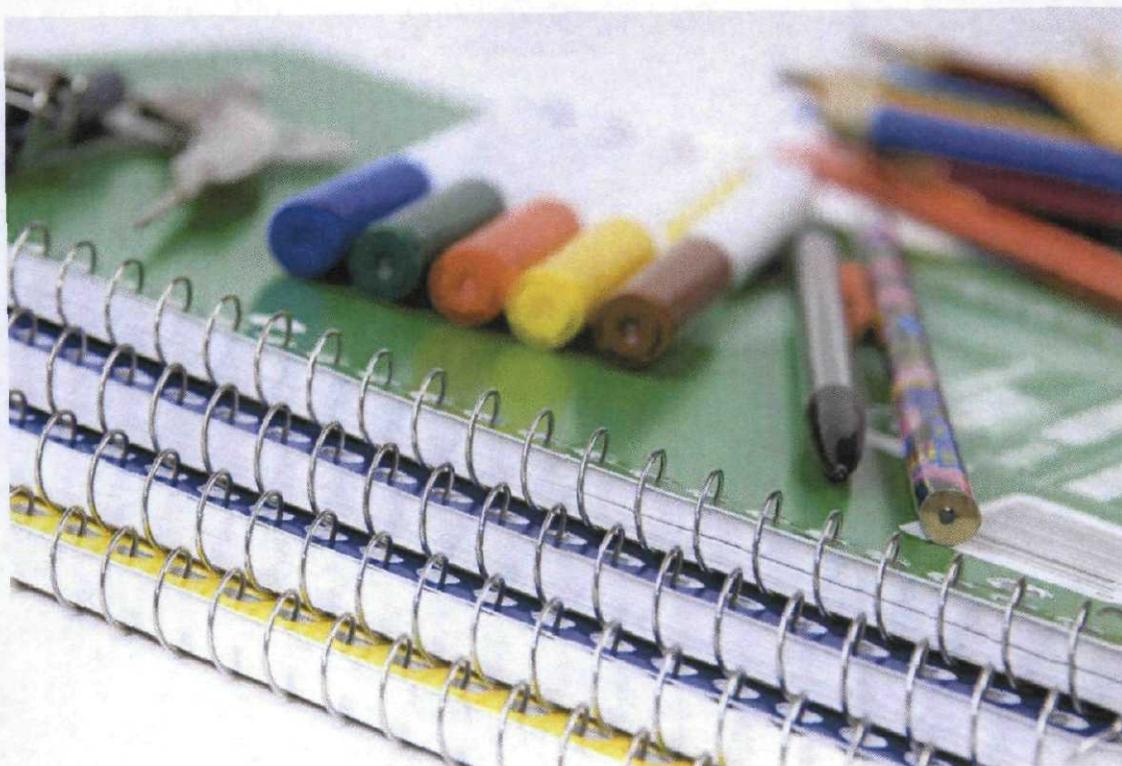


# DeSoto Parish School Board

Mansfield, Louisiana



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

Release Date 1/13/10

## Comprehensive Annual Financial Report

for the year ended June 30, 2009

This Comprehensive Annual Financial Report (CAFR) was published by the DeSoto Parish School Board, 201 Crosby Street, Mansfield, LA 71052.

The CAFR was assembled, audited, and printed in compliance with Louisiana Revised Statute 24:514 and was distributed to the elected school board members of DeSoto Parish, the Louisiana State Department of Education, and the Louisiana Legislative Auditor.

Anyone interested in reviewing this document or any prior year sworn annual financial statement can go to [http://www.desotopsb.com/content.asp?site\\_page\\_id=2](http://www.desotopsb.com/content.asp?site_page_id=2), or they can contact the Director of Business Services; DeSoto Parish School Board; 201 Crosby Street; Mansfield, LA 71052.

COMPREHENSIVE  
ANNUAL FINANCIAL REPORT

of the

DESOTO PARISH SCHOOL BOARD  
Mansfield, Louisiana

For the Year Ended June 30, 2009

Mr. Dudley Glenn  
President

Mr. Walter C. Lee  
Superintendent

Mr. Steven Stanfield  
Director of Business Services

Prepared by the Business Department

**DESOTO PARISH SCHOOL BOARD**  
Mansfield, Louisiana

Comprehensive Annual Financial Report

Fiscal Year Ended June 30, 2009

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Mansfield, Louisiana

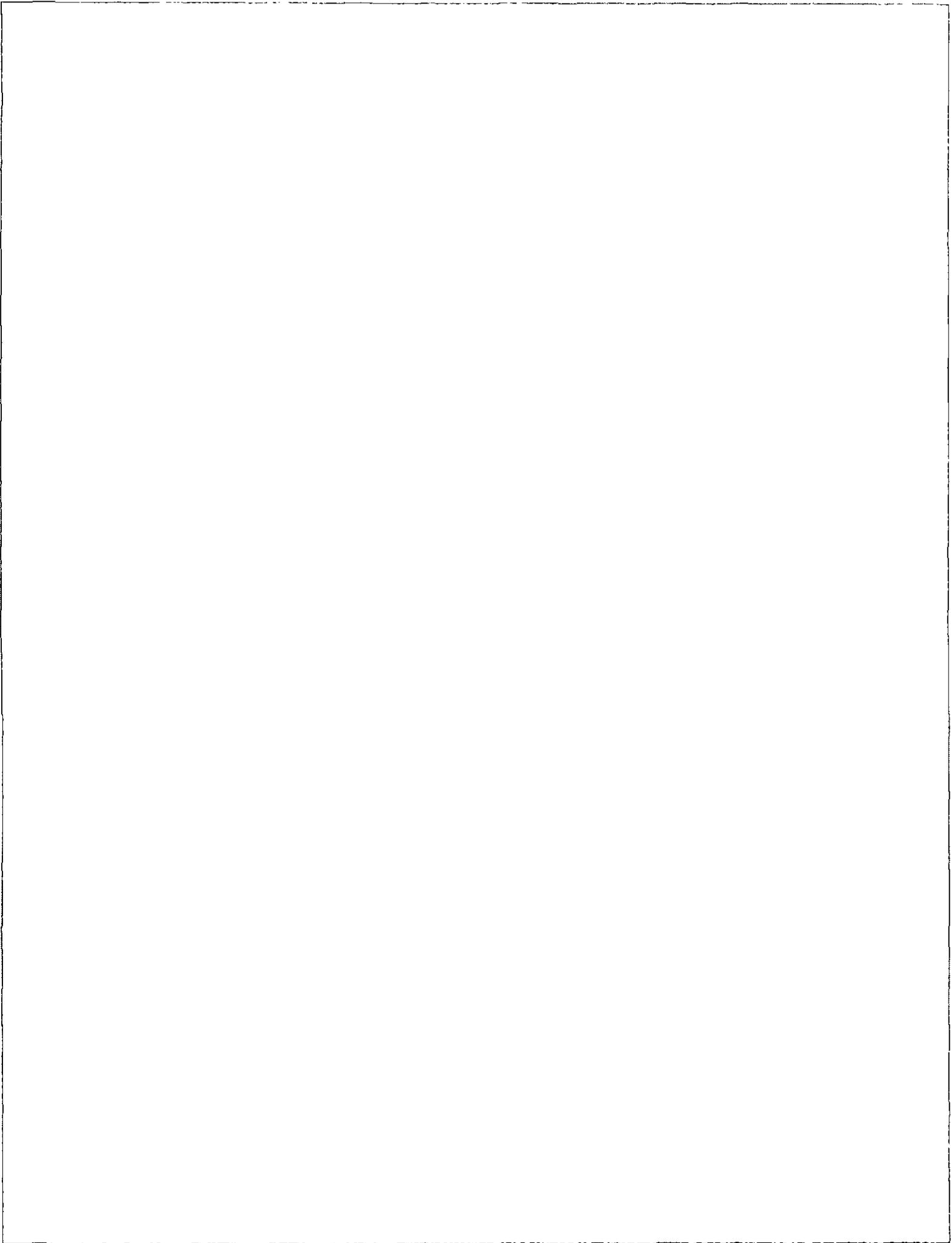
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## DeSoto Parish School Board

201 Crosby Street - Mansfield, Louisiana 71052 - (318) 872-2836 - FAX (318) 872-1324



WALTER C. LEE  
Superintendent

November 19, 2009

RE: Financial Statement Transmittal Letter  
for the Fiscal Year Ended June 30, 2009

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

Louisiana law requires that an annual sworn financial statement be furnished to the Legislative Auditor within six months of the close of each fiscal year in accordance with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards (GAAS) by a certified public accountant. Pursuant to that requirement, we hereby issue the Comprehensive Annual Financial Report (CAFR) of the DeSoto Parish School Board for the year ended June 30, 2009.

The DeSoto Parish School Board's CAFR has three basic sections:

- The *Introductory Section* provides general information on the DeSoto Parish School Board's structure and personnel as well as information useful in assessing the Board's financial condition.
- The *Financial Section* contains the basic financial statements and required supplementary information (including management's discussion and analysis), as well as, the independent auditor's report. In addition, the financial section provides information on each individual fund and component unit for which data is not provided separately within the basic financial statements. The financial section also includes supplementary information useful to financial statement users.
- The *Statistical Section* provides a broad range of trend data covering key financial indicators from the past 10 fiscal years (for instance, general government revenues and expenditures, property tax collections, debt burden). It also contains demographic and miscellaneous data useful in assessing the Board's financial condition.

### Management's Representations & Internal Control Framework

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

To the Elected School Board Members and  
Citizens of DeSoto Parish  
November 19, 2009

financial report is complete and reliable in all material respects.

#### Independent Auditor's Review of Financial Statements

The DeSoto Parish School Board's financial statements have been audited by Allen, Green & Williamson, LLP, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance the financial statements of the DeSoto Parish School Board for the fiscal year ended June 30, 2009 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the DeSoto Parish School Board's financial statements for the fiscal year ended June 30, 2009 and the financial statements are fairly presented in conformity with (GAAP). The independent auditors' report is presented as the first component of the financial section of this report.

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

#### Management's Discussion & Analysis (MD&A)

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

#### **PROFILE OF THE DESOTO PARISH SCHOOL BOARD**

The DeSoto Parish School Board was created by Louisiana Revised Statute (LSA-R.S.) 17:51 to provide public education for the children within DeSoto 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 11 members who are elected from 11 districts for terms of four years.

The School Board operates 11 schools within the parish, employs more than 850 teachers and other school workers, and has a total enrollment exceeding 5,000 pupils. In conjunction with the regular educational programs, some of these schools offer pre-kindergarten, special education and/or adult education programs. In addition, the School Board provides transportation and school food services for the students.

To the Elected School Board Members and  
Citizens of DeSoto Parish  
November 19, 2009

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

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

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

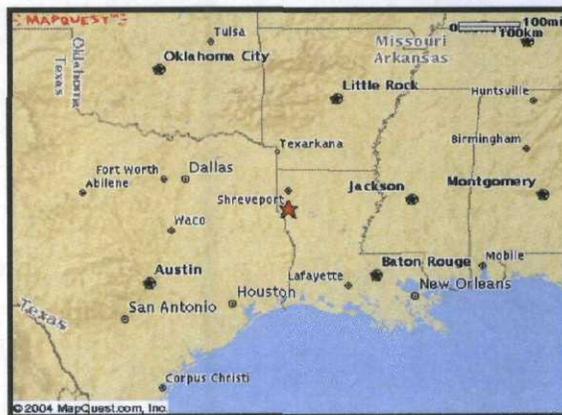
Budget-to-actual comparisons are provided in this report for the General Fund and each individual Special Revenue Fund.

### FACTORS AFFECTING FINANCIAL CONDITION

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

**Local economy:** DeSoto Parish is located in the northwest corner of Louisiana. It has a land area of 879 square miles and is approximately 43 miles in length and 39 miles in width. Interstate 49 runs north and south through the parish and the northern boundary of DeSoto Parish is approximately 10 miles south of Shreveport, the largest metropolitan area of the region. The parish's economy is balanced among agriculture, mining, timber, oil & gas exploration, and manufacturing.

The recent announcement of a large natural gas deposit in Northwest Louisiana and East Texas, called the Haynesville Shale, has improved the economic conditions of DeSoto Parish over the past 2 years.



Reports from the newspaper in the Shreveport-Bossier City area indicate that this area has sparked an immense fever of excitement about drilling. In an article dated November 12, 2009, *The Times* reported that the Department of Natural Resources that northwest Louisiana is considered the hot spot for drilling activity, accounting

To the Elected School Board Members and  
 Citizens of DeSoto Parish  
 November 19, 2009

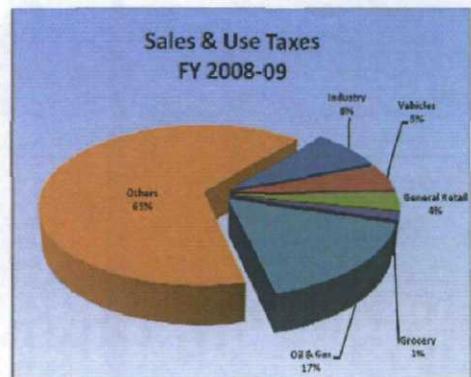
for 10.4% of the nation's drilling activity. Currently, 108 wells are operating, with 53 of those in DeSoto Parish. In another article dated November 14, 2009, *The Times* reported that in 2008 when the Haynesville Shale was just a "baby," more than \$4.5 billion in new revenue was generated by 7 of 17 oil and gas companies involved in the early shale exploration. Of that \$3.1 billion was in lease payments. Tax receipts amounted to \$153.3 million and more than 32,000 jobs were created.

While it is still too early to tell what lasting economic effects will remain from the drilling activities, DeSoto Parish appears to be insulated for the time from the effects of the national economic slowdown.

**Sales & Use Tax Collections**

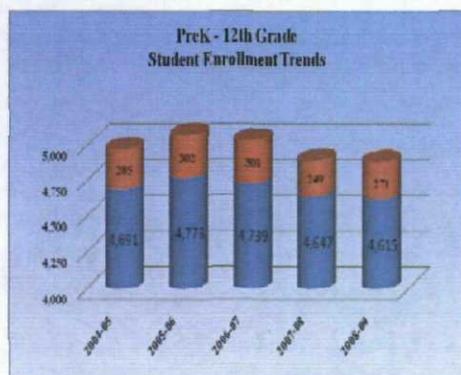
Total sales and use tax collections for all nine governmental bodies in DeSoto Parish exceeded \$43.3 million in fiscal year 2008-09. Comparing total collections for the current fiscal year to the prior fiscal year shows an 83.7% increase.

The pie chart to the right shows approximately \$15.3 million of the total sales and use tax collections (24.6%) were received from the top 5 business classifications of taxpayers: industry, vehicle sales, retail sales, grocery sales, and oil & gas. This compares to 44.6% for the prior fiscal year.



**Student Enrollment Trends**

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



On the revenue side, the Board receives state revenues based on the student count in grades kindergarten thru the 12<sup>th</sup> grade from the prior fiscal year and is commonly called the Minimum Foundation Program (MFP). The MFP is the State's cost of educating students in Louisiana and is based on a formula that allocates money to parish and city school systems. Decreases in K-12 students from FY 2007-08 to FY 2008-09 of 32 along with an increase in the MFP base per student of \$651.45 gave the Board a \$20,846 increase in state revenues which was used to fund a salary increase for all employees.

