

**ST. JOHN THE BAPTIST PARISH  
SCHOOL BOARD  
Reserve, Louisiana**

**Comprehensive Annual  
Financial Report**

Under provisions of state law, this report is a public document. A copy of this report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Louisiana Department of Education appropriate, at the office of the appropriate clerk of court.

Release Date 01/17/01



**For the Fiscal Year Ended June 30, 2000**

Prepared by

**Mr. Felix K. Boughton**  
Business Manager

**ST. JOHN THE BAPTIST PARISH  
SCHOOL BOARD  
Reserve, Louisiana**

**Comprehensive Annual  
Financial Report**

**For the Fiscal Year Ended June 30, 2000**

Prepared by

**Mr. Felix K. Boughton**  
Business Manager

**INTRODUCTORY  
SECTION**

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**ST. JOHN THE BAPTIST PARISH SCHOOL BOARD**  
**Reserve, Louisiana**

List of Principal Officials  
June 30, 2000

**BOARD OF EDUCATION**

Mr. Leroy Mitchell, Sr.	Member, District No. 1
Mr. Felix A. LeBouef	Member, District No. 2
Dr. Gerald J. Keller	Member, District No. 3
Mr. Patrick H. Sanders	Member, District No. 4
Mr. Dowie L. Gendron	Member, District No. 5
Mr. Charles J. Watkins	Vice President, District No. 6
Mr. Clarence G. Triche	Member, District No. 7
Mr. Richard L. DeLong	President, District No. 8
Mr. James R. Madere	Member, District No. 9
Mr. Matthew J. Ory	Member, District No. 10
Mr. John Crose	Member, District No. 11

**CENTRAL ADMINISTRATION**

Mr. Chris Donaldson	Superintendent of Schools
Mr. Wilbert Ocmund	Assistant Superintendent
Mr. Herbert Smith	Assistant Superintendent

**OFFICIAL PREPARING REPORT**

Mr. Felix K. Boughton	Business Manager
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# St. John the Baptist Parish School Board

118 West 10th Street • P. O. Drawer AL • Reserve, Louisiana 70084

Phone: 504-536-1106 • FAX: 504-536-1109

**"Meeting the Challenges of the 21st Century"**

**RICHARD L. DeLONG**

President

**CHARLES J. WATKINS**

Vice-President

**CHRIS DONALDSON**

Superintendent

November 9, 2000

## BOARD MEMBERS

District No. 1

**LEROY MITCHELL, SR.**

P.O. Box 33  
Edgard, LA 70049  
497-8832

Members, Board of Education

St. John the Baptist Parish School Board

Reserve, Louisiana

District No. 2

**FELIX A. LeBOUEF**

P.O. Box 88  
Garyville, LA 70051  
535-2380

The Comprehensive Annual Financial Report (CAFR) of the St. John the Baptist Parish School Board (School Board), Reserve, Louisiana for the fiscal year ended June 30, 2000 is presented herewith. The report was prepared by the School Board's business office. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the management of the School Board. We believe the data, as presented, is accurate in all material respects; that it is presented in a manner designed to fairly set forth the financial position and results of operations of the School Board as measured by the financial activity of its various funds; and that all disclosures necessary to enable the reader to gain the maximum understanding of the School Board's financial affairs have been included.

District No. 3

**GERALD J. KELLER**

P.O. Box 347  
Reserve, LA 70084  
536-6570

District No. 4

**PATRICK H. SANDERS**

137 E. 31st Street  
Reserve, LA 70084  
536-4247

District No. 5

**DOWIE L. GENDRON**

775 W. 5th Street  
LaPlace, LA 70068  
652-6421 or 652-6194

## Reporting Standards

This report has been prepared following the guidelines recommended by the Government Finance Officers Association of the United States of America and Canada and the Association of School Board Officials. A Certificate of Achievement for Excellence in Financial Reporting is awarded by the Government Finance Officers Association to those governments whose financial reports are judged to conform substantially with high financial reporting standards. A Certificate of Excellence in Financial Reporting is awarded by the Association of School Board Officials. Both of these evaluations include reporting in accordance with generally accepted accounting principles promulgated by the Governmental Accounting Standards Board.

District No. 6

**CHARLES J. WATKINS**

181 Captain George Bourgeois St.  
LaPlace, LA 70068  
652-9160

District No. 7

**CLARENCE G. TRICHE**

414 Magnolia  
LaPlace, LA 70068  
652-5257

District No. 8

**RICHARD L. DeLONG**

2008 Longwood Drive  
LaPlace, LA 70068  
652-3597

The School Board is required to undergo an annual single audit in conformance with the provisions of the U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Information related to this single audit, including the schedule of expenditures of federal awards, findings and recommendations, and independent auditors' reports on internal control and compliance, are included in a separately issued single audit report and is available upon request.

District No. 9

**JAMES R. MADERE**

1816 Ridgefield Drive  
LaPlace, LA 70068  
652-5555

District No. 10

**MATTHEW J. ORY**

640 S. Golfview Drive  
LaPlace, LA 70068  
652-7312

District No. 11

**JOHN CROSE**

156 Iber Street  
LaPlace, LA 70068  
652-1299

## **Report Organization**

The comprehensive annual financial report is presented in three sections: introductory, financial, and statistical. The introductory section includes this letter of transmittal, an organizational chart and a list of the St. John the Baptist Parish School Board's principal elected and appointed officials. The financial section includes the general-purpose financial statements and the combining and individual fund and account group financial statements and schedules, as well as the independent auditors' report. The statistical section, which is unaudited, includes selected financial and demographic information, generally presented on a multi-year basis.

## **Reporting Entity**

This report includes all funds and account groups of the School Board. The School Board is a legislative body authorized to govern the public education system of St. John the Baptist Parish, Louisiana. The School Board provides a full range of public education services appropriate to grade levels ranging from pre-kindergarten through grade 12. The School Board is authorized to establish public schools as it deems necessary, to provide adequate school facilities, to determine the number of teachers to be employed and to determine the local supplement to their salaries. Accordingly, since the School Board members are elected by the public and have decision-making authority, the power to influence operations and primary accountability for financial matters, the School Board is not included in any other governmental reporting entity. Based on that criteria the St. John the Baptist Parish School Board and all its individual schools constitute the School Board's reporting entity.

## **Services Provided**

The St. John the Baptist Parish School Board is a legislative body authorized to govern the public education system of the Parish of St. John the Baptist, Louisiana. It is the responsibility of the School Board to make public education available to the residents of St. John the Baptist Parish by providing various services, including instruction, instructional materials, instructional facilities, administrative support, business services, system operations, plant maintenance and bus transportation.

## **Structure, Local Economic Condition and Outlook**

The St. John the Baptist Parish School Board, established in 1876, is located in the southeastern part of Louisiana, which is a high industrial area for the state. The parish in which the School Board is located has a land area of 231 square miles and a population of 45,380. The School Board is empowered to levy a property tax on both real and personal property located within its boundaries. The School Board also levies a sales and use tax on the sale at retail, the use, the lease or rental, and the consumption of tangible personal property and upon sales of some services within its boundaries.

The St. John the Baptist School Board has operated under the board form of government. Policymaking is vested in the School Board, which consists of eleven members elected within their respective districts for a four-year term. The School Board is responsible, among other things, for passing local ordinances, adopting the budget, appointing committees, adhering to the Louisiana Board of Elementary and Secondary Education's requirements, and hiring the Superintendent and the School Board's attorney. The Superintendent is responsible for carrying

out the policies and ordinances of the School Board, for overseeing the day to day operations of the School Board, for informing the School Board of changes in the Louisiana Board of Elementary and Secondary Education requirements, and for making recommendations when these changes occur to ensure compliance.

The School Board finished 2000 with a fund balance in the General Fund of \$3,040,987, which reflects a \$381,424 increase in the prior year's fund balance.

The Parish has a manufacturing and industrial base on which the unemployment rate is somewhat dependent. The major industries with operations within the parish consist mainly of oil and chemical manufacturers. The Parish also has one steel manufacturing industry. The Parish's unemployment rate is 9.2%, which is slightly higher than the state's unadjusted rate of 5.6%. The Parish has a total preliminary labor force of 20,200, an employed labor force of 18,300, and an unemployed labor force of 1,900.

### **Major Initiatives and Major Operational/Financial Concerns**

*For the Year:* The School Board finished 2000 with a General Fund surplus, which is the third year in a row that a surplus was generated. This surplus strengthens the financial position of the School Board allowing the various educational programs to be fully funded. As the financial position gets even stronger, financial resources will be allocated to areas that have the most effect on student achievement.

The School Board has continued its parish-wide computer network called STEP (Schools Technology for Excellence Program). This program supplies all grade levels with computers. These computers allow all students to become computer literate while integrating technology into the curriculum.

The School Board operates a Redirection Center. The Redirection Center focuses on students with disciplinary problems. These students are removed from the regular school setting and placed at this center where they receive stricter discipline and individual counseling.

Because of the increased emphasis on early childhood development, the School Board operates an early childhood center. This center focuses on 4-year old students through kindergarten and concentrates on developing skills that will aid these students throughout their scholastic career.

The State of Louisiana requires all fourth and eighth grade students to pass a standard test (LEAP Test) before they are allowed to advance to the next grade. The School Board offers an after school assistance program during the year for students having problems with the skills necessary to pass this test. In addition the School Board offers a mandatory Summer School Remediation Program for all students that do not pass this LEAP test. This summer program focuses strictly on teaching the skills necessary to pass the LEAP test. Students can re-take the LEAP test after completion of this summer program

The School Board operates two magnet schools: The Garyville/Mt. Airy Magnet School and the John L. Ory Magnet School. The Garyville/Mt. Airy Magnet School specializes in the math and science areas and provides advanced curriculum in these areas. The John L. Ory Magnet School specializes in communication arts, with a curriculum rich in communication skills.

*For the Future:* Salaries of certified personnel had fallen behind the current market rates. The School Board was able to grant an across the board pay raise of three percent for the 2000-2001 fiscal year. In addition to this cost of living adjustment, the School Board sought public support on October 7, 2000 for a new ¼ cent sales tax dedicated to teacher salaries. The School Board was successful in passing this new sales tax. The revenues from this new sales tax combined with the three percent adjustment will bring St. John teachers closer to the state salary average.

*Major Concerns:* The major concern for the School Board is a proposed change in State funding. The State of Louisiana attempted to re-structure its tax system by eliminating sales taxes and increasing state income taxes. The net effect of this re-structuring would have generated enough surplus funds to raise Louisiana teacher salaries to the Southern Regional Average. This re-structuring failed by a popular vote of the people. With its failure, the State Legislature is considering requiring all School Boards to pay their teachers at the Southern Regional Average and fund this raise with existing state education funds. What this means for the St. John School System is that approximately \$ 2,000,000 would have to be eliminated from the current General Fund budget. This equates to approximately five percent of the total General Fund budget. All expenditure line items would be affected if this proposed State mandate becomes effective.

## **FINANCIAL INFORMATION**

### **Internal Control**

The management of the St. John the Baptist Parish School Board is responsible for establishing and maintaining internal controls designed to ensure that the assets of the School Board are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. Internal controls are designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation costs and benefits require estimates and judgments by management.

### **Single Audit**

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

As part of the School Board's single audit, tests are made of the School Board's internal control and of its compliance with applicable laws and regulations, including those related to federal award programs. The results of the audit for the year ended June 30, 2000, disclosed no material internal control weaknesses or material violations of laws and regulations.

### **Budgetary Controls**

In addition, the government maintains budgetary controls. The objective of these controls is to ensure compliance with legal provisions embodied in the annual appropriated budget, and all subsequent amendments, approved by the School Board. Activities of the General Fund and Special Revenue Funds are included in the annual appropriated budget. Project-length budgets

are prepared for the Capital Projects Funds. Budgetary control is maintained at the fund level. Variances with the budget at this level, as well as line item levels, are reported to the School Board's management monthly. The School Board also maintains an encumbrance accounting system for the General Fund as one technique of accomplishing budgetary control.

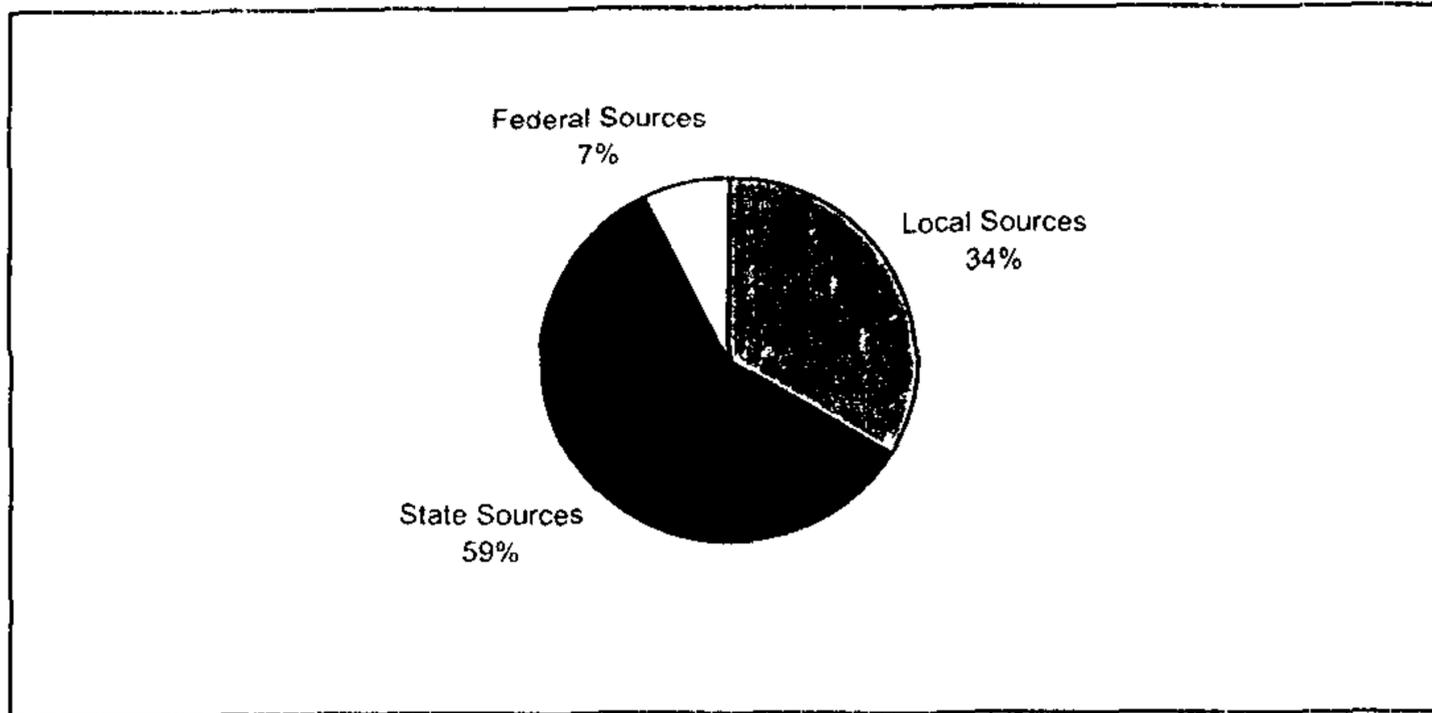
## General Fund

### Revenues

For the year ended June 30, 2000, General Fund revenues totaled \$37,228,555, an increase over prior year revenues by \$1,241,911 or 3.45%. Revenues from various sources and the comparable increase (decrease) over last year are shown in the tabulation below.

	<u>2000</u>	<u>Percent Of Total</u>	<u>Increase (Decrease) From 1999</u>	<u>Percent Of Increase (Decrease)</u>
Revenues:				
From local sources:				
Ad Valorem taxes	\$ 3,278,002	8.81%	\$ 49,910	1.55%
Sales and use taxes	8,366,213	22.47%	(796,045)	(8.69)%
Investment income	309,474	.83%	123,470	66.38%
Other local support	<u>535,303</u>	<u>1.44%</u>	<u>185,563</u>	<u>53.06%</u>
Total local sources	<u>12,488,992</u>	<u>33.55%</u>	<u>(437,102)</u>	<u>(3.38)%</u>
From state sources:				
State equalization	20,618,749	55.38%	1,023,846	5.25%
Revenue sharing	192,495	.52%	363	.19%
Professional improvement Program	230,300	.62%	(26,806)	(10.43)%
Other state support	<u>940,596</u>	<u>2.53%</u>	<u>(246,964)</u>	<u>(20.80)%</u>
Total state sources	<u>21,982,140</u>	<u>59.05%</u>	<u>750,439</u>	<u>3.54%</u>
From federal sources	<u>2,757,423</u>	<u>7.40%</u>	<u>928,574</u>	<u>50.77%</u>
Total revenues	<u>\$ 37,228,555</u>	<u>100.00%</u>	<u>\$ 1,241,911</u>	<u>3.45%</u>

The following pie chart reflects the General Fund revenues by source:

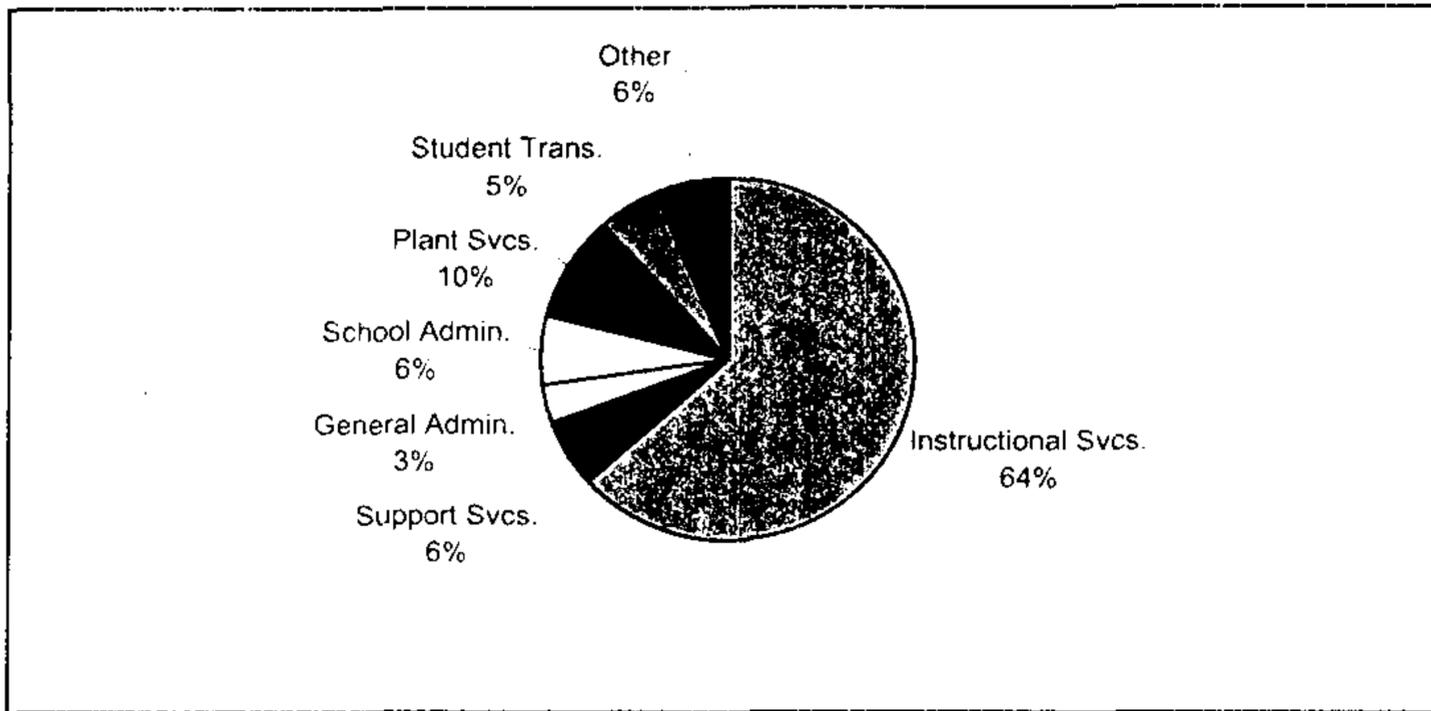


Revenues from state sources represent the major portion of General Fund revenues. State equalization support is the major funding source and represents 55.38% of the General Fund's total revenues. The increase in state equalization reflects the favorable changes in the formula calculation being used by the State of Louisiana offset by a reduction in amounts as a result of a decline in enrollment. Revenue from local sources represents 33.55% of General Fund revenues and is primarily Ad Valorem taxes and sales and use taxes. Ad Valorem taxes increased by \$49,910 or 1.6% and sales and use taxes decreased by \$796,045 or 8.7%. Revenues from federal sources reflect an increase of \$928,574 or 50.77% over the federal sources of the prior year due primarily to increases in Title III and Special Education grant funding.

