★ Minimum Foundation Program (MFP) funding increased by \$1,326,358, or 9%, in comparison to the prior year as a result in student enrollment and legislative increases to the MFP formula.
- ★ Ad valorem tax revenue increased by \$2,409,943, or 9%, over the prior year as additional ad valorem taxes were received for the full year of levying for the security of the general bond of \$4,755,000 that was issued during 2020. There was also an increase in sales and uses tax of \$2,139,606, or 13%, from the prior year as there was increased economic activity within the parish.
- ★ The General Fund operated at a surplus of \$1,985,199 and ended the fiscal year with an accumulated fund balance of \$5,307,967, which is 14% of current year total expenditures for the general fund.

OVERVIEW OF THE FINANCIAL STATEMENTS

The following graphic illustrates the minimum requirements for Special Purpose Governments Engaged in Business-Type Activities established by Governmental Accounting Standards Board Statement 34, Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments.



These financial statements consist of four sections - Management's Discussion and Analysis (this section), the basic financial statements (including the notes to the financial statements), required supplementary information, and an optional section that presents combining statements for non-major governmental funds and other supplementary information.

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF JUNE 30, 2021

Government-wide financial statements

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

The *statement of net position* presents information on all of the School Board's assets and deferred outflows of resources and liabilities and deferred inflows of resources, with the difference among them reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the School Board is improving or deteriorating.

The *statement of activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future periods. (e.g., uncollected taxes and earned but unused sick leave).

Both of the government-wide financial statements present functions of the School Board that are principally supported by taxes and intergovernmental revenues (governmental activities). The School Board has no functions or activities which are business-like in nature, meaning that they are primarily supported by user fees and charges for services, such as a municipally owned utility system. The governmental activities of the School Board include regular and special education programs, support services, administration, maintenance, student transportation, and school food services. The School Board contains no other units of government (component units) nor is it contained as a component unit of any other level of local or state government.

Fund financial statements

A *fund* is a grouping of related accounts that are used to maintain control over the resources that have been segregated for specific activities or objectives. The School Board, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. All of the funds of the School Board can be divided into two categories: governmental funds and fiduciary funds.

Governmental funds

Governmental funds are used to account for essentially the same functions as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near term inflows and outflows of spendable resources*, as well as on *balances of spendable resources available* at the end of the fiscal year. Such information may be useful in evaluating a government's near term financial requirements. Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long term impact of the School Board's near-term financing decisions. Both the governmental fund balance and the governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities. The School Board maintains dozens of individual governmental funds. Information is presented separately in the government fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund, the Capital Projects Fund, the Bond Building Fund, the Debt Service Fund, the 2007 Property Tax Fund, the 2017 Property Tax Fund, the EFID Sales Tax Fund, and the ESSERF Fund all of which are considered major funds.

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF JUNE 30, 2021

The remaining funds are combined into a single, aggregated presentation under the label of other non-major governmental funds, which contains all non-major funds. Individual fund data for each of these non-major funds is provided in the form of combining statements elsewhere in this report.

The School Board adopts annual appropriated budgets for the General Fund, Bond Building Fund, Capital Projects Fund, Debt Service Fund, 2007 Property Tax Fund, 2017 Property Tax Fund, EFID Sales Tax Fund, and all other Special Revenue Funds.

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.

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF JUNE 30, 2021

FINANCIAL ANALYSIS OF THE ENTITY

Statements of Net Position
As of June 30, 2021 and 2020, as restated

	<u>2021</u>	<u>2020</u>	<u>Change</u>
Assets			
Cash and cash equivalents	\$ 20,398,063	\$ 30,391,778	\$ (9,993,715)
Receivables and other assets	6,026,436	4,092,306	1,934,130
Investments	3,555,708	4,343,727	(788,019)
Assets held for sale	405,100	-	405,100
Capital assets, net	<u>110,792,050</u>	<u>102,795,351</u>	<u>7,996,699</u>
Total assets	<u>141,177,357</u>	<u>141,623,162</u>	<u>(445,805)</u>
 Total deferred outflows of resources	 <u>41,546,365</u>	 <u>37,637,164</u>	 <u>3,909,201</u>
Liabilities			
Accounts, salaries, and other payables	6,273,575	8,807,894	(2,534,319)
Accrued interest payable	1,310,285	1,295,002	15,283
Total post-employment benefit liability	64,744,018	60,852,309	3,891,709
Compensated absences payable	591,008	572,539	18,469
Bonds payable/premiums	93,980,188	97,951,360	(3,971,172)
Pension privatization liability	408,947	492,870	(83,923)
Claims and judgments	30,000	-	30,000
Net pension liability	<u>67,188,645</u>	<u>60,009,686</u>	<u>7,178,959</u>
Total liabilities	<u>234,526,666</u>	<u>229,981,660</u>	<u>4,545,006</u>
 Total deferred inflows of resources	 <u>8,814,079</u>	 <u>13,109,953</u>	 <u>(4,295,874)</u>
Net Position			
Net investment in capital assets	20,572,009	17,542,705	3,029,304
Restricted for state, federal, and donor grants	165,058	215,193	(50,135)
Restricted for debt service	791,300	877,375	(86,075)
Restricted for food service	648,315	347,201	301,114
Restricted for compensation	2,848,552	1,805,337	1,043,215
Restricted for operations and maintenance	871,554	611,498	260,056
Restricted for capital assets	6,658,338	6,566,668	91,670
Unrestricted (Deficit)	<u>(93,172,149)</u>	<u>(91,797,264)</u>	<u>(1,374,885)</u>
Total net position (deficit)	<u>\$ (60,617,023)</u>	<u>\$ (63,831,287)</u>	<u>\$ 3,214,264</u>

- Cash and cash equivalents account for 14.4% of the total assets of the School Board. Capital assets, which are reported net of accumulated depreciation, account for 78.5% of the total assets of the School Board for the most recent year end. The decrease in cash and cash equivalents and increase in capital assets is due to capital projects funded with bond proceeds.
- Accounts, salaries, and other payables decreased by \$2,534,319 or 28.8% from the prior year and account for 2.7% of total liabilities reported as a result of timing of when payments were remitted to vendors.
- Total post-employment benefit liability accounts for 27.6% of total liabilities and increased by \$3,891,709 or 6.4% from the prior year as a result of changes in assumptions regarding future benefits by the School Board's actuary. Also, the benefits continue to accrue but are not being funded by the School Board.

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF JUNE 30, 2021

- Net pension liability accounts for 28.6% of total liabilities at June 30, 2021, which is an increase of \$7,178,959 or 12% as a result of changes in the valuation by the pension plans' actuary. The benefit is currently being funded by the School Board.
- Net position at June 30, 2021 shows a deficit of \$60,617,023. The deficit is predominantly a result of the School Board reporting its proportionate share of unfunded pension liabilities of Teachers Retirement System of Louisiana (TRSL) and the Louisiana School Employees' Retirement System (LSERS), and the reporting of its total other post-employment benefits liability.

Changes in Net Position (for fiscal year)

	2021	2020 (Restated)	change
Revenues			
Charges for services	\$ 1,548,038	\$ 1,941,874	\$ (393,836)
Operating grants	11,422,988	8,692,736	2,730,252
General revenues			
Taxes	48,084,266	43,534,717	4,549,549
Earnings on investments	96,909	656,569	(559,660)
MFP	16,040,529	14,714,171	1,326,358
Other	458,776	624,994	(166,218)
	<u>77,651,506</u>	<u>70,165,061</u>	<u>7,486,445</u>
Expenses			
Regular education	21,941,934	20,951,647	990,287
Special education	9,014,793	8,316,982	697,811
Other education	11,592,756	9,981,725	1,611,031
Pupil support	3,838,999	3,385,346	453,653
Instructional staff	2,922,834	3,156,131	(233,297)
General administrative	1,718,816	1,618,385	100,431
School administrative	3,711,189	3,571,193	139,996
Business services	468,539	444,208	24,331
Plant operation and maintenance	6,687,528	6,004,947	682,581
Student transportation	3,792,587	3,773,191	19,396
Central services	465,963	392,635	73,328
Appropriations	1,179,054	1,060,486	118,568
Food service	3,724,146	3,402,386	321,760
Interest and fiscal charges	3,378,104	3,386,729	(8,625)
	<u>74,437,242</u>	<u>69,445,991</u>	<u>4,991,251</u>
Change in net position	<u>3,214,264</u>	<u>719,070</u>	<u>2,495,194</u>
Net position – beginning	(63,831,287)	(64,550,357)	719,070
Net position - ending	<u>\$ (60,617,023)</u>	<u>\$ (63,831,287)</u>	<u>\$ 3,214,264</u>

- Operating grants increased by \$2,730,252 or 31.4% from the prior year predominantly due to additional federal grants to assist the School Board in responding to the COVID-19 pandemic.

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF JUNE 30, 2021

- Taxes have increased \$4,549,549 or 10.5% from prior year predominantly due to the increase in assessed taxable value of property within West Baton Rouge Parish and increased economic activity within the parish contributing to growth in sales taxes. MFP funds increased by \$1,326,358 or 9% as a result of legislative increases to the MFP formula.
- Total expenses have increased by \$4,991,251 or 7.2% during the fiscal year. Salaries include an estimated 1% step increase earned by employees based on their length of employment with the School Board. Also, additional staff were hired for continued implementation of educational initiatives.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of fiscal year 2021, the West Baton Rouge Parish School Board had \$110,792,050 (net of depreciation) invested in a broad range of capital assets, including land, construction in progress, building, and equipment (see table below).

This amount represents a net increase (including additions, deductions, and changes in capitalization) of \$7,996,699, or 7.8%.

Capital Assets at Year-end
(Net of Depreciation)

	2021	2020	change
Land	\$ 5,851,903	\$ 5,962,883	\$ (110,980)
Construction in Progress	4,505,438	63,610,272	(59,104,834)
Land improvements	601,705	610,269	(8,564)
Buildings and improvements	99,093,249	31,739,495	67,353,754
Equipment and fixtures	739,755	872,432	(132,677)
	<u>\$ 110,792,050</u>	<u>\$ 102,795,351</u>	<u>\$ 7,996,699</u>

There was \$12,347,791 in purchases of capital assets made by the School Board during 2021 and \$3,560,905 in depreciation expense. The capital asset purchases are related to planned major capital projects funded by the general obligation bonds issuances. Additional information on the School Board's capital assets can be found in Note 9 to the basic financial statements.

Long-term Debt (Exclusive of Pension and Post Employment Benefit Liabilities)

Changes to long-term debt consisted of principal payments as scheduled for the outstanding bonds and premiums on bonds and net increases in accruals of compensated absences and claims and judgments offset by a net decrease in pension privatization liabilities.

Long-Term Debt at June 30, 2021 and 2020

	2021	2020
Compensated absences	\$ 591,008	\$ 572,539
Pension privatization liability	408,947	492,870
Claims and judgments	30,000	-
Bonds payable	82,880,000	86,165,000
Premium on bonds	11,100,188	11,786,360
	<u>\$ 95,010,143</u>	<u>\$ 99,016,769</u>

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF JUNE 30, 2021

ANALYSIS OF THE SCHOOL BOARD'S GENERAL FUND

- The majority of the School Board's financial activity occurs in the General Fund. The fund balance at June 30, 2021, is \$5,307,967. This fund balance is a result of accumulated operating surpluses and deficits from the current and prior fiscal years and serves to sustain the system during periods of decreased revenue or major events.

VARIATIONS BETWEEN ORIGINAL AND FINAL BUDGETS

There were no budget amendments adopted during the year ended June 30, 2021.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS

The financial stability that is necessary to fund services provided by the School Board is achieved through federal and state funding. These revenue sources represent 34.0%, or \$30.9 million, of total projected 2022 proceeds. Local revenues (primarily sales and use and ad valorem taxes) represent 58.7%, or \$53.4 million, of total projected proceeds. Other sources of funds represent \$6.7 million, or 7.3% of total projected proceeds.

The West Baton Rouge Parish School Board's elected and appointed officials considered the following factors and indicators when setting next year's budget. These factors and indicators include:

- Ad valorem (property) tax revenue is budgeted to be about 13.0% higher collections as compared to 2020-2021 collections. Sales and use tax revenue is expected to generate an 8.0% increase in the amount of revenues as the prior year. The Louisiana Department of Education released its Minimum Foundation Program (MFP) funding schedule for the 2021-2022 fiscal year which indicates that the West Baton Rouge Parish School Board is projected to receive around of \$16.6 million dollars in State Aid. Federal revenues are projected at \$10.9 million dollars, the amount of approved grant applications.
- Total salaries budgeted include the step increase earned by all employees, which is projected at a 1.5% increase, due to their length of employment with the School Board. This increase has been factored in across all major funds of the West Baton Rouge Parish School Board. Additionally, there was a State-funded salary increase through MFP. Retirement costs will decrease by approximately \$265,000 this year due to rate decreases for 2021-2022. In addition, the 2021-2022 budget anticipates decent increases in commercial insurance, electricity, and property insurance.

CONTACTING THE WEST BATON ROUGE PARISH SCHOOL BOARD'S MANAGEMENT

This financial report is designed to provide a general overview of the School Board's finances for those with an interest in the government's financial position and operations. Questions concerning any of the information provided in this report or request for additional financial information should be addressed to Jared Gibbs, Supervisor of Business Services, West Baton Rouge Parish School Board, 3761 Rosedale Road, Port Allen, LA 70767.

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
STATEMENT OF NET POSITION
JUNE 30, 2021

ASSETS

Cash and cash equivalents	\$ 20,398,063
Receivables	5,907,485
Investments	3,555,708
Inventory	118,951
Assets held for sale	405,100
Capital assets, net of accumulated depreciation	<u>110,792,050</u>
TOTAL ASSETS	<u>141,177,357</u>

DEFERRED OUTFLOWS OF RESOURCES

Deferred outflow amounts related to pension liability	21,402,064
Deferred outflow amounts related to other post-employment benefit liability	<u>20,144,301</u>
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>41,546,365</u>

LIABILITIES

Accounts, salaries, and other payables	6,273,575
Accrued interest payable	1,310,285
Long-term liabilities	
Due within one year	
Compensated absences payable	52,214
Bonds payable/premiums	4,316,172
Total post-employment benefit liability	1,693,000
Pension privatization liability	83,923
Claims and judgments	30,000
Due in more than one year	
Compensated absences payable	538,794
Bonds payable/premiums	89,664,016
Total post-employment benefit liability	63,051,018
Net pension liability	67,188,645
Pension privatization liability	<u>325,024</u>
TOTAL LIABILITIES	<u>234,526,666</u>

DEFERRED INFLOWS OF RESOURCES

Deferred inflow amounts related to pension liability	5,777,643
Deferred inflow amounts related to other post-employment benefit liability	<u>3,036,436</u>
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>8,814,079</u>

NET POSITION

Net invested in capital assets	20,572,009
Restricted for:	
State, federal, and donor grants	165,058
Debt service	791,300
Food service	648,315
Compensation	2,848,552
Operations and maintenance	871,554
Capital projects	6,658,338
Unrestricted (Deficit)	<u>(93,172,149)</u>
TOTAL NET POSITION (DEFICIT)	<u>\$ (60,617,023)</u>

The accompanying notes are an integral part of this statement.

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2021

		Program Revenues		Net (Expense)
				Revenue and
				Changes in Net
				Position
	Expenses	Charges for	Operating	Governmental
		Services	Grants and	Unit
			Contributions	
<u>Functions/Programs</u>				
Instruction:				
Regular education programs	\$ 21,941,934	\$ -	\$ 409,399	\$ (21,532,535)
Special education programs	9,014,793	-	731,788	(8,283,005)
Other education programs	11,592,756	-	5,412,185	(6,180,571)
Support Services:				
Pupil support services	3,838,999	1,498,489	676,316	(1,664,194)
Instructional staff services	2,922,834	-	641,363	(2,281,471)
General administration services	1,718,816	-	15,000	(1,703,816)
School administration services	3,711,189	-	57,867	(3,653,322)
Business services	468,539	-	5,189	(463,350)
Plant operation and maintenance	6,687,528	-	56,726	(6,630,802)
Student transportation	3,792,587	-	12,395	(3,780,192)
Central services	465,963	-	5,177	(460,786)
Appropriations:				
Charter school	1,179,054	-	-	(1,179,054)
Non-Instruction Services:				
Food service	3,724,146	49,549	3,399,583	(275,014)
Debt Service:				
Interest and fiscal charges	3,378,104	-	-	(3,378,104)
Total Governmental Activities	\$ 74,437,242	\$ 1,548,038	\$ 11,422,988	(61,466,216)
General Revenues				
Taxes:				
Ad Valorem taxes				30,100,557
Sales and use taxes				17,983,709
Grants and contributions not restricted to specific purposes:				
Minimum Foundation Program				16,040,529
Interest and investment earnings				96,909
Miscellaneous				458,776
Total general revenues				64,680,480
Change in Net Position				3,214,264
Net Position - June 30, 2020, as restated				(63,831,287)
Net Position - June 30, 2021				\$ (60,617,023)

The accompanying notes are an integral part of this statement.

