

Comprehensive Annual Financial Report
Avoyelles Parish School Board
Marksville, Louisiana



Fiscal year ended June 30, 2018
Avoyelles Parish School Board

AVOYELLES PARISH SCHOOL BOARD
Marksville, Louisiana

Comprehensive Annual Financial Report

Year Ended June 30, 2018

Blaine Dauzat, Superintendent

Prepared By:

Mary L. Bonnette, CPA
Director of Business Services

INTRODUCTORY SECTION

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**Avoyelles Parish School Board
221 Tunica Drive West
Marksville, LA 71351**

To the Elected School Board Members and
Citizens of Avoyelles Parish

December 2, 2018

RE: Financial Statement Transmittal Letter
for the Fiscal Year Ended June 30, 2018

To the Elected School Board Members and Citizens of Avoyelles Parish:

Louisiana law requires that an annual sworn financial statement be furnished to the Legislative Auditor within six months of the close of each fiscal year in accordance with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards (GAAS) by a certified public accountant. Pursuant to that requirement, we hereby issue the Comprehensive Annual Financial Report (CAFR) of the Avoyelles Parish School Board for the year ended June 30, 2018.

Management's Representations

This report consists of management's representations concerning the finances of the Avoyelles Parish School Board. Consequently, the Superintendent and the Director of Business Services assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, we have established a comprehensive internal control framework designed both to protect the School Board's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the Avoyelles Parish School Board's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the Avoyelles Parish School Board's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

Independent Auditor's Review of Financial Statements

The Avoyelles Parish School Board's financial statements have been audited by Kolder, Slaven & Company, LLC, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance the financial statements of the Avoyelles Parish School Board for the fiscal year ended June 30, 2018 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the Avoyelles Parish School Board's financial statements for the fiscal year ended June 30, 2018 are fairly presented in conformity with (GAAP). The independent auditors' report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the Avoyelles Parish School Board was part of a broader, federally mandated “Single Audit” designed to meet the special needs of the federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government’s internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in the Avoyelles Parish School Board’s Single Audit Reports.

Additional Information

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management’s Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The Avoyelles Parish School Board’s MD&A can be found immediately preceding the report of the independent auditors.

PROFILE OF THE AVOYELLES PARISH SCHOOL BOARD

The Avoyelles Parish School Board was created by Louisiana Revised Statute (LSA-R.S.) 17:51 to provide public education for the children within Avoyelles Parish. The School Board is authorized by LSA-R.S. 17:81 to establish policies and regulations for its own government consistent with the laws of the state of Louisiana and the regulations of the Louisiana Board of Elementary and Secondary Education. The School Board is comprised of 9 members who are elected from 9 districts for terms of four years.

The School Board operates 10 schools within the parish, employs more than 400 teachers and other school workers, and has a total enrollment exceeding 5,200 pupils. In conjunction with the regular educational programs, some of these schools offer pre-kindergarten, special education and/or adult education programs. In addition, the School Board provides transportation and school food services for the students.

The Annual Operating Budget serves as the foundation for the Avoyelles Parish School Board’s financial planning and control. All administrators are required to submit requests for appropriation to the Director of Business Services on or before March 20th of each year. Compilation of the budget is completed by the Business Office and sent to the Superintendent for review and/or alterations by April 20th of each year. The final draft of the proposed Annual Operating Budget is presented by the Superintendent to the School Board at its regular meeting in July of each year. This gives the Board Members at least 30 days to review the budget before it is voted in an open meeting.

Before the budget is voted on by the School Board, the Budget/Finance Committee reviews the budget. The Board is also required by Louisiana law to hold at least one public hearing prior to its adoption, to publish a notice in the newspaper of the upcoming public hearing, and to make available to the public a copy of the proposed budget at least 15 days prior to the public hearing. The public hearing and the vote by the elected School Board Members on the Annual Operating Budget is held on the first Tuesday in August of every year.

The approved Annual Operating Budget presents revenues by source and expenditures by function as defined by the Louisiana Board of Elementary and Secondary Education’s Bulletin #1929. The Superintendent is authorized to transfer amounts between line items within a fund in accordance with proper accounting procedure without approval by the Board. However, budget amendments are required when total revenues drop 5% or more below expectations, total expenditures exceed budget estimates by 5% or more, and when beginning fund balance is less than 5% or more of its projected amount.

Budget-to-actual comparisons are provided in this report for the General Fund and each individual Special Revenue Fund.

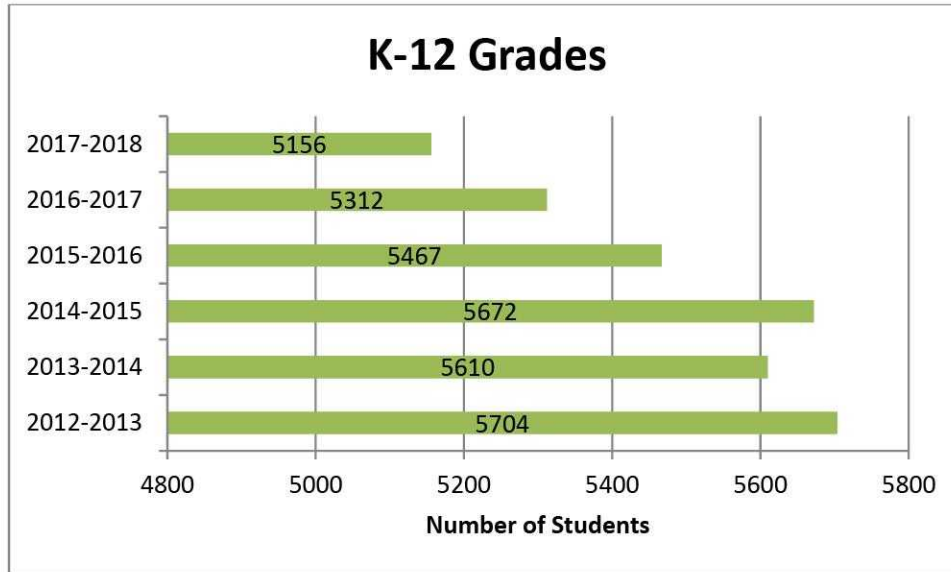
The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the Avoyelles Parish School Board operates.

A detailed map of Louisiana from MapQuest, showing major cities, highways, and geographical features. Lake Charles is highlighted with a red star. The map includes a scale bar (0 to 40 km) and a copyright notice for 2005 MapQuest.com, Inc.

Total sales and use tax collections for all nine governmental bodies in Avoyelles Parish exceeded \$18.5 million in fiscal year 2017-18. Comparing total collections for the current fiscal year to the prior fiscal year shows an increase of approximately \$ 345,343. This figure is an overall average, however, and does not necessarily reflect individual entities' collections which are illustrated in the statistical section of this report. (Table H).

Student Enrollment Trends

Student enrollment, as shown in the bar chart below, impacts the budget in two ways: revenues received from state and federal sources, and the staffing of employees.



On the revenue side, the Board receives state revenues based on the student count in grades kindergarten through the 12th grade from the prior fiscal year and is commonly called the Minimum Foundation Program (MFP). The MFP is the State's cost of educating students in Louisiana and is based on a formula that allocates money to parish and city school systems.

On the expenditure side, the Board will reduce staff if the State does not increase the base per student amount in the MFP and/or if there is a decline in student enrollment in grades K-12 from the prior fiscal year.

Enrollment decreased in grades K-12 in FY 2017-18 from the prior fiscal year and the base per student in FY 2014-15 increased to \$3,961 per pupil, a 3% increase over the prior year. Included in the MFP for the 2014-15 fiscal year were additional retirement and related benefit costs. Additional MFP dollars were replaced for Type 4 (BESE) Charter Schools which increased Total State MFP revenues by \$1,509,550 in FY 2014-15. There has been no increase in the per pupil amount since 2014-15.

Property Tax Values

Property tax values affect the second largest source of revenues (ad valorem tax revenues) for the school system. In fiscal year 2017-18, total property tax values in Avoyelles Parish increased to \$140 million. Taxable and homestead values reflect a minimal increases over the past five years as shown in the chart below.

<u>Fiscal Year</u>	<u>Taxable Value</u>	<u>Homestead Value</u>	<u>Total Value</u>	<u>Increase (Decrease)</u>
2013-14	129,774,178	59,504,006	189,278,184	1.0%
2014-15	134,181,311	60,233,133	194,414,444	3.0%
2015-16	136,227,336	60,531,234	196,758,660	2.0%
2016-17	140,066,332	61,004,698	201,071,030	2.1%
2017-18	140,812,795	61,352,905	202,165,700	1%

Modest increases in property tax values are being forecasted for the next few years. Current Maintenance and Operational ad valorem taxes of 9.6 mills will expire in 2019. In December 2017 voters approved a renewal of this millage which will expire in 2029. The November 2011 10 mill ad valorem tax will expire in 2021.

Long-term financial planning: Each year the administration adopts educational goals and objectives as a vehicle to improve student learning. Thus, human and financial resources are allocated in the budget to achieve the adopted goals, and to support educational programs and services defined by the Board's mission. It is a delicate balance of policy choices. It also represents a delicate balance between the educational needs of the students and the ability of the community to provide the necessary financial support. Financial policies such as reduction in personnel and redesigning transportation routes to achieve maximum cost savings had a significant impact on the current period's financial statements.

The Every Student Succeeds Act (ESSA) Act and the State's Accountability System have placed mandates in the area of school performance in relationship to every student's achievement. Every student is to meet the same achievement objectives by 2021 regardless of ability levels. With these mandates in place every school is expected to show continuous academic growth in all subgroups of students. Improvement is driven through several facets of funding as well as instructional areas such as special education, limited English proficiency, remediation, enrichment, and instructional strategies for poverty students. Never before has there been this kind of need to review achievement data in the areas of subgroups of students.

Avoyelles Parish's goal is to not have a school in any level of School Improvement as defined by the State of Louisiana. A school that does not meet or make adequate progress toward its Growth Target or Subgroup Performance will enter into School Improvement. A school that enters into School Improvement will receive additional support and assistance through school analysis, school level and district assistance team planning, and individual school needs assessments. Schools meeting their growth targets and going beyond will receive reward money to be dedicated to the school improvement process.

The following chart reflects the status of each school to the goal defined above at the beginning of the 2016-17 school year. Additional information may be viewed at the Louisiana State Department of Education's web site <http://www.doe.state.la.us/lde/uploads/11484.pdf>.

Schools	School Performance Score		OLD SCALE			
	2017-18	2018-19	Actual		2017 Letter Grade	2018 Letter Grade
Lafargue Elementary	94.3	88	-	-6.3	B	B
Bunkie Elementary	28	49.4	+	21.4	F	D
Bunkie High	66.4	61.5	-	-4.9	D	D
Marksville High	65.8	67.7	+	1.9	D	D
Marksville Elementary	63.7	64.7	+	1	C	D
Cottonport Elementary	44.5	65.2	+	20.7	D	D
Plaucheville Elementary	62	58.2	+	3.8	C	D
Riverside Elementary	42.2	51.2	+	9	F	D
Avoyelles High	78.4	78.4		0	C	C
LaSas High	114.5	112.3	-	-2.2	A	A

Schools	School Performance Score		NEW SCALE			2018 Letter Grade
	2017-18	2018-19	Actual		2017 Letter Grade	
Lafargue Elementary	76.3	75.2	-	-1.1	B	B
Bunkie Elementary	35	46	+	11	F	F
Bunkie High	61	59.3	-	-1.7	C	D
Marksville High	58.7	60.4	+	1.7	D	C
Marksville Elementary	54.1	58.8	+	4.7	D	D
Cottonport Elementary	47.7	58.2	+	10.5	F	D
Plaucheville Elementary	57.9	56.5	-	-1.4	D	D
Riverside Elementary	43.3	48.2	+	4.9	F	F
Avoyelles High	71.2	69.4	-	-1.8	C	C
LaSas High	95.6	96.4	+	0.8	A	A

Cash management policies and practices: All cash receipts of the Avoyelles Parish School Board are deposited on a daily basis in interest bearing checking accounts and secured by the bank against loss. The banks pledge securities to the School Board in excess of federal deposit insurance. These securities are held by a third party bank, are released by the School Board by written request only, and must equal or exceed 110% of the balance on deposit.

A portion of monies not immediately needed are invested in certificates of deposit (CD). The maturities of these CDs range from 30 days to 1 year, with an average maturity of 6 months. An average yield of 1 % was achieved during the 2017-18 fiscal year as compared to .75% for the prior fiscal year. A majority of the funds remain in NOW accounts or interest bearing checking accounts, since the rate of interest earning is comparable or greater than CD rates. The School Board has begun the process of utilizing fiscal agent's investment program to increase earnings.

Risk management: The Avoyelles Parish School Board recognizes that there are certain risks or liabilities that could be costly. Risk management is merely deciding how to best deal with those risks and to manage the problem accordingly. Insurance and designated reserves are some of the ways to deal with those risks.

The School Board lowers its potential risks by purchasing insurance policies for (1) property and casualty, (2) errors and omissions, (3) general liability, (4) automobile liability, (5) employee fidelity, and (6) worker's compensation from companies that are approved by the Commissioner of Insurance for the State of Louisiana. The total costs for such coverage for the year ended June 30, 2018 was \$722,636.

The School Board also committed over the past few years \$3,300,000 of its General Fund – fund balance for future claims and contingencies, such as severance pay. This figure includes \$500,000 for future annual leave payments.

Pension and other post employment benefits: The School Board provides a defined benefit pension plan for its employees through two cost-sharing multiple-employer statewide plans. The School Board has complied with GASB

75 and has no plans to fund the post employment benefit obligation. Also, the Board has complied with GASB 68, which discloses the relationship of the Board's liability for pension obligations as compared to other agencies of the state for each retirement system. See pages 51-72 for further explanation.

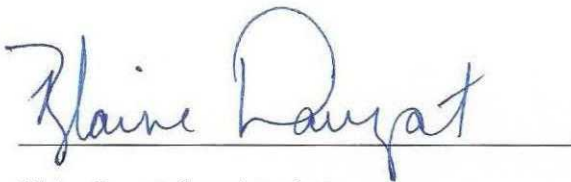
The School Board sponsors, through the State of Louisiana, Group Benefits, post-retirement medical and life insurance benefits for its retired employees. As of the end of the current fiscal year, there were 528 retired employees receiving group medical benefits and 96 retired employees receiving group life insurance benefits, which are financed on a pay-as-you-go basis.

AWARDS

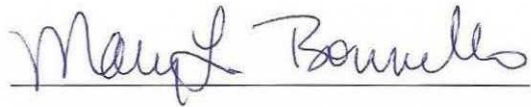
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Avoyelles Parish School Board for its comprehensive annual financial report for the fiscal year ended June 30, 2017. This was the 16th consecutive year that the Avoyelles Parish School Board has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report satisfied both generally accepted accounting principles and applicable legal requirements. The Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

ACKNOWLEDGEMENTS

The preparation of this report could not have been accomplished without the efficient and dedicated services of the entire staff of the Business Department. We want to express our appreciation to all members of the department who assisted and contributed to the preparation of this report. Credit also must be given the Superintendent and the School Board Members for their unfailing support for maintaining the highest standards of professionalism in the management of the Avoyelles Parish School Board's finances.



Blaine Dauzat, Superintendent
Avoyelles Parish Schools



Mary L. Bonnette, CPA
Director of Business Services



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

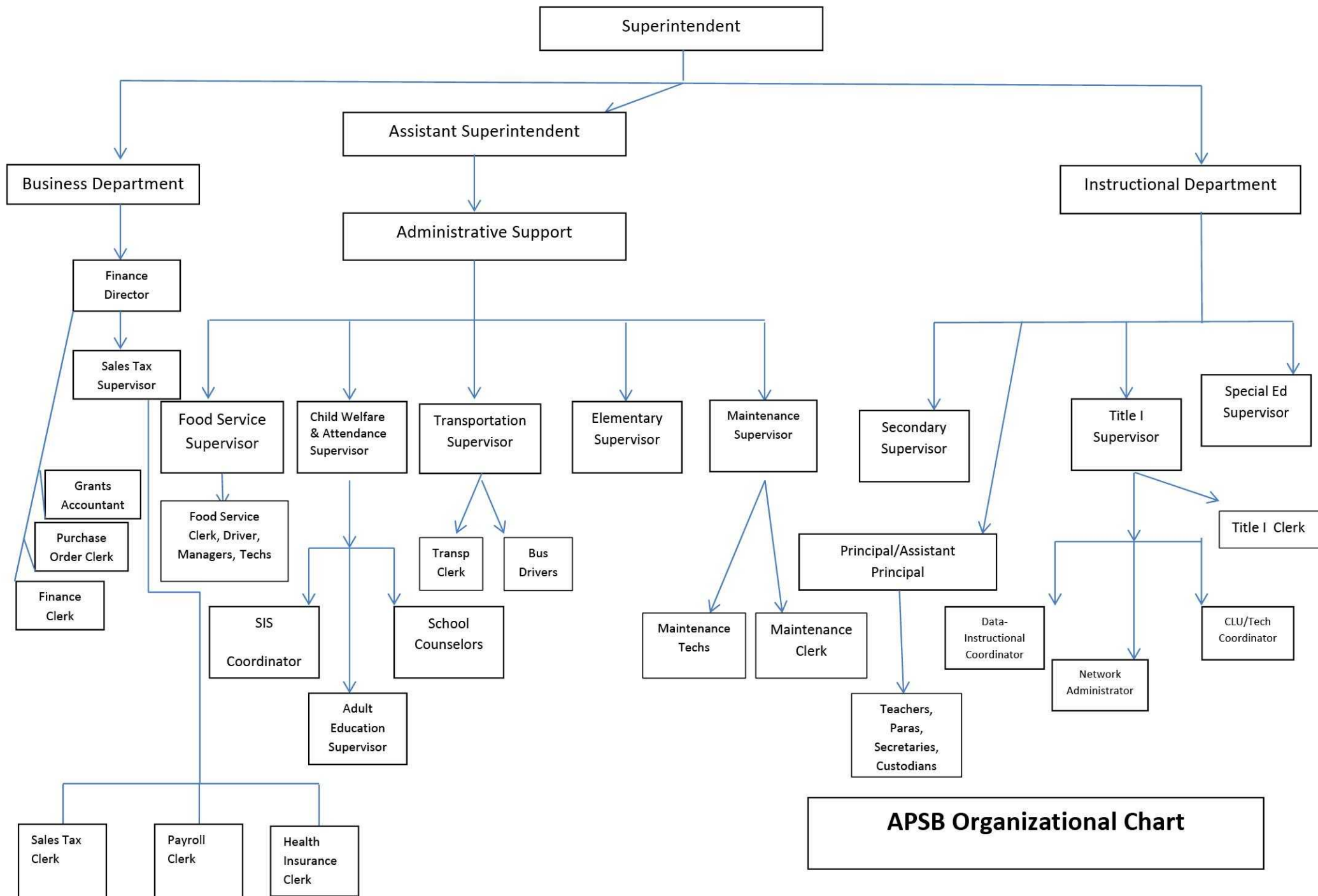
**Avoyelles Parish School Board
Louisiana**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2017

Christopher P. Morill

Executive Director/CEO



APSB Organizational Chart

AVOYELLES PARISH SCHOOL BOARD
Marksville, Louisiana

Elected School Board Members as of June 30, 2018

	<u>Present Term Began</u>	<u>Present Term Expires</u>	<u>Began as a Board Member</u>
President			
Mr. John Gagnard District No. 9	01-01-2015	12-31-2018	January 2013
Vice President			
Mrs. Mike Lacombe District No. 7	01-01-2015	12-31-2018	November 2011
Mr. Chris Lacour District No. 3	01-01-2015	12-31-2018	January 2015
Mrs. Shelia Blackman-Dupas District No. 5	01-01-2015	12-31-2018	January 2007
Mrs. Lizzie Ned District No. 6	01-01-2015	12-31-2018	November 2007
Mrs. Geralyn Young District No. 1	04/01/2018	12-31-2018	April 2018
Mr. Van Kojis District No. 8	01-01-2015	12-31-2018	January 2007
Mr. James Gauthier District No. 4	01-01-2015	12-31-2018	January 2011
Mr. Darrel Wiley District No.2	01-01-2015	12-31-2018	January 2011

AVOUELLES PARISH SCHOOL BOARD
Marksville, Louisiana

Selected Administrative Officials as of June 30, 2018

<u>Name</u>	<u>Title</u>	<u>Years Experience</u>	<u>Began as an Administrator</u>
Mr. Blaine Dauzat	Superintendent	27	07-2012
Mrs. Thelma Prater	Assistant Superintendent	31	07-2003
Mrs. Mary L. Bonnette, CPA	Director of Finance	22	03-2003
Mrs. Demetria Alexander	Director of Federal Programs	35	06-2012
Mrs. Jennifer Dismar	Supervisor of Child Welfare and Attendance	21	09-2013
Mrs. Dawn Pitre	Supervisor of Special Education	24	10-2011
Mr. Dexter Compton	Supervisor of Secondary Education	28	09-2006
Mr. Celeste Voinche	Supervisor of Elementary Instruction	28	06-2004
Mrs. Jenny Welch	Supervisor of School Food Services	12	03-2014
Mrs. Jaimie Lacombe	Supervisor of Accounting & Sales Tax Collector	13	05-2005
Mr. Steven Marcotte	Maintenance Supervisor	23	01-2002
Mr. Brent Whiddon	Supervisor of Transportation	31	8-2006

FINANCIAL SECTION

KOLDER, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

C. Burton Kolder, CPA*
Victor R. Slaven, CPA*
Gerald A. Thibodeaux, Jr., CPA*
Robert S. Carter, CPA*
Arthur R. Mixon, CPA*
Brad E. Kolder, CPA, JD*
Stephen J. Anderson, CPA*
Christine C. Doucet, CPA
Wanda F. Arcement, CPA, CVA
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Phone (337) 639-4737

* A Professional Accounting Corporation

WWW.KCSRCPAS.COM

INDEPENDENT AUDITOR'S REPORT

Mr. Blaine Dauzat, Superintendent,
and Members of the Avoyelles Parish School Board
Marksville, 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 Avoyelles Parish School Board (the School Board), as of and for the year ended June 30, 2018, 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.

Auditor's 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 statement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the 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, 2018, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As described in Note 21 to the financial statements, in 2018, the School Board adopted new accounting guidance, GASBS No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. Additionally, as described in Note 22 to the financial statements the School Board has restated its prior period net position and fund balances due to errors discovered in the prior year. Our opinion is not modified with respect to these matters.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and other required supplementary information on pages 5 through 19 and 77 through 81 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 introductory section, combining and individual nonmajor fund financial statements, nonmajor budgetary comparison schedules, agency fund schedule of changes in assets and liabilities, and statistical section 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 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 and individual nonmajor fund financial statements, nonmajor budgetary comparison schedules, agency fund schedule of changes in assets and liabilities, and schedule of expenditures of federal awards is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the 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 financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the

schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 20, 2018, on our consideration of the School Board's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Alexandria, Louisiana
December 20, 2018

REQUIRED SUPPLEMENTARY INFORMATION

AVOYELLES PARISH SCHOOL BOARD

Marksville, Louisiana

Management's Discussion and Analysis

June 30, 2018

We offer readers of the Avoyelles Parish School Board's financial statements this narrative overview and analysis of the financial activities of the Avoyelles Parish School Board for the fiscal year ended June 30, 2018. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages v-xi of this report.

Financial Highlights

Key financial highlights for the 2017-18 fiscal year include the following:

- Statement of Net Position – The liabilities and deferred inflows of resources of the Avoyelles Parish School Board exceeded its assets and deferred outflows of resources at the close of the most recent fiscal year by \$85,628,576 (net position). Of this amount, \$(100,375,168) (unrestricted net assets) is available to meet the government's obligations to students and creditors.
- Statement of Activities – The total net position of the Avoyelles Parish School Board increased by \$5,659,383 for the year ended June 30, 2018. Most of this increase is attributable to decreased expenditures due to reduced personnel.
- Governmental Funds Balance Sheet – As of the close of the current fiscal year, the Avoyelles Parish School Board's governmental funds reported a combined ending fund balance of \$22,621,669, an increase of \$847,582 in comparison with the prior fiscal year. The majority of this fund balance is comprised of approximately (1) \$16.7 million for funding within the General Fund and (2) \$5.8 million within other governmental funds.
- General Fund's Ending Fund Balance – At the end of the current fiscal year, committed fund balance for the General Fund, a major fund, was \$3,300,000, or 20% of the total. Approximately \$13.5 million (unassigned) is available for spending at the Board's discretion. A substantial portion of this unassigned amount has traditionally been set aside as a sales tax supplement for all employees to be distributed in November of each year along with contingencies for workers compensation, etc.
- Capital Assets – Total capital assets (net of depreciation) were \$15,682,429 or 36% of total assets. The School Board uses these assets to provide educational services to children and adults; consequently, these assets are not available for future spending.
- Long-Term Debt – The Avoyelles Parish School Board's total debt decreased \$97,659 during the current fiscal year.

AVOYELLES PARISH SCHOOL BOARD

Marksville, Louisiana

Management's Discussion and Analysis

June 30, 2018

Overview of the Financial Statements

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

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

- The Statement of Net Assets presents information on all of the Avoyelles Parish School Board's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Avoyelles Parish School Board is improving or deteriorating.
- The Statement of Activities presents information showing how the School Board's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).
- Both of the government-wide financial statements distinguish functions of the Avoyelles Parish School Board that are principally supported by taxes and intergovernmental revenues(governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges(business-type activities). The governmental activities of the Avoyelles Parish School Board include general government.
- The government-wide financial statements can be found on pages 22-23 of this report.

Fund Financial Statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Avoyelles Parish 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 Avoyelles Parish School Board can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

- *Government funds.* Government funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources at the end of the fiscal year.

AVOYELLES PARISH SCHOOL BOARD

Marksville, Louisiana

Management's Discussion and Analysis

June 30, 2018

Such information may be useful in evaluating the Avoyelles Parish School Board near-term financing 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 funds Balance Sheet and the governmental funds Statement of Revenues, Expenditures, and Changes in Fund Balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Avoyelles Parish School Board maintains 24 individual governmental funds. Information is presented separately in the governmental funds Balance Sheet and in the governmental funds Statement of Revenues, Expenditures, and Changes in Fund Balances for the General Fund, which is considered to be the only major fund. Data for the other 23 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The Avoyelles Parish School Board adopts an annual appropriated budget for its General Fund and each individual Special Revenue Fund. Budgetary comparison statements have been provided to demonstrate compliance with these budgets.

- *Proprietary Fund.* The Avoyelles Parish School Board maintains one proprietary fund, Workers Compensation Fund. The Board is self-insured and funds work-related injury costs. Because this service predominantly benefits governmental functions, it has been included with governmental activities in the governmental-wide financial statements.
- *Fiduciary Funds.* Fiduciary funds are used to account for resources held for the benefit of parties outside the Avoyelles Parish School Board. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the Avoyelles Parish School Board's own programs. The School Board maintains one fiduciary fund named the School Activity Agency Fund.

Notes to the basic 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.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the School Board's compliance with budgets for its major funds. The combining statements for nonmajor governmental funds are presented immediately following the required supplementary information.

AVOYELLES PARISH SCHOOL BOARD

Marksville, Louisiana

Management's Discussion and Analysis

June 30, 2018

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Avoyelles Parish School Board, liabilities and deferred inflows of resources exceeded its assets and deferred outflows of resources by \$85,628,576 at the close of the most recent fiscal year.

The largest portion of the Avoyelles Parish School Board's net position total more than \$11.9 million (36%) and reflects its investment in capital assets (e.g. land, buildings, machinery, and equipment), less any related debt used to acquire those assets that are still outstanding. The School Board uses these capital assets to provide educational services to children and adults; consequently, these assets are not available for future spending. Although the Avoyelles Parish School Board's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. The Avoyelles Parish School Board's overall financial position has decreased in the current year. The most significant reason for the decrease was the reporting of GASB 68 and 75 reporting methodologies. However sound financial planning by the school board and conservative spending by administration and the Board has helped the system remain fiscally sound.