On the expenditure side, the Board policy is to reduce staff if there is a significant decline in student enrollment in grades K-12 from the prior fiscal year. Since there was no significant drop in PreK-12 students from FY 2007-08 to FY 2008-09, reductions in teaching staff positions were not implemented.

To the Elected School Board Members and  
 Citizens of DeSoto Parish  
 November 19, 2009

**Property Tax Values**

Property tax values affect the second largest source of revenues (ad valorem tax revenues) for the school system. In fiscal year 2008-09, total property tax values in DeSoto Parish increased 20.61% to \$329.8 million. Taxable and homestead values reflect a minimal increases and decreases over the past five years as shown in the chart below.

| <u>Fiscal Year</u> | <u>Taxable Value</u> | <u>Homestead Value</u> | <u>Total Value</u> | <u>Increase (Decrease)</u> |
|--------------------|----------------------|------------------------|--------------------|----------------------------|
| 2004-05            | \$171,602,013        | \$33,441,125           | \$205,043,138      | ---                        |
| 2005-06            | 182,366,998          | 34,462,705             | 216,829,703        | 5.75%                      |
| 2006-07            | 189,516,652          | 35,462,783             | 224,979,435        | 3.76%                      |
| 2007-08            | 237,137,915          | 36,296,280             | 273,434,195        | 21.54%                     |
| 2008-09            | 291,725,048          | 38,051,137             | 329,776,185        | 20.61%                     |

Modest increases or decreases in property tax values have been taken place in DeSoto Parish for the past several years. However, a significant increase in the taxable value occurred in FY 2007-08. The DeSoto Parish Tax Assessor added \$40 million to the tax rolls in 2007-08 when a 10-year property tax exemption for International Paper Company (IP) expired. In 1997, IP expanded its manufacturing facility and was granted this tax exemption by the State of Louisiana.

**Hurricanes Gustav and Ike**

It has been 1 year since two hurricanes struck into or near the state of Louisiana. Hurricane Gustav entered the United States on September 1, 2008 as a Category 2 hurricane near Cocodrie, Louisiana some 315 miles southeast of DeSoto Parish on the Louisiana Coast. Then on September 13, 2008 Hurricane Ike traveled through the Gulf of Mexico and landed in Texas on or near Galveston Island some 270 miles southwest of DeSoto Parish. Hurricane Ike was 1 mile short of being classified a Category 3. Both hurricanes caused minor damage to three schools in Pelican, Stanley and Logansport.

In FY 2008-09, the Federal Government provided financial assistance with these costs by awarding a Federal Emergency Management Agency Disaster Relief Grant of \$75,000 while property/casualty insurance paid \$180,814 to replace the roofs at Pelican All-Saints High School, Stanley High School and Logansport High School. The remaining \$25,000 had to be paid by the DeSoto Parish School Board.

In FY 2009-10, no additional expenditures were necessary as a result of these natural disasters and no additional funds were provided from the state or federal government for the DeSoto Parish School Board.

**Long-term financial planning:** Each year the administration adopts educational goals and objectives as a vehicle to improve student learning. Thus, human and financial resources are allocated in the budget to achieve the adopted goals, and to support educational programs and services defined by the Board's mission. It is a delicate balance of policy choices. It also represents a delicate balance between the educational needs of the students and the ability of the community to provide the necessary financial support.

To the Elected School Board Members and  
 Citizens of DeSoto Parish  
 November 19, 2009

The No Child Left Behind Act and the State's Accountability System have placed mandates in the area of school performance in relationship to every student's achievement. Every student is to meet the same achievement objectives by 2014 irregardless of ability levels. With these mandates in place every school is expected to show continuous academic growth in all subgroups of students. Improvement is driven through several facets of funding as well as instructional areas such as special education, limited English proficiency, remediation, enrichment, and instructional strategies for poverty students and teacher advancement. Never before has there been this kind of need to review achievement data in the areas of subgroups of students.

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

The following chart reflects the status of each school to the goal defined above at the beginning of the 2009-10 school year. Additional information may be viewed at the Louisiana State Department of Education's web site <http://www.louisianaschools.net>.

| Schools                      | School Performance Score (SPS) |             | Growth Label Change |     | 2009 SPS Growth Target | Academic Assistance (AA) |
|------------------------------|--------------------------------|-------------|---------------------|-----|------------------------|--------------------------|
|                              | Baseline 2008                  | Growth 2009 |                     |     |                        |                          |
| Logansport Elementary        | 92.6                           | 90.9        | -                   | 2.0 | 96.8                   | Not in AA                |
| Logansport High              | 83.7                           | 84.3        | +                   | 0.6 | 89.3                   | Not in AA                |
| Mansfield Elementary PK-5    | 65.7                           | 65.1        | -                   | 0.6 | 71.4                   | AA-2                     |
| Mansfield Middle             | 64.6                           | 73.2        | +                   | 8.6 | 73.2                   | AA-3                     |
| Mansfield High               | 68.2                           | 67.3        | -                   | 0.9 | 76.3                   | AA-3                     |
| North DeSoto Elementary PK-2 | 87.8                           | 86.1        | -                   | 1.7 | 92.9                   | Not in AA                |
| North DeSoto Elementary 3-5  | 92.1                           | 92.6        | +                   | 0.5 | 96.6                   | Not in AA                |
| North DeSoto Middle          | 97.7                           | 102.3       | +                   | 4.6 | 101.3                  | Not in AA                |
| North DeSoto High            | 89.0                           | 94.4        | +                   | 5.4 | 94.0                   | Not in AA                |
| Pelican All-Saints High      | 74.9                           | 72.8        | -                   | 2.1 | 81.9                   | AA-2                     |
| Stanley High                 | 91.3                           | 91.2        | -                   | 0.1 | 95.9                   | Not in AA                |

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

To the Elected School Board Members and  
Citizens of DeSoto Parish  
November 19, 2009

All monies not immediately needed are invested in certificates of deposit (CD). The maturities of these CDs range from 90 days to 1 year, with an average maturity of 125 days. An average yield of 2.16% was achieved during the 2008-09 fiscal year as compared to 4.55% for the prior fiscal year.

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

The School Board lowers its potential risks by purchasing insurance policies for (1) property and casualty, (2) errors and omissions, (3) general liability, (4) automobile liability, (5) employee fidelity, and (6) worker's compensation from A+ rated (AM BEST) companies that are approved by the Commissioner of Insurance for the State of Louisiana. The total costs for such coverage for the year ended June 30, 2009 was \$361,509.

The School Board also designated \$5,122,425 (57.2%) of its General Fund – fund balance for future claims and contingencies, equipment replacement, and specific projects. The majority of the designated fund balance is set aside for future claims and contingencies (\$3,026,108) such as the payment of severance pay, workmen's compensation liabilities, and property/casualty deductibles. Another \$2,000,000 is designated for school bus purchases and technology upgrades.

**Pension and other post employment benefits:** The School Board provides a defined benefit pension plan for its employees through two cost-sharing multiple-employer statewide plans. The School Board has no obligations in connection with employee benefits offered through these plans beyond its annual required payments to the plan.

The School Board also provides post-retirement medical, life, and dental insurance benefits for its retired employees. Prior to July 1, 2008, these plans were funded on a pay-as-you-go basis. This changed in FY 2008-09 when the Board began funding these costs on an ongoing basis. A Pension and Other Employee Benefits Trust Fund was set up to cover the normal costs each year and to amortize any unfunded actuarial liabilities over a period of 30 years as required by GASB Statement No. 45. A summary of the funding status of this plan, as determined by an actuary at June 30, 2009 is as follows:

|                                   |              |
|-----------------------------------|--------------|
| Actuarial Accrued Liability (AAL) | \$58,716,863 |
| Amount Funded                     | \$8,444,399  |
| Funded Ratio                      | 14.4%        |

As of the end of the current fiscal year, there were 297 retired employees receiving group medical benefits, 431 retired employees receiving group life insurance benefits, and 94 retired employees receiving dental insurance benefits.

Additional information on the School Board's pension arrangements and post employment benefits can be found in notes 6 and 7 in the notes to the basic financial statements.

To the Elected School Board Members and  
Citizens of DeSoto Parish  
November 19, 2009

## AWARDS

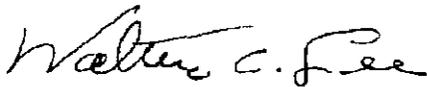
The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the School Board for its comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2008. This was the 18<sup>th</sup> consecutive year that the DeSoto Parish School Board has received this prestigious award. In order to be awarded a Certificate of Achievement, the School Board published an easily readable and efficiently organized CAFR. This report satisfied both GAAP and applicable legal requirements.

The Association of School Business Officials (ASBO) International awarded a Certificate of Excellence in Financial Reporting Award for its comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2008. This was the 18<sup>th</sup> consecutive year that the DeSoto Parish School Board has received this prestigious award. The award represents a significant achievement by the School Board and reflects our commitment to the highest standards of school system financial reporting.

The Certificate of Achievement and Certificate of Excellence are valid for a period of one year only. We believe that our current CAFR continues to meet the certificate requirements, and we are submitting it to both GFOA and ASBO to determine its eligibility for another certificate.

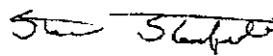
## ACKNOWLEDGEMENTS

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



---

Walter C. Lee, Superintendent  
DeSoto Parish Schools



---

Steven Stanfield, Director of Business  
Services

**DeSoto Parish School Board  
Mansfield, Louisiana**

**DESOTO PARISH SCHOOL BOARD  
Mansfield, Louisiana**

Certificate of Achievement for Excellence in Financial Reporting

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

Presented to

**DeSoto Parish School  
Board, Louisiana**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
June 30, 2008

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.



A handwritten signature in black ink, appearing to read "M. L. R. +".

President

A handwritten signature in black ink, appearing to read "Jeffrey R. Egan".

Executive Director

**DeSoto Parish School Board  
Mansfield, Louisiana**

**DESOTO PARISH SCHOOL BOARD  
Mansfield, Louisiana**

Certificate of Excellence in Financial Reporting

**ASSOCIATION OF SCHOOL BUSINESS OFFICIALS  
INTERNATIONAL**



This Certificate of Excellence in Financial Reporting is presented to

**DESOTO PARISH SCHOOL BOARD**

**For its Comprehensive Annual Financial Report (CAFR)**

For the Fiscal Year Ended June 30, 2008

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

*Angela Peterman*

President

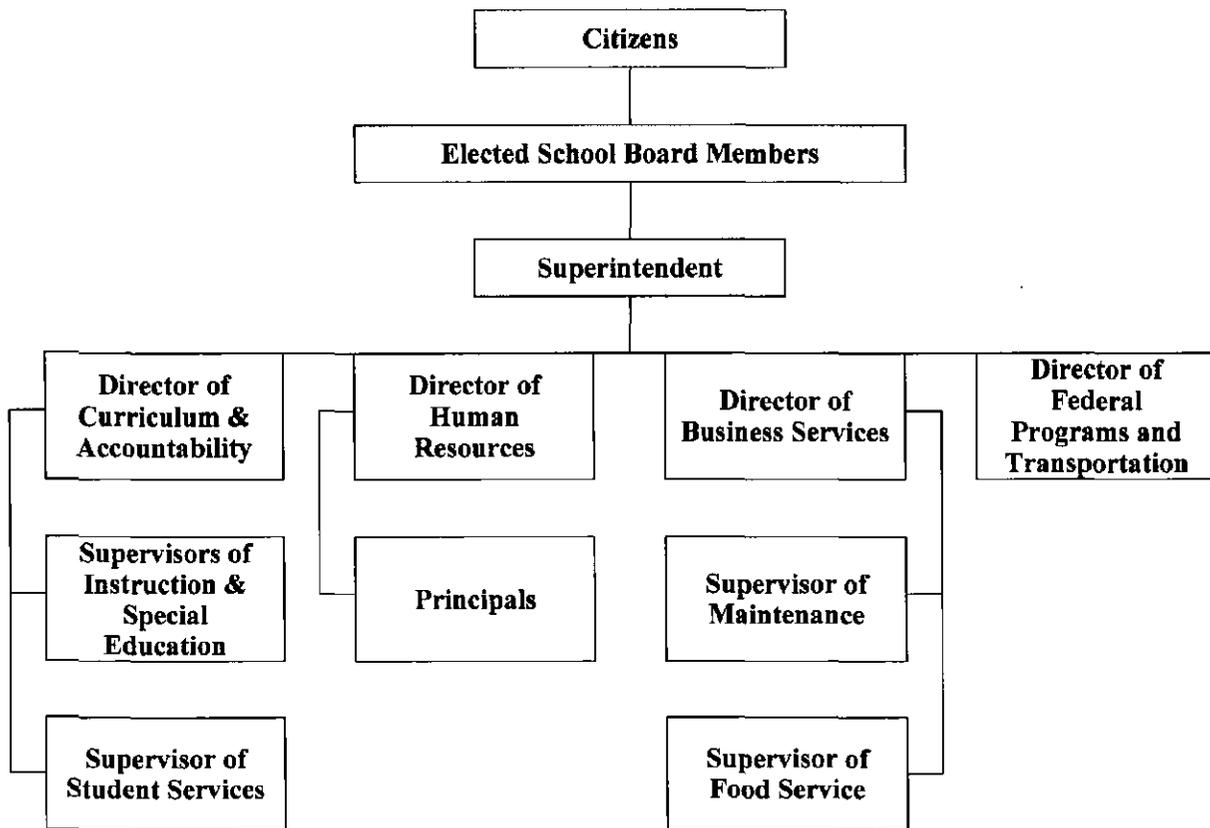
*John D. Quinn*

Executive Director

**DeSoto Parish School Board**  
**Mansfield, Louisiana**  
**DESOTO PARISH SCHOOL BOARD**  
Mansfield, Louisiana

Organizational Structure as of June 30, 2009

The organizational chart shown below is visual depiction of the way work is distributed within the DeSoto Parish School Board. It is also meant to be a tool to help enhance our working relationship with the Citizens of DeSoto Parish, and to create clear channels of communications in order to better accomplish our goals and objectives.