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2021

	General	Capital Projects	Bond Building	Debt Service	2007 Property Tax	2017 Property Tax	EFID Sales Tax	ESSERF	Other Non-major Governmental	Total
<u>ASSETS</u>										
Cash and cash equivalents	\$ 5,043,504	\$ 3,548,859	\$ 3,904,763	\$ 1,924,250	\$ 2,134,407	\$ 1,351,118	\$ 1,084,273	\$ -	\$ 1,406,889	\$ 20,398,063
Receivables	1,000,589	-	-	697	567	567	718,089	2,269,310	1,917,666	5,907,485
Investments	-	3,109,479	-	176,638	-	-	203,985	-	65,606	3,555,708
Due from other funds	3,413,430	-	558,545	-	-	-	-	-	-	3,971,975
Inventory	-	-	-	-	-	-	-	-	118,951	118,951
TOTAL ASSETS	\$ 9,457,523	\$ 6,658,338	\$ 4,463,308	\$ 2,101,585	\$ 2,134,974	\$ 1,351,685	\$ 2,006,347	\$ 2,269,310	\$ 3,509,112	\$ 33,952,182
<u>LIABILITIES AND FUND BALANCES</u>										
Liabilities:										
Accounts payable	\$ 49,667	\$ -	\$ 144,616	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 57,148	\$ 251,431
Salaries and benefits payable	3,541,344	-	-	-	693,829	657,367	421,704	20,516	687,384	6,022,144
Due to other funds	558,545	-	-	-	-	-	-	2,248,794	1,164,636	3,971,975
TOTAL LIABILITIES	4,149,556	-	144,616	-	693,829	657,367	421,704	2,269,310	1,909,168	10,245,550
Fund balances:										
Nonspendable	-	-	-	-	-	-	-	-	118,951	118,951
Spendable:										
Restricted	-	6,658,338	4,318,692	2,101,585	1,441,145	694,318	1,584,643	-	1,480,993	18,279,714
Unassigned	5,307,967	-	-	-	-	-	-	-	-	5,307,967
TOTAL FUND BALANCES	5,307,967	6,658,338	4,318,692	2,101,585	1,441,145	694,318	1,584,643	-	1,599,944	23,706,632
TOTAL LIABILITIES AND FUND BALANCES	\$ 9,457,523	\$ 6,658,338	\$ 4,463,308	\$ 2,101,585	\$ 2,134,974	\$ 1,351,685	\$ 2,006,347	\$ 2,269,310	\$ 3,509,112	\$ 33,952,182

The accompanying notes are an integral part of this statement.

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
JUNE 30, 2021

Total Fund Balances at June 30, 2021 - Governmental Funds		\$ 23,706,632
Assets held for sale	\$ 737,121	
Less: Accumulated depreciation as of June 30, 2021:	<u>(332,021)</u>	405,100
Cost of capital assets at June 30, 2021	132,966,129	
Less: Accumulated depreciation as of June 30, 2021:	<u>(22,174,079)</u>	110,792,050
Accrued interest on long-term debt		(1,310,285)
Long-term liabilities at June 30, 2021:		
Bonds payable/premiums	\$ (93,980,188)	
Compensated absences payable	(591,008)	
Claims and judgments	(30,000)	
Pension privatization liability	<u>(408,947)</u>	<u>(95,010,143)</u>
Total post-employment liability balances in accordance with GASB 75		
Deferred outflow of resources - related to total OPEB	\$ 20,144,301	
Total other post-employment liability	(64,744,018)	
Deferred inflow of resources - related to total OPEB	<u>(3,036,436)</u>	<u>(47,636,153)</u>
Net pension obligation balances in accordance with GASB 68		
Deferred outflow of resources - related to net pension liability	\$ 21,402,064	
Net pension liability	(67,188,645)	
Deferred inflow of resources - related to net pension liability	<u>(5,777,643)</u>	<u>(51,564,224)</u>
Total net position at June 30, 2021 - Governmental Activities		<u><u>\$ (60,617,023)</u></u>

The accompanying notes are an integral part of this statement.

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2021

	General	Capital Projects	Bond Building	Debt Service	2007 Property Tax	2017 Property Tax	EFID Sales Tax	ESSERF	Other Non-major Governmental	Total
<u>REVENUES</u>										
Local sources:										
Ad valorem taxes	\$ 10,410,700	\$ -	\$ -	\$ 7,495,105	\$ 6,097,193	\$ 6,097,559	\$ -	\$ -	\$ -	\$ 30,100,557
Sales and use taxes	9,075,003	-	-	-	-	-	8,908,706	-	-	17,983,709
Earnings on investments	22,082	65,565	5,512	2,584	-	-	205	-	961	96,909
Food services - paid meals	-	-	-	-	-	-	-	-	49,549	49,549
Other	407,699	117,620	-	-	-	-	-	-	1,294,427	1,819,746
State sources:				-						
Unrestricted grants-in-aid, MFP	15,863,691	-	-	-	-	-	-	-	176,838	16,040,529
Restricted grants-in-aid	12,011	-	-	-	-	-	-	-	944,310	956,321
Revenue sharing	137,519	-	-	-	-	-	-	-	-	137,519
Federal grants	29,814	-	-	-	-	-	-	3,207,126	7,229,727	10,466,667
TOTAL REVENUES	35,958,519	183,185	5,512	7,497,689	6,097,193	6,097,559	8,908,911	3,207,126	9,695,812	77,651,506
<u>EXPENDITURES</u>										
Current:										
Instruction:										
Regular education programs	14,355,855	-	-	-	2,847,058	1,699,843	1,482,389	334,623	46,839	20,766,607
Special education programs	4,428,915	-	-	-	840,972	1,930,758	721,125	252,548	507,876	8,682,194
Other education programs	2,957,738	-	-	-	675,163	622,068	468,158	1,997,482	4,551,754	11,272,363
Support:				-						
Pupil support services	2,225,475	-	-	-	301,189	293,802	227,066	253,761	448,287	3,749,580
Instructional staff services	1,373,878	-	-	-	160,678	165,446	92,611	37,281	601,676	2,431,570
General administration services	1,141,179	-	-	-	206,582	208,803	116,983	3,036	13,000	1,689,583
School administration services	2,837,075	-	-	-	252,912	225,959	68,357	52,372	-	3,436,675
Business administration services	364,263	-	-	-	29,626	50,763	21,816	4,581	-	471,049
Plant operation and maintenance	4,650,958	-	-	-	192,990	214,540	189,737	48,194	1,152	5,297,571
Student transportation	3,321,195	-	-	-	6,766	7,398	8,911	2,862	6,307.00	3,353,439
Food services	-	-	-	-	193,509	193,583	-	76,756	3,108,781	3,572,629
Central services	352,801	-	-	-	22,856	21,045	38,930	4,581	-	440,213
Appropriations:										
Charter school	1,179,054	-	-	-	-	-	-	-	-	1,179,054
Facility acquisition and construction	-	91,515	9,948,477	248,279	-	-	-	-	-	10,288,271
Debt service - principal	-	-	-	3,285,000	-	-	-	-	-	3,285,000
Debt service - interest	-	-	-	4,048,993	-	-	-	-	-	4,048,993
TOTAL EXPENDITURES	39,188,386	91,515	9,948,477	7,582,272	5,730,301	5,634,008	3,436,083	3,068,077	9,285,672	83,964,791
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$ (3,229,867)	\$ 91,670	\$ (9,942,965)	\$ (84,583)	\$ 366,892	\$ 463,551	\$ 5,472,828	\$ 139,049	\$ 410,140	\$ (6,313,285)

The accompanying notes are an integral part of this statement.

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2021

(continued)

	General	Capital Projects	Bond Building	Debt Service	2007 Property Tax	2017 Property Tax	EFID Sales Tax	ESSERF	Other Non-major Governmental	Total
<u>OTHER FINANCING SOURCES (USES)</u>										
Transfers in	\$ 5,243,584	\$ -	\$ -	\$ 13,791	\$ -	\$ -	\$ -	\$ -	\$ 184,003	\$ 5,441,378
Transfers out	(28,518)	-	(13,791)	-	-	-	(5,000,000)	(139,049)	(260,020)	(5,441,378)
 TOTAL OTHER FINANCING SOURCES (USES)	 5,215,066	 -	 (13,791)	 13,791	 -	 -	 (5,000,000)	 (139,049)	 (76,017)	 -
 <u>NET CHANGES IN FUND BALANCE</u>	 1,985,199	 91,670	 (9,956,756)	 (70,792)	 366,892	 463,551	 472,828	 -	 334,123	 (6,313,285)
Fund balances, June 30, 2020, as restated	3,322,768	6,566,668	14,275,448	2,172,377	1,074,253	230,767	1,111,815	-	1,265,821	30,019,917
 FUND BALANCES, JUNE 30, 2021	 <u>\$ 5,307,967</u>	 <u>\$ 6,658,338</u>	 <u>\$ 4,318,692</u>	 <u>\$ 2,101,585</u>	 <u>\$ 1,441,145</u>	 <u>\$ 694,318</u>	 <u>\$ 1,584,643</u>	 <u>\$ -</u>	 <u>\$ 1,599,944</u>	 <u>\$ 23,706,632</u>
										(concluded)

The accompanying notes are an integral part of this statement.

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA

RECONCILIATION OF THE GOVERNMENTAL FUNDS -
STATEMENT OF REVENUES, EXPENDITURES, and
CHANGES IN FUND BALANCE TO STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2021

Total Net Changes in Fund Balance - Governmental Funds		\$ (6,313,285)
Write down of assets held for sale		(204,685)
Capital Assets:		
Capital outlay and other expenditures capitalized	\$ 12,347,791	
Loss on disposal of capital assets	(180,402)	
Depreciation expense for year ended June 30, 2021	<u>(3,560,905)</u>	8,606,484
Change in accrued interest on long-term debt		(15,283)
Long Term Debt:		
Principal portion of debt service payments	\$ 3,285,000	
Amortization of premium on issuance of debt	686,172	
Pension privatization liability payments	83,923	
Change in claims and judgments	(30,000)	
Change in compensated absences payable	<u>(18,469)</u>	4,006,626
Change in total other post-employment liability and deferred inflows and outflows of resources in accordance with GASB 75		(3,971,620)
Change in Net pension liability and deferred inflows and outflows of resources in accordance with GASB 68		<u>1,106,027</u>
Change in Net Position - Governmental Activities		<u><u>\$ 3,214,264</u></u>

The accompanying notes are an integral part of this statement.

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

1. GENERAL INFORMATION

The West Baton Rouge Parish School Board (School Board) is a corporate body created under Louisiana Revised Statutes 17:51. A board consisting of 10 members (the Board) elected from legally established districts is charged with the management and operation of the school system.

The school system is composed of a central office and 10 schools. Student enrollment as of October 2020 was over 4,000. The regular school term normally begins during the middle of August and runs until the end of May.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the School Board conform to generally accepted accounting principles (GAAP) as applicable to governments. The Governmental Accounting Standards Board (GASB) is the standard setting body for establishing governmental accounting and financial reporting principles.

A. Financial Reporting Entity

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

B. Fund Accounting

The financial transactions of the School Board are recorded in individual funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balances, revenues and expenditures. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain School Board functions and activities. A fund is defined as a separate fiscal and accounting entity with a self-balancing set of accounts.

Emphasis of fund financial reporting is on the major funds. Non-major funds (by category) or fund type are summarized into a single column. The major funds of the School Board consist of the General Fund, Capital Projects Fund, Bond Building Fund, Debt Service Fund, 2007 Property Tax Fund, 2017 Property Tax Fund, the Educational Facilities Improvement District (EFID) Sales Tax Fund, and the Elementary and Secondary School Emergency Relief Fund (ESSERF).

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

2. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

B. **Fund Accounting** (continued)

Funds of the School Board are classified into a broad category: Governmental, as discussed below.

Governmental Fund Types:

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

General Fund - The General Fund is the general operating fund of the School Board. It is used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue Funds - Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specified purposes.

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

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

C. **Basis of Presentation**

The School Board's basic financial statements consist of the government-wide statements and fund financial statements (individual major fund, combined non-major fund, and fiduciary fund). The statements are prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units and promulgated by the GASB *Codification of Accounting and Financial Reporting Standards*. The government-wide financial statements also employ many private sector standards through the guidance included in GASB Statement No. 62 – *Codification of Accounting and Financial Reporting Guidance Contained In Pre-November 30, 1989 FASB and AICPA Pronouncements*.

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

2. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

D. Measurement Focus/Basis of Accounting

Government-Wide Financial Statements (GWFS)

The Statement of Net Position and the Statement of Activities display information about the reporting government as a whole. These statements include all the financial activities of the School Board.

The GWFS were prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability has been incurred, regardless of the timing of the related cash flows. Sales taxes are recognized when the underlying sales transactions occur and property taxes are recognized when a legally enforceable claim arises. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Program Revenues

Program revenues included in the Statement of Activities are derived directly from parties outside of the school board's taxpayers or citizenry, as a whole; program revenues reduce the cost of the function to be financed from the school board's general revenues, generally taxes.

Fund Financial Statements (FFS)

Governmental Funds

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

Governmental Funds are accounted for on the modified accrual basis of accounting. Under this basis of accounting, revenues are recognized in the accounting period in which they become susceptible to accrual - that is, when they become measurable and available to pay current period liabilities. Such revenue items are ad valorem taxes, sales taxes and state and federal entitlements. Sales and use taxes and ad valorem taxes are considered "available" when expected to be collected within 60 days of year end. Revenue from state and federal grants is recorded when the reimbursable expenditures have been incurred and is considered available if collected within six months after year end.

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

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

2. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

E. **Budget and Budgetary Accounting**

The School Board follows these procedures in establishing the budgetary data reflected in the financial statements:

The General Fund and the Special Revenue Funds are the only funds with legally required budgets. All of the Special Revenue Funds have legally required budgets. The General Fund budget and the Special Revenue Funds' budgets are adopted on an annual basis.

Prior to September 15, the Superintendent submits to the Board a proposed annual appropriated budget for the General Fund for the fiscal year commencing the prior July 1.

The operating budgets include proposed expenditures and the means of financing them. Public hearings are conducted to obtain taxpayer comments.

Formal budgetary integration is employed as a management control device during the year for the General Fund Special Revenue Funds, and Capital Projects Fund. Formal budgetary integration is not employed for the Debt Service Fund because effective budgetary control is alternatively achieved through general obligation bond indenture provisions.

Unencumbered appropriations in the General Fund lapse at the end of the fiscal year. Budgeted amounts are as originally adopted or as amended by the Board. Legally the Board must adopt a balanced budget; that is, total budgeted revenues and other financing sources including fund balance must equal or exceed total budgeted expenditures and other financing uses. State statutes require the Board to amend its budgets when revenues plus projected revenues within a fund are expected to be less than budgeted revenues by five percent or more and/or expenditures within a fund are expected to exceed budgeted expenditures by five percent or more. The School Board approves budgets at the fund level and management can transfer amounts between line items.

Special Revenue Funds' budgets that are not grant-oriented have annual appropriated budgets adopted prior to September 15 by the Board. Grant funds are included in Special Revenue Funds and their budgets are adopted at the time the grant applications are approved by the grantor. Unencumbered appropriations of grant-oriented Special Revenue Funds are re-appropriated at the beginning of the following fiscal year. Un-encumbered appropriations of certain non-grant-oriented Special Revenue Funds lapse at the end of the fiscal year.

The Capital Projects Fund budget is adopted prior to September 15 by the Board. Although, by statute, the Board is not required to adopt a budget for its Capital Projects Fund.

All budget amounts presented in the combined financial statements have been adjusted for legally authorized revisions of the annual budgets during the year. All budget revisions are approved by the 10-member Board.

F. **Cash and Cash Equivalents**

Cash and cash equivalents include amounts in demand deposits and certificates of deposits with maturity dates within three months of the dates acquired.

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

2. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

G. Investments

Investments are limited by LSA-R.S. 33:2955 and the School Board's investment policy. If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents.