AVOYELLES PARISH SCHOOL BOARD

Marksville, Louisiana

Management's Discussion and Analysis

June 30, 2018

Avoyelles Parish School Board's Net Position

	<u>June 30, 2018</u>	<u>June 30, 2017</u>
Current and other assets	\$ 27,819,936	\$ 27,182,026
Capital assets	<u>15,682,429</u>	<u>15,238,994</u>
Total assets	<u>43,502,365</u>	<u>42,421,020</u>
Deferred outflows of resources	<u>7,469,515</u>	<u>13,184,419</u>
Current and other liabilities	4,618,745	5,470,355
Long-term liabilities	<u>122,206,901</u>	<u>77,547,412</u>
Total liabilities	<u>126,825,646</u>	<u>83,017,767</u>
Deferred inflows	<u>9,774,810</u>	<u>5,328,967</u>
Net position:		
Net investment in capital assets	11,980,598	12,026,132
Restricted	2,765,994	1,768,255
Unrestricted	<u>(100,375,168)</u>	<u>(46,535,682)</u>
Total net assets	<u>\$ (85,628,576)</u>	<u>\$ (32,741,295)</u>

A portion of the School Board's net position of \$2,765,994 is reported separately to show the legal constraints for the payment of outstanding long-term debt obligations, construction projects, for contingencies, and to limit the School Board from using these funds for day-to-day operations. The remaining balance of unrestricted net assets totaling (\$100,375,168) will not be available for use to meet the School Board's ongoing obligations to citizens and creditors. Governmental activities increased the Avoyelles Parish School Board's net position by \$5,659,383, which was a 9% increase in the net assets. Key elements of this increase are as follows:

AVOYELLES PARISH SCHOOL BOARD

Marksville, Louisiana

Management's Discussion and Analysis

June 30, 2018

**Avoyelles Parish School Board's Changes
in Net Position**

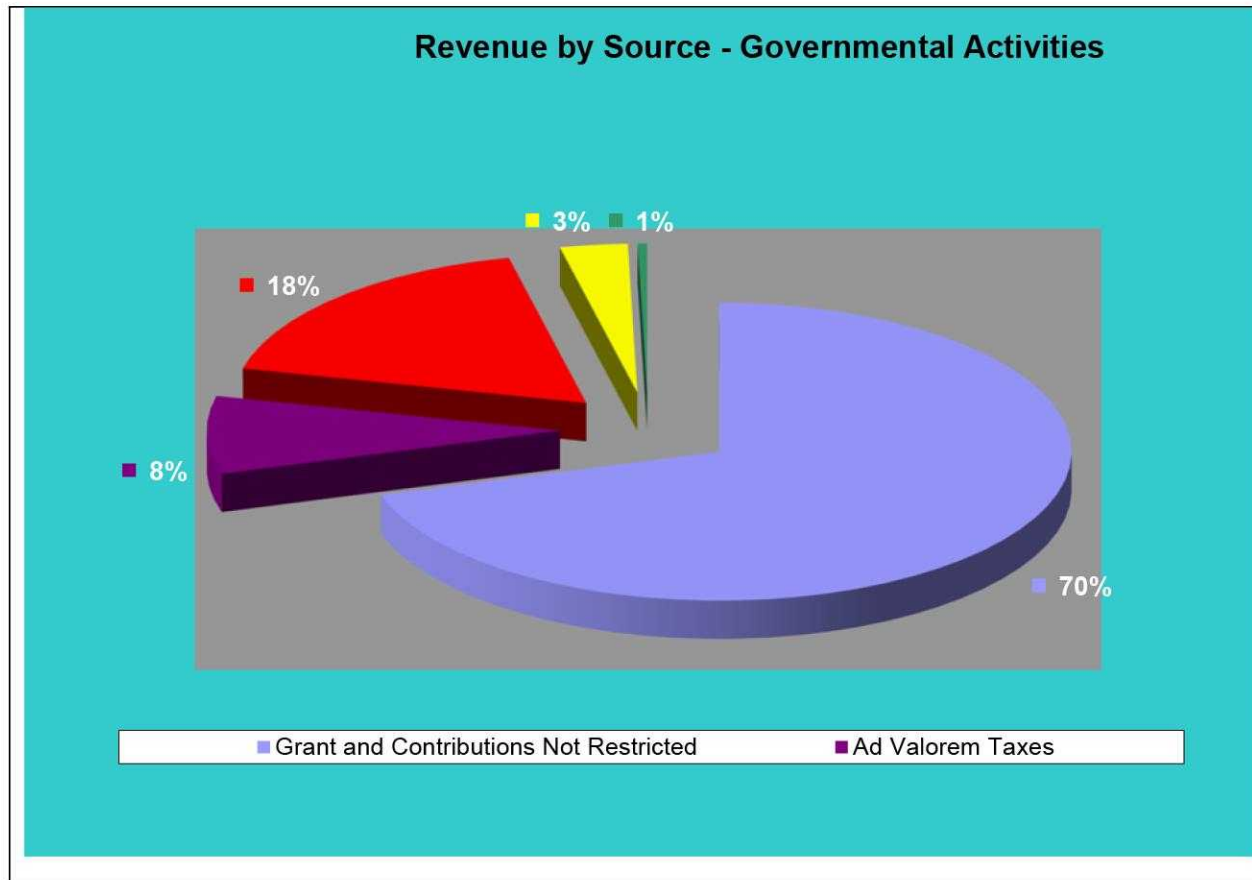
Revenues:	Year End June 30, 2018	Year End June 30, 2017
Program revenues:		
Charges for services	\$ 192,565	\$ 272,222
Operating grants and contributions	9,290,076	0
General revenues:		
Ad valorem taxes	3,777,481	3,606,895
Sales taxes	7,953,986	7,852,647
Grants and contributions not restricted to specific programs – Minimum Foundation Program	31,529,613	32,077,405
Interest on investments	121,188	88,640
Other general revenues	1,459,845	893,825
Total revenues	<u>54,324,754</u>	<u>44,791,634</u>
Expenses:		
Instruction:		
Regular programs	16,305,244	17,072,856
Special programs	4,796,875	4,978,151
Other instruction	5,425,653	5,653,971
Support services:		
Pupil support services	2,523,721	1,941,655
Instructional staff support services	1,382,538	2,170,107
General administration	1,699,786	1,200,857
School administration	3,212,859	3,175,316
Business services	622,412	749,977
Plant services, including unallocated depreciation	3,796,291	3,707,837
Student transportation services	4,703,710	4,539,210
Central services	184,413	0
Food services operations	3,978,561	85,843
Debt service – interest on long-term obligations	33,308	34,196
Total expenses	<u>48,665,371</u>	<u>45,309,976</u>
Increase in net position	5,659,383	(518,342)
Net assets at beginning of year	(32,741,295)	(32,526,621)
Prior period adjustment	(58,546,664)	303,668
Net assets at beginning of the year, adjusted	<u>(91,287,959)</u>	<u>(32,222,953)</u>
Net assets at end of year	<u>\$ (85,628,576)</u>	<u>\$ (32,741,295)</u>

AVOYELLES PARISH SCHOOL BOARD

Marksville, Louisiana

Management's Discussion and Analysis

June 30, 2018



Revenues by Source – Governmental Activities

- Grants and Contributions Not Restricted To Specific Programs: The single largest source of revenue to the Avoyelles Parish School Board is reported in the “Grants and Contributions Not Restricted to Specific Program” and is commonly called the Minimum Foundation Program (MFP). The MFP is a distribution of approximately \$3.6 billion to 69 public school systems and numerous charter schools by the State of Louisiana for salaries, benefits and general operations. The State does not provide money for building schools or retiring debt. The distribution is based on a formula adopted by the Louisiana Board of Elementary and Secondary Education and approved by the Louisiana Legislature. The chart below lists the actual increases or decreases in MFP funds for the past 3 years.

<u>Fiscal Year</u>	<u>General Fund</u>	<u>School Food Service</u>	<u>Lasas</u>	<u>Total MFP</u>	<u>Increase (Decrease)</u>	
2015-16	29,740,782	55,760	2,650,228	32,446,770	(272,349)	(1%)
2016-17	29,126,216	61,106	2,890,083	32,077,405	(369,365)	(1%)
2017-18	28,514,858	52,048	2,962,707	31,529,613	(547,792)	(1.7%)

AVOYELLES PARISH SCHOOL BOARD

Marksville, Louisiana

Management's Discussion and Analysis

June 30, 2018

In FY 2017-18, the School Board received \$31,529,613 (58%) of its total revenues from the MFP. These revenues are deposited in the General Fund, LaSas and the School Food Service only. Most of the \$547,792 or 1.7% decrease resulted from a decrease in student enrollment. Despite recent legislative appropriations, the State of Louisiana has continued to underfund the usual 2.75% annual increase in MFP funding.

- **Operating Grants and Contributions:** Operating grants and contributions totaled approximately \$9.3 million and are the second largest source of revenues for the School Board. Federal grants represent approximately \$7.7 million or 82.7% of the total while state grants represent approximately \$1 million or 17.3%. These grants and contributions are specifically restricted to certain programs, and therefore, are netted against the costs of these programs to show a true net cost. The chart below shows the operating grants and contributions by funding source.

Fiscal Year	School Food Service	Title I	Idea B	Operating Grants and Contributions	Total	Increase (Decrease)
2015-16	4,310,708	2,697,913	1,423,421	1,759,320	10,191,362	(13.5)%
2016-17	4,147,793	2,716,941	1,398,141	1,637,349	9,900,224	(2.9)%
2017-18	3,634,947	2,674,302	1,395,643	1,585,184	9,290,076	(6.2)%

In FY 2017-18, the School Board received 6.2% or \$610,148 less in operating grants and contributions. More funding cuts are expected in the future.

- **Sales and Use Tax Revenues:** Sales and use tax revenues are the third largest source of revenues for the Avoyelles Parish School Board. A 1½% sales tax rate is levied upon the sale and consumption of goods and services within the parish for public school education. A ¼% sales tax was approved by voters in November 2011, with collections commencing in January 2013. The chart below lists the sales and use tax revenues for the past 3 years.

Fiscal Year	General Fund	School Food Service	Nonmajor Debt Service Funds	Nonmajor Maintenance Funds	Total Collections	Increase (Decrease)
2015-16	5,591,460	0	0	2,158,797	7,750,257	(2.4)%
2016-17	5,644,308	0	0	2,208,339	7,852,647	1.3%
2017-18	5,731,238	0	0	2,222,748	7,953,986	1.3%

AVOYELLES PARISH SCHOOL BOARD

Marksville, Louisiana

Management's Discussion and Analysis

June 30, 2018

In FY 2017-18, the School Board deposited \$7,953,986 of sales and use tax revenues into the General Fund, School Food Service, Debt Service Funds, and Special Sales Tax Funds. This represents 14% of the total revenues received. Total collections increased approximately 1.3% or \$101,339 in fiscal year 2017-18. Increase was so slight and possibly attributed to increase in consumer prices.

- **Ad Valorem Tax Revenues:** Ad valorem tax revenues, also called property tax revenues, are the fourth largest source of revenue for the School Board. Ad valorem collections are based upon the number of mills (approved annually by the School Board) and the taxable assessed value (established by the Avoyelles Parish Tax Assessor), subject to the limitations approved by the voters and the Louisiana Legislature. Voters approved a 10 mill tax in November 2011, which was responsible for the additional revenues in FY 2017-18. The chart below lists the ad valorem tax deposits for the past 3 years. In December 2018 voters approved a 10 year renewal of two existing 5 mil taxes.

<u>Fiscal Year</u>	<u>General Fund</u>	<u>Nonmajor Special Revenue Funds</u>	<u>Nonmajor Debt Service Funds</u>	<u>Total Ad Valorem Taxes</u>	<u>Increase (Decrease)</u>	
2015-16	2,568,220	664,376	0	3,232,596	(21,247)	(19)%
2016-17	2,645,918	684,565	0	3,330,483	97,887	3%
2017-18	2,809,420	726,174	0	3,535,594	205,111	2.1%

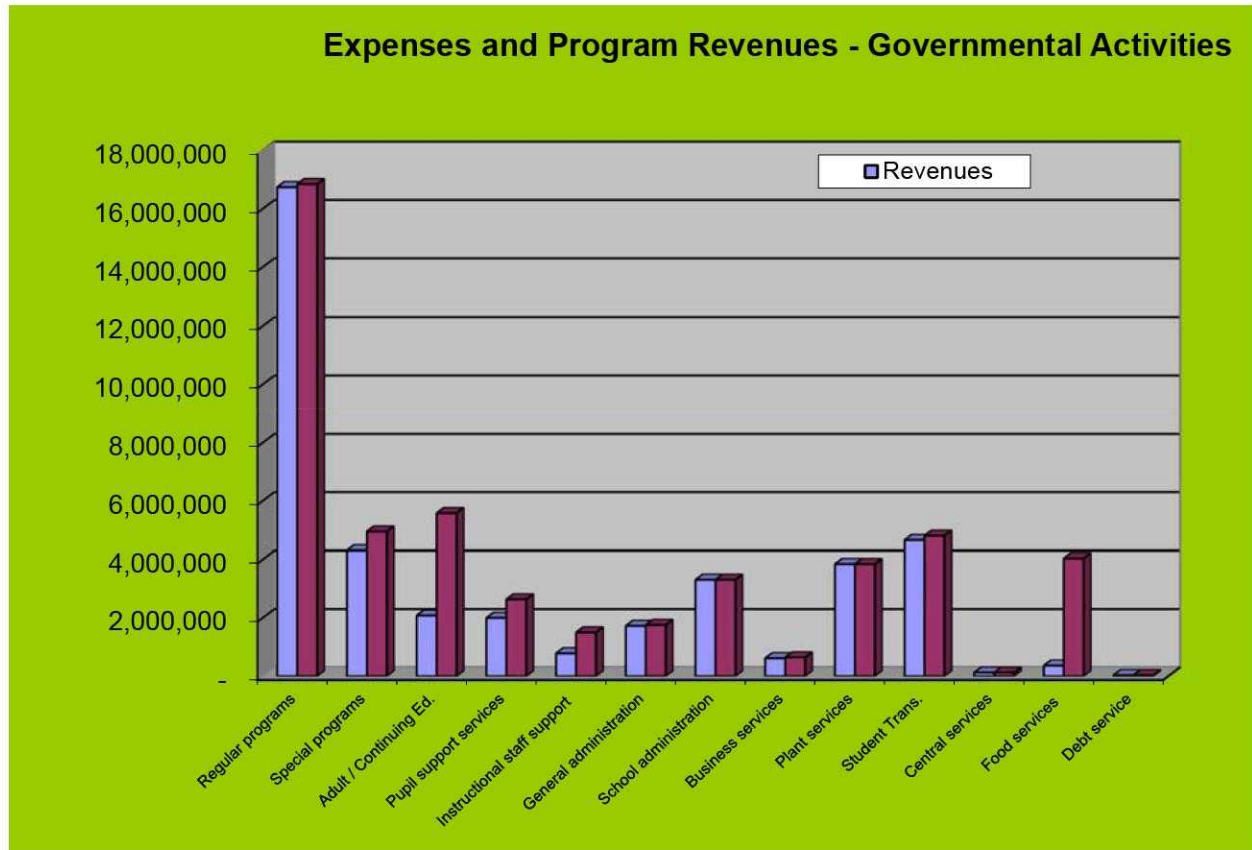
- In FY 2017-18 the School Board deposited \$3,535,594 of ad valorem tax revenues into the General Fund, Special Maintenance Tax Fund, and the Debt Service Funds. This represents 5.9% of the total revenues received. The General Fund received \$163,502 more in property tax revenues from the prior fiscal year and also the Special Maintenance Funds received \$41,609 in additional revenues. The increase in property tax collections in these funds is a result of the reassessments.

AVOYELLES PARISH SCHOOL BOARD

Marksville, Louisiana

Management's Discussion and Analysis

June 30, 2018



Expenses and Program Revenues – Governmental Activities

Expenses are classified by functions/programs. The related revenues are comprised of specific charges for the services and operating grants and contributions received to offset the expenses for the specific program. The program revenues for fiscal 2018 directly related to these expenses totaled \$9,290,076, which, along with charges for services of \$192,565, resulted in net program expenses of \$39,182,730. These net program expenses are funded by general revenues of the School Board.

1. **Instruction:** Expenses for regular programs, special programs, and adult/continuing education are considered instructional services and relate to direct expenses of providing instruction to students. Instructional services for fiscal year 2018 totaled more than \$26.5 million or 54.4% of total expenditures. As shown in the chart below, instructional services decreased approximately \$4.7 million. The increase is attributed to more focus on spending in the instructional areas.

AVOYELLES PARISH SCHOOL BOARD

Marksville, Louisiana

Management's Discussion and Analysis

June 30, 2018

Fiscal Year	Regular Programs	Special Programs	Other Programs	Instruction Total	Increase (Decrease)
2015-16	18,929,051	5,230,710	5,445,594	29,605,355	(14.2)%
2016-17	19,234,029	5,608,312	6,369,681	31,212,022	5%
2017-18	16,305,244	4,796,875	5,425,653	26,527,772	(15.0)%

2. **Support Services:** Support Services relate to those functions that facilitate the Instructional Services. Support services include Pupil Support, Instructional Staff Support, General Administration, School Administration, Business Services, Plant Services, Transportation Services, Central Services and Food Services. Support services for fiscal 2018 totaled approximately \$22.1 million or 45% of total expenditures. The chart below shows that Support Services decreased 9% or \$2,131,912 over the prior fiscal year. Particularly in the instructional staff support and plant services area expenditures decreased by \$1,260,907 due to more focus on cost cutting measures as a result of a decline student enrollment.

Fiscal Year	Instruct. Staff Support	Plant Services	Student Services	Food Service	Other	Support Services Total	Increase (Decrease)
2015-16	2,379,338	4,122,358	7,294,268	4,581,224	5,595,795	23,972,983	(14)%
2016-17	2,444,811	4,177,195	7,534,939	4,304,213	5,775,045	24,236,203	1%
2017-18	1,382,538	3,978,561	7,227,431	3,978,561	5,537,200	22,104,291	(9)%

Debt Service – Interest on Long Term Obligations: The remaining \$33,308 (.6%) of total expenditures consists of interest expense on long-term obligations. Interest on Long Term Obligations decreased 2.6% or approximately \$888 from the prior fiscal year due to normal decrease in the amortization of debt.

AVOYELLES PARISH SCHOOL BOARD

Marksville, Louisiana

Management's Discussion and Analysis

June 30, 2018

Fiscal Year	Interest on Long Term Obligations	Increase (Decrease)
2015-16	51,524	17%
2016-17	34,196	(33%)
2017-18	33,308	(2.6%)

Financial Analysis of Governmental Funds

As noted earlier, the Avoyelles Parish School Board uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The focus of the Avoyelles Parish School Board's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Avoyelles Parish School Board's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a School Board's net resources available for spending at the end of the fiscal year.

- As of the close of the current fiscal year, the Avoyelles Parish School Board's governmental funds reported a combined ending fund balance of \$22,621,669, an increase of \$847,582 in comparison with the prior fiscal year. The increase is insignificant, however sound fiscal practices have continued.
- The General Fund is the chief operating fund of the Avoyelles Parish School Board. At the end of the current fiscal year, the total fund balance of the General Fund was \$16,798,792. The School Board has committed approximately \$3.3 million of that fund balance for future claims and contingencies, and compensated absences. The remaining 20% or \$13.4 million (unassigned) is available for spending at the Board's discretion, however, approximately \$2.3 million of this amount has traditionally been distributed to employees in the form of a supplement each November.
- Title I is a non-major special revenue fund and is used to account for grants and related expenditures associated with providing educational opportunities to educationally deprived children. For the fiscal year 2017-18 \$2,674,302 was received from a federal grant and expended to improve skills in reading, language arts, and math.
- The School Food Service is a non-major special revenue fund and is used to account for revenues and costs associated with providing nutritious meals to school children and employees. For the year ended June 30, 2018, the fund balance was \$1,179,051, a increase of \$302,479 from the previous fiscal year. Additional transfers from General Fund as well as increased CEP (Community Eligibility Option) participation by all schools has been a positive effect on the fund balance. This committed fund balance is designated for unforeseen circumstances in the school breakfast and lunch programs.

AVOYELLES PARISH SCHOOL BOARD

Marksville, Louisiana

Management's Discussion and Analysis

June 30, 2018

- The LA Ag Science School Funds have a total fund balance of \$1,625,926, an increase of \$91,251 from the prior year.

General Fund Budgetary Highlights

The original budget for the School Board was adopted on August 1, 2017. Differences between the original budget and the final amended budget of the General Fund are as follows:

Revenues

- MFP revenues were originally budgeted at \$29,642,383. An amendment was made to bring the revenue to \$28,938,513. Actual MFP was \$29,041,666, a difference of \$103,153. The budgeted decrease was necessary to include decreased enrollment.

Expenditures

- Regular Education program expenditures were originally budgeted at \$17,297,756, and decreased later to \$16,361,817. Overbudgeted benefit costs were adjusted. Actual expenditures were \$15,859,492, a difference of \$502,325.

Other Financing Sources / Uses

- The original budget projected a deficit of \$1,076,051 and was later amended and projected to have a deficit of \$ 885,495. Actual result was a surplus of \$319,533 largely due to an increase in revenues and decrease in benefit costs such as staffing dockages as well as lower liability insurance claim costs.

Capital Assets and Debt Administration

Capital Assets: The Avoyelles Parish School Board's investment in capital assets as of June 30, 2018 amounts to \$15,682,429 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, furniture and equipment, and construction in progress. The table below shows the value at the end of each fiscal year.

AVOYELLES PARISH SCHOOL BOARD

Marksville, Louisiana

Management's Discussion and Analysis

June 30, 2018

**Avoyelles Parish School Board's Capital Assets
(net of depreciation)**

	2018	2017
Land	\$ 6,833,903	\$ 6,833,903
Buildings, building improvements, and land Improvements	7,338,970	7,469,726
Furniture, equipment and vehicles	1,434,747	851,858
Construction in progress – buildings	74,809	28,381
Total	<u>\$ 15,682,429</u>	<u>\$ 15,183,868</u>

Major capital asset events during the fiscal year included the following:

- Depreciation Expense along with disposition of assets for the year (1) lowered buildings, building improvements, and land improvements values and (2) reduced furniture, equipment and vehicle values for a total of \$817,108.

Long-Term Debt: At the end of the current fiscal year, the Avoyelles Parish School Board had total bonded debt outstanding of \$5,151,576. The full amount is backed by the full faith and credit of the government. The following table summarizes bonds outstanding at June 30, 2017 and 2018.

Avoyelles Parish School Board's Outstanding Debt

	2018	2017
Capital leases	\$ 802,763	\$ 316,589
Revenue bonds	2,895,831	3,291,664
Certificates of indebtedness	0	188,000
Total	<u>\$ 3,698,594</u>	<u>\$ 3,796,253</u>

Long-term debt issues for fiscal year 2017-18 include the following:

- Total outstanding debt decreased by \$97,629 during the fiscal year. This is due to the paying down of debt. New debt was incurred during the 2017-18 fiscal year.
- Louisiana statutes limit the amount of general obligation debt the School Board may issue to 35% of its total assessed valuation. The current debt limitation for the Avoyelles Parish School Board is approximately \$49 million, which is higher than the \$3.7 million outstanding at June 30, 2018.

AVOYELLES PARISH SCHOOL BOARD

Marksville, Louisiana

Management's Discussion and Analysis

June 30, 2018

For additional information regarding capital assets and long-term debt, see the notes to the basic financial statements on pages 48-50.

Economic Factors and Next Year's Budgets and Rates

The following economic factors were considered when the budget for FY 2017-18 was presented to the Board:

- Information from the Avoyelles Parish Tax Assessor shows the ad valorem tax collections will show a slight increase, mainly due to increased assessments. The land use of the parish is balanced among agriculture, mining, timber, and manufacturing.
- Sales and use tax collections are projected to decrease slightly. No major economic changes or developments other than a drop in crop prices are expected to occur in the near future that may affect revenues.

Requests for Information

This financial report is designed to provide a general overview of the Avoyelles Parish School Board's finances for all those with an interest in the School Board's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Director of Business Services of the Avoyelles Parish School Board, 221 Tunica Drive, Marksville, LA 71351, or by calling (318) 253-5982.

BASIC FINANCIAL STATEMENTS

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

AVOYELLES PARISH SCHOOL BOARD
Marksville, Louisiana

Statement A

Statement of Net Position
Governmental Activities
June 30, 2018

ASSETS

Cash and interest-bearing deposits	\$ 18,342,796
Investments	5,466,550
Receivables	23,831
Due from other governmental agencies	3,904,710
Inventory	82,049
Capital assets:	
Non-depreciable	6,908,712
Depreciable, net	<u>8,773,717</u>
Total assets	<u>43,502,365</u>

DEFERRED OUTFLOWS OF RESOURCES

Pension related	<u>7,469,515</u>
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LIABILITIES

Accounts, salaries and other payables	4,615,508
Interest payable	3,237
Long-term liabilities:	
Due within one year	1,296,375
Due in more than one year	4,819,201
Other post employment benefits payable	65,144,060
Net pension liability	<u>50,947,265</u>
Total liabilities	<u>126,825,646</u>

DEFERRED INFLOWS OF RESOURCES

OPEB Related	3,966,319
Pension related	<u>5,808,491</u>
Total deferred inflows of resources	<u>9,774,810</u>

NET POSITION

Net investment in capital assets	11,980,598
Restricted for:	
Tax dedications	2,765,994
Unrestricted	<u>(100,375,168)</u>
Total net position	<u>\$ (85,628,576)</u>

The accompanying notes are an integral part of the basic financial statements.

AVOYELLES PARISH SCHOOL BOARD
Marksville, Louisiana

Statement B

Statement of Activities
For the year ended June 30, 2018

Functions/Programs	Expenses	Program Revenues		Net (Expense)
		Charges for	Operating	Revenue and
		Services	Grants and	Changes in Net Position
			Contributions	Governmental
				Activities
Governmental activities:				
Instruction:				
Regular programs	\$ 16,305,244	\$ -	\$ 104,319	\$ (16,200,925)
Special education programs	4,796,875	-	641,842	(4,155,033)
Vocational education programs	1,565,921	-	37,691	(1,528,230)
Other instructional programs	575,766	-	155,330	(420,436)
Special programs	3,273,263	-	3,290,912	17,649
Adult and continuing education programs	10,703	-	12,012	1,309
Support services:				
Pupil support services	2,523,721	-	637,698	(1,886,023)
Instructional staff support services	1,382,538	-	664,354	(718,184)
General administration	1,699,786	-	31,627	(1,668,159)
School administration	3,212,859	-	394	(3,212,465)
Business services	622,412	-	24,415	(597,997)
Operation and maintenance of plant services	3,796,291	-	-	(3,796,291)
Student transportation services	4,703,710	150,000	-	(4,553,710)
Central services	116,188	-	-	(116,188)
Non-instructional service:				
Food services	3,978,561	42,565	3,634,947	(301,049)
Community service programs	68,225	-	54,535	(13,690)
Interest on long-term debt	<u>33,308</u>	<u>-</u>	<u>-</u>	<u>(33,308)</u>
Total governmental activities	<u>\$ 48,665,371</u>	<u>\$ 192,565</u>	<u>\$ 9,290,076</u>	<u>(39,182,730)</u>
Taxes:				
Ad valorem taxes, levied for general purposes				3,535,594
Sales and use taxes, levied for special purposes				7,953,986
State revenue sharing				241,887
Grants and contributions not restricted to specific programs:				
State source - Minimum Foundation Program				31,529,613
State source - PIPS				21,314
Other				144,055
Interest and investment earnings				121,188
Miscellaneous				1,279,133
Nonemployer pension contributions				174,162
Transfer to other EA				(159,176)
Gain on disposal of capital assets				<u>357</u>
Total general revenues				<u>44,842,113</u>
Change in net position				5,659,383
Net position - beginning, as restated				<u>(91,287,959)</u>
Net position - ending				<u>\$ (85,628,576)</u>

The accompanying notes are an integral part of the basic financial statements.

FUND FINANCIAL STATEMENTS (FFS)

AVOYELLES PARISH SCHOOL BOARD
Marksville, Louisiana

Statement C

Balance Sheet
Governmental Funds
June 30, 2018

	General Fund	Other Governmental	Total
ASSETS			
Cash and interest-bearing deposits	\$ 11,113,544	\$ 6,646,493	\$ 17,760,037
Investments	5,466,550	-	5,466,550
Receivables	23,283	548	23,831
Due from other governmental agencies	2,272,313	1,632,397	3,904,710
Due from other funds	1,757,397	-	1,757,397
Inventory	-	82,049	82,049
Total assets	<u>\$ 20,633,087</u>	<u>\$ 8,361,487</u>	<u>\$ 28,994,574</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 1,161,828	\$ 162,206	\$ 1,324,034
Accrued salaries and related benefits	2,672,467	619,007	3,291,474
Due to other funds	-	1,757,397	1,757,397
Total liabilities	<u>3,834,295</u>	<u>2,538,610</u>	<u>6,372,905</u>
Fund balances:			
Non-spendable	-	82,049	82,049
Restricted	-	2,765,994	2,765,994
Committed	3,300,000	3,095,550	6,395,550
Unassigned	13,498,792	(120,716)	13,378,076
Total fund balances	<u>16,798,792</u>	<u>5,822,877</u>	<u>22,621,669</u>
Total liabilities and fund balances	<u>\$ 20,633,087</u>	<u>\$ 8,361,487</u>	<u>\$ 28,994,574</u>

The accompanying notes are an integral part of the basic financial statements.

AVOYELLES PARISH SCHOOL BOARD
Marksville, Louisiana

Statement D

Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
June 30, 2018

Total fund balances for governmental funds		\$ 22,621,669
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. Those assets consist of:		
Capital assets, net		15,682,429
Long-term liabilities:		
Accrued interest payable	\$ (3,237)	
Bonds payable	(2,895,831)	
Capital lease payable	(802,763)	
Compensated absences payable	(1,452,982)	
Net OPEB obligation	(65,144,060)	
Net pension liability	<u>(50,947,265)</u>	(121,246,138)
Internal service fund:		
Net position	122,616	
Difference in receivable on modified accrual basis versus accrual basis	<u>(503,857)</u>	(381,241)
Deferred outflows of resources related to net pension liability		7,469,515
Deferred inflows of resources related to net pension liability		(5,808,491)
Deferred inflows of resources related to OPEB		<u>(3,966,319)</u>
Net position		<u>\$ (85,628,576)</u>

The accompanying notes are an integral part of the basic financial statements.

AVOYELLES PARISH SCHOOL BOARD
Marksville, Louisiana

Statement E

Governmental Funds
Statement of Revenues, Expenditures and Changes in Fund Balances
For the year ended June 30, 2018

	General	Other Governmental	Totals
Revenues			
Local sources:			
Ad valorem taxes	\$ 2,809,420	\$ 726,174	\$ 3,535,594
Sales taxes	5,731,238	2,222,748	7,953,986
Charges for services	150,000	42,565	192,565
Interest	117,798	3,390	121,188
Other	<u>1,096,208</u>	<u>-</u>	<u>1,096,208</u>
Total local sources	9,904,664	2,994,877	12,899,541
State sources	29,041,666	3,223,388	32,265,054
Federal sources	82,782	8,879,109	8,961,891
Other sources	<u>-</u>	<u>189,128</u>	<u>189,128</u>
Total revenues	<u>39,029,112</u>	<u>15,286,502</u>	<u>54,315,614</u>
Expenditures			
Current:			
Instruction -			
Regular programs	15,859,492	1,481,778	17,341,270
Special education programs	4,484,449	687,709	5,172,158
Vocational education programs	1,215,341	506,473	1,721,814
Other instructional programs	342,460	276,727	619,187
Special programs	702,557	2,845,987	3,548,544
Adult and continuing education programs	-	12,012	12,012
Support services -			
Pupil support services	1,659,580	1,178,577	2,838,157
Instructional staff support services	863,159	662,274	1,525,433
General administration	1,755,663	90,336	1,845,999
School administration	3,252,807	236,196	3,489,003
Business services	657,469	24,415	681,884
Operation and maintenance of plant services	2,332,009	1,622,280	3,954,289
Student transportation services	5,548,690	18,275	5,566,965
Central services	139,526	-	139,526
Non-instructional services -			
Food services	427,374	3,783,069	4,210,443
Community service programs	17,244	54,535	71,779
Facilities acquisition and construction	-	346,273	346,273
Debt service:			
Principal retirement	330,377	583,833	914,210
Interest and fiscal charges	<u>7,861</u>	<u>12,754</u>	<u>20,615</u>
Total expenditures	<u>39,596,058</u>	<u>14,423,503</u>	<u>54,019,561</u>
Excess (deficiency) of revenues over expenditures	<u>(566,946)</u>	<u>862,999</u>	<u>296,053</u>
Other financing sources (uses):			
Proceeds from sale of assets	357	-	357
Proceeds from capital lease	816,551	-	816,551
Transfer to other EA	(159,176)	-	(159,176)
Transfers in	3,713,537	2,693,874	6,407,411
Transfers out	<u>(3,484,790)</u>	<u>(3,028,824)</u>	<u>(6,513,614)</u>
Total other financing sources (uses)	<u>886,479</u>	<u>(334,950)</u>	<u>551,529</u>
Net change in fund balances	319,533	528,049	847,582
Fund balances, beginning, as restated	<u>16,479,259</u>	<u>5,294,828</u>	<u>21,774,087</u>
Fund balances, ending	<u>\$ 16,798,792</u>	<u>\$ 5,822,877</u>	<u>\$ 22,621,669</u>

The accompanying notes are an integral part of the basic financial statements.