Total General Fund expenditures increased by \$2,073,876 or 5.89% from the prior year. The following tabulation reflects the details of the increases (decreases) by category:

	<u>2000</u>	<u>Percent Of Total</u>	<u>Increase (Decrease) From 1999</u>	<u>Percent Of Increase (Decrease)</u>
Expenditures:				
Instructional services	\$ 23,612,469	63.30%	\$ 1,325,558	5.95%
Support services	2,248,219	6.03%	97,734	4.54%
General administration	1,267,823	3.40%	(353,630)	(21.81)%
School administration	2,320,011	6.22%	129,860	5.93%
Business administration	535,237	1.43%	15,470	2.98%
Plant services	3,522,430	9.44%	174,243	5.20%
Student transportation	1,909,054	51.18%	(81,399)	(4.09)%
Central services	446,909	1.20%	154,465	52.82%
Capital outlay	1,239,417	3.32%	654,513	111.90%
Debt services	200,619	.54%	(42,938)	(17.63)%
	<u>\$ 37,302,188</u>	<u>100.00%</u>	<u>\$ 2,073,876</u>	<u>5.89%</u>

The following pie chart reflects the General Fund expenditures by function:



Overall expenditures increased by \$2,073,876 or 5.89%. This increase was primarily the result of increases in Instructional Services, General administration, School administration, and Plant services and was offset by a decrease in Capital outlay. Expenditure increases were primarily the result of salary increases, while capital outlay decreased because of one time technology purchases in the prior year.

**Special Revenue Funds**

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. Total revenues received from all sources for the year ended June 30, 2000 were comparable to the prior year-end, and amounted to \$4,714,420 as compared to \$4,493,952 the previous year.

**Debt Administration**

The ratio of net bonded debt to assessed valuation and the amount of bonded debt per capita are useful indicators of the School Board's debt position. As of June 30, 2000, gross direct general obligation bonded debt was \$29,155,000, net bonded debt was \$27,896,609, 18.37% of the assessed value and \$615 per capita.

The following is a summary of the General Obligation Bonds activities for the fiscal year ended June 30, 2000:

	Outstanding Bonds <u>July 1, 1999</u>	Retired In Current <u>Year</u>	Outstanding Bonds <u>June 30, 2000</u>
General Obligation Bonds	<u>\$ 31,720,000</u>	<u>\$ 2,565,000</u>	<u>\$ 29,155,000</u>

The School Board's general obligation bonds and revenue bonds are rated by Moody's bond rating service. The latest rating given for the December 1, 1993 Refunding bond issue was a rating of Baa.

On September 1, 1998, the School Board refunded the General Obligation Bond 1992 Series by issuing \$6,975,000 of General Obligation School Refunding Bonds, Series 1998. This reduced total debt service payments over the next 13 years by approximately \$327,000. This results in an economic gain of approximately \$254,000.

### **Fixed Assets**

The general fixed assets of the School Board are those fixed assets used in the performance of general School Board functions. As of June 30, 2000, the general fixed assets of the School Board amounted to \$73,205,815. This amount represents the historical cost or estimated historical cost, if historical cost is not available, of the assets.

### **Cash Management**

The School Board currently invests its cash and investment funds of \$10,123,091 as of June 30, 2000 with either the local banks based on competitive bid or invests in governmental securities through a national investment firm. At June 30, 2000, the School Board had cash and cash equivalents invested through the Board's fiscal agents (local banks) of \$7,158,475. These funds are secured by federal deposit insurance and the pledge of bank-owned securities. The remainder of the School Board's funds are invested with a national investment firm. At June 30, 2000, the School Board had with the investment firm cash and cash equivalents in the amount of \$3,988,151, a certificate of deposit of \$100,000 and an investment pool in U.S. Government securities and U.S. Government Agency mortgage-back securities of \$175,171. The investments are purchased and held by the investment firm in the name of the School Board. As required by generally accepted accounting principles, investments are recorded at fair value.

### **Risk Management**

The St. John the Baptist Parish School Board manages its risk using excess insurance policies with various high deductibles and self-insured retention. For workers' compensation, the School Board's self-insured retention is \$200,000 per occurrence. This translates into the School Board being self-insured for the first \$200,000 on a worker's compensation claim with excess insurance paying amounts over this retention. The comprehensive property and general/fleet liability carries a \$50,000 per occurrence deductible and \$150,000 in aggregate with excess insurance paying amounts beyond this deductible. The claim liability at June 30, 2000 was \$582,761.

### **Independent Audit**

As required by Louisiana State Statute, the School Board has had an annual audit by independent certified public accountants, Rebowe & Company, APC. The independent auditors' report on the general-purpose financial statements has an unqualified opinion. The audit meets the requirements of Louisiana State Law and the Single Audit Act of 1996 and related OMB Circular A-133. The independent auditors' report on the general-purpose financial statements is included in the financial section of this report; the single audit reports are included in a separately issued document.

## Awards

The Association of School Business Officials (ASBO) awarded a Certificate of Excellence in Financial Reporting to the St. John the Baptist School Board for its comprehensive annual financial report for the year ended June 30, 1999. This was the School Board's sixth year to receive this prestigious award for its report. The School Board also submitted its June 30, 1999 comprehensive annual financial report to the Government Finance Officers Association of the United States and Canada (GFOA) and was awarded the GFOA's Certificate of Achievement for Excellence in Financial Reporting to the School Board for the fifth year.

In order to be awarded a Certificate of Excellence and Certificate of Achievement, the School Board published an easily readable and efficiently organized comprehensive annual financial report. This report satisfied both generally accepted accounting principles and applicable legal requirements.

Both the Certificate of Excellence and Certificate of Achievement are valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Program requirements of both organizations and we are submitting it to the ASBO and GFOA to determine its eligibility for each of the certificates.

## Acknowledgments

We believe that this report contains the necessary information and data, which will provide a better understanding of the operations of our school system. It is further hoped that this report has been designed in a manner to be used as an administrative tool and general source of information so as to enhance our accountability to the public.

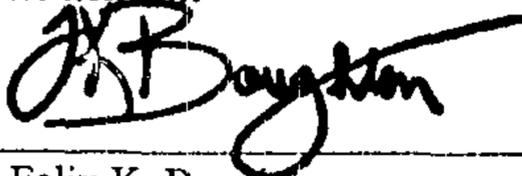
We would like to take this opportunity to express our sincere appreciation to the accounting staff and other participating employees whose efforts contributed significantly in the timely preparation of this report.

Respectfully submitted,



---

Mr. Chris Donaldson  
Superintendent



---

Mr. Felix K. Boughton  
Business Manager

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

St. John the Baptist Parish  
School Board, Louisiana

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
June 30, 1999

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



*Anne Spray Kinney*  
President

*Jeffrey L. Esler*  
Executive Director

**ASSOCIATION OF SCHOOL BUSINESS OFFICIALS  
INTERNATIONAL**



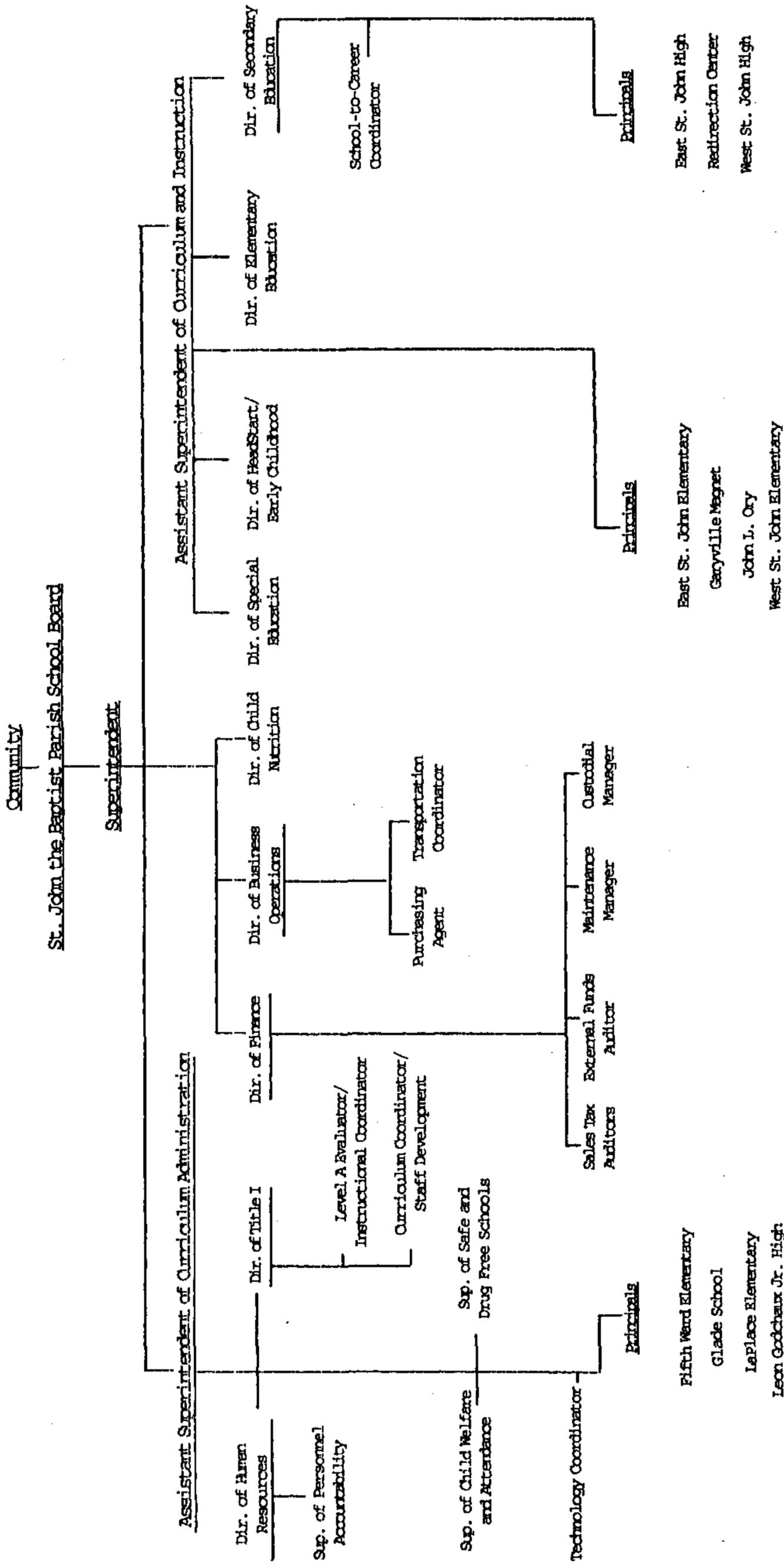
This Certificate of Excellence in Financial Reporting is presented to  
**ST. JOHN THE BAPTIST PARISH SCHOOL SYSTEM**  
For its Comprehensive Annual Financial Report (CAFR)  
For the Fiscal Year Ended June 30, 1999

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

*Sam Deering*  
President

*Don F. Harper*  
Executive Director

ORGANIZATIONAL CHART



**FINANCIAL SECTION**

# REBOWE & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS  
CONSULTANTS

A PROFESSIONAL CORPORATION

3501 N. Causeway Blvd. • Suite 810 • P.O. Box 6952 • Metairie, LA 70009  
Phone (504) 837-9116 • Fax (504) 837-0123 • E-mail rebowe@rebowe.com

## INDEPENDENT AUDITOR'S REPORT

The Members of the  
**St. John the Baptist Parish School Board**  
Reserve, Louisiana

We have audited the accompanying general-purpose financial statements of the **St. John the Baptist Parish School Board** (the "School Board"), as of and for the year ended June 30, 2000, as listed in the table of contents. These general-purpose financial statements are the responsibility of the School Board's management. Our responsibility is to express an opinion on these general-purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general-purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general-purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general-purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general-purpose financial statements referred to above present fairly, in all material respects, the financial position of the School Board as of June 30, 2000, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 9, 2000 on our consideration of the School Board's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Our audit was performed for the purpose of forming an opinion on the general-purpose financial statements of the School Board taken as a whole. The combining, individual fund and individual account group financial statements and schedules listed in the accompanying table of contents are presented for purposes of additional analysis and are not a required part of the general-purpose financial statements of the School Board. Such additional information is the responsibility of the School Board's management. Such information, except for that portion marked "unaudited", on which we express no opinion, has been subjected to the auditing procedures applied in the audit of the general-purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general-purpose financial statements taken as a whole.

*Reboue & Company*

November 9, 2000

**ST. JOHN THE BAPTIST PARISH SCHOOL BOARD**  
**COMBINED BALANCE SHEET – ALL FUND TYPES AND ACCOUNT GROUPS**  
**June 30, 2000**

	<u>Governmental Fund Types</u>			
	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>
<b>Assets and Other Debits</b>				
Assets:				
Cash and cash equivalents	\$ 5,497,187	\$ 414,669	\$ 1,169,230	\$ 2,370,075
Investments at fair value	220,913	-	39,807	14,451
Receivables due from other governments	1,493,134	645,200	29,778	-
Other receivables	36,308	-	-	-
Due from other funds	558,219	-	-	90
Accrued interest receivable	1,764	-	-	-
Inventory	-	36,267	-	-
Land, buildings and equipment	-	-	-	-
Other debits:				
Amount available in debt service funds	-	-	-	-
Amount to be provided for compensated absences	-	-	-	-
Amount to be provided for retirement of general long-term obligations	-	-	-	-
Total assets and other debits	<u>\$ 7,807,525</u>	<u>\$ 1,096,136</u>	<u>\$ 1,238,815</u>	<u>\$ 2,384,616</u>
<b>Liabilities, Equity and Other Credits</b>				
Liabilities:				
Accounts payable	\$ 980,659	\$ 31,169	\$ -	\$ 304,257
Claims payable	539,893	42,868	-	-
Contracts and retainage payable	-	-	-	24,675
Salaries and wages payable	1,739,391	251,666	-	-
Payroll taxes payable	342,914	-	-	-
Retirement, insurance and other withholdings payable	1,163,681	-	-	-
Due to other funds	-	547,832	-	-
Due to other governments	-	-	-	-
Deferred revenue	-	35,250	-	-
Amounts held for school activities	-	-	-	-
Compensated absences payable	-	-	-	-
Bonds payable to bank	-	-	-	-
Note payable to bank	-	-	-	-
Capital leases payable	-	-	-	-
Total liabilities	<u>4,766,538</u>	<u>908,785</u>	<u>-</u>	<u>328,932</u>

(Continued)

Fiduciary Fund Type	Account Groups		Total (Memorandum Only)
	General Fixed Assets	General Long-Term Debt	
<u>Agency</u>			
\$ 396,759	\$ -	\$ -	\$ 9,847,920
-	-	-	275,171
-	-	-	2,168,112
815	-	-	37,123
-	-	-	558,309
-	-	-	1,764
-	-	-	36,267
-	73,205,815	-	73,205,815
-	-	1,238,815	1,238,815
-	-	1,530,343	1,530,343
-	-	28,408,339	28,408,339
<u>\$ 397,574</u>	<u>\$ 73,205,815</u>	<u>\$ 31,177,497</u>	<u>\$ 117,307,978</u>
\$ 43,061	\$ -	\$ -	\$ 1,359,146
-	-	-	582,761
-	-	-	24,675
-	-	-	1,991,057
-	-	-	342,914
-	-	-	1,163,681
10,477	-	-	558,309
1,791	-	-	1,791
-	-	-	35,250
342,245	-	-	342,245
-	-	1,530,343	1,530,343
-	-	29,155,000	29,155,000
-	-	492,154	492,154
-	-	-	-
<u>397,574</u>	<u>-</u>	<u>31,177,497</u>	<u>37,579,326</u>

**ST. JOHN THE BAPTIST PARISH SCHOOL BOARD**  
**COMBINED BALANCE SHEET – ALL FUND TYPES AND ACCOUNT GROUPS (CONTINUED)**  
**June 30, 2000**

	<u>Governmental Fund Types</u>			
	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>
Equity and other credits:				
Investment in general fixed assets	\$ -	\$ -	\$ -	\$ -
Fund balance:				
Reserved for debt service	-	-	1,238,815	-
Reserved for inventory	-	36,267	-	-
Reserved for encumbrances	172,291	-	-	177,999
Unreserved:				
Designated for capital projects	-	-	-	1,877,685
Undesignated	<u>2,868,696</u>	<u>151,084</u>	<u>-</u>	<u>-</u>
Total equity and other credits	3,040,987	187,351	1,238,815	2,055,684
Contingencies and commitments	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities, equity and other credits	<u>\$ 7,807,525</u>	<u>\$ 1,096,136</u>	<u>\$ 1,238,815</u>	<u>\$ 2,384,616</u>

See accompanying notes to general-purpose financial statements.