Investment income includes interest earned, realized gains and losses, and unrealized gains and losses.

H. Inventory

Inventory is stated at the lower of cost or market based on information provided by the United States Department of Agriculture. Inventory consists of expendable supplies and food items held for consumption. The costs of inventory items are recognized as expenditures when used.

I. Capital Assets

Capital assets are capitalized at historical cost, or estimated historical cost for assets where the actual historical cost is not available. Donated assets are recorded as capital assets at their acquisition value at the date of the donation. The School Board maintains a \$5,000 threshold level for capitalizing assets.

Capital assets are recorded in the GWFS, but are not recorded in the FFS. All capital assets are depreciated using the straight-line method over their estimated useful lives. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public school purposes by the school board, no salvage value is taken into consideration for depreciation purposes. Useful lives are approximately 40 years for buildings and 5 to 20 years for equipment.

The School Board does not possess any material amounts of infrastructure capital assets, such as sidewalks and parking lots. Amounts expended for such items prior to June 30, 2002 were considered to be part of the cost of buildings or other immovable property such as stadiums. In the future, if such items are built or constructed, and appear to be material in cost compared to all capital assets, they will be capitalized and depreciated over their estimated useful lives as with all other capital assets.

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

J. Assets Held for Sale

Individual long-lived assets to be disposed of by sale are classified as held for sale if the following criteria are met:

- The carrying amount will be recovered principally through a sale rather than through continuing use;
- The disposal group is available for immediate sale in its present condition subject only to terms that are usual and customary for such sales; and
- The sale is highly probable

Assets held for sale are carried at the lower of their carrying amount or fair value less costs to sell and are presented separately on the statements of financial position.

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

2. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

K. Interfund Transactions

During the course of normal operations, the School Board has numerous transactions between funds, including expenditures and transfers of resources to provide services, construct assets and service debt. The accompanying financial statements generally reflect such transactions as operating transfers. For purposes of the statement of activities, all interfund transactions between individual government funds have been eliminated.

L. Sales and Use Tax

The School Board levies two separate sales taxes on taxable sales within the Parish. The sales tax is collected by West Baton Rouge Parish Department of Revenue and remitted to the School Board in the month following receipt by the Department of Revenue. The Department of Revenue receives the sales tax in the month after collection by vendors.

In October 1965, the voters of the parish approved a permanent one percent sales and use tax. The net proceeds (after deduction for the cost of collection) are dedicated for salaries of teachers and for the general operations of the schools. Proceeds from this tax are included as revenue in the General Fund.

In May 1999, the voters of the parish approved an additional one percent sales and use tax. The net proceeds (after deduction for cost of collection) are dedicated as follows: 1) 45% to be used for teachers' and support staff salaries; 2) 55% to eliminate operating deficits of the General Fund by providing monies to pay the cost of operation and maintenance of the school system. Proceeds from this tax are included as revenues in the Educational Facilities Improvement District Special Revenue Fund.

M. Compensated Absences

Teachers and other school employees accrue from 10 to 13 days of sick leave per year depending upon the number of months worked. Sick leave may be accumulated without limitation. Upon death or retirement, unused accumulated sick leave of up to 25 days is paid to employees or their heirs at the employee's current rate of pay. The accrual computation for earned sick leave is calculated on a 25-day maximum per employee. Sick leave is not payable upon discharge or termination. Upon retirement, accumulated sick leave beyond 25 days is used in the retirement benefit computation as earned service.

All 12-month employees earn from 10 to 20 days of annual vacation leave per year depending on length of service with the School Board. Vacation leave can be accumulated and up to 50 days can be carried forward. Upon separation, all unused vacation is paid to the employee.

In Governmental Fund types, sick and vacation leave that has been claimed by employees as of the end of the fiscal year is recorded as an expenditure in the year claimed. Sick leave accrued as of the end of the fiscal year is valued using employees' current rates of pay. Accrued sick leave will be paid from future years' resources. No allowance is made for the immaterial amounts of sick and vacation leave forfeited when employees resign or retire.

The School Board's recognition and measurement criteria for compensated absences follows:

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

2. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

M. **Compensated Absences** (continued)

Vacation leave and other compensated absences with similar characteristics should be accrued as a liability as the benefits are earned by the employees if both of the following conditions are met:

- a. The employees' rights to receive compensation are attributable to services already rendered.
- b. It is probable that the employer will compensate the employees for the benefits through paid time off or some other means, such as cash payments at termination or retirement.

Liability for sick leave should be accrued using one of the following termination approaches:

- a. An accrual for earned sick leave should be made only to the extent it is probable that the benefits will result in termination payments, rather than be taken as absences due to illness or other contingencies, such as medical appointments and funerals.
- b. Alternatively, a governmental entity should estimate its accrued sick leave liability based on the sick leave accumulated at the balance sheet date by those employees who currently are eligible to receive termination payments as well as other employees who are expected to become eligible in the future to receive such payments. The School Board uses this approach.

N. **Pension Plans**

The School Board is a participating employer in two defined benefit pension plans (plans) as described in Note 5. For purposes of measuring the Net Pension Liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of each of the plans, and additions to/deductions from each plans' fiduciary net position have been determined on the same basis as they are reported by each of the plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments have been reported at fair value within each plan.

O. **Government-wide Net Position**

The statement of net position reports net position as the difference between all other elements in a statement of net position and should be displayed in three components—net investment in capital assets, restricted net position (distinguishing between major categories of restrictions), and unrestricted net position.

Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of borrowings for capital asset acquisition, construction, or improvement of those assets, increased by deferred outflows of resources attributable to capital asset acquisition, construction or improvement, and deferred inflows of resources attributable to either capital asset acquisition, construction, or improvement or to capital asset related debt. Capital-related debt or deferred inflows equal to unspent capital asset related debt proceeds or deferred inflows of resources is included in calculating either restricted or unrestricted net position, depending upon whether the unspent amounts are restricted.

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

2. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

O. **Government-wide Net Position** (continued)

Restricted net position reflects net position when there are limitations imposed on a net position's use by external parties such as creditors, grantors, laws or regulations of other governments. Restricted net position consists of restricted assets less liabilities related to restricted assets less deferred inflows related to restricted assets. Liabilities and deferred inflows related to restricted assets include liabilities and deferred inflows to be liquidated with restricted assets and arising from the same resource flow that results in restricted assets. 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.

Unrestricted net position is the balance (deficit) of all other elements in a statement of net position remaining after net investment in capital assets and restricted net position.

P. **Fund Equity of Fund Financial Statements**

Accounting standards require governmental fund balances to be reported in as many as five classifications as listed below in accordance with Governmental Accounting Standards Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*.

Nonspendable – Represents nonspendable balances that are not expected to be converted to cash.

Spendable:

Restricted – Represents balances where constraints have been established by parties outside the School Board or by enabling legislation.

Committed – Represents balances where constraints have been established by formal action of the School Board. A simple majority vote in a public meeting is required to establish, modify, or rescind a fund balance commitment.

Assigned – Represents balances where informal constraints have been established by the School Board or committee or delegate thereof, but are not restricted nor committed.

Unassigned – Represents balances for which there are no constraints.

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

Q. **Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities as of the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

2. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

R. **Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The School Board has two types of items that qualify for reporting in this category. It has deferred outflows of resources related to pension contributions and deferred outflows of resources related to the net pension liability. See Note 5 for additional information on deferred outflows of resources related to defined benefit pension plans. The School Board also has deferred outflows of resources related to total other post-employment benefit liability. See Note 6 for additional information on deferred outflows of resources related to the total post-employment benefit liability.

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenues) until that time. The School Board has one item that qualifies for reporting in this category. It has deferred inflows of resources related to the net pension liability. See Note 5 for additional information on deferred inflows of resources related to defined benefit pension plans.

S. **Newly Adopted Accounting Standards**

The School Board adopted GASB Statement No. 84, *Fiduciary Activities*. This standard defines and establishes criteria for identifying and reporting fiduciary activities. The focus of the criteria is on (1) whether the School Board controls the assets in a fiduciary activity and (2) there are separate identifiable beneficiaries with whom a fiduciary relationship exists. In addition, the School Board adopted paragraphs 4 and 5 of GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans, an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No.32*. The paragraphs adopted are amendments to GASB 84 and reverses the criteria in GASB 84 to include certain defined contribution retirement plans without a board in the financial statements of state and local governments.

The implementation of these new accounting standards required the School Board to change the way school activity funds are reported. Previously, school activity funds in Louisiana were reported as fiduciary agency funds; however, under the new criteria established by GASB 84, student activity funds can only be reported as fiduciary custodial funds if no administrative involvement exists. Since school activity funds are required to be administered in accordance with the provisions of Louisiana Revised Statute 17.414.3 et. seq., this statute establishes that the School Board has administrative involvement and the school activity funds are reported in these financial statements as a governmental – special revenue fund.

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

2. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

S. **Newly Adopted Accounting Standards** (continued)

The adoption of GASB 84 required a restatement of the June 30, 2020 net position and fund balance. The net effect to the School Board's Governmental Activities Net Position and Governmental Funds – Fund Balance for the prior year that resulted from the adoption of GASB 84 is as follows:

	Other Non-major Governmental Funds	Government Wide Statement of Net Position
Total Fund Balance/Net Position June 30, 2020 as previously reported	\$ 562,394	\$ (64,534,714)
Implementation of GASB Statement 84 – reclassify School Activity Accounts to Special Revenue Fund	703,427	703,427
Total Fund Balance/Net Position, June 30, 2020, Restated	<u>\$ 1,265,821</u>	<u>\$ (63,831,287)</u>

3. **EQUITY IN POOLED CASH, DEPOSITS AND INVESTMENTS**

A. **Equity in Pooled Cash**

Cash and investments consist of demand deposit accounts and certificates of deposit at a local bank. The School Board maintains a cash pool that is available for use by all funds. Positive book cash balances are displayed on the combined balance sheet as "Cash." Negative book cash balances are included in "Due to Other Funds" on the combined balance sheet.

B. **Deposits**

The carrying amount of the School Board's deposits with financial institutions was \$23,469,832 and the bank balances were \$25,888,366. Deposits in financial institutions can be exposed to custodial credit risk. Custodial credit risk is the risk that in the event of a financial institution failure, the School Board's deposits may not be returned to them. To mitigate this risk, state law requires deposits to be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent financial institution. As of June 30, 2021, the School Board's deposits were not exposed to custodial credit risk. Securities that may be pledged as collateral consist of obligations of the U.S. Government and its agencies, obligations of the State of Louisiana and its municipalities and political subdivisions.

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

3. **EQUITY IN POOLED CASH, DEPOSITS AND INVESTMENTS** (continued)

C. Investments

Investments	Fair Value	Years to Maturity	
		Less than 1	1 - 5
Investments at fair value			
Certificates of deposit	\$ 3,071,769	\$ 2,071,062	\$ 1,000,707
Subtotal investments at fair value	3,071,769	2,071,062	1,000,707
Investments measured at the net asset value (NAV)			
External investment pool	483,939	483,939	-
Total investments measured at NAV	483,939	483,939	-
Total investments	\$ 3,555,708	\$ 2,555,001	\$ 1,000,707

Interest Rate Risk – The Board does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Investments consist of certificates of deposit with original maturities of greater than 90 days.

Amounts invested in an external investment pool, Louisiana Asset Management Pool, totaled \$483,939. LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local government entities having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LA-R.S. 33:2955.

LAMP is a governmental external investment pool that reports at fair value. The following facts are relevant for an investment pool:

- Credit risk: LAMP is rated AAAm by Standard & Poor's.
- Custodial credit risk: LAMP participants' investments in the pool are evidenced by shares of the pool. Investments in pools should be disclosed, but not categorized because they are not evidenced by securities that exist in physical or book-entry form. The School Board's investment is with the pool, not the securities that make up the pool; therefore, no public disclosure is required.
- Concentration of credit risk: Pooled investments are excluded from the five percent disclosure requirement.
- Interest rate risk: LAMP is designed to be highly liquid to give its participants immediate access to their account balances. LAMP prepares its own interest rate risk disclosure using the weighted average maturity (WAM) method. The WAM of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days or 762 days for U.S. Government floating/variable rate investments. The WAM for LAMP's total investments is 53 days as of June 30, 2021.
- Foreign currency risk: Not applicable.

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

3. **EQUITY IN POOLED CASH, DEPOSITS AND INVESTMENTS** (continued)

C. **Investments** (continued)

The investments in LAMP are stated at fair value. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the value of the pool shares. The School Board reports its investment in LAMP at net asset value.

There were not any unfunded commitments related to the LAMP investments at June 30, 2021.

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

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

LAMP issues financial reports which can be obtained by writing: LAMP, Inc., 650 Poydras St., Suite 2220, New Orleans, LA 70130.

4. **AD VALOREM TAXES**

Ad valorem (property) taxes were levied for the fiscal year 2021 by the School Board based on the assessed valuation of property as of January 1, 2020. These taxes become due and payable on November 15 of each year and become delinquent after December 31 of the year levied.

Total assessed value was \$562,707,590 in calendar year 2020. Louisiana state law exempts the first \$75,000 of assessed value of a taxpayer's primary residence from parish property taxes. This homestead exemption was \$49,492,295 of the assessed value in calendar year 2020.

A summary of the various taxes levied for 2020 is as follows:

	<u>Authorized Millage</u>	<u>Levied Millage</u>	<u>Expiration Date</u>
General Fund:			
Constitutional School Tax	4.39	4.39	N/A
Special	15.00	15.00	2023
Special – Salaries (I)	12.00	12.00	2026
Special – Salaries (II)	12.00	12.00	2026
Debt Service (Special II)	14.75	14.75	2036

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

4. **AD VALOREM TAXES** (continued)

State law requires the Sheriff to collect property taxes in the calendar year in which the assessment is made. Property taxes become delinquent January 1 of the following year. If taxes are not paid by the due date, taxes bear interest at the rate of one and one-fourth percent per month until taxes are paid. After notice is given to the delinquent taxpayers, the Sheriff is required by the Constitution of the State of Louisiana to sell the least quantity of property necessary to settle the taxes and interest owed. All property taxes are recorded in the General Fund, the Debt Service Fund, the 2007 Property Tax Fund, and the 2017 Property Tax Fund on the basis explained in Note 2D. Revenues in such funds are recognized in the accounting period in which they become measurable and available. Property taxes are considered measurable in the calendar year of the tax levy. Estimated uncollectible taxes are those taxes based on past experience which will not be collected in the subsequent year and are primarily due to subsequent adjustments to the tax roll. Available means due, or past due and receivable within the current period and collected within the current period or expected to be collected soon enough thereafter to pay liabilities of the current period. The remaining property taxes receivable are considered available because they are substantially collected within 60 days subsequent to year end.

Historically, virtually all ad valorem taxes receivable were collected since they are secured by property. Therefore, there is no allowance for uncollectible taxes.

5. **DEFINED BENEFIT PENSION PLANS**

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

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

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

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

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

5. **DEFINED BENEFIT PENSION PLANS** (continued)

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

Plan Descriptions:

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

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

Cost of Living Adjustments:

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

Funding Policy:

Article X, Section 29(E)(2)(a) of the Louisiana Constitution of 1974 assigns the Legislature the authority to determine employee contributions. Employer contributions are actuarially determined using statutorily established methods on an annual basis and are constitutionally required to cover the employer's portion of the normal cost and provide for the amortization of the unfunded accrued liability. Employer contributions are adopted by the Legislature annually upon recommendation of the Public Retirement Systems' Actuarial Committee. In accordance with state statute, TRSL receives ad valorem taxes and state revenue sharing funds. These additional sources of income are used as employer contributions and are considered support from non-employer contributing entities, but are not considered special funding situations.

Contributions to the plans are required and determined by State statute (which may be amended) and are expressed as a percentage of covered payroll. The contribution rates in effect for the year ended June 30, 2021, for the School Board and covered employees were as follows:

	<u>School Board</u>	<u>Employees</u>
Teachers' Retirement System:		
Regular Plan	25.80%	5.00% - 8.00%
Plan A	25.80%	5.00% - 8.00%
School Employees' Retirement System	28.70%	7.50% - 8.00%

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

5. **DEFINED BENEFIT PENSION PLANS** (continued)

Funding Policy: (continued)

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

	<u>2021</u>	<u>2020</u>	<u>2019</u>
Teachers' Retirement System	\$ 7,748,361	\$ 7,402,126	\$ 7,309,582
School Employees' Retirement System	222,743	178,286	170,598

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

The following schedule lists the School Board's proportionate share of the Net Pension Liability allocated by each of the pension plans for based on the June 30, 2020 measurement date. The School Board uses this measurement to record its Net Pension Liability and associated amounts as of June 30, 2021 in accordance with GASB Statement 68. The schedule also includes the proportionate share allocation rate used at June 30, 2020 along with the change compared to the June 30, 2019 rate. The School Board's proportion of the Net Pension Liability was based on a projection of the Agency's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined.