AVOYELLES PARISH SCHOOL BOARD
Marksville, Louisiana

Statement F

Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the year ended June 30, 2018

Net change in fund balances per Statement of Revenues, Expenditures and Changes in Fund Balances		\$ 847,582
Capital outlay	\$ 1,315,669	
Depreciation expense	<u>(817,108)</u>	498,561
Bond principal retirement		583,833
Capital lease payments		330,377
Issuance of long-term debt (e.g., bonds and leases)		(816,551)
Change in compensated absences		77,322
Change in net OPEB obligation		1,449,663
Difference between interest on long-term debt on modified accrual basis versus interest on long-term debt on accrual basis		(12,693)
Internal service fund:		
Net revenue (expense)	102,033	
Difference in expense on modified accrual basis versus accrual basis	<u>(21,000)</u>	81,033
Nonemployer pension contributions		174,162
Change in pension expense		<u>2,446,094</u>
Change in net position per Statement of Activities		<u>\$ 5,659,383</u>

The accompanying notes are an integral part of the basic financial statements.

AVOYELLES PARISH SCHOOL BOARD
Marksville, Louisiana

Statement G

Statement of Net Position
Proprietary Funds
Governmental Activities Internal Service Funds

June 30, 2018

ASSETS

Current assets:

Cash and interest-bearing deposits

\$ 582,759

Other receivable

503,857

Total assets

1,086,616

LIABILITIES

Current liabilities:

Claims payable

385,600

Noncurrent liabilities:

Claims payable

578,400

Total liabilities

964,000

NET POSITION

Unrestricted

\$ 122,616

The accompanying notes are an integral part of the basic financial statements.

AVOYELLES PARISH SCHOOL BOARD
Marksville, Louisiana

Statement H

Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
Governmental Activities Internal Service Funds

For the Year Ended June 30, 2018

Operating revenues:	
Charges for services	\$ 554,226
Operating expenses:	
Insurance claims	<u>552,193</u>
Operating income	2,033
Transfers in	<u>100,000</u>
Change in net position	102,033
Net position, beginning, as restated	<u>20,583</u>
Net position, ending	<u>\$ 122,616</u>

The accompanying notes are an integral part of the basic financial statements.

AVOYELLES PARISH SCHOOL BOARD
Marksville, Louisiana

Statement I

Statement of Cash Flows
Proprietary Funds
Governmental Activities Internal Service Funds

For the Year Ended June 30, 2018

Cash flows from operating activities:	
Receipts from insured	\$ 533,226
Claim payments	<u>(521,193)</u>
Net cash provided by operating activities	12,033
 Cash flows from noncapital financing activities:	
Transfers from other funds	<u>100,000</u>
 Net change in cash and cash equivalents	112,033
 Cash and cash equivalents, beginning of period	<u>470,726</u>
 Cash and cash equivalents, end of period	<u><u>\$ 582,759</u></u>
 Reconciliation of operating income to net cash provided by operating activities:	
Operating income	\$ 2,033
Adjustments to reconcile operating income to net cash used by operating activities:	
Changes in assets and liabilities:	
Accounts receivable	(21,000)
Claims payable	<u>31,000</u>
Net cash provided by operating activities	<u><u>\$ 12,033</u></u>

The accompanying notes are an integral part of the basic financial statements.

AVOYELLES PARISH SCHOOL BOARD
Marksville, Louisiana

Statement J

Statement of Fiduciary Assets and Liabilities
June 30, 2018

ASSETS

Cash and interest bearing deposits	<u>\$ 1,161,087</u>
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LIABILITIES

Deposits due others	<u>\$ 1,161,087</u>
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The accompanying notes are an integral part of the basic financial statements.

AVOYELLES PARISH SCHOOL BOARD
Marksville, Louisiana

Notes to Basic Financial Statements

(1) Summary of Significant Accounting Policies

The accompanying financial statements of the Avoyelles Parish School Board (School Board) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements. The accounting and reporting framework and the more significant accounting policies are discussed in subsequent subsections of this note.

A. Financial Reporting Entity

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

The School Board operates ten schools within the parish with a total enrollment of over 5,000 pupils. In conjunction with the regular educational programs, some of these schools offer special education and/or adult education programs. In addition, the School Board provides transportation and school food services for the students.

For financial reporting purposes, the School Board is considered a separate financial reporting entity, 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.

B. Basis of Presentation

Government-Wide Financial Statements (GWFS)

The statement of net position and the statement of activities display information about the School Board, the primary government, as a whole. They include all funds of the reporting entity, which are considered to be governmental activities.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the School Board's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees and charges paid by the recipients of goods or services offered by the programs, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

AVOYELLES PARISH SCHOOL BOARD
Marksville, Louisiana

Notes to Basic Financial Statements

Fund Financial Statements

The accounts of the School Board are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a separate set of self-balancing accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements. Fund financial statements report detailed information about the School Board.

The various funds of the School Board are classified into three categories: governmental, proprietary, and fiduciary. The emphasis on fund financial statements is on major funds, each displayed in a separate column. A fund is considered major if it is the primary operating fund of the School Board or meets the following criteria:

- a. Total assets and deferred outflows of resources, liabilities and deferred inflows of resources, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and
- b. Total assets and deferred outflows of resources, liabilities and deferred inflows of resources, revenues, or expenditures/expenses of the individual governmental or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

The School Board reports the following major governmental fund:

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

Additionally, the School Board reports the following fund types:

Special Revenue Funds

Special revenue funds account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. These funds account for the revenues and expenditures related to federal, state and local grant and entitlement programs.

Debt Service Funds

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

Internal Service Fund

This fund accounts for self-insurance workers compensation coverages provided to the various functions on a cost reimbursement basis. The School Board's internal service fund is

AVOYELLES PARISH SCHOOL BOARD
Marksville, Louisiana

Notes to Basic Financial Statements

presented in the proprietary fund financial statements. Because the principal users of the internal services are the School Board's governmental activities, the financial statements of the internal services funds are consolidated into the governmental column when presented in the government-wide financial statements. To the extent possible, the cost of these services is reported in the appropriate functional activity.

Fiduciary Funds

Fiduciary funds account for assets held by the government in a trustee capacity or as an agent on behalf of other funds within the School Board. The funds accounted for in this category by the School Board are the agency funds. The agency funds are as follows:

School Activity Fund – accounts for assets held by the School Board as an agent for the individual schools and school organizations.

Sales Tax Fund – accounts for monies collected on behalf of other taxing authorities within the parish.

The more significant of the Avoyelles Parish School Board's accounting policies are described below.

C. Measurement Focus/Basis of Accounting

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

Measurement Focus

On the government-wide statement of net position and the statement of activities, the governmental activities are presented using the economic resources measurement focus. In the fund financial statements, the "current financial resources" measurement focus or the "economic resources" measurement focus is used as appropriate.

All governmental funds utilize a "current financial resources" measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

Proprietary funds are accounts for on the flow of economic resources measurement focus and use the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. All assets and all liabilities associated with the operation of this fund are included on the balance sheet. The statement of changes in fund net assets presents increases (I.e. revenues) and decreases (i.e. expenses) in net total assets. The statement of cash flows provides information about how the school board finances and meets the cash flow needs of this internal service fund. Revenues are recognized

AVOYELLES PARISH SCHOOL BOARD
Marksville, Louisiana

Notes to Basic Financial Statements

when earned and expenses are recognized at the time the liabilities are incurred. Proprietary funds distinguish operating revenues and operating expenses from nonoperating items. Operating revenues and expenses generally result from providing services in connection with the fund's principal ongoing operations. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Basis of Accounting

In the government-wide statement of net position and statement of activities, the governmental activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gain, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized in accordance with the requirements of GASB.

Program revenues

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

Allocation of indirect expenses

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

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when "measurable and available." Measurable means knowing or being able to reasonably estimate the amount. Available means being collectible within the current period or within 60 days after year-end. Expenditures (including facilities acquisition and construction) are recorded when the related fund liability is incurred, except for general obligation bond principal and interest which are reported when due. The governmental funds use the following practices in recording revenues and expenditures:

Revenues

Ad valorem taxes are recorded in the year the taxes are due and payable. Ad valorem taxes are assessed on a calendar year basis and attach as an enforceable lien and become due and payable on the date the tax rolls are filed with the recorder of mortgages. State law requires that the tax roll be filed on or before November 15 of each year. Ad valorem taxes become delinquent

AVOYELLES PARISH SCHOOL BOARD
Marksville, Louisiana

Notes to Basic Financial Statements

if not paid by December 31. The taxes are normally collected in December, January, and February of the current year.

Federal and State entitlements (which include state equalization and state revenue sharing) are recorded when available and measurable. State equalization entitlement funds are recognized when the School Board is entitled to them. State revenue sharing, which is based on population and homesteads in the parish, is recorded as revenue in lieu of taxes in the year received which coincides with the recognition of the related ad valorem taxes discussed above. Federal and State grants are recorded when the School Board is entitled to the funds, usually after reimbursable expenditures have been incurred.

Sales taxes are recognized in the period when the underlying sales or use transaction occurred.

Federal commodities are recognized as revenues when used.

Revenue from services provided to other local governments are recorded as other revenues from local sources when the School Board is entitled to the funds.

Interest earnings on time deposits are recognized as revenue when the time deposits have matured, and the interest is available.

Substantially all other revenues are recognized when received by the School Board.

Based on the above criteria, sales taxes, federal and state grants, and certain revenues from local sources have been treated as susceptible to accrual.

Expenditures

Salaries are recorded as expenditures when earned by employees. The salaries for teachers and most other school-level employees are earned over a nine-month period but may be paid over a twelve-month period.

Purchases of various operating supplies, etc. are recorded as expenditures in the accounting period in which they are purchased.

Food costs are recognized as expenditures in the accounting period in which the food is consumed.

Commitments under construction contracts are recognized when earned by the contractor. Substantially all other expenditures are recognized when the related fund liability has been incurred.

Other Financing Sources (Uses)

Transfers between funds that are not expected to be repaid, proceeds from indebtedness, the sale of fixed assets, and proceeds for insurance are accounted for as other financing sources

AVOYELLES PARISH SCHOOL BOARD
Marksville, Louisiana

Notes to Basic Financial Statements

(uses). These other financing sources (uses) are recognized at the time the underlying events occur.

D. Assets, Deferred Outflows, Liabilities, Deferred Inflows and Equity

Cash and Interest-Bearing Deposits

Cash and interest-bearing deposits include all demand deposits, interest-bearing demand deposits, and time deposits of the School Board. For purposes of the statement of cashflows, all highly liquid investments with an original maturity of three months or less are considered to be cash equivalents.

Investments

Investments are limited by Louisiana Revised Statute (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 or fewer days, they are classified as cash equivalents. Investments are reported at fair value.

Receivables

Receivables are charged against income as they become uncollectible. In the opinion of management, all accounts at year-end were considered collectible, and an allowance for doubtful account was not considered necessary.

Short-Term – Interfund Receivables/Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds" on the balance sheet. Short-term interfund loans, if any, are classified as "interfund receivable" or "interfund payable" on the balance sheet. These interfund receivables/payables are eliminated for reporting in the Statement of Net Position.

Inventory

Inventory is accounted for using the consumption method, where expenditures are recognized as inventory is used. Inventory of the School Lunch Fund consists of foods purchased by the School Board and commodities granted by the United States Department of Agriculture (USDA) through the Louisiana Department of Agriculture and Forestry. Commodities are recorded as revenues, based on value information from the USDA, when received. All purchased inventory items are valued at actual cost. Inventory is recorded as expenditures when consumed, using a first-in, first-out basis.

Capital Assets

In the Government-Wide Financial Statements capital assets are capitalized and depreciated on a straight-line method over their estimated useful lives. The School Board has

AVOYELLES PARISH SCHOOL BOARD
Marksville, Louisiana

Notes to Basic Financial Statements

adopted a capitalization threshold of \$5,000 for reporting purposes. All purchased capital assets are valued at cost where historical records are available and at an estimated historical cost where no historical records exist. A breakdown of the asset valuation between actual and estimated cost is not available. Donated capital assets, if any, are valued at their estimated fair market value on the date received. Estimation of useful lives in years is as follows:

Buildings and building improvements	10-30 years
Furniture, vehicles and equipment	5-7 years

Expenditures that extend the useful lives of capital assets beyond their initial estimated useful lives or improve their efficiency or capacity are capitalized, whereas expenditures for repairs and maintenance are expensed. Interest costs on debt used to finance the construction of assets are not capitalized.

In the Fund Financial Statements capital assets are not capitalized in the funds used to acquire or construct them. Instead, capital acquisition and construction are reflected as expenditures in governmental funds.

No provision is made for depreciation on capital assets in the Fund Financial Statements since the full cost is expensed at the time of purchase or construction.

Compensated Absences

Vested or accumulated sick or vacation leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it. This includes payments that come due before the end of the reporting period upon the occurrence of employee resignation, retirement, or death that will be paid during the first month of the following year. Vested or accumulated leave that is not expected to be liquidated with expendable available financial resources is not reported in the Fund Financial Statements. The full liability and related costs are reported in the Government-Wide Financial Statements.

All twelve-month employees earn from 12 to 24 days of annual leave each year, depending upon length of service with the School Board. Annual leave is earned monthly and is creditable at the end of each fiscal year for the year's services. Upon resignation, termination or retirement, twelve-month employees may elect to use or be paid for banked time up to 37.5 days. Additionally, upon resignation, termination, or retirement, twelve-month employees may elect to use or be paid for days earned and unused from the prior fiscal year and days earned in the current fiscal year, up to a maximum of 48 days

All School Board employees earn 10-18 days of sick leave depending on contract days each year that can be accumulated without limitation. Upon retirement or death, employees or their heirs are paid for up to 25 days of accumulated sick leave at the employee's current rate of pay. The estimated liability for vested sick leave benefits is considered long-term and is not recorded in the Fund Financial Statements. The estimated liability includes required salary-related payments. Under the Louisiana Teachers Retirement System, all accumulated sick leave, including the 25 days paid, is used in the retirement benefit computation as earned service for

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leave earned prior to July 1, 1988. For sick leave earned after July 1, 1988, under the Louisiana Teachers' Retirement System and for sick leave earned under the Louisiana School Employees' Retirement System, all accumulated sick leave, excluding the 25 days paid to the employee, is used in the retirement benefit computation as earned service.

Sabbatical leave may be granted for professional and cultural improvement and for medical reasons. Any employee with a teaching certificate is entitled, subject to approval by the School Board, to one semester of sabbatical leave after three years of continuous service or two semesters of sabbatical leave after six or more years of continuous service. Professional and cultural improvement sabbaticals are restricted in nature as a condition of the leave and, therefore, are considered only a change in the types of services being rendered and not subject to accrual. Medical sabbaticals require the use of virtually all sick leave before a sabbatical can be taken and are not material. Sabbatical leave benefits are recorded as expenditures in the period paid.

Long-term liabilities

The accounting treatment of long-term liabilities depends on whether the assets are used in governmental fund operations and whether they are reported in the government-wide or fund financial statements.

All long-term liabilities to be repaid from governmental resources are reported as liabilities in the government-wide statements. The long-term liabilities consist primarily of claims payable, capital leases, bonds payable, accrued compensated absences, pension liabilities and other post-retirement benefits.

Long-term debt for governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources net of the applicable premium or discount and payment of principal and interest reported as expenditures. For fund financial reporting, issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures.

Deferred Outflows of Resources and Deferred Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position or fund balance that applies to a future period(s) and thus, will not be recognized as an outflow of resources (expense/expenditure) until then. In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position or fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

Equity Classifications

In the government-wide statements, equity is classified as net position and displayed in three components:

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- a. Net investment in capital assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowing that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position – Consists of net assets with constraints placed on the use either by (1) external groups, such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation. The School Board reported \$3,539,772 of restricted net position, which is restricted by debt covenants or enabling legislation.
- c. Unrestricted net position – Net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in either of the other two categories of net position.

In the fund financial statements, fund balances are classified as follows in the governmental fund financial statements.

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

Restricted – amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

Committed – amounts that can be used only for specific purposes determined by a formal action of the School Board members. The Board is the highest level of decision-making authority for the School Board office. Commitments may be established, modified, or rescinded only through ordinances or resolutions approved by Board members.

Assigned – amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. Under the School Board's adopted policy, only Board members or the Board's finance committee may assign amounts for specific purposes.

Unassigned – all other spendable amounts.

Fund balances components other than unassigned fund balances consist of the following:

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	<u>Nonspendable</u>	<u>Restricted</u>	<u>Committed</u>
General Fund:			
Compensated absences	\$ -	\$ -	\$ 500,000
Future expenditures	-	-	2,800,000
Nonmajor funds:			
Capital projects	-	-	856,386
Debt service	-	-	773,778
Food service	-	1,140,068	-
School maintenance	-	-	917,954
LA AG Science	-	1,625,926	-
Inventory	82,049	-	-
Salaries	-	-	545,029
Other	-	-	403
	<hr/>	<hr/>	<hr/>
Total	<u>\$ 82,049</u>	<u>\$ 2,765,994</u>	<u>\$ 6,393,550</u>

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the School Board considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the School Board considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless Board members or the finance committee has provided otherwise in its commitment or assignment actions.

E. Interfund Transfers

In the governmental funds, transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed. All other interfund transactions are reported as transfers.

F. Sales Tax

The School Board collects a one percent sales tax, a one-half percent sales tax, and a one-quarter percent sales tax. The net proceeds of the one percent sales tax are dedicated to supplemental salaries of teachers and other school employees and for expenses of operating the schools. This tax was approved by the voters on August 29, 1967 and has no expiration date. The proceeds from the one-half percent sales tax are dedicated to making capital improvements, funding bonded indebtedness, and maintaining and operating the public school system of Avoyelles Parish. This tax was approved by the voters on April 9, 1977 for a period of 25 years. On November 17, 2001, voters renewed the one-half percent sales tax for an additional 25 years expiring in August 2027. The proceeds from the one-quarter percent sales tax are dedicated to the payment of salaries and benefits of employees of the School Board. This tax was approved by the voters on November 19, 2011 for a period of 10 years expiring in 2022.

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G. 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 at the date of financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

(2) Levied Taxes

The following ad valorem taxes attach as an enforceable lien on property as of January 1 of each year. During the fiscal year ended June 30, 2018, taxes levied by the School Board and were billed to taxpayers by the Assessor in November. Billed taxes are due by December 31, becoming delinquent on January 1 of the following year.

The taxes are based on assessed values determined by the Assessor of Avoyelles Parish and are collected by the Sheriff. The taxes are remitted to the School Board net of deductions for Pension Fund contributions.

For the year ended June 30, 2018, taxes were levied on property with net assessed valuations totaling \$140,812,795 and were dedicated as follows:

Parishwide Taxes:

Constitutional	3.62 mills
Special Maintenance	5.00 mills
Operation and Maintenance	5.00 mills
School Employee Salary	<u>10.00</u> mills
Total assessment	<u>23.62</u> mills

Gross taxes levied for the current fiscal year totaled \$3,325,998. Before deductions for various pension distributions and uncollectible taxes and after collections of back taxes, net taxes remitted to the School Board amounted to \$ 3,535,594.

(3) Cash and Interest-Bearing Deposits

Under state law, the School Board may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The School Board may also deposit funds in time certificates of deposit of state banks organized under Louisiana law and national banks having principal offices in Louisiana.

Custodial credit risk for deposits is the risk that in the event of the failure of a depository financial institution, the School Board's deposits may not be recovered or will not be able to recover the collateral securities that are in the possession of an outside party. These deposits are stated at cost, which approximates market. The School Board does not have a policy for custodial credit risk; however, under

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state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the pledging financial institution. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. Deposit balances (bank balances) are secured as follows:

Bank balances	<u>\$ 22,196,718</u>
Federal Deposit Insurance	\$ 1,108,017
Uninsured and collateral held by the pledging bank not in the School Board's name	<u>21,088,701</u>
Total	<u>\$ 22,196,718</u>

(4) Investments

Under state law, the School Board may invest in direct United States Treasury obligations fully guaranteed by the government of the United States, bonds, debentures, notes, or other evidence of indebtedness issued or guaranteed by federal agencies, provided such obligations are backed by the full faith and credit of the United States of America or issued or guaranteed by United States government instrumentalities which are federally sponsored. The School Board categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; level 2 inputs are significant other observable inputs; level 3 inputs are significant unobservable inputs. The School Board has the following recurring fair value measurements:

Description	Fair Value	Level 1	Level 2	Level 3
Cash and interest bearing deposits:				
Money market account	<u>\$ 756,820</u>	<u>\$ 756,820</u>	<u>\$ -</u>	<u>\$ -</u>
Investments				
Federal Home Loan Banks	\$ 990,480	\$ -	\$ 990,480	\$ -
Federal National Mortgage Association	1,972,495	-	1,972,495	-
Federal Home Loan Mortgage Corporation	493,280	-	493,280	-
Federal Farm Credit Banks Funding Corporation	<u>498,085</u>	<u>-</u>	<u>498,085</u>	<u>-</u>
Total	<u>\$ 3,954,340</u>	<u>\$ -</u>	<u>\$ 3,954,340</u>	<u>\$ -</u>

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Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its value to changes in market interest rates. The School 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. Information about the exposure of the School Board's debt type investments to this risk, using the segmented time distribution model is as follows:

Description	Fair Value	Investment Maturities (in Years)			
		Less than 1	1-5	6-10	Over 10
Federal Home Loan Banks					
Interest Rates 1.125% - 1.350%	\$ 990,480	\$ 499,045	\$ 491,435	\$ -	\$ -
Federal National Mortgage Association					
Interest Rates 1.250% - 1.700%	1,972,495	991,760	980,735	-	-
Federal Home Loan Mortgage Corporation					
Interest Rate 1.25%	493,280	-	493,280	-	-
Federal Farm Credit Banks Funding Corporation					
Interest Rate 1.300%	<u>498,085</u>	<u>498,085</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 3,954,340</u>	<u>\$ 1,988,890</u>	<u>\$ 1,965,450</u>	<u>\$ -</u>	<u>\$ -</u>

Credit risk is managed by restricting investments to those authorized by R.S. 33:2955.

The School Board's policy is to maintain a diversified portfolio to minimize the risk of loss resulting from over concentration of assets in a specific maturity. Securities from issuers totaling five percent or more of a portfolio are as follows:

Description	Rating	Percentage
Federal Home Loan Banks	AAA	25.05%
Federal National Mortgage Association	AAA	49.88%
Federal Home Loan Mortgage Corporation	AAA	12.47%
Federal Farm Credit Banks Fundin Corporation	AAA	12.60%

The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, the School Board will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The School Board does not have custodial credit risk policies for investments.

Additionally, the School Board has \$1,512,210 of investments held by Louisiana Asset Management Pool (LAMP). LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local government entities having contracted to participate

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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.

Accounting standards require disclosure of credit risk, custodial credit risk, concentration of credit risk interest rate risk, and foreign currency risk for all public entity investments.

LAMP is an investment pool that, to the extent practical, invest in a manner consistent with accounting standards. The following facts are relevant for investment pools:

- 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 public entity's investment is with the pool, not the securities that make up the pool; therefore, no disclosure is required.
- Concentration of credit risk: Pooled investments are excluded from the 5 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.
- Foreign currency risk: Not applicable.

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 net asset value of the pool shares.

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.

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(5) Interfund Assets, Interfund Liabilities, and Operating Transfers

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

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
Major funds:		
General Fund	\$ 1,757,397	\$ -
Nonmajor governmental funds	<u>-</u>	<u>1,757,397</u>
Total	<u>\$ 1,757,397</u>	<u>\$ 1,757,397</u>

Balances resulted from the routine lag between the dates that interfund goods or services are provided and reimbursable expenditures occur. Transactions are recorded in the accounting system, and payments between funds are made to satisfy the balances.

B) Transfers consisted of the following:

	<u>Transfers In</u>	<u>Transfers Out</u>
Major fund:		
General Fund	\$ 3,713,537	\$ 3,484,790
Nonmajor governmental funds	2,693,874	3,028,824
Internal service fund	100,000	-
Agency funds	<u>6,203</u>	<u>-</u>
Total	<u>\$ 6,513,614</u>	<u>\$ 6,513,614</u>

Transfers are used to 1) move revenues from the fund required by statute, voter-approved resolution or budget to collect them to the fund required by statute or budget to expend them, and 2) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

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Notes to Basic Financial Statements

(6) Capital Assets

Capital asset activity for the year was as follows:

	Beginning Balance, as restated	Additions	Deletions	Ending Balance
Capital assets not being depreciated:				
Land	\$ 6,833,903	\$ -	\$ -	\$ 6,833,903
Construction in progress	28,381	67,228	20,800	74,809
Other capital assets:				
Buildings and improvements	35,980,232	299,846	-	36,280,078
Furniture and equipment	8,340,614	969,395	-	9,310,009
Total	<u>51,183,130</u>	<u>1,336,469</u>	<u>20,800</u>	<u>52,498,799</u>
Less accumulated depreciation:				
Buildings and improvements	28,510,506	430,602	-	28,941,108
Furniture and equipment	7,488,756	386,506	-	7,875,262
Total	<u>35,999,262</u>	<u>817,108</u>	<u>-</u>	<u>36,816,370</u>
Net capital assets	<u>\$ 15,183,868</u>	<u>\$ 519,361</u>	<u>\$ 20,800</u>	<u>\$ 15,682,429</u>

Depreciation expense was charged to functions as follows:

Regular programs	\$ 475,379
Student transportation services	335,012
Food services	<u>6,717</u>
 Total depreciation expense	 <u>\$ 817,108</u>

(7) Sales and Use Tax

The School Board is authorized to collect within the parish various sales and use taxes. The proceeds of the taxes are dedicated to supplement salaries of teachers and/or the expenditures of operating the schools, including salaries of other personnel.

The School Board was appointed the central sales tax collecting agency for all taxing bodies within the Parish. The following is a summary of taxes that the School Board has the responsibility of collecting:

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<u>Taxing Bodies</u>	<u>Rate</u>	<u>Total Collections</u>	<u>Collection Cost</u>	<u>Net Distribution</u>
Avoyelles Parish Police Jury	1.00%	\$ 3,676,746	\$ 52,735	\$ 3,624,011
Avoyelles Parish Police Jury - Hotel	4.00%	129,055	1,965	127,090
City of Marksville	2.00%	2,990,556	44,731	2,945,825
City of Bunkie	2.00%	991,288	15,041	976,247
Town of Simmesport	2.00%	291,986	4,434	287,552
Town of Cottonport	1.00%	112,134	1,703	110,431
Village of Moreauville	1.50%	130,919	1,987	128,932
Town of Mansura	2.00%	513,588	6,384	507,204
Village of Hessmer	1.00%	76,177	1,160	75,017
Village of Plaquemine	1.00%	30,652	466	30,186
Avoyelles Parish Sheriff	0.50%	1,774,152	26,063	1,748,089
Avoyelles Parish School Board	1.75%	<u>7,797,806</u>	<u>(156,669)</u>	<u>7,954,475</u>
Total		<u>\$ 18,515,059</u>	<u>\$ -</u>	<u>\$ 18,515,059</u>

(8) Accounts, Salaries and Other Payables

Accounts, salaries and other payables consisted of the following:

	<u>General Fund</u>	<u>Other Non Major Funds</u>	<u>Total</u>
Accounts payable	\$ 1,161,828	\$ 162,206	\$ 1,324,034
Accrued salaries and related benefits	<u>2,672,467</u>	<u>619,007</u>	<u>3,291,474</u>
Total	<u>\$ 3,834,295</u>	<u>\$ 781,213</u>	<u>\$ 4,615,508</u>

(9) Long-Term Liabilities

General Obligation Debts

General obligation liabilities are direct obligations and pledge full faith and credit of the School Board and consist of the following bond issues outstanding. A summary of long-term debt follows:

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\$5,000,000 QSCB Revenue Bonds, Series 2009, due in annual installments of \$333,333 through September 1, 2024; with no interest (to be retired from the proceeds of general revenues). \$ 2,333,331

\$1,000,000 QSCB Revenue Bonds, Series 2011, due in annual installments of \$62,500 through March 1, 2027; with an interest rate of 2% (to be retired from the proceeds of general revenues). 562,500
\$ 2,895,831

The annual requirement to amortize outstanding long-term debt is as follows:

Year Ending June 30,	Principal payments	Interest payments	Total
2019	\$ 395,833	\$ 9,844	\$ 405,677
2020	395,833	8,750	404,583
2021	395,833	7,656	403,489
2022	395,833	6,562	402,395
2023	395,833	5,468	401,301
2024-2027	<u>916,666</u>	<u>10,940</u>	<u>927,606</u>
Totals	<u>\$ 2,895,831</u>	<u>\$ 49,220</u>	<u>\$ 2,945,051</u>

Changes in General Long-Term Liabilities

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
QSCB Series 2009	\$ 2,666,664	\$ -	\$ 333,333	\$ 2,333,331	\$ 333,333
QSCB Series 2011	625,000	-	62,500	562,500	62,500
Certificate of Indebtedness	188,000	-	188,000	-	-
Capital Leases	316,589	816,551	330,377	802,763	313,177
Compensated absences	<u>1,530,304</u>	<u>128,589</u>	<u>205,911</u>	<u>1,452,982</u>	<u>201,765</u>
	<u>\$ 5,326,557</u>	<u>\$ 945,140</u>	<u>\$ 1,120,121</u>	<u>\$ 5,151,576</u>	<u>\$ 910,775</u>

The amount of interest charged to expense for year is \$ 33,308.

Compensated absences typically have been liquidated by the General Fund and a few other governmental funds.

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(10) Capital Leases

The School Board has entered into agreements to lease various busses. Such agreements are, in substance, purchases (capital leases) and are reported as capital lease obligations. The capitalized assets and related accumulated depreciation amounted to \$1,598,519 and \$563,862, respectively. Current depreciation on these leased assets amounted to \$238,046.