<u>Fiduciary Fund Type</u>	<u>Account Groups</u>		<u>Total (Memorandum Only)</u>
	<u>General Fixed Assets</u>	<u>General Long-Term Debt</u>	
<u>Agency</u>			
\$ -	\$ 73,205,815	\$ -	\$ 73,205,815
-	-	-	1,238,815
-	-	-	36,267
-	-	-	350,290
-	-	-	1,877,685
-	-	-	<u>3,019,780</u>
-	73,205,815	-	79,728,652
-	-	-	-
<u>\$ 397,574</u>	<u>\$ 73,205,815</u>	<u>\$ 31,177,497</u>	<u>\$ 117,307,978</u>

**ST. JOHN THE BAPTIST PARISH SCHOOL BOARD**  
**COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN**  
**FUND BALANCES – ALL GOVERNMENTAL FUND TYPES**  
**For the Year Ended June 30, 2000**

	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total (Memorandum Only)</u>
<b>Revenues:</b>					
<b>Local sources:</b>					
Ad valorem taxes	\$ 3,278,002	\$ -	\$ 3,518,678	\$ -	\$ 6,796,680
Sales and use taxes	8,366,213	-	-	1,675,050	10,041,263
Food services	-	183,095	-	-	183,095
Investment income	309,474	12,628	87,019	141,442	550,563
Other local sources	<u>535,303</u>	<u>37,539</u>	<u>-</u>	<u>-</u>	<u>572,842</u>
Total local sources	<u>12,488,992</u>	<u>233,262</u>	<u>3,605,697</u>	<u>1,816,492</u>	<u>18,144,443</u>
<b>State sources:</b>					
State equalization	20,618,749	150,000	-	-	20,768,749
Revenue sharing	192,495	-	-	-	192,495
Professional improvement program	230,300	-	-	-	230,300
Other state support	<u>940,596</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>940,596</u>
Total state sources	<u>21,982,140</u>	<u>150,000</u>	<u>-</u>	<u>-</u>	<u>22,132,140</u>
Federal sources	<u>2,757,423</u>	<u>4,331,158</u>	<u>-</u>	<u>-</u>	<u>7,088,581</u>
Total revenues	<u>37,228,555</u>	<u>4,714,420</u>	<u>3,605,697</u>	<u>1,816,492</u>	<u>47,365,164</u>
<b>Expenditures:</b>					
<b>Current:</b>					
Instructional services	23,612,469	1,652,475	-	-	25,264,944
Support services	2,248,219	-	-	-	2,248,219
General administration	1,267,823	617,286	-	30,362	1,915,471
School administration	2,320,011	-	-	-	2,320,011
Business administration	535,237	-	-	-	535,237
Plant services	3,522,430	-	-	-	3,522,430
Student transportation	1,909,054	-	-	-	1,909,054
Central services	446,909	-	-	-	446,909
Food services	-	2,207,221	-	-	2,207,221
Capital outlay	1,239,417	109,422	-	2,433,358	3,782,197
<b>Debt service</b>					
Principal retirement	149,923	-	2,565,000	-	2,714,923
Interest and bank charges	<u>50,696</u>	<u>-</u>	<u>1,802,876</u>	<u>-</u>	<u>1,853,572</u>
Total expenditures	<u>37,302,188</u>	<u>4,586,404</u>	<u>4,367,876</u>	<u>2,463,720</u>	<u>48,720,188</u>
Excess (deficiency) of revenues (under) over expenditures	<u>(73,633)</u>	<u>128,016</u>	<u>(762,179)</u>	<u>(647,228)</u>	<u>(1,355,024)</u>

(Continued)

**ST. JOHN THE BAPTIST PARISH SCHOOL BOARD**  
**COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN**  
**FUND BALANCES – ALL GOVERNMENTAL FUND TYPES (CONTINUED)**  
**For the Year Ended June 30, 2000**

	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total (Memorandum Only)</u>
Other financing sources (uses)					
Refund of refunding bonds issuance cost	\$ -	\$ -	\$ 63,400	\$ -	\$ 63,400
Proceeds of five-year note	<u>455,057</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>455,057</u>
Total other financing sources (uses)	<u>455,057</u>	<u>-</u>	<u>63,400</u>	<u>-</u>	<u>518,457</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>381,424</u>	<u>128,016</u>	<u>(698,779)</u>	<u>(647,228)</u>	<u>(836,567)</u>
Fund balances at beginning of year	<u>2,659,563</u>	<u>59,335</u>	<u>1,937,594</u>	<u>2,702,912</u>	<u>7,359,404</u>
Fund balances at end of year	<u>\$ 3,040,987</u>	<u>\$ 187,351</u>	<u>\$ 1,238,815</u>	<u>\$ 2,055,684</u>	<u>\$ 6,522,837</u>

See accompanying notes to general-purpose financial statements.

**ST. JOHN THE BAPTIST PARISH SCHOOL BOARD**  
**COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN**  
**FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL - GENERAL FUND AND SPECIAL REVENUE FUNDS**  
**For the Year Ended June 30, 2000**

	General Fund			Special Revenue Funds		
	Budget	Actual	Variance - Favorable (Unfavorable)	Budget	Actual	Variance - Favorable (Unfavorable)
<b>Revenues:</b>						
<b>Local sources:</b>						
Ad valorem taxes	\$ 3,284,281	\$ 3,278,002	\$ (6,279)	\$ -	\$ -	\$ -
Sales and use taxes	8,337,221	8,366,213	28,992	-	-	-
Food services	-	-	-	180,000	183,095	3,095
Investment income	195,000	309,474	114,474	10,000	12,628	2,628
Other local sources	305,891	535,303	229,412	32,000	37,539	5,539
<b>Total local sources</b>	<u>12,122,393</u>	<u>12,488,992</u>	<u>366,599</u>	<u>222,000</u>	<u>233,262</u>	<u>11,262</u>
<b>State sources:</b>						
State equalization	20,617,687	20,618,749	1,062	150,000	150,000	-
Revenue sharing	200,586	192,495	(8,091)	-	-	-
Professional improvement program	261,703	230,300	(31,403)	-	-	-
Other state support	747,572	940,596	193,024	-	-	-
<b>Total state sources</b>	<u>21,827,548</u>	<u>21,982,140</u>	<u>154,592</u>	<u>150,000</u>	<u>150,000</u>	<u>-</u>
<b>Federal sources</b>	<u>2,994,051</u>	<u>2,757,423</u>	<u>(236,628)</u>	<u>4,591,298</u>	<u>4,331,158</u>	<u>(260,140)</u>
<b>Total revenues</b>	<u>36,943,992</u>	<u>37,228,555</u>	<u>284,563</u>	<u>4,963,298</u>	<u>4,714,420</u>	<u>(248,878)</u>
<b>Expenditures:</b>						
<b>Current:</b>						
Instructional services	24,926,783	23,612,469	1,314,314	1,867,786	1,652,475	215,311
Support services	2,279,621	2,248,219	31,402	-	-	-
General administration	1,376,144	1,267,823	108,321	668,118	617,286	50,832
School administration	2,364,092	2,320,011	44,081	-	-	-
Business administration	562,111	535,237	26,874	-	-	-
Plant services	3,621,444	3,522,430	99,014	-	-	-
Student transportation	2,080,394	1,909,054	171,340	-	-	-
Central services	440,423	446,909	(6,486)	-	-	-
Food services	-	-	-	2,327,141	2,207,221	119,920
Capital outlay	1,306,398	1,239,417	66,981	127,495	109,422	18,073
Debt service	243,396	200,619	42,777	-	-	-
<b>Total expenditures</b>	<u>39,200,806</u>	<u>37,302,188</u>	<u>1,898,618</u>	<u>4,990,540</u>	<u>4,586,404</u>	<u>404,136</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<u>(2,256,814)</u>	<u>(73,633)</u>	<u>2,183,181</u>	<u>(27,242)</u>	<u>128,016</u>	<u>155,258</u>

(Continued)

ST. JOHN THE BAPTIST PARISH SCHOOL BOARD  
 COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL - GENERAL FUND AND SPECIAL REVENUE FUNDS (CONTINUED)  
 For the Year Ended June 30, 2000

	General Fund		Variance - Favorable (Unfavorable)	Special Revenue Funds		Variance - Favorable (Unfavorable)
	Budget	Actual		Budget	Actual	
Other financing sources (uses):						
Operating transfers in	\$ 1,655,155	\$ -	\$ (1,655,155)	\$ -	\$ -	\$ -
Proceeds of five-year note	<u>455,924</u>	<u>455,057</u>	<u>(867)</u>	-	-	-
Total other financing sources	<u>2,111,079</u>	<u>455,057</u>	<u>(1,656,022)</u>	-	-	-
Excess (deficiency) of revenues and other financing sources over expenditures	<u>(145,735)</u>	<u>381,424</u>	<u>527,159</u>	-	<u>128,016</u>	-
Fund balances at beginning of year	<u>2,659,563</u>	<u>2,659,563</u>	-	<u>59,335</u>	<u>59,335</u>	-
Fund balances at end of year	<u>\$ 2,513,828</u>	<u>\$ 3,040,987</u>	<u>\$ 527,159</u>	<u>\$ 32,093</u>	<u>\$ 187,351</u>	<u>\$ 155,258</u>

See accompanying notes to general-purpose financial statements.

**ST. JOHN THE BAPTIST PARISH SCHOOL BOARD**  
**Notes to General-Purpose Financial Statements**  
**June 30, 2000**

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**1. REPORTING ENTITY**

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

The School Board operates 12 schools within the parish with a total enrollment of 6,646 pupils for the year ended June 30, 2000. 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 includes all funds, account groups, and activities for which the School Board exercises financial accountability. The School Board members who are elected by the public, have decision-making authority, the power to designate management, the ability to significantly influence operations and primary accountability for fiscal matters. Certain units of local government, over which the School Board exercises no financial accountability, such as other independently elected parish officials and municipalities within the parish, are excluded from the financial statements. These units of government are considered separate reporting entities and issue financial statements separate from that of the School Board. The School Board is not a component unit of any other entity and does not have any component units which require inclusion in the general-purpose financial statements.

The accounting policies of the School Board conform to generally accepted accounting principles as applicable to governmental units. The following is a summary of the more significant policies.

**2. FUND ACCOUNTING**

The accounts of the School Board are organized on the basis of funds or account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. Operating statements of these funds

**ST. JOHN THE BAPTIST PARISH SCHOOL BOARD**  
**Notes to General-Purpose Financial Statements (Continued)**  
**June 30, 2000**

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets and unreserved fund balance is a measure of available spendable resources. Resources are allocated to and accounted for in the individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are summarized by type in the financial statements. The following fund types and account groups are used by the School Board:

Governmental Fund Types

All government funds, including General, Special Revenue, Debt Service, and Capital Projects Funds, are accounted for using current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (revenues and other financing sources) and decreases (expenditures and other uses) in net current assets.

General Fund -- The General Fund is the general operating fund of the School Board. The General Fund receives most of the resources derived by the School Board from local sources (principally ad valorem and sales taxes) and state sources (principally the State Equalization funding). General Fund expenditures represent the cost of general school system operations and individual functional categories of instructional and support services. It is used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue Funds -- Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

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

Capital Projects Funds -- Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities and for the major repairs thereto. Separate capital project funds are maintained to account for the proceeds of major general obligation bonds and other financing proceeds.

**ST. JOHN THE BAPTIST PARISH SCHOOL BOARD**  
**Notes to General-Purpose Financial Statements (Continued)**  
**June 30, 2000**

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Fiduciary Fund Type

The Fiduciary Fund is used to account for assets held by the School Board in a trustee or agency capacity. The School Board maintains one fiduciary fund type, agency funds. An agency fund is custodial in nature and does not present results of operations or have a measurement focus. Agency funds are accounted for using the modified accrual basis of accounting.

Agency Fund – The School Board maintains two agency funds, the School Activity Agency Fund and the Sales Tax Fund, both of which account for assets held by the Board in custodial capacity. These funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

Account Groups

Account groups are used to establish accounting control and accountability for the School Board's general fixed assets and general long-term obligations. The following are the School Board's account groups:

General Fixed Assets Account Group – This account group has been established to account for the general fixed assets of the School Board. Items that are charged against the capital outlay accounts, materials and supplies, and repairs and maintenance that meet the capitalization policy are recorded in the General Fixed Assets Account Group.

General Long-Term Debt Account Group – This account group is established to account for all long-term obligations of the School Board. Long-term liabilities expected to be financed from governmental funds are accounted for in the General Long-Term Debt Account Group, not in the governmental funds.

These two account groups are not "funds." They are concerned only with the measurement of financial position. They are not involved with measurement of results of operations.

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

**ST. JOHN THE BAPTIST PARISH SCHOOL BOARD**  
**Notes to General-Purpose Financial Statements (Continued)**  
**June 30, 2000**

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**3. BASIS OF ACCOUNTING**

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The modified accrual basis of accounting is followed by all governmental funds (General Fund, Special Revenue Funds, Debt Service Fund, Capital Project Funds) and agency funds. Under the modified accrual basis of accounting, revenues are recorded in the accounting period in which they become susceptible to accrual, i.e., both measurable and available to finance expenditures of the fiscal period.

In applying the susceptible to accrual concept to intergovernmental revenues, the legal and contractual requirements of the numerous individual programs are used as guidance. There are, however, essentially two types of these revenues. In one, monies must be expended on the specific purpose or project before any amounts will be paid to the School Board; therefore, revenues are recognized based upon the expenditures recorded. In the other, monies are virtually unrestricted as to the purpose of the expenditures and are usually revocable only for failure to comply with prescribed compliance requirements. These resources are reflected as revenues at the time of receipt or earlier if the susceptible to accrual criteria are met.

Ad valorem taxes are recorded in the year the taxes are due and payable. Ad valorem taxes are assessed on a calendar year basis, based on the assessed value on January 1, become due on November 15 of each year, and become delinquent on December 31. An enforceable lien attaches to the property as of January 1. The taxes to be levied were approved by the School Board. However, before the taxes can be collected, the tax rolls are submitted to the State Tax Commission for approval. The taxes are generally collected in December, January, and February of the fiscal year. Property tax revenues are accrued at fiscal year end to the extent that they have been collected and are unremitted by the St. John the Baptist Parish Tax Collector's Office. Such amounts are measurable and available to finance current operations.

Sales taxes, tuition, rents, and miscellaneous other revenues (except investment earnings) are recorded as revenues when received in cash because they are generally not measurable until actually received. Investment earnings are recorded as earned since they are measurable and available.

Expenditures are recognized in the accounting period in which the related fund liability is incurred, if measurable, except for the following: (1) costs of accumulated unpaid vacation,

**ST. JOHN THE BAPTIST PARISH SCHOOL BOARD**  
**Notes to General-Purpose Financial Statements (Continued)**  
**June 30, 2000**

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

sick leave and other employee benefit amounts are reported in the period due and payable rather than the period earned by employees; (2) general long-term obligations principal and interest payments are recognized when due. Commitments under construction contracts are recognized as expenditures when earned by the contractor. Compensated absences are recognized as expenditures when leave is actually taken or when employees (or heirs) are paid for accrued leave upon retirement or death, while the cost of earned leave privileges not requiring current resources is recorded in the general long-term debts account group.

**4. BUDGETARY DATA**

The General Fund and the Special Revenue Funds are the only fund types with legally required annual budgets. Budgets are prepared and presented on a basis consistent with generally accepted accounting principles. Budgetary data for the Capital Projects Funds have not been presented in the accompanying financial statements as such funds are budgeted over the life of the respective project and not on an annual basis. The Debt Service Fund complies with bond covenant provisions and are therefore not budgeted.

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

The operating budgets include proposed expenditures and the means of financing them. Public hearings are conducted to obtain taxpayer comments. Prior to September 15, the General Fund budget is legally enacted through adoption by the Board.

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

All appropriations lapse at year-end, and any encumbrances outstanding at year-end are included in the next year's budget with funds appropriated in that year to finance them. Budgets are prepared on a modified accrual basis, consistent with the basis of accounting for comparability of budgeted and actual revenues and expenditures. Formal budget accounts

**ST. JOHN THE BAPTIST PARISH SCHOOL BOARD**  
**Notes to General-Purpose Financial Statements (Continued)**  
**June 30, 2000**

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

are integrated into the accounting system during the year as a management control device, excluding the recording of encumbrances.

The Superintendent and/or the Business Manager are authorized to transfer amounts between line items within any fund. When actual total revenues within the General Fund or Special Revenue Fund fail to meet budgeted total revenues by five percent or more and/or actual total expenditures within the General Fund or a Special Revenue Fund fails to meet budgeted total expenditures by five percent or more, a budget amendment to reflect such change is adopted by the School Board in an open meeting. Budget amendments of approximately \$1,215,000 in expenditures occurred in 2000 as a result of increased salary and maintenance costs.

**5. ENCUMBRANCES**

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of funds are recorded in order to reserve that portion of the applicable appropriation, is employed in the General Fund and Capital Projects Fund as a management control device.

Encumbrances outstanding at year-end are reported as reservations of fund balance since they do not constitute expenditures or liabilities. As materials or services are subsequently received, liabilities are recorded and the related encumbrances are liquidated.

**6. CASH, CASH EQUIVALENTS AND INVESTMENTS**

Cash includes amounts in demand deposits, interest-bearing demand deposits, and money market accounts with original maturities of three months or less from the date of acquisition. Cash equivalents include time deposits.

Louisiana Revised Statutes, at LSA-R.S. 33:2955, authorize the School Board to invest in (1) direct obligations of the United States treasury, the principal and interest of which are fully guaranteed by the federal government; (2) bonds, debentures, notes, or other evidence of indebtedness issued or guaranteed by federal agencies or U.S. Government instrumentalities; (3) direct security repurchase agreements of any federal book-entry-only securities; (4) time certificates of deposit of state banks organized under the laws of Louisiana and national banks having their principal offices in the State of Louisiana, savings accounts or shares of savings and loan associations; (5) in mutual or trust fund institutions which are registered with the Securities and Exchange Commission under the Securities Act of 1933 and the

**ST. JOHN THE BAPTIST PARISH SCHOOL BOARD**  
**Notes to General-Purpose Financial Statements (Continued)**  
**June 30, 2000**

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Investment Act of 1940, and which have underlying investments consisting solely of and limited to securities of the U.S. Government or its agencies; or (6) guaranteed investment contracts issued by a bank, financial institution, insurance company, or other entity having one of the two highest short-term rating categories of either Standard & Poor's Corporation or Moody's Investors Service, provided that no such investment may be made except in connection with a financing program approved by the State Bond Commission.

These investments are reported at fair value in accordance with Government Accounting Standards Board ("GASB") Statement No. 31. Fair value is based on quoted market prices. If quoted prices are not available, fair value is estimated based on similar securities.

**7. INTERGOVERNMENTAL RECEIVABLES**

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

**8. INTERFUND TRANSACTIONS**

There are several types of transactions that are reported in the financial statements as interfund items. Interfund transactions which constitute reimbursements to a fund for expenditures or expenses initially made from that fund are recorded as expenditures or expenses in the reimbursing fund and as reductions of the expenditure or expense in the fund that is being reimbursed. Nonrecurring or nonroutine transfers of equity between funds are treated as residual equity transfers and are reported as additions to or deductions from fund balance. All other transfers are treated as operating transfers and are included in the results of operations of both governmental funds. During the normal course of operations, numerous transactions occur between funds for goods provided or services rendered. These receivables and payables, as well as short-term interfund loans, are classified as due from other funds or due to other funds on the combined balance sheet.

**9. INVENTORIES**

All purchased inventories are valued at cost (first-in, first-out); commodities are assigned values based on information provided by the U.S. Department of Agriculture. Inventories in the School Lunch/Breakfast Special Revenue Fund consisted of food and supplies. The commodities are recorded in revenues and expenditures when consumed. The commodities remaining in inventory at the end of the fiscal year are recorded as deferred revenue.

**ST. JOHN THE BAPTIST PARISH SCHOOL BOARD**  
**Notes to General-Purpose Financial Statements (Continued)**  
**June 30, 2000**

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**10. GENERAL FIXED ASSETS**

Land, buildings and improvements, and furniture and equipment are recorded as expenditures in the governmental funds and are capitalized in the general fixed assets account group at historical cost or estimated historical cost, if historical cost is not available. Donated fixed assets are valued at their estimated fair market value on the date of donation.