**DESOTO PARISH SCHOOL BOARD**  
Mansfield, Louisiana

Elected School Board Members as of June 30, 2009



**President**  
Mr. Dudley Glenn  
District No. 1



**Vice President**  
Mr. Larry "Mark" Ross  
District No. 8



**Finance Committee Chairman**  
Mr. Donald "Donny" Dufour  
District No. 4



Dr. Robert "Neil" Henderson  
District No. 2



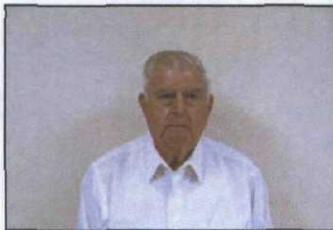
Mr. McLawrence Fuller  
District No. 3



Mrs. Shirley Payne  
District No. 5



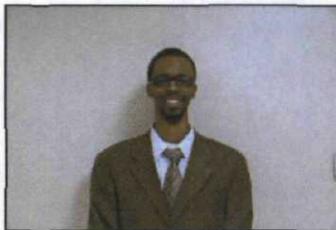
Mr. John Neilson  
District No. 6



Mr. Johnny Haynes  
District No. 7



Mr. Thomas "Tommy" Craig, Jr.  
District No. 9



Mr. Douglas "Bartholmew"  
Claiborne  
District No. 10



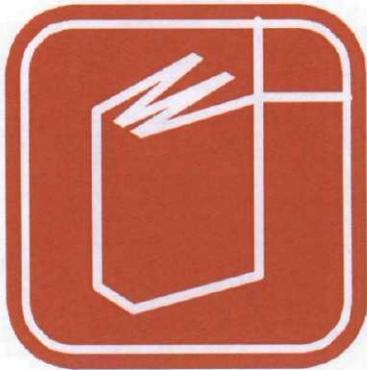
Mr. L.J. Mayweather, Jr.  
District No. 11

**DESOTO PARISH SCHOOL BOARD**  
Mansfield, Louisiana

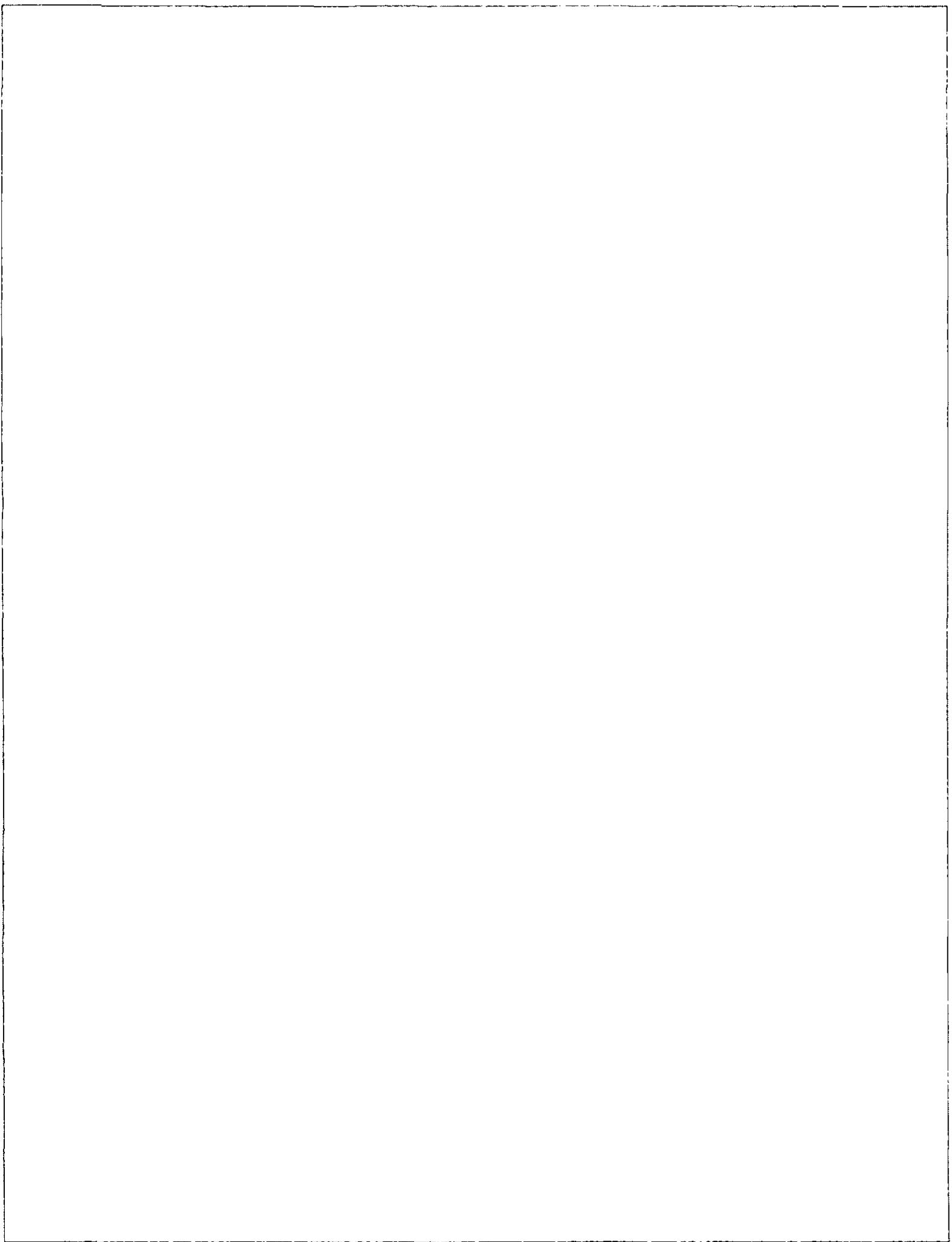
Selected Administrative Officials as of June 30, 2009

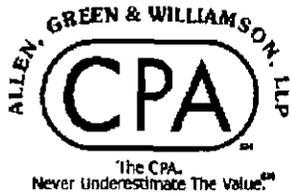
| <u>Name</u>            | <u>Title</u>  | <u>Years<br/>Experience</u> | <u>Began as an<br/>Administrator</u> |
|------------------------|---|-----------------------------|--------------------------------------|
| Mr. Walter C. Lee      | Superintendent                                      | 46                          | 07-1989                              |
| Mrs. Jo Carroll        | Early Childhood Coordinator                         | 33                          | 08-2003                              |
| Ms. Sherry Brokenberry | Supervisor of Food Service                          | 32                          | 10-2001                              |
| Dr. Gary Clarke        | Supervisor of Special Education                     | 10                          | 08-2007                              |
| Mr. Clinton Fuller     | Supervisor of Testing                               | 17                          | 01-2008                              |
| Mrs. Debra Gamble      | Director of Human Resources                         | 27                          | 08-2004                              |
| Mr. James Grice        | Supervisor of Maintenance                           | 32                          | 11-1985                              |
| Mr. Darrell Hampton    | Supervisor of Student Services                      | 18                          | 08-2005                              |
| Mr. Willie Jones       | Director of Federal Programs<br>and Transportation  | 30                          | 07-1996                              |
| Mrs. Kathy Noel        | <i>Director of Curriculum &amp;<br/>Instruction</i> | 26                          | 07-1999                              |
| Mr. Steven Stanfield   | Director of Business Services                       | 27                          | 01-1985                              |

**DeSoto Parish School Board**









# ALLEN, GREEN & WILLIAMSON, LLP

CERTIFIED PUBLIC ACCOUNTANTS

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Monroe, LA 71211-6075

2441 Tower Drive  
Monroe, LA 71201

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Toll-free: (888) 741-0205

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Tim Green, CPA  
Margie Williamson, CPA  
Amy Tynes, CPA

Aimee Buchanan, CPA  
Diane Ferschhoff, CPA  
Joshua Legg, CPA  
Quint Martin, CPA  
Brian McBride, CPA  
Cindy Thomason, CPA  
Angie Williamson, CPA

Ernest L. Allen, CPA  
(Retired) 1963 - 2000

## INDEPENDENT AUDITORS' REPORT

Board Members  
DeSoto Parish School Board  
Mansfield, Louisiana

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of DeSoto Parish School Board as of and for the year ended June 30, 2009, which collectively comprise the School Board's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the School Board's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School Board's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the School Board as of June 30, 2009, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated November 8, 2009 on our consideration of the School Board's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

Also Located in Shreveport, Louisiana

Member: American Institute of Certified Public Accountants, Society of Louisiana Certified Public Accountants,  
American Institute of Certified Public Accountants Division for CPA Firms,  
Employee Benefit Audit Quality Center and the Government Audit Quality Center  
Equal Opportunity Employer

The Management's Discussion and Analysis and the Budgetary Comparison Schedules as listed in the table of contents, are not a required part of the basic financial statements but are supplemental information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplemental information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School Board's basic financial statements. The accompanying information identified in the table of contents as supplemental information is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the *basic* financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole. The information identified in the table of contents as the Introductory and Statistical Section has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on it.

*Allen, Green + Williamson, LLP*

ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana  
November 8, 2009

**DESOTO PARISH SCHOOL BOARD**  
Mansfield, Louisiana

**REQUIRED SUPPLEMENTAL INFORMATION**

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

## DESOTO PARISH SCHOOL BOARD

Mansfield, Louisiana

### Management's Discussion and Analysis

June 30, 2009

We offer readers of the DeSoto Parish School Board's financial statements this narrative overview and analysis of the financial activities of the DeSoto Parish School Board for the fiscal year ended June 30, 2009. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal.

#### Financial Highlights

Key financial highlights for the 2008-09 fiscal year include the following:

- Statement of Net Assets – The assets of the DeSoto Parish School Board exceeded its liabilities at the close of the most recent fiscal year by \$64,843,284 (net assets). Of this amount, \$13,764,220 (unrestricted net assets) may be used to meet the government's obligations to students and creditors.
- Statement of Activities – The total net assets of the DeSoto Parish School Board increased by \$13,632,621 the year ended June 30, 2009. This increase can be attributed to the following revenues: 8.3% is an increase in ad valorem tax collections, 50.1% is an increase in sales and use tax revenues, and 4.7% is an increase in MFP.
- Governmental Funds Balance Sheet – As of the close of the current fiscal year, the DeSoto Parish School Board's governmental funds reported a combined ending fund balance of \$33,180,281, a decrease of \$3,854,822 in comparison with the prior fiscal year. The majority of this fund balance is comprised of approximately (1) \$8.9 million for spending within the General Fund, (2) \$1.5 million which is reserved for the payment of outstanding bond issues within the Debt Service Funds, and (3) \$18.5 million which is designated for specific construction projects within the Capital Projects Funds.
- Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances – Total revenues for the year ended June 30, 2009 for the governmental funds of the DeSoto Parish School Board amounted to \$83,671,999. Approximately 84.5% of this amount is received from three major revenue sources: (1) \$25.5 million from Louisiana's State Equalization, (2) \$17.6 million from local ad valorem taxes, and (3) \$28.0 million from local sales and use taxes.
- General Fund's Ending Fund Balance – At the end of the current fiscal year, unreserved fund balance for the General Fund, a major fund, was \$8,951,441, or 16.1% of total General Fund expenditures. Approximately \$5.1 million (designated) is set aside for future claims and contingencies, equipment replacement, and specific projects, while \$3.8 million (undesignated) is available for spending at the Board's discretion.
- Capital Assets – Total capital assets (net of depreciation) were \$60,101,152 or 54.1% of the total capital assets. The School Board uses these assets to provide educational services to children and adults; consequently, these assets are not available for future spending.
- Long-Term Debt – The DeSoto Parish School Board's total debt decreased \$3,466,000 (9.1%) during the current fiscal year. The school system outstanding debt at June 30, 2009 includes General Obligation Bonds of \$31.3 million, Sales Tax Bonds of \$45,000, and Certificates of Indebtedness of \$1.2 million. The primary reason for the reduction was \$3.2 million in General Obligation Bonds.

#### Overview of the Financial Statements

The management discussion and analysis is intended to serve as an introduction to the DeSoto Parish School Board's basic financial statements. The School Board's basic financial statements comprise three components: (1)

## **DESOTO PARISH SCHOOL BOARD**

Mansfield, Louisiana

### Management's Discussion and Analysis

June 30, 2009

government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

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

- The Statement of Net Assets presents information on all of the DeSoto Parish School Board's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the DeSoto Parish School Board is improving or deteriorating.
- The Statement of Activities presents information showing how the School Board's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Fund Financial Statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The DeSoto Parish School Board, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

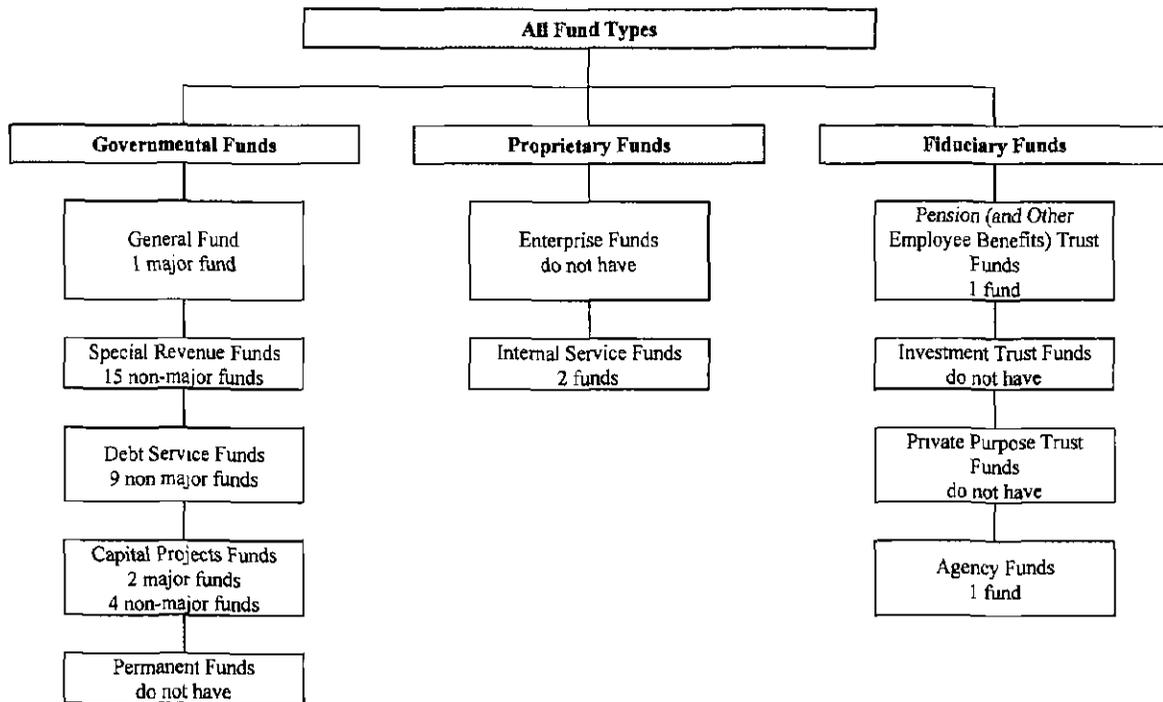
All of the funds of the DeSoto Parish School Board are categorized in one of 11 fund types. Each fund type and the number of individual funds operated by the DeSoto Parish School Board for FY 2008-09 are listed in the chart.