The following is a scheduled of the future minimum lease payments under the capital leases and the present value of the net minimum lease payments:

Year Ending June 30,	
2019	\$ 338,483
2020	174,083
2021	174,083
2022	<u>174,082</u>
	860,731
Less: amount representing interest	<u>(57,968)</u>
Present value of future minimum lease payments	<u>\$ 802,763</u>

(11) Retirement Systems

Eligible all employees of the School Board participate in one of several multiple-employer public retirement systems (PERS) which are controlled and administered by a separate board of trustees. These retirement systems provide retirement, disability and death benefits to plan members and their beneficiaries. Pertinent information relative to each plan follows:

A) Teachers' Retirement System of Louisiana (TRLS)

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 the Teachers' Retirement System of Louisiana (TRSL) and additions to/deductions from TRSL's fiduciary net position have been determined on the same basis as they are reported by TRSL. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. The following is a description of the plan and its benefits and is provided for general informational purposes only.

Plan Description: TRSL was established for the purpose of providing retirement allowances and other benefits as stated under the provisions of Louisiana law, for eligible teachers, employees, and their beneficiaries. The projection of benefit payments in the calculation

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of the total pension liability includes all benefits to be provided to current active and inactive employees through the System in accordance with the benefit terms and any additional legal agreements to provide benefits that are in force at the measurement date. TRSL issues a publicly available financial report that can be obtained at www.trsl.org.

Benefits Provided: TRSL provides retirement, deferred retirement option (DROP), disability, and survivor's benefits.

Normal retirement: Regular Plan – Members whose first employment makes them eligible for membership in a Louisiana state retirement system on or after July 1, 2015, may retire with a 2.5% benefit factor after attaining age sixty-two with at least 5 years of service credit and are eligible for an actuarially reduced benefit with 20 years of service at any age. Members hired between January 1, 2011 and June 30, 2015 may retire with a 2.5% benefit factor after attaining age sixty with at least 5 years of service credit and are eligible for an actuarially reduced benefit with 20 years of service at any age. Members hired between July 1, 1999 and December 21, 2010, are eligible for a 2.5% benefit factor at the earliest of age 60 with 5 years of service, age 55 with 25 years of service, or at any age with 30 years of service. Members may retire with an actuarially reduced benefit with 20 years of service at any age. If hired before July 1, 1999, members are eligible for a 2% benefit factor at the earliest of age 60 with 5 years of service, or at any age with 20 years of service and are eligible for a 2.5% benefit factor at the earliest of age 65 with 20 years of service, age 55 with 25 years of service, or at any age with 30 years of service.

Normal retirement: Plan A – Members may retire with a 3.0% annual accrual rate at age 55 with 25 years of service, age 60 with 5 years of service or 30 years of service, regardless of age. Plan A is closed to new entrants.

Benefits Formula: For all plans, retirement benefits are based on a formula which multiplies the final average compensation by the applicable accrual rate, and by the years of credible service. For Regular Plan and Lunch Plan B members whose first employment makes them eligible for membership in a Louisiana state retirement system on or after January 1, 2011, final average compensation is defined as the highest average 60-month period. For all other members, final average compensation is defined as the highest average 36-month period.

Payment options: A retiring member is entitled to receive the maximum benefit payable until the member's death. In lieu of the maximum benefit, the member may elect to receive a reduced benefit payable in the form of a Joint and Survivor Option, or a lump sum that can't exceed 36 months of the member's maximum monthly benefit amount.

Effective July 1, 2009, members may make an irrevocable election at retirement to receive an actuarially reduced benefit which increases 2.5% annually, beginning on the first retirement anniversary date, but not before age 55 or before the retiree would have attained age 55 in the case of a surviving spouse. This option can be chosen in combination with the above options.

Deferred Retirement Option Program (DROP): In lieu of terminating employment and accepting a service retirement, an eligible member can begin participation in the Deferred Retirement Option Program (DROP) on the first retirement eligibility date for a period not to exceed the 3rd

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

Upon termination of DROP, the member can continue employment and earn additional accruals to be added to the fixed pre-DROP benefit.

Upon termination of employment, the member is entitled to the fixed benefit, an additional benefit based on post-DROP service (if any), and the individual DROP account balance which can be paid in a lump sum or an additional annuity based upon the account balance.

Disability Benefits: Active members whose first employment makes them eligible for membership in a Louisiana state retirement system before January 1, 2011, and who have five or more years of service credit are eligible for disability retirement benefits if certified by the State Medical Disability Board (SMDB) to be disabled from performing their job. All other members must have at least 10 years of service to be eligible for a disability benefit. Calculation of the disability benefit as well as the availability of a minor child benefit is determined by the plan to which the member belongs and the date on which the member's first employment made them eligible for membership in a Louisiana state retirement system.

Survivor Benefits: A surviving spouse with minor children of an active member with five years of creditable service (2 years immediately prior to death) or 20 years of creditable service is entitled to a benefit equal to the greater of (a) \$600 per month, or (b) 50% of the member's benefit calculated at the 2.5% accrual rate for all creditable service. When a minor child(ren) is no longer eligible to receive survivor benefits, the spouse's benefit reverts to a survivor benefit in accordance with the provisions for a surviving spouse with no minor child(ren). Benefits for the minor child(ren) cease when he/she is no longer eligible.

Each minor child (maximum of 2) shall receive an amount equal to the greater of (a) 50% of the spouse's benefit, or (b) \$300 (up to 2 eligible children). Benefits to minors cease at attainment of 21, marriage, or age 23 if enrolled in an approved institution of higher education.

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

Permanent Benefit Increases/Cost-of-Living Adjustments: As fully described in Title 11 of the Louisiana Revised Statutes, TRSL allows for the payment of permanent benefit increases, also known as cost-of-living adjustments (COLAs) that are funded through investment earnings when recommended by the Board of Trustees and approved by the State Legislature.

Contributions: The employer contribution rate is established annually under LA R.S. 11:101 – 11:104 by the Public Retirement Systems' Actuarial Committee (PRSAC), taking into consideration the recommendation of the System's actuary. Each sub plan pays a separate

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actuarially determined employer contribution rate. However, all assets of TRSL are used for the payment of benefits for all classes of members, regardless of their plan.

The normal cost portion of each plan's employer contribution rate varies based upon the plan's benefits, member demographics, and the rate contributed by employees. The Unfunded Accrued Liability (UAL) contribution rate is determined in aggregate for all plans. The UAL resulting from legislation specific to a plan or group of plans will be allocated entirely to that plan or those plans.

The rates in effect during the fiscal year ended June 30, 2018 are as follows:

2018 TRSL Sub Plan	<u>Employer Contribution</u>
K-12 Regular Plan	26.6%
Higher Ed Regular Plan	25.4%
Plan A	26.6%
Plan B	26.6%

Contributions to the pension plan from the School Board were \$5,401,500 for the year ended June 30, 2018.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: At June 30, 2018, the School Board reported a liability of \$46,061,581 for its proportionate share of the TRSL Net Pension Liability. The Net Pension Liability was measured as of June 30, 2017 and the total pension liability used to calculate the Net Pension Obligation was determined by an actuarial valuation as of that date. The School Board's proportion of the Net Pension Liability was based on a projection of the School Board's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2017, the School Board's proportion was 0.44930%, which was a decrease of 0.0069% from its proportion measured as of June 30, 2016. For the year ended June 30, 2018, the School Board recognized pension expense of \$3,166,630.

At June 30, 2018, the School Board reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

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	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experiences	\$ -	\$ 1,514,118
Changes of assumptions	485,720	-
Net difference between projected and actual earnings on pension plan investments	-	1,189,687
Change in proportion and differences between employer contributions and proportionate share of contributions	920,052	2,672,970
Employer contributions subsequent to the measurement date	<u>5,401,500</u>	<u>-</u>
Total	<u>\$ 6,807,272</u>	<u>\$ 5,376,775</u>

\$5,401,500 reported as deferred outflows of resources related to pensions resulting from School Board contributions subsequent to the measurement date will be recognized as a reduction of the Net Pension Liability in the year ended June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30,	
2019	\$(1,514,698)
2020	\$ (468,950)
2021	\$ (647,565)
2022	\$(1,339,790)

Contributions – Proportionate Share: Differences between contributions remitted to the System and the employer's proportionate share are recognized in pension expense using the straight line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with a pension through the pension plan. The resulting deferred inflow/outflow and amortization is not reflected in the Schedule of Pension Amounts by Employer due to differences that could arise between contributions reported by the System and contributions reported by the participating employer.

Actuarial Assumptions: The net pension liability was measured as the portion of the present value of projected benefit payments to be provided through the pension plan to current active and inactive employees that is attributed to those employees' past periods of service, less the amount of the pension plan's fiduciary net position. A summary of the actuarial methods and assumptions used in determining the total pension liability as of June 30, 2017 are as follows:

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Actuarial Cost Method: Entry Age Normal

Amortization approach: Closed

Expected Remaining Service Lives: 5 years

Investment Rate of Return: 7.7% per annum

Inflation Rate: 2.5% per annum

Salary Increases: Vary from 3.5% - 10% depending upon duration of service

Cost of Living Adjustment: None

Mortality Rates: Mortality rates were projected based on the RP-2000 Mortality Table with projection to 2025 using Scale AA

Termination and disability: Termination, disability, and retirement assumptions were projected based on a five year (2008-2012) experience study of the System's members

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 weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation and an adjustment for the effect of rebalancing/diversification. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2017, are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic equity	27.0%	4.28%
International equity	19.0%	4.96%
Domestic fixed income	13.0%	1.98%
International fixed income	5.5%	2.75%
Private equity	25.5%	8.47%
Other private assets	10.0%	3.51%

Discount Rate: The discount rate used to measure the total pension liability was 7.7%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers will be made at the actuarially determined rates approved by PRSAC taking into consideration the recommendation of the System's actuary. Based on those assumptions, 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 period of projected benefit payments to determined the total pension liability.

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Sensitivity of the Employer's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate: The following presents the Employer's proportionate share of the Net Pension Liability calculated using the discount rate of 7.70%, as well as what the Employer's proportionate share of the Net Pension Liability would be if it were calculated using a discount rate that is one percentage-point lower 6.70% or one percentage-point higher 8.70% than the current rate:

	1.0% Decrease 6.70%	Current Discount Rate 7.70%	1.0% Increase 8.70%
Employer's proportionate share of the net pension liability	\$ 59,351,399	\$ 46,061,581	\$ 34,756,255

Support of Non-employer Contributing Entities: Contributions received by a pension plan from non-employer contributing entities that are not in a special funding situation are recorded as revenue by the respective pension plan. The School Board recognizes revenue in an amount equal to their proportionate share of the total contributions to the pension plan from these non-employer contributing entities. During the year ended June 30, 2018, the School Board recognized revenue as a result of support received from non-employer contributing entities of \$174,162 for its participation in TRSL.

Pension Plan Fiduciary Net Positions: Detailed information about the pension plan's fiduciary net position is available in the separately issued TRSL Comprehensive Annual Financial Report at www.trsl.org.

B) Louisiana School Employees' Retirement System (LSERS)

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 the State of Louisiana School Employees' Retirement System (System) and additions to/deductions from the System's fiduciary net position have been determined on the same basis as they are reported by the System. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. The following is a description of the plan and its benefits and is provided for general information purposes only.

Plan Description: Certain employees of the School Board are provided with pensions through a cost-sharing multiple-employer defined benefit plan administered by the State of Louisiana School Employees' Retirement System, a component unit of the State of Louisiana. The System was established and provided for by LA R.S. 11:1001 to provide retirement, disability and survivor benefits to all eligible employees. LSERS issues a publicly available financial report that can be obtained at www.lsers.net.

Membership is mandatory for all persons employed by a Louisiana Parish or City School Board who work more than twenty hours per week or for part-time employees who have ten years

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of creditable service in the System as a school bus driver, school janitor, school custodian, school maintenance employee, school bus aide or any other regular school employee who actually works on a school bus helping with the transportation of school children. If a person is employed by and is eligible to be a member of more than one public agency within the state, he must be a member of each such retirement system. Members are vested after 10 years of service or 5 years if enrolled after June 30, 2010.

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

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

Retirement: A member who joined the System on or before June 30, 2010 is eligible for normal retirement if he has at least 30 years of creditable service regardless of age, 25 years of creditable service and is at least age 55, 20 years of creditable service regardless of age with an actuarially reduced benefit, or 10 years of creditable service and is at least age 60. A member who joined the system on or after July 1, 2010 is eligible for normal retirement if he has at least 5 years of creditable service and is at least age 60, or 20 years of creditable service regardless of age with an actuarially reduced benefit. A member who joined the System on or after July 1, 2015, is eligible for normal retirement if he has at least five years of creditable service and is at least age 62, or 20 years of creditable service regardless of age with an actuarially reduced benefit.

For members who joined the System prior to July 1, 2006, the maximum retirement benefit is an amount equal to $3 \frac{1}{3}\%$ of the average compensation for the three highest consecutive years of membership service, subject to the 10% salary limitation, multiplied by the number of years of service limited to 100% of final average compensation plus a supplementary allowance of \$2.00 per month for each year of service. For members who joined the System on or after July 1, 2006 through June 30, 2010, $3 \frac{1}{3}\%$ of the average compensation is used to calculate benefits; however, the calculation consists of the five highest consecutive years of membership service, subject to the 10% salary limitation. For members who join the System on or after July 1, 2010, $2 \frac{1}{2}\%$ of the average compensation is used to calculate benefits and consists of the five highest consecutive years' average salary, subject to the 15% salary limitation. The supplemental allowance was eliminated for members entering the System on or after July 1, 1986. Effective January 1, 1992, the supplemental allowance was reinstated to all members whose service retirement became effective after July 1, 1971.

Deferred Retirement Option Plan: Members of the System may elect to participate in the Deferred Retirement Option Plan (DROP) and defer the receipt of benefits. The election may be made only one time and the duration is limited to three years. Once an option has been selected, no change is permitted. Upon the effective date of the commencement of participation in the DROP Plan, active membership in the regular retirement plan of the System terminates. Average compensation and creditable service remain as they existed on the effective date of commencement of participation in the System. The monthly retirement benefits, that would have been payable had

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the person elected to cease employment and receive a service retirement allowance, are paid into the Deferred Retirement Option Plan Fund Account.

The System maintains subaccounts within this account reflecting the credits attributed to each participant in the DROP program. Interest credited and payments from the DROP account are made in accordance with Louisiana Revised Statutes 11:1152(F)(3). Upon termination of participation in both the DROP program and employment, a participant may receive his DROP monies wither in a lump sum payment from the account or systematic disbursements.

The System also provides for deferred benefits for vested members who terminate before being eligible for retirement. Once the member reaches the appropriate age for retirement, benefits become payable.

Disability Benefits: A member is eligible to retire and receive disability benefits if he has at least five years of creditable service, is not eligible for normal retirement and has become totally and permanently disabled and is certified as disabled by the Medical Board. A vested person with twenty or more years of creditable service is eligible for a disability benefit until normal retirement age. A member who joins the System on or after July 1, 2006, must have at least ten years of service to qualify for disability benefits.

Survivor Benefits: Upon the death of a member with five or more years of creditable service, the System provides benefits for surviving spouses and minor children. Under certain conditions outlined in the status, a spouse is entitled to 75% of the members' benefits.

Initial Benefit Retirement Plan: Effective January 1, 1996, the state legislature authorized the System to establish an Initial Benefits Retirement Plan (IBRP) program. IBRP is available to members who have not participated in DROP and who select certain benefit options. Thereafter, these members are ineligible to participate in the DROP. The IBRP program provides both a one-time single sum payment of up to 36 months of a regular monthly retirement benefit, plus a reduced monthly retirement benefit for life. Interest credited and payments from IBRP account are made in accordance with Louisiana Revised Statutes 11:1152(F)(3).

Contributions: Contributions for all participating school boards are actuarially determined as required by Act 81 of 1988 but cannot be less than the rate required by the Constitution. The actuarial required contribution rate for June 30, 2018 was 27.30%. Contributions to the pension plan from the School Board were \$538,765 for the year ended June 30, 2018.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: At June 30, 2018, the School Board reported a liability of \$4,662,905 for its proportionate share of the System's Net Pension Liability. The Net Pension Liability was measured as of June 30, 2017 and the total pension liability used to calculate the Net Pension Obligation was determined by an actuarial valuation as of that date. The School Board's proportion of the Net Pension Liability was based on a projection of the School Board's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2017, the School

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Board's proportion was 0.728662%, which was a decrease of 0.022964% from its proportion measured as of June 30, 2016.

For the year ended June 30, 2018, the School Board recognized pension expense of \$324,920.

At June 30, 2018, the School Board reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experiences	\$ -	\$ 108,735
Changes of assumptions	97,772	72,640
Net difference between projected and actual earnings on pension plan investments	-	72,912
Change in proportion and differences between Employer contributions and proportionate share of contributions	-	173,078
Employer contributions subsequent to the measurement date	<u>538,765</u>	<u>-</u>
Total	<u>\$ 636,537</u>	<u>\$ 427,365</u>

\$538,765 reported as deferred outflows of resources related to pensions resulting from School Board contributions subsequent to the measurement date will be recognized as a reduction of the Net Pension Liability in the year ended June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30,	
2019	\$ (277,009)
2020	\$ 86,335
2021	\$ 30,735
2022	\$ (169,654)

Contributions – Proportionate Share: Differences between contributions remitted to the System and the employer's proportionate share are recognized in pension expense/(benefit) using the straight line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with a pension through the pension plan. The resulting deferred inflow/outflow and amortization is not reflected in the Schedule of

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Pension Amounts by Employer due to differences that could arise between contributions reported by the System and contributions reported by the participating employer.

Actuarial Assumptions: The net pension liability was measured as the portion of the present value of projected benefit payments to be provided through the pension plan to current active and inactive employees that is attributed to those employees' past periods of service, less the amount of the pension plan's fiduciary net position. A summary of the actuarial methods and assumptions used in determining the total pension liability as of June 30, 2017:

Actuarial Cost Method: Entry Age Normal

Expected Remaining Service Lives: 3 years

Investment Rate of Return: 7.125%, net of investment expense

Inflation Rate: 2.625%

Mortality Rate: Mortality rates were projected based on the RP-2000 Sex Distinct Mortality Table and RP-2000 Disabled Lives Mortality Table.

Salary Increases: 2008-2012 experience study, ranging from 3.075% to 5.375%.

Cost of Living Adjustments: 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 values do not include provisions for potential future increases not yet authorized by the Board of Trustees.

The total pension liability has been changed to recognize that a portion of future investment gains will be used to fund the System's Experience Account. Since neither the existing funds in the account nor future deposits to the account may be used to pay for existing benefits the liability was added for one future cost of living increase to the system's liabilities. However, since it will take an act of the legislature to pay a cost of living increase from the Experience Account and such an act will be dependent upon a range of economic and political factors, no pattern of future increases can be forecast on a reliable basis. Hence, no liability for payments beyond that of one future COLA is included in the total pension liability.

The long-term expected rate of return on pension plan investments was determined using a triangulation method which integrated the CAPM pricing model (top-down), a treasury yield curve approach (bottom-up) and an equity building-block model (bottom-up). Risk return and correlations are projected on a forward looking basis in equilibrium, in which best-estimates of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These rates are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation and an adjustment for the effect of rebalancing/diversification. The resulting long-term arithmetic nominal expected return is 8.10%. The target allocation and best estimates of arithmetic real rates of return for each major asset class as of June 30, 2017 are summarized in the following table:

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<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Fixed Income		
Core fixed income	8.0%	2.02%
High yield	5.0%	4.43%
Emerging markets debt	7.0%	4.71%
Global fixed income	10.0%	1.38%
Equity		
US equity	20.0%	6.44%
Developed equity	18.0%	7.40%
Emerging markets equity	10.0%	9.42%
Global REITs	3.0%	5.77%
Alternatives		
Private equity	5.0%	10.47%
Hedge fund	3.0%	3.75%
Real estate	5.0%	5.00%
Real Assets		
Timber	2.0%	5.67%
Oil and gas	2.0%	10.57%
Infrastructure	<u>2.0%</u>	6.25%
Total	<u>100.0%</u>	

Discount Rate: The discount rate used to measure the total pension liability was 7.125%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers will be made at the actuarially determined rates approved by PERSAC taking into consideration the recommendation of the System's actuary. Based on those assumptions, the system'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 period of projected benefit payments to determine the total pension liability.

Sensitivity of the Employer's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate: The following presents the Employer's proportionate share of the Net Pension Liability calculated using the discount rate of 7.125%, as well as what the Employer's proportionate share of the Net Pension Liability would be if it were calculated using a discount rate that is one percentage-point lower 6.125% or one percentage-point higher 8.125% than the current rate:

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	1.0% Decrease 6.125%	Current Discount Rate 7.125%	1.0% Increase 8.125%
Employ's proportionate share of the net pension liability	\$ 6,392,294	\$ 4,662,905	\$ 3,177,764

C) Louisiana State Employees' Retirement System

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 the Louisiana State Employees' Retirement System (LASERS) and additions to/deductions from LASERS' fiduciary net position have been determined on the same basis as they are reported by LASERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Plan Description: Certain employees of the School Board are provided with pensions through a cost-sharing multiple-employer defined benefit plan administered by the Louisiana State Employees' Retirement System (LASERS). Louisiana Revised Statutes 11:401 grants to LASERS Board of Trustees and the Louisiana Legislature the authority to review administration, benefits terms, investments, and funding of the plan. LASERS issues a publicly available financial report that can be obtained at www.lasersonline.org.

Benefits Provided

Retirement: The age and years of creditable service required in order for a member to retire with full benefits are established by statute, and vary depending on the member's hire date, employer, and job classification. The majority of LASERS rank and file members may either retire with full benefits at any age upon completing 30 years of credible service or at age 60 upon completing five to ten years of creditable service depending on their plan. Additionally, members may choose to retire with 20 years of service at any age, with an actuarially reduced benefit. The basic annual retirement benefit for members is equal to 2.5% to 3.5% of average compensation multiplied by the number of years of creditable service.

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

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

Act 226 of the 2014 Louisiana Regular Legislative Session established new retirement eligibility for members of LASERS hired on or after July 1, 2015, excluding hazardous duty plan members. Regular members and judges under the new plan are eligible to retire at age 62 after five years of creditable service and, may also retire at any age, with a reduced benefit, after 20 years of creditable service. Average compensation will be based on the member's average annual earned compensation for the highest 60 consecutive months of employment. Members in the regular plan will receive a 2.5% accrual rate, and judges a 3.5% accrual rate, with the extra 1.0% accrual rate based on all years of service as a judge.

A member leaving employment before attaining minimum retirement age, but after completing certain minimum service requirement, becomes eligible for a benefit provided the member lives to the minimum service retirement age, and does not withdraw their accumulated contributions. The minimum service requirement for benefits varies depending upon the member's employer and service classification but generally is ten years of service.

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

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

Disability Benefits: All members with ten or more years of credited service who become disabled may receive a maximum disability retirement benefit equivalent to the regular retirement formula without reduction by reason of age. Upon reaching age 60, the disability retiree may receive a regular retirement benefit by making application to the Board of Trustees. For injuries sustained in the line of duty, hazardous duty personnel in the Hazardous Duty Services Plan will receive a disability benefit equal to 75% of final average compensation.

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

Permanent Benefit Increases/Cost-of-Living Adjustments: As fully described in Title 11 of the Louisiana Revised Statutes, LASERS allows for the payment of permanent benefit increases, also known as cost-of-living adjustments (COLAs) that are funded through investment earnings when recommended by the Board of Trustees and approved by the State Legislature.

Contributions: Contribution requirements of active employees are governed by Section 401 of Title 11 of the Louisiana Revised Statutes (LA R.S. 11:401) and may be amended by the Louisiana Legislature. Employee and employer contributions are deducted from a member's salary and remitted to LASERS by participating employers. The rates in effect during the year ended June 30, 2018 follow:

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Plan	Plan Status	Rate
Regular Employees		
Hired before 7/1/2006	Closed	37.9%
Hired after 7/1/2006	Open	37.9%
Hired after 1/1/2011	Closed	37.9%
Hired after 6/30/2015	Open	37.9%
Optional Retirement Plan (ORP)		
Hired before 7/1/2006	Closed	33.8%
Hired after 6/30/2006	Closed	33.8%
Hazardous Duty	Open	38.3%

The agency's contractually required composite contribution rate for the year ended June 30, 2018 was 37.8% of annual payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year with an additional amount to finance any Unfunded Actuarial Accrued Liability. Contributions to the pension plan from the School Board for the year ended June 30, 2018 were \$20,102.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: At June 30, 2018, the School Board reported a liability of \$222,779 for its proportionate share of the LASERS Net Pension Liability. The Net Pension Liability was measured as of June 30, 2017 and the total pension liability used to calculate the Net Pension Obligation was determined by an actuarial valuation as of that date. The School Board's proportion of the Net Pension Liability was based on a projection of the School Board's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2017, the School Board's proportion was 0.00317%, which was an increase of 0.00001% from its proportion measured as of June 30, 2016.

For the year ended June 30, 2018, the School Board recognized pension expense of \$24,137.

At June 30, 2018, the School Board reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

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Notes to Basic Financial Statements

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experiences	\$ -	\$ 4,088
Changes of assumptions	880	-
Net difference between projected and actual earnings on pension plan investments	7,244	-
Change in proportion and differences between Employer contributions and proportionate share of contributions	-	4,351
Employer contributions subsequent to the measurement date	<u>20,102</u>	<u>-</u>
Total	<u>\$ 28,226</u>	<u>\$ 8,439</u>

\$20,102 reported as deferred outflows of resources related to pensions resulting from School Board contributions subsequent to the measurement date will be recognized as a reduction of the Net Pension Liability in the year ended June 30, 2018. 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 Ending June 30,</u>	
2019	\$ (3,807)
2020	\$ 5,078
2021	\$ 2,899
2022	\$ (4,485)

Contributions – Proportionate Share: Differences between contributions remitted to the System and the employer's proportionate share are recognized in pension expense using the straight line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with a pension through the pension plan. The resulting deferred inflow/outflow and amortization is not reflected in the Schedule of Pension Amounts by Employer due to differences that could arise between contributions reported by the System and contributions reported by the participating employer.

Actuarial Assumptions: The net pension liability was measured as the portion of the present value of projected benefit payments to be provided through the pension plan to current active and inactive employees that is attributed to those employees' past periods of service, less

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Notes to Basic Financial Statements

the amount of the pension plan's fiduciary net position. A summary of the actuarial methods and assumptions used in determining the total pension liability are as follows:

Valuation Date: June 30, 2017

Actuarial Cost Method: Entry Age Normal

Amortization approach: Closed

Expected Remaining Service Lives: 3 years

Investment Rate of Return: 7.7% per annum

Inflation Rate: 2.75% per annum

Termination, Disability and Retirement: Termination, disability and retirement assumptions were projected based on a five year (2009-2013) experience study of System members

Mortality rates: Non-disabled members mortality rates are based on the RP-2000 Combined Healthy Mortality Table with mortality improvement projected to 2015. Disabled members mortality rates are based on the RP-2000 Disabled Retiree Mortality Table, with no projection for mortality improvement.

Salary Increases: Salary increases were projected based on a 2009-2013 experience study of the System's members. The salary increases range from 2.8% to 14.3%.

Cost of living adjustments: The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost of living increases. The projected benefit payments do not include provisions for potential future increases not yet authorized by the Board of Trustees as they were deemed not to be substantively automatic.

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 expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation and an adjustment for the effect of rebalancing/diversification. The target allocation and best estimates of geometric real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2017 are summarized in the following table:

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Notes to Basic Financial Statements

<u>Asset Class</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash	-0.24%
Domestic equity	4.31%
International equity	5.35%
Domestic Fixed Income	1.73%
International Fixed Income	2.49%
Alternative Investments	7.41%
Global Asset Allocation	2.84%

Discount Rate: The discount rate used to measure the total pension liability was 7.7%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that employer contributions from participating employers will be made at contractually required rates, actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Employer's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate: The following presents the Employer's proportionate share of the Net Pension Liability calculated using the discount rate of 7.7%, as well as what the Employer's proportionate share of the Net Pension Liability would be if it were calculated using a discount rate that is one percentage-point lower 6.7% or one percentage-point higher 8.7% than the current rate:

	1.0% Decrease <u>6.70%</u>	Current Discount Rate <u>7.70%</u>	1.0% Increase <u>8.70%</u>
Employer's proportionate share of the net pension liability	\$ 279,674	\$ 222,779	\$ 174,405

(12) Post-Retirement Health Care and Life Insurance Benefits

Plan description – The School Board provides certain continuing health care and life insurance benefits for its retired employees. The School Board's OPEB Plan (the OPEB Plan) is a single-employer defined benefit OPEB plan administered by the School Board. The authority to establish and/or amend the obligation of the employer, employees and retirees rests with the School Board. No assets are accumulated in a trust that meets the criteria in Governmental Accounting Standards Board (GASB) Codification Section P52 *Postemployment Benefits Other Than Pensions—Reporting For Benefits Not Provided Through Trusts That Meet Specified Criteria—Defined Benefit*.

AVOYELLES PARISH SCHOOL BOARD
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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. Most of the employees are covered by the Teachers' Retirement System of Louisiana. 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; or, age 60 and 5 years of service. Employees hired on or after January 1, 2011 must have attained at least age 60 at retirement (or D.R.O.P. entry) to avoid actuarial reduction in the retirement benefit.

Life insurance coverage under the OGB program is available to retirees by election and the employer pays 50% of the cost of the retiree life insurance based on the plan's blended rates. Insurance coverage amounts are reduced at age 65 and again at age 70 according to the OGB plan provisions.

Employees covered by benefit terms – At June 30, 2018, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	580
Inactive employees entitles to but not yet receiving benefit payments	-
Active employees	<u>543</u>
	<u><u>1,123</u></u>

Total OPEB Liability

The School Board's total OPEB liability of \$65,144,060 was measured as of June 30, 2018 and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and other inputs – The total OPEB liability in the June 30, 2018 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.5%
Salary increases	4.0%, including inflation
	3.58% annually (Beginning of Year to Determine ADC)
	3.87% annually (As of End of Year Measurement Date)
Healthcare cost trend rates	Flat 5.5% annually

The discount rate was based on the average of the Bond Buyers' 20 Year General Obligation municipal bond index as of June 30, 2018, the end of the applicable measurement period.

Mortality rates were based on the RP-2000 Table without projection with 50%/50% unisex blend.

The actuarial assumptions used in the June 30, 2018 valuation were based on the results of ongoing evaluations of the assumptions from July 1, 2009 to June 30, 2018.