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the General Fixed Assets Account Group, rather than in governmental funds. No depreciation has been provided on general fixed assets, nor has interest been capitalized.

**11. LONG-TERM OBLIGATIONS**

Long-term obligations expected to be financed from governmental funds are accounted for in the General Long-Term Debt Account Group. Long-term debt is recognized as a liability of a governmental fund when due, or when resources have been accumulated in the debt service fund for payment early in the following year. For other long-term obligations, only that portion expected to be financed from expendable available financial resources is reported as a fund liability of a governmental fund. The remaining portion of such obligations is reported in the general long-term debt account group.

**12. DEFERRED REVENUES**

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

**13. COMPENSATED ABSENCES**

All 12-month employees earn from 12 to 18 days of vacation leave each year, depending on their length of service with the School Board. Vacation leave must be used in the year earned. If the Superintendent and the employee agree that the employee's absence would be detrimental to the normal operation of the School Board, the vacation leave may be deferred to a subsequent period.

**ST. JOHN THE BAPTIST PARISH SCHOOL BOARD**  
**Notes to General-Purpose Financial Statements (Continued)**  
**June 30, 2000**

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Teachers and other 9-month employees earn 10 days of sick leave each year. All 12-month employees earn from 10 to 18 days sick leave each year, depending on their length of service with the School Board. Sick leave can be accumulated without limitation. Upon retirement, unused sick leave up to 25 days is paid to employees (or their heirs) at the employee's current rate of pay. Under the Louisiana Teachers' Retirement System, the total unused accumulated sick leave, including the 25 days paid, is used in the retirement benefit computation as earned service for leave earned prior to July 1, 1988. Under the Louisiana School Employees' Retirement System, all unpaid sick leave excluding the 25 days paid, is used in the retirement benefit computation as earned service.

Sabbatical leave may be granted for medical leave and for professional and cultural improvement. An employee with a teacher's certificate is entitled, subject to approval by the School Board, to one semester of sabbatical leave after six semesters of continuous service or two semesters of sabbatical leave after twelve or more semesters of continuous service. Sabbatical leave benefits are recorded as expenditures in the period paid.

The cost of current leave privileges is recognized as a current-year expenditure in the governmental funds when leave is actually taken or when an employee (heir) is paid for accrued leave upon retirement or death. The cost of leave privileges, including salary-related payments, not requiring current resources, is recorded in the General Long-Term Debt Account Group.

**14. PENSION PLANS**

The School Board participates in two pension plans administered by other governmental entities which cover substantially all employees who meet certain length of service requirements.

**15. RESERVES**

Use of the term "reserve" in describing governmental fund "Fund Balances" indicates that a portion of the fund balance is not available to appropriate for expenditures or is legally segregated for a specific future use. The nature and purpose of these reserves are explained as follows:

Inventory -- This amount represents the portion of fund balance reserved in the Special Revenue fund for purchased inventory. It is reserved to indicate that the balance does not constitute available expendable resources, even though inventory is a component of net assets.

**ST. JOHN THE BAPTIST PARISH SCHOOL BOARD**  
**Notes to General-Purpose Financial Statements (Continued)**  
**June 30, 2000**

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Debt Service – This amount represents the portion of fund balance that has been reserved in the Debt Service Fund for future payment of principal and interest on bonded debt.

Encumbrances -- The School Board reserves fund balances for encumbrances to cover a current commitment for an expenditure to be made in the future.

**16. DESIGNATION**

Use of the term “designated” in describing governmental fund “Fund Balances” indicates that a portion of the fund balance has been segregated to indicate tentative plans for future financial resource use. The nature and purpose of the designation is as follows:

Designated for Capital Projects – Remaining unspent funds from previous bond issues are designated for future capital outlays.

**17. CLAIMS AND JUDGMENTS**

Losses resulting from claims and judgments, including related expenditures, salvage and subrogation, are estimated by utilizing a case by case review of all claims, based on data provided by legal counsel and third-party administrators. The liability for such losses is recorded in the General Fund. Incurred but not reported claims as of June 30, 2000, have been considered in determining the accrued liability.

**18. SALES TAXES**

The School Board collects four percent in sales and use tax. The sales and use tax is collected by the Sales Tax Department of the School Board. Two percent of the taxes collected are remitted to the Parish Council. The School Board’s costs of collecting the funds are shared equally by the Parish Council and the School Board. The School Board retains the remaining two percent of the taxes collected and allocates them as follows:

General Fund:

General Support Service	1%
Regular Instruction Programs	1/3%
Deficit Reduction	1/3%
Capital Projects Fund	1/3%

**ST. JOHN THE BAPTIST PARISH SCHOOL BOARD**  
**Notes to General-Purpose Financial Statements (Continued)**  
**June 30, 2000**

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**19. TOTAL COLUMNS ON COMBINED STATEMENTS**

“Memorandum Only” data are the aggregate of the fund types and account groups. No consolidating or other eliminations are made in arriving at the total; thus, they do not present consolidated information. The “total memorandum” data does not present information that reflects financial position or results of operations in accordance with generally accepted accounting principles.

**NOTE B - CASH, CASH EQUIVALENTS AND INVESTMENTS**

Cash and Cash Equivalents

At June 30, 2000, the School Board had cash and cash equivalents as follows:

Money market and bank accounts	<u>\$ 9,847,920</u>
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Under state law, the bank balances of these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal or exceed the amount on deposit with the fiscal agent.

At year-end, the bank balance deposits totaled \$11,146,626. The bank balance is categorized as follows:

Amount insured by the FDIC, or collateralized with securities held by the School Board’s agent in the School Board’s name.	\$ 7,158,475
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Money market funds	<u>3,988,151</u>
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Total Bank Balance	<u>\$ 11,146,626</u>
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The School Board maintains a cash and investment pool with an investment broker for all funds. Each fund’s portion of the cash and investment pool is included in that fund’s cash and cash equivalent account and/or that fund’s investment account. The cash pooled balance at June 30, 2000 is \$3,988,151, which is uncollateralized and is invested in money market funds, the underlying assets of which are guaranteed by the U.S. Government; money market funds are not categorized under GASB definitions. Interest earned on pooled cash and investments is allocated to the participating funds based upon their combined participating balances.

**ST. JOHN THE BAPTIST PARISH SCHOOL BOARD**  
**Notes to General-Purpose Financial Statements (Continued)**  
**June 30, 2000**

**NOTE B - CASH, CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)**

Investments

There are three categories of credit risk that apply to the School Board's investments.

1. Insured or registered, or securities held by the School Board or the School Board's agent in the School Board's name.
2. Uninsured and unregistered, with securities held by the counterparty's trust department or agent in the School Board's name.
3. Uninsured and unregistered, with the securities held by the counterparty, or by its trust department or agent but not in the School Board's name.

At June 30, 2000, investments consisted of the following and are classified by credit risk as follows:

	<u>Category</u>			<u>Fair Value</u>
	<u>1</u>	<u>2</u>	<u>3</u>	
Certificate of Deposit	\$100,000	\$ -	\$ -	\$100,000
Mortgage backed securities	-	-	175,171	175,171
Total	<u>\$100,000</u>	<u>\$ -</u>	<u>\$175,171</u>	<u>\$275,171</u>

The mortgage-backed securities are uninsured and unregistered, and are held by the School Board's broker. The book balance includes a \$100,000 certificate of deposit pledged as collateral for workers' compensation insurance.

**NOTE C - AD VALOREM TAXES**

The School Board levies taxes on real and business personal property located within St. John the Baptist Parish's boundaries. Property taxes are levied by the School Board on property values assessed by the St. John the Baptist Parish Tax Assessor and approved by the State of Louisiana Tax Commission.

All taxable property in Louisiana is required by law to be assessed annually at a percentage of its fair market value. Fair market value is determined by the elected assessor of the parish on all property subject to taxation except public service properties, which is valued by the Louisiana Tax Commission (LRS 47:1957).

**ST. JOHN THE BAPTIST PARISH SCHOOL BOARD**  
**Notes to General-Purpose Financial Statements (Continued)**  
**June 30, 2000**

**NOTE C - AD VALOREM TAXES (CONTINUED)**

The 1974 Louisiana Constitution (Article 7 Section 18) provided that land and improvement for residential purposes be assessed at 10% of fair market value; other property and electric cooperative properties, excluding land, are to be assessed at 15% of fair market value and public service properties, excluding land, are to be assessed at 25% of fair market value. The correctness of assessments by the assessor is subject to review and rectification by the Louisiana Tax Commission. The Assessor is required to reappraise all property subject to taxation at intervals of not more than four years.

Ad valorem taxes are attached as an enforceable lien of property as of January 1 of each year. Taxes are levied by the Parish Assessor during the year and are billed to taxpayers in November. Billed taxes become delinquent on December 31. Revenues from ad valorem taxes are budgeted in the year billed and recognized as revenue when billed. The Parish Assessor bills and collects the property taxes.

On July 18, 1992, voters approved a rededication of 3.47 mills of ad valorem tax beginning in 1992 and ending in 2001 for the purpose of providing additional funds for salaries and fringe benefits for all employees, and said tax will be in lieu of a 3.47 mills tax dedication to constructing, maintaining, and operating schools in the district.

The following is a summary of authorized and levied ad valorem taxes for the fiscal year ended June 30, 2000 (calendar year 1999 assessments):

<b>Parishwide Taxes</b>	<u><b>Millage Authorized</b></u>	<u><b>Millage Levied</b></u>
Constitutional	3.87	3.87
Maintenance and operations	4.57	4.57
Salaries and benefits	14.03	14.03
Bond debt	<u>24.12</u>	<u>24.12</u>
	<u><u>46.59</u></u>	<u><u>46.59</u></u>

The School Board is permitted by state law to levy taxes up to \$48 per \$1,000 of assessed valuation. For the year ended June 30, 2000, taxes of 46.59 mills were levied on property with assessed valuations totaling \$151,865,752. Total taxes levied were \$7,075,425. Taxes receivable at June 30, 2000 totaled \$57,521 and is included under the caption receivables due from other governments in these general-purpose financial statements.

**ST. JOHN THE BAPTIST PARISH SCHOOL BOARD**  
**Notes to General-Purpose Financial Statements (Continued)**  
**June 30, 2000**

**NOTE D - RECEIVABLES DUE FROM OTHER GOVERNMENTS**

The receivables due from other governments of \$2,168,112 at June 30, 2000 are as follows:

	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Debt Service Fund</u>	<u>Total</u>
Receivable:				
State	\$ 323,161	\$ -	\$ -	\$ 323,161
Federal	1,129,175	645,200	-	1,774,375
Other	<u>40,798</u>	<u>-</u>	<u>29,778</u>	<u>70,576</u>
	<u>\$1,493,134</u>	<u>\$ 645,200</u>	<u>\$ 29,778</u>	<u>\$2,168,112</u>

**NOTE E - FIXED ASSETS**

A summary of changes in general fixed assets is as follows:

	<u>Balance July 1, 1999</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2000</u>
Land	\$ 2,597,055	\$ -	\$ -	\$ 2,597,055
Buildings and improvements	53,754,818	-	-	53,754,818
Furniture and equipment	15,557,577	2,407,367	(1,604,515)	16,360,429
Construction in progress	<u>-</u>	<u>493,513</u>	<u>-</u>	<u>493,513</u>
	<u>\$ 71,909,450</u>	<u>\$ 2,900,880</u>	<u>\$ (1,604,515)</u>	<u>\$ 73,205,886</u>

Additions to general fixed assets are included in plant services and capital outlay expenditures.

**ST. JOHN THE BAPTIST PARISH SCHOOL BOARD**  
**Notes to General-Purpose Financial Statements (Continued)**  
**June 30, 2000**

**NOTE F - INTERFUND RECEIVABLES AND PAYABLES**

Individual fund interfund receivables and payables balances at June 30, 2000 were as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Special Revenue Funds:	
	Title 1	\$ 416,946
	Head Start	20,760
	School Lunch/Breakfast	<u>110,126</u>
		<u>547,832</u>
	Agency Fund - Sales Tax	<u>10,387</u>
	Total due to General Fund	<u>558,219</u>
Capital Projects Fund- Construction II	Agency Fund-Sales Tax	<u>90</u>
		<u>\$ 558,309</u>

**NOTE G - LONG-TERM OBLIGATIONS**

General obligation bonds are direct obligations and pledge the full faith and credit of the School Board. These bonds were issued over the years for the purpose of constructing and acquiring capital assets and are to be repaid by the levy of dedicated ad valorem taxes.

**ST. JOHN THE BAPTIST PARISH SCHOOL BOARD**  
**Notes to General-Purpose Financial Statements (Continued)**  
**June 30, 2000**

**NOTE G - LONG-TERM OBLIGATIONS (CONTINUED)**

The following schedule shows the changes in general obligation bonds, the outstanding balance of the bonds at June 30, 2000 and the total future interest due on the bonds:

	<u>Date of Issuance</u>	<u>Authorized and Issued</u>	<u>Interest Rate %</u>	<u>Maturity Date</u>	<u>Principal Outstanding</u>	<u>Interest To Maturity</u>
Series 1992	10/1/92	\$6,500,000	6.25 - 6.50	3/1/12	\$ 30,000	\$ 3,125
Series 1993	4/1/93	9,500,000	2.50 - 6.85	3/1/13	9,465,000	3,098,698
Refunding Series 1994	12/1/93	9,885,000	2.90 - 4.25	4/1/02	3,040,000	166,388
Series 1995	1/1/95	4,500,000	5.00 - 9.00	3/1/14	4,475,000	2,454,480
Refunding Series 1995	8/1/95	7,100,000	5.00 - 5.20	3/1/10	5,325,000	1,634,460
Refunding Series 1998	9/1/98	6,975,000	3.65 - 4.75	3/1/12	<u>6,820,000</u>	<u>1,782,735</u>
					<u>\$ 29,155,000</u>	<u>\$ 9,139,886</u>

General obligation bond principal and interest payable in the next fiscal year is \$4,180,875. Interest paid and bank charges in the current fiscal year on general obligation bonds amounted to \$1,802,876.

At June 30, 2000, the School Board accumulated \$1,238,815 in the Debt Service Fund for the future retirement of General Obligation Bonds.

In accordance with Louisiana Revised Statute 39:562, the School Board is legally restricted from incurring long-term bonded debt in excess of 35 percent of the assessed value of taxable property. At June 30, 2000, the statutory limit is \$74,387,358 resulting in a legal debt margin of \$45,232,358.

The School Board is in compliance with all significant limitations and restrictions as set forth in the individual bond indentures.

**ST. JOHN THE BAPTIST PARISH SCHOOL BOARD**  
**Notes to General-Purpose Financial Statements (Continued)**  
**June 30, 2000**

**NOTE G - LONG-TERM OBLIGATIONS (CONTINUED)**

Annual debt service to maturity, including interest of \$9,139,885, is as follows:

Fiscal Year	
2001	4,180,875
2002	3,693,325
2003	3,689,838
2004	3,674,243
2005	3,747,830
2006-2010	17,042,018
2011-2014	<u>2,266,758</u>
	<u>\$38,294,887</u>

Prior Years' Defeasance of Debt

On February 25, 1987, the School Board issued \$10,408,597 in General Obligation Bonds with interest yields between 4.8% and 6.8% to advance refund the callable portion (\$10,900,000) of a \$15,000,000 outstanding 1984 Series bond issue with interest rates of 10% to 12%. The School Board placed sufficient proceeds of the new bonds in an irrevocable trust to provide for all future debt service payments on the old debt. Accordingly, the trust account assets and the liability for the defeased debt are not included in the School Board's financial statements. At June 30, 2000, the balance of the defeased portion of the bonds was \$3,540,000.

On August 1, 1995, the School Board issued \$7,100,000 of General Obligation School Bonds, Series 1995A and 1995B, the proceeds of which were used to refund the School Board's revenue bonds, Series ST-1979 and ST-1988, and Sales Tax School Bonds Series 1992, and to improve or construct lands, buildings, playgrounds, and other school related facilities. The ST-1979 bonds were called and the outstanding defeased amounts of ST-1988 Bonds and Sales Tax School Bonds Series 1992 were \$1,415,000 and \$1,750,000, respectively, as of June 30, 2000. The trust account assets and the liability for these defeased bonds are not included in the School Board's general-purpose financial statements.

On September 1, 1998, the School Board issued \$6,975,000 in General Obligation Refunding Bonds with interest rates ranging between 3.65% and 4.75%. The School Board issued the bonds to advance refund \$6,410,000 of the outstanding series 1992 General Obligation School Bonds with interest rates ranging between 6.25% and 6.5%. The School Board used the net proceeds to purchase U.S. Government Securities. These securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service on the refunded portion of the 1992 series bonds. As a result, that portion of the 1992 series bonds is considered defeased, and the School Board has removed the liability from its accounts. At June 30, 2000, the balance of the defeased portion of the bonds was \$6,410,000.

**ST. JOHN THE BAPTIST PARISH SCHOOL BOARD**  
**Notes to General-Purpose Financial Statements (Continued)**  
**June 30, 2000**

**NOTE G - LONG-TERM OBLIGATIONS (CONTINUED)**

Note Payable to Bank

On September 10, 1997, the School Board entered into a technology equipment installment purchase agreement with a local bank in the amount of \$389,903. Monthly payments of \$11,750 begin November 1, 1997, with an interest rate of 5.35%. The payments are to be made over a thirty-six month period ending October 1, 2000. The balance at June 30, 2000 is \$36,230.

On November 10, 1999, the School Board entered into a technology equipment installment purchase agreement with a local bank in the amount of \$455,924. Yearly payments of \$106,650 begin November 10, 2000, with an interest rate of 5.46%. The payments are to be made over a 5 year period ending November 10, 2004. The balance at June 30, 2000 is \$455,924.

Scheduled principal and interest payments for the above notes are as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2001	\$ 117,986	\$ 25,222	\$ 143,208
2002	86,220	20,430	106,650
2003	90,928	15,722	106,650
2004	95,892	10,757	106,649
2005	101,128	5,522	106,650
	<u>\$ 492,154</u>	<u>\$ 77,653</u>	<u>\$ 569,807</u>

General Long-Term Obligations

The following is a summary of the changes to general long-term obligations for the year ended June 30, 2000:

	<u>Compensated Absences</u>	<u>Total Bonded Debt</u>	<u>Note Payable To Bank</u>	<u>Capital Leases</u>	<u>Total</u>
Balance at June 30, 1999	\$ 1,514,815	\$ 31,720,000	\$ 171,344	\$ 14,809	\$ 33,420,968
Additions	618,735	-	455,924	-	1,074,659
Deductions – payments and retirements	<u>(603,207)</u>	<u>(2,565,000)</u>	<u>(135,114)</u>	<u>(14,809)</u>	<u>(3,318,130)</u>
Balance at June 30, 2000	<u>\$ 1,530,343</u>	<u>\$ 29,155,000</u>	<u>\$ 492,154</u>	<u>\$ -</u>	<u>\$ 31,177,497</u>

**ST. JOHN THE BAPTIST PARISH SCHOOL BOARD**  
**Notes to General-Purpose Financial Statements (Continued)**  
**June 30, 2000**

**NOTE H - RISK MANAGEMENT**

The School Board established a self-insurance program recorded in the General Fund to account for and finance its uninsured risk of loss as described below. No claim settlements in the past three years exceeded insurance coverage. Premiums are paid by the General Fund. Other funds are charged at the time of occurrence of the claim payment. The amount of claim liabilities that are accrued are based on data as provided by a third party administrator.