# DESOTO PARISH SCHOOL BOARD

Mansfield, Louisiana

## Management's Discussion and Analysis

June 30, 2009



- **Governmental funds.** Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources at the end of the fiscal year. Such information may be useful in evaluating the DeSoto Parish School Board near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the School Board's near-term financing decisions. Both the governmental funds Balance Sheet and the governmental funds Statement of Revenues, Expenditures, and Changes in Fund Balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

Information is presented separately in the governmental funds Balance Sheet and in the governmental funds Statement of Revenues, Expenditures, and Changes in Fund Balances for the General Fund, the School District No. 4 Capital Projects Fund, and the Parishwide Capital Projects Fund which are considered to be the only major funds. Data for the other 28 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

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

## DESOTO PARISH SCHOOL BOARD

Mansfield, Louisiana

### Management's Discussion and Analysis

June 30, 2009

- *Proprietary fund.* The DeSoto Parish School Board maintains two funds within the Proprietary Fund. Internal Service funds are an accounting device used to accumulate and allocate costs internally among the School Board's various functions. The School Board uses an Internal Service Fund to account for the accumulation of resources for and the payment of employee medical and dental insurance by the School Board's risk management program. Because this service predominantly benefits governmental functions, it has been included with governmental activities in the government-wide financial statements.
- *Fiduciary funds.* Fiduciary funds are used to account for resources held for the benefit of parties outside the DeSoto Parish School Board. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the DeSoto Parish School Board's own programs. The School Board maintains one Pension (and other employee benefits) Trust Fund and one Agency Fund. The Trust Fund accounts for the assets held in an irrevocable trust for payment of retiree health insurance premiums. The Agency Fund accounts for assets held by the School Board as an agent for the individual schools and school organizations.

Notes to the basic financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

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

#### **Government-wide Financial Analysis**

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the DeSoto Parish School Board, assets exceed liabilities by \$64,843,284 at the close of the most recent fiscal year.

A portion of the DeSoto Parish School Board's total net assets of approximately \$38.3 million (54.1%) reflects its investment in capital assets (e.g. land, buildings, machinery, and equipment); less any related debt used to acquire those assets that is still outstanding. The School Board uses these capital assets to provide educational services to children and adults; consequently, these assets are not available for future spending. Although the DeSoto Parish School Board's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

**DESOTO PARISH SCHOOL BOARD**

Mansfield, Louisiana

Management's Discussion and Analysis

June 30, 2009

**DeSoto Parish School Board's Net Assets**

|   | <u>June 30, 2009</u> | <u>June 30, 2008</u> |
|---|----------------------|----------------------|
| Current and other assets                        | \$ 46,888,925        | \$ 49,361,477        |
| OPEB assets                                     | 4,027,885            | -                    |
| Capital assets - Net of Depreciation            | <u>60,101,152</u>    | <u>47,479,322</u>    |
| Total assets                                    | <u>111,017,962</u>   | <u>96,840,799</u>    |
| <br>  |                      |                      |
| Current and other liabilities                   | 10,347,463           | 6,801,090            |
| Long-term liabilities                           | <u>35,827,215</u>    | <u>38,829,046</u>    |
| Total liabilities                               | <u>46,174,678</u>    | <u>45,630,136</u>    |
| <br>  |                      |                      |
| Net assets:                                     |                      |                      |
| Invested in capital assets, net of related debt | 38,260,982           | 11,438,322           |
| Restricted                                      | 12,818,082           | 26,930,085           |
| Unrestricted                                    | <u>13,764,220</u>    | <u>12,842,256</u>    |
| Total net assets                                | <u>\$ 64,843,284</u> | <u>\$ 51,210,663</u> |

A portion of the School Board's net assets of \$12,818,082 are reported separately to show the legal constraints for the payment of outstanding long-term debt obligations, designated capital projects, payment of OPEB benefits and to limit the School Board from using these funds for day-to-day operations. The remaining balance of unrestricted net assets totaling \$13,764,220 may be used to meet the School Board's ongoing obligations to citizens and creditors. Governmental activities increased the DeSoto Parish School Board's net assets by \$13,632,621 which was a 26.6% gain in the net assets. Key elements of this increase are as follows:

**DESOTO PARISH SCHOOL BOARD**

Mansfield, Louisiana

## Management's Discussion and Analysis

June 30, 2009

**DeSoto Parish School Board's Changes in Net Assets**

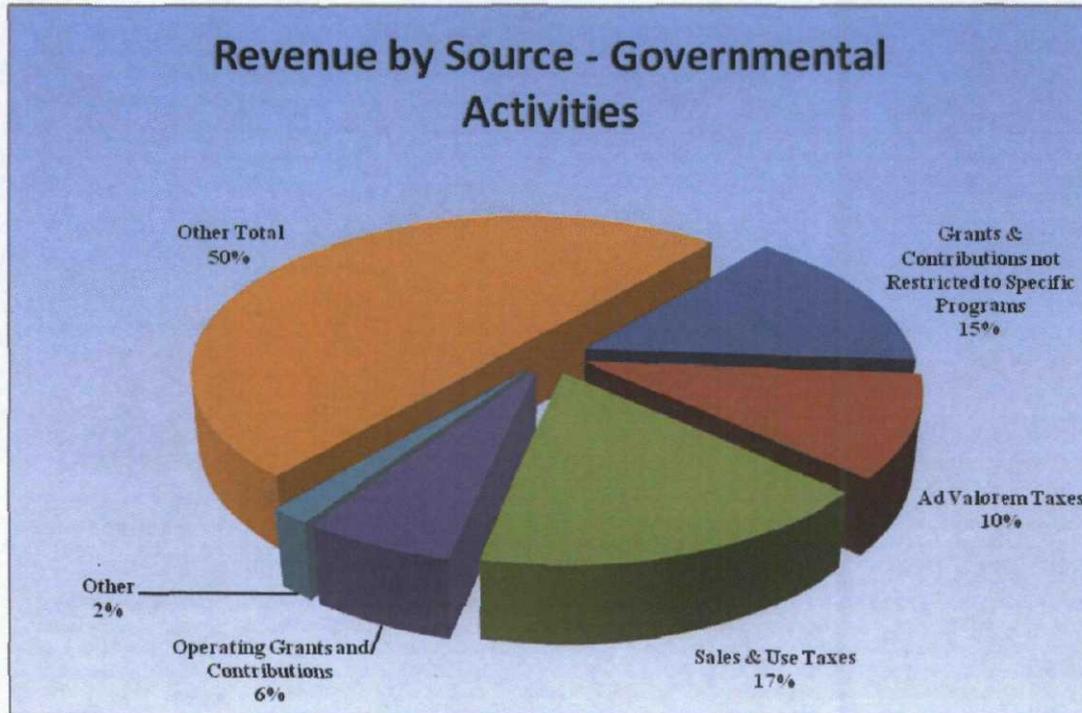
| Revenues:   | June 30, 2009        | June 30, 2008        |
|---|----------------------|----------------------|
| Program revenues:   |                      |                      |
| Charges for services  | \$ 361,729           | \$ 365,161           |
| Operating grants and contributions  | 10,181,671           | 9,864,073            |
| General revenues:   |                      |                      |
| Ad valorem taxes  | 17,577,078           | 16,117,741           |
| Sales taxes   | 27,981,272           | 13,965,356           |
| Grants and contributions not restricted to specific programs – Minimum Foundation Program | 25,221,571           | 24,031,093           |
| Interest on investments   | 778,620              | 1,348,832            |
| Other general revenues  | 1,634,417            | 1,085,509            |
| Total revenues  | <u>83,736,358</u>    | <u>66,777,765</u>    |
| Expenses:   |                      |                      |
| Instruction:  |                      |                      |
| Regular programs  | 21,967,595           | 17,264,404           |
| Special programs  | 17,686,433           | 14,799,391           |
| Adult/continuing education  | 132,281              | 150,217              |
| Support services:   |                      |                      |
| Pupil support services  | 2,450,846            | 1,605,941            |
| Instructional staff support services  | 3,552,709            | 2,852,134            |
| General administration  | 1,810,948            | 1,441,594            |
| School administration   | 4,093,880            | 2,973,792            |
| Business services   | 1,054,106            | 810,112              |
| Plant services  | 6,497,050            | 4,673,123            |
| Student transportation services   | 5,116,331            | 3,530,902            |
| Central services  | 250,518              | 215,858              |
| Non-Instructional Services:   |                      |                      |
| Food services operations  | 3,980,066            | 3,712,780            |
| Debt service – interest on long-term obligations  | 1,510,974            | 1,349,988            |
| Total expenses  | <u>70,103,737</u>    | <u>55,380,236</u>    |
| Increase in net assets  | 13,632,621           | 11,397,529           |
| Net assets at beginning of the year   | <u>51,210,663</u>    | <u>39,813,134</u>    |
| Net assets at end of year   | <u>\$ 64,843,284</u> | <u>\$ 51,210,663</u> |

**DESOTO PARISH SCHOOL BOARD**

Mansfield, Louisiana

Management's Discussion and Analysis

June 30, 2009



**Revenues by Source – Governmental Activities**

- Sales and Use Tax Revenues: Sales and use tax revenues are the largest source of revenues for the DeSoto Parish School Board. A 2½% sales tax rate is levied upon the sale and consumption of goods and services within the parish for public school education. The chart below lists the sales and use tax revenues for the past 3 years.

| <u>Fiscal Year</u> | <u>General Fund</u> | <u>School Food Service Fund</u> | <u>Nonmajor Debt Service Funds</u> | <u>Capital Projects Funds</u> | <u>Total Sales &amp; Use Tax Collections</u> | <u>Percentage Increase or (Decrease)</u> |
|--------------------|---------------------|---------------------------------|------------------------------------|-------------------------------|--|--|
| 2006-07            | \$10,393,996        | \$ 547,052                      | \$551,000                          | \$2,184,262                   | \$13,676,310                                 | 39.4%                                    |
| 2007-08            | 10,812,110          | 360,175                         | 511,000                            | 2,282,071                     | 13,965,356                                   | 2.1%                                     |
| 2008-09            | 21,265,780          | 1,119,252                       | 609,869                            | 4,986,371                     | 27,981,272                                   | 100.4%                                   |

In FY 2008-09, the School Board deposited \$27,981,272 of sales and use tax revenues into the General Fund, School Food Service, Debt Service Funds, and Capital Projects Funds. This represents 33.4% of the total revenues received. Total collections increased approximately 100.4% or \$14 million in fiscal year 2008-09 even though the 2½% sales tax rate did not increase. Much of this increase is attributed to the exploration of natural gas known nationally as the Haynesville Shale.

**DESOTO PARISH SCHOOL BOARD**

Mansfield, Louisiana

Management's Discussion and Analysis

June 30, 2009

- **Grants and Contributions Not Restricted To Specific Programs:** The second largest source of revenue to the DeSoto Parish School Board is reported in the "Grants and Contributions Not Restricted to Specific Programs." Much of the money comes from the State of Louisiana through the distribution of approximately \$3.1 billion to 69 public school systems and is commonly known as the Minimum Foundation Program (MFP) which helps pay for salaries and general operations. The State does not provide money for building schools or retiring debt. The distribution of the MFP is based on a formula adopted by the Louisiana Board of Elementary and Secondary Education and approved by the Louisiana Legislature. The chart below lists the actual increases or decreases in the "Grants and Contributions Not Restricted to Specific Programs" for the past 3 years.

| <b>Fiscal Year</b> | <b>Minimum Foundation Program (MFP)</b> | <b>State Revenue Sharing</b> | <b>Total</b> | <b>Percentage Increase or (Decrease)</b> |
|--------------------|---|------------------------------|--------------|--|
| 2006-07            | \$22,028,299                            | \$307,676                    | \$22,335,975 | 5.6%                                     |
| 2007-08            | 24,031,093                              | 323,511                      | 24,354,604   | 9.0%                                     |
| 2008-09            | 25,221,571                              | 320,334                      | 25,541,905   | 4.9%                                     |

In FY 2008-09, the School Board received \$25,221,571 or 30.1% of its total revenues from the MFP. The General Fund received \$24.4 million while the remaining \$819,000 was deposited in the School Food Service Fund. Most of the \$1,187,301 increase was realized when the State increased the Base Per-Pupil Amount from \$3,752 to \$3,855.

- **Ad Valorem Tax Revenues:** Ad valorem tax revenues, also called property tax revenues, are the third largest source of revenue for the School Board. Ad valorem collections are based upon the number of mills (approved annually by the School Board) and the taxable assessed value (established by the DeSoto Parish Tax Assessor), subject to the limitations approved by the voters and the Louisiana Legislature. The chart below lists the ad valorem tax deposits for the past 3 years.

| <b>Fiscal Year</b> | <b>General Fund</b> | <b>Nonmajor Special Revenue Funds</b> | <b>Nonmajor Debt Service Funds</b> | <b>Total Ad Valorem Taxes</b> | <b>Increase (Decrease) Amount</b> | <b>Percent</b> |
|--------------------|---------------------|---------------------------------------|------------------------------------|-------------------------------|-----------------------------------|----------------|
| 2006-07            | \$8,206,984         | \$1,346,243                           | \$3,305,724                        | \$12,858,951                  | \$ 835,861                        | 7.0%           |
| 2007-08            | 10,095,758          | 1,650,905                             | 4,371,078                          | 16,117,741                    | 3,258,790                         | 25.3%          |
| 2008-09            | 12,381,668          | 2,028,101                             | 3,167,309                          | 17,577,078                    | 1,459,337                         | 9.1%           |

In FY 2008-09, the School Board deposited \$17,577,078 of ad valorem tax revenues into the General Fund, 7-Mill Maintenance Tax Fund, and the Debt Service Funds. This represents 21.0% of the total revenues received. The General Fund received \$2.2 million more in property tax revenues from the prior fiscal year while the Debt Service Funds received \$1.2 million less. The overall increase of \$1.5 million in property tax collections can be attributed to an increase in property tax values.

- **Operating Grants and Contributions:** Operating grants and contributions totaled approximately \$10.2 million and are the fourth largest source of revenues for the School Board. Federal grants represent approximately \$7.1 million or 70.4% of the total while state grants represent approximately \$3.0 million or 29.6%. These grants and contributions are specifically restricted to certain programs, and therefore, are netted against the costs of

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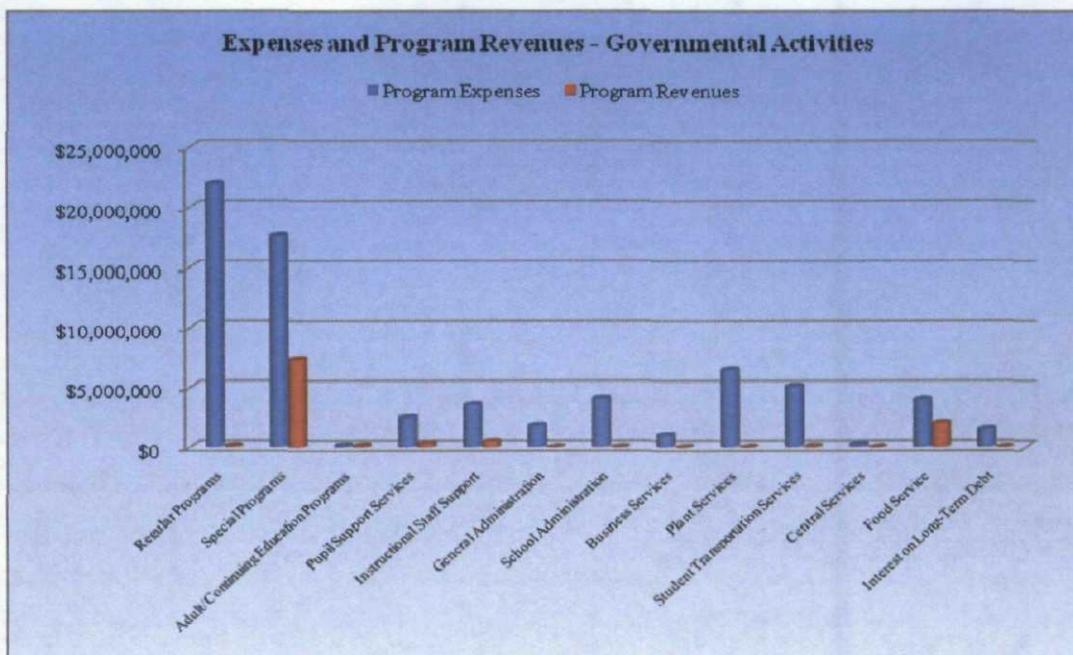
these programs to show a true net cost. The chart below shows the operating grants and contributions by funding source.

| <u>Fiscal Year</u> | <u>School Food Service</u> | <u>Title I</u> | <u>Reading First</u> | <u>Other</u>                                |              | <u>Percentage Increase or (Decrease)</u> |
|--------------------|----------------------------|----------------|----------------------|---|--------------|--|
|                    |                            |                |                      | <u>Operating Grants &amp; Contributions</u> | <u>Total</u> |  |
| 2006-07            | \$1,607,347                | \$1,967,297    | \$1,161,142          | \$4,128,899                                 | \$8,864,685  | -5.5%                                    |
| 2007-08            | 1,600,845                  | 1,646,526      | 1,520,770            | 5,095,932                                   | 9,864,073    | 11.3%                                    |
| 2008-09            | 1,655,609                  | 2,019,424      | 1,338,962            | 5,167,676                                   | 10,181,671   | 3.2%                                     |

In FY 2008-09, the School Board received a 3.2% increase or \$317,598 in operating grants and contributions from the prior fiscal year. Of the total operating grants and contributions received, \$4.8 million or 49.2% is received from School Food Service, Title I, and Reading First Programs.