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Notes to Basic Financial Statements

Changes in the Total OPEB Liability

Balance, beginning of year	<u>\$ 70,560,042</u>
Changes for the year:	
Service cost	780,765
Interest	2,451,124
Difference between expected and actual experience	(1,770,730)
Changes in assumption	(2,691,379)
Benefit payments and net transfers	<u>4,185,762</u>
Net changes	<u>(5,415,982)</u>
Balance, end of year	<u>\$ 65,144,060</u>

Sensitivity of the total OPEB liability to changes in the discount rate – The following presents the total OPEB liability of the School Board, as well as what the School Board's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.87%) or 1-percentage-point higher (4.87%) than the current discount rate:

	1.0% Decrease <u>2.87%</u>	Current Trend <u>3.87%</u>	1.0% Increase <u>4.87%</u>
Total OPEB Liability	<u>\$ 75,954,781</u>	<u>\$ 65,144,060</u>	<u>\$ 58,196,557</u>

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

	1.0% Decrease <u>4.50%</u>	Current Trend <u>5.50%</u>	1.0% Increase <u>6.50%</u>
Total OPEB Liability	<u>\$ 58,187,229</u>	<u>\$ 65,144,060</u>	<u>\$ 75,846,470</u>

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

For the year ended June 30, 2018, the School Board recognized OPEB expense of \$2,736,099. At June 30, 2018, the School Board reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

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Notes to Basic Financial Statements

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experiences	\$ -	\$ 1,573,982
Changes of assumptions	<u>-</u>	<u>2,392,337</u>
Total	<u>\$ -</u>	<u>\$ 3,966,319</u>

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

Year Ending June 30,	
2019	\$ (495,790)
2020	\$ (495,794)
2021	\$ (495,794)
2022	\$ (495,794)
2023	\$ (495,794)
Thereafter	\$ (1,487,382)

(13) Litigation and Claims

Management and legal counsel for the Avoyelles Parish School Board believe that the potential claims against the School Board would not materially affect the School Board's financial position.

(14) Risk Management

The School Board is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; and injuries to employees and others. To handle such risk of loss, the School Board maintains commercial insurance policies covering automobile liability and medical payments, workers compensation, general liability, errors and omissions, and surety bond coverage. No claims were paid on any of the policies during the past three years which exceeded the policies' coverage amounts.

The School Board is partially self-insured for workers' compensation insurance coverage. The risk management activities are recorded in the Workers Compensation Self-Insurance Fund, an internal service fund. This fund accounts for the financing activities of the School Board, but does not constitute a transfer of risk from the School Board.

Claims are paid by a third party administrator acting on behalf of the School Board, under the terms of a contractual agreement. Administrative fees are included within the provisions of that

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agreement. The School Board is protected against unanticipated catastrophic claims and aggregate loss by coverage carried through a commercial stop loss policy.

Coverage was in effect for specific occurrences exceeding \$500,000 and aggregate retention of \$1,000,000. The amount of settlements for each of the past three years has not exceeded the insurance coverage for each of the respective years.

Changes to the fund's unpaid claims liability were as follows:

	<u>June 30, 2018</u>	<u>June 30, 2017</u>
Balance, beginning	\$ 933,000	\$ 1,270,000
Current year claims and changes in estimate	554,226	300,942
Claims paid	<u>(523,226)</u>	<u>(637,942)</u>
Balance, ending	<u>\$ 964,000</u>	<u>\$ 933,000</u>

(15) Section 457 Plan

Certain employees of Avoyelles Parish School Board participate in the Louisiana Public Employees Deferred Compensation Plan adopted under the provisions of the Internal Revenue Code 457. Complete disclosures relating to the Plan are included in the separately issued audit report for the Plan, available from the Louisiana Legislative Auditor, Post Office Box 94397, Baton Rouge, Louisiana, 70804-9397.

(16) Commitments and Contingencies

The Avoyelles Parish School Board receives grants for specific purposes that are subject to review and audit by the Louisiana Department of Education. Such audits could result in a request for reimbursement for disallowed costs under the terms of the grant agreements. In the opinion of management, such disallowance, if any, would be insignificant.

(17) Deficit Fund Balance

The Public Health Services Act Title XIX Fund has a deficit fund balance due to the changes in Medicaid billing and reimbursements. The School Board continues to negotiate reimbursements and resubmit billings. Management continues to monitor claim status and also transfers money into the fund to assist with expenses.

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Notes to Basic Financial Statements

(18) On-Behalf Payments

The accompanying financial statements include on-behalf payments made by the Parish Tax Collector for \$105,139 and the State of Louisiana for \$21,314 to the Teacher's Retirement System of Louisiana for employee retirement benefits.

(19) Compensation, Benefits, and Other Payments to Superintendent

A detail of compensation, benefits, and other payments paid to Superintendent Blaine Dauzat are as follows:

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 108,261
Benefits- insurance	8,855
Benefits- retirement	28,797
Travel	5,289

(20) Compensation Paid Board Members

The schedule of compensation paid to the Avoyelles Parish School Board members is presented in compliance with House Concurrent Resolution No. 54 of the 1979 session of the Louisiana Legislature. Compensation of the Avoyelles Parish School Board members is included in the general administrative expenditures of the General Fund. In accordance with Louisiana Revised Statute 17:56, the School Board members have elected the monthly payment method of compensation. Under this method, each member of the Board receives \$540 per month, and the President receives \$630 per month for performing the duties of his office.

John Gagnard	\$ 7,020	Christopher Edward Lacour	\$ 7,020
Micheal Lacombe	\$ 6,480	James Gauthier	\$ 6,480
Jeralyn Jacobs Young	\$ 1,620	Sheila Blackman Dupas	\$ 6,480
Freeman Ford	\$ 4,522	Lizzie Ned	\$ 6,705
Darrell G. Wiley	\$ 6,705	Van Kojis	\$ 6,705

(21) New Accounting Pronouncements

The School Board adopted Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. The statement addresses accounting and financial reporting for postemployment benefits other than pensions that are provided to the employees of state and local government employers. Statement No. 75 establishes standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources, and expenses/expenditures related to these benefits. This resulted in a restatement of previously reported net position.

AVOYELLES PARISH SCHOOL BOARD
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Notes to Basic Financial Statements

In June 2017, the Governmental Accounting Standards Board (GASB) issued Statement No. 87, *Leases*. The statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. The provisions of GASB Statement No. 87 are effective for fiscal years beginning after December 15, 2019. The effect of implementation on the School Board's financial statements has not yet been determined.

In January 2017, the Governmental Accounting Standards Board (GASB) issued Statement No. 84, *Fiduciary Activities*. This Statement establishes criteria for identifying fiduciary activities of local governments. Governments with activities meeting the criteria should present a statement of fiduciary net position and a statement of changes in fiduciary net position. The provisions of GASB Statement No. 84 are effective for fiscal years beginning after December 15, 2018. The effect of implementation on the School Board's financial statements has not yet been determined.

(22) Prior Period Adjustment

As described in Note 21 above, the School Board adopted the provisions of GASB Statement No. 75 during the year. Additionally, the School Board noted several errors in estimates and assumptions in prior periods as noted in the table below.

	Government Wide Financial Statements	Self Insurance Fund	General Fund
July 1, 2017 net position/fund balance, as reported	\$ (32,741,295)	\$ 4,916	\$ 16,784,267
Prior period adjustment:			
Correction of an error:			
Net effect of capital assets	(55,126)	-	-
Overstated accounts payable	(305,008)	-	(305,008)
Understated internal service fund cash	15,667	15,667	-
Internal service fund receivable	(482,857)	-	-
Understated deferred inflows related to pension	(300,000)	-	-
Change in accounting principle:			
Net effect of recording OPEB liability	(57,419,340)	-	-
July 1, 2017 net position/fund balance, as restated	<u>\$ (91,287,959)</u>	<u>\$ 20,583</u>	<u>\$ 16,479,259</u>

**OTHER REQUIRED
SUPPLEMENTARY INFORMATION**

AVOYELLES PARISH SCHOOL BOARD
Marksville, Louisiana

Schedule 1

General Fund
Budgetary Comparison Schedule
Year Ended June 30, 2018

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
Revenues				
Local sources:				
Ad valorem taxes	\$ 2,568,274	\$ 2,686,450	\$ 2,809,420	\$ 122,970
Sales taxes	5,479,577	5,685,798	5,731,238	45,440
Charges for service	120,000	154,632	150,000	(4,632)
Interest	45,000	45,800	117,798	71,998
Other	1,205,911	1,367,574	1,096,208	(271,366)
Total local sources	9,418,762	9,940,254	9,904,664	(35,590)
State sources	29,642,383	28,938,513	29,041,666	103,153
Federal sources	7,000	-	82,782	82,782
Total revenues	39,068,145	38,878,767	39,029,112	150,345
Expenditures				
Current:				
Instruction -				
Regular programs	17,297,756	16,361,817	15,859,492	502,325
Special education programs	4,483,286	4,728,513	4,484,449	244,064
Vocational education programs	1,057,673	1,168,620	1,215,341	(46,721)
Other instructional programs	233,591	233,591	342,460	(108,869)
Special programs	984,426	929,754	702,557	227,197
Support services -				
Pupil support services	3,113,736	2,631,266	1,659,580	971,686
Instructional staff support services	125,000	264,269	863,159	(598,890)
General administration	1,532,868	1,353,467	1,755,663	(402,196)
School administration	2,918,419	2,571,377	3,252,807	(681,430)
Business services	753,323	693,291	657,469	35,822
Operation and maintenance of plant services	1,212,384	1,537,663	2,332,009	(794,346)
Student transportation services	4,520,218	4,750,414	5,548,690	(798,276)
Central services	73,226	150,855	139,526	11,329
Non-instructional services -				
Food services	389,772	380,000	427,374	(47,374)
Community service programs	17,244	17,244	17,244	-
Debt service -				
Principal payments	-	-	330,377	(330,377)
Interest and fiscal charges	-	-	7,861	(7,861)
Total expenditures	38,712,922	37,772,141	39,596,058	(1,823,917)
Excess (deficiency) of revenues over expenditures	355,223	1,106,626	(566,946)	(1,673,572)
Other financing sources (uses):				
Proceeds from sale of assets	-	-	357	357
Proceeds from capital lease	-	-	816,551	816,551
Transfer to other EA	-	-	(159,176)	(159,176)
Transfers out	(2,347,377)	(2,724,377)	(3,484,790)	(760,413)
Transfers in	916,103	732,256	3,713,537	2,981,281
Total other financing sources (uses)	(1,431,274)	(1,992,121)	886,479	2,878,600
Net change in fund balance	(1,076,051)	(885,495)	319,533	1,205,028
Fund balances, beginning, as restated	16,479,259	16,479,259	16,479,259	-
Fund balances, ending	\$ 15,403,208	\$ 15,593,764	\$ 16,798,792	\$ 1,205,028

AVOYELLES PARISH SCHOOL BOARD
Marksville, Louisiana

Schedule 2

Schedule of Changes in Net OPEB Liability and Related Ratios
For the year ended June 30, 2018

Total OPEB Liability*	
Service cost	\$ 780,765
Interest	2,451,124
Changes of benefit terms	-
Differences between expected and actual experience	(1,770,730)
Changes of assumptions	(2,691,379)
Benefit payments	<u>4,185,762</u>
Net change in total OPEB liability	(5,415,982)
 Total OPEB liability - beginning	 <u>70,560,042</u>
 Total OPEB liability - ending	 <u>\$ 65,144,060</u>
 Covered-employee payroll	 <u>\$ 20,243,142</u>
 Net OPEB liability as a percentage of covered-employee payroll	 321.81%

* Equal to Net OPEB Liability

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

AVOYELLES PARISH SCHOOL BOARD
Marksville, Louisiana

Schedule 3

Schedule of Employer's Share of Net Pension Liability
For the Year Ended June 30, 2018

* Year ended June 30,	Employer Proportion of the Net Pension Liability (Asset)	Employer Proportionate Share of the Net Pension Liability (Asset)	Employer's Covered Employee Payroll	Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Employee Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
Teachers' Retirement System of Louisiana (TRSL)					
2018	0.44930%	\$ 46,061,581	\$20,817,169	221.3%	65.60%
2017	0.45620%	\$ 53,544,017	\$20,959,957	255.5%	59.90%
2016	0.46784%	\$ 50,303,132	\$21,125,273	238.1%	62.50%
2015	0.49546%	\$ 50,643,015	\$21,685,668	233.5%	63.70%
Louisiana School Employees' Retirement System (LSERS)					
2018	0.72866%	\$ 4,662,905	\$ 2,085,916	223.5%	75.03%
2017	0.75163%	\$ 5,669,870	\$ 2,134,865	265.6%	70.09%
2016	0.78016%	\$ 4,947,199	\$ 2,188,497	226.1%	74.49%
2015	0.77480%	\$ 4,491,616	\$ 2,173,573	206.6%	76.18%
Louisiana State Employee' Retirement System (LASERS)					
2018	0.00317%	\$ 222,779	\$ 49,167	453.1%	62.50%
2017	0.00316%	\$ 248,062	\$ 49,492	501.2%	57.70%
2016	0.00316%	\$ 214,996	\$ 49,992	430.1%	62.70%
2015	0.00282%	\$ 176,269	\$ 37,264	473.0%	65.00%

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

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

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Schedule 4

Schedule of Employer Contributions
for the Retirement Systems
For the Year Ended June 30, 2018

<u>Year ended June 30,</u>	<u>Contractually Required Contribution</u>	<u>Contributions in Relation to Contractual Required Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Employer's Covered Employee Payroll</u>	<u>Contributions as a % of Covered Employee Payroll</u>
Teachers' Retirement System of Louisiana (TRSL)					
2018	\$5,401,500	\$5,401,500	-	\$20,305,328	26.6%
2017	\$5,247,683	\$5,247,683	-	\$20,817,169	25.2%
2016	\$5,512,469	\$5,512,469	-	\$20,959,957	26.3%
2015	\$5,915,076	\$5,915,076	-	\$21,125,273	28.0%
Louisiana School Employees' Retirement System (LSERS)					
2018	\$ 538,765	\$ 538,765	-	\$ 1,952,048	27.6%
2017	\$ 569,455	\$ 569,455	-	\$ 2,085,916	27.3%
2016	\$ 644,729	\$ 644,729	-	\$ 2,134,865	30.2%
2015	\$ 722,204	\$ 722,204	-	\$ 2,188,497	33.0%
Louisiana State Employees' Retirement System (LASERS)					
2018	\$ 20,102	\$ 20,102	-	\$ 53,039	37.9%
2017	\$ 17,602	\$ 17,602	-	\$ 49,167	35.8%
2016	\$ 18,411	\$ 18,411	-	\$ 49,492	37.2%
2015	\$ 18,497	\$ 18,497	-	\$ 49,992	37.0%

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

AVOYELLES PARISH SCHOOL BOARD
Marksville, Louisiana

Notes to Required Supplementary Information

(1) Retirement Systems

A. Teachers' Retirement System of Louisiana

Changes of assumptions – The investment rate of return decreased from 7.75% in 2017, to 7.70% in 2018

B. Louisiana State Employees' Retirement System

Changes of assumptions – The investment rate of return decreased from 7.75% in 2017, to 7.70% in 2018. The inflation rate decreased from 3.0% in 2017 to 2.75% in 2018. The salary increases percentage, decreased from a range of 3.0% to 14.5% in 2017, to a range of 2.8% to 14.3% in 2018.

(2) Other Post-Employment Benefits

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

Changes of Assumptions – The discount rate as of June 30, 2017 was 3.58% and was increased to 3.87% as of June 30, 2018.

(3) Budget Practices

In May, the Superintendent submits to the School Board the proposed annual budget for the fiscal year beginning July 1st. The proposed budget is made available for public inspection and comments by taxpayers prior to September 15th. The School Board legally enacts the budget through adoption. The only legal requirement is that the School Board adopt a balanced budget, whereby total budgeted revenues and other financial sources, including fund balance, must equal or exceed total budgeted expenditures and other financing uses.

The budget is prepared on the modified accrual basis of accounting, consistent with generally accepted accounting principles (GAAP).

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

For the year ended June 30, 2018, expenditures exceeded appropriations in the General Fund.

OTHER SUPPLEMENTARY INFORMATION

AGENCY FUNDS

School Activity Fund

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

Sales Tax Agency Fund

The Sales Tax Agency Fund accounts for the collection and distribution of various sales and use taxes levied by the School Board, Avoyelles Parish Police Jury, Avoyelles Parish Sheriff's Office, and other sales and use taxes as levied by various municipalities in Avoyelles Parish.

AVOYELLES PARISH SCHOOL BOARD
Marksville, Louisiana
Agency Funds

Schedule 5

Combining Statement of Assets and Liabilities
June 30, 2018

	School Activity Agency Fund	Sales Tax Agency Fund	Total Fiduciary Funds
	<u> </u>	<u> </u>	<u> </u>
ASSETS			
Cash and interest-bearing deposits	<u>\$ 1,161,087</u>	<u>\$ -</u>	<u>\$ 1,161,087</u>
LIABILITIES			
Deposits due others	<u>\$ 1,161,087</u>	<u>\$ -</u>	<u>\$ 1,161,087</u>

AVOYELLES PARISH SCHOOL BOARD
Marksville, Louisiana
School Activity Agency Fund

Schedule 6

Schedule of Changes in Deposits Due Others
For the Year Ended June 30, 2018

Schools	Balance Beginning	Additions	Deductions	Balance Ending
Avoyelles High	\$ 108,386	\$ 284,585	\$ 316,078	\$ 76,893
Bunkie Elementary	21,599	44,982	45,001	21,580
Bunkie High	29,614	325,039	283,077	71,576
Cottonport Elementary	22,546	57,923	58,027	22,442
Lafargue Elementary	34,590	120,311	122,703	32,198
Marksville Elementary	1,542	97,217	69,873	28,886
Marksville High School	61,214	311,013	320,829	51,398
Plaucheville Elementary	54,158	111,477	95,694	69,941
Riverside Elementary	60,422	78,387	88,845	49,964
FFA Federation	433,793	121,591	36,146	519,238
Student Incentive	657	-	-	657
Band	-	4,914	-	4,914
LaSAS	169,869	201,746	188,479	183,136
Drug Free Programs	5,213	1,000	301	5,912
Ivy Mae Scholarship	14,668	-	-	14,668
Rapides Foundation	5,283	-	-	5,283
Elderwood Preserving Grant	1,650	-	-	1,650
Testing	-	1,289	1,289	-
Office Staff	554	357	160	751
Total balances	<u>\$ 1,025,758</u>	<u>\$ 1,761,831</u>	<u>\$ 1,626,502</u>	<u>\$ 1,161,087</u>

AVOYELLES PARISH SCHOOL BOARD
Marksville, Louisiana
Agency Funds

Schedule 7

Schedule of Cash Receipts and Disbursements
June 30, 2018

	<u>Sales Tax</u>
Receipts:	
Sales taxes	<u>\$ 18,515,059</u>
Disbursements:	
Tax proceeds distributed to taxing authorities, net of collection costs	<u>18,515,059</u>
Change in cash	-
Cash balance, beginning	<u>-</u>
Cash balance, ending	<u><u>\$ -</u></u>

AVOYELLES PARISH SCHOOL BOARD
Marksville, Louisiana
Schedule of Capital Assets By Source

Schedule 8

June 30, 2018 and 2017

	<u>2018</u>	<u>2017</u>
Capital Assets:		
Land	\$ 6,833,903	\$ 6,833,903
Construction in Progress	74,809	-
Buildings	36,280,078	35,980,233
Furniture and equipment	<u>9,310,009</u>	<u>8,356,035</u>
 Total Capital Assets	 <u>\$ 52,498,799</u>	 <u>\$ 51,170,171</u>
Investment in Capital Assets by Source:		
General Fund	\$ 50,333,723	\$ 49,107,507
Special Revenue Funds:		
School Food Service	983,140	880,728
Title I	1,094,710	1,094,710
Special Education	74,071	74,071
Vocational Education	<u>13,155</u>	<u>13,155</u>
 Total Investment in Capital Assets by Source	 <u>\$ 52,498,799</u>	 <u>\$ 51,170,171</u>

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS:

Title I

Title I is a program designed to improve the teaching and learning of children who are at risk of not meeting challenging academic standards and who reside in areas with high concentrations of children from low-income families. The program is federally financed, state-administered, and locally operated by the School Board. The activities supplement, rather than replace, state and locally mandated activities.

Title II

Title II is a program by which the federal government provides funds to the School Board for projects that are designed to improve the skills of teachers and instruction the areas of mathematics, science, computer learning, and foreign languages and to increase the accessibility of such instruction to all students.

LA-4

The LA-4 Fund is a continuation of the Early Childhood Education (ECE) Project Fundamentals of Unique Readiness (FOUR) program. This fund accounts for the allotment from the Louisiana Department of Education and federal funds to provide sufficient educational expenditures for “high-risk” four-year olds to ensure greater success through school.

Public Health Service Act – Title XIX Fund

The School Nurse Program – Title XIX Fund accounts for the funds from a federal program to provide school nurse services to students of the school system.

Special Education Fund

Special Education Fund accounts for federal, state, and local funds which are specifically restricted for expenditures and activities which promote free and appropriate public education to all eligible school children in the school system.

Adult Education Fund

The Adult Education Fund accounts for the funds from a federally and state financed, state administered, and locally operated program that provides adult instruction leading to a high school diploma.

Special Maintenance Fund

The Special Maintenance Fund accounts for the avails of a 10-year, five mill, parish wide property tax dedicated to maintain, construct, and remodel school buildings and grounds.

School Food Service

The School Food Services Fund accounts for operations of the school cafeterias. Funding is provided by federal and state grants-in-aid and charges for meals served.

NONMAJOR GOVERNMENTAL FUNDS

Capital Outlay Fund

The Capital Outlay Fund accounts for monies designated by the school board for repairs to various school facilities

Vocational Education Fund

This fund accounts for funds from a federal program which provides vocational education programs.

JAG Fund

JAG (Jobs for America's Graduates) accounts for revenues received from a federal grant which provides funding for dropout prevention and work force preparation for at risk youths.

LA Agricultural Science School Fund

The La Ag Science School Fund accounts for the funds to operate a Type IV charter school (Louisiana Agriculture Sciences Charter School) providing an education with emphasis in the agriculture sciences.

Special Sales Tax Fund

The Special Sales Tax Fund accounts for a special sales and use tax of one-half of one percent. The proceeds of the sales and use tax are used for facility improvements and repairs, payment of bond indebtedness, maintenance, and operating expenses of the school system.

Positive Behavior Incentive Funds

These funds account for federal sources to assist school personnel in adopting and organizing evidence-based behavioral interventions into an integrated continuum that enhances academic and social behavior outcomes for all students.

Other Title Funds

Accounts for various receipts and expenditures of other federal program funds.

Wards Funds

These funds hold the unspent funds remaining after the payment of the various bond issues. The excess monies are allocated for improvements of facilities located in the respective wards.

DEBT SERVICE FUNDS:

Qualified School Construction Bond (QSCB) Fund

Accounts for the issuance of various revenue bonds, the proceeds of which are for the construction, restoration, and renovation of plant facilities at schools in the school system.

Energy Conservation Certificates of Indebtedness Fund

Accounts for the issuance of certificates of indebtedness for the payment of expenditures to make the school facilities more energy efficient.

AVOYELLES PARISH SCHOOL BOARD
Marksville, Louisiana
Nonmajor Governmental Funds

Schedule 9

Combined Balance Sheet
June 30, 2018

	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Total</u>
ASSETS			
Cash and interest-bearing deposits	\$ 5,872,715	\$ 773,778	\$ 6,646,493
Receivables	548	-	548
Due from other governmental agencies	1,632,397	-	1,632,397
Inventory	<u>82,049</u>	<u>-</u>	<u>82,049</u>
Total assets	<u>\$ 7,587,709</u>	<u>\$ 773,778</u>	<u>\$ 8,361,487</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 162,206	\$ -	\$ 162,206
Accrued salaries payable	619,007	-	619,007
Due to other funds	<u>1,757,397</u>	<u>-</u>	<u>1,757,397</u>
Total liabilities	<u>2,538,610</u>	<u>-</u>	<u>2,538,610</u>
Fund balances:			
Non-spendable	82,049	-	82,049
Restricted	2,765,994	-	2,765,994
Committed	2,321,772	773,778	3,095,550
Unassigned	<u>(120,716)</u>	<u>-</u>	<u>(120,716)</u>
Total fund balances	<u>5,049,099</u>	<u>773,778</u>	<u>5,822,877</u>
Total liabilities and fund balances	<u>\$ 7,587,709</u>	<u>\$ 773,778</u>	<u>\$ 8,361,487</u>

AVOYELLES PARISH SCHOOL BOARD
Marksville, Louisiana
Nonmajor Governmental Funds

Schedule 10

Combined Statement of Revenues, Expenditures and Changes in Fund Balances
Year Ended June 30, 2018

	Special Revenue	Debt Service	Totals
Revenues			
Local sources -			
Ad valorem taxes	\$ 726,174	\$ -	\$ 726,174
Interest income	-	3,390	3,390
Sales tax	2,222,748	-	2,222,748
Charges for services	42,565	-	42,565
State sources	3,223,388	-	3,223,388
Federal sources	8,879,109	-	8,879,109
Other sources	189,128	-	189,128
Total revenues	<u>15,283,112</u>	<u>3,390</u>	<u>15,286,502</u>
Expenditures			
Current:			
Instruction -			
Regular programs	1,481,778	-	1,481,778
Special education programs	687,709	-	687,709
Vocational education programs	506,473	-	506,473
Other instructional programs	276,727	-	276,727
Special programs	2,845,987	-	2,845,987
Adult and continuing education programs	12,012	-	12,012
Support services -			
Pupil support services	1,178,577	-	1,178,577
Instructional staff support services	662,274	-	662,274
General administration	90,336	-	90,336
School administration	236,196	-	236,196
Business services	24,415	-	24,415
Operation and maintenance of plant services	1,622,280	-	1,622,280
Student transportation services	18,275	-	18,275
Non-instructional services -			
Food service operations	3,783,069	-	3,783,069
Community service	54,535	-	54,535
Facilities acquisition and construction	346,273	-	346,273
Debt service:			
Principal retirement	-	583,833	583,833
Interest and fiscal charges	-	12,754	12,754
Total expenditures	<u>13,826,916</u>	<u>596,587</u>	<u>14,423,503</u>
Excess (deficiency) of revenues over expenditures	<u>1,456,196</u>	<u>(593,197)</u>	<u>862,999</u>
Other financing sources (uses):			
Transfers in	2,111,239	582,635	2,693,874
Transfers out	<u>(3,015,874)</u>	<u>(12,950)</u>	<u>(3,028,824)</u>
Total other financing sources (uses)	<u>(904,635)</u>	<u>569,685</u>	<u>(334,950)</u>
Net change in fund balances	551,561	(23,512)	528,049
Fund balances, beginning	<u>4,497,538</u>	<u>797,290</u>	<u>5,294,828</u>
Fund balances, ending	<u>\$ 5,049,099</u>	<u>\$ 773,778</u>	<u>\$ 5,822,877</u>

AVOYELLES PARISH SCHOOL BOARD
Marksville, Louisiana
Nonmajor Special Revenue Funds

Schedule 11

Combining Balance Sheet
June 30, 2018

	Title I Fund	Title II Fund	LA-4	Public Health Services Act Title XIX
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
ASSETS				
Cash and interest-bearing deposits	\$ 134,962	\$ 7,086	\$ 25,836	\$ 49,568
Receivables	-	-	-	-
Due from other governmental agencies	794,601	243,085	48,352	-
Inventory	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	<u>\$ 929,563</u>	<u>\$ 250,171</u>	<u>\$ 74,188</u>	<u>\$ 49,568</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued salaries and related benefits	134,962	7,086	25,836	45,284
Due to other funds	<u>794,601</u>	<u>243,085</u>	<u>48,352</u>	<u>125,000</u>
Total liabilities	<u>929,563</u>	<u>250,171</u>	<u>74,188</u>	<u>170,284</u>
Fund balances:				
Non-spendable	-	-	-	-
Restricted	-	-	-	-
Committed	-	-	-	-
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>(120,716)</u>
Total fund balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>(120,716)</u>
Total liabilities and fund balances	<u>\$ 929,563</u>	<u>\$ 250,171</u>	<u>\$ 74,188</u>	<u>\$ 49,568</u>

<u>Special Education</u>	<u>Adult Education Fund</u>	<u>Special Maintenance Fund</u>	<u>School Food Service Fund</u>	<u>Capital Outlay Fund</u>	<u>Vocational Education Fund</u>	<u>JAG Fund</u>
\$ 71,160	\$ 9,652	\$ 917,954	\$ 1,289,056	\$ 856,386	\$ -	\$ 20,390
-	-	-	548	-	-	-
308,211	-	-	23,429	-	34,284	-
<u>-</u>	<u>-</u>	<u>43,066</u>	<u>38,983</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 379,371</u>	<u>\$ 9,652</u>	<u>\$ 961,020</u>	<u>\$ 1,352,016</u>	<u>\$ 856,386</u>	<u>\$ 34,284</u>	<u>\$ 20,390</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
71,160	9,652	-	149,536	-	-	20,390
<u>308,211</u>	<u>-</u>	<u>-</u>	<u>23,429</u>	<u>-</u>	<u>34,284</u>	<u>-</u>
<u>379,371</u>	<u>9,652</u>	<u>-</u>	<u>172,965</u>	<u>-</u>	<u>34,284</u>	<u>20,390</u>
-	-	43,066	38,983	-	-	-
-	-	-	1,140,068	-	-	-
-	-	917,954	-	856,386	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>961,020</u>	<u>1,179,051</u>	<u>856,386</u>	<u>-</u>	<u>-</u>
<u>\$ 379,371</u>	<u>\$ 9,652</u>	<u>\$ 961,020</u>	<u>\$ 1,352,016</u>	<u>\$ 856,386</u>	<u>\$ 34,284</u>	<u>\$ 20,390</u>
(continued)						

AVOYELLES PARISH SCHOOL BOARD
Marksville, Louisiana
Nonmajor Special Revenue Funds

Schedule 11 (continued)

Combining Balance Sheet (continued)
June 30, 2018

	LA AG Science School Fund	Special Sales Tax Fund	Positive Behavior Incentive Funds	Other Title Funds	Wards Fund	Total
ASSETS						
Cash and interest-bearing deposits	\$ 1,789,822	\$ 698,440	\$ -	\$ -	\$ 2,403	\$ 5,872,715
Receivables	-	-	-	-	-	548
Due from other governmental agencies	-	-	140,484	39,951	-	1,632,397
Inventory	-	-	-	-	-	82,049
Total assets	<u>\$ 1,789,822</u>	<u>\$ 698,440</u>	<u>\$ 140,484</u>	<u>\$ 39,951</u>	<u>\$ 2,403</u>	<u>\$ 7,587,709</u>
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts payable	\$ 8,795	\$ 153,411	\$ -	\$ -	\$ -	\$ 162,206
Accrued salaries and related benefits	155,101	-	-	-	-	619,007
Due to other funds	-	-	140,484	39,951	-	1,757,397
Total liabilities	<u>163,896</u>	<u>153,411</u>	<u>140,484</u>	<u>39,951</u>	<u>-</u>	<u>2,538,610</u>
Fund balances:						
Non-spendable	-	-	-	-	-	82,049
Restricted	1,625,926	-	-	-	-	2,765,994
Committed	-	545,029	-	-	2,403	2,321,772
Unassigned	-	-	-	-	-	(120,716)
Total fund balances	<u>1,625,926</u>	<u>545,029</u>	<u>-</u>	<u>-</u>	<u>2,403</u>	<u>5,049,099</u>
Total liabilities and fund balances	<u>\$ 1,789,822</u>	<u>\$ 698,440</u>	<u>\$ 140,484</u>	<u>\$ 39,951</u>	<u>\$ 2,403</u>	<u>\$ 7,587,709</u>