	<u>Net Pension Liability at June 30, 2020</u>	<u>Rate at June 30, 2020</u>	<u>Increase (Decrease) to June 30, 2019 Rate</u>
Teachers' Retirement System	\$ 65,568,775	0.5895%	-0.0004%
School Employees' Retirement System	<u>1,619,870</u>	0.2016%	-0.0078%
	<u>\$ 67,188,645</u>		

The following schedule list each pension plan's recognized pension expense including employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions by the School Board for the year ended June 30, 2021:

	<u>Pension Expense</u>
Teachers' Retirement System	\$ 6,695,649
School Employees' Retirement System	<u>194,619</u>
	<u>\$ 6,890,268</u>

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

5. **DEFINED BENEFIT PENSION PLANS** (continued)

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

At June 30, 2021, the School Board reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ (1,092,400)
Changes of assumptions	3,910,345	-
Net difference between projected and actual earnings on pension plan investments	8,368,864	(3,060,705)
Changes in proportion and differences between Employer contributions and proportionate share of contributions	1,151,751	(1,624,538)
Employer contributions subsequent to the measurement date	7,971,104	-
Total	<u>\$ 21,402,064</u>	<u>\$ (5,777,643)</u>

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

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Teachers' Retirement System	\$ 20,923,028	\$ (5,632,390)
School Employees' Retirement System (LSERS)	479,036	(145,253)
	<u>\$ 21,402,064</u>	<u>\$ (5,777,643)</u>

The School Board reported a total of \$7,971,104 as deferred outflow of resources related to pension contributions made subsequent to the measurement period of June 30, 2020 which will be recognized as a reduction in Net Pension Liability in the year ended June 30, 2022. The following schedule list the pension contributions made subsequent to the measurement period for each pension plan:

	<u>Subsequent Contributions</u>
Teachers' Retirement System	\$ 7,748,361
School Employees' Retirement System (LSERS)	222,743
	<u>\$ 7,971,104</u>

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

5. **DEFINED BENEFIT PENSION PLANS** (continued)

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

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

<u>Year</u>	<u>TRSL</u>	<u>LSERS</u>	<u>Total</u>
2022	\$ 728,096	\$ (69,988)	\$ 658,108
2023	2,653,063	49,744	2,702,807
2024	2,221,379	74,884	2,296,263
2025	1,939,739	56,400	1,996,139
	<u>\$ 7,542,277</u>	<u>\$ 111,040</u>	<u>\$ 7,653,317</u>

Actuarial Assumptions

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

	TRSL	LSERS
Valuation Date	June 30, 2020	June 30, 2020
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Actuarial Assumptions:		
Expected Remaining		
Service Lives	5 years	3 years
Investment Rate of Return	7.45% net of investment expenses (decreased from 7.55% in 2019)	7.00% per annum; net of plan investment expenses, including inflation (decreased from 7.00% in 2019)
Inflation Rate	2.30% per annum	2.50% per annum

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

5. **DEFINED BENEFIT PENSION PLANS** (continued)

Actuarial Assumptions (continued)

Mortality	<p>Mortality rates were projected based on:</p> <p>Active Members - RP-2014 White Collar Employee tables, adjusted by 1.010 for males and by 0.997 for females.</p> <p>Non-Disabled retiree/inactive members - RP-2014 White Collar Healthy Annuitant tables, adjusted by 1.366 for males and by 1.189 for females.</p> <p>Disability retiree mortality - RP-2014 Disability tables, adjusted by 1.111 for males and by 1.134 for females.</p> <p>These base tables are adjusted from 2014 to 2018 using the MP-2017 generational improvement table, with continued future mortality improvement projected using the MP-2017 generational mortality improvement tables.</p>	<p>Mortality rates based on the RP-2014 Healthy Annuitant Tables; RP-2014 Sex Distinct Employee Tables; RP-2014 Sex Distinct Disabled Tables</p>
Termination, Disability, and Retirement	<p>Termination, disability, and retirement assumptions were projected based on a five year (July 1, 2013 - June 30, 2017) experience study of the System's members.</p>	
Salary Increases	<p>3.1% - 4.6% varies depending on duration of service</p>	<p>Salary increases were projected based on the 2013-2017 experience study, 3.25%</p>

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

5. DEFINED BENEFIT PENSION PLANS (continued)

Actuarial Assumptions (continued)

Cost of Living Adjustments	None	Not substantively automatic. The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost of living increases. The present value and accrued liabilities include future COLA, though not yet authorized by the legislature by including the recognition of the existing balance in the Experience Account together with the present value of future contributions to the account up to the maximum permissible value of the Account based upon current amount limitations.
-----------------------------------	------	--

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

<u>TRSL</u>	<u>LSERS</u>
The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.3% and an adjustment for the effect of rebalancing/diversification. The resulting expected long-term rate of return was 8.17% for 2020.	The long-term expected rate of return on pension plan investments was determined using a triangulation method which integrated the CAPM pricing model (top-down), a treasury yield curve approach (bottom-up), and an equity building-block model (bottom-up). Risk return and correlations are projected on a forward-looking basis in equilibrium, in which best-estimates of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These rates are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

5. DEFINED BENEFIT PENSION PLANS (continued)

Actuarial Assumptions (continued)

The following table provides a summary of the best estimates of arithmetic/geometric real rates of return for each major asset class included in each of the Retirement Systems target asset allocations as of June 30, 2020:

Asset Class	Target Allocation		Long-term Expected Rate of Return	
	TRSL	LSERS	TRSL	LSERS
Cash	-	-	-	-
Domestic equity	27.0%	-	4.60%	-
International equity	19.0%	-	5.54%	-
Equity	-	39.0%	-	2.82%
Domestic fixed income	13.0%	-	0.69%	-
International fixed income	5.5%	-	1.50%	-
Fixed income	-	26.0%	-	0.92%
Emerging markets debt fixed income	-	-	-	-
Global multi-sector	-	-	-	-
Alternatives	-	-	-	1.95%
Alternative – private equity	25.5%	23.00%	8.62%	-
Alternative – other equity	10.0%	-	4.45%	-
Absolute return	-	-	-	-
Real estate	-	12.0%	-	0.69%
Real assets	-	-	-	-
Real parity	-	-	-	-
Total	<u>100.0%</u>	<u>100.0%</u>		

Inflation

Expected Arithmetic Nominal Return

n/a - amount not provided by Retirement System

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

5. **DEFINED BENEFIT PENSION PLANS** (continued)

Actuarial Assumptions (continued)

Discount Rate

The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that sponsor contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, each of the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate used to measure the total pension liability for TRSL and LSERS was 7.45% and 7.00%, respectively for the year ended June 30, 2020.

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

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

	<u>1.0% Decrease</u>	<u>Current Discount Rate</u>	<u>1.0% Increase</u>
TRSL			
Rates	6.45%	7.45%	8.45%
WBRPSB Share of NPL	\$ 85,594,497	\$ 65,568,775	\$ 48,711,014
LSERS			
Rates	6.00%	7.00%	8.00%
WBRPSB Share of NPL	\$ 2,121,794	\$ 1,619,870	\$ 1,190,801

Payables to the Pension Plan

The School Board recorded accrued liabilities to each of the Retirement Systems for the year ended June 30, 2021 mainly due to the accrual for payroll at the end of each of the fiscal years. The amounts due are included in liabilities under the amounts reported as accounts, salaries and other payables. The balance due to each for the retirement systems at June 30, 2021 is as follows:

	<u>June 30, 2021</u>
TRSL	\$ 1,032,374
LSERS	-
	<u>\$ 1,032,374</u>

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

6. OTHER POST-EMPLOYMENT BENEFITS

General Information about the OPEB Plan

Plan description – The School Board provides certain continuing health care and life insurance benefits for its retirees, disabled retirees and their eligible beneficiaries. Current employees are eligible for these plan benefits if they retire as members of one of two School Board sponsored retirement systems. These benefits are provided through an Other Post Employment Benefit Plan (the OPEB Plan) categorized as a single-employer defined benefit plan that the School Board administers. The School Board has the authority to establish and/or amend the obligation of the employer, employees and retirees as provided by Louisiana Revised Statute Title 17 Sections 1221 through 1224. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Governmental Accounting Standards Board (GASB) Statement No. 75.

Benefits Provided – Medical benefits are provided through the Louisiana Office of Group Benefits (OGB) and involve several statewide networks and one HMO with a premium structure by region. The OGB plan is a fully insured, multiple-employer arrangement and this plan has been deemed to be a single employer defined benefit OPEB plan (within the meaning of GASB 74/75) for financial reporting purposes and for this valuation. Medical benefits are provided to employees upon actual retirement from either the Teachers' Retirement System of Louisiana (TRSL) or the Louisiana School Employees' Retirement System (LSERS). The retirement eligibility (D.R.O.P. entry) provisions are as follows: 30 years of service at any age; age 55 and 25 years of service; age 60 and 5 years of service. For membership after January 1, 2011, the earliest allowable retirement age is age 60.

Life insurance coverage under the OGB program is available to retirees by election and the rate used is a blended rate (active and retired). The employer pays 50% of the cost (at the blended rate) of the retiree life insurance. Insurance coverage amounts are reduced at age 65 and again at age 70 according to the OGB plan provisions.

Employees covered by benefit terms – The June 30, 2021 total OPEB liability was determined using the July 1, 2020 actuarial valuation that included the following employees covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	210
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	<u>483</u>
	<u><u>693</u></u>

Total OPEB Liability

The School Board's total OPEB liability of \$64,844,018 was measured as of June 30, 2021 and was determined by an actuarial valuation as of July 1, 2020.

Actuarial Assumptions and other inputs – The total OPEB liability as of June 30, 2021 was based on an actuarial valuation dated July 1, 2020 using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.5%
Salary increases	4.0%, including inflation
Discount rate	2.21% annually (beginning of year for Actuarially Determined Contribution)
	2.16% annually (as of end of year measurement date)
Healthcare cost trend rates	Flat 5.50% annually

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

6. OTHER POST-EMPLOYMENT BENEFITS (continued)

Total OPEB Liability (continued)

The discount rate was based on the average of the Bond Buyers' 20 Year General Obligation municipal bond index as of June 30, 2021, the end of the applicable measurement period.

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

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

Changes in the Total OPEB Liability

Balance at June 30, 2020	\$ 60,852,309
Changes for the year:	
Service cost	1,392,243
Interest	1,327,070
Differences between expected and actual experience	2,159,559
Changes in assumptions	620,662
Benefit payments	(1,607,825)
Net changes	3,891,709
Balance at June 30, 2021	\$ 64,744,018

Sensitivity of the total OPEB liability to changes in the discount rate – The following presents the total OPEB liability of the School Board, as well as what the School Board's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.16%) or 1-percentage-point higher (3.16%) than the current discount rate:

	1.0% Decrease (1.16%)	Current Discount Rate (2.16%)	1.0% Increase (3.16%)
Total OPEB liability	\$ 78,246,595	\$ 64,744,018	\$ 54,321,767

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

6. OTHER POST-EMPLOYMENT BENEFITS (continued)

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates – The following presents the total OPEB liability of the School Board, as well as what the School Board's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (4.50%) or 1-percentage-point higher (6.50%) than the current healthcare trend rates:

	1.0% Decrease (4.50%)	Healthcare Cost Trend Rate (5.50%)	1.0% Increase (6.50%)
Total OPEB liability	\$ 55,632,781	\$ 64,744,018	\$ 76,655,326

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

For the year ended June 30, 2021, the School Board recognized OPEB expense of \$5,579,445. At June 30, 2021, the School Board reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 3,833,885	\$ (1,776,054)
Changes in assumptions	16,310,416	(1,260,382)
Total	\$ 20,144,301	\$ (3,036,436)

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

Years ending June 30:	
2022	\$ 2,860,132
2023	2,860,132
2024	2,860,132
2025	2,860,132
2026	1,192,470
Thereafter	4,474,867
	<u>\$ 17,107,865</u>

7. GENERAL LONG-TERM OBLIGATIONS

The following is a summary of the long-term obligation transactions for the year ended June 30, 2021:

	July 1, 2020	Additions	Reductions	June 30, 2021	Due Within One Year
General Obligation Bonds	\$ 85,030,000	\$ -	\$ (2,920,000)	\$ 82,110,000	\$3,250,000
Bond From Direct Placement					
Limited Tax Revenue Bond	1,135,000	-	(365,000)	770,000	380,000
Premium on Bonds	11,786,360	-	(686,172)	11,100,188	686,172
Compensated Absences	572,539	47,269	(28,800)	591,008	52,214
Claims and Judgments		30,000	-	30,000	30,000
	-				
Pension Privatization Liability	492,870	-	(83,923)	408,947	83,923
Total	<u>\$ 99,016,769</u>	<u>\$ 77,269</u>	<u>\$ (4,083,895)</u>	<u>\$ 95,010,143</u>	<u>\$ 4,482,309</u>

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

7. **GENERAL LONG-TERM OBLIGATIONS** (continued)

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

	<u>Principal Outstanding at June 30, 2021</u>
\$3,400,000 Limited Tax Revenue Bonds, Series 2013, issued August 14, 2013 for the purpose of construction, rehabilitation, or repair of public school facilities due in annual installments of \$285,000 to \$390,000 through March 31, 2023 with interest at 1.1% to 3.5% secured by an annual ad valorem tax levy.	<u>\$ 770,000</u>
\$74,745,000 General Obligation Limited Tax Revenue Bonds, Series 2017, issued July 12, 2017 for the purpose of acquiring and/or improving lands, school buildings and facilities, and the acquiring of necessary equipment and furnishings due in semi-annual installments of \$2,375,000 to \$6,135,000 through March 1, 2037 with interest at 2.0% to 5.0% secured by an annual ad valorem tax levy.	<u>\$ 67,350,000</u>
\$10,500,000 General Obligation Limited Tax Revenue Bonds, Series 2018, issued June 28, 2018 for the purpose of acquiring and/or improving lands, school buildings and facilities, and the acquiring of necessary equipment and furnishings due in semi-annual installments of \$140,000 to \$795,000 through March 1, 2038 with interest at 3.0% to 5.0% secured by an annual ad valorem tax levy.	<u>\$ 10,100,000</u>
\$4,755,000 General Obligation Limited Tax Revenue Bonds, Series 2020, issued March 25, 2020 for the purpose of acquiring and/or improving lands, school buildings and facilities, and the acquiring of necessary equipment and furnishings due in semi-annual installments of \$95,000 to \$340,000 through March 1, 2040 with interest at 3.0% to 4.0% secured by an annual ad valorem tax levy.	<u>\$ 4,660,000</u>

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

7. GENERAL LONG-TERM OBLIGATIONS (continued)

The general obligation bonds were offered for public sale that are subject to the following events of default, termination events, and acceleration clauses:

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

The limited tax revenue bond is a direct placement bond that is subject to the following events of default, termination events, and acceleration clauses:

- *Events of default with finance-related consequences* – These bonds will be in default for failure of payment of principal and interest when due, non-performance of observance of covenants, agreements, or conditions in Certificate Resolution or supplemental resolution continuing for more than 30 days after written notice of non-performance or observance, and filing petition or seeking relief under Federal or State bankruptcy law.
- *Termination events with finance related consequences* – Events that will result in finance related consequences include bonds being callable early. The School Board is obligated to annually budget a sufficient amount to pay principal and interest to meet annual debt service requirements.
- *Subjective acceleration clauses* – The School Board may refund early with refunding certificates or bonds, and the School Board may defease bonds.