**Expenses and Program Revenues – Governmental Activities**

Expenses are classified by functions/programs. The related revenues are comprised of specific charges for the services and operating grants and contributions received to offset the expenses for the specific program. The program revenues for the fiscal year ended 2009 directly related to these expenses totaled \$10,181,671, which, along with charges for services of \$361,729, resulted in net program expenses of \$59,560,337. These net program expenses are funded by general revenues of the School Board.



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- **Instruction:** Expenses for regular programs, special programs, and adult/continuing education are considered instructional services and relate to direct expenses of providing instruction to students. Instruction services for the fiscal year 2008-09 totaled more than \$39.8 million or 56.8% of total governmental activities.

| <u>Fiscal Year</u> | <u>Regular Programs</u> | <u>Special Programs</u> | <u>Adult / Continuing Education</u> | <u>Instruction Total</u> | <u>Increase (Decrease)</u> |
|--------------------|-------------------------|-------------------------|-------------------------------------|--------------------------|----------------------------|
| 2006-07            | \$17,553,777            | \$13,302,543            | \$133,419                           | \$30,989,739             | 10.2%                      |
| 2007-08            | 17,264,404              | 14,799,391              | 150,217                             | 32,214,012               | 4.0%                       |
| 2008-09            | 21,967,595              | 17,686,433              | 132,281                             | 39,786,309               | 23.5%                      |

As shown in the chart above, instructional services increased approximately \$7.6 million. The increase for FY 2008-09 can be associated with (a) giving two pay raises costing \$2.4 million, (b) hiring 8 teachers and 18 aides costing \$1.2 million, and (c) adding \$2.2 million to retiree insurance benefits that would be transferred to the Other Post Employees Benefits Trust Fund.

- **Support Services:** Support Services relate to those functions that facilitate the Instructional Services. Support services include Pupil Support, Instructional Staff Support, General Administration, School Administration, Business Services, Plant Services, Transportation Services, and Central Services. Support services for the fiscal year 2008-09 totaled approximately \$24.8 million or 35.4% of total governmental activities.

| <u>Fiscal Year</u> | <u>Instructional Staff Support</u> | <u>Plant Services</u> | <u>Student Transportation</u> | <u>Other</u> | <u>Total Support Services</u> | <u>Increase (Decrease)</u> |
|--------------------|------------------------------------|-----------------------|-------------------------------|--------------|-------------------------------|----------------------------|
| 2006-07            | \$2,992,461                        | \$4,630,717           | \$3,786,831                   | \$7,397,800  | \$18,807,809                  | 10.8%                      |
| 2007-08            | 2,852,134                          | 4,673,123             | 3,530,902                     | 7,047,297    | 18,103,456                    | -3.7%                      |
| 2008-09            | 3,552,709                          | 6,497,050             | 5,116,331                     | 9,660,298    | 24,826,388                    | 37.1%                      |

The chart above shows that Support Services increased 37.1% or \$6.7 million from the prior fiscal year. The majority of the increase for FY 2008-09 can be associated with (a) giving two pay raises costing \$1.7 million, (b) adding 2 office clerks and 2 bus drivers costing \$314,000, and (c) adding \$2.1 million to retiree insurance benefits that would be transferred to the Other Post Employees Benefits Trust Fund.

- **Non-Instructional Services:** Activities concerned with providing non-instructional services to students, staff or the communities are defined as Non-Instructional Services. They include Food Service Operations, Enterprise Operations, and Community Services Operations. Non-Instructional Services for the fiscal year 2008-09 totaled approximately \$4.0 million or 5.7% of total governmental activities.

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| <u>Fiscal</u><br><u>Year</u> | <u>Food</u><br><u>Services</u> | <u>Total</u><br><u>Non-Instructional</u><br><u>Services</u> | <u>Increase</u><br><u>(Decrease)</u> |
|------------------------------|--------------------------------|---|--------------------------------------|
| 2006-07                      | \$3,152,776                    | \$3,152,776   | 4.5%                                 |
| 2007-08                      | 3,712,780                      | 3,712,780   | 17.8%                                |
| 2008-09                      | 3,980,066                      | 3,980,066   | 7.2%                                 |

The chart above shows that Non-Instructional Services grew 7.2% or \$267,286 from the prior fiscal year. The increase for FY 2008-09 can be associated with giving two pay raises costing \$400,000 and reducing equipment purchases by the Food Services \$128,000.

- **Debt Service – Interest on Long Term Obligations:** The remaining \$1,510,974 (2.2%) of total governmental activities consists of interest expense on long-term obligations. Interest on Long Term Obligations increased 11.9% or \$160,986 from the prior fiscal year; however, after this year it will decline annually until fiscal year 2031-32 when the last interest and principal payments are due unless additional debt is issued.

| <u>Fiscal</u><br><u>Year</u> | <u>Interest on</u><br><u>Long Term</u><br><u>Obligations</u> | <u>Increase</u><br><u>(Decrease)</u> |
|------------------------------|--|--------------------------------------|
| 2006-07                      | \$ 869,372   | -8.4%                                |
| 2007-08                      | 1,349,988  | 55.3%                                |
| 2008-09                      | 1,510,974  | 11.9%                                |

**Financial Analysis of Governmental Funds**

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

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

- As of the close of the current fiscal year, the DeSoto Parish School Board's governmental funds reported a combined ending fund balance of \$33,180,281, a decrease of \$3,854,822 in comparison with the prior fiscal year. The key factors of this decrease are as follows:
  - **General Fund** – A General Fund – Fund Balance between 15% and 20% of total expenditures is kept at all times as a safeguard to keep the school system from having financial problems and to improve the financial condition of the DeSoto Parish School Board. A surplus of \$1.4 million was planned for to keep percentage of fund balance to expenditures above 15%. The chart below shows the percentage of the fund balance to expenditures for the past 4 years.

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| <u>Fiscal Year</u> | <u>Total Expenditures</u> | <u>Fund Balance</u> | <u>Percentage of Fund Balance to Expenditures</u> |
|--------------------|---------------------------|---------------------|---|
| 2005-06            | \$36,324,024              | \$5,893,616         | 16.2%   |
| 2006-07            | 40,722,184                | 5,899,758           | 14.5%   |
| 2007-08            | 45,221,616                | 7,521,542           | 16.6%   |
| 2008-09            | 55,485,081                | 8,951,441           | 16.1%   |

There are four primary reasons to maintain an adequate fund balance.

- **Cash Flow** – It is essential for the School Board to have enough cash on hand for payroll and other obligations to be made timely because (1) property tax revenues are not received until January, February, and March of each calendar year, and (2) most state and federal grants require the School Board to make payment first before the grant will make reimbursement.
  - **Unforeseen Events** – Reserves often act as a contingency to meet unbudgeted and unexpected needs, thus allowing time to make permanent changes to the budget and preventing fiscal problems from needlessly worsening.
  - **Financial Security** – A fund reserve demonstrates a sign of financial strength and security to banking and financial institutions allowing the School Board to borrow funds and sell bonds when schools need to be built or renovated at more favorable rates, thus saving the taxpayer money.
  - **Interest Earnings** – Additional revenues can be earned by investing idle funds.
- **School District No. 4 Capital Projects Fund** - Capital projects often experience large surpluses and large deficits of this nature because they are financed through selling of bonds where the money is receipted in one fiscal year and the payment extends over several fiscal years. With that being said, a surplus of \$18.9 was recorded in FY 2007-08 because \$19 million in General Obligation Bonds were sold to renovate and construct new buildings at Mansfield High School. Then in FY 2008-09, the School District No. 4 Capital Projects Fund, a major fund, experienced a \$10.1 deficit. Construction started in FY 2008-09 and will continue into FY 2010-11. Completion of this major capital improvement is scheduled for May 12, 2011. The remaining \$8.9 fund balance at June 30, 2009 is designated for the specific projects mentioned above.
- **Parishwide Capital Project Fund** – The Parishwide Capital Projects Fund, a major fund, had approximately a \$2.8 million increase in FY 2008-09. Funds are being collected on a pay-as-you-go basis with the main purpose (a) build a new maintenance facility, (b) a new food service and transportation facility and (c) to purchase new school buses. Completion of the maintenance facility is scheduled for December 1, 2009. The ending fund balance for the Parishwide Capital Projects Fund increased to \$7.1 million at June 30, 2009 largely due to the (a) the transfer of \$4 million from the General Fund, and (b) spending \$1.5 million for the new maintenance facility. The remaining fund

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### Management's Discussion and Analysis

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balance will allow construction of a new food service and transportation facility scheduled to begin January 2010, the purchase of new buses or other major parishwide capital improvement projects.

- 7 Mill Maintenance Tax Fund – The 7 Mill Maintenance Tax Fund is a non-major Special Revenue Fund and is used to assist in paying the general cost of operation and maintenance of public schools. The fund balance in the 7 Mill Maintenance Tax Fund increased \$105,073 or 9.1% in FY 2008-09 mostly due to an increase in property tax revenues. The ending fund balance of \$1.3 million at June 30, 2009 is designated for property & casualty insurance and utilities for future years.
- School Food Service Fund - The School Food Service is a non-major Special Revenue Fund and is used to account for revenues and costs associated with providing nutritious meals to school children and employees. For the year ended June 30, 2009, the fund balance was \$894,845 which is an increase of \$38,448 from the previous fiscal year. This fund balance is designated for unforeseen circumstances in the school breakfast and lunch programs.
- The non-major Debt Service Funds have a total fund balance exceeding \$1.5 million at June 30, 2009, all of which is reserved for the payment of debt. A net decrease of \$1,414,245 occurred during the current fiscal year (a) as a result of the School Board's reserve policy to have at least 40%, but not greater than 75%, of next year's principal and interest payments in reserve, and (b) because the outstanding debt in three school district were paid in full with money that remained in the fund balance.
- The remaining non-major Capital Projects Funds have a total fund balance exceeding \$2.6 million at June 30, 2009, all of which are designated for capital improvements. This was a net increase of \$1.2 million because more money was collected from Sales and Use Tax revenues than what was expended. Historically, it has been a practice and is very common for the School Board to collect the money before a new capital project is undertaken.

### General Fund Budgetary Highlights

The original 2008-09 fiscal year operating budget for the School Board was adopted on June 5, 2008, and the final budget amendment was adopted on June 30, 2009. Differences between the original budget and the final amended budget of the General Fund are as follows:

#### Revenues

- The beginning budget for Ad Valorem Tax collections were based on a projected taxable assessed value of \$215 million along with a 99.0% collection rate. The budget was increased \$2,445,977 when the actual collection rate increased to 99.3% and when the actual taxable assessed value increased to \$57.7 million to \$291,725,048.
- The beginning budget for Sales and Use Tax revenues were expected to decrease \$250,000 in FY 2008-09 based on estimates from the DeSoto Parish Sales and Use Tax Commission. The budget was increased \$11,385,779 on three separate occasions after collections showed significant increased collections. Much of this increase is attributed to the exploration of natural gas with an area of DeSoto Parish known nationally as the Haynesville Shale.
- State Equalization revenues (\$24.4 million) were forecasted to decrease \$359,708 at the beginning of the 2008-09 fiscal year. The staff used an estimated student rate of \$5,110 and an estimated October 1<sup>st</sup> student count of 4,630. When the State Department of Education changed the formula to increase the

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student rate to \$5,465.13 and to decrease the student count to 4,613, a budget adjustment for \$1,511,497 was submitted to the Board for approval.

- Revenues from state grants for specific programs were increased approximately \$1.3 million throughout the year as competitive state grants were awarded to the school system.

**Expenditures**

- Expenditures for instruction increased approximately \$3.8 for regular programs and increased approximately \$3.0 million in special programs. The largest part of this increase is due to (a) adding 8 teachers and 15 teacher aides at \$1.2 million, (b) adding for retiree health insurance at \$2.2 million, and (c) salary increases for all employees at \$2.4 million.
- Expenditures for support services were increased approximately \$4.7 million due to (a) adding 2 clerks at \$314,000, (b) adding for retiree health insurance at \$2.1 million, and (c) salary increases for all employees at \$1.7 million.

**Other Financing Sources / Uses**

- The School Board and/or the Superintendent approved the transfer of (a) \$2.1 million to the Instructional Enhancement, a Special Revenue Fund, and (b) \$4.0 million to the Parishwide Capital Projects Fund that was not planned for when the original budget was approved.

Excess (Deficiency) of revenues and other financing sources over (under) expenditures and other financing uses

- The original budget projected a surplus of \$35,650 and was later amended and projected to have a surplus of \$1,198,553. This surplus was planned for to keep percentage of fund balance to expenditures above 15%.

**Capital Assets and Debt Administration**

Capital Assets: The DeSoto Parish School Board's investment in capital assets as of June 30, 2009 amounts to \$60,101,152 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, furniture and equipment, and construction in progress. The table below shows the value at the end of each fiscal year.

**DeSoto Parish School Board's Capital Assets  
(Net of Depreciation)**

|  | <u>2009</u>         | <u>2008</u>         |
|--|---------------------|---------------------|
| Land   | \$ 1,745,645        | \$ 1,745,645        |
| Buildings, building improvements,<br>and land improvements | 39,587,669          | 40,803,327          |
| Furniture, equipment, and vehicles                         | 3,669,226           | 3,313,738           |
| Construction in progress -<br>buildings                    | <u>15,098,612</u>   | <u>1,616,612</u>    |
| Total  | <u>\$60,101,152</u> | <u>\$47,479,322</u> |

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

- The new buildings and renovation of existing buildings at Mansfield High School in School District No. 4 added \$11,051,570 to construction in progress – buildings.
- The new buildings for the Maintenance Department added \$1,470,228 to construction in progress – buildings.
- Seven regular education school buses, one special needs school bus, one cargo vans, and two maintenance trucks were purchased in FY 2008-09 totaling \$751,732.
- Depreciation expense for the year lowered all capital asset values a total of \$2,505,721.