Marksville, Louisiana
Nonmajor Special Revenue Funds

Schedule 12

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Year Ended June 30, 2018

	Title I Fund	Title II Fund	LA-4	Public Health Services Act Title XIX
Revenues				
Local sources:				
Ad valorem tax	\$ -	\$ -	\$ -	\$ -
Sales tax	-	-	-	-
Charges for services	-	-	-	-
State sources	-	-	118,770	-
Federal sources	2,674,302	498,432	142,290	-
Other sources	-	-	-	182,231
Total revenues	<u>2,674,302</u>	<u>498,432</u>	<u>261,060</u>	<u>182,231</u>
Expenditures				
Current:				
Instruction -				
Regular programs	-	-	-	-
Special education programs	-	-	-	-
Vocational education programs	-	-	-	-
Other instructional programs	-	-	-	-
Special programs	2,149,943	314,853	261,060	-
Adult and continuing education programs	-	-	-	-
Support services -				
Pupil support services	-	-	-	477,664
Instructional staff support services	198,010	130,133	-	3,798
General administration	-	-	-	-
School administration	-	-	-	-
Business services	24,415	-	-	-
Operation and maintenance of plant services	-	-	-	-
Student transportation services	-	-	-	-
Non-instructional services -				
Food service operations	-	-	-	-
Community service	54,535	-	-	-
Facilities acquisition and construction	-	-	-	-
Total expenditures	<u>2,426,903</u>	<u>444,986</u>	<u>261,060</u>	<u>481,462</u>
Excess (deficiency) of revenues over expenditures	<u>247,399</u>	<u>53,446</u>	<u>-</u>	<u>(299,231)</u>
Other financing sources (uses)				
Transfers in	-	-	-	489,796
Transfers out	<u>(247,399)</u>	<u>(53,446)</u>	<u>-</u>	<u>-</u>
Total other financing sources	<u>(247,399)</u>	<u>(53,446)</u>	<u>-</u>	<u>489,796</u>
Net change in fund balances	-	-	-	190,565
Fund balances, beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>(311,281)</u>
Fund balances, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (120,716)</u>

<u>Special Education</u>	<u>Adult Education Fund</u>	<u>Special Maintenance Fund</u>	<u>School Food Services Fund</u>	<u>Capital Outlay Fund</u>	<u>Vocational Education Fund</u>	<u>JAG Fund</u>
\$ -	\$ -	\$ 726,174	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	-	-	42,565	-	-	-
-	38,659	51,204	52,048	-	-	-
1,395,643	71,659	-	3,634,947	-	55,876	138,330
-	-	6,897	-	-	-	-
<u>1,395,643</u>	<u>110,318</u>	<u>784,275</u>	<u>3,729,560</u>	<u>-</u>	<u>55,876</u>	<u>138,330</u>
-	-	-	-	-	-	-
566,683	-	-	-	-	-	-
-	-	-	-	-	37,691	-
-	-	-	-	-	-	259,727
-	-	-	-	-	-	-
-	12,012	-	-	-	-	-
562,539	-	-	-	-	-	-
116,103	94,202	-	-	-	18,185	-
-	-	24,266	-	-	-	-
-	394	-	-	-	-	-
-	-	-	-	-	-	-
-	-	1,225,824	-	-	-	-
-	-	-	-	-	-	-
-	-	-	3,783,069	-	-	-
-	-	-	-	-	-	-
-	-	-	-	346,273	-	-
<u>1,245,325</u>	<u>106,608</u>	<u>1,250,090</u>	<u>3,783,069</u>	<u>346,273</u>	<u>55,876</u>	<u>259,727</u>
<u>150,318</u>	<u>3,710</u>	<u>(465,815)</u>	<u>(53,509)</u>	<u>(346,273)</u>	<u>-</u>	<u>(121,397)</u>
-	-	575,000	474,845	442,000	-	121,397
<u>(150,318)</u>	<u>(3,710)</u>	<u>-</u>	<u>(118,857)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>(150,318)</u>	<u>(3,710)</u>	<u>575,000</u>	<u>355,988</u>	<u>442,000</u>	<u>-</u>	<u>121,397</u>
-	-	109,185	302,479	95,727	-	-
-	-	851,835	876,572	760,659	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 961,020</u>	<u>\$ 1,179,051</u>	<u>\$ 856,386</u>	<u>\$ -</u>	<u>\$ -</u>

(continued)

AVOYELLES PARISH SCHOOL BOARD
Marksville, Louisiana
Nonmajor Special Revenue Funds

Schedule 12 (continued)

Combining Statement of Revenues, Expenditures and Changes in Fund Balances (continued)
Year Ended June 30, 2018

	LA AG Science School Fund	Special Sales Tax Fund	Positive Behavior Incentive Funds	Other Title Funds	Wards Fund	Total
Revenues						
Local sources:						
Ad valorem tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 726,174
Sales tax	-	2,222,748	-	-	-	2,222,748
Charges for service	-	-	-	-	-	42,565
State sources	2,962,707	-	-	-	-	3,223,388
Federal sources	-	-	140,484	127,146	-	8,879,109
Other sources	-	-	-	-	-	189,128
Total revenues	<u>2,962,707</u>	<u>2,222,748</u>	<u>140,484</u>	<u>127,146</u>	<u>-</u>	<u>15,283,112</u>
Expenditures						
Current:						
Instruction -						
Regular programs	1,274,323	207,455	-	-	-	1,481,778
Special education programs	121,026	-	-	-	-	687,709
Vocational education programs	468,782	-	-	-	-	506,473
Other instructional programs	-	-	17,000	-	-	276,727
Special programs	728	-	5,030	114,373	-	2,845,987
Adult and continuing education programs	-	-	-	-	-	12,012
Support services -						
Pupil support services	138,374	-	-	-	-	1,178,577
Instructional staff support services	15,016	-	86,827	-	-	662,274
General administration	34,443	-	31,627	-	-	90,336
School administration	235,802	-	-	-	-	236,196
Business services	-	-	-	-	-	24,415
Operation and maintenance of plant services	241,649	154,807	-	-	-	1,622,280
Student transportation services	18,275	-	-	-	-	18,275
Non-instructional services -						
Food service operations	-	-	-	-	-	3,783,069
Community service	-	-	-	-	-	54,535
Facilities acquisition and construction	-	-	-	-	-	346,273
Total expenditures	<u>2,548,418</u>	<u>362,262</u>	<u>140,484</u>	<u>114,373</u>	<u>-</u>	<u>13,826,916</u>
Excess (deficiency) of revenues over expenditures	<u>414,289</u>	<u>1,860,486</u>	<u>-</u>	<u>12,773</u>	<u>-</u>	<u>1,456,196</u>
Other financing sources (uses)						
Transfers in	-	8,201	-	-	-	2,111,239
Transfers out	(323,038)	(2,106,333)	-	(12,773)	-	(3,015,874)
Total other financing sources	<u>(323,038)</u>	<u>(2,098,132)</u>	<u>-</u>	<u>(12,773)</u>	<u>-</u>	<u>(904,635)</u>
Net change in fund balances	91,251	(237,646)	-	-	-	551,561
Fund balances, beginning	<u>1,534,675</u>	<u>782,675</u>	<u>-</u>	<u>-</u>	<u>2,403</u>	<u>4,497,538</u>
Fund balances, ending	<u>\$ 1,625,926</u>	<u>\$ 545,029</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,403</u>	<u>\$ 5,049,099</u>

AVOYELLES PARISH SCHOOL BOARD
 Marksville, Louisiana
 Nonmajor Debt Service Funds

Schedule 13

Combining Balance Sheet
 June 30, 2018

	<u>QSCB Fund</u>	<u>Energy Conservation Fund</u>	<u>Total</u>
ASSETS			
Cash and interest-bearing deposits	<u>\$ 76,737</u>	<u>\$ 697,041</u>	<u>\$ 773,778</u>
FUND BALANCES			
Committed	<u>\$ 76,737</u>	<u>\$ 697,041</u>	<u>\$ 773,778</u>

AVOYELLES PARISH SCHOOL BOARD
Marksville, Louisiana
Nonmajor Debt Service Funds

Schedule 14

Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
For the Year Ended June 30, 2018

	QSCB Fund	Energy Conservation Fund	Total
Revenues			
Local Sources:			
Interest income	\$ -	\$ 3,390	\$ 3,390
Expenditures			
Debt service:			
Principal retirement	395,833	188,000	583,833
Interest and fiscal charges	10,938	1,816	12,754
Total expenditures	406,771	189,816	596,587
Deficiency of revenues over expenditures	(406,771)	(186,426)	(593,197)
Other financing sources (uses)			
Transfers in	406,771	162,914	569,685
Net change in fund balances	-	(23,512)	(23,512)
Fund balances, beginning	76,737	720,553	797,290
Fund balances, ending	\$ 76,737	\$ 697,041	\$ 773,778

AVOYELLES PARISH SCHOOL BOARD
Marksville, Louisiana

Schedule 15

Title I Fund
Budgetary Comparison Schedule
Year Ended June 30, 2018

	Budget		Actual	Variance
	Original	Final		Positive (Negative)
Revenues				
Federal sources	<u>\$ 2,640,000</u>	<u>\$ 2,640,000</u>	<u>\$ 2,674,302</u>	<u>\$ 34,302</u>
Expenditures				
Current:				
Instruction -				
Special programs	2,277,960	2,277,960	2,149,943	128,017
Support services -				
Instructional staff support services	237,040	237,040	198,010	39,030
Business services	-	-	24,415	(24,415)
Non-instructional services -				
Community service programs	<u>-</u>	<u>-</u>	<u>54,535</u>	<u>(54,535)</u>
Total expenditures	<u>2,515,000</u>	<u>2,515,000</u>	<u>2,426,903</u>	<u>88,097</u>
Excess of revenues over expenditures	125,000	125,000	247,399	122,399
Other financing uses:				
Transfers out	<u>(125,000)</u>	<u>(125,000)</u>	<u>(247,399)</u>	<u>(122,399)</u>
Net change in fund balance	-	-	-	-
Fund balances, beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

AVOYELLES PARISH SCHOOL BOARD
Marksville, Louisiana

Schedule 16

Title II Fund
Budgetary Comparison Schedule
Year Ended June 30, 2018

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
Revenues				
Federal sources	<u>\$ 478,000</u>	<u>\$ 478,000</u>	<u>\$ 498,432</u>	<u>\$ 20,432</u>
Expenditures				
Current:				
Instruction -				
Special programs	296,000	296,000	314,853	(18,853)
Support services -				
Instructional staff support services	<u>135,000</u>	<u>135,000</u>	<u>130,133</u>	<u>4,867</u>
Total expenditures	<u>431,000</u>	<u>431,000</u>	<u>444,986</u>	<u>(13,986)</u>
Excess of revenues over expenditures	47,000	47,000	53,446	6,446
Other financing sources (uses):				
Transfers out	<u>(47,000)</u>	<u>(47,000)</u>	<u>(53,446)</u>	<u>(6,446)</u>
Net change in fund balance	-	-	-	-
Fund balances, beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances, ending	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

AVOYELLES PARISH SCHOOL BOARD
Marksville, Louisiana

Schedule 17

LA-4
Budgetary Comparison Schedule
Year Ended June 30, 2018

	Budget		Actual	Variance
	Original	Final		Positive (Negative)
Revenues				
State sources	\$ -	\$ -	\$ 118,770	\$ 118,770
Federal sources	-	-	142,290	142,290
Total revenues	-	-	261,060	261,060
Expenditures				
Current:				
Instruction -				
Special programs	-	-	261,060	(261,060)
Excess of revenues over expenditures	-	-	-	-
Fund balances, beginning	-	-	-	-
Fund balances, ending	\$ -	\$ -	\$ -	\$ -

AVOYELLES PARISH SCHOOL BOARD
Marksville, Louisiana

Schedule 18

Public Health Services Act Title XIX
Budgetary Comparison Schedule
Year Ended June 30, 2018

	Budget			Variance
	Original	Final	Actual	Positive (Negative)
Revenues				
Local sources:				
Other	\$ 300,000	\$ 225,000	\$ 182,231	\$ (42,769)
Expenditures				
Current:				
Support services -				
Pupil support services	446,618	445,989	477,664	(31,675)
Instructional staff support services	-	-	3,798	(3,798)
Total expenditures	446,618	445,989	481,462	(35,473)
Deficiency of revenues over expenditures	(146,618)	(220,989)	(299,231)	(78,242)
Other financing sources:				
Transfers in	150,000	230,000	489,796	259,796
Net change in fund balance	3,382	9,011	190,565	181,554
Fund balances, beginning	(311,281)	(311,281)	(311,281)	-
Fund balances, ending	\$ (307,899)	\$ (302,270)	\$ (120,716)	\$ 181,554

AVOYELLES PARISH SCHOOL BOARD
Marksville, Louisiana

Schedule 19

Special Education
Budgetary Comparison Schedule
Year Ended June 30, 2018

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
Revenues				
Federal sources	\$ 1,170,338	\$ 1,196,852	\$ 1,395,643	\$ 198,791
Expenditures				
Current:				
Instruction -				
Special education programs	904,820	928,445	566,683	361,762
Support services -				
Pupil support services	134,893	134,893	562,539	(427,646)
Instructional staff support services	-	-	116,103	(116,103)
Total expenditures	1,039,713	1,063,338	1,245,325	(181,987)
Excess of revenues over expenditures	130,625	133,514	150,318	16,804
Other financing uses:				
Transfers out	(130,625)	(133,514)	(150,318)	(16,804)
Net change in fund balance	-	-	-	-
Fund balances, beginning	-	-	-	-
Fund balances, ending	\$ -	\$ -	\$ -	\$ -

AVOYELLES PARISH SCHOOL BOARD
Marksville, Louisiana

Schedule 20

Adult Education Fund
Budgetary Comparison Schedule
Year Ended June 30, 2018

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
Revenues				
State sources	\$ -	\$ -	\$ 38,659	\$ 38,659
Federal sources	<u>279,885</u>	<u>108,638</u>	<u>71,659</u>	<u>(36,979)</u>
Total revenues	<u>279,885</u>	<u>108,638</u>	<u>110,318</u>	<u>1,680</u>
Expenditures				
Current:				
Instruction -				
Adult and continuing education programs	157,605	104,189	12,012	92,177
Support services -				
Instructional staff support services	116,736	-	94,202	(94,202)
School administration	<u>-</u>	<u>-</u>	<u>394</u>	<u>(394)</u>
Total expenditures	<u>274,341</u>	<u>104,189</u>	<u>106,608</u>	<u>(2,419)</u>
Excess of revenues over expenditures	5,544	4,449	3,710	(739)
Other financing uses:				
Transfers out	<u>(5,544)</u>	<u>(4,449)</u>	<u>(3,710)</u>	<u>739</u>
Net change in fund balance	-	-	-	-
Fund balances, beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

AVOYELLES PARISH SCHOOL BOARD
Marksville, Louisiana

Schedule 21

Special Maintenance Fund
Budgetary Comparison Schedule
Year Ended June 30, 2018

	Budget			Variance
	Original	Final	Actual	Positive (Negative)
Revenues				
Local sources:				
Ad valorem taxes	\$ 660,300	\$ 660,300	\$ 726,174	\$ 65,874
Other	-	-	6,897	6,897
Total local sources	660,300	660,300	733,071	72,771
State sources	457,000	457,000	51,204	(405,796)
Total revenues	1,117,300	1,117,300	784,275	(333,025)
Expenditures				
Current:				
Support services -				
General administration	812,500	812,500	24,266	788,234
Operation and maintenance of plant services	388,650	388,650	1,225,824	(837,174)
Total expenditures	1,201,150	1,201,150	1,250,090	(48,940)
Deficiency of revenues over expenditures	(83,850)	(83,850)	(465,815)	(381,965)
Other financing sources:				
Transfers in	-	-	575,000	575,000
Net change in fund balance	(83,850)	(83,850)	109,185	193,035
Fund balances, beginning	851,835	851,835	851,835	-
Fund balances, ending	\$ 767,985	\$ 767,985	\$ 961,020	\$ 193,035

AVOYELLES PARISH SCHOOL BOARD
Marksville, Louisiana

Schedule 22

School Food Service Fund
Budgetary Comparison Schedule
Year Ended June 30, 2018

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
Revenues				
Local sources:				
Charges for service	\$ 65,000	\$ 44,751	\$ 42,565	\$ (2,186)
State sources	58,099	58,099	52,048	(6,051)
Federal sources	<u>3,512,813</u>	<u>3,483,249</u>	<u>3,634,947</u>	<u>151,698</u>
Total revenues	<u>3,635,912</u>	<u>3,586,099</u>	<u>3,729,560</u>	<u>143,461</u>
Expenditures				
Current:				
Non-instructional services -				
Food services	<u>3,951,952</u>	<u>3,844,599</u>	<u>3,783,069</u>	<u>61,530</u>
Deficiency of revenues over expenditures	(316,040)	(258,500)	(53,509)	204,991
Other financing sources:				
Transfers in	<u>376,490</u>	<u>376,490</u>	<u>355,988</u>	<u>(20,502)</u>
Net change in fund balance	60,450	117,990	302,479	184,489
Fund balances, beginning	<u>876,572</u>	<u>876,572</u>	<u>876,572</u>	<u>-</u>
Fund balances, ending	<u>\$ 937,022</u>	<u>\$ 994,562</u>	<u>\$ 1,179,051</u>	<u>\$ 184,489</u>

AVOYELLES PARISH SCHOOL BOARD
Marksville, Louisiana

Schedule 23

Capital Outlay Fund
Budgetary Comparison Schedule
Year Ended June 30, 2018

	Budget			Variance
	Original	Final	Actual	Positive (Negative)
Expenditures				
Current:				
Facilities acquisition and construction	\$ 935,670	\$ 935,670	\$ 346,273	\$ 589,397
Other financing sources:				
Transfers in	<u>262,000</u>	<u>262,000</u>	<u>442,000</u>	<u>180,000</u>
Net change in fund balance	(673,670)	(673,670)	95,727	769,397
Fund balances, beginning	<u>760,659</u>	<u>760,659</u>	<u>760,659</u>	<u>-</u>
Fund balances, ending	<u>\$ 86,989</u>	<u>\$ 86,989</u>	<u>\$ 856,386</u>	<u>\$ 769,397</u>

AVOYELLES PARISH SCHOOL BOARD
Marksville, Louisiana

Schedule 24

Vocational Education Fund
Budgetary Comparison Schedule
Year Ended June 30, 2018

	Budget		Actual	Variance
	Original	Final		Positive (Negative)
Revenues				
Federal sources	\$ 73,046	\$ 73,046	\$ 55,876	\$ (17,170)
Expenditures				
Current:				
Instruction -				
Vocational education programs	73,046	73,046	37,691	35,355
Support services -				
Instructional staff support services	-	-	18,185	(18,185)
Total expenditures	73,046	73,046	55,876	17,170
Excess of revenues over expenditures	-	-	-	-
Fund balances, beginning	-	-	-	-
Fund balances, ending	\$ -	\$ -	\$ -	\$ -

AVOYELLES PARISH SCHOOL BOARD
Marksville, Louisiana

Schedule 25

JAG Fund
Budgetary Comparison Schedule
Year Ended June 30, 2018

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
Revenues				
Federal sources	<u>\$ 167,973</u>	<u>\$ 167,973</u>	<u>\$ 138,330</u>	<u>\$ (29,643)</u>
Expenditures				
Current:				
Instruction -				
Other instructional programs	<u>167,973</u>	<u>152,638</u>	<u>259,727</u>	<u>(107,089)</u>
Deficiency of revenues over expenditures	<u>-</u>	<u>15,335</u>	<u>(121,397)</u>	<u>(136,732)</u>
Other financing sources:				
Transfers in	<u>167,973</u>	<u>152,638</u>	<u>121,397</u>	<u>(31,241)</u>
Net change in fund balance	<u>167,973</u>	<u>167,973</u>	<u>-</u>	<u>(167,973)</u>
Fund balances, beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances, ending	<u>\$ 167,973</u>	<u>\$ 167,973</u>	<u>\$ -</u>	<u>\$ (167,973)</u>

AVOYELLES PARISH SCHOOL BOARD
Marksville, Louisiana

Schedule 26

LA Ag Science Fund
Budgetary Comparison Schedule
Year Ended June 30, 2018

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
Revenues				
State sources	\$ 2,804,823	\$ 2,972,235	\$ 2,962,707	\$ (9,528)
Expenditures				
Current:				
Instruction -				
Regular programs	1,113,341	1,163,921	1,274,323	(110,402)
Special education programs	120,209	120,209	121,026	(817)
Vocational education programs	541,081	541,705	468,782	72,923
Special programs	-	-	728	(728)
Support services -				
Pupil support services	98,547	137,529	138,374	(845)
Instructional staff support services	48,123	10,220	15,016	(4,796)
General administration	-	-	34,443	(34,443)
School administration	284,210	265,010	235,802	29,208
Operation and maintenance of plant services	208,676	231,776	241,649	(9,873)
Student transportation services	18,000	18,000	18,275	(275)
Total expenditures	2,432,187	2,488,370	2,548,418	(60,048)
Excess of revenues over expenditures	372,636	483,865	414,289	(69,576)
Other financing uses:				
Transfers out	(300,000)	(278,000)	(323,038)	(45,038)
Net change in fund balance	72,636	205,865	91,251	(114,614)
Fund balances, beginning	1,534,675	1,534,675	1,534,675	-
Fund balances, ending	\$ 1,607,311	\$ 1,740,540	\$ 1,625,926	\$ (114,614)

AVOYELLES PARISH SCHOOL BOARD
Marksville, Louisiana

Schedule 27

Special Sales Tax Fund
Budgetary Comparison Schedule
Year Ended June 30, 2018

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
Revenues				
Local sources:				
Sales tax	<u>\$ 2,255,466</u>	<u>\$ 2,255,466</u>	<u>\$ 2,222,748</u>	<u>\$ (32,718)</u>
Expenditures				
Current:				
Instruction -				
Regular programs	20,000	20,000	207,455	(187,455)
Support services -				
Operation and maintenance of plant services	<u>1,116,171</u>	<u>1,116,171</u>	<u>154,807</u>	<u>961,364</u>
Total expenditures	<u>1,136,171</u>	<u>1,136,171</u>	<u>362,262</u>	<u>773,909</u>
Excess of revenues over expenditures	<u>1,119,295</u>	<u>1,119,295</u>	<u>1,860,486</u>	<u>741,191</u>
Other financing sources (uses):				
Transfers in	-	-	8,201	8,201
Transfers out	<u>(1,095,841)</u>	<u>(1,095,841)</u>	<u>(2,106,333)</u>	<u>(1,010,492)</u>
Total other financing sources (uses)	<u>(1,095,841)</u>	<u>(1,095,841)</u>	<u>(2,098,132)</u>	<u>(1,002,291)</u>
Net change in fund balance	23,454	23,454	(237,646)	(261,100)
Fund balances, beginning	<u>782,675</u>	<u>782,675</u>	<u>782,675</u>	<u>-</u>
Fund balances, ending	<u>\$ 806,129</u>	<u>\$ 806,129</u>	<u>\$ 545,029</u>	<u>\$ (261,100)</u>

AVOYELLES PARISH SCHOOL BOARD
Marksville, Louisiana

Schedule 28

Positive Behavior Incentive Funds
Budgetary Comparison Schedule
Year Ended June 30, 2018

	Budget		Actual	Variance
	Original	Final		Positive (Negative)
Revenues				
Federal sources	\$ 501,125	\$ 501,125	\$ 140,484	\$ (360,641)
Expenditures				
Current:				
Instruction -				
Other instructional programs	-	-	17,000	(17,000)
Special programs	-	-	5,030	(5,030)
Support services -				
Instructional staff support services	501,125	501,125	86,827	414,298
General administration	-	-	31,627	(31,627)
Total expenditures	<u>501,125</u>	<u>501,125</u>	<u>140,484</u>	<u>360,641</u>
Excess of revenues over expenditures	-	-	-	-
Fund balances, beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

AVOYELLES PARISH SCHOOL BOARD
Marksville, Louisiana

Schedule 29

Other Title Funds
Budgetary Comparison Schedule
Year Ended June 30, 2018

	Budget			Variance Positive (Negative)
	Original	Final	Actual	
Revenues				
Federal sources	\$ -	\$ -	\$ 127,146	\$ 127,146
Expenditures				
Current:				
Instruction -				
Special programs	-	-	114,373	(114,373)
Excess of revenues over expenditures	-	-	12,773	12,773
Other financing sources (uses):				
Transfers out	-	-	(12,773)	(12,773)
Net change in fund balance	-	-	-	-
Fund balances, beginning	-	-	-	-
Fund balances, ending	\$ -	\$ -	\$ -	\$ -

AVOYELLES PARISH SCHOOL BOARD
Marksville, Louisiana

Schedule 30

QSCB Fund
Budgetary Comparison Schedule
Year Ended June 30, 2018

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
Expenditures				
Current:				
Debt service:				
Principal retirement	\$ 395,833	\$ 395,833	\$ 395,833	\$ -
Interest and fiscal charges	<u>10,938</u>	<u>10,938</u>	<u>10,938</u>	<u>-</u>
Total expenditures	<u>406,771</u>	<u>406,771</u>	<u>406,771</u>	<u>-</u>
Deficiency of revenues over expenditures	(406,771)	(406,771)	(406,771)	-
Other financing sources:				
Transfers in	<u>333,333</u>	<u>333,333</u>	<u>406,771</u>	<u>73,438</u>
Net change in fund balance	(73,438)	(73,438)	-	73,438
Fund balances, beginning	<u>76,737</u>	<u>76,737</u>	<u>76,737</u>	<u>-</u>
Fund balances, ending	<u>\$ 3,299</u>	<u>\$ 3,299</u>	<u>\$ 76,737</u>	<u>\$ 73,438</u>

AVOYELLES PARISH SCHOOL BOARD
Marksville, Louisiana

Schedule 31

Energy Conversation Fund
Budgetary Comparison Schedule
Year Ended June 30, 2018

	Budget		Actual	Variance
	Original	Final		Positive (Negative)
Revenues				
Local sources:				
Interest	\$ 1,000	\$ 1,000	\$ 3,390	\$ 2,390
Expenditures				
Debt service:				
Principal retirement	193,506	193,506	188,000	5,506
Interest and fiscal charges	-	-	1,816	(1,816)
Total expenditures	193,506	193,506	189,816	3,690
Deficiency of revenues over expenditures	(192,506)	(192,506)	(186,426)	6,080
Other financing sources:				
Transfers in	198,000	198,000	162,914	(35,086)
Net change in fund balance	5,494	5,494	(23,512)	(29,006)
Fund balances, beginning	720,553	720,553	720,553	-
Fund balances, ending	\$ 726,047	\$ 726,047	\$ 697,041	\$ (29,006)

STAISTICIAL SECTION

AVOYELLES PARISH SCHOOL BOARD
Statistical Section
Table of Contents

This part of the Avoyelles Parish School Board's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the School Board's overall financial health.

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<i>These schedules contain trend information to help the reader understand how the School Board's financial performance and well-being have changed over time.</i>		
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<i>These schedules contain information to help the reader assess the School Board's most significant local revenue sources, sales tax, and property tax.</i>		
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Demographic and Economic Information	N-R	132-136
<i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the School Board's financial activities take place.</i>		
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<i>These schedules contain service and infrastructure data to help the reader understand how the information in the School Board's financial report relates to the services the School Board provides and the activities it performs.</i>		
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Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

AVOYELLES PARISH SCHOOL BOARD
Marksville, Louisiana

TABLE A

Net Position by Component

Fiscal Years ended June 30, 2009 through June 30, 2018
(Accrual Basis of Accounting)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Governmental activities										
Net investment in capital assets	\$ 14,001,762	\$ 14,294,693	\$ 14,776,061	\$ 17,230,994	\$ 12,240,391	\$ 13,319,190	\$ 11,415,975	\$ 11,504,316	\$ 12,026,132	\$ 11,980,598
Restricted	1,463,859	6,272,414	4,293,090	1,272,471	4,067,956	2,064,840	2,565,492	2,315,227	1,768,258	2,765,994
Unrestricted	17,261,030	9,942,607	7,497,154	4,741,672	12,408,091	11,460,775	(48,116,956)	(46,346,164)	(46,535,685)	(100,375,168)
Total governmental activities net assets	<u>\$ 32,726,651</u>	<u>\$ 30,509,714</u>	<u>\$ 26,566,305</u>	<u>\$ 23,245,137</u>	<u>\$ 28,716,438</u>	<u>\$ 26,844,805</u>	<u>\$ (34,135,489)</u>	<u>\$ (32,526,621)</u>	<u>\$ (32,741,295)</u>	<u>\$ (85,628,576)</u>

(1) The computations include all governmental funds

Information obtained from Statement of Net Position, page 22 of this report.

(2) GASB 68 was adopted in 2015 and GASB 75 was adopted in 2018

Unaudited—see accompanying independent auditors' report.