Workers' Compensation Insurance

The School Board has a self-insurance program for workers' compensation whereby the School Board is exposed to losses relating to any potential claim for up to \$200,000 per occurrence and \$1,000,000 in the aggregate. The General Fund reports the claims' expenditures and liabilities when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. The claims liability at June 30, 2000 totaled \$105,715.

The School Board has a certificate of deposit in the amount of \$100,000, which is held in trust at a local bank for the Office of Worker's Compensation as collateral for potential claims against the School Board. This certificate is included in investments.

General Liability and Automobile Insurance

As of June 30, 2000, the amount of the insurance deductible is \$50,000 per occurrence and \$150,000 in aggregate, for public entity general liability and automobile (fleet) liability. The claims liability at June 30, 2000 totaled \$477,046.

**ST. JOHN THE BAPTIST PARISH SCHOOL BOARD**  
**Notes to General-Purpose Financial Statements (Continued)**  
**June 30, 2000**

**NOTE H - RISK MANAGEMENT (CONTINUED)**

The changes in claims liability amounts were as follows for the years ended June 30, 1999 and 2000:

	<u>Beginning Fiscal Year Liability</u>	<u>Claims and Changes in Estimates</u>	<u>Benefit Payments and Claims</u>	<u>Balance at End of Fiscal Year</u>
Workers' compensation:				
1999	\$ 121,094	\$ 142,576	\$ 160,302	\$ 103,368
2000	103,368	308,285	305,938	105,715
Property damage and automotive liability:				
1999	\$ 477,046	\$ 448,424	\$ 448,424	\$ 477,046
2000	477,046	142,667	142,667	477,046
Total:				
1999	\$ 598,140	\$ 591,000	\$ 608,726	\$ 580,414
2000	580,414	450,952	448,605	582,761

Changes in estimates are included in general administration expenditures:

Risk retention by the School Board is as follow:

	<u>Workers' Compensation</u>	<u>General &amp; Automotive Liability</u>	
		<u>Per Occurrence</u>	<u>In the Aggregate</u>
2000	\$ 200,000	\$ 50,000	\$ 150,000
1999	200,000	50,000	150,000
1998	200,000	50,000	150,000
1997	200,000	50,000	150,000
1996	200,000	50,000	150,000
1995	200,000	50,000	150,000
1994	200,000	35,000	120,000
1993	170,000	35,000	120,000
1992	170,000	35,000	120,000
1991	125,000	35,000	120,000
1987-1990	125,000	-	-

**ST. JOHN THE BAPTIST PARISH SCHOOL BOARD**  
**Notes to General-Purpose Financial Statements (Continued)**  
**June 30, 2000**

**NOTE I - DEFINED BENEFIT PENSION PLANS**

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

***Teachers' Retirement System of Louisiana (TRS)***

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

Funding policy -- Plan members are required to contribute 8.0 percent and 5.0 percent of their annual covered salary for the Regular Plan and Plan B, respectively. The School Board is required to contribute at an actuarially determined rate. The current rate is 15.2 percent of annual covered payroll for both membership plans. Member contributions and employer contributions for the TRS are established by state law and rates are established by the Public Retirement Systems' Actuarial Committee. The School Board's employer contribution to the TRS, as provided by state law, is funded by the State of Louisiana through annual appropriations, by deductions from local ad valorem taxes, and by remittances from the School Board.

The School Board's contributions to the TRS for the years ended June 30, 2000, 1999 and 1998 were \$2,730,211, \$3,175,578 and \$3,120,790, respectively, equal to the required contributions for each year.

***Louisiana School Employees' Retirement System (LSERS)***

Plan Description -- The LSERS provides retirement benefits as well as disability and survivor benefits. Ten years of service credit is required to become vested for retirement benefits and five years to become vested for disability and survivor benefits. Benefits are established and amended by state statute. The LSERS issues a publicly available financial report that includes financial statements and required supplementary information for the LSERS. That report may be

**ST. JOHN THE BAPTIST PARISH SCHOOL BOARD**  
**Notes to General-Purpose Financial Statements (Continued)**  
**June 30, 2000**

**NOTE I - DEFINED BENEFIT PENSION PLANS (CONTINUED)**

obtained by writing to the Louisiana School Employees' Retirement System, Post Office Box 44516, Baton Rouge, Louisiana 70804 or by calling (225) 925-6484.

Funding Policy – Plan members are required to contribute 6.35 percent of their annual covered salary and the School Board is required to contribute at an actuarially determined rate. The current rate is zero (0.00) percent of annual covered payroll. The School Board was notified after the year began that LASRS was not under funded and that the contribution rate was reduced to zero (0.00). However, prior to receiving the notification from LASRS, the School Board had contributed \$7,762 to LASRS. Member and employer contributions for the LSERS are established by state law and rates are established by the Public Retirement Systems' Actuarial Committee. The School Board's employer contribution for the LSERS is funded by the State of Louisiana through annual appropriations and by remittances from the School Board.

The School Board's contributions to the LSERS for the years ended June 30, 2000, 1999 and 1998 were \$7,762, \$98,049 and \$97,231, respectively, equal to the required contributions for each year.

**NOTE J - POST-RETIREMENT HEALTH CARE BENEFITS**

The School Board provides certain continuing health care and life insurance benefits for its retired employees as provided by Louisiana Revised Statute (LSA-R.S.) 17:1223. Substantially all of the School Board's employees become eligible for these benefits if they reach normal retirement age while working for the School Board. These benefits for retirees and similar benefits for active employees are provided through a private insurer, whose monthly premiums are paid jointly by the employee and the School Board. The School Board recognizes the cost of providing these benefits (School Board's portion of premiums) as an expenditure when the monthly healthcare benefit premiums are due. In 2000, healthcare benefit premiums totaled \$3,109,594, which represents the School Board's portion. Also included in the total amount is the cost of retiree benefits totaling \$628,295 for 298 retirees. The School Board has a continuing future obligation for life insurance and health care benefits for retired teachers and noninstructional employees and their dependents. This future liability is not funded but will be payable by the General Fund out of future years' operations. Although estimated by management that this future liability is significant, current generally accepted accounting principles do not require the School Board to reflect this liability in the general-purpose financial statements. Except for one-half of the dependent coverage, no contributions are required by the retirees to help finance these future benefits and at the present time, up to one-half of the premiums is paid by the State of Louisiana.

**ST. JOHN THE BAPTIST PARISH SCHOOL BOARD**  
**Notes to General-Purpose Financial Statements (Continued)**  
**June 30, 2000**

**NOTE K - CHANGE IN AGENCY DEPOSITS DUE OTHERS**

A summary of changes in deposits due others is as follows:

	<u>School Activity</u>	<u>Sales Tax Fund</u>	<u>Total</u>
Balance at beginning of year	\$ 302,156	\$ 43,260	\$ 345,416
Additions	1,472,136	18,145,084	19,617,220
Deductions	<u>(1,432,047)</u>	<u>(18,176,076)</u>	<u>(19,608,123)</u>
Balance at end of year	<u>\$ 342,245</u>	<u>\$ 12,268</u>	<u>\$ 354,513</u>

**NOTE L - EXPENDITURES – BUDGET AND ACTUAL**

Actual expenditures over appropriations at the functional level are as follows:

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
General Fund:			
Current:			
Support services:			
Student services	\$1,632,929	\$1,639,798	\$ (6,869)
Central services	440,423	446,909	(6,486)
Special Revenue Funds:			
Head Start -- Current			
Capital outlay	48,006	29,985	(18,021)
School Lunch/Breakfast:			
Current --			
Food service --			
Utilities	30,000	30,848	(848)
Maintenance	57,000	61,916	(4,916)

**NOTE M – LITIGATION AND CONTINGENCIES**

At June 30, 2000, the School Board was a defendant in lawsuits principally arising from the normal course of operations. The School Board's legal counsel has reviewed the School Board's claims and lawsuits, which are primarily personal injury claims, in order to evaluate the likelihood of an unfavorable outcome to the School Board and to arrive at the estimate, if any, of the amount or range of potential claims and lawsuits that have been categorized into "probable,"

**ST. JOHN THE BAPTIST PARISH SCHOOL BOARD**  
**Notes to General-Purpose Financial Statements (Continued)**  
**June 30, 2000**

**NOTE M – LITIGATION AND CONTINGENCIES (CONTINUED)**

“reasonably possible”, or “remote,” as defined by the Governmental Accounting Standards Board. Amounts of claims classified as “probable” have been accrued in the claims payable, as explained in Note H. It is the opinion of the School Board, after conferring with legal counsel for the School Board, that the potential claims against the School Board not covered by self-insurance reserves and commercial insurance would not materially affect the financial statements.

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally by the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the School Board expects such amounts, if any, to be immaterial.

**NOTE N – SUBSEQUENT EVENTS**

In October 2000, the voters approved a ¼ cent sales tax for the School Board. The tax money of approximately \$1.2 million is restricted for use to raise teachers’ pay.

In April 2000, the Board accepted a contract for Energy Efficiency Performance for a total contract cost of \$3,325,000. This amount will be paid from energy savings thereby having no financial impact to the School Board. The School Board obtained a loan from a local bank for 0% interest in October 2000 to pay for the contract costs.

**COMBINING INDIVIDUAL FUND  
AND ACCOUNT GROUP  
STATEMENTS AND SCHEDULES**

## **GENERAL FUND**

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

**ST. JOHN THE BAPTIST PARISH SCHOOL BOARD**  
**General Fund**  
**Balance Sheet**  
**June 30, 2000**

**ASSETS**

Cash and cash equivalents	\$ 5,497,187
Investments at fair value	220,913
Receivables due from other governments	1,493,134
Other receivables	36,308
Due from other funds	558,219
Accrued interest receivable	<u>1,764</u>
Total assets	<u><u>\$ 7,807,525</u></u>

**LIABILITIES AND FUND BALANCE**

<b>Liabilities:</b>	
Accounts payable	\$ 980,659
Claims payable	539,893
Salaries and wages payable	1,739,391
Payroll taxes payable	342,914
Retirement, insurance and other withholdings payable	<u>1,163,681</u>
Total liabilities	<u>4,766,538</u>
<b>Fund balance:</b>	
Reserved for encumbrances	172,291
Unreserved, undesignated	<u>2,868,696</u>
Total fund balance	<u>3,040,987</u>
Total liabilities and fund balance	<u><u>\$ 7,807,525</u></u>

See accompanying independent auditor's report.

**ST. JOHN THE BAPTIST PARISH SCHOOL BOARD  
General Fund**

**Statement of Revenues, Expenditures, and Changes in  
Fund Balance – Budget (GAAP Basis) and Actual  
For the Year Ended June 30, 2000**

	<u>Budget</u>	<u>Actual</u>	<u>Variance- Favorable (Unfavorable)</u>
Revenues:			
Local sources:			
Ad valorem taxes	\$ 3,284,281	\$ 3,278,002	\$ (6,279)
Sales and use taxes	8,337,221	8,366,213	28,992
Interest	195,000	309,474	114,474
Other local sources	<u>305,891</u>	<u>535,303</u>	<u>229,412</u>
Total local sources	<u>12,122,393</u>	<u>12,488,992</u>	<u>366,599</u>
State sources:			
State equalization	20,617,687	20,618,749	1,062
Revenue sharing	200,586	192,495	(8,091)
Professional improvement programs	261,703	230,300	(31,403)
Other state sources	<u>747,572</u>	<u>940,596</u>	<u>193,024</u>
Total state sources	<u>21,827,548</u>	<u>21,982,140</u>	<u>154,592</u>
Federal sources:			
Magnet grant	522,370	563,680	41,310
IDEA	840,721	824,734	(15,987)
Goals 2000	98,699	73,836	(24,864)
Other federal sources	<u>1,532,261</u>	<u>1,295,173</u>	<u>(194,589)</u>
Total federal sources	<u>2,994,051</u>	<u>2,757,423</u>	<u>(236,628)</u>
Total revenues	<u>36,943,992</u>	<u>37,228,555</u>	<u>284,563</u>
Expenditures:			
Current:			
Instructional:			
Regular	15,428,123	14,901,078	527,045
Special education programs	6,920,772	6,527,094	393,678
Other programs	<u>2,577,888</u>	<u>2,184,297</u>	<u>393,591</u>
Total current	<u>24,926,783</u>	<u>23,612,469</u>	<u>1,314,314</u>

(Continued)

**ST. JOHN THE BAPTIST PARISH SCHOOL BOARD**  
**General Fund**  
**Statement of Revenues, Expenditures, and Changes in**  
**Fund Balance – Budget (GAAP Basis) and Actual (Continued)**  
**For the Year Ended June 30, 2000**

	<u>Budget</u>	<u>Actual</u>	<u>Variance- Favorable (Unfavorable)</u>
Support services:			
Student services	\$ 1,632,929	\$ 1,639,798	\$ (6,869)
Instructional staff	<u>646,692</u>	<u>608,421</u>	<u>38,271</u>
	<u>2,279,621</u>	<u>2,248,219</u>	<u>31,402</u>
General administration	1,376,144	1,267,823	108,321
School administration	2,364,092	2,320,011	44,081
Business administration	562,111	535,237	26,874
Plant services	3,621,444	3,522,430	99,014
Student transportation	2,080,394	1,909,054	171,340
Central services	<u>440,423</u>	<u>446,909</u>	<u>(6,486)</u>
Total current	<u>37,651,012</u>	<u>35,862,152</u>	<u>1,788,860</u>
Capital outlay	<u>1,306,398</u>	<u>1,239,417</u>	<u>66,981</u>
Debt service:			
Principal retirement	149,923	149,923	-
Interest and bank charges	<u>93,473</u>	<u>50,696</u>	<u>42,777</u>
	<u>243,396</u>	<u>200,619</u>	<u>42,777</u>
Total expenditures	<u>39,200,806</u>	<u>37,302,188</u>	<u>1,898,618</u>
Excess (deficiency) of revenue over (under) expenditures	<u>(2,256,814)</u>	<u>(73,633)</u>	<u>2,183,181</u>

(Continued)

**ST. JOHN THE BAPTIST PARISH SCHOOL BOARD**  
**General Fund**  
**Statement of Revenues, Expenditures, and Changes in**  
**Fund Balance – Budget (GAAP Basis) and Actual (Continued)**  
**For the Year Ended June 30, 2000**

	<u>Budget</u>	<u>Actual</u>	<u>Variance- Favorable (Unfavorable)</u>
Other financing sources (uses):			
Operating transfers in	\$ 1,655,155	\$ -	\$ (1,655,155)
Proceeds of five-year note	<u>455,924</u>	<u>455,057</u>	<u>(867)</u>
 Total other financing sources	 <u>2,111,079</u>	 <u>455,057</u>	 <u>(1,656,022)</u>
 Excess (deficiency) of revenues and other financing sources over (under) expenditures	 <u>(145,735)</u>	 <u>381,424</u>	 <u>527,159</u>
 Fund balance at beginning of year	 <u>2,659,563</u>	 <u>2,659,563</u>	 <u>-</u>
 Fund balance at end of year	 <u>\$ 2,513,828</u>	 <u>\$ 3,040,987</u>	 <u>\$ 527,159</u>

See accompanying independent auditor's report.

## **SPECIAL REVENUE FUNDS**

Special Revenue Funds account for the proceeds of specific revenue sources (other than expendable trusts, or for major capital projects) that are legally restricted to expenditures for specific purposes. The School Board has three Special Revenue Funds:

### Improving America's Schools Act (Title I) Fund

Title I is a program to enable schools to provide opportunities for children served to acquire the knowledge and skills contained in the challenging state and local content standards and to meet the challenging state and local performance standards developed for all children.

### Head Start Fund

Project Head Start is a program to provide comprehensive health, educational, nutritionally, social, and other services primarily to economically disadvantaged preschool children and their families and to involve parents in activities with their children so that the children will attain overall social competence.

### School Lunch/Breakfast Fund

The School Lunch/Breakfast Fund accounts for the operation of the school food service programs in the parish school system during the regular school term. The basic goals of the school food service programs are to serve nutritionally adequate, attractive, and moderately-priced meals, to help children grow socially, and to provide learning experiences that will improve children's food habits with the ultimate goal of physically-fit adults.

**ST. JOHN THE BAPTIST PARISH SCHOOL BOARD**  
**Special Revenue Funds**  
**Combining Balance Sheet**  
**June 30, 2000**

<b>Assets</b>	<b>Improving America's Schools Act (Title I)</b>	<b>Head Start</b>	<b>School Lunch/ Breakfast</b>	<b>Total</b>
Cash	\$ -	\$ -	\$ 414,669	\$ 414,669
Receivables due from other governments	534,547	110,653	-	645,200
Inventory	<u>-</u>	<u>-</u>	<u>36,267</u>	<u>36,267</u>
<b>Total assets</b>	<b><u>\$ 534,547</u></b>	<b><u>\$ 110,653</u></b>	<b><u>\$ 450,936</u></b>	<b><u>\$1,096,136</u></b>
<b>Liabilities and Fund Balances</b>				
<b>Liabilities:</b>				
Accounts payable	\$ 23,688	\$ 7,481	\$ -	\$ 31,169
Claims payable	-	-	42,868	42,868
Salaries and wages payable	78,722	82,412	90,532	251,666
Due to other funds	416,946	20,760	110,126	547,832
Deferred revenue	<u>15,191</u>	<u>-</u>	<u>20,059</u>	<u>35,250</u>
<b>Total liabilities</b>	<b><u>534,547</u></b>	<b><u>110,653</u></b>	<b><u>263,585</u></b>	<b><u>908,785</u></b>
<b>Fund balances:</b>				
Reserved for inventory	-	-	36,267	36,267
Unreserved, undesignated	<u>-</u>	<u>-</u>	<u>151,084</u>	<u>151,084</u>
<b>Total fund balance</b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>187,351</u></b>	<b><u>187,351</u></b>
<b>Total liabilities and fund balance</b>	<b><u>\$ 534,547</u></b>	<b><u>\$ 110,653</u></b>	<b><u>\$ 450,936</u></b>	<b><u>\$1,096,136</u></b>

See accompanying independent auditor's report.

**ST. JOHN THE BAPTIST PARISH SCHOOL BOARD**  
**Special Revenue Funds**  
**Combining Statement of Revenues, Expenditures, and**  
**Changes in Fund Balances**  
**For the Year Ended June 30, 2000**

	<u>Improving America's Schools Act (Title I)</u>	<u>Head Start</u>	<u>School Lunch/ Breakfast</u>	<u>Total</u>
<b>Revenues:</b>				
Local sources:				
Food services	\$ -	\$ -	\$ 183,095	\$ 183,095
Interest on cash and investments	-	-	12,628	12,628
Other local sources	-	-	<u>37,539</u>	<u>37,539</u>
Total local sources	<u>-</u>	<u>-</u>	<u>233,262</u>	<u>233,262</u>
State source -				
State equalization	<u>-</u>	<u>-</u>	<u>150,000</u>	<u>150,000</u>
Federal sources:				
Grants	1,619,634	759,549	1,825,547	4,204,730
Commodities	<u>-</u>	<u>-</u>	<u>126,428</u>	<u>126,428</u>
Total federal sources	<u>1,619,634</u>	<u>759,549</u>	<u>1,951,975</u>	<u>4,331,158</u>
Total revenues	<u>1,619,634</u>	<u>759,549</u>	<u>2,335,237</u>	<u>4,714,420</u>
<b>Expenditures:</b>				
Current:				
Instructional --				
Special education programs	1,001,458	651,017	-	1,652,475
General administration	538,739	78,547	-	617,286
Food services	-	-	2,207,221	2,207,221
Capital outlay	<u>79,437</u>	<u>29,985</u>	<u>-</u>	<u>109,422</u>
Total expenditures	<u>1,619,634</u>	<u>759,549</u>	<u>2,207,221</u>	<u>4,586,404</u>
Excess of revenues over expenditures	-	-	128,016	128,016
Fund balances at beginning of year	<u>-</u>	<u>-</u>	<u>59,335</u>	<u>59,335</u>
Fund balances at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 187,351</u>	<u>\$ 187,351</u>

See accompanying independent auditor's report.