Long-Term Debt: At the end of the current fiscal year, the DeSoto Parish School Board had total bonded debt outstanding of \$32,575,000. Of this amount, \$31,305,000 is backed by the full faith and credit of the government. The following table summarizes bonds outstanding at June 30, 2008 and 2009.

**DeSoto Parish School Board's Outstanding Debt**

|                             | <u>2009</u>         | <u>2008</u>         |
|-----------------------------|---------------------|---------------------|
| General Obligation Bonds    | \$31,305,000        | \$34,475,000        |
| Sales Tax Bonds             | 45,000              | 66,000              |
| Certificate of Indebtedness | <u>1,225,000</u>    | <u>1,500,000</u>    |
| Total                       | <u>\$32,575,000</u> | <u>\$36,041,000</u> |

Long-term debt issues for fiscal year 2008-09 include the following:

- Total outstanding debt decreased \$3,466,000 during the fiscal year.
- The DeSoto Parish School improved their bond rating with Standard & Poor's for its general obligation bonds for School Districts No. 2, 3, and 4. The current rating of "A" was issued in January 2009, up three places from the previous rating of "BBB."
- Louisiana statutes limit the amount of general obligation debt the School Board may issue to 35% of its total assessed valuation. The current debt limitation for the DeSoto Parish School Board is approximately \$115.4 million, which is significantly higher than the \$32.6 outstanding at June 30, 2009.

For additional information regarding capital assets and long-term debt, see Note 5 and Note 11 in the Notes to the Basic Financial Statements section.

**Economic Factors and Next Year's Budgets and Rates**

The following economic factors affecting the budget for FY 2009-10 have been presented to the Board:

- After the original budget was approved in June 2009, the Minimum Foundation Program (MFP) revenues was reduced approximately \$721,000. Instead of projecting \$22.8 million in revenues, the staff is projecting \$22.1 million in MFP revenues. The State of Louisiana replaced most of this loss

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with Federal Stabilization grant funds of \$697,405, also known as American Recovery and Reinvestment Act (ARRA) funds.

- Information from the DeSoto Parish Tax Assessor shows the taxable values of property tax assessments will increase 15.6% from \$310.0 million to \$358.5 million. The land use of the parish is balanced among agriculture, mining, timber, natural gas exploration, and manufacturing. In fact, the top 10 principal taxpayers represent 64.4% of the total taxable value. Total ad valorem collections are expected to increase approximately \$1.8 million.
- Information from the DeSoto Parish Sales and Use Tax Commission shows that sales and use tax collections will increase from \$18.0 million to \$24.0 million largely due to the exploration of natural gas in DeSoto Parish known nationally as the Haynesville Shale.
- On November 5, 2009, the Board approved \$2,000 salary supplement for all employees that would be paid in December, 2009 and to annualize this amount starting with the second semester of the 2009-10 school year. The budget impact for FY 2009-10 is estimated to be \$2.9 million.
- After consideration of the above mentioned costs the General Fund for FY 2009-10 is projected to end the year with an increase in the fund balance of approximately \$1.1 million as shown below.

|                             |                     |
|-----------------------------|---------------------|
| Revenues                    | \$58,719,925        |
| Expenditures                | <u>57,854,137</u>   |
|                             | 865,788             |
| Other Sources of Funds      | 216,855             |
| Other Uses of Funds         | <u>-</u>            |
| Net Changes in Fund Balance | 1,082,643           |
| Beginning Fund Balance      | <u>\$ 8,951,441</u> |
| Ending Fund Balance         | <u>\$10,034,084</u> |

**Requests for Information**

This financial report is designed to provide a general overview of the DeSoto Parish School Board's finances for all those with an interest in the School Board's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Director of Business Services of the DeSoto Parish School Board, 201 Crosby Street, Mansfield, LA 71052-2637, or by calling (318) 872-2836.

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**BASIC FINANCIAL STATEMENTS:**

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

DESOTO PARISH SCHOOL BOARD

STATEMENT OF NET ASSETS  
June 30, 2009

Statement A

|   | <u>GOVERNMENTAL<br/>ACTIVITIES</u> |
|---|------------------------------------|
| <b>ASSETS</b>                                   |                                    |
| Cash and cash equivalents                       | \$ 13,309,129                      |
| Investments                                     | 27,202,090                         |
| Receivables (net)                               | 5,813,827                          |
| Inventory                                       | 29,735                             |
| Prepaid expenses                                | 534,144                            |
| OPEB asset                                      | 4,027,885                          |
| Capital assets:                                 |                                    |
| Land and construction in progress               | 16,844,257                         |
| Capital assets, net of depreciation             | <u>43,258,895</u>                  |
| <b>TOTAL ASSETS</b>                             | <u>111,017,962</u>                 |
| <b>LIABILITIES</b>                              |                                    |
| Accounts, salaries and other payables           | 9,877,333                          |
| Unearned revenues                               | 144                                |
| Interest payable                                | 469,986                            |
| Long-term liabilities                           |                                    |
| Due within one year                             | 1,604,179                          |
| Due in more than one year                       | <u>34,223,036</u>                  |
| <b>TOTAL LIABILITIES</b>                        | <u>46,174,678</u>                  |
| <b>NET ASSETS</b>                               |                                    |
| Invested in capital assets, net of related debt | 38,260,982                         |
| Restricted for:                                 |                                    |
| Debt service                                    | 997,925                            |
| Capital projects                                | 7,792,272                          |
| OPEB benefits                                   | 4,027,885                          |
| Unrestricted                                    | <u>13,784,220</u>                  |
| <b>TOTAL NET ASSETS</b>                         | <u>\$ 64,843,284</u>               |

THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

**DESOTO PARISH SCHOOL BOARD**

**STATEMENT OF ACTIVITIES  
For the Year Ended June 30, 2009**

**Statement B**

|  | <u>PROGRAM REVENUES</u> |                                 |   | NET (EXPENSE)<br>REVENUE AND<br>CHANGES IN<br>NET ASSETS |
|--|-------------------------|---------------------------------|---|--|
|  | <u>EXPENSES</u>         | <u>CHARGES FOR<br/>SERVICES</u> | <u>OPERATING<br/>GRANTS AND<br/>CONTRIBUTIONS</u> |  |
| <b>FUNCTIONS/PROGRAMS</b>                                    |                         |                                 |   |  |
| <i>Governmental activities:</i>                              |                         |                                 |   |  |
| Instruction:   |                         |                                 |   |  |
| Regular programs   | \$ 21,967,595           | \$ 0                            | \$ 96,402   | \$ (21,871,193)  |
| Special programs   | 17,686,433              | 0                               | 7,382,018   | (10,294,415)   |
| Adult/continuing education programs                          | 132,281                 | 0                               | 111,557   | (20,724)   |
| Support services:  |                         |                                 |   |  |
| Pupil support services                                       | 2,450,846               | 0                               | 334,859   | (2,115,987)  |
| Instructional staff support                                  | 3,552,709               | 0                               | 509,837   | (3,042,872)  |
| General administration                                       | 1,810,948               | 0                               | 0   | (1,810,948)  |
| School administration  | 4,093,880               | 0                               | 0   | (4,093,880)  |
| Business services  | 1,054,106               | 0                               | 0   | (1,054,106)  |
| Plant services   | 6,497,050               | 0                               | 0   | (6,497,050)  |
| Student transportation services                              | 5,116,331               | 0                               | 81,389  | (5,034,942)  |
| Central services   | 250,518                 | 0                               | 0   | (250,518)  |
| Food services  | 3,980,066               | 361,729                         | 1,655,609   | (1,962,728)  |
| Interest on long-term debt                                   | <u>1,510,974</u>        | <u>0</u>                        | <u>0</u>  | <u>(1,510,974)</u>                                       |
| <b>Total Governmental Activities</b>                         | <u>70,103,737</u>       | <u>361,729</u>                  | <u>10,181,671</u>                                 | <u>(59,560,337)</u>                                      |
| <br>General revenues:  |                         |                                 |   |  |
| Taxes:   |                         |                                 |   |  |
| Ad valorem taxes levied for general purposes                 |                         |                                 |   | 14,409,789   |
| Ad valorem taxes levied for debt service purposes            |                         |                                 |   | 3,167,309  |
| Sales taxes levied for capital improvements                  |                         |                                 |   | 4,986,371  |
| Sales taxes levied for salaries, benefits and genera         |                         |                                 |   | 22,994,901   |
| Grants and contributions not restricted to specific programs |                         |                                 |   |  |
| State revenue sharing  |                         |                                 |   | 320,334  |
| State salary supplement                                      |                         |                                 |   | 487,701  |
| Minimum Foundation Program                                   |                         |                                 |   | 25,221,571   |
| Interest and investment earnings                             |                         |                                 |   | 778,620  |
| Miscellaneous  |                         |                                 |   | <u>826,382</u>   |
| <b>Total general revenues</b>                                |                         |                                 |   | <u>73,192,958</u>  |
| <br>Changes in net assets                                    |                         |                                 |   | <br>13,632,621   |
| <br>Net assets - beginning                                   |                         |                                 |   | <br><u>51,210,663</u>                                    |
| <br>Net assets - ending                                      |                         |                                 |   | <br><u>\$ 64,843,284</u>                                 |

THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

**DESOTO PARISH SCHOOL BOARD**  
Mansfield, Louisiana

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

DESOTO PARISH SCHOOL BOARD

GOVERNMENTAL FUNDS

Balance Sheet

June 30, 2009

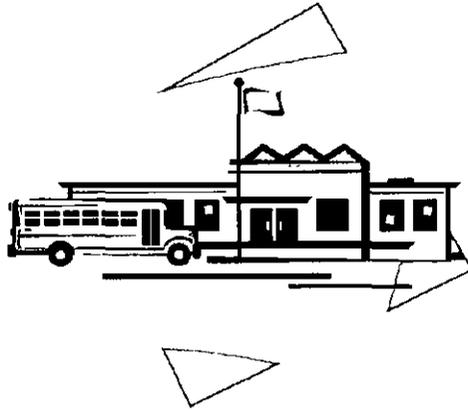
|   | GENERAL              | SCHOOL<br>DISTRICT<br>NO. 4<br>CAPITAL<br>PROJECT | PARISHWIDE<br>CAPITAL<br>PROJECT |
|---|----------------------|---|----------------------------------|
| <b>ASSETS</b>   |                      |   |                                  |
| Cash and cash equivalents   | \$ 1,041,678         | \$ 1,734,830                                      | \$ 1,117,905                     |
| Investments   | 12,702,090           | 9,000,000   | 2,000,000                        |
| Receivables   | 3,514,017            | 209,570   | 180,864                          |
| Interfund receivables   | 853,031              | 0   | 4,000,000                        |
| Inventory   | 0                    | 0   | 0                                |
| <b>TOTAL ASSETS</b>   | <b>18,110,816</b>    | <b>10,944,400</b>                                 | <b>7,298,769</b>                 |
| <b>LIABILITIES AND FUND BALANCES</b>                                |                      |   |                                  |
| <b>Liabilities:</b>   |                      |   |                                  |
| Accounts, salaries and other payables                               | 4,247,963            | 2,062,758   | 238,043                          |
| Interfund payables  | 4,911,412            | 0   | 0                                |
| Deferred revenues   | 0                    | 0   | 0                                |
| <b>Total Liabilities</b>  | <b>9,159,375</b>     | <b>2,062,758</b>                                  | <b>238,043</b>                   |
| <b>Fund Balances:</b>   |                      |   |                                  |
| <b>Reserved for:</b>  |                      |   |                                  |
| Inventory   | 0                    | 0   | 0                                |
| Debt Service  | 0                    | 0   | 0                                |
| <b>Unreserved:</b>  |                      |   |                                  |
| Designated for future claims and contingencies                      | 3,026,108            | 0   | 0                                |
| Designated for equipment replacement                                | 2,000,000            | 0   | 0                                |
| Designated for specific projects                                    | 96,317               | 0   | 0                                |
| Designated for specific projects, reported in capital project funds | 0                    | 8,881,642   | 7,060,726                        |
| Undesignated  | 3,829,016            | 0   | 0                                |
| Unreserved, reported in nonmajor Special Revenue                    | 0                    | 0   | 0                                |
| <b>Total Fund Balances</b>  | <b>8,951,441</b>     | <b>8,881,642</b>                                  | <b>7,060,726</b>                 |
| <b>TOTAL LIABILITIES AND FUND BALANCES</b>                          | <b>\$ 18,110,816</b> | <b>\$ 10,944,400</b>                              | <b>\$ 7,298,769</b>              |

THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

**Statement C**

|    | <u>OTHER</u>        |    | <u>TOTAL</u>      |  |
|----|---------------------|----|-------------------|--|
|    | <u>GOVERNMENTAL</u> |    |                   |  |
| \$ | 7,467,555           | \$ | 11,361,968        |  |
|    | 0                   |    | 23,702,090        |  |
|    | 1,881,455           |    | 5,785,906         |  |
|    | 911,411             |    | 5,764,442         |  |
|    | <u>29,735</u>       |    | <u>29,735</u>     |  |
|    | <u>10,290,156</u>   |    | <u>46,644,141</u> |  |
|    | 1,150,510           |    | 7,699,274         |  |
|    | 853,030             |    | 5,764,442         |  |
|    | <u>144</u>          |    | <u>144</u>        |  |
|    | <u>2,003,684</u>    |    | <u>13,463,860</u> |  |
|    | 29,735              |    | 29,735            |  |
|    | 1,467,911           |    | 1,467,911         |  |
|    | 0                   |    | 3,026,108         |  |
|    | 0                   |    | 2,000,000         |  |
|    | 0                   |    | 96,317            |  |
|    | 2,584,734           |    | 18,527,102        |  |
|    | 0                   |    | 3,829,016         |  |
|    | <u>4,204,092</u>    |    | <u>4,204,092</u>  |  |
|    | <u>8,286,472</u>    |    | <u>33,180,281</u> |  |
| \$ | <u>10,290,156</u>   | \$ | <u>46,644,141</u> |  |

**DESOTO PARISH SCHOOL BOARD**  
Mansfield, Louisiana



**DESOTO PARISH SCHOOL BOARD**

**Reconciliation of the Governmental Funds  
Balance Sheet to the Statement of Net Assets  
June 30, 2009**

**Statement D**

**Total fund balances - governmental funds** **\$ 33,180,281**

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

|                              |                     |            |
|------------------------------|---------------------|------------|
| Costs of capital assets      | \$ 91,895,117       |            |
| Depreciation expense to date | <u>(31,793,965)</u> |            |
|                              |                     | 60,101,152 |

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

Balances at June 30, 2009 are:

|                                     |                  |              |
|-------------------------------------|------------------|--------------|
| Long-term liabilities               |                  |              |
| Compensated absences payable        | (3,252,215)      |              |
| General obligation bonds payable    | (31,305,000)     |              |
| Revenue bonds payable               | (45,000)         |              |
| Certificate of indebtedness payable | (1,225,000)      |              |
| Interest payable                    | <u>(469,986)</u> |              |
|                                     |                  | (36,297,201) |

Internal service funds are used by management to charge the costs of certain activities to individual funds. The assets and liabilities of the internal service funds are reported with governmental activities.