AVOYELLES PARISH SCHOOL BOARD
Marksville, Louisiana

Table B

Changes in Net Position (1)
Fiscal Years Ended June 30, 2009 through June 30, 2018
(Accrual Basis of Accounting)

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Expenses										
Instruction:										
Regular programs	\$ 19,114,813	\$ 18,114,253	\$ 17,633,582	\$ 19,262,766	\$ 18,894,091	\$ 19,870,338	21,606,944	18,929,051	19,234,029	16,305,244
Special programs	6,250,890	7,076,604	6,141,390	5,574,557	5,088,432	5,402,234	5,726,660	5,230,710	5,608,312	4,796,875
Adult/ special programs	6,346,945	8,222,659	7,500,112	6,716,645	6,127,514	6,648,150	7,162,970	5,445,594	6,369,681	5,425,653
Support services:										
Pupil support services	1,462,828	1,382,626	1,779,541	2,700,401	2,445,896	2,412,863	4,511,754	2,230,709	2,421,131	2,523,721
Instructional staff support	2,443,361	3,518,707	3,098,979	2,544,081	2,251,383	2,754,831	3,543,201	2,379,338	2,444,811	1,382,538
General administration	882,551	1,112,042	1,062,613	1,694,026	1,395,588	1,659,259	1,791,401	1,709,922	1,352,868	1,699,786
School administration	2,709,070	2,968,134	3,087,852	3,105,376	2,997,510	3,315,411	3,468,682	3,031,617	3,577,264	3,212,859
Business services	636,981	636,130	554,842	767,715	761,584	794,447	863,249	854,256	844,913	622,412
Plant services	5,695,259	4,495,341	7,006,357	5,504,931	4,659,159	5,224,869	3,552,121	4,122,358	4,177,195	3,796,291
Student transportation services	4,080,531	4,315,004	4,454,849	4,573,421	4,995,149	4,948,523	5,347,586	5,063,559	5,113,808	4,703,710
Food services	4,194,225	4,107,241	4,187,658	4,288,622	4,304,754	4,623,357	4,813,438	4,581,224	4,304,213	3,978,561
Other Service										184,413
Debt Service - interest on long-term debt	67,948	64,871	55,748	66,751	83,687	53,174	43,875	51,524	34,196	33,308
Total expenses	<u>\$ 53,885,402</u>	<u>\$ 56,013,612</u>	<u>\$ 56,563,523</u>	<u>\$ 56,799,292</u>	<u>\$ 54,004,747</u>	<u>\$ 57,707,456</u>	<u>\$ 62,431,881</u>	<u>\$ 53,629,862</u>	<u>\$ 55,482,421</u>	<u>\$ 48,665,371</u>
Program revenues										
Charges for services	\$ 290,384	\$ 316,976	\$ 292,120	\$ 342,122	\$ 303,168	\$ 264,284	\$ 373,384	\$ 202,037	\$ 272,222	\$ 192,565
Operating grants and contributions	9,558,649	14,797,495	12,561,838	11,755,677	10,712,153	12,195,554	11,794,116	10,191,362	9,900,224	9,290,076
Capital grants and contributions	-	-	-	-	-	-	-	-	-	-
General revenues										
Taxes	7,185,729	7,213,120	7,680,978	8,889,206	11,234,886	11,242,649	11,479,626	11,250,309	11,459,542	11,731,468
Grants and contributions not restricted to specific programs	32,688,136	31,517,046	30,476,475	30,977,740	31,202,904	31,209,569	32,719,119	32,446,770	32,077,405	31,529,613
Unrestricted investment earnings	163,703	62,949	199,179	219,240	118,099	100,954	66,232	82,033	88,640	121,188
Miscellaneous	4,756,623	1,477,061	1,409,529	1,294,132	5,904,837	822,261	968,453	1,066,321	1,166,047	1,459,845
Total governmental revenues	<u>\$ 54,643,224</u>	<u>\$ 55,384,647</u>	<u>\$ 52,620,119</u>	<u>\$ 53,478,117</u>	<u>\$ 59,476,047</u>	<u>\$ 55,835,271</u>	<u>\$ 57,400,930</u>	<u>\$ 55,238,832</u>	<u>\$ 54,964,080</u>	<u>\$ 54,324,755</u>
Change in Net Assets	<u>\$ 757,822</u>	<u>\$ (628,965)</u>	<u>\$ (3,943,404)</u>	<u>\$ (3,321,175)</u>	<u>\$ 5,471,301</u>	<u>\$ (1,872,184)</u>	<u>\$ (5,030,950)</u>	<u>\$ 1,608,971</u>	<u>\$ (518,342)</u>	<u>\$ 5,659,383</u>

Note: Information obtained from auditors' statement of activities on page 23 of this report.

Unaudited - see accompanying independent auditors' report.

AVOYELLES PARISH SCHOOL BOARD
Marksville, Louisiana

Table C

Fund Balances of Governmental Funds
Last Ten Fiscal Years

	2009	2010	2011	2012	2013	2014	2015	2015	2017	2018
General Fund										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	-	-	-	-	-	-	-	-	-	-
Committed	-	-	5,298,370	4,618,375	3,394,585	4,662,830	2,567,604	3,432,018	3,432,017	3,300,000
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	14,083,492	14,511,919	9,798,642	10,119,446	15,031,612	13,240,500	14,722,540	13,499,522	13,352,250	13,498,792
Total general fund	<u>\$14,083,492</u>	<u>\$ 14,511,919</u>	<u>\$15,097,012</u>	<u>\$ 14,737,821</u>	<u>\$18,426,197</u>	<u>\$ 17,903,330</u>	<u>\$ 17,290,144</u>	<u>\$ 16,931,540</u>	<u>\$ 16,784,267</u>	<u>\$ 16,798,792</u>
All Other Governmental Funds										
Nonspendable	\$ -	\$ -	\$ 138,907	\$ 201,912	\$ 138,598	\$ 130,984	\$ 80,101	\$ 109,780	\$ 80,668	\$ 82,049
Restricted	-	-	5,357,786	2,476,272	2,466,343	1,827,723	1,375,913	1,315,620	1,644,454	2,765,994
Committed	1,463,859	6,272,414	3,148,186	2,716,747	5,018,067	4,087,088	3,374,887	3,648,167	3,880,987	3,095,550
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	5,166,610	4,998,407	-	-	-	-	-	(315,565)	(311,281)	(120,716)
Total all other governmental funds	<u>\$ 6,630,469</u>	<u>\$ 11,270,821</u>	<u>\$ 8,644,879</u>	<u>\$ 5,394,931</u>	<u>\$ 7,623,008</u>	<u>\$ 6,045,795</u>	<u>\$ 4,830,901</u>	<u>\$ 4,758,002</u>	<u>\$ 5,294,828</u>	<u>\$ 5,822,877</u>
Total Governmental Funds	<u>\$20,713,961</u>	<u>\$ 25,782,740</u>	<u>\$23,741,891</u>	<u>\$ 20,132,752</u>	<u>\$26,049,205</u>	<u>\$ 23,949,125</u>	<u>\$ 22,121,045</u>	<u>\$ 21,689,542</u>	<u>\$ 22,079,095</u>	<u>\$ 22,621,669</u>

Note: Information obtained from auditors' governmental balance sheet on page 25 of this report.

Unaudited - see accompanying independent auditors' report.

AVOYELLES PARISH SCHOOL BOARD
Marksville, Louisiana
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years

TABLE D

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Revenues										
Revenues from local sources										
Ad valorem taxes	\$ 1,316,411	\$ 1,395,889	\$ 1,390,139	\$ 1,488,297	\$ 2,956,160	\$ 3,142,550	\$ 3,253,844	\$ 3,232,595	\$ 3,330,483	\$ 3,535,594
Sales and use taxes	5,721,944	5,686,909	6,058,964	7,262,731	7,984,978	7,811,172	7,941,543	7,750,267	7,852,647	7,953,986
Interest earnings	163,703	62,949	199,179	219,240	118,099	100,954	66,232	82,033	88,640	121,188
Food service	290,384	316,976	292,120	342,122	303,168	264,284	214,939	68,460	70,578	42,565
Other	1,394,626	1,470,312	1,406,448	1,313,075	5,295,447	1,303,566	1,126,895	1,199,883	1,367,690	150,001
Total revenue from local sources	<u>\$ 8,887,068</u>	<u>\$ 8,933,035</u>	<u>\$ 9,346,850</u>	<u>\$ 10,625,465</u>	<u>\$ 16,657,852</u>	<u>\$ 12,622,526</u>	<u>\$ 12,603,453</u>	<u>\$ 12,333,238</u>	<u>\$ 12,710,038</u>	<u>\$ 11,803,334</u>
Revenue from state sources										
Minimum Foundation Program	32,688,136	31,517,046	30,476,475	30,977,740	31,202,904	31,209,569	32,719,119	32,446,770	32,077,405	32,265,054
Other	2,789,676	1,383,067	945,173	656,149	825,379	1,528,373	911,586	1,114,478	1,001,527	1,096,208
Total revenue from state sources	<u>35,477,812</u>	<u>32,900,113</u>	<u>31,421,648</u>	<u>31,633,889</u>	<u>32,028,283</u>	<u>32,737,942</u>	<u>33,630,705</u>	<u>33,561,248</u>	<u>33,078,932</u>	<u>33,361,262</u>
Federal and other sources	9,495,805	13,544,750	11,848,540	11,237,706	9,754,911	10,474,807	11,166,772	9,344,356	9,175,109	9,151,019
Total Revenues	<u>\$ 53,860,685</u>	<u>\$ 55,377,898</u>	<u>\$ 52,617,038</u>	<u>\$ 53,497,059</u>	<u>\$ 58,441,045</u>	<u>\$ 55,835,275</u>	<u>\$ 57,400,930</u>	<u>\$ 55,238,842</u>	<u>\$ 54,964,078</u>	<u>\$ 54,315,614</u>
Operations										
Instructional services	\$ 31,868,189	\$ 32,411,931	\$ 30,142,861	\$ 30,139,243	\$ 28,951,366	\$ 31,019,728	\$ 31,716,152	\$ 30,007,916	\$ 29,912,839	\$ 28,414,985
Support services										
Student services	1,319,396	1,341,827	1,759,357	2,997,634	2,392,606	2,388,272	3,621,694	2,207,348	1,857,458	2,838,157
Instructional staff support	2,443,737	3,426,882	2,928,435	2,423,013	2,184,205	2,684,112	3,221,496	2,526,313	2,363,689	1,525,433
General administration	882,174	1,075,445	1,041,259	1,657,525	1,373,196	1,643,080	1,705,709	1,756,435	1,332,761	1,845,999
School administration	2,709,069	2,897,567	2,952,586	3,072,788	2,918,925	3,237,828	3,210,551	3,193,553	3,488,200	3,489,003
Business services	634,056	619,938	551,568	735,234	749,256	774,461	802,111	915,712	821,919	681,884
Plant services	5,744,409	4,885,462	7,506,858	7,381,206	4,357,883	6,130,042	4,672,801	4,206,630	4,454,164	3,954,289
Student transportation services	4,080,531	4,315,004	4,046,437	4,573,421	4,996,598	4,559,031	5,347,586	5,063,559	5,113,808	5,566,965
Central Services										139,526
Community Service										71,779
Food services	4,307,912	4,095,215	4,103,264	4,138,337	4,193,815	4,572,329	4,629,998	4,686,610	4,255,204	4,210,443
Facilities acquisition and construction										346,273
Debt service										
Principal retired	180,000	188,000	578,338	708,470	783,105	792,170	964,572	957,928	808,428	914,210
Bond issuance cost	-	-	-	-	-	-	-	-	-	-
Interest and bank charges	64,583	58,596	50,004	55,521	61,859	50,165	39,791	45,443	31,089	20,615
Total expenditures	<u>\$ 54,234,055</u>	<u>\$ 55,315,866</u>	<u>\$ 55,660,967</u>	<u>\$ 57,882,392</u>	<u>\$ 52,962,814</u>	<u>\$ 57,851,218</u>	<u>\$ 59,932,461</u>	<u>\$ 55,567,447</u>	<u>\$ 54,439,559</u>	<u>\$ 54,019,561</u>
Ratio of Debt Service to Noncapital Expenditures	0.45%	0.45%	1.13%	1.32%	1.60%	1.46%	1.68%	1.81%	1.54%	1.73%
Excess of revenues over (under) expenditures	<u>\$ (373,370)</u>	<u>\$ 62,032</u>	<u>\$ (3,043,929)</u>	<u>\$ (4,385,333)</u>	<u>\$ 5,478,232</u>	<u>\$ (2,015,943)</u>	<u>\$ (2,531,531)</u>	<u>\$ (328,605)</u>	<u>\$ 524,519</u>	<u>\$ 296,053</u>
Other Financing Sources(uses)										
Transfers in/Insurance Proceeds	782,540	5,000,000	1,000,000	-	-	-	-	-	-	(106,203)
Payments to other LEAs	-	-	-	-	-	(84,685)	(78,515)	102,797	(138,631)	(159,176)
Sale of capital assets	-	6,747	3,081	7,132	34,985	-	-	-	3,668	357
Proceeds from capital lease	-	-	-	-	392,235	-	781,968	-	-	816,553
Proceeds from refunding bond issue	-	-	-	-	891,000	-	-	-	-	-
Payments to escrow agent	-	-	-	-	(880,000)	-	-	-	-	-
Total other financing sources(uses)	<u>782,540</u>	<u>5,006,747</u>	<u>1,003,081</u>	<u>776,192</u>	<u>438,222</u>	<u>(84,685)</u>	<u>703,452</u>	<u>102,796</u>	<u>(134,964)</u>	<u>551,530</u>
Net change in fund balances	<u>\$ 409,170</u>	<u>\$ 5,068,779</u>	<u>\$ (2,040,848)</u>	<u>\$ (3,609,141)</u>	<u>\$ 5,916,454</u>	<u>\$ (2,100,628)</u>	<u>\$ (1,828,079)</u>	<u>\$ (225,809)</u>	<u>\$ 389,554</u>	<u>\$ 847,582</u>

(1) The computations include all governmental funds

Information obtained from Statement of Revenues, Expenditures, and Changes in Fund Balances, page 27 of this report
Unaudited--see accompanying independent auditors' report

AVOYELLES PARISH SCHOOL BOARD
Marksville, Louisiana

TABLE E

General Revenues by Source-All Governmental Fund Types (1)

Fiscal Years ended June 30, 2009 through June 30, 2018

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Local sources:										
Ad valorem taxes	\$ 1,316,411	\$ 1,395,889	\$ 1,390,139	\$ 1,488,297	\$ 2,956,160	\$ 3,142,550	\$ 3,253,844	\$ 3,232,595	\$ 3,330,483	\$ 3,535,594
Sales and use taxes	5,721,944	5,686,909	6,058,964	7,262,731	7,984,978	7,811,172	7,941,543	7,750,257	7,852,647	7,953,986
Interest earnings	163,703	62,949	199,179	219,240	118,099	100,954	66,232	82,033	88,640	121,188
Rentals, leases, and royalties	78,813	93,415	86,163	123,327	3,111,161	190,419	174,936	319,055	302,070	313,066
Tuition	-	-	-	-	-	-	-	-	-	-
Food service	290,384	316,976	292,120	342,122	303,168	264,284	214,939	68,460	70,578	42,565
Other	1,315,813	1,376,897	1,320,285	1,189,748	2,184,286	1,113,146	951,959	880,828	1,065,620	933,143
State sources										
Minimum Foundation Program	32,688,136	31,517,046	30,476,475	30,977,740	31,202,904	31,209,569	32,719,119	32,446,770	32,077,405	32,265,054
Other	2,789,676	1,383,067	945,173	656,149	825,379	1,528,373	911,586	1,114,478	1,001,527	189,128
Federal and other sources	9,495,805	13,544,749	11,848,539	11,237,706	9,754,910	10,474,807	11,166,772	9,344,356	9,175,109	8,961,891
Judgments	-	-	-	-	-	-	-	-	-	-
Total revenues	\$ 53,860,686	\$ 55,377,898	\$ 52,617,038	\$ 53,497,061	\$ 58,441,046	\$ 55,835,275	\$ 57,400,930	\$ 55,238,832	\$ 54,964,078	\$ 54,315,614

Notes: (1) The computations include all governmental funds and debt service funds.
Information taken from Auditors' statement of revenues, expenditure and changes in fund balances on page 27.

Unaudited--see accompanying independent auditors' report.

AVOYELLES PARISH SCHOOL BOARD
Marksville, Louisiana

TABLE F

Property Tax Levies and Collections
Fiscal Years ended June 30, 2009
through June 30, 2018

Fiscal Year	(1) Levy	(2) Collected in first period		Levy Year	Collections in subsequent Periods	Total Collections	
		Amount	Percentage			Amount	Percentage
2017-18	\$ 3,326,006	\$ 3,185,440	95.77%	2015-16	130,382	\$ 3,315,822	99.69%
2016-17	3,438,945	3,323,728	96.65%	2013-15	6,755	\$ 3,330,483	96.85%
2015-16	3,239,438	3,125,410	96.48%	2010-14	2,248	\$ 3,127,658	96.55%
2014-15	3,169,369	3,049,187	96.21%	2010-13	3,251	3,052,438	96.31%
2013-14	3,162,004	3,142,550	99.38%		35,893	3,178,443	101%
2012-13	2,878,315	2,878,315	100.00%		77,845	2,956,160	103%
2011-12	1,373,728	1,394,401	101.50%		20,673	1,415,074	103%
2010-11	1,342,429	1,390,182	103.56%		47,753	1,437,935	107%
2009-10	1,424,903	1,275,308	89.50%		(149,595)	1,125,714	79%
2008-09	1,496,148	1,316,411	87.99%		(179,737)	1,136,674	76%
	\$ 17,211,004	\$ 16,866,124	98.00%		344,880	\$ 19,905,526	
Total Collections as a Percent of Levy		98%					

(1) Source-Avoyelles Parish Tax Assessor

(2) Source-Avoyelles Parish School Board Annual Financial Report

AVOYELLES PARISH SCHOOL BOARD
Marksville, Louisiana

TABLE G

Assessed and Estimated Actual Value of Property
Fiscal Years ended June 30, 2009 through June 30, 2018

<u>Fiscal Year</u>	<u>Assessed Value</u>	<u>Estimated Actual Value</u>	<u>Ratio of Total Assessed Value To Total Estimated Actual Value</u>	<u>Operating Millage</u>
2018	\$140,812,795	\$ 202,165,700	69.65%	23.62
2017	140,066,332	201,071,030	69.66%	23.62
2016	136,227,336	196,858,660	69.20%	23.62
2015	134,181,311	194,414,444	69.02%	23.62
2014	129,774,178	189,278,184	68.56%	23.62
2013	121,858,983	180,693,494	67.44%	23.62
2012	100,860,776	158,764,193	63.53%	13.62
2011	98,562,757	145,937,320	67.54%	13.62
2010	94,593,732	145,937,320	64.82%	13.62
2009	93,847,795	119,012,986	78.86%	13.22

Notes:

- (1) Information provided by Avoyelles Parish Tax Assessor.
- (2) Assessed values are established by the Avoyelles Parish Tax Assessor on January 1st of each year at approximately 10-25% of actual market value, depending upon the property classification. A revaluation of all property is required to be completed no less than every four years. The revaluation was completed for the tax roll of 2008.

Unaudited - see accompanying independent auditors' report.

AVOYELLES PARISH SCHOOL BOARD
Marksville, Louisiana

TABLE H

Sales and Use Tax Levies and Collections-All Governments (1)
Fiscal years ended June 30, 2009 through June 30, 2018

Fiscal Year	Sales and Use Tax Rates						Tax Collections (4)					
	Parishwide			Municipalities			Parishwide			Municipalities		
	School Board	Police Jury	Law Enforcement District	Marksville	Other(3)(5)	Total Rate(2)	School Board	Police Jury	Law Enforcement District	Marksville	Other	Total Collections
2003	1.5%	1.0%	0.5%	2.0%	2.0%	7.0%	5,721,944	3,285,968	1,610,106	2,965,285	1,775,433	15,358,736
2004	1.5%	1.0%	0.5%	2.0%	2.0%	7.0%	5,686,909	3,137,174	1,585,856	2,901,788	1,775,433	15,087,160
2011	1.5%	1.0%	0.5%	2.0%	2.0%	7.0%	6,058,964	3,280,128	1,639,704	2,841,532	1,821,476	15,641,804
2012	1.62% (6)	1.0%	0.5%	2.0%	2.0%	7.1%	7,262,731	3,659,996	1,830,006	2,965,983	2,034,645	17,753,361
2013	1.75% (6)	1.0%	0.5%	2.0%	2.0%	7.3%	7,984,978	3,784,277	1,830,854	2,970,189	2,103,567	18,673,865
2014	1.75%	1.0%	0.5%	2.0%	2.0%	7.3%	7,811,172	3,654,263	1,768,174	2,916,288	1,976,442	18,126,339
2015	1.75%	1.0%	0.5%	2.0%	2.0%	7.3%	7,941,543	3,654,068	1,770,650	3,048,208	1,944,463	18,358,932
2016	1.75%	1.0%	0.5%	2.0%	2.0%	7.3%	7,597,831	3,517,389	1,699,750	2,955,616	2,165,325	17,935,911
2017	1.75%	1.0%	0.5%	2.0%	2.0%	7.3%	7,852,647	3,572,922	1,719,537	3,007,693	2,016,917	18,169,716
2018	1.75%	1.0%	0.5%	2.0%	2.0%	7.3%	7,953,986	3,805,801	1,774,152	2,990,556	1,990,564	18,515,059

- Notes: (1) Information provided by Avoyelles Parish Sales Tax Collector and municipalities.
(2) This rate represents the maximum amount that may be assessed by local taxing authorities. These rates do not include the state sales and use tax rate.
(3) Includes maximum of 2% rate in Simmesport, Mansura, and Bunkie. Does not include motor vehicle tax revenues for other entities.
(4) Sales tax collections reported by the Avoyelles Sales and Use Tax Collector are on the cash basis and reported on the calendar basis.
(5) Sales tax rate increased from 1.5% to 2% in Bunkie on January 1, 2007.
(6) School board sales tax increased in January 2012 due to passage of 1/4% sales tax in November 2011.

AVOYELLES PARISH SCHOOL BOARD
Marksville, Louisiana

TABLE I

RATIO OF NET GENERAL BONDED DEBT
TO ASSESSED VALUE AND NET BONDED DEBT PER CAPITA
Fiscal years ended June 30, 2009 through June 30, 2018

<u>Fiscal Year</u>	<u>Estimated Population</u>	<u>Assessed Value</u>	<u>Net Bonded Debt</u>	<u>Ratio of Net Bonded Debt to Assessed Value</u>	<u>Net Bonded Debt Per Capita</u>
2018	40,980	\$ 140,812,795	\$ 5,151,576	3.66%	126
2017	41,944	140,066,332	5,326,556	3.80%	127
2016	42,200	136,227,336	6,195,359	4.55%	147
2015	41,145	134,181,311	4,628,330	3.45%	112
2014	41,299	129,774,178	5,198,163	4.01%	126
2013	41,632	121,858,983	5,765,996	4.73%	138
2012	41,895	100,860,776	6,310,829	6.26%	151
2011	42,073	98,562,757	6,857,662	6.96%	163
2010	42,184	94,593,732	7,273,953	7.69%	172
2009	43,330	93,647,795	2,439,497	2.60%	56

Includes all general obligation bonds, certificates of indebtedness, and sales tax bonds outstanding at June 30, 2018 and the related Debt Service Funds. (Included in Auditor's notes)

Unaudited-see accompanying independent auditors' report.

Avoyelles Parish School Board
Marksville, Louisiana
Computation of Direct and Overlapping Debt
June 30, 2018

Table J

<u>Government Unit</u>	<u>Gross Debt Outstanding</u>	<u>Percentage Applicable to APSB</u>	<u>Amount Applicable to APSB</u>
Direct:			
Avoyelles Parish School Board	\$ 5,151,576	100%	\$ 5,151,576
Total Direct	5,151,576		\$ 5,151,576
Overlapping:(2)			
City of Marksville(3)	1,191,000	100%	1,191,000
City of Bunkie(3)	250,338	100%	250,338
Avoyelles Parish Sheriff(3)	410,382	100%	410,382
Total Overlapping	\$ 1,851,720		\$ 1,851,720
Grand Total Direct and Overlapping Debt	<u>7,003,296</u>		<u>\$ 7,003,296</u>

Notes:

(1) Various taxing districts within Avoyelles Parish involve a small percentage of parish taxpayers. These districts debts are not included. Capital leases are included in gross debt

(2) This represents the debt of all the constituents who reside with Avoyelles Parish.

(3) Source: auditors reports

TABLE K

AVOYELLES PARISH SCHOOL BOARD
Marksville, Louisiana
COMPUTATION OF LEGAL DEBT MARGIN
JUNE 30, 2018

Assessed Value (Including Homestead Exemption)	\$ 140,812,795
Times general obligation bond debt limit limited to 50% of total assessed valuation less highest debt to total assessed valuation of any underlying district .	<u>35.000%</u>
General obligation debt capacity of District (rounded down to nearest thousand)	<u><u>\$49,284,478</u></u>

NOTE: Legal debt limit established by Louisiana Revised Statute Title 39, Section 562, Paragraph L.

TABLE L

AVOYELLES PARISH SCHOOL BOARD
Marksville, Louisiana

**RATIO OF ANNUAL DEBT SERVICE EXPENDITURES
FOR GENERAL BONDED DEBT TO TOTAL GENERAL EXPENDITURES**

Fiscal years ended June 30, 2009 through June 30, 2018

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest and Fiscal Charges</u>	<u>Total Debt Service</u>	<u>Total General Expenditures(1)</u>	<u>Ratio of Debt Service to Total General Expenditures</u>
2018	\$ 395,833	\$ 9,844	\$ 405,677	\$ 54,019,561	0.75%
2017	583,833	13,241	597,074	54,439,559	1.10%
2016	575,833	18,842	594,675	55,567,447	1.07%
2015	569,833	29,703	599,536	59,932,461	1.00%
2014	569,833	35,035	604,868	57,851,218	1.05%
2013	567,833	35,035	602,868	52,962,814	1.14%
2012	555,833	51,822	607,655	57,882,392	1.05%
2011	578,338	50,004	628,342	55,660,967	1.13%
2010	188,000	58,596	246,596	55,315,866	0.45%
2009	180,000	64,583	244,583	54,234,055	0.45%

(1) Includes General Fund and Debt Service Funds.

AVOYELLES PARISH SCHOOL BOARD
Marksville, Louisiana

TABLE M

Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year Ended June 30	Total Bonds Outstanding	Outstanding Capital Leases	Total Debt	Percentage of Personal Income	Per Capita
2003	1,623,000		1,623,000	0.16%	39.13
2004	6,435,000		6,435,000	0.61%	153.98
2011	6,856,662		6,856,662	0.63%	164.07
2012	6,310,829	606,423	6,917,252	1.10%	151.01
2013	5,765,996	771,386	6,537,382	1.03%	136.97
2014	5,198,163	547,049	5,745,212	0.91%	123.48
2015	4,628,330	934,278	5,562,608	0.59%	109.94
2016	4,055,497	549,183	4,604,680	0.63%	96.80
2017	3,479,664	316,588	3,796,252	0.27%	82.96
2018	2,895,831	802,763	3,698,594	0.26%	70.66

Notes:

- (1) Details regarding the School Board's outstanding debt can be found in the notes to the financial statements.
- (2) General obligation bonds column includes certificates of indebtedness.

Unaudited--see accompanying independent auditors' report.

TABLE N

AVOYELLES PARISH SCHOOL BOARD
Marksville, Louisiana

DEMOGRAPHIC STATISTICS

Fiscal years ended June 30, 2009 through June 30, 2018

<u>Year</u>	<u>(1) Population</u>	<u>(1) Total Personal Income</u>	<u>(1) Unemployment Rate</u>	<u>(2) School Enrollment</u>	<u>(2) Public High School Graduates</u>
2018	40,980	34,985	6.00%	5,156	309
2017	41,944	33,000	6.00%	5,312	297
2016	42,073	33,000	7.30%	5,691	304
2015	41,145	33,836	7.30%	5,672	295
2014	41,299	24,264	8.40%	5,396	297
2013	41,632	17,497	6.60%	5,987	314
2012	41,895	17,497	5.10%	6,019	305
2011	42,073	22,286	9.80%	6,100	285
2010	43,330	16,122	8.60%	6,252	328
2009	43,330	16,122	8.60%	6,252	328

(1) Census Information was obtained from the Department of Labor, Bureau of Labor Statistics

(2) Information obtained from Avoyelles Parish School Board Annual Financial and Statistical Reports filed with the Louisiana Department of Education.

AVOYELLES PARISH SCHOOL BOARD
Marksville, Louisiana

TABLE O

Principal Ad Valorem Taxpayers
December 31, 2018

<u>Name</u>	<u>Type of Business</u>	<u>Location</u>	<u>Assessed Valuation</u>	<u>Tax Amount</u>	<u>Percentage of Total Assessed Valuation</u>
Central La Electric Co	UTILITY	Pineville, LA	\$13,267,170	\$1,028,403	9.42%
Acadian Gas Pipeline Systems	PRODUCTION	Houston, TX	10,604,340	795,101	7.53%
Martineau Petroleum Inc.	UTILITY	Henderson, TX	1,816,170	178,166	1.29%
Cottonport Bank	Banking	Cottonport, LA	1,871,420	130,833	1.33%
Kerotest Manufacturing	Manufacturing	Pittsburgh, PA	2,081,460	129,696	1.48%
Union Bank	Banking	Marksville, LA	1,811,790	119,498	1.29%
Gulf South Pipeline Co	Production	Houston, TX	1,915,220	115,562	1.36%
Kansas City Southern Railroad	Railroad	Kansas City, MO	1,460,070	110,521	1.04%
Entergy Louisiana LLC	Utility	New Orleans, LA	1,635,350	105,675	1.16%
Union Pacific Railroad	Railroad	Omaha, NE	1,309,420	100,466	0.93%
Total for ten principal taxpayers			37,772,410		26.82%
Total for remaining taxpayers			<u>103,040,385</u>		<u>73.18%</u>
Total for all taxpayers			<u>\$140,812,795</u>		100.00%

Source: Avoyelles Parish Tax Assessor

Note: Information is provided for the current year only.

AVOYELLES PARISH SCHOOL BOARD
Marksville, Louisiana

TABLE P

Attendance Data

Fiscal years ended June 30, 2009 through June 30, 2018

<u>Fiscal Year</u>	<u>Number of Graduates</u>	<u>Average Daily Membership</u>	<u>Percent of Change</u>
2018	309	4866	-10.90%
2017	297	5461	-3.45%
2016	304	5656	5.01%
2015	295	5386	-0.19%
2014	297	5396	-4.22%
2013	314	5634	-0.69%
2012	305	5673	1.36%
2011	285	5597	-6.92%
2010	283	6013	-2.43%
2009	328	6163	-0.50%

Source: LA Department of Education, Bulletin 1472 and Avoyelles Parish School Board Student Information System

Avoyelles Parish School Board
Marksville, Louisiana

TABLE Q

School Personnel
Fiscal Years Ended June 30, 2009
through June 30, 2018

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Teachers										
Less than a Bachelor's degree	0	0	0	0	0	4	0	0	0	0
Bachelor	308	309	296	285	258	257	245	291	243	225
Master	60	54	48	48	54	55	48	51	43	39
Master+30	31	24	19	17	19	14	15	21	17	18
Specialist in Education	2	2	4	3	3	2	4	3	1	2
Ph.D or Ed.D	3	2	2	1	0	0	0	0	1	0
Total	404	391	369	354	334	332	312	366	305	284
Principals & Assistants										
Bachelor	0	1	0	0	1	1	1	1	1	2
Master	8	6	7	8	8	11	11	13	12	14
Master+30	16	13	15	15	14	13	11	10	8	4
Specialist in Education	0	0	0	0	0	0	0	0	0	0
Ph.D or Ed.D	0	0	0	0	0	0	0	0	0	0
Total	24	20	22	23	23	25	23	24	21	20

Source: Agreed upon procedures report on performance and statistical data accompanying the annual financial statements.