**ST. JOHN THE BAPTIST PARISH SCHOOL BOARD**  
**Special Revenue Fund – Improving America’s Schools Act (Title I)**  
**Statement of Revenues, Expenditures, and Changes in**  
**Fund Balance – Budget (GAAP Basis) and Actual**  
**For the Year Ended June 30, 2000**

	<u>Budget</u>	<u>Actual</u>	<u>Variance- Favorable (Unfavorable)</u>
Revenues:			
Federal sources - grants	\$ 1,903,850	\$ 1,619,634	\$ (284,216)
Total revenues	<u>1,903,850</u>	<u>1,619,634</u>	<u>(284,216)</u>
Expenditures:			
Current:			
Instructional – Special education program	1,216,782	1,001,458	215,324
General administration	607,579	538,739	68,840
Capital outlay	<u>79,489</u>	<u>79,437</u>	<u>52</u>
Total expenditures	<u>1,903,850</u>	<u>1,619,634</u>	<u>284,216</u>
Excess of revenues over expenditures	-	-	-
Fund balance at beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying independent auditor’s report.

**ST. JOHN THE BAPTIST PARISH SCHOOL BOARD**  
**Special Revenue Fund -- Head Start**  
**Statement of Revenues, Expenditures, and Changes in**  
**Fund Balance -- Budget (GAAP Basis) and Actual**  
**For the Year Ended June 30, 2000**

	<u>Budget</u>	<u>Actual</u>	<u>Variance- Favorable (Unfavorable)</u>
Revenues -- Federal sources -- grants	\$ 759,549	\$ 759,549	\$ -
Expenditures:			
Current:			
Instructional -- Special education programs	651,004	651,017	13
General administration	60,539	78,547	18,008
Capital outlay	<u>48,006</u>	<u>29,985</u>	<u>(18,021)</u>
Total expenditures	<u>759,549</u>	<u>759,549</u>	<u>-</u>
Excess of revenues over expenditures	-	-	-
Fund balance at beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

See accompanying independent auditor's report.

**ST. JOHN THE BAPTIST PARISH SCHOOL BOARD**  
**Special Revenue Fund – School Lunch/Breakfast**  
**Statement of Revenues, Expenditures, and Changes in**  
**Fund Balance – Budget (GAAP Basis) and Actual**  
**For the Year Ended June 30, 2000**

	<u>Budget</u>	<u>Actual</u>	<u>Variance- Favorable (Unfavorable)</u>
<b>Revenues:</b>			
Local sources:			
Food service	\$ 180,000	\$ 183,095	\$ 3,095
Interest on cash and investments	10,000	12,628	2,628
Other local sources	<u>32,000</u>	<u>37,539</u>	<u>5,539</u>
Total local sources	<u>222,000</u>	<u>233,262</u>	<u>11,262</u>
State source – State equalization	<u>150,000</u>	<u>150,000</u>	<u>-</u>
Federal sources:			
Grants	1,787,899	1,825,547	37,648
Commodities	<u>140,000</u>	<u>126,428</u>	<u>(13,572)</u>
Total federal sources	<u>1,927,899</u>	<u>1,951,975</u>	<u>24,076</u>
Total revenues	<u>2,299,899</u>	<u>2,335,237</u>	<u>35,338</u>
<b>Expenditures:</b>			
Current – food services:			
Food purchased and commodities	905,000	864,999	40,001
Salaries and related benefits	1,226,141	1,163,529	62,612
Administration	6,000	4,659	1,341
Utilities	30,000	30,848	(848)
Maintenance	57,000	61,916	(4,916)
Supplies	<u>103,000</u>	<u>81,270</u>	<u>21,730</u>
Total expenditures	<u>2,327,141</u>	<u>2,207,221</u>	<u>119,920</u>
Excess (deficiency) of revenues over expenditures	(27,242)	128,016	155,258
Fund balance at beginning of year	<u>59,335</u>	<u>59,335</u>	<u>-</u>
Fund balance at end of year	<u>\$ 32,093</u>	<u>\$ 187,351</u>	<u>\$ 155,258</u>

See accompanying independent auditor's report.

## **CAPITAL PROJECTS FUND**

The Capital Projects Funds are used to account for financial resources to be used for the acquisition, construction or improvement of public school facilities and the School Board's main office facilities.

### Capital Projects – Fund II

*This fund is used to account for the proceeds and use of a one-third of one percent sales and use tax dedicated to capital acquisition and improvements. It also accounts for the proceeds and use of a sales tax revenue bond dedicated for the purpose of making capital improvements to the school system.*

### Capital Projects – Fund III

Prior to July 18, 1992, this fund was used to account for the proceeds and use of a special property tax levy dedicated to capital acquisition and improvements. Subsequent to July 18, 1992, this fund is used to account for the proceeds and use of certain General Obligation Bonds being issued for the purpose of acquiring and/or improving land for building sites and playgrounds and acquiring the necessary equipment and furnishings.

**ST. JOHN THE BAPTIST PARISH SCHOOL BOARD**  
**Capital Projects Funds**  
**Combining Balance Sheet**  
**June 30, 2000**

	<u>Capital Projects</u>		
	<u>Fund II</u>	<u>Fund III</u>	<u>Total</u>
<b>Assets</b>			
Cash	\$ 2,273,043	\$ 97,032	\$ 2,370,075
Investments	14,451	-	14,451
Due from other funds.	<u>90</u>	<u>-</u>	<u>90</u>
 Total assets	 <u>\$ 2,287,584</u>	 <u>\$ 97,032</u>	 <u>\$ 2,384,616</u>
<b>Liabilities and Fund Balances</b>			
<b>Liabilities:</b>			
Accounts payable	\$ 304,257	\$ -	\$ 304,257
Contracts and retainage payable	<u>24,675</u>	<u>-</u>	<u>24,675</u>
 Total liabilities	 <u>328,932</u>	 <u>-</u>	 <u>328,932</u>
<b>Fund balances:</b>			
Reserved for encumbrances	177,999	-	177,999
Unreserved - designated for capital projects	<u>1,780,653</u>	<u>97,032</u>	<u>1,877,685</u>
 Total fund balances	 <u>1,958,652</u>	 <u>97,032</u>	 <u>2,055,684</u>
 Total liabilities and fund balances	 <u>\$ 2,287,584</u>	 <u>\$ 97,032</u>	 <u>\$ 2,384,616</u>

See accompanying independent auditor's report.

**ST. JOHN THE BAPTIST PARISH SCHOOL BOARD**  
**Capital Projects Funds**  
**Combining Statement of Revenues, Expenditures, and Changes in**  
**Fund Balances**  
**For the Year Ended June 30, 2000**

	<u>Capital Projects</u>		
	<u>Fund II</u>	<u>Fund III</u>	<u>Total</u>
Revenues:			
Local sources:			
Sales and use taxes	\$ 1,675,050	\$ -	\$ 1,675,050
Investment income	<u>136,294</u>	<u>5,148</u>	<u>141,442</u>
Total revenue	<u>1,811,344</u>	<u>5,148</u>	<u>1,816,492</u>
Expenditures:			
Current – general administration	30,290	72	30,362
Capital outlay -- equipment	<u>2,433,358</u>	<u>-</u>	<u>2,433,358</u>
Total expenditures	<u>2,463,648</u>	<u>72</u>	<u>2,463,720</u>
Excess (deficiency) of revenues over expenditures	<u>(652,304)</u>	<u>5,076</u>	<u>(647,228)</u>
Other financing sources (uses):			
Operating transfers in	-	-	-
Operating transfers out	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources (uses) over (under) expenditures	<u>(652,304)</u>	<u>5,076</u>	<u>(647,228)</u>
Fund balances at beginning of year	<u>2,610,956</u>	<u>91,956</u>	<u>2,702,912</u>
Fund balances at end of year	<u>\$ 1,958,652</u>	<u>\$ 97,032</u>	<u>\$ 2,055,684</u>

See accompanying independent auditor's report.

## **FIDUCIARY TYPE FUNDS -- AGENCY FUNDS**

Agency Funds account for assets held by an entity as an agent for individuals, private organizations, other governments, and/or other entity's funds.

### **School Activity Fund**

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

### **Sales Tax Fund**

The Sales Tax Fund accounts for the collection and distribution of St. John the Baptist Parish's four percent sales and use tax. Two percent is dedicated to the St. John the Baptist School Board and two percent is dedicated to the St. John the Baptist Parish Council.

**ST. JOHN THE BAPTIST PARISH SCHOOL BOARD**  
**Agency Funds**  
**Combining Balance Sheet**  
**June 30, 2000**

	<u>School Activity Fund</u>	<u>Sales Tax Fund</u>	<u>Total</u>
<b>Assets</b>			
Cash and cash equivalents	\$ 342,245	\$ 54,514	\$ 396,759
Other receivables	<u>          -</u>	<u>          815</u>	<u>          815</u>
Total assets	<u>\$ 342,245</u>	<u>\$ 55,329</u>	<u>\$ 397,574</u>
<b>Liabilities</b>			
Accounts payable	\$ -	\$ 43,061	\$ 43,061
Due to other funds	-	10,477	10,477
Due to St. John the Baptist Parish Council	-	1,791	1,791
Amounts held for school activities	<u>342,245</u>	<u>          -</u>	<u>342,245</u>
Total liabilities	<u>\$ 342,245</u>	<u>\$ 55,329</u>	<u>\$ 397,574</u>

See accompanying independent auditor's report.

**ST. JOHN THE BAPTIST PARISH SCHOOL BOARD**  
**Agency Funds**  
**Combining Statement of Changes in**  
**Assets and Liabilities**  
**For the Year Ended June 30, 2000**

	<u>Balance July 1, 1999</u>	<u>Additions</u>	<u>Deduction</u>	<u>Balance June 30, 2000</u>
<b>School Activity Fund</b>				
Assets – cash and cash equivalents	\$ 302,156	\$ 1,472,136	\$ 1,432,047	\$ 342,245
Total assets	<u>\$ 302,156</u>	<u>\$ 1,472,136</u>	<u>\$ 1,432,047</u>	<u>\$ 342,245</u>
Liabilities – amounts held for school activities	\$ 302,156	\$ 1,472,136	\$ 1,432,047	\$ 342,245
Total liabilities	<u>\$ 302,156</u>	<u>\$ 1,472,136</u>	<u>\$ 1,432,047</u>	<u>\$ 342,245</u>
<b>Sales Tax Fund</b>				
Assets:				
Cash and cash equivalents	\$ 54,007	\$ 18,147,307	\$ 18,146,800	\$ 54,514
Due from others	<u>32,314</u>	<u>-</u>	<u>31,499</u>	<u>815</u>
Total assets	<u>\$ 86,321</u>	<u>\$ 18,147,307</u>	<u>\$ 18,178,299</u>	<u>\$ 55,329</u>
Liabilities:				
Accounts payable	\$ 43,061	\$ -	\$ -	\$ 43,061
Due to other funds	17,172	10,052,252	10,058,947	10,477
Due to St. John the Baptist Parish Council	<u>26,088</u>	<u>8,100,976</u>	<u>8,125,273</u>	<u>1,791</u>
Total liabilities	<u>\$ 86,321</u>	<u>\$ 18,153,228</u>	<u>\$ 18,184,220</u>	<u>\$ 55,329</u>
<b>Total Agency Fund</b>				
Assets:				
Cash and cash equivalents	\$ 356,163	\$ 19,619,443	\$ 19,578,847	\$ 396,759
Due from others	<u>32,314</u>	<u>-</u>	<u>31,499</u>	<u>815</u>
Total assets	<u>\$ 388,477</u>	<u>\$ 19,619,443</u>	<u>\$ 19,610,346</u>	<u>\$ 397,574</u>
Liabilities:				
Accounts payable	\$ 43,061	\$ -	\$ -	\$ 43,061
Due to other funds	17,172	10,052,252	10,058,947	10,477
Due to St. John the Baptist Parish Council	26,088	8,100,976	8,125,273	1,791
Amounts held for school activities	<u>302,156</u>	<u>1,472,136</u>	<u>1,432,047</u>	<u>342,245</u>
Total liabilities	<u>\$ 388,477</u>	<u>\$ 19,625,364</u>	<u>\$ 19,616,267</u>	<u>\$ 397,574</u>

See accompanying independent auditor's report.

**ST. JOHN THE BAPTIST PARISH SCHOOL BOARD**  
**School Activity Agency Fund**  
**Schedule of Changes in Amounts Held for School Activities**  
**For the Year Ended June 30, 2000**

	<u>Balance July 1, 1999</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2000</u>
East St. John High	\$ 95,921	\$ 547,855	\$ 507,774	\$ 136,002
East St. John Elementary	16,733	69,066	60,684	25,115
Fifth Ward Elementary	7,084	48,357	50,457	4,984
Garyville/Mt. Airy Magnet	4,268	101,715	102,776	3,207
Glade Middle	29,436	117,043	112,896	33,583
John L. Ory Elementary	14,897	81,926	76,250	20,573
LaPlace Elementary	19,130	105,662	113,327	11,465
Leon Godchaux Junior High	13,920	60,959	70,548	4,331
St. John Child Development	4,598	11,313	8,212	7,699
St. John Redirection	1,279	6,840	5,402	2,717
West St. John Elementary	28,846	62,711	53,318	38,239
West St. John High	<u>66,044</u>	<u>258,689</u>	<u>270,403</u>	<u>54,330</u>
	<u>\$ 302,156</u>	<u>\$ 1,472,136</u>	<u>\$ 1,432,047</u>	<u>\$ 342,245</u>

See accompanying independent auditor's report.

**ST. JOHN THE BAPTIST PARISH SCHOOL BOARD**  
**Sales Tax Agency Fund**  
**Schedule of Changes in Deposits Due to Others**  
**For the Year Ended June 30, 2000**

Deposits due to others at beginning of year	<u>\$ 43,260</u>
Additions:	
Sales tax collections - parishwide	18,112,501
Interest income on invested funds	<u>32,583</u>
Total additions	<u>18,145,084</u>
Deductions:	
Transfers out	18,146,800
Direct expenses of sales tax agency fund:	
Returned checks and refunds	25,593
Bank charges	1,183
Postage and printing	<u>2,500</u>
Total deductions	<u>18,176,076</u>
Deposits due to others at end of year	<u><u>\$ 12,268</u></u>

See accompanying independent auditor's report.

**GENERAL FIXED ASSETS  
ACCOUNT GROUP**

To account for the fixed assets of the School Board which are used in government fund type operations.

**ST. JOHN THE BAPTIST PARISH SCHOOL BOARD**  
**Schedule of General Fixed Assets – By Source**  
**June 30, 2000**

<b>General fixed assets:</b>	
Land	\$ 2,597,055
Buildings and improvements	53,754,818
Furniture and equipment	16,360,429
Construction in progress	<u>493,513</u>
 Total general fixed assets	 <u><u>\$ 73,205,815</u></u>
 <b>Investments in general fixed assets from:</b>	
Property acquired prior to June 30, 1992*	\$ 42,657,087
Property acquired after June 30, 1992 from:	
General Fund	3,626,102
Special Revenue Funds	1,996,103
Capital Projects Funds	<u>24,926,523</u>
 Total investment in general fixed assets	 <u><u>\$ 73,205,815</u></u>

\* Records reflecting function and source from which assets were acquired were not maintained prior to June 30, 1992.

See accompanying independent auditor's report.

**ST. JOHN THE BAPTIST PARISH SCHOOL BOARD**  
**Schedule of Changes in General Fixed Assets – By Source**  
**For the Year Ended June 30, 2000**

	<u>Total</u>	<u>Land</u>	<u>Buildings and Improvements</u>	<u>Furniture and Fixtures</u>
General fixed Assets at July 1, 1999	\$ 71,909,450	\$ 2,597,055	\$ 53,754,818	\$ 15,557,577
Additions:				
General Fund	1,523,611	-	-	1,523,611
Special Revenue Fund	109,423	-	-	109,423
Capital Projects Funds	<u>774,333</u>	<u>-</u>	<u>-</u>	<u>774,333</u>
Total additions	<u>2,407,367</u>	<u>-</u>	<u>-</u>	<u>2,407,367</u>
Deductions:				
General Fund	<u>1,604,515</u>	<u>-</u>	<u>-</u>	<u>1,604,515</u>
Total deductions	<u>1,604,515</u>	<u>-</u>	<u>-</u>	<u>1,604,515</u>
General Fixed Assets at June 30, 2000	72,712,302	<u>\$ 2,597,055</u>	<u>\$ 53,754,818</u>	<u>\$ 16,360,429</u>
Construction in progress	<u>493,513</u>			
Total General Fixed Assets	<u>\$ 73,205,815</u>			

See accompanying independent auditor's report.

**ST. JOHN THE BAPTIST PARISH SCHOOL BOARD**  
**Schedule of Compensation Paid to Board Members**  
**For the Year Ended June 30, 2000**

John Crose	\$ 9,600
Richard L. DeLong, President	10,800
Dowie L. Gendron	9,600
Gerald J. Keller	9,600
Felix A. LeBouef	9,600
James Madere	9,600
Leroy Mitchell, Sr.	9,600
Matthew J. Ory	9,600
Patrick Sanders	9,600
Clarence G. Triche	9,600
Charles J. Watkins, Vice President	<u>9,600</u>
Total	<u>\$ 106,800</u>

See accompanying independent auditor's report.