7,859,052

**Net Assets - Governmental Activities** **\$ 64,843,284**

THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

**DESOTO PARISH SCHOOL BOARD**

**GOVERNMENTAL FUNDS  
Statement of Revenues, Expenditures,  
and Changes in Fund Balances  
For the Year Ended June 30, 2009**

|  | <u>GENERAL</u>      | <u>SCHOOL<br/>DISTRICT NO. 4<br/>CAPITAL<br/>PROJECT</u> | <u>PARISHWIDE<br/>CAPITAL<br/>PROJECT</u> |
|--|---------------------|--|---|
| <b>REVENUES</b>  |                     |  |   |
| Local sources:   |                     |  |   |
| Taxes:   |                     |  |   |
| Ad valorem   | \$ 12,381,668       | \$ 0   | \$ 0                                      |
| Sales and use  | 21,265,780          | 897,736  | 1,399,059                                 |
| Interest earnings  | 203,303             | 349,014  | 46,713                                    |
| Food services  | 0                   | 0  | 0   |
| Other  | 715,049             | 0  | 0   |
| State sources:   |                     |  |   |
| Equalization   | 24,401,870          | 0  | 0   |
| Other  | 3,680,685           | 0  | 0   |
| Federal sources  |                     |  |   |
|  | 115,338             | 0  | 0   |
| <br>Total Revenues                                       | <u>62,763,693</u>   | <u>1,246,750</u>   | <u>1,445,772</u>                          |
| <br><b>EXPENDITURES</b>                                  |                     |  |   |
| Current:   |                     |  |   |
| Instruction:   |                     |  |   |
| Regular programs   | 20,798,086          | 0  | 0   |
| Special programs   | 13,627,242          | 0  | 0   |
| Adult/continuing education programs                      | 81,159              | 0  | 0   |
| Support services:  |                     |  |   |
| Pupil support services                                   | 2,155,693           | 0  | 0   |
| Instructional staff support                              | 3,242,825           | 0  | 0   |
| General administration                                   | 1,464,511           | 8,379  | 13,092                                    |
| School administration                                    | 4,036,247           | 0  | 0   |
| Business services  | 1,056,157           | 578  | 702                                       |
| Plant services   | 3,910,544           | 159,039  | 548,109                                   |
| Student transportation services                          | 4,865,754           | 0  | 0   |
| Central services   | 246,863             | 0  | 0   |
| Food services  | 0                   | 0  | 0   |
| Capital outlay   | 0                   | 11,147,266   | 2,073,249                                 |
| Debt service:  |                     |  |   |
| Principal retirement                                     | 0                   | 0  | 0   |
| Interest and bank charges                                | 0                   | 0  | 0   |
| <br>Total Expenditures                                   | <u>55,485,081</u>   | <u>11,315,262</u>  | <u>2,635,152</u>                          |
| <br>EXCESS (Deficiency) OF REVENUES OVER<br>EXPENDITURES | <u>\$ 7,278,612</u> | <u>\$ (10,068,512)</u>                                   | <u>\$ (1,189,380)</u>                     |

Statement E

| OTHER               |                   |
|---------------------|-------------------|
| <u>GOVERNMENTAL</u> | <u>TOTAL</u>      |
| \$ 5,195,410        | \$ 17,577,078     |
| 4,418,697           | 27,981,272        |
| 45,751              | 644,781           |
| 361,729             | 361,729           |
| 180,813             | 895,862           |
| 819,701             | 25,221,571        |
| 66,498              | 3,747,183         |
| <u>7,127,185</u>    | <u>7,242,523</u>  |
| <u>18,215,784</u>   | <u>83,671,999</u> |

|                   |                       |
|-------------------|-----------------------|
| 0                 | 20,798,086            |
| 4,284,666         | 17,911,908            |
| 58,889            | 140,048               |
| 320,605           | 2,476,298             |
| 444,347           | 3,687,172             |
| 341,682           | 1,827,664             |
| 0                 | 4,036,247             |
| 554               | 1,057,991             |
| 1,937,929         | 6,555,621             |
| 137,159           | 5,002,913             |
| 0                 | 246,863               |
| 3,937,929         | 3,937,929             |
| 1,548,291         | 14,768,806            |
| 3,466,000         | 3,466,000             |
| <u>1,613,275</u>  | <u>1,613,275</u>      |
| <u>18,091,326</u> | <u>87,526,821</u>     |
| <u>\$ 124,456</u> | <u>\$ (3,854,822)</u> |

(CONTINUED)

DESOTO PARISH SCHOOL BOARD

GOVERNMENTAL FUNDS  
 Statement of Revenues, Expenditures,  
 and Changes in Fund Balances  
 For the Year Ended June 30, 2009

|   | GENERAL          | SCHOOL<br>DISTRICT NO. 4<br>CAPITAL<br>PROJECT | PARISHWIDE<br>CAPITAL<br>PROJECT |
|---|------------------|--|----------------------------------|
| <b>OTHER FINANCING SOURCES (USES)</b>       |                  |  |                                  |
| Transfers in                                | \$ 229,713       | \$ 0   | \$ 4,000,000                     |
| Transfers out                               | (6,078,428)      | 0  | 0                                |
| Bond proceeds                               | 0                | 0  | 0                                |
| <br>Total Other Financing<br>Sources (Uses) | <br>(5,848,713)  | <br>0  | <br>4,000,000                    |
| <br>Net Change in Fund Balances             | <br>1,429,899    | <br>(10,068,512)                               | <br>2,810,820                    |
| <br>FUND BALANCES - BEGINNING               | <br>7,521,542    | <br>18,950,154                                 | <br>4,250,106                    |
| <br>FUND BALANCES - ENDING                  | <br>\$ 8,951,441 | <br>\$ 8,881,642                               | <br>\$ 7,060,726                 |

THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

Statement E

| OTHER               |                      |
|---------------------|----------------------|
| <u>GOVERNMENTAL</u> | <u>TOTAL</u>         |
| \$ 2,078,426        | \$ 6,308,139         |
| (229,713)           | (6,308,139)          |
| <u>0</u>            | <u>0</u>             |
| <br>                |                      |
| <u>1,848,713</u>    | <u>0</u>             |
| <br>                |                      |
| 1,973,171           | (3,854,822)          |
| <br>                |                      |
| <u>6,313,301</u>    | <u>37,035,103</u>    |
| <br>                |                      |
| <u>\$ 8,286,472</u> | <u>\$ 33,180,281</u> |

(CONCLUDED)

**DESOTO PARISH SCHOOL BOARD**

**Reconciliation of the Governmental Funds  
Statement of Revenues, Expenditures, and Changes in Fund Balances  
to the Statement of Activities  
For the Year Ended June 30, 2009**

**Statement F**

Total net change in fund balances - governmental funds \$ (3,854,822)

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

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

|                          |                    |            |
|--------------------------|--------------------|------------|
| Capital outlay additions | 15,197,031         |            |
| Depreciation expense     | <u>(2,505,721)</u> | 12,691,310 |

Loss on disposal of capital assets reduces net assets in the government wide statements. (69,480)

The issuance of long-term debt provides financial resources of governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets.

|                             |           |
|-----------------------------|-----------|
| Repayment of bond principal | 3,466,000 |
|-----------------------------|-----------|

Interest on long-term debt in the Statement of Activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the Statement of Activities, however, interest expense is recognized as the interest accrues, regardless of when it is due. 102,301

In the Statement of Activities, certain operating expenses-compensated absences (vacations and sick leave) - are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid). This year, vacation and sick time earned (\$661,348) exceeded the amounts used \$197,179 by \$464,169. (464,169)

Internal service funds are used by management to charge the costs of certain activities to individual funds. The net revenue of the internal service funds is reported with governmental activities. 1,781,481

**Change in net assets of governmental activities \$ 13,632,621**

THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

DESOTO PARISH SCHOOL BOARD

PROPRIETARY FUND TYPE - INTERNAL SERVICE FUNDS  
 Statement of Net Assets  
 June 30, 2009

Statement G

|                           |                     |
|---------------------------|---------------------|
| ASSETS                    |                     |
| Current assets:           |                     |
| Cash and cash equivalents | \$ 1,947,161        |
| Investments               | 3,500,000           |
| Receivables               | 27,921              |
| Prepaid items             | <u>534,144</u>      |
| TOTAL CURRENT ASSETS      | 6,009,226           |
| NONCURRENT ASSETS         |                     |
| OPEB asset                | <u>4,027,885</u>    |
| TOTAL ASSETS              | <u>10,037,111</u>   |
| LIABILITIES               |                     |
| Current liabilities:      |                     |
| Medical claims payable    | 2,102,039           |
| Dental claims payable     | <u>76,020</u>       |
| TOTAL CURRENT LIABILITIES | <u>2,178,059</u>    |
| NET ASSETS                |                     |
| Restricted                | 4,027,885           |
| Unrestricted              | <u>3,831,167</u>    |
| TOTAL NET ASSETS          | <u>\$ 7,859,052</u> |

THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTREGRAL PART OF THIS STATEMENT.

DESOTO PARISH SCHOOL BOARD

PROPRIETARY FUND TYPE - INTERNAL SERVICE FUNDS  
Statement of Revenues, Expenses,  
and Changes in Fund Net Assets  
For The Year Ended June 30, 2009

Statement H

|                          |                     |
|--------------------------|---------------------|
| OPERATING REVENUE        |                     |
| Medical premiums         | \$ 10,629,985       |
| Dental premiums          | <u>400,369</u>      |
| Total operating revenues | <u>11,030,334</u>   |
| OPERATING EXPENSES       |                     |
| Claims                   | 8,683,168           |
| Administration           | 261,457             |
| Insurance                | <u>458,067</u>      |
| Total operating expenses | <u>9,402,692</u>    |
| Operating income (loss)  | 1,627,642           |
| NONOPERATING REVENUES    |                     |
| Earnings on investments  | <u>133,839</u>      |
| Change in Net Assets     | 1,761,481           |
| NET ASSETS - BEGINNING   | <u>6,097,571</u>    |
| NET ASSETS - ENDING      | <u>\$ 7,859,052</u> |

THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

DESOTO PARISH SCHOOL BOARD

PROPRIETARY FUND TYPE - INTERNAL SERVICE FUNDS  
 Statement of Cash Flows  
 For the Year Ended June 30, 2009

Statement I

|  |                       |
|--|-----------------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>  |                       |
| Medical and dental premiums received   | \$ 13,059,013         |
| Administrative fees paid   | (410,801)             |
| Premiums paid  | (992,211)             |
| Claims paid  | <u>(12,708,403)</u>   |
| Net cash provided (used) by operating activities   | (1,052,402)           |
| <b>CASH FLOW FROM INVESTING ACTIVITIES</b>   |                       |
| Earnings on investments  | 133,839               |
| Purchase of investments  | <u>(3,500,000)</u>    |
| Net cash provided (used) for investing activities  | <u>(3,366,161)</u>    |
| Net increase (decrease) in cash and cash equivalents   | (4,418,563)           |
| CASH AND CASH EQUIVALENTS - BEGINNING  | <u>6,365,724</u>      |
| CASH AND CASH EQUIVALENTS - ENDING   | <u>1,947,161</u>      |
| <b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b> |                       |
| Operating income (loss)  | 1,627,642             |
| Adjustments to reconcile operating income to net cash provided (used) by operating activities:       |                       |
| (Increase) decrease in receivables   | 1,069,835             |
| (Increase) decrease in prepaid items   | (534,144)             |
| (Increase) decrease in interfund receivables   | 958,844               |
| (Increase) decrease in OPEB asset  | (4,027,885)           |
| Increase (decrease) in claims payable  | <u>(146,694)</u>      |
| Net cash provided (used) for operating activities  | <u>\$ (1,052,402)</u> |

THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

**DESOTO PARISH SCHOOL BOARD**  
**FIDUCIARY FUND**  
**STATEMENT OF FIDUCIARY NET ASSETS**  
**June 30, 2009**

Statement J

|  | <b>OTHER POST<br/>EMPLOYMENT<br/>BENEFITS<br/>TRUST FUND</b> | <b>AGENCY<br/>FUND</b> |
|--|--|------------------------|
| <b>ASSETS</b>                          |  |                        |
| Cash and cash equivalents              | \$ 8,444,399   | \$ 365,824             |
| Investments                            | 0  | 0                      |
| Total assets                           | 8,444,399  | 365,824                |
| <b>LIABILITIES</b>                     |  |                        |
| Deposits due others                    | 0  | 365,824                |
| Total liabilities                      | 0  | 365,824                |
| <b>NET ASSETS</b>                      |  |                        |
| Assets held in trust for OPEB benefits | 8,444,399  | 0                      |
| Total liabilities                      | \$ 8,444,399   | \$ 0                   |

THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

DESOTO PARISH SCHOOL BOARD  
**FIDUCIARY FUNDS**  
**STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS**  
**For the Year Ended June 30, 2009**

Statement K

**OTHER POST  
EMPLOYMENT  
BENEFITS  
TRUST FUND**

ADDITIONS

|                        |                      |
|------------------------|----------------------|
| Employer contributions | \$8,440,271          |
| Interest income        | <u>4,128</u>         |
| <br>Total additions    | <br><u>8,444,399</u> |

DEDUCTIONS

|                                     |               |
|-------------------------------------|---------------|
| General and administrative expenses | <u>\$0</u>    |
| <br>Change in net assets            | <br>8,444,399 |

|                        |                    |
|------------------------|--------------------|
| Net assets - Beginning | <u>0</u>           |
| Net assets - Ending    | <u>\$8,444,399</u> |

THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

**DeSoto Parish School Board**  
**Notes to the Basic Financial Statements**  
**June 30, 2009**

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**DeSoto Parish School Board**  
**Notes to the Basic Financial Statements**  
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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:** The accompanying financial statements of the DeSoto Parish School Board have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

**A. REPORTING ENTITY:** The DeSoto Parish School Board was created by Louisiana Revised Statute LSA-R.S. 17:51 to provide public education for the children within DeSoto 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 eleven schools within the parish with a total enrollment of approximately 5,000 pupils. In conjunction with the regular educational programs, some of these schools offer pre-kindergarten, special education and/or adult education programs. In addition, the School Board provides transportation and school food services for the students.

The School Board is considered a primary government, since it is a special-purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments. Fiscally independent means that the School Board may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges, and issue bonded debt. The School Board also has no component units as other legally separate organizations for which the elected School Board members are financially accountable. There are no other primary governments with which the School Board has a significant relationship.

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

The funds of the School Board are classified into three categories: governmental, proprietary, and fiduciary.

**Governmental Funds:** Governmental funds are used to account for the School Board's general government activities, including the collection and disbursement of specific or legally restricted monies, the acquisition or construction of capital assets, and the servicing of long-term debt. The School Board reports the following major governmental funds:

**General Fund** – the primary operating fund of the School Board. It accounts for all financial resources of the School Board, except those required to be accounted for in another fund.