At June 30, 2021, the School Board has accumulated \$2,101,585 in the debt service fund for future debt retirement. The annual requirements to amortize all bonds at June 30, 2021, including interest of \$38,435,963 are as follows:

Year Ending June 30,	General Obligation Bonds		Bonds from Direct Placement		Total
	Principal	Interest	Principal	Interest	
2022	\$ 3,250,000	\$ 3,904,856	\$ 380,000	\$ 26,000	\$ 7,560,856
2023	3,530,000	3,773,456	390,000	13,650	7,707,106
2024	3,660,000	3,610,756	-	-	7,270,756
2025	3,855,000	3,440,756	-	-	7,295,756
2026	4,060,000	3,261,406	-	-	7,321,406
2027 – 2031	23,865,000	13,119,983	-	-	36,984,983
2032 – 2036	30,915,000	6,753,550	-	-	37,668,550
2037 - 2041	8,975,000	531,550	-	-	9,506,550
Total	<u>\$ 82,110,000</u>	<u>\$ 38,396,313</u>	<u>\$ 770,000</u>	<u>\$ 39,650</u>	<u>\$ 121,315,963</u>

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

7. GENERAL LONG-TERM OBLIGATIONS (continued)

In accordance with LSA – R.S. 39:562, the School Board is legally restricted from incurring long-term bonded debt in excess of 50% of the assessed value of taxable property within the parish. At June 30, 2021, the total assessed value of taxable property for the parish was \$562,707,590, which resulted in a statutory limit of \$281,353,795.

Compensated absences payable consist of the portion of accumulated sick and annual leave of the governmental funds that is not of Homestead expected to require current resources. These liabilities will be liquidated through the general and special revenue funds.

Due to the School Board continuing to privatize certain bus driver positions as the employees are retiring or terminated, the retirement system is assessing the school board an unfunded liability of those employees previously in the pension plan. The pension privatization liability will be liquidated through the general fund.

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

8. ASSETS HELD FOR SALE

On July 1, 2020, the School Board ceased operation of the Chamberlin School property, which is reported as assets held for sale for the year ended June 30, 2021.

During the year ended June 30, 2021, the School Board began advertising the sale of the property. See Note 21 for additional information related to the sale of the property.

Assets held for sale at June 30, 2021 consisted of the following:

Land	\$ 110,980
Buildings and improvements	<u>830,826</u>
	941,806
Less: accumulated depreciation	<u>(332,021)</u>
Carrying value	<u>609,785</u>
Impairment loss	<u>(204,685)</u>
Fair value	<u>\$ 405,100</u>

During the year ended June 30, 2021, the School Board recognized an impairment loss of \$204,685 for assets held for sale. The impairment loss is reported as plant operation and maintenance in the statement of activities.

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

9. CAPITAL ASSETS

Capital assets and depreciation activity as of and for the year ended June 30, 2021 is as follows:

	Land	Land Improvements	Buildings and Improvements	Equipment and Fixtures	Construction in Progress	Total
Cost at June 30, 2020	\$ 5,962,883	\$ 2,044,795	\$ 47,420,218	\$ 4,451,137	\$ 63,610,272	\$ 123,489,305
Additions	-	100,000	52,170	272,945	11,922,676	12,347,791
Disposals	-	-	(246,011)	(1,683,150)	-	(1,929,161)
Transfers	(110,980)	-	70,196,684	-	(71,027,510)	(941,806)
Cost at June 30, 2021	<u>\$ 5,851,903</u>	<u>\$ 2,144,795</u>	<u>\$ 117,423,061</u>	<u>\$ 3,040,932</u>	<u>\$ 4,505,438</u>	<u>\$ 132,966,129</u>
Accumulated depreciation at June 30, 2020	\$ -	\$ 1,434,526	\$ 15,680,723	\$ 3,578,705	\$ -	\$ 20,693,954
Additions (*) (see below)	-	108,564	3,120,773	331,568	-	3,560,905
Disposals	-	-	(139,663)	(1,609,096)	-	(1,748,759)
Transfers	-	-	(332,021)	-	-	(332,021)
Accumulated depreciation at June 30, 2021	<u>\$ -</u>	<u>\$ 1,543,090</u>	<u>\$ 18,329,812</u>	<u>\$ 2,301,177</u>	<u>\$ -</u>	<u>\$ 22,174,079</u>
Capital assets, net of depreciation at June 30, 2021	<u>\$ 5,851,903</u>	<u>\$ 601,705</u>	<u>\$ 99,093,249</u>	<u>\$ 739,755</u>	<u>\$ 4,505,438</u>	<u>\$ 110,792,050</u>

* Depreciation expense of \$3,560,905 for the year ended June 30, 2021 was charged to the following governmental functions:

Regular education programs	\$ 262,963
Special education programs	104,386
Other education programs	112,739
Pupil support services	42,489
Instructional staff services	39,612
General administrative services	20,312
School administration services	44,822
Business and central services	5,575
Plant operation and maintenance	2,833,019
Student transportation services	47,357
Central services	4,928
Food services	42,703
	<u>\$ 3,560,905</u>

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

10. RECEIVABLES

Receivables as of June 30, 2021 for the School Board are as follows by fund:

	General	Debt Service	Property Tax 2007	Property Tax 2017	EFID Sales Tax	ESSERF	Non-Major Governmental	Total
<u>Receivables</u>								
Sales Tax	\$1,000,589	\$ -	\$ -	\$ -	\$ 718,089	\$ -	\$ -	\$1,718,678
Property taxes	-	697	567	567	-	-	-	1,831
Other	-	-	-	-	-	2,269,310	1,917,666	4,186,976
Gross receivables	<u>\$1,000,589</u>	<u>\$ 697</u>	<u>\$ 567</u>	<u>\$ 567</u>	<u>\$ 718,089</u>	<u>\$2,269,310</u>	<u>\$ 1,917,666</u>	<u>\$5,907,485</u>

11. INTERFUND TRANSACTIONS

Interfund Receivable/Payable:

<u>Interfund Receivable</u>		<u>Interfund Payable</u>	
General	\$ 3,413,430	General	\$ 558,545
ESSERF	-	ESSERF	2,248,794
Bond Building	558,545	Bond Building	-
Non-Major Governmental	-	Non-Major Governmental	1,164,636
Total	<u>\$ 3,971,965</u>	Total	<u>\$ 3,971,965</u>

The primary purpose of interfund advances is to cover expenditures on cost reimbursement grant programs until reimbursements are received from the granting agencies. These amounts are expected to be repaid within one year.

Transfers:

Fund	Transfers In	Transfers Out
General	\$ 5,243,584	\$ 28,518
Debt Service	13,791	-
Bond Building	-	13,791
EFID Sales Tax	-	5,000,000
ESSERF	-	139,049
Non-major Governmental	184,003	260,020
	<u>\$ 5,441,378</u>	<u>\$ 5,441,378</u>

The purpose of interfund transfers is predominantly to cover operating expenditures of the General Fund through indirect cost recoveries charged to grant programs and through transfers from the EFID Sales Tax Fund to cover eligible costs paid for by the General Fund.

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

12. OPERATING LEASE

The School Board leases school buses through a lease arrangement which qualifies as an operating lease. The pricing for the agreement is based on the quantity of buses needed, special accessories needed on the bus, and frequency of use per day. The lease payments are to be made on a monthly basis. The lease was renewed on July 1, 2020 for a five-year term, ending on June 30, 2025.

The School Board leases three copier/printers through a lease agreement that qualifies as a three-year operating lease which began on April 1, 2017. The lease was renewed for a period beginning on November 1, 2020 and ending on March 31, 2023 with monthly payments in the amount of \$882.

Management has estimated that the minimum future lease payments under these lease agreements to be as follows:

<u>Year ended June 30,</u>	
2022	\$ 3,788,078
2023	3,715,934
2024	3,726,000
2025	<u>3,744,000</u>
	<u>\$ 14,974,012</u>

Payments made during June 30, 2021 totaled approximately \$3,110,000 for the school bus lease arrangement and \$8,000 for the copier/printer lease agreement.

13. COMMITMENTS

The School Board has entered into a maintenance agreement for air conditioning services. The payments in the amount of \$44,093 are scheduled in advance monthly over a 3-year period ending May 31, 2024.

Minimum future payments under the non-cancellable agreement in effect at the date of financial statements were available to be issued are as follows:

<u>Year ended June 30,</u>	<u>Total</u>
2022	\$ 485,023
2023	529,116
2024	<u>529,116</u>
	<u>\$ 1,543,255</u>

Payments made during June 30, 2021 related to the maintenance agreement totaled approximately \$532,000, including additional services not included in the agreement.

The School Board had construction commitments of approximately \$629,000 related to the Bond Building Projects at June 30, 2021.

14. CONTINGENCIES

Litigation. The School Board is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the School Board's attorney, the resolution of these matters will not have a material adverse effect on the financial condition of the School Board.

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

14. **CONTINGENCIES** (continued)

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

15. **EDUCATION EXCELLENCE FUND**

Pursuant to Act #161 of the 2002 First Extraordinary Session of the Legislature, the State of Louisiana established the Education Excellence Fund (EEF) for the oversight, appropriation, and disposition of proceeds from the tobacco settlements. These funds are dedicated for use in educational programs, and are available to local school districts, subject to the approval of an expenditure plan by the Louisiana Department of Education. The funds are held and invested by the Treasurer of the State of Louisiana on behalf of local school districts and are disbursed in accordance with approved expenditure plans. At June 30, 2021, the School Board's EEF funds invested through the Treasurer totaled approximately \$921,000. These funds are recognized as revenue to the School Board upon submission and subsequent approval of an annual expenditure plan. The School System expended approximately \$71,000 during the 2020-2021 fiscal year in accordance with its respective expenditure plan.

16. **DETAILED RESTRICTED NET POSITION AND FUND BALANCES**

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

	<u>Governmental Activities</u>
Net Position Restricted for:	
Specific programs:	
State, federal, and donor grants	\$ 165,058
Food service	<u>648,315</u>
Total Net Position restricted for specific programs	<u>813,373</u>
Debt service	<u>791,300</u>
Capital projects	<u>6,658,338</u>
External legal constraints:	
Dedicated property and sales taxes authorized by the electorate to specific special revenue funds – salaries and benefits	2,848,552
Dedicated sales taxes authorized by the electorate for specific revenue funds – operations and maintenance	<u>871,554</u>
Total net position restricted for external legal constraints	<u>3,720,106</u>
Total Restricted Net Position	\$ <u>11,983,117</u>

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

16. **DETAILED RESTRICTED NET POSITION AND FUND BALANCES** (continued)

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

	<u>General</u>	<u>Capital Projects</u>	<u>Bond Building</u>	<u>Debt Service</u>	<u>2007 Property Tax</u>	<u>2017 Property Tax</u>	<u>EFID Sales Tax</u>	<u>Other Non-Major Governmental Funds</u>	<u>Total Governmental Funds</u>
Fund balances:									
Nonspendable:									
Inventory	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 118,951	\$ 118,951
Restricted for:									
Food service	-	-	-	-	-	-	-	648,315	648,315
Capital improvements	-	6,658,338	4,318,692	-	-	-	-	-	10,977,030
State, federal, and donor grants	-	-	-	-	-	-	-	832,678	832,678
Dedicated property taxes:									
Debt service	-	-	-	2,101,585	-	-	-	-	2,101,585
Salaries and benefits	-	-	-	-	1,441,145	694,318	-	-	2,135,463
Dedicated sales taxes:									
Salaries and benefits	-	-	-	-	-	-	713,089	-	713,089
Operations and maintenance	-	-	-	-	-	-	871,554	-	871,554
Total Restricted	-	6,658,338	4,318,692	2,101,585	1,441,145	694,318	1,584,643	1,480,993	18,279,714
Unassigned	5,307,967	-	-	-	-	-	-	-	5,307,967
Total fund balances	\$ 5,307,967	\$ 6,658,338	\$ 4,318,692	\$ 2,101,585	\$ 1,441,145	\$ 694,318	\$ 1,584,643	\$ 1,599,944	\$ 23,706,632

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

17. Current Accounting Standards Scheduled to be Implemented

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

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

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

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

18. Disaggregation of Accounts Payable and Accrued Liabilities

Accounts, salaries and other payables as of June 30, 2021, were as follows:

Vendors	\$ 250,555
Salaries and benefits	<u>6,023,020</u>
Total governmental fund encumbrances	<u>\$ 6,273,575</u>

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

19. Tax Revenues Abated

The Louisiana Industrial Ad Valorem Tax Exemption program (Louisiana Administrative Code, Title 13, Chapter 5) is a state incentive program which abates, up to ten years, local ad valorem taxes on a manufacturer's new investment and annual capitalized additions related to the manufacturing site. Applications to exempt qualified property for five years are approved by the Board of Commerce and Industry and the School Board. The exemption may be renewed for an additional three years up to 80% of the tax that would be due. For the fiscal year ending June 30, 2021, \$16,251,685 in West Baton Rouge Parish School Board ad valorem tax revenues were abated by the State of Louisiana through the Louisiana Industrial Ad Valorem Tax Exemption program.

20. Appropriations to Charter Schools

Appropriations to Type 2 Charter Schools during the year ended June 30, 2021 were as follows:

	<u>General Fund</u>
Type 2 Charter Schools	
Madison Prep	\$ 22,090
Collegiate Academy	5,522
Louisiana Key Academy	138,063
Advantage Charter Academy	55,225
Iberville Charter Academy	557,773
GEO Prep Mid-City	11,045
GEO Prep Academy	16,567
Louisiana Virtual Charter Academy	104,375
University View Academy	268,394
Grand Total	<u>\$ 1,179,054</u>

Charter schools are entitled to receive an apportionment of local tax revenue. That amount, determined by the Louisiana Department of Education, is withheld from the School Board's MFP funding and remitted to the charter schools. An appropriation of \$1,179,054 has been recorded for the School Board's apportionment of local taxes to the charter schools.

21. Subsequent Events

On February 7, 2022, the School Board completed the sale of the Chamberlin property for \$405,100.

On March 26, 2022, the citizens of West Baton Rouge Parish voted to deny the renewal of the Special 15 millage ad valorem tax.

WEST BATON ROUGE PARISH SCHOOL BOARD

MAJOR FUND DESCRIPTIONS

GENERAL FUND

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

CAPITAL PROJECTS FUND

The Capital Projects Fund accounts for financial resources to be used for the renovation of major capital facilities.

BOND BUILDING FUND

The Bond Building Capital Project Fund accounts for projects to be funded by the July 2017, June 2018, and March 2020 General Obligation Bonds.

DEBT SERVICE FUND

This fund accumulates funds for the payment of the 2013 general obligation limited tax revenue bonds and the general obligation bonds, series 2017, 2018 and 2020.

PROPERTY TAX (2007 AND 2017) FUNDS

The Property Tax Special Revenue Fund accounts for both of the 10 year, 12 mills property taxes. The purpose of these taxes is to give additional support to the public elementary and secondary schools in the district by providing funds for improving and maintaining salaries and benefits of teachers and other public school personnel employed by the School Board as well as to help pay for the debt incurred from the 2017, 2018, and 2020 General Obligation Bonds.

EDUCATIONAL FACILITIES IMPROVEMENT DISTRICT FUND

The Educational Facilities Improvement District (EFID) Special Revenue Fund accounts for the collection of a 1 percent sales and use tax; 45% of which is dedicated to salaries and 55% of which is available for general operations.

ELEMENTARY AND SECONDARY SCHOOL EMERGENCY RELIEF FUND (ESSERF)

The ESSERF is a Special Revenue Fund. Congress allotted to the Fund through the CARES Act. The Department awarded grants to state education agencies (SEAs) for the purpose of providing local education agencies (LEAs) with emergency relief funds to address the impact that COVID-19 has had, and continues to have, on elementary and secondary schools across the Nation.