**STATISTICAL SECTION**

**ST. JOHN THE BAPTIST PARISH SCHOOL BOARD**  
Reserve, Louisiana

General School System Expenditures by Function  
(Government Fund Types)

For fiscal years 1991-2000  
(Unaudited)

	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
Regular instruction	\$ 9,557,466	\$ 9,864,755	\$10,952,990	\$10,287,289	\$10,203,665	\$12,704,702	\$12,402,483	\$13,979,704	\$14,111,066	\$14,901,078
Special and other instruction	3,148,421	3,777,082	4,148,095	4,833,664	5,173,903	7,557,749	8,402,594	9,155,127	9,822,415	10,363,866
Student services	716,186	766,201	806,828	991,434	1,080,444	1,350,419	1,326,368	1,292,121	1,446,566	1,639,798
Instructional staff support	668,627	441,764	407,308	471,173	633,029	563,676	555,884	508,605	703,919	608,421
General administration	6,056,501	6,359,984	6,726,066	6,861,620	7,644,768	1,984,899 (4)	2,040,724	2,111,622	2,376,203	1,915,471
School administration	1,255,099	1,241,229	1,236,413	1,345,334	1,365,723	1,782,060	1,631,725	1,945,856	2,190,151	2,320,011
Business services	291,148	296,634	334,069	359,699	405,355	449,564	427,347	437,483	519,767	535,237
Plant services	2,344,937	2,104,563	2,965,728	3,054,985	2,867,019	3,022,902	2,920,762	3,235,099	3,348,187	3,522,430
Student transportation	1,228,761	1,241,449	1,254,385	1,251,267	1,374,347	1,752,127	1,780,582	1,994,489	1,990,453	1,909,054
Central services	138,844	150,202	135,480	146,778	162,764	184,127	233,326	266,181	292,444	446,909
Food services	2,135,666	2,046,308	2,006,377	2,176,602	2,258,364	2,180,632	2,195,400	2,360,526	2,189,081	2,207,221
Community services	20,789	25,428	29,281	44,656	545,187	-	-	-	-	-
Unrealized market loss on investments	(3)	(3)	(3)	(3)	432,507 (3)	-	-	-	-	-
Capital outlay	1,245,212	294,548	4,093,085	7,263,220 (1)	10,799,921 (1)	4,202,899	1,122,621	1,242,193	1,928,712	3,782,197
Debt service	5,467,156	6,962,655	3,329,887	13,939,038 (2)	3,820,862	5,855,216	4,367,088	4,438,334	4,446,044	4,568,495
<b>Total expenditures</b>	<b>\$34,274,813</b>	<b>\$35,572,802</b>	<b>\$37,525,992</b>	<b>\$53,026,759</b>	<b>\$48,767,858</b>	<b>\$43,590,972</b>	<b>\$39,406,904</b>	<b>\$42,967,340</b>	<b>\$45,365,008</b>	<b>\$48,720,188</b>

(1) Increase as a result of capital bonds' project activity.

(2) Increase as a result of early retirement of bond issue.

(3) Unrealized market losses were included as a direct offset to fund balance prior to 1995, rather than being recorded as expenditures.

(4) Beginning in 1996, all benefits previously included in general administration were charged to the respective line items.

Source: General Purpose Financial Statements

**ST. JOHN THE BAPTIST PARISH SCHOOL BOARD**  
**Reserve, Louisiana**

System Revenue by Source

For fiscal years 1991-2000  
(Unaudited)

General Fund Revenues by Source

Fiscal Year	Local	State	Federal	Total
1991	\$ 8,715,714	\$ 14,389,539	\$ 456,321	\$ 23,561,574
1992	8,975,925	15,340,689	540,208	24,856,822
1993	10,697,040	15,468,858	748,369	26,914,267
1994	10,061,395	16,002,922	684,323	26,748,640
1995	10,226,923	16,851,182	736,702	27,814,807
1996	10,641,569	16,851,420	1,596,132	29,089,121
1997	11,320,459	18,380,380	1,336,645	31,037,484
1998	12,421,319	19,727,283	1,602,356	33,750,958
1999	12,926,094	21,231,701	1,828,849	35,986,644
2000	12,488,992	21,982,140	2,757,423	37,228,555

Government Fund Types Revenues by Source (1)

Fiscal Year	Local	State	Federal	Total
1991	\$ 13,936,316	\$ 14,746,039	\$ 2,860,942	\$ 31,543,297
1992	14,305,264	15,797,465	3,246,469	33,349,198
1993	15,850,177	15,868,984	3,754,680	35,473,841
1994	15,697,485	16,043,048	4,328,395	36,068,928
1995	15,586,646	16,891,308	4,414,485	36,892,439
1996	16,536,179	16,951,420	5,567,547	39,055,146
1997	16,977,870	18,530,380	5,676,048	41,184,298
1998	18,197,816	19,927,283	5,716,580	43,841,679
1999	18,875,195	21,406,453	5,943,704	46,225,352
2000	18,144,443	22,132,140	7,088,581	47,365,164

Source: General Purpose Financial Statements

(1) Includes General Fund Revenues by Source

**ST. JOHN THE BAPTIST PARISH SCHOOL BOARD**  
Reserve, Louisiana

Property Tax Levies and Collections  
For fiscal years 1991-2000  
(Unaudited)

<u>Fiscal Year</u>	<u>Millage</u>	<u>Property</u>	<u>Tax Levy</u>	<u>Collected</u>	<u>Uncollected</u>
1991	46.67 (1)	\$ 98,869,762	\$ 5,472,699	\$ 5,504,091	\$ (31,392) **
1992	46.67	117,263,743	5,519,289	5,659,377	(140,088) **
1993	46.95 (2)	118,262,023	5,863,397	5,818,955	44,442
1994	46.93 (3)	124,885,879	6,429,324	6,417,995	11,329
1995	46.87 (4)	136,998,150	6,470,532	6,289,292	181,240
1996	46.87	142,052,255	6,657,989	6,650,084	7,905
1997	46.81 (5)	144,625,776	6,774,271	6,714,751	59,520
1998	46.59 (6)	148,375,059	6,912,794	6,787,216	125,578
1999	46.59	148,261,680	6,907,512	6,701,392	206,120
2000	46.59	151,865,752	7,075,425	6,796,680	278,745
<b>Recap of Tax Millage Per \$1,000 of Assessed Value</b>					
References:					
General Fund	19.20	22.80	22.78	22.72	22.69
Construction	3.47	0.00	0.00	0.00	0.00
Debt Service	24.00	24.15	24.15	24.15	24.12
	<u>46.67 (1)</u>	<u>46.95 (2)</u>	<u>46.93 (3)</u>	<u>46.87 (4)</u>	<u>46.59 (6)</u>

Source: St. John The Baptist Sheriff's Office.

\*\* These fluctuations are due to additional property that was found by industrial tax payers (i.e. Marathon Petroleum) to be taxable property that was not assessed.

## ST. JOHN THE BAPTIST PARISH SCHOOL BOARD

Reserve, Louisiana

Assessed Valuations

For fiscal years 1991-2000  
(Unaudited)

<u>Fiscal Year</u>	<u>Number of taxpayers</u>		<u>Value of land</u>	<u>Value of other property</u>	<u>Amount of homestead exemption</u>	<u>Assessed value taxable property</u>
1991	38,026	*	\$ 17,506,102	\$ 150,527,458	\$ 50,769,817	\$ 117,263,743
1992	52,218	*	17,655,133	151,848,679	51,241,789	118,262,023
1993	58,025	*	18,643,997	158,394,071	52,152,189	124,885,879
1994	52,516	**	19,524,661	170,396,041	52,922,552	136,998,150
1995	48,065		18,959,568	172,676,580	53,583,374	138,052,774
1996	39,734		19,504,377	177,332,846	54,784,968	142,052,255
1997	39,203		20,303,993	180,155,195	55,833,412	144,625,776
1998	38,924		21,038,935	184,608,740	57,272,616	148,375,059
1999	38,924		21,790,320	185,335,562	58,864,202	148,261,680
2000	38,931		23,007,164	189,528,144	60,669,556	151,865,752

Source: St. John the Baptist Parish Assessors Office.

\* These increases are due to several subdivisions that are now being taxed to individual lot holders instead of one tax paying entity.

\*\* The decrease is due to conveyances being included in the prior year. Conveyances are not included in the current year number of taxpayers.

**ST. JOHN THE BAPTIST PARISH SCHOOL BOARD**  
**Reserve, Louisiana**

**Assessed and Estimated Actual Value of  
Taxable Property**

For fiscal years 1991 - 2000  
(Unaudited)

<u>Fiscal Year</u>	<u>Total assessed value</u>	<u>Estimated assessment ratio</u>	<u>Total estimated actual value</u>
1991	\$ 168,033,560	0.135	\$ 1,244,693,037
1992	169,503,812	0.135	1,255,583,793
1993	177,038,068	0.135	1,311,393,096
1994	189,920,702	0.135	1,406,820,015
1995	191,636,148	0.135	1,419,527,022
1996	196,837,223	0.135	1,458,053,504
1997	200,459,188	0.135	1,484,882,874
1998	205,647,675	0.135	1,523,316,111
1999	207,125,882	0.135	1,534,265,793
2000	212,535,308	0.135	1,574,335,615

ST. JOHN THE BAPTIST PARISH SCHOOL BOARD  
Reserve, Louisiana

Ratio of Net General Bonded Debt to Assessed Value  
and Net Bonded Debt Per Capita

For fiscal years 1991-2000  
(Unaudited)

	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
Estimated population*	40,669	41,342	42,015	42,688	43,360	43,764	44,168	44,572	44,976	45,380
Assessed value of taxable property	\$ 117,263,743	\$ 118,262,023	\$ 124,885,879	\$ 136,998,150	\$ 138,052,774	\$ 142,052,255	\$ 144,625,776	\$ 148,375,059	\$ 148,261,680	\$ 151,865,752
Gross bonded debt	\$ 15,204,587	\$ 14,047,576	\$ 28,836,161	\$ 27,763,900	\$ 30,865,969 (2)	\$ 38,027,248	\$ 35,905,000	\$ 33,605,000	\$ 31,720,000	\$ 29,155,000
Less debt service funds	3,461,044	4,080,899	4,551,296	4,324,631 (1)	5,034,132 (1)	3,916,942	3,237,858	2,685,445	1,957,421	1,258,391
Net bonded debt	\$ 11,743,543	\$ 9,966,677	\$ 24,284,865	\$ 23,439,269	\$ 25,831,837	\$ 34,110,306	\$ 32,667,142	\$ 30,919,555	\$ 29,762,579	\$ 27,896,609
Ratio of net bonded debt to assessed value	10.01%	8.43%	19.45%	17.11%	18.71% (2)	24.01% (2)	22.59%	20.84%	20.07%	18.37%
Net bonded debt per capita	\$ 289	\$ 241	\$ 578	\$ 549	\$ 596 (2)	\$ 779	\$ 740	\$ 694	\$ 662	\$ 615

(1) Valuation of investment securities was changed in 1995.

(2) 1995 amount reflects restatement.

\* Census information obtained from South Central Planning and Development Commission.

Table 7

**ST. JOHN THE BAPTIST PARISH SCHOOL BOARD**  
Reserve, Louisiana

Value of Exempt Industrial Property Under  
10 Year Contracts <sup>(1)</sup>  
(Unaudited)  
1990-2009

<u>Fiscal Year</u>	<u>Number of applications</u>	<u>Amount</u>
1990-2000	11	\$ 7,418,730
1991-2001	-	-
1992-2002	16	9,013,049
1993-2003	17	145,139,618 *
1994-2004	9	17,408,011
1995-2005	10	17,314,961
1996-2006	8	26,801,016
1997-2007	20	47,427,014
1998-2008	11	33,282,755
1999-2009	8	51,325,437

Source: Louisiana Department of Economic Development.

\* Large increase is due to major expansion of two of the larger industrial property owners.

(1) This table reflects the value of the exempt taxes granted to industrial business and when the contracts for the exemptions expire.

**ST. JOHN THE BAPTIST PARISH SCHOOL BOARD**  
Reserve, Louisiana

Parishwide Property Tax Millage  
(Per \$1,000 of Assessed Value)

For fiscal years 1991 - 2000  
(Unaudited)

Taxing District	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
School constitutional	\$ 3.86	\$ 3.86	\$ 3.88	\$ 3.88	\$ 3.88	\$ 3.88	\$ 3.87	\$ 3.87	\$ 3.87	\$ 3.87
School maintenance	4.77	4.77	4.80	4.80	4.80	4.80	4.79	4.57	4.57	4.57
School construction and improvements	3.47	3.47	-	-	-	-	-	-	-	-
Salaries and health care	10.57	10.57	14.12	14.12	14.04	14.04	14.03	14.03	14.03	14.03
School general obligation bonds	24.00	24.00	24.15	24.15	24.15	24.15	24.12	24.12	24.12	24.12
Parishwide	4.22	4.22	4.25	4.25	4.25	4.24	4.25	4.24	4.24	4.24
Parish general obligation bonds	8.00	10.00	10.78	13.50	13.50	12.50	13.00	12.80	15.30	16.00
Street lights	5.00	5.00	5.00	5.00	5.00	5.00	4.99	4.99	4.99	4.99
Courthouse/jail	1.04	1.04	1.04	1.04	1.04	1.04	1.04	1.04	1.04	1.04
Library	7.31	7.31	7.31	7.31	7.31	7.31	7.30	9.99	9.99	9.99
Public health unit	1.07	1.07	1.07	1.07	1.07	1.00	1.00	1.00	1.00	1.00
Public improvement bonds	0.25	0.20	-	-	-	0.50	-	-	-	-
Public land and buildings	1.30	0.50	-	-	-	-	-	-	-	-
Parishwide sewerage	4.25	4.00	-	-	-	-	-	-	-	-
Mosquito abatement district	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Public building bonds	0.25	0.20	-	-	-	-	-	-	-	-
Assessment district	3.24	3.24	3.26	3.26	3.26	3.26	3.26	3.26	3.26	3.26
Law enforcement	31.96	31.96	32.16	32.16	32.16	32.16	32.16	32.16	33.16	33.16
ARC construction general obligation bonds	-	-	-	0.50	0.50	0.50	-	-	-	-
Juvenile detention center	0.50	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.01	1.01
ARC maintenance	-	-	-	0.50	0.50	-	0.50	0.50	0.50	0.50
Senior Citizen Center	-	-	-	-	1.00	1.00	1.00	1.00	1.00	1.00
LFC Levee Waterworks District #2	4.20	4.20	4.19	4.17	4.36	4.36	4.29	3.29	3.29	3.29
Pontch.. Levee Waterworks District #3	3.91	3.89	3.89	3.89	3.89	3.89	3.82	3.82	3.82	3.82
Sew. District #1/Fire District #2	2.50	1.75	1.75	1.25	1.25	2.25	2.00	-	-	-
<b>Total</b>	<b>\$ 126.17</b>	<b>\$ 126.75</b>	<b>\$ 123.15</b>	<b>\$ 126.35</b>	<b>\$ 127.46</b>	<b>\$ 127.38</b>	<b>\$ 126.92</b>	<b>\$ 126.18</b>	<b>\$ 129.69</b>	<b>\$ 130.39</b>

**Table 9**

**ST. JOHN THE BAPTIST PARISH SCHOOL BOARD  
Reserve, Louisiana**

**Legal Debt Margin**

For fiscal years 1991-2000  
(Unaudited)

<u>Fiscal year</u>	<u>Total assessed value</u>	<u>Legal debt limit</u>	<u>Indebtedness (2)</u>	<u>Legal debt margin</u>
1991	\$ 168,033,560 (1)	\$ 58,811,746	\$ 15,204,587	\$ 43,607,159
1992	169,503,812	59,326,334	14,047,576	45,278,758
1993	177,038,068	61,963,324	28,836,161	33,127,163
1994	189,920,702	66,472,246	27,763,900	38,708,346
1995	191,636,148	67,072,652	33,492,248	33,580,404
1996	196,837,223	68,893,028	38,170,645	30,722,383
1997	200,459,188	70,160,716	35,905,000	34,255,716
1998	205,647,675	71,976,686	33,605,000	38,371,686
1999	207,125,882	72,494,059	31,720,000	40,774,059
2000	212,535,308	74,387,358	29,155,000	45,232,358

(1) Legal debt limit went up to 35% of gross assessed value.

(2) This represents indebtedness based on ad valorem taxes.

Table 10

**ST. JOHN THE BAPTIST PARISH SCHOOL BOARD**  
Reserve, Louisiana

Ratio of Annual Debt Service for  
General Bonded Debt to Total Expenditures

For fiscal years 1991 - 2000  
(Unaudited)

<u>Fiscal year</u>	<u>Debt service expenditures</u>	<u>Total expenditures</u>	<u>Ratio</u>
1991	\$ 3,136,321	\$ 34,274,813	0.092
1992	3,129,785	35,572,802	0.088
1993	3,282,836	37,525,992	0.087
1994	13,891,538 *	53,026,759 *	0.262
1995	3,676,094	48,767,858	0.075
1996	5,580,879	43,590,972	0.128
1997	4,246,708	39,407,552	0.108
1998	4,198,383	42,967,340	0.098
1999	4,329,991	45,365,008	0.095
2000	4,367,876	48,720,188	0.090

\* Includes \$9,470,000 of General Obligation Bonds called on February 1, 1994 and April 1, 1994.

**ST. JOHN THE BAPTIST PARISH SCHOOL BOARD**  
Reserve, Louisiana

Computation of Direct and Overlapping Bonded Debt-  
General Obligation Bonds  
(Unaudited)

June 30, 2000

<b>Jurisdiction</b>	<b>Obligation bonded debt outstanding</b>	<b>Percentage applicable to government *</b>	<b>Amount applicable to government</b>
Direct:			
St. John the Baptist Parish School Board	\$ 29,155,000	100%	\$ 29,155,000
Overlapping:			
St. John the Baptist Parish	<u>11,195,000</u>	100%	<u>11,195,000</u>
	<u>\$ 40,350,000</u>		<u>\$ 40,350,000</u>

\* All property within St. John the Baptist Parish must bear the debt of the St. John the Baptist Parish School Board; therefore, all other reporting entities within the Parish fall under the Board's jurisdiction. The computation of the amount of debt applicable to the Board, within the context that such debt will be serviced through levies upon the same properties which the Board taxes, is determined by applying the above percentages to the net amount of debt outstanding.

**ST. JOHN THE BAPTIST PARISH SCHOOL BOARD**  
Reserve, Louisiana

Property Value, Construction and Bank Deposits

For fiscal years 1991-2000  
(Unaudited)

<u>Fiscal Year</u>	<u>Property value*</u>	<u>Construction - estimated value</u>	<u>St. John the Baptist commercial bank deposits</u>
1991	\$ 168,033,560	\$ 18,649,416	\$ 123,066,000 (1)
1992	169,503,812	12,022,084	126,551,000 (1)
1993	177,038,068	26,298,329	136,764,000 (1)
1994	189,920,702	165,015,939 (3)	228,145,000 (2)
1995	191,636,148	39,204,517	235,800,000 (2)
1996	196,837,223	31,640,972	250,557,000 (2)
1997	200,459,188	54,230,718	237,351,000 (2)
1998	205,647,675	74,089,971	249,530,000 (2)
1999	207,125,882	53,992,289	265,469,000 (2)
2000	212,535,308	64,127,840	Not Available

\* Total assessed value

(1) Source: Sheshunoff Reports

(2) Source: Federal Deposit Insurance Corporation (FDIC)

(3) During this year, two of the largest industrial companies in the Parish had substantial renovations.