AVOYELLES PARISH SCHOOL BOARD
Marksville, Louisiana

TABLE R

Principal Employers
June 30, 2018

<u>Name of Business</u>	<u>Type of Business</u>	<u>Number of Employees</u>	<u>Percentage of Total</u>
Paragon Casino	Casino	800	35.03%
Avoyelles Parish School Board	Education	635	27.80%
Avoyelles Correctional Institution	Correctional Facility	274	12.00%
Bayou Vista Nursing Home	Nursing Home Facility	150	6.57%
Cottonport Bank	Local Financial Institution	129	5.65%
M.D. Descant	Construction	120	5.25%
Bunkie General Hospital	Hospital	100	4.38%
Union Bank Shares	Financial Institution	76	3.33%

Note: The information is provided for the current year only.

Avoyelles Parish School Board
Marksville, Louisiana

TABLE S

Operating Statistics
For the Fiscal Years ended June 30, 2009 through June 30, 2018

Fiscal Year Ended June 30	Expenses	Enrollment	Cost Per Pupil	Percentage Change
2009	54,234,055	6,252	8,675	25.25%
2010	55,316,866	5,856	9,446	8.89%
2011	55,660,967	6,100	9,125	-3.40%
2012	57,882,392	6,019	9,617	5.39%
2013	52,962,814	5,987	8,846	-8.01%
2014	57,851,218	5,723	10,109	14.27%
2015	59,932,461	5,672	10,566	4.53%
2016	55,567,436	5,691	9,764	-7.59%
2017	55,482,421	5,509	10,071	3.15%
2018	50,115,034	5,156	9,720	-3.49%

(1) Expenses are on full accrual and are extracted from Statement of Revenues, Expenditures and Changes in Fund Balances.

(2) Enrollment is extracted from Demographic and Economic Statistics.

AVOYELLES PARISH SCHOOL BOARD

Marksville, Louisiana

Miscellaneous Statistical Data

June 30, 2018

TABLE T

Form of Government: Parish School Board
Geographic Area: 832 Square Miles
Population: 41,145
Public School Enrollment: 5,509

<u>Instructional Sites</u>	<u>Date Constructed</u>	<u>School District</u>	<u>Grades Taught</u>	<u>Capacity Sq. Ft.</u>	<u>Acreage</u>	<u>No. of Rated Classrooms</u>	<u>Student Capacity</u>
High Schools:							
Avoyelles High	1920's	7	7-12	74,450		39	975
Bunkie High	1978	8	7-12	72,363		44	1,100
Marksville High	1959	3	7-12	118,367		46	1,150
LaSas	2003	n/a	7-12	51,760		20	320
Elementary Schools:							
Bunkie Elementary	1981	8	PK-6	55,873		44	1,100
Cottonport Elementary	1974	4	PK-6	69,408		42	1,050
Lafargue Elementary	1978	1	PK-6	56,909		35	875
Marksville Elementary	1950	3	PK-6	95,803		49	1,205
Plaucheville Elementary	1980	7	PK-6	55,552		41	995
Riverside Elementary	1979	9	PK-6	52,172		40	1,000
Alternative Site:							
AVAP	1972			9,704		8	450
Adult Ed.	1975	n/a	Age 16+	<u>7,200</u>	<u>0</u>	<u>1</u>	<u>25</u>
Total Instructional Sites				<u>719,561</u>	<u>-</u>	<u>409</u>	<u>10,245</u>

<u>Non-Instructional Sites</u>	<u>Date Constructed</u>	<u>Number of Buildings</u>	<u>Capacity Sq. Ft.</u>
Central Office	1980	1	12,991
Maintenance Warehouse	1978	2	12,720
Media Center	1990	1	4,250
Pupil Appraisal Center	1981	1	<u>2,907</u>
Total Non-Instructional Sites			<u>32,868</u>

Unaudited-see accompanying independent auditors' report.

AVOYELLES PARISH SCHOOL BOARD

Marksville, Louisiana

Schedule of Insurance

June 30, 2018

TABLE U

Policy Year: 2017-18

<u>Type of Coverage</u>	<u>Policy Number</u>	<u>From</u>	<u>To</u>	<u>Details of Coverage and Coinsurance</u>	<u>Coverage Limits</u>	<u>Premium</u>
Property damage Affiliated FM	GS131	7/1/2017	7/1/2018	Blanket Coverage-all property \$40,000,000 per occurrence	\$148,992,763	\$201,922
Equipment breakdown Affiliated FM	GS131	7/1/2017	7/1/2018	Equipment Breakdown	40,000,000	Included
Crime Travelers	105795861	7/1/2017	7/1/2020	Employee dishonesty	1,000,000	\$4,206
Automobile Liability PCAL	PC005-17	7/1/2017	7/1/2018	Covers own and non-owned vehicles	1,000,000	Incl Pkg
Auto Physical Damage PCAL	PC005-17	7/1/2017	7/1/2018	Comprehensive and collision	1,000,000	Incl Pkg
General Liability PCAL	PC005-17	7/1/2017	7/1/2018	General Liability	1,000,000	\$370,725
Ed. Legal Liability PCAL	PC005-17	7/1/2017	7/1/2018	Professional Education Services Defense reimbursement-\$100,000	1,000,000	Incl Pkg
Student Accident Insurance Catastrophic and Accident Insurance Monumental Life	LA07	8/1/2017	8/1/2018	Covers student athletes and phys. ed students	25,000 1,000,000	\$83,200 Included
Excess Workers' Comp State National	NDE-0927499-17	7/1/2017	7/1/2018	Statute WC and Emp. Liability		\$62,583
GRAND TOTAL ALL ABOVE PREMIUMS:						\$722,636

Unaudited-see accompanying independent auditors' report.

**INTERNAL CONTROL,
COMPLIANCE
AND
OTHER MATTERS**

KOLDER, SLAVEN & COMPANY, LLC

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

Mr. Blaine Dauzat, Superintendent,
and Members of the Avoyelles Parish School Board
Marksville, 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 Avoyelles Parish School Board, (the School Board) as of and for the year ended June 30, 2018, 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 December 20, 2018.

Internal Control over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that 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 certain deficiencies in internal control described in the accompanying schedule of findings and questioned costs as items 2018-001 and 2018-002 that we consider to be significant deficiencies.

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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Avoyelles Parish School Board's Response to Findings

The School Board's response to the findings identified in our audit are 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 entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. However, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Alexandria, Louisiana
December 20, 2018

KOLDER, SLAVEN & COMPANY, LLC

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

Mr. Blaine Dauzat, Superintendent,
and Members of the Avoyelles Parish School Board
Marksville, Louisiana

Report on Compliance for Each Major Federal Program

We have audited Avoyelles 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, 2018. The School Board's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's 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 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, 2018.

Report on Internal Control Over Compliance

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

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or 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 the 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 and internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose. However, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Alexandria, Louisiana
December 20, 2018

AVOYELLES PARISH SCHOOL BOARD
Marksville, Louisiana

Schedule of Expenditures of Federal Awards
Year Ended June 30, 2018

Federal Grantor/Pass-Through Grantor/ Program Title	Pass-through Identifying Number	CFDA Number	Expenditures
<u>United States Department of Agriculture-</u>			
Passed through Louisiana Department of Education-			
Fresh fruits and vegetables		10.582	\$ 171,279
School Breakfast Program		10.553	915,577
Summer Food Service Program for Children		10.559	23,429
National School Lunch Program		10.555	2,194,450
Passed through Louisiana Department of Agriculture and Forestry-			
Food Distribution		10.555	330,212
Total for School Food Services Cluster			3,463,668
Total United States Department of Agriculture			3,634,947
<u>United States Department of Education-</u>			
Passed through Louisiana Department of Education/Louisiana			
Community & Technical College System			
Adult Education-State Grant Program		84.002	71,659
Passed through Louisiana Department of Education-			
Title I Grants to Local Educational Agencies	28-18-RD-05	84.010	94,164
Title I Grants to Local Educational Agencies	28-18-T1-05	84.010	2,580,138
Total for Title I			2,674,302
Special Education Grants to States-IDEA Part B	28-18-B1-05	84.027	913,335
Special Education Grants to State	28-18-RH-05	84.027	15,131
Special Education Grants to State	28-17-B1-05	84.027	439,126
Special Education-Preschool Grants	28-18-P1-05	84.173	28,051
Total for Special Education Cluster			1,395,643
Vocational Education-Basic Grants to States	28-18-02-05	84.048	55,876
Mathematics and Science Partnership		84.366	47,282
Rehabilitation Services Vocational Rehabilitation Grants	28-18-JSPT-05	84.126	55,056
Supporting Effective Instruction State Grants	28-18-50-05	84.367	498,432
Teacher and School Leader Incentive Grants	28-18-TP-05	84.374	108,857
Teacher and School Leader Incentive Grants	28-18-PBCS-05	84.374	31,627
Total Teacher and School Leader Incentive Grants			140,484
Student Support and Academic Enrichment Program	28-18-71-05	84.424	16,449

(continued)

AVOYELLES PARISH SCHOOL BOARD
Marksville, Louisiana

Schedule of Expenditures of Federal Awards (continued)
Year Ended June 30, 2018

Federal Grantor/Pass-Through Grantor/ Program Title	Pass-through Identifying Number	CFDA Number	Expenditures
Hurricane Education Recovery		84.938	<u>35,500</u>
Education for Homeless Children and Youth	28-18-H1-05	84.196	<u>9,031</u>
Rural and Low Income Schools-Rural Education Achievement Program	28-18-RE-05	84.358	<u>101,666</u>
Total United States Department of Education			<u>5,101,380</u>
<u>United States Department of Health and Human Services</u>			
Passed through Louisiana Department of Education- Temporary Assistance for Needy Families		93.558	142,290
Temporary Assistance for Needy Families		93.558	<u>83,274</u>
Total Temporary Assistance for Needy Families			<u>225,564</u>
Total United States Department of Health and Human Services			<u>225,564</u>
TOTAL FEDERAL AWARDS			<u>\$ 8,961,891</u>

The accompanying notes are an integral part of this schedule.

AVOYELLES PARISH SCHOOL BOARD
Marksville, Louisiana

Notes to Schedule of Expenditures of Federal Awards
Year Ended June 30, 2018

(1) General

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of Avoyelles Parish School Board under programs of the federal government for the year ended June 30, 2018. 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). Because the Schedule presents only a selected portion of the operations of Avoyelles Parish School Board, it is not intended to and does not present the financial position, changes in net assets, or cash flows of Avoyelles Parish School Board.

(2) Basis of Accounting

The accompanying Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting, which is described in Note 1 to the School Board's basic financial statements for the year ended June 30, 2018. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

(3) Noncash Programs

The commodities received, which are noncash revenues, are valued using pricing provided by the United States Department of Agriculture.

(4) Indirect Cost Rate

The School Board has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

AVOYELLES PARISH SCHOOL BOARD
Marksville, Louisiana

Schedule of Findings and Questioned Costs
Year Ended June 30, 2018

Part I. Summary of Auditor's Results:

1. The auditor's report expresses an unmodified opinion on whether the financial statements of Avoyelles Parish School Board were prepared in accordance with GAAP.
2. Two significant deficiencies were disclosed during the audit of the financial statements. No material weaknesses are reported.
3. No instances of noncompliance material to the financial statements of Avoyelles Parish School Board, which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
4. No significant deficiencies in internal control over major federal award programs were disclosed during the audit. No material weaknesses are reported.
5. The auditor's report on compliance for the major federal award programs for Avoyelles Parish School Board expresses an unmodified opinion on all major federal programs.
6. The audit disclosed no findings required to be reported in accordance with 2 CFR section 200.516(a) of the Uniform Guidance.
7. The programs tested as major were:
 - Title I Grants to Local Education Agencies – CFDA 84.010
 - Special Education Cluster:
 - Special Education Grants to States – CFDA 84.027
 - Special Education – Preschool Grants – CFDA 84.173
8. The threshold used for distinguishing between Type A and Type B programs was \$750,000.
9. Avoyelles Parish School Board did not qualify as a low-risk auditee.

Part II. Findings which are required to be reported in accordance with generally accepted Governmental Auditing Standards:

A. Internal Control Findings –

See schedule of current and prior year audit findings and management's corrective action plan.

B. Compliance Findings –

There were no compliance findings.

Part III. Findings and questioned costs for Federal awards which include audit findings as defined in 2 CFR section 200 of the Uniform Guidance:

There are no findings to be reported under this section.

AVOYELLES PARISH SCHOOL BOARD
Marksville, Louisiana

Schedule of Current and Prior Year Audit Findings
and Management's Corrective Action Plan
Year Ended June 30, 2018

Part I. Current Year Findings and Management's Corrective Action Plan:

A. Internal Control Over Financial Reporting

2018-001 Misappropriation of Funds

CONDITION: In September 2017, a shortage of funds from a school activity fund was noted at Marksville Elementary School. While applying system policies and procedures, the shortage of funds was noted, and an internal investigation was performed by the School Board Finance Department staff.

CRITERIA: School Board policies and procedures as well as state law prohibit theft of School Board assets.

CAUSE: The investigation revealed a theft of approximately \$29,000 and the incident was immediately reported to the appropriate authorities.

EEFFECT: The identified employee was terminated, and charges were filed against the former employee. Restitution is being made by the former employee.

RECOMMENDATION: It is recommended that the administration continue to monitor, enhance and revise as necessary and enforce its internal control policies and procedures to reduce the risk of misappropriation of School Board assets.

MANAGEMENT'S CORRECTIVE ACTION PLAN: System policies and procedures are in place that provide internal controls and detection controls to prevent theft of system assets by employees. These controls detected the theft and appear to be working. Applicable personnel will continue to monitor controls and implement new policies, procedures and controls as deemed necessary and appropriate.

2018-002 Prior Period Adjustment

CONDITION: The prior year financial statements contained significant errors in the amounts reported resulting in a prior period adjustment to the amount of beginning net position/fund balance.

CRITERIA: Internal controls over financial reporting require that the financial statements be presented accurately in the financial report.

CAUSE: The School Board outsources the preparation of the financial reporting package to their independent auditors. The cause of the condition is the result of the prior year report being issued late with several computational issues which arose during drafting and as a result management did not have adequate time to properly review the financial statements.

EFFECT: Beginning net position/fund balance was misstated which could have resulted in expending more funds than were available to the School Board.

RECOMMENDATION: Management should carefully review the financial statements prior to preparing the annual financial report.

MANAGEMENT'S CORRECTIVE ACTION PLAN: The Director of Finance will obtain a draft of the financial report and carefully review the financial report with the auditor prior to the due date to ensure the report is accurately prepared.

B. Compliance

There were no internal control findings reported.

Part II: Prior Year Findings:

A. Internal Control Over Financial Reporting

2017-02 Misappropriation of Funds

CONDITION: In September 2017, a shortage of funds from a school activity fund was noted at Marksville Elementary School. While applying system policies and procedures, the shortage of funds was noted, and an internal investigation was performed by the School Board Finance Department staff.

RECOMMENDATION: It is recommended that the administration continue to monitor, enhance and revise as necessary and enforce its internal control policies and procedures to reduce the risk of misappropriation of School Board assets.

CURRENT STATUS: See finding 2018-001.

B. Compliance

2017-01 Timely Filing of Annual Financial Report

CONDITION: The annual financial statements were not filed with the State of Louisiana Legislative Auditor within the six-month deadline.

RECOMMENDATION: It is recommended that the administration continue to work with the external auditor to ensure timely delivery of the financial report.

CURRENT STATUS: Resolved.

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SCHEDULES REQUIRED BY STATE LAW
(R.S. 24:514 – PERFORMANCE AND STATISTICAL DATA)

KOLDER, SLAVEN & COMPANY, LLC

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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Mr. Blaine Dauzat, Superintendent,
and Members of the Avoyelles Parish School Board
the Louisiana Department of Education and
the Louisiana Legislative Auditor

We have performed the procedures enumerated below, which were agreed to by the Avoyelles Parish School Board; the Louisiana Department of Education, and the Louisiana Legislative Auditor (the specified parties), on the performance and statistical data accompanying the annual financial statements of the Avoyelles Parish School Board for the fiscal year ended June 30, 2018; and to determine whether the specified schedules are free of obvious errors and omissions as provided by the Board of Elementary and Secondary Education (BESE) in compliance with Louisiana Revised Statute 24:514. Management of Avoyelles Parish School Board is responsible for its performance and statistical data. The sufficiency of these procedures is solely the responsibility of the specified parties. Consequently, we make no representation regarding the sufficiency of the procedures enumerated below either for the purpose for which this report has been requested or for any other purpose.

The procedures and associated findings are as follows:

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

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

There were no exceptions noted.

Class Size Characteristics (Schedule 2)

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

There were no exceptions noted.

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

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

There were no exceptions noted.

Public School Staff Data: Average Salaries (NO SCHEDULE)

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

There were no exceptions noted.

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

The purpose of this report is solely to describe the scope of testing performed on the performance and statistical data accompanying the annual financial statements of the Avoyelles Parish School Board, as required by Louisiana Revised Statute 24:514.1, 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.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Alexandria, Louisiana
December 20, 2018

AVOYELLES PARISH SCHOOL BOARD
Marksville, Louisiana

Schedules Required by State Law (R.S. 24:514 - Performance and Statistical Data)
As of and for the Year Ended June 30, 2018

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

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

Schedule 2 (Formerly Schedule 6) – Class Size Characteristics

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

AVOYELLES PARISH SCHOOL BOARD
Marksville, Louisiana
Schedule 1

General Fund Instructional and Support Expenditures
and Certain Local Revenue Sources
For the Year Ended June 30, 2018

General Fund Instructional and Equipment Expenditures

General fund instructional expenditures:

Teacher and student interaction activities:

Classroom teacher salaries	\$ 11,793,502	
Other instructional staff salaries	1,416,052	
Instructional staff employee benefits	8,946,733	
Purchased professional and technical services	959,235	
Instructional materials and supplies	903,942	
Instructional equipment	-	
Total teacher and student interaction activities		\$ 24,019,464

Other instructional activities: 244,189

Pupil support activities	1,536,372	
Less: Equipment for pupil support activities	-	
Net pupil support activities		1,536,372

Instructional staff services	1,751,590	
Less: Equipment for instructional staff services	-	
Net instructional staff services		1,751,590

School Administration	3,488,611	
Less: Equipment for school administration	-	
Net school administration		3,488,611

Total general fund instructional expenditures \$ 31,040,226

Total general fund equipment expenditures (Object 730; Function series 1000-4000) \$ -

Certain Local Revenue Sources

Local taxation revenue:

Constitutional ad valorem taxes	\$ 525,727
Renewable ad valorem tax	2,904,698
Debt service ad valorem tax	-
Up to 1% of collections by the Sheriff on taxes other than school taxes	105,129
Sales and use taxes	7,953,986
Total local taxation revenue	<u>\$ 11,489,540</u>

Local earnings on investment in real property:

Earnings from 16th section property	\$ 177,249
Earnings from other real property	135,817
Total local earnings on investment in real property	<u>\$ 313,066</u>

State revenue in lieu of taxes:

Revenue sharing - constitutional tax	\$ 37,071
Revenue sharing - other taxes	204,816
Revenue sharing - excess portion	-
Other revenue in lieu of taxes	-
Total state revenue in lieu of taxes	<u>\$ 241,887</u>

Nonpublic textbook revenue \$ 25,801

Nonpublic transportation revenue \$ -

AVOYELLES PARISH SCHOOL BOARD
 Marksville, Louisiana
 Schedule 2

Class Size Characteristics
 As of October 1, 2017

School Type	Class Size Range							
	1 - 20		21 - 26		27 - 33		34+	
	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Elementary	32%	170	58%	311	9%	48	1%	5
Elementary Activity Classes	32%	33	47%	48	7%	7	14%	14
Middle/Jr. High	0%	-	0%	-	0%	-	0%	-
Middle/Jr. High Activity Classes	0%	-	0%	-	0%	-	0%	-
High	46%	362	20%	156	28%	220	6%	49
High Activity Classes	69%	121	15%	27	13%	22	3%	6
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 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.



Avoyelles Parish School Board

221 Tunica Drive West
Marksville, LA 71351

Blaine M. Dauzat, Superintendent
Thelma J. Prater, Assistant Superintendent
John Gagnard, President
Michael P. Lacombe, Vice-President

Avoyelles Parish School Board respectfully submits the following corrective action plan for the year ended June 30, 2018.

BOARD MEMBERS:

John Gagnard

President

District 9

Michael P. Lacombe
Vice-President
District 7

Jeralyn Young
District 1

Darrell Wiley
District 2

Chris LaCour
District 3

James Gauthier
District 4

Shelia Blackman-Dupas
District 5

Lizzie Ned
District 6

Van Kojis
District 8

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An Equal Opportunity Employer

Audit conducted by:

Kolder, Slaven & Company, LLC
1428 Metro Dr.
Alexandria, LA 71301

Audit Period: Fiscal year ended June 30, 2018

The findings from the June 30, 2018 schedule of findings and questioned costs are discussed below. The finding is numbered consistently with the number assigned in the schedule.

FINDING – FINANCIAL AUDIT

Significant Deficiency

2018-001 **RECOMMENDATION:** It is recommended that the administration continue to monitor, enhance and revise as necessary and enforce its internal control policies and procedures to reduce the risk of misappropriation of School Board assets.

CORRECTIVE ACTION PLAN: System policies and procedures are in place that provide internal controls and detection controls to prevent theft of system assets by employees. These controls detected the theft and appear to be working. Applicable personnel will continue to monitor controls and implement new policies, procedures and controls as deemed necessary and appropriate.

2018-002 **RECOMMENDATION:** Management should carefully review the financial statements prior to preparing the annual financial report.

CORRECTIVE ACTION PLAN: The Director of Finance will obtain a draft of the financial report and carefully review the financial report with the auditor prior to the due date to ensure the report is accurately prepared.

If there are questions regarding the plan, please call Mary L. Bonnette, CPA, Director of Business Services, at 318-253-5982.

Sincerely,
Mary L. Bonnette, CPA
Director of Business Services

Avoyelles Parish School Board
Marksville, Louisiana

Agreed-Upon Procedures Report

Period Ended June 30, 2018

KOLDER, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Mr. Blaine Dauzat, Superintendent,
and Members of the Avoyelles Parish School Board,
Marksville, Louisiana

We have performed the procedures enumerated below, which were agreed to by Avoyelles Parish School Board and the Louisiana Legislative Auditor (LLA) on the control and compliance (C/C) areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period July 1, 2017 through June 30, 2018. The Entity's management is responsible for those C/C areas identified in the SAUPs.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures and associated findings are as follows:

Written Policies and Procedures

1. We obtained and inspected the entity's written policies and procedures and observed that they address each of the following categories and subcategories:
 - a) ***Budgeting***, including preparing, adopting, monitoring, and amending the budget.
 - b) ***Purchasing***, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the public bid law; and (5) documentation required to be maintained for all bids and price quotes.
 - c) ***Disbursements***, including processing, reviewing, and approving.

- d) ***Receipts/Collections***, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g. periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).
- e) ***Payroll/Personnel***, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked.
- f) ***Contracting***, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
- g) ***Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)***, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).
- h) ***Travel and expense reimbursement***, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
- i) ***Ethics***, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirement that all employees, including elected officials, annually attest through signature verification that they have read the entity's ethics policy.
- j) ***Debt Service***, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

Board or Finance Committee

- 2. We obtained and inspected the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:
 - a) We observed that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.
 - b) For those entities reporting on the governmental accounting model, we observed that the minutes referenced or included monthly budget-to-actual comparisons on the general fund and major special revenue funds, as well as monthly financial statements (or budget-to-actual comparisons, if budgeted) for major proprietary funds. Alternately, for those entities reporting on the non-profit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.

- c) For governmental entities, we obtained the prior year audit report and observed the unrestricted fund balance in the general fund. If the general fund had a negative ending unrestricted fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unrestricted fund balance in the general fund.

Bank Reconciliations

- 3. Obtain a listing of client bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for selected each account, and observe that:
 - a) Bank reconciliations included evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated, electronically logged);
 - b) Bank reconciliations included evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and
 - c) Management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

Collections

- 4. Obtained a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly selected 5 deposit sites (or all deposit sites if less than 5).
- 5. For each deposit site selected, obtained a listing of collection locations and management's representation that the listing is complete. Randomly selected one collection location for each deposit site (i.e. 5 collection locations for 5 deposit sites), obtained and inspected written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observed that job duties are properly segregated at each collection location such that:
 - a) Employees that are responsible for cash collections do not share cash drawers/registers.
 - b) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g. pre-numbered receipts) to the deposit.
 - c) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.

- d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions are not responsible for collecting cash, unless another employee verifies the reconciliation.
6. Inquired of management that all employees who have access to cash are covered by a bond or insurance policy for theft.
7. Randomly selected two deposit dates for each of the 5 bank accounts selected for procedure #3 under “Bank Reconciliations” above (selected the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly selected a deposit if multiple deposits are made on the same day). Alternately, we used a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc. Obtained supporting documentation for each of the 10 deposits and:
- a) Observed that receipts are sequentially pre-numbered.
 - b) Traced sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
 - c) Traced the deposit slip total to the actual deposit per the bank statement.
 - d) Observed that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100).
 - e) Traced the actual deposit per the bank statement to the general ledger.

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

8. Obtained a listing of locations that process payments for the fiscal period and management’s representation that the listing is complete. Randomly selected 5 locations (or all locations if less than 5).
9. For each location selected under #8 above, obtained a listing of those employees involved with non-payroll purchasing and payment functions. Obtained written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquired of employees about their job duties), and observed that job duties are properly segregated such that:
- a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.
 - b) At least two employees are involved in processing and approving payments to vendors.

- c) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.
 - d) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.
10. For each location selected under #8 above, obtained the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtained management's representation that the population is complete. Randomly selected 5 disbursements for each location, obtained supporting documentation for each transaction and:
- a) Observed that the disbursement matched the related original invoice/billing statement.
 - b) Observed that the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

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

11. Obtained from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtained management's representation that the listing is complete.
12. Using the listing prepared by management, randomly selected 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly selected one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtained supporting documentation, and:
- a) Observed that there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) was reviewed and approved, in writing, by someone other than the authorized card holder.
 - b) Observed that finance charges and late fees were not assessed on the selected statements.
13. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly selected 10 transactions (or all transactions if less than 10) from each statement, and obtained supporting documentation for the transactions. For each transaction, observed that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only).

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

14. Obtained from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly selected 5 reimbursements, obtained the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:
- a) If reimbursed using a per diem, agreed the reimbursement rate to those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).
 - b) If reimbursed using actual costs, observed that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.
 - c) Observed that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observed that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1h).
 - d) Observed that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Contracts

15. Obtained from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. Obtained management's representation that the listing is complete. Randomly selected 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:
- a) Observed that the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.
 - b) Observed that the contract was approved by the governing body/board, if required by policy or law (e.g. Lawrason Act, Home Rule Charter).
 - c) If the contract was amended (e.g. change order), observed that the original contract terms provided for such an amendment.
 - d) Randomly selected one payment from the fiscal period for each of the 5 contracts, obtained the supporting invoice, agreed the invoice to the contract terms, and observed that the invoice and related payment agreed to the terms and conditions of the contract.

Payroll and Personnel

16. Obtained a listing of employees/elected officials employed during the fiscal period and management's representation that the listing is complete. Randomly selected 5 employees/officials, obtained related paid salaries and personnel files, and agreed paid salaries to authorized salaries/pay rates in the personnel files.
17. Randomly selected one pay period during the fiscal period. For the 5 employees/officials selected under #16 above, obtained attendance records and leave documentation for the pay period, and:
 - a) Observed that all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory).
 - b) Observed that supervisors approved the attendance and leave of the selected employees/officials.
 - c) Observed that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.
18. Obtained a listing of those employees/officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly selected two employees/officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations, agreed the hours to the employee/officials' cumulative leave records, and agreed the pay rates to the employee/officials' authorized pay rates in the employee/officials' personnel files.
19. Obtained management's representation that employer and employee portions of payroll taxes, retirement contributions, health insurance premiums, and workers' compensation premiums have been paid, and associated forms have been filed, by required deadlines.

Ethics

20. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, obtained ethics documentation from management, and:
 - a. Observed that the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.
 - b. Observed that the documentation demonstrates each employee/official attested through signature verification that he or she has read the entity's ethics policy during the fiscal period.

Debt Service

21. Obtained a listing of bonds/notes issued during the fiscal period and management's representation that the listing is complete. Selected all bonds/notes on the listing, obtained supporting documentation, and observed that State Bond Commission approval was obtained for each bond/note issued.
22. Obtained a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly selected one bond/note, inspected debt covenants, obtained supporting documentation for the reserve balance and payments, and agreed actual reserve balances and payments to those required by debt covenants.

Other

23. Obtained a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Selected all misappropriations on the listing, obtained supporting documentation, and observed that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled.
24. Observed that the entity has posted on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

Findings:

In accordance with the Statewide Agreed-Upon Procedures, certain categories may be excluded from testing. Therefore, the following categories were not tested this year: Board or Finance Committee, Disbursements, Credit/Debit/Fuel Cards, Travel and Expense Reimbursement, Ethics, and Debt Service.

No exceptions were found as a result of applying procedures above except:

Written Policies:

Avoyelles Parish School Board does not have written policies and procedures addressing debt reserve requirements, continuing disclosure/EMMA reporting requirements, or ethics requirement that all employees, including elected officials, annually attest through signature verification that they have read the entity's ethics policy.

Bank Reconciliations:

For four items tested, there was no documentation reflecting that management has researched reconciling items that have been outstanding for more than 12 months from the statement closing date.

Collections:

For three collection location sites tested, the employee responsible for collecting cash is responsible for preparing/making bank deposits.

For three collection location sites tested, the employee responsible for collecting cash is responsible for posting collection entries to the general ledger.

For one collection location site tested, the collection date could not be determined therefore the timeliness of the deposit could not be tested.

Other:

Management properly reported one instance of misappropriation of public funds that they were aware of.

Management's Response:

Management of Avoyelles Parish School Board concurs with the exceptions and is working to address the deficiencies identified.

We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

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

Kolder, Slaven & Company, LLC
Certified Public Accountants

Alexandria, Louisiana
December 20, 2018