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA

GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Revenues:</u>				
Local sources:				
Taxes:				
Ad valorem	\$ 10,191,525	\$ 10,191,525	\$ 10,410,700	\$ 219,175
Sales and use	7,809,072	7,809,072	9,075,003	1,265,931
Earnings on investments	33,000	33,000	22,082	(10,918)
Other	733,250	733,250	407,699	(325,551)
State sources:				
Unrestricted grants-in-aid	15,417,416	15,417,416	15,863,691	446,275
Restricted grants-in-aid	10,500	10,500	12,011	1,511
Revenue sharing	133,250	133,250	137,519	4,269
Federal sources:				
Grants-in-aid - subgrants and other	-	-	29,814	29,814
Total revenues	<u>34,328,013</u>	<u>34,328,013</u>	<u>35,958,519</u>	<u>1,630,506</u>
<u>Expenditures:</u>				
Current:				
Instruction:				
Regular education programs	13,906,621	13,906,621	14,355,855	(449,234)
Special education programs	4,479,286	4,479,286	4,428,915	50,371
Other education programs	3,266,732	3,266,732	2,957,738	308,994
Support services:				
Pupil support services	2,395,530	2,395,530	2,225,475	170,055
Instructional staff services	1,821,343	1,821,343	1,373,878	447,465
General administration services	1,107,319	1,107,319	1,141,179	(33,860)
School administration services	2,838,074	2,838,074	2,837,075	999
Business administration services	368,821	368,821	364,263	4,558
Plant operation and maintenance	3,784,309	3,784,309	4,650,958	(866,649)
Transportation	3,475,991	3,475,991	3,321,195	154,796
Central services	360,012	360,012	352,801	7,211
Appropriations:				
Charter school	892,672	892,672	1,179,054	(286,382)
Total expenditures	<u>38,696,710</u>	<u>38,696,710</u>	<u>39,188,386</u>	<u>(491,676)</u>
Excess (deficiency) of revenues over expenditures	\$ <u>(4,368,697)</u>	\$ <u>(4,368,697)</u>	\$ <u>(3,229,867)</u>	\$ <u>1,138,830</u> (continued)

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA

GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Other financing sources (uses):</u>				
Operating transfers in	\$ 4,410,350	\$ 4,410,350	\$ 5,243,584	\$ 833,234
Operating transfers out	<u>-</u>	<u>-</u>	<u>(28,518)</u>	<u>(28,518)</u>
Total other financing sources (uses)	<u>4,410,350</u>	<u>4,410,350</u>	<u>5,215,066</u>	<u>804,716</u>
Net changes in fund balance	<u>41,653</u>	<u>41,653</u>	<u>1,985,199</u>	<u>1,943,546</u>
Fund balances, June 30, 2020	<u>2,871,644</u>	<u>2,871,644</u>	<u>3,322,768</u>	<u>451,124</u>
FUND BALANCES, JUNE 30, 2021	<u>\$ 2,913,297</u>	<u>\$ 2,913,297</u>	<u>\$ 5,307,967</u>	<u>\$ 2,394,670</u> (concluded)

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA

CAPITAL PROJECTS FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2021

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues:</u>				
Local sources:				
Earnings on investments	\$ 86,995	\$ 86,995	\$ 65,565	\$ (21,430)
Other	101,850	101,850	117,620	15,770
Total revenues	<u>188,845</u>	<u>188,845</u>	<u>183,185</u>	<u>(5,660)</u>
<u>Expenditures:</u>				
Facilities acquisition and construction	141,605	141,605	91,515	50,090
Total expenditures	<u>141,605</u>	<u>141,605</u>	<u>91,515</u>	<u>50,090</u>
Net changes in fund balance	47,240	47,240	91,670	44,430
Fund balances, June 30, 2020	<u>6,429,521</u>	<u>6,429,521</u>	<u>6,566,668</u>	<u>137,147</u>
FUND BALANCES, JUNE 30, 2021	<u>\$ 6,476,761</u>	<u>\$ 6,476,761</u>	<u>\$ 6,658,338</u>	<u>\$ 181,577</u>

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA

2007 PROPERTY TAX FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2021

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues:</u>				
Local sources:				
Taxes:				
Ad valorem	\$ 5,970,000	\$ 5,970,000	\$ 6,097,193	\$ 127,193
Total revenues	<u>5,970,000</u>	<u>5,970,000</u>	<u>6,097,193</u>	<u>127,193</u>
<u>Expenditures:</u>				
Current:				
Instruction:				
Regular education programs	2,590,720	2,590,720	2,847,058	(256,338)
Special education programs	861,408	861,408	840,972	20,436
Other education programs	729,066	729,066	675,163	53,903
Support services:				
Pupil support services	309,345	309,345	301,189	8,156
Instructional staff services	178,607	178,607	160,678	17,929
General administration services	194,655	194,655	206,582	(11,927)
School administration services	273,727	273,727	252,912	20,815
Business administration services	30,683	30,683	29,626	1,057
Plant operation and maintenance	196,138	196,138	192,990	3,148
Transportation	9,819	9,819	6,766	3,053
Food services	233,613	233,613	193,509	40,104
Central services	22,961	22,961	22,856	105
Total expenditures	<u>5,630,742</u>	<u>5,630,742</u>	<u>5,730,301</u>	<u>(99,559)</u>
Net changes in fund balance	<u>339,258</u>	<u>339,258</u>	<u>366,892</u>	<u>27,634</u>
Fund balances, June 30, 2020	<u>818,488</u>	<u>818,488</u>	<u>1,074,253</u>	<u>255,765</u>
FUND BALANCES, JUNE 30, 2021	<u>\$ 1,157,746</u>	<u>\$ 1,157,746</u>	<u>\$ 1,441,145</u>	<u>\$ 283,399</u>

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA

2017 PROPERTY TAX FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2021

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues:</u>				
Local sources:				
Taxes:				
Ad valorem	\$ 5,970,000	\$ 5,970,000	\$ 6,097,559	\$ 127,559
Total revenues	<u>5,970,000</u>	<u>5,970,000</u>	<u>6,097,559</u>	<u>127,559</u>
<u>Expenditures:</u>				
Current:				
Instruction:				
Regular education programs	1,584,477	1,584,477	1,699,843	(115,366)
Special education programs	1,859,235	1,859,235	1,930,758	(71,523)
Other education programs	689,280	689,280	622,068	67,212
Support services:				
Pupil support services	295,590	295,590	293,802	1,788
Instructional staff services	167,596	167,596	165,446	2,150
General administration services	196,877	196,877	208,803	(11,926)
School administration services	241,440	241,440	225,959	15,481
Business administration services	53,088	53,088	50,763	2,325
Plant operation and maintenance	215,950	215,950	214,540	1,410
Transportation	10,735	10,735	7,398	3,337
Food services	214,075	214,075	193,583	20,492
Central services	21,143	21,143	21,045	98
Total expenditures	<u>5,549,486</u>	<u>5,549,486</u>	<u>5,634,008</u>	<u>(84,522)</u>
 Net changes in fund balance	 <u>420,514</u>	 <u>420,514</u>	 <u>463,551</u>	 <u>43,037</u>
 Fund balances, June 30, 2020	 <u>22,119</u>	 <u>22,119</u>	 <u>230,767</u>	 <u>208,648</u>
 FUND BALANCES, JUNE 30, 2021	 <u>\$ 442,633</u>	 <u>\$ 442,633</u>	 <u>\$ 694,318</u>	 <u>\$ 251,685</u>

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA

EFID SALES TAX FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Revenues:</u>				
Local sources:				
Taxes:				
Sales and use	\$ 7,638,928	\$ 7,638,928	\$ 8,908,706	\$ 1,269,778
Earnings on investments	750	750	205	(545)
Total revenues	<u>7,639,678</u>	<u>7,639,678</u>	<u>8,908,911</u>	<u>1,269,233</u>
<u>Expenditures:</u>				
Current:				
Instruction:				
Regular education programs	1,355,780	1,355,780	1,482,389	(126,609)
Special education programs	731,500	731,500	721,125	10,375
Other education programs	505,050	505,050	468,158	36,892
Support services:				
Pupil support services	218,500	218,500	227,066	(8,566)
Instructional staff services	110,000	110,000	92,611	17,389
General administration services	120,500	120,500	116,983	3,517
School administration services	71,500	71,500	68,357	3,143
Business administration services	23,375	23,375	21,816	1,559
Plant operation and maintenance	176,150	176,150	189,737	(13,587)
Transportation	12,250	12,250	8,911	3,339
Central services	40,151	40,151	38,930	1,221
Total expenditures	<u>3,364,756</u>	<u>3,364,756</u>	<u>3,436,083</u>	<u>(71,327)</u>
Excess (deficiency) of revenues over expenditures	<u>4,274,922</u>	<u>4,274,922</u>	<u>5,472,828</u>	<u>1,197,906</u>
<u>Other financing sources (uses):</u>				
Operating transfers out	<u>(4,275,000)</u>	<u>(4,275,000)</u>	<u>(5,000,000)</u>	<u>(725,000)</u>
Total other financing sources (uses)	<u>(4,275,000)</u>	<u>(4,275,000)</u>	<u>(5,000,000)</u>	<u>(725,000)</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing sources (uses)	<u>(78)</u>	<u>(78)</u>	<u>472,828</u>	<u>472,906</u>
Fund balances, June 30, 2020	<u>1,032,189</u>	<u>1,032,189</u>	<u>1,111,815</u>	<u>79,626</u>
FUND BALANCES, JUNE 30, 2021	<u>\$ 1,032,111</u>	<u>\$ 1,032,111</u>	<u>\$ 1,584,643</u>	<u>\$ 552,532</u>

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA

ESSERF FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2021

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues:</u>				
Federal grants	\$ 937,500	\$ 937,500	\$ 3,207,126	\$ 2,269,626
Total revenues	<u>937,500</u>	<u>937,500</u>	<u>3,207,126</u>	<u>2,269,626</u>
<u>Expenditures:</u>				
Current:				
Instruction:				
Regular education programs	-	-	334,623	(334,623)
Special education programs	-	-	252,548	(252,548)
Other education programs	937,500	937,500	1,997,482	(1,059,982)
Support services:				
Pupil support services	-	-	253,761	(253,761)
Instructional staff services	-	-	37,281	(37,281)
General administration services	-	-	3,036	(3,036)
School administration services	-	-	52,372	(52,372)
Business administration services	-	-	4,581	(4,581)
Plant operation and maintenance	-	-	48,194	(48,194)
Transportation	-	-	2,862	(2,862)
Food services	-	-	76,756	(76,756)
Central services	-	-	4,581	(4,581)
Total expenditures	<u>937,500</u>	<u>937,500</u>	<u>3,068,077</u>	<u>(2,130,577)</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>139,049</u>	<u>139,049</u>
<u>Other financing sources (uses):</u>				
Operating transfers out	<u>(37,500)</u>	<u>(37,500)</u>	<u>(139,049)</u>	<u>(101,549)</u>
Total other financing sources (uses)	<u>(37,500)</u>	<u>(37,500)</u>	<u>(139,049)</u>	<u>(101,549)</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing sources (uses)	<u>(37,500)</u>	<u>(37,500)</u>	<u>-</u>	<u>37,500</u>
Fund balances, June 30, 2020	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES, JUNE 30, 2021	<u>\$ (37,500)</u>	<u>\$ (37,500)</u>	<u>\$ -</u>	<u>\$ 37,500</u>

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA

SCHEDULE OF CHANGES IN TOTAL OTHER POST-EMPLOYMENT
BENEFITS LIABILITY AND RELATED RATIOS
FOR THE YEAR ENDED JUNE 30, 2021

Financial statement reporting date	Measurement date	Service cost	Interest	Difference between actual and expected experience	Changes of assumptions or other inputs	Benefit payments	Net change in total OPEB liability	Total OPEB liability - beginning	Total OPEB liability - ending	Covered payroll	Total OPEB liability as a percentage of covered payroll
6/30/2021	6/30/2021	\$ 1,392,243	\$ 1,327,070	\$ 2,159,559	\$ 620,662	\$ (1,607,825)	\$ 3,891,709	\$ 60,852,309	\$ 64,744,018	\$ 32,691,891	198.04%
6/30/2020	6/30/2020	1,340,213	1,700,462	(2,664,080)	12,670,048	(1,557,905)	11,488,738	49,363,571	60,852,309	25,018,713	243.23%
6/30/2019	6/30/2019	1,085,378	1,395,623	2,261,276	9,350,092	(1,582,814)	12,509,555	36,854,016	49,363,571	24,056,455	205.20%
6/30/2018	6/30/2018	820,846	1,321,835	360,552	(1,764,534)	(1,614,870)	(876,171)	37,730,187	36,854,016	30,221,324	121.95%

Notes to Schedule:

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

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

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA

SCHEDULE OF SCHOOL BOARD'S PROPORTIONATE SHARE OF THE NET PENSION
LIABILITY FOR THE RETIREMENT SYSTEMS
FOR THE YEAR ENDED JUNE 30, 2021 (*)

<u>Pension Plan</u>	<u>Year</u>	<u>Employer's Proportion of the Net Pension Liability (Asset)</u>	<u>Employer's Proportionate Share of the Net Pension Liability (Asset)</u>	<u>Employer's Covered Payroll</u>	<u>Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll</u>	<u>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</u>
Teachers Retirement System of Louisiana						
	2021	0.5895%	\$ 65,568,775	\$ 28,469,714	230.3106%	65.60%
	2020	0.5899%	58,543,624	27,376,713	213.8446%	68.60%
	2019	0.6064%	59,600,258	27,851,138	213.9958%	68.20%
	2018	0.5796%	59,423,571	25,680,021	231.4000%	65.60%
	2017	0.5922%	69,501,272	26,664,308	260.6528%	59.90%
	2016	0.5892%	63,352,310	25,944,754	244.1816%	62.50%
	2015	0.5682%	58,079,211	22,578,785	257.2291%	63.70%
Louisiana School Employees Retirement System						
	2021	0.2016%	1,619,870	603,097	268.5920%	69.67%
	2020	0.2094%	1,466,062	609,280	240.6220%	73.49%
	2019	0.2420%	1,616,665	720,993	224.2276%	74.44%
	2018	0.2206%	1,411,442	633,946	222.6439%	75.03%
	2017	0.2372%	1,789,048	668,202	267.7406%	70.09%
	2016	0.2337%	1,482,227	661,606	224.0347%	74.49%
	2015	0.2417%	1,400,959	683,611	204.9351%	76.18%

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

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

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA

SCHEDULE OF EMPLOYER CONTRIBUTIONS TO THE RETIREMENT SYSTEMS
FOR THE YEAR ENDED JUNE 30, 2021

Pension Plan	Year	Contractually Required Contribution ¹	Contributions in Relation to Contractually Required Contribution ²	Contribution Deficiency (Excess)	Employer's Covered Payroll ³	Contributions as a % of Covered Payroll
Teachers Retirement System of Louisiana						
	2021	\$ 7,748,361	\$ 7,748,361	-	\$ 30,032,408	25.8000%
	2020	7,402,126	7,402,126	-	28,469,714	26.0000%
	2019	7,309,582	7,309,582	-	27,376,713	26.7000%
	2018	7,408,403	7,408,403	-	27,851,138	26.6000%
	2017	6,548,405	6,548,405	-	25,680,021	25.5000%
	2016	7,012,713	7,012,713	-	26,664,308	26.3000%
	2015	7,264,531	7,264,531	-	25,944,754	28.0000%
Louisiana School Employees Retirement System						
	2021	222,743	222,743	-	777,493	28.6500%
	2020	178,286	178,286	-	603,097	29.5600%
	2019	170,598	170,598	-	609,280	28.0000%
	2018	208,749	208,749	-	720,993	28.9500%
	2017	194,606	194,606	-	633,946	30.7000%
	2016	225,812	225,812	-	668,202	33.7900%
	2015	218,330	218,330	-	661,606	33.0000%

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

For reference only:

¹ Employer contribution rate multiplied by employer's covered payroll.

² Actual employer contributions remitted to Retirement Systems.

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

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2021

1. **Changes in Benefit Terms and Assumptions Related to Defined Pension Plans**

Changes of Benefit Terms include:

Following is a listing of changes in benefit terms, as applicable, for the three pension plans for the years presented.

Teachers Retirement System of Louisiana and Louisiana State Employees' Retirement System

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

Louisiana School Employees Retirement System

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

Changes of Assumptions:

The following discount rate changes were made to the pension plan as identified in the following table:

Discount Rate:		
<u>Year(*)</u>	<u>Rate</u>	<u>Change</u>
TRSL		
2020	7.450%	-0.100%
2019	7.550%	-0.100%
2018	7.650%	-0.050%
2017	7.700%	-0.050%
2016	7.750%	-
2015	7.750%	
<u>Year(*)</u>	<u>Rate</u>	<u>Change</u>
LSERS		
2020	7.000%	-
2019	7.000%	-0.0625%
2018	7.0625%	-0.0625%
2017	7.125%	-
2016	7.125%	0.125%
2015	7.000%	

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

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2021

1. **Changes in Benefit Terms and Assumptions Related to Defined Pension Plans** (continued)

Changes of Assumptions (continued):

The following inflation rate changes were made to the pension plans identified in the following table:

Inflation Rate:		
<u>Year(*)</u>	<u>Rate</u>	<u>Change</u>
TRSL		
2020	2.300%	-0.200%
2019	2.500%	-
2018	2.500%	-
2017	2.500%	-
2016	2.500%	-
2015	2.500%	
LSERS		
2020	2.500%	-
2019	2.500%	-
2018	2.500%	-0.125%
2017	2.625%	-
2016	2.625%	-0.125%
2015	2.750%	

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

The following mortality table changes were made to the pension plans identified in the following table:

Mortality Table:

<u>Year(*)</u>	<u>Range</u>
TRSL	
2020	No changes
2019	No changes
2018	Active members – RP-2014 White Collar Employee tables, adjusted 1.010 for males and 0.997 for females. Non-Disabled retiree/inactive members – RP-2014 White Collar Healthy Annuitant tables, adjusted by 1.366 for males and by 1.189 for females. Disability retiree mortality – RP-2014 Disability tables, adjusted by 1.111 for males and by 1.134 for females. These base tables are adjusted from 2014 to 2018 using the MP-2017 generational improvement table, with continued future mortality improvement projected using the MP-2017 generational mortality improvement tables.
2017	Mortality rates were projected based on the RP-2000 Mortality Table with projection to 2025 using Scale AA.