**ST. JOHN THE BAPTIST PARISH SCHOOL BOARD**  
Reserve, Louisiana

Principal Property Taxpayers

June 30, 2000  
(Unaudited)

Taxpayer	<u>2000 assessed valuation</u>	<u>2000 percentage of assessed valuation</u>
Marathon Oil Company	\$ 49,129,658	23.12%
E. I. Dupont DeNemours & Co.	9,091,570	4.28%
Cargill, Inc.	6,699,021	3.15%
Bayou Steel Corp.	4,912,486	2.31%
Entergy Louisiana, Inc.	3,986,390	1.88%
Nalco Chemical Co.	3,306,285	1.56%
Hibernia National Bank	2,824,700	1.33%
Louisiana Machinery Co., Inc.	2,217,799	1.04%
Bellsouth Telecommunications	1,936,440	0.91%
Reserve Telephone Co.	1,848,490	0.87%
	<u><u>\$ 85,952,839</u></u>	<u><u>40.45%</u></u>

**Table 14**

**ST. JOHN THE BAPTIST PARISH SCHOOL BOARD  
Reserve, Louisiana**

**Average Daily Attendance and Membership**

For fiscal years 1991-2000  
(Unaudited)

<u>Fiscal year</u>	<u>Average daily membership</u>	<u>Average daily attendance</u>	<u>Percentage of attendance</u>	<u>Percentage of absence</u>
1990-1991	7,018	6,649	94.70%	5.30%
1991-1992	7,038	6,638	94.30%	5.70%
1992-1993	6,858	6,380	93.00%	7.00%
1993-1994	7,017	6,545	93.30%	6.70%
1994-1995	6,973	6,663	95.60%	4.40%
1995-1996	6,937	6,444	92.90%	7.10%
1996-1997	6,818	6,368	93.40%	6.60%
1997-1998	6,746	6,414	95.08%	4.92%
1998-1999	6,545	6,150	93.96%	6.04%
1999-2000	6,495	6,093	93.81%	6.19%

Source: Annual Financial and Statistical Report

**ST. JOHN THE BAPTIST PARISH SCHOOL BOARD**  
Reserve, Louisiana

Demographic Statistics

For fiscal years 1991-2000  
(Unaudited)

<u>Fiscal year</u>	<u>Unemployment Rate (4)</u>	<u>Population (1)</u>	<u>Per Capita Income (2)</u>	<u>Public School Enrollment</u>	<u>Public High School Graduates</u>	<u>Percentage of Graduating Seniors Going on to College</u>	<u>Expenditures Per Student (3)</u>	<u>Pupil/Teacher Ratio</u>
1991	Not available	39,996	\$ 12,300	7,139	179	45.78%	\$ 3,929	17.89:1
1992	Not available	40,532	13,347	7,146	235	45.78%	4,016	17.90:1
1993	Not available	40,806	13,305	7,317	219	52.97%	4,487	17.50:1
1994	7.60%	40,992	14,541	7,225	235	52.76%	4,452	18.07:1
1995	10.40%	40,806	15,136	7,089	271	28.41%	4,801	16.33:1
1996	10.80%	43,764	17,299	7,043	241	35.27%	4,840	15.27:1
1997	9.50%	44,168	18,016	6,915	299	32.10%	4,983	14.81:1
1998	7.10%	42,260	19,553	6,765	293	31.93%	5,841	15.03:1
1999	7.00%	44,976	20,480	6,698	331	21.45%	5,929	15.22:1
2000	9.20%	45,380	-	6,646	311	27.97%	6,303	15.42:1

(1) Source: South Central Planning and Development Commission

(2) Source: Survey of Current Business

(3) General and Special Revenue Fund Expenditures

(4) Source: Department of Labor, reflects unemployment rate for parish

\* St. John Public Library for the years 1995 and thereafter

\*\* No data available

**ST. JOHN THE BAPTIST PARISH SCHOOL BOARD**  
Reserve, Louisiana

Schedule of Insurance Coverage

June 30, 2000  
(Unaudited)

<u>Type of insurance</u>	<u>Amount of Coverage</u>	<u>Policy period</u>	
		<u>From</u>	<u>To</u>
Property(1)	\$ 84,000,000	9/8/99	9/8/00
General liability (2)	2,000,000	9/8/99	9/8/00
Fleet liability (3)	2,000,000	9/8/99	9/8/00
Buses physical damage (4)	included in fleet	9/8/99	9/8/00
EDP (5)	included in property	9/8/99	9/8/00
Bonds (6)	200,000	9/8/99	9/8/00
Errors and omissions (7)	2,000,000	9/8/99	9/8/00
Boiler/machinery (8)	30,000,000	9/8/99	9/8/00
Worker's compensation (9)	statutory- aggregate limit- 1,000,000 200,000	9/8/99	9/8/00

Details of Coverage:

- (1) This is a package policy for property insurance for buildings, grounds, and contents subject to a \$100,000 per occurrence deductible with a \$250,000 aggregate deductible limit.
- (2) Comprehensive general liability subject to a \$50,000 deductible described above with \$150,000 aggregate deductible limit.
- (3) Comprehensive automobile liability covers owned, hired, and non-owned vehicles subject to same deductibles described above.
- (4) Blanket physical damage property insurance on buses subject to same deductibles described above.
- (5) Data processing equipment property insurance subject to same deductibles described above.
- (6) All employees are bonded with a \$200,000 per occurrence limit subject to a \$35,000 deductible.
- (7) School Board legal liability with a \$5,000 per loss deductible. All employees are covered.
- (8) Blanket property insurance coverage on boilers, machinery and fixed pressure vessels with a \$1,000 per loss deductible.
- (9) The St. John the Baptist School Board is a member of a self-insurance workers' compensation pool. Excess insurance is purchased and covers all losses in excess of \$200,000 per individual loss with an aggregate limit of \$1,000,000 per policy period.

**ST. JOHN THE BAPTIST PARISH  
SCHOOL BOARD  
Reserve, Louisiana**

**INDEPENDENT AUDITOR'S REPORTS  
AND INFORMATION REQUIRED BY THE  
SINGLE AUDIT ACT AND  
*GOVERNMENT AUDITING STANDARDS***

**For the Year Ended June 30, 2000**

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# REBOWE & COMPANY

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

The Members of the  
**St. John the Baptist Parish School Board**  
Reserve, Louisiana

We have audited the general-purpose financial statements of **St. John the Baptist Parish School Board** (the "School Board"), as of and for the year ended June 30, 2000, and have issued our report thereon dated November 9, 2000. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

### Compliance

As part of obtaining reasonable assurance about whether the School Board's general-purpose financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

### Internal Control Over Financial Reporting

In planning and performing our audit, we considered the School Board's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the general-purpose financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by

employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting, which we have reported to management of the School Board in a separate letter dated November 9, 2000.

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

*Rebowe & Company*

November 9, 2000

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

The Members of the  
**St. John the Baptist Parish School Board**  
Reserve, Louisiana

### Compliance

We have audited the compliance of **St. John the Baptist Parish School Board** (the "School Board") with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2000. 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. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the School Board's management. Our responsibility is to express an opinion on the School Board's compliance based on our audit.

We conducted our audit of compliance in accordance with generally accepted auditing standards; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the School Board's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the School Board's compliance with those requirements.

In our opinion, the School Board complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2000.

### Internal Control Over Compliance

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

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

### Schedule of Expenditures of Federal Awards

We have audited the general-purpose financial statements of the School Board as of and for the year ended June 30, 2000; and have issued our report thereon dated November 9, 2000. Our audit was performed for the purpose of forming an opinion on the general-purpose financial statements taken as a whole. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the general-purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general-purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general-purpose financial statements taken as a whole.

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

*Rebowe & Company*

November 9, 2000

**ST. JOHN THE BAPTIST PARISH SCHOOL BOARD**  
**Reserve, Louisiana**

**Schedule of Expenditures of Federal Awards**  
**For the Year Ended June 30, 2000**

	<u>Pass-Through Number</u>	<u>CFDA Number</u>	<u>Federal Expenditures</u>
United States Department of Agriculture: Passed-through Louisiana Department of Agriculture and Forestry - Food Distribution	-	10.550	\$ 126,428
Passed-through Louisiana Department of Education:			
National Breakfast Program	-	10.553	406,009
National School Lunch Program (Sections II & IV)	-	10.555	<u>1,419,538</u>
Total United States Department of Agriculture			<u>1,951,975</u>
United States Department of Health and Human Services:			
Direct Program -- Administration for Children, Youth and Families -- Head Start	-	93.600	759,549
Medicaid	-	N/A	69,703
Passed-through Louisiana Department of Education:			
Prevention Health Services -- Block Grant - Title XIX School Nurse	-	93.991	70,265
Passed-through Louisiana Department of Education:			
Starting Points Preschool Program	-	93.575	72,892
Passed-through Louisiana Department of Health and Hospitals - Infant Toddler Program: Head Start Summer Program	-	93.596	<u>140,857</u>
Total United States Department of Health and Human Services			<u>1,113,266</u>

(Continued)

**ST. JOHN THE BAPTIST PARISH SCHOOL BOARD**  
Reserve, Louisiana

**Schedule of Expenditures of Federal Awards (Continued)**  
**For the Year Ended June 30, 2000**

	<u>Pass-Through Number</u>	<u>CFDA Number</u>	<u>Federal Expenditures</u>
United States Department of Education:			
Passed-through Louisiana Department of of Education - Grants and Contracts			
Services:			
Direct - Magnet Schools Assistance Program	-	84.165A	\$ <u>563,680</u>
Adult Education (ABE)	-	84.002	<u>43,738</u>
Improving America's Schools Act - Title I:			
Carryover to 1999	99-IASA-48-1	84.010	241,861
	00-IASA-48-1	84.010	1,318,013
Capital Expense Program	2800C1481C	84.010	<u>59,760</u>
			<u>1,619,634</u>
Special Education:			
IDEA Part B	99-FT-48c/o	84.027	186,331
IDEA Part B	00-FT-48	84.027	575,146
Infant (Part C)	99-CIT3-48	84.009	57,066
Preschool	99-PFCO-48	84.173	<u>63,258</u>
			<u>881,801</u>
Vocational Education:			
Carl Perkins	SB48/49-00	84.049	91,938
School-to-work FY 1999	-	84.278E	60,182
School-to-work FY 2000	-	84.278E	<u>15,877</u>
			<u>167,997</u>

(Continued)

**ST. JOHN THE BAPTIST PARISH SCHOOL BOARD**  
**Reserve, Louisiana**

**Schedule of Expenditures of Federal Awards (Continued)**  
**For the Year Ended June 30, 2000**

	<u>Pass-Through Number</u>	<u>CFDA Number</u>	<u>Federal Expenditures</u>
Title II - Dwight Eisenhower			
Math and Science:			
Project	99-IASA-48-II	84.164A	1,142
Project	00-IASA-48-II	84.164A	<u>43,733</u>
			<u>44,875</u>
Title III - Technology Literacy Challenge:			
Project #280049486	-	84.318X	<u>281,512</u>
Title IV - Drug-Free Schools			
and Communities	99-IASAI-48-IV	84.186A	<u>44,153</u>
Title VI			
Title VI	99-IASA-48-VI	84.151	21,046
Title VI	00-00-48-6	84.151	<u>42,268</u>
			<u>63,314</u>
Class Size Reduction			
	00-01-48-6	84.340A	<u>191,545</u>
Comprehensive School Reform Demonstration			
HOSTS	99-CSR-D-48-C	84.332A	<u>47,257</u>
Passed-through the LaFourche			
Parish Consortium:			
Goals 2000 - Learn 21 <sup>st</sup> Century	2800PD29-L	84.276A	66,410
Goals 2000 - Teachers' Grants	01-TS-48-L	84.276A	2,972
Systematic Improvement	2800LI-48-L	84.276A	<u>4,452</u>
			<u>73,834</u>
Total United States Department of Education			<u>4,023,340</u>
Total Expenditures of Federal Awards			<u>\$7,088,581</u>

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**ST. JOHN THE BAPTIST PARISH SCHOOL BOARD**  
**Reserve, Louisiana**

**Notes to Schedule of Expenditures of Federal Awards**  
**June 30, 2000**

1. General

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal financial assistance programs of the St. John the Baptist Parish School Board (the "School Board"). The School Board reporting entity is defined in Note 1 to the general-purpose financial statements for the year ended June 30, 2000. All federal financial assistance received directly from federal agencies is included on the schedule, as well as federal financial assistance passed-through other government agencies.

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 general-purpose financial statements for the year ended June 30, 2000. The value of noncash assistance is the fair value of the noncash items used during the year. Any received but unused commodities are reflected as deferred revenue until used.

3. Relationship to General-Purpose Financial Statements

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

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Total</u>
From federal sources	<u>\$2,757,423</u>	<u>\$4,331,158</u>	<u>\$7,088,581</u>

4. Relationship to Federal Financial Reports

Amounts reported in the Schedule of Expenditures of Federal Awards agree with the amounts reported in the related federal financial reports, except for the amounts in reports submitted as of a date subsequent to June 30, 2000, which will differ from the schedule by the amount of encumbrances as of June 30, 2000.

**ST. JOHN THE BAPTIST PARISH SCHOOL BOARD**  
**SUMMARY OF AUDITOR'S RESULTS, STATUS OF PRIOR YEAR'S FINDINGS,**  
**AND SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**For the Year Ended June 30, 2000**

**SUMMARY OF AUDITOR'S RESULTS**

1. The auditor's report expresses an unqualified opinion on the general-purpose financial statements of the St. John the Baptist Parish School Board (the "School Board").
2. No material weaknesses or reportable conditions in internal control over financial reporting relating to the audit of the general-purpose financial statements are reported in the *Independent Auditor's Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards*.
3. No instances of noncompliance material to the general-purpose financial statements of the School Board are reported in the *Independent Auditor's Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards*.
4. No material weaknesses or reportable conditions in internal control relating to the audit of major federal award programs are reported in the *Independent Auditor's Report on Compliance with Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance with OMB Circular A-133*.
5. The auditor's report on compliance for the major federal award programs for the School Board expresses an unqualified opinion.
6. The auditor's reports disclosed no findings that are required to be reported under Section 510(a) of OMB Circular A-133.

7. The programs tested as major programs include:

	<u>CFDA No.</u>
IDEA Part B	84.027
Title I	84.010A

8. The threshold for distinguishing between type A and type B programs was \$300,000.
9. The School Board was determined to be a low-risk auditee.

**FINDINGS -- FINANCIAL STATEMENTS AUDIT**

None.

**ST. JOHN THE BAPTIST PARISH SCHOOL BOARD  
SUMMARY OF AUDITOR'S RESULTS, STATUS OF PRIOR YEAR'S FINDINGS,  
AND SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
For the Year Ended June 30, 2000**

**FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS  
AUDIT**

None.

**STATUS OF PRIOR YEAR'S FINDINGS**

There were no prior year findings as defined by *Government Auditing Standards* that are required to be addressed in this section.

**ST. JOHN THE BAPTIST PARISH  
SCHOOL BOARD  
Reserve, Louisiana**

**MEMORANDUM OF ADVISORY COMMENTS**

**For the Year Ended June 30, 2000**

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# REBOWE & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS  
CONSULTANTS

A PROFESSIONAL CORPORATION

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November 9, 2000

Members of the  
**St. John the Baptist Parish School Board**  
118 West 10<sup>th</sup> Street  
Reserve, Louisiana 70084

We have audited the general-purpose financial statements of the **St. John the Baptist Parish School Board** (the "School Board"), as of and for the year ended June 30, 2000, and have issued our report thereon dated November 9, 2000. As part of our audit, we considered the School Board's internal control in order to determine the nature, timing and extent of our auditing procedures for the purpose of expressing an opinion on the general-purpose financial statements and not to provide assurance on internal control.

However, during our audit we became aware of matters that are opportunities for strengthening internal control and operating efficiency. The memorandum that accompanies this letter summarizes our comments and recommendations regarding these matters. We previously reported on the School Board's internal control in a separately issued report entitled *Independent Auditor's Report on Compliance and on Internal Control over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards* dated November 9, 2000.

We will review the status of these matters during our next audit engagement. We have already discussed many of these recommendations with various School Board personnel and have included their responses. We will be pleased to discuss these recommendations with you in further detail at your convenience, perform any additional study of these matters, or assist you in implementing our recommendations.

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

Sincerely,

*Rebowe & Company*

**ST. JOHN THE BAPTIST PARISH SCHOOL BOARD**  
**Reserve, Louisiana**

**1. GASB Statement No. 34**

Observation:

In June 1999, the Governmental Accounting Standards Board ("GASB") issued GASB Statement No. 34 "Basic Financial Statements" effective for the year beginning July 1, 2002 as determined by the St. John the Baptist Parish School Board's revenues for fiscal year ended June 30, 1999. GASB Statement No. 34 establishes new financial reporting requirements for the School Board as well as other state and local governments. When implemented, it will create new information and will restructure much of the information that the School Board has presented in the past.

The most significant changes will be that: the School Board will report financial information for all governmental fund type accounting utilizing the full accrual method of accounting as opposed to the modified accrual method currently used; the School Board will be required to record and depreciate all capital assets, and to eliminate both the General Fixed Asset Accounting Group "GFAAG" and the General Long-Term Debt Accounting Group "GLTAG"; the School Board will present dual financial statements with presentation of both "Government-wide Financial Statements" and the traditional "Fund Financial Statements"; the School Board will eliminate all interfund transactions, including interfund loans, interfund services provided and used, and interfund transfers.

In preparation for GASB Statement No. 34, the St. John the Baptist Parish School Board will need to invest extensive man-hours prior to its implementation. Specifically, the School Board will need to:

1. Conduct an extensive inventory of its capital assets. A book value and asset life will need to be determined and each asset will be depreciated over its remaining life. If the School Board does not already have a fixed asset accounting package capable of calculating depreciation, the School Board will need to evaluate and obtain such software. The School Board should also reevaluate its capitalization threshold and consider raising its level of capitalization for reporting purposes.
2. Recalculate all discounts and/or premiums on all previously issued bonds and begin to amortize this discount/premium over the life of the bonds.
3. Calculate any gain or loss from refinancing of bonds and amortized over the life of the bonds.
4. Interest costs on capital projects open or begun in the year of implementation will need to be calculated and capitalized as a component of capital asset historical cost.

5. A Management Discussion and Analysis (“MD&A”) section will need to be reported as “required supplementary information” in the financial statements (this is in addition to the Letter of Transmittal) outlining the following:
  - A brief description of the financial statements.
  - Condensed financial position with comparative information derived from the government wide financial information.
  - Analysis of balances and transactions of major individual funds.
  - Analysis of significant variations between original and final budget amounts.
  - Description of significant capital assets and long term debt activity.
  - Description of currently known facts, decisions, or conditions that are expected to have a significant effect on the financial position or results of operations.
6. All funds will need to be classified as either major or non-major. Only major funds will be presented as individual funds in the financial statements. All non-major governmental type funds and all non-major proprietary funds will be grouped as one fund and presented as such. This will be a significant change from the present fund accounting presentation.

Recommendation:

The School Board should become familiar with the new reporting model so that it can effectively implement GASB No. 34.

Management’s Corrective Action Plan:

The School Board will research the possible effects of Statement GASB No. 34 and begin making the necessary preparations. The contact person is Felix Boughton who can be reached at (504) 536-1106.

## **2. School Account Activity**

Observation:

Each school is responsible for reconciling its bank accounts, preparing monthly financial statements, and safeguarding its student activity funds. The School Board has independent reviews of controls, conducted by its CPA Firm, over the student activity funds. As a result of the review, several deficiencies in accounting and internal control procedures were noted, especially with regard to fixed assets, cash receipts, expenditure approval, and documentation of fund-raisers. We acknowledge that the School Board is in the process of updating its fixed asset records and training school employees on accounting procedures.

Recommendation:

We recommend that the School Board continue to update fixed asset records and train employees on accounting procedures.

We further recommend that the results of these independent reviews be considered in the school employees annual evaluations.

Management's Corrective Action Plan:

The School Board will continue to update its fixed asset records and train employees on accounting procedures. We will consider including these results in the employees annual evaluations. The contact person is Felix Boughton who can be reached at (504) 536-1106.