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2021

1. **Changes in Benefit Terms and Assumptions Related to Defined Pension Plans** (continued)

Changes of Assumptions (continued):

Mortality Table:

<u>Year(*)</u>	<u>Range</u>
LSERS	
2020	No changes
2019	No changes
2018	RP-2014 Healthy Annuitant, Sex Distinct Employee, Sex Distinct Disabled Tables
2017	RP-2000 Sex Distinct Mortality and Disabled Lives Mortality Tables

The following changes to projected salary increases were made to the pension plans identified in the following table:

Salary:	
<u>Year(*)</u>	<u>Range</u>
TRSL	
2020	3.10% to 4.60% for various member types
2019	3.30% to 4.80% for various member types
2018	3.30% to 4.80% for various member types
2017	3.50% to 10.00% for various member types
2016	3.50% to 10.00% for various member types
2015	3.50% to 10.00% for various member types
<u>Year(*)</u>	<u>Range</u>
LSERS	
2020	3.25%
2019	3.25%
2018	3.25%
2017	3.075% to 5.375%
2016	3.200% to 5.500%
2015	3.200% to 5.500%

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

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2021

2. **Changes in Benefit Terms and Assumptions Related to the Other Post Employment Liability**

Benefit changes: There were no changes in benefit terms for the year ended June 30, 2021.

Changes in assumptions: The changes in assumptions balance was a result of changes in the discount rate and mortality table used. The following are the discount rates and mortality tables used in each measurement of total OPEB liability.

Discount Rate Assumption:

<u>Measurement Date</u>	<u>Discount Rate</u>
6/30/2021	2.16%
6/30/2020	2.21%
6/30/2019	3.50%
6/30/2018	3.87%
6/30/2017	3.58%

Mortality:

<u>Measurement Date</u>	<u>Table Used</u>
6/30/2021	No changes
6/30/2020	No changes
6/30/2019	RP-2014 modified according to TRSL experience study
6/30/2018	RP-2000 without projection, 50% unisex blend

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA

NON-MAJOR FUND DESCRIPTIONS

TITLE I FUNDS

The Title I fund accounts for the Title I grants. This is a program for economically and educationally deprived children which are federally financed, state-administered, and locally operated by the School Board. The Title I services are provided through various projects that are designed to meet the special needs of educationally deprived children. The activities supplement, rather than replace, state and locally mandated activities.

TITLE II FUNDS

This fund accounts for the federal grants which combine the Eisenhower Professional Development State Grants and Class-Size Reduction programs into one program that focuses on preparing, training, and recruiting high-quality teachers.

SCHOOL LUNCH

This fund includes lunch and breakfast operations and accounts for the financial activities of the food service program in the school system during the regular school term. The basic goals of this program are to serve nutritionally, attractive, and moderately priced meals, to help children grow both socially and emotionally, to extend educational influence to the home of school children, and to provide learning experiences that will improve children's food habits with the ultimate goal of physically fit adults.

SPECIAL EDUCATION FUNDS

Public Law 101-476 is a federally financed program providing free appropriate education for all identified handicapped children from 3 to 21 years of age in the least restrictive environment.

Public Law 89-313 is a federally financed program providing "per child" funding that follows the child as he leaves his facility and enters public schools or day developmental training programs.

HEAD START

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

PRE-K STATE

The objective of this program is to provide high quality early childhood educational experiences to four-year old children who are considered to be "at risk" of achieving later academic success.

STRIVING READERS

The purpose of this program is to improve the school readiness and success for disadvantaged youth, birth through grade 12, by advancing their literacy skills; to establish a comprehensive approach to literacy development based on Louisiana's Comprehensive Literacy Plan; and to address established LDOE priorities related to common core implementation, birth to 5 systems, and teacher effectiveness.

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA

NON-MAJOR FUND DESCRIPTIONS

TEMPORARY ASSISTANCE TO NEEDY FAMILIES (TANF) FUNDS

The objective of this program is to provide high quality early childhood educational experiences to four-year old children who are considered to be “at risk” of achieving later academic success.

SCHOOL ACTIVITY FUNDS

The School Activity Fund was established by the School Board to direct and account for monies used to support cocurricular and extracurricular student activities. As a general rule, cocurricular activities are any kinds of school-related activities outside of the regular classroom that directly add value to the formal or stated curriculum.

EDUCATION EXCELLENCE FUND

The objective of this program is to provide early childhood education programs focused on enhancing the preparation of “at risk” children for school and to provide remedial educational assistance to children who fail to achieve the required scores on any tests, passage of which are required pursuant to state law or rule for advancement to a succeeding grade.

OTHER FUNDS

Other funds consist primarily of certain smaller programs funded through state grants and federal grants approved by the State Board of Elementary and Secondary Education and which are to be used for local initiatives. Also, included in other funds are funds containing contributions from the general public for specific education programs within the school district.

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA

COMBINING BALANCE SHEET - NON-MAJOR GOVERNMENTAL FUNDS
JUNE 30, 2021

	Title I	Title II	School Lunch	Special Education
<u>ASSETS</u>				
Cash and cash equivalents	\$ -	\$ -	\$ 514,816	\$ -
Receivables	330,745	53,220	266,689	434,121
Investments	-	-	-	-
Due from other funds	-	-	-	-
Inventory	-	-	118,951	-
	<u>-</u>	<u>-</u>	<u>118,951</u>	<u>-</u>
TOTAL ASSETS	<u>\$ 330,745</u>	<u>\$ 53,220</u>	<u>\$ 900,456</u>	<u>\$ 434,121</u>
<u>LIABILITIES AND FUND BALANCES</u>				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ 56,272	\$ -
Salaries and benefits payable	116,593	-	195,869	95,807
Due to other funds	<u>214,152</u>	<u>53,220</u>	<u>-</u>	<u>338,314</u>
TOTAL LIABILITIES	<u>330,745</u>	<u>53,220</u>	<u>252,141</u>	<u>434,121</u>
Fund balances:				
Nonspendable	-	-	118,951	-
Spendable:				
Restricted	<u>-</u>	<u>-</u>	<u>529,364</u>	<u>-</u>
TOTAL FUND BALANCES	<u>-</u>	<u>-</u>	<u>648,315</u>	<u>-</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 330,745</u>	<u>\$ 53,220</u>	<u>\$ 900,456</u>	<u>\$ 434,121</u>

(continued)

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA

COMBINING BALANCE SHEET - NON-MAJOR GOVERNMENTAL FUNDS
JUNE 30, 2021

	Head Start	Pre-K State	Striving Readers	TANF
<u>ASSETS</u>				
Cash and cash equivalents	\$ -	\$ 88,186	\$ -	\$ -
Receivables	301,533	235,870	116,832	24,864
Investments	-	-	-	-
Due from other funds	-	-	-	-
Inventory	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL ASSETS	<u>\$ 301,533</u>	<u>\$ 324,056</u>	<u>\$ 116,832</u>	<u>\$ 24,864</u>
<u>LIABILITIES AND FUND BALANCES</u>				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Salaries and benefits payable	115,220	150,033	-	-
Due to other funds	186,313	90,212	116,832	24,864
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL LIABILITIES	<u>301,533</u>	<u>240,245</u>	<u>116,832</u>	<u>24,864</u>
Fund balances:				
Nonspendable	-	-	-	-
Spendable:				
Restricted	-	83,811	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL FUND BALANCES	<u>-</u>	<u>83,811</u>	<u>-</u>	<u>-</u>
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 301,533</u>	<u>\$ 324,056</u>	<u>\$ 116,832</u>	<u>\$ 24,864</u>

(continued)

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA

COMBINING BALANCE SHEET - NON-MAJOR GOVERNMENTAL FUNDS
JUNE 30, 2021

	School Activity Funds	Educational Excellence	Other Funds	Total
<u>ASSETS</u>				
Cash and cash equivalents	\$ 766,146	\$ 799	\$ 36,942	\$ 1,406,889
Receivables	-	-	153,792	1,917,666
Investments	20,425	-	45,181	65,606
Due from other funds	-	-	-	-
Inventory	-	-	-	118,951
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL ASSETS	\$ 786,571	\$ 799	\$ 235,915	\$ 3,509,112
	<hr/>	<hr/>	<hr/>	<hr/>
<u>LIABILITIES AND FUND BALANCES</u>				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ 876	\$ 57,148
Salaries and benefits payable	-	799	13,063	687,384
Due to other funds	-	-	140,729	1,164,636
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL LIABILITIES	-	799	154,668	1,909,168
	<hr/>	<hr/>	<hr/>	<hr/>
Fund balances:				
Nonspendable	-	-	-	118,951
Spendable:				
Restricted	786,571	-	81,247	1,480,993
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL FUND BALANCES	786,571	-	81,247	1,599,944
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL LIABILITIES AND FUND BALANCES	\$ 786,571	\$ 799	\$ 235,915	\$ 3,509,112
	<hr/>	<hr/>	<hr/>	<hr/>

(concluded)

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NON-MAJOR FUNDS
FISCAL YEAR ENDED JUNE 30, 2021

	Title I	Title II	School Lunch	Special Education
<u>REVENUES</u>				
Local sources:				
Ad valorem taxes	\$ -	\$ -	\$ -	\$ -
Earnings on investments	-	-	-	-
Food services - paid meals	-	-	49,549	-
Other	-	-	-	-
State sources:				
Unrestricted grants-in-aid, MFP	-	-	30,264	146,574
Restricted grants-in-aid	-	-	17,271	-
Federal grants	1,037,864	189,256	3,303,307	1,058,174
TOTAL REVENUES	1,037,864	189,256	3,400,391	1,204,748
<u>EXPENDITURES</u>				
Current:				
Instruction:				
Regular education programs	-	-	-	-
Special education programs	-	-	-	507,876
Other education programs	842,282	161,298	-	-
Support:				
Pupil support services	-	-	-	448,287
Instructional staff services	151,058	22,905	-	198,466
General administration services	-	-	-	-
Plant operation and maintenance	-	-	1,152	-
Student transportation	-	-	-	6,307
Food services	-	-	3,108,781	-
Facility Acquisition and Construction	-	-	-	-
Debt service - Principal	-	-	-	-
Debt service - Interest	-	-	-	-
TOTAL EXPENDITURES	993,340	184,203	3,109,933	1,160,936
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	44,524	5,053	290,458	43,812
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers in	-	-	166,141	-
Transfers out	(44,524)	(5,053)	(155,485)	(43,812)
TOTAL OTHER FINANCING SOURCES (USES)	(44,524)	(5,053)	10,656	(43,812)
<u>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER USES</u>				
	-	-	301,114	-
Fund balances, June 30, 2020, as restated	-	-	347,201	-
FUND BALANCES, JUNE 30, 2021	\$ -	\$ -	\$ 648,315	\$ -

(continued)

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NON-MAJOR FUNDS
FISCAL YEAR ENDED JUNE 30, 2021

	Head Start	Pre-K State	Striving Readers	TANF
<u>REVENUES</u>				
Local sources:				
Ad valorem taxes	\$ -	\$ -	\$ -	\$ -
Earnings on investments	-	-	-	-
Food services - paid meals	-	-	-	-
Other	-	165,637	-	-
State sources:				
Unrestricted grants-in-aid, MFP	-	-	-	-
Restricted grants-in-aid	-	760,314	-	26,208
Federal grants	1,207,558	-	117,198	-
TOTAL REVENUES	1,207,558	925,951	117,198	26,208
<u>EXPENDITURES</u>				
Current:				
Instruction:				
Regular education programs	-	39	-	26,208
Special education programs	-	-	-	-
Other education programs	1,044,652	919,904	112,169	-
Support:				
Pupil support services	-	-	-	-
Instructional staff services	162,906	35,885	-	-
General administration services	-	-	-	-
School administration/Plant services	-	-	-	-
Student transportation	-	-	-	-
Food services	-	-	-	-
Facility Acquisition and Construction	-	-	-	-
Debt service - Principal	-	-	-	-
Debt service - Interest	-	-	-	-
TOTAL EXPENDITURES	1,207,558	955,828	112,169	26,208
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	(29,877)	5,029	-
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers in	-	-	-	-
Transfers out	-	-	(5,029)	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	(5,029)	-
<u>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER USES</u>				
	-	(29,877)	-	-
Fund balances, June 30, 2020, as restated	-	113,688	-	-
FUND BALANCES, JUNE 30, 2021	\$ -	\$ 83,811	\$ -	\$ -

(continued)

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NON-MAJOR FUNDS
FISCAL YEAR ENDED JUNE 30, 2021

	School Activity Funds	Educational Excellence	Other Funds	Total
<u>REVENUES</u>				
Local sources:				
Ad valorem taxes	\$ -	\$ -	\$ -	\$ -
Earnings on investments	-	-	961	961
Food services - paid meals	-	-	-	49,549
Other	1,090,790	-	38,000	1,294,427
State sources:				
Unrestricted grants-in-aid, MFP	-	-	-	176,838
Restricted grants-in-aid	-	67,308	73,209	944,310
Federal grants	-	-	316,370	7,229,727
TOTAL REVENUES	1,090,790	67,308	428,540	9,695,812
<u>EXPENDITURES</u>				
Current:				
Instruction:				
Regular education programs	-	108	20,484	46,839
Special education programs	-	-	-	507,876
Other education programs	1,007,646	41,241	422,562	4,551,754
Support:				
Pupil support services	-	-	-	448,287
Instructional staff services	-	29,781	675	601,676
General administration services	-	-	13,000	13,000
School administration/Plant services	-	-	-	1,152
Student transportation	-	-	-	6,307
Food services	-	-	-	3,108,781
Facility Acquisition and Construction	-	-	-	-
Debt service - Principal	-	-	-	-
Debt service - Interest	-	-	-	-
TOTAL EXPENDITURES	1,007,646	71,130	456,721	9,285,672
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	83,144	(3,822)	(28,181)	410,140
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers in	-	1,683	16,179	184,003
Transfers out	-	-	(6,117)	(260,020)
TOTAL OTHER FINANCING SOURCES (USES)	-	1,683	10,062	(76,017)
<u>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER USES</u>				
	83,144	(2,139)	(18,119)	334,123
Fund balances, June 30, 2020, as restated	703,427	2,139	99,366	1,265,821
FUND BALANCES, JUNE 30, 2021	\$ 786,571	\$ -	\$ 81,247	\$ 1,599,944

(concluded)

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA

SCHEDULE OF BOARD MEMBERS' COMPENSATION

FOR THE YEAR ENDED JUNE 30, 2021

Teri Bergeron	\$ 9,600
George A. Chustz, Jr.	9,600
Leon Goudeau	9,600
Ronald P. LeBlanc	9,600
Jason Manola	9,600
Michael Maranto	9,600
Chareeka T. Grace	9,600
Craig Sarradet	9,600
Toby Sarradet	9,600
Dr. Atley D. Walker, Sr.	<u>9,600</u>
	<u><u>\$ 96,000</u></u>

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA

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

FOR THE YEAR ENDED JUNE 30, 2021

Superintendent Name: Wesley S. Watts

Salary, including incentive and bonus	\$ 147,700
Benefits-insurance	7,976
Benefits-retirement	40,687
Benefits-other	2,182
Car allowance	10,000
Cell phone	1,119
Dues	1,944
Reimbursements	158
Registration fees	<u>350</u>
	<u><u>\$ 212,116</u></u>

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

The Members of the
West Baton Rouge Parish School Board
Port Allen, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the West Baton Rouge Parish School Board (the School Board), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the School Board's basic financial statements, and have issued our report thereon dated March 31, 2022.

Internal Control over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2021-001 that we consider to be a significant deficiency.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the School Board's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matter that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and questioned costs as item 2021-001.

The School Board's Response to Findings

The School Board's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The School Board's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School Board's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School Board's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Baton Rouge, Louisiana
March 31, 2022

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

The Members of the
West Baton Rouge Parish School Board
Port Allen, Louisiana

Report on Compliance for Each Major Federal Program

We have audited West Baton Rouge Parish School Board's (the School Board) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the School Board's major federal programs for the year ended June 30, 2021. The School Board's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the School Board's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the School Board's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program

In our opinion, the School Board complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

Report on Internal Control over Compliance

Management of the School Board is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the School Board's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the School Board's internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the School Board's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



Baton Rouge, Louisiana
March 31, 2022

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2021

Federal Grantor/ Pass-Through Grantor/ Program Name	Grant Year	Grantor Project Number	Assistance Listing Number	Expenditures 2021
<u>UNITED STATES DEPARTMENT OF AGRICULTURE</u>				
Pass-through program from Louisiana Department of Agriculture and Forestry:				
Food Distribution - Commodities	20-21	N/A	10.555	\$ 165,183
Pass-through program from Louisiana Department of Education:				
School Lunch Program	20-21	05-SFS-084	10.555	1,750,924
COVID-19 School Lunch Program	20-21	05-SFS-084	10.555	139,752
School Breakfast Program	20-21	05-SFS-084	10.553	771,635
Summer Feeding - Breakfast	20-21	05-SFS-084	10.559	92,475
Summer Feeding - Lunch	20-21	05-SFS-084	10.559	174,214
Child Nutrition Cluster Total				\$ 3,094,183
Dinner Feeding	20-21	05-SFS-084	10.558	209,124
Total United States Department of Agriculture				3,303,307
<u>UNITED STATES DEPARTMENT OF EDUCATION</u>				
Passed through Louisiana Department of Education:				
Title I Grants to Local Educational Agencies-Part A Basic	20-21	28-21-T1-61-396	84.010A	1,014,478
Title I - Redesign 1003a	20-21	28-20-RD19-61-396	84.010A	23,115
Direct Student Services	20-21	28-21-DSS-61-396	84.010A	21,981
Special Education Regular Project-Part B	20-21	28-21-B1-61-396	84.027A	1,002,868
High Cost Services	20-21	28-21-RH-61-396	84.027A	26,502
Positive Behavioral Support	20-21	28-20-PA-61-396	84.027A	11,317
Special Education Preschool	19-20	28-21-P1-61-396	84.173A	50,801
Special Education Cluster (IDEA) Total				1,091,488
Title IVA SSAE	20-21	28-21-71-61-396	84.424A	80,528
Carl Perkins Grant	20-21	28-21-02-61-396	84.048A	39,630
Title II Regular Project	20-21	28-21-50-61-396	84.367A	189,256
Title III	20-21	28-21-60-61-396	84.365A	8,507
Title III - Immigrant	20-21	28-21-S3-61-396	84.365A	271
COVID-19 - ESSERF - GEER Fund	20-21	28-20-GERF-61-396	84.425C	30,604
COVID-19 - ESSERF - Formula	20-21	28-20-ESRF-61-396	84.425D	842,953
COVID-19 - ESSERF - Incentive Fund	20-21	28-20-ESRI-61-396	84.425D	143,436
COVID-19 - ESSERF II - Formula Fund	20-21	28-21-ES2F-61-396	84.425D	1,546,069
COVID-19 - ESSERF III - Interventions Fund	20-21	28-21-ESEB-61-396	84.425U	439,114
COVID-19 - ESSERF III - Formula Fund	20-21	28-21-ES3F-61-396	84.425U	204,950
Striving Readers Comprehensive Literacy Program	20-21	28-18-SR01-61-396	84.371C	117,198
Total United States Department of Education				5,793,578
<u>UNITED STATES DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>				
Pass-through program from Louisiana Department of Education:				
Infant CLASS - Preschool Development	20-21	28-19-ICPG-61-396	93.434	1,577
Ready Start Networks - PDG	20-21	28-20-RSB5-61-396	93.434	22,990
Get Ready Cohort	20-21	28-19-GRC-61-396	93.434	25,000
Early Childhood Community Network Pilots - Block Grant Lead Agencies	20-21	28-21-CO-61-396	93.575	22,272
COVID-19 - CCR - CCDF	20-21	28-21-CCCR-61-396	93.575	75,000
Ready Start Networks - CCDF	20-21	28-21-RSCC-61-396	93.575	15,385
CCDF (Child Care and Development Fund) Cluster Total				112,657
Direct grant:				
Administration for Children, Youth, and Families - Head Start	20-21	06CH7180/05	93.600	662,888
Administration for Children, Youth, and Families - Head Start	20-21	06CH7180/06	93.600	425,152
COVID-19 - Administration for Children, Youth, and Families	20-21	06CH7180/06	93.600	119,518
Head Start Cluster Total				1,207,558
Total United States Department of Health and Human Services				1,369,782
Total Expenditures of Federal Awards				\$ 10,466,667

See the accompanying notes to the schedule of expenditures of federal awards.

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2021

NOTE A – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of West Baton Rouge Parish School Board and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

NOTE B – FOOD DISTRIBUTION

Non-monetary assistance is reported in the schedule at the fair market value of the commodities received and disbursed. During the year ended June 30, 2021, the School Board received commodities valued at \$165,183. At June 30, 2021, the organization had food commodities totaling \$30,172 in inventory.

NOTE C – DE MINIMUS COST RATE

During the year ended June 30, 2021, the West Baton Rouge Parish School Board did not elect to use the 10% de minimus cost rate as covered in §200.414 of the Uniform Guidance.

NOTE D – AMOUNTS PASSED THROUGH TO SUBRECIPIENTS

During the year ended June 30, 2021, the West Baton Rouge Parish School Board did not pass through any federal funding to subrecipients.

NOTE E – RECONCILIATION TO THE BASIC FINANCIAL STATEMENTS

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

Total Federal Grants	<u>\$ 10,466,667</u>
Total Federal Expenditures - SEFA	<u>\$ 10,466,667</u>

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2021

A. Summary of Auditors' Results

Financial Statements

Type of auditors' report issued: Unmodified

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

Noncompliance material to financial statements noted? x yes _____ no

Federal Awards

Internal control over major programs:

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

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

Any audit findings disclosed that are required to be reported in accordance with 2 CFR §200.516(a)? _____ yes x no

Identification of major programs:

<u>Federal Assistance Listing</u>	<u>Name of Federal Program or Cluster</u>
84.027A, 84.173A	Special Education Cluster (IDEA)
84.425C, 84.425D, 84.425U	Education Stabilization Fund

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

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2021

B. Findings – Financial Statement Audit

2021-001 **Violation of State Budget Law**

Criteria: Louisiana Revised Statute 39:1311 requires governments to amend special revenue fund budgets when actual expenditures and other financing uses exceed budgeted amounts by 5 percent or more.

Condition: Actual expenditures and other financing uses for the EFID Sales Tax Fund exceeded budgeted expenditures by 10.4 percent.

Cause: The School Board did not amend the budget during the 2020 - 2021 fiscal period.

Effect: The School Board is non-compliant with the Louisiana Budget Law.

Recommendation: The School Board should amend the budget in accordance with the statute.

View of Responsible Official and Planned Corrective Action:

Management will continuously monitor the actual revenue and expenditures of funds throughout the year to comply with the State Budget Law.

C. Findings and Questioned Costs – Major Federal Award Programs

None.

WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

A. Findings – Financial Statement Audit

2020-001

Capital Assets

Condition: The capital assets records were not properly reconciled to the general ledger accounts.

Current Status: Resolved.

2020-002

Bank Reconciliations

Condition: There were two bank accounts totaling approximately \$17,600 that were not recorded in the general ledger or reconciled to the bank statements.

Current Status: Resolved.

B. Findings and Questioned Costs – Major Federal Award Programs

None.

Page 1 of 3

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

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

We have performed the procedures enumerated below on the performance and statistical data accompanying the annual financial statements of the West Baton Rouge Parish School Board for the fiscal year ended June 30, 2021; and to determine whether the specified schedules are free of obvious errors and omissions, in compliance with Louisiana Revised Statute 24:514 I. Management of the West Baton Rouge Parish School Board is responsible for its performance and statistical data.

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

The procedures and associated findings are as follows:

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

Procedure #1:

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

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

No exceptions noted.

Class Size Characteristics (Schedule 2)

Procedure # 2

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

In our sample of 10 classes, there were no discrepancies identified.

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

Procedure # 3

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

When testing the experience of the full-time teachers, assistant principals, and principals, seven exceptions (out of 25) existed between the schedule and the personnel files.

Public School Staff Data: Average Salaries (NO SCHEDULE)

Procedure #4

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

When testing the average salaries of classroom teachers and full-time equivalents, four exceptions (out of 25) existed between the schedule and the personnel files.

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

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

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

Postlethwaite & Netterville

Baton Rouge, Louisiana
March 31, 2022

WEST BATON ROUGE PARISH SCHOOL BOARD

PORT ALLEN, LOUISIANA

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

As of and for the Year Ended June 30, 2021

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 Class Size Characteristics

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

**WEST BATON ROUGE PARISH SCHOOL BOARD
PORT ALLEN, LOUISIANA**

Schedule 1

**General Fund Instructional and Support Expenditures
and Certain Local Revenue Sources
For the Year Ended June 30, 2021**

General Fund Instructional and Equipment Expenditures

General Fund Instructional Expenditures:

Teacher and Student Interaction Activities:

Classroom Teacher Salaries	\$	18,843,956	
Other Instructional Staff Activities		2,489,860	
Instructional Staff Employee Benefits		9,385,534	
Purchased Professional and Technical Services		451,618	
Instructional Materials and Supplies		1,859,074	
Instructional Equipment		-	
Total Teacher and Student Interaction Activities			\$ 33,030,042

Other Instructional Activities \$ -

Pupil Support Activities	\$	3,047,532	
Less: Equipment for Pupil Support Activities		-	
Net Pupil Support Activities			\$ 3,047,532

Instructional Staff Services	\$	1,792,613	
Less: Equipment for Instructional Staff Services		-	
Net Instructional Staff Services			\$ 1,792,613

School Administration	\$	3,384,303	
Less: Equipment for Instructional Staff Services		(2,178)	
Net School Administration			\$ 3,382,125

Total General Fund Instructional Expenditures \$ 41,252,312

Total General Fund Equipment Expenditures \$ 21,978

Certain Local Revenue Sources

Local Taxation Revenue:

Constitutional Ad Valorem Taxes	\$	2,230,555	
Renewable Ad Valorem Tax		19,816,244	
Debt Service Ad Valorem Tax		7,495,105	
Up to 1% of Collections by the Sheriff on Taxes Other than School Taxes		558,653	
Sales and Use Taxes		17,983,709	
Total Local Taxation Revenue			\$ 48,084,266

Local Earnings on Investment in Real Property:

Earnings from 16th Section Property	\$	117,620	
Earnings from Other Real Property		-	
Total Local Earnings on Investment in Real Property			\$ 117,620

State Revenue in Lieu of Taxes:

Revenue Sharing - Constitutional Tax	\$	57,386	
Revenue Sharing - Other Taxes		80,133	
Revenue Sharing - Excess Portion		-	
Other Revenue in Lieu of Taxes		-	
Total State Revenue in Lieu of Taxes			\$ 137,519

Nonpublic Textbook Revenue \$ 10,088

Nonpublic Transportation Revenue -

Total State Revenue for Non-public Education \$ 10,088

Class Size Characteristics
As of October 1, 2020

School Type	Class Size Range							
	1 - 20		21 - 26		27 - 33		34+	
	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Elementary	88%	540	7%	42	3%	18	2%	12
Elementary Activity Classes	82%	54	0%	-	4%	3	14%	9
Middle/Jr. High	68%	183	21%	57	11%	31	0%	-
Middle/Jr. high Activity Classes	83%	45	13%	7	0%	-	4%	2
High	72%	316	24%	107	3%	12	1%	4
High Activity Classes	91%	94	4%	4	0%	-	5%	5
Combination	0%	-	0%	-	0%	-	0%	-
Combination Activity Classes	0%	-	0%	-	0%	-	0%	-

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

WEST BATON ROUGE PARISH SCHOOL BOARD

REPORT TO MANAGEMENT

JUNE 30, 2021

WEST BATON ROUGE PARISH SCHOOL BOARD

REPORT TO MANAGEMENT

JUNE 30, 2021

March 31, 2022

Members of the Board and Management
West Baton Rouge Parish School Board
Port Allen, Louisiana

In planning and performing our audit of the financial statements of the West Baton Rouge Parish School Board (School Board) for the year ended June 30, 2021, we considered the School Board's internal controls and compliance with laws and regulations having a material effect on financial reporting in order to determine our auditing procedures for the purpose of expressing an opinion on the financial statements and not to provide assurance on the internal control structure or on compliance.

However, during our audit, we became aware of the following matters that are opportunities for improving financial reporting, refining policies and procedures and enhancing compliance with laws and regulations. The following paragraphs summarize our comments and suggestions regarding those matters. This letter does not affect our report dated March 31, 2022, on the financial statements of the School Board.

2021-1

Documentation of Process Reviews

Condition: School Board Management has communicated to us that there are controls in place for the review of journal entries. We corroborated that the controls were in place during our audit procedures. However, we noted that these reviews are not evidenced by the signing or initialing the documents or utilizing any form of documentation of review.

Recommendation: We recommend that the review of journal entries be evidenced on the documents themselves or the use of an end of month/quarter checklist indicating the date of the review and the person that performed the review.

*Management's
Response:*

We concur with the recommendation above.

2021-2

Performance and Statistical Schedules

Condition: The data provided on the performance and statistical schedules did not contain the accurate education and experience data for certain staff. This is a result of a previous software conversion undertaken by the School Board in which the information was not updated appropriately.

Recommendation: We recommend that the School Board review the information contained on the required performance and statistical schedules for accuracy and completeness.

2021-2

Performance and Statistical Schedules (continued)

**Management's
Response:**

The School Board with the assistance of a consultant will review the schedules being generated by the software. We will determine if modifications can be made to the current schedules, or if we need to create new schedules to ensure accuracy in the future.

We have already discussed these comments and suggestions with management, and we will be pleased to discuss them in further detail at your convenience. We would also welcome any opportunity to perform any additional study of these matters or to assist you in implementing the recommendations. We would also like to thank the School Board staff for their cooperation with us during the performance of the audit.

This letter is intended solely for the information and use of the West Baton Rouge Parish School Board, management of the West Baton Rouge Parish School Board, and the Louisiana Legislative Auditor and is not intended to be and should not be used by anyone other than these specified parties.

Postlethwaite & Netterville

STATUS OF PRIOR YEAR REPORT TO MANAGEMENT

2020-1

Documentation of Process Reviews

Condition: School Board Management has communicated to us that there are controls in place for the review of journal entries. We corroborated that the controls were in place during our audit procedures. However, we noted that these reviews are not evidenced by the signing or initialing the documents or utilizing any form of documentation of review.

Recommendation: We recommend that the review of journal entries be evidenced on the documents themselves or the use of an end of month/quarter checklist indicating the date of the review and the person that performed the review.

Management's Response: We concur with the recommendation above.

Current status: There is still no documented evidence to support the review of journal entries. Therefore, the matter is included in the current year management letter as 2021-1.

2020-2

Fund Balance

Condition: During the preparation of the financial statements, it was noted that the General Fund's fund balance was less than 10% of total expenditures.

Recommendation: While the School Board strives to maintain healthy fund balances, total expenditures for the general fund exceeded 10% of fund balance. As a best practice, the school board should maintain a fund balance of greater than 10% of total expenditures.

Management's Response: We concur with the recommendation above.

Current status: This issue was not noted during current year procedures. Thus, the matter is considered resolved.

2020-3

Timely Filing of Grant Reimbursement Requests

Condition: During the performance of our accounts receivable and single auditing testing procedures, we reviewed reimbursement requests that were not timely submitted.

Recommendation: The School Board should place policies and procedures in place to ensure timely filing for reimbursement of expenses relating to federal and state grants.

Management's Response: We concur with the recommendation above.

Current status: This issue was not noted during current year procedures. Thus, the matter is considered resolved.

2020-4

Performance and Statistical Schedules

Condition:

The data provided on the performance and statistical schedules did not contain the accurate education and experience data for certain staff. This is a result of a previous software conversion undertaken by the School Board in which the information was not updated appropriately.

Recommendation:

We recommend that the School Board review the information contained on the required performance and statistical schedules for accuracy and completeness.

**Management's
Response:**

The School Board with the assistance of a consultant will review the schedules being generated by the software. We will determine if modifications can be made to the current schedules, or if we need to create new schedules to ensure accuracy in the future.

Current status:

The recommendation has not been implemented. Therefore, the matter is included in the current year management letter as 2021-2.