**School District No. 4** – a capital project fund. It accounts for financial resources to acquire, construct, and improve public school facilities in School District No. 4.

**Parishwide** – a capital project fund. It accounts for financial resources to acquire, construct, and improve public school facilities in the parish.

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**Proprietary Funds:** Proprietary funds account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Proprietary funds differ from governmental funds in that their focus is on measurement, which, together with the maintenance of equity is an important financial indicator. The School Board reports the following proprietary fund:

**Internal Service Fund** – used to account for medical and dental insurance for employees of the School Board on a cost reimbursement basis.

**Fiduciary Funds:** Fiduciary funds account for assets held by the government in a trustee capacity or as an agent on behalf of outside parties, including other governments.

*Agency Funds* are custodial in nature (assets equal liabilities) and do not present results of operations or have a measurement focus. These funds are used to account for assets that the government holds for others in an agency capacity. These agency funds are as follows:

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

*Pension (and Other Post Employment Benefits) Trust Funds* are used to report resources that are required to be held in trust for the members and beneficiaries of defined benefit pension plans, defined contributions plans, other postemployment benefit plans, or other employee benefit plans.

**Other Post Employment Benefits Trust Fund** - accounts for the assets held in an irrevocable trust for payment of retirees health insurance premiums.

**C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING:**

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

The Statement of Net Assets and the Statement of Activities were prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets, and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, Accounting and Financial Reporting for Nonexchange Transactions.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as necessary.

**Internal activities:** The employees' medical and dental insurance internal service funds provide services to the governmental funds. Accordingly, the employees' medical and dental insurance funds activity was rolled up into the governmental activities. Pursuant to GASB Statement No. 34 Basic Financial Statements - and Management's Discussion and Analysis – for State and Local Governments, as much as possible, the internal activities have been eliminated in order to avoid the "grossing-up" effect of a straight inclusion. The interfund services provided and used are not eliminated in the process of consolidation.

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

**Allocation of indirect expenses:** The School Board reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Depreciation expense is specifically identified by function and is included in the direct expense of each function. Interest on long-term debt is considered an indirect expense and is reported separately in the Statement of Activities.

**Fund Financial Statements (FFS):**

**Governmental Funds:** The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting revenues are recognized when susceptible to accrual (i.e., when they are "measurable and available"). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The government considers all revenues available if they are collected within 60 days after year-end. Expenditures are recorded when the related fund liability is incurred, except for unmatured principal and interest on long-term debt which is recognized when due. Compensated absences and claims and judgments are reported in a governmental fund only if the claims are due and payable.

With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present increases and decreases in net current assets. The governmental funds use the following practices in recording revenues and expenditures:

**Revenues**

**Ad valorem taxes** are recorded in the year the taxes are due and payable and are remitted on a monthly basis to the School Board.

**Sales and use taxes** are recorded in the month collected by the vendor.

**Entitlements and shared revenues** (which include state equalization and state revenue sharing) are recorded as unrestricted grants-in-aid at the time of receipt or earlier if the susceptible to accrual criteria are met. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met.

**Other receipts** become measurable and available when cash is received by the School Board and are recognized as revenue at that time.

**Expenditures**

**Salaries** are recorded as paid. Unpaid salaries for nine-month employees who are paid over twelve months are accrued at June 30. Substantially all other expenditures are recognized when the related fund liability has been incurred.

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**Other financing sources (uses)** transfers between funds that are not expected to be repaid (or any other types, such as capital lease transactions, sale of fixed assets, debt extinguishments, long-term debt proceeds, et cetera) are accounted for as other financing sources (uses). These other financing sources (uses) are recognized at the time the underlying events occur.

**Proprietary Fund:** Proprietary fund is accounted for on the flow of economic resources measurement focus and use the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time the liabilities are incurred. With this measurement focus, all assets and all liabilities associated with the operation of this fund are included on the balance sheet.

**Operating revenues and expenses:** Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services in connection with the fund's principal ongoing operations. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

**Fiduciary Fund:** The *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 accrual basis of accounting.

**D. BUDGETS:**

**General Budget Policies** State statute requires budgets to be adopted for the general fund and all special revenue funds. In May the Superintendent submits to the Board proposed annual budgets for the general fund and all special revenue funds. Public hearings are conducted, prior to the Board's approval, to obtain citizens' comments. The operating budgets include proposed expenditures and the means of financing them. Appropriations (unexpected budget balances) lapse at year end.

Formal budget integration (within accounting records) is employed as a management control device. All budgets are controlled at the departmental or project level. School Board policy prescribes that the level of budgetary control is at the fund level for all funds.

**Encumbrances** Encumbrance accounting is employed in governmental funds. Appropriations lapse at year end.

**Budget Basis of Accounting** All governmental funds' budgets are prepared on the modified accrual basis of accounting. Budgeted amounts are as originally adopted or as amended by the Board. Legally, the Board must adopt a balanced budget; that is, total budgeted revenues and other financing sources including fund balance must equal or exceed total budgeted expenditures and other financing uses. The effect of budget amendments during the year for the general fund was to increase net revenues by \$17,091,826 and increase net expenditures by \$11,577,906.

**E. CASH AND CASH EQUIVALENTS:** Cash includes amounts in demand deposits, interest-bearing demand deposits and time deposit accounts. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the School Board may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

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

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The investments are reflected at fair value except for the following which are permitted per GASB Statement No. 31:

1. Investments in *nonparticipating* interest-earning contracts, such as nonnegotiable certificates of deposit with redemption terms that do not consider market rates, are reported using a cost-based measure.
2. Money market investments and *participating* interest-earning investment contracts that have a remaining maturity at time of purchase of one year or less are reported at amortized cost.

Definitions:

Interest-earning investment contracts include time deposits with financial institutions (such as certificates of deposit), repurchase agreements, and guaranteed investment contracts.

Money market investments are short-term, highly liquid debt instruments that include U. S. Treasury obligations.

**G. SHORT-TERM INTERFUND RECEIVABLES/PAYABLES:** During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as interfund receivables/payables on the balance sheet. Short-term interfund loans are also classified as interfund receivables/payables.

**H. ELIMINATION AND RECLASSIFICATION:** In the process of aggregating data for the statement of net assets and the statement of activities, some amounts reported as interfund activity and balances in the funds were eliminated or reclassified. Interfund receivables and payables were eliminated to minimize the "grossing up" effect on assets and liabilities within the governmental activities column.

**I. INVENTORIES:** Inventories of the governmental fund type are accounted for using the consumption method where expenditures are recognized as inventory is used.

Inventories consist of food purchased by the School Board and commodities granted by the United States Department of Agriculture through the Louisiana Department of Agriculture and Forestry. The commodities are recorded as revenues and expenditures by the School Food Service Fund when consumed. Any material commodities on hand at year-end are recorded as inventory. All purchased inventory items are valued at cost (first-in, first-out) using the consumption method and commodities are assigned values based on information provided by the United States Department of Agriculture.

**J. CAPITAL ASSETS:** Capital assets are recorded at historical cost or estimated historical cost for assets where actual historical cost is not available and depreciated over their estimated useful lives. Donated capital assets are recorded at their estimated fair value at the date of donation. The School Board maintains a threshold level of the following: \$1 (land and CIP), \$5,000 (equipment and vehicles), \$25,000 (land improvements), and \$50,000 (building and building improvements) for capitalizing capital assets. Estimated useful life is management's estimate of how long the asset is expected to meet service demands. Capital assets have not been assigned a salvage value because management feels that the salvage value is immaterial. Straight line depreciation is used based on the following estimated useful lives:

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|                         |             |
|-------------------------|-------------|
| Buildings               | 25-45 years |
| Land improvements       | 10-25 years |
| Building improvements   | 20 years    |
| Furniture and equipment | 5-15 years  |
| Vehicles                | 5-8 years   |

**K. DEFERRED REVENUES:** The School Board reports deferred revenues on its statement of net assets and fund balance sheet. These deferred revenues arise when the School Board receives grant funds for expenditure-driven grants before the qualifying expenditure has occurred. In subsequent periods when the expenditure occurs, the liability for deferred revenue is removed and the revenue is recognized.

**L. COMPENSATED ABSENCES:** Compensated absences include salary related payments. All School Board employees earn from five to twenty days of vacation leave each year depending upon length of service. Unused vacation leave as of June 30 can be accumulated and carried forward to the succeeding year, up to a maximum of sixty days.

All School Board employees, except eleven and twelve-month employees, earn ten days of sick leave each year. Twelve-month School Board employees earn twelve days of sick leave each year and eleven-month employees earn eleven days per year. Non-twelve-month employees may use two days of sick leave each year for personal business. Sick leave may be accumulated without limitation. Upon retirement or death, a maximum of twenty-five days accumulated sick leave may be paid to the employee or the employee's estate at the employee's current rate of pay. Under the various pension funds, the total accumulated sick leave, including the twenty-five days paid, is used in the retirement benefit computation as earned service for leave earned prior to July 1, 1988. For sick leave earned after July 1, 1988, under the Teachers' Retirement System of Louisiana and for sick leave earned under the Louisiana School Employees' Retirement System, all unpaid sick leave, which excludes the twenty-five days paid, is used in the retirement benefit computation as earned service.

In the FFS, the matured liability for compensated absences, which includes salary and salary related payments, is reported in the fund. The total liability is reported in the GWFS.

**M. LONG-TERM LIABILITIES:** Bond premiums and discounts, as well as issuance costs, are recognized in the period the bonds are issued. Bond proceeds are reported as an other financing source. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures in the FFS and are capitalized and amortized in the GWFS. Deferred gains on refunding are capitalized and amortized over the life of refunding in the GWFS.

**N. RESTRICTED NET ASSETS:** For the government-wide statement of net assets, net assets are reported as restricted when constraints placed on net asset use are either:

Externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments; or,

Imposed by law through constitutional provisions or enabling legislation. Restricted net assets reported in the statement of net assets are restricted through enabling legislation.

**DeSoto Parish School Board**  
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**O. FUND EQUITY OF FUND FINANCIAL STATEMENTS:**

**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 expenditure or is legally segregated for a specific future use. The reserve for debt service represents the portion of fund balance that has been reserved in the debt service funds for future payment of principal and interest on bonded debt.

**Designations:** 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. Designated fund balances may be changed and are subject to subsequent authorization before expenditures can be made. The nature and purpose of these designations are explained as follows:

*Designated for Future Claims and Contingencies*

This amount represents a portion of fund balance that has been designated to fund possible losses from lawsuits, self-insurance liability, and other risks.

*Designated for Equipment Replacement*

This amount has been accumulated to fund the replacement of capital assets.

*Designated for Specific Projects*

This amount has been designated to fund future capital projects including acquiring lands for building sites and playgrounds; purchasing, erecting, and improving school buildings and other facilities; and acquiring equipment and furnishings.

**P. INTERFUND ACTIVITIES:** Interfund activity is reported as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental funds are netted as part of the reconciliation to the government-wide financial statements.

**Q. SALES TAXES:** On March 25, 1968, with no expiration date, the voters of DeSoto Parish approved a one cent sales and use tax to be used for salaries of teachers and other personnel and for the operation of public elementary and secondary schools.

On May 3, 1986, with no expiration date, the voters of DeSoto Parish approved a one-half cent sales and use tax to be used to supplement salaries of School Board employees.

One May 3, 1986, with a period of 25 years expiring June 30, 2011, the voters of DeSoto Parish approved a one-half cent sales and use tax to be used for the purpose of air conditioning school buildings, repairing school buildings, and making capital improvements to school buildings and related facilities. The proceeds of this tax may be used to repay bonds issued to pay the cost of air conditioning and capital improvements.

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On April 12, 2001, with no expiration date, the voters of DeSoto Parish approved a one-half cent sales and use tax to be used to supplement salaries of teachers and other School Board employees and for the operation of public schools in DeSoto Parish.

**R. USE OF ESTIMATES:** The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statement and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**NOTE 2 - LEVIED TAXES:** The School Board levies taxes on real and business personal property located within DeSoto Parish's boundaries. Property taxes are levied by the School Board on property values assessed by the DeSoto Parish Tax Assessor and approved by the State Tax Commission. The DeSoto Parish Sheriff's Office bills and collects property taxes for the School Board. Collections are remitted to the School Board monthly.

Property Tax Calendar

|   |                    |
|---|--------------------|
| Assessment date                         | January 1, 2008    |
| Levy date                               | September 23, 2008 |
| Tax bills mailed                        | October 27, 2008   |
| Due date                                | December 31, 2008  |
| Lien date                               | January 1, 2009    |
| Tax sale date, 2008 delinquent property | May 2009           |

Assessed values are established by the DeSoto Parish Tax Assessor each year on a uniform basis at the following ratios of assessed value to fair market value:

|                              |   |
|------------------------------|---|
| 10% land                     | 15% machinery                                 |
| 10% residential improvements | 15% commercial improvements                   |
| 15% industrial improvements  | 25% public service properties, excluding land |

A revaluation of all property is required to be completed no less than every four years. The last revaluation was completed for the roll of January 1, 2006. Total assessed value was \$329,776,185 in calendar year 2008. Louisiana state law exempts the first \$7,500 of assessed value of a taxpayer's primary residence from parish property taxes. This homestead exemption was \$38,051,137 of the assessed value in calendar year 2008.

State law requires the sheriff to collect property taxes in the calendar year in which the assessment is made. Property taxes become delinquent January 1 of the following year. If taxes are not paid by the due date, taxes bear interest at the rate of 1.25% per month until the taxes are paid. After notice is given to the delinquent taxpayers, the sheriff is required by the *Constitution of the State of Louisiana* to sell the least quantity of property necessary to settle the taxes and interest owed.

The tax roll is prepared by the tax assessor and approved by the State Tax Commission in November of each year. The amount of 2008 property taxes to be collected occurs in December 2008 and January and February 2009. All property taxes are recorded in the general, special revenue, and debt service funds. The School Board considers the lien date (January 1, 2009) as the date an enforceable legal claim occurs for 2008 property taxes. Property tax revenue is recognized in the period for which the taxes are levied (budgeted). Accordingly, the 2008 property taxes are budgeted in the 2008-09 fiscal year of the School Board.

**DeSoto Parish School Board**  
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Estimated uncollectible taxes are those taxes based on past experience which will not be collected in the subsequent year and are primarily due to subsequent adjustments to the tax roll. Historically, virtually all ad valorem taxes receivable were collected since they are secured by property. Therefore, there is no allowance for uncollectible taxes.

The following is a summary of authorized and levied (tax rate per \$1,000 Assessed Value) ad valorem taxes:

| <u>Parish-wide Taxes</u>               | <u>Authorized<br/>Millage</u> | <u>Levied<br/>Millage</u> | <u>Expiration<br/>Date</u> |
|--|-------------------------------|---------------------------|----------------------------|
| Constitutional—parishwide              | 4.56                          | 4.56                      | Not applicable             |
| Renewable—parishwide                   | 44.00                         | 44.00                     | 2016                       |
| Debt Service—separate school districts |                               |                           |                            |
| District No. 1—Logansport              | 24.00                         | 2.63                      | 2009                       |
| District No. 2—North DeSoto            | 22.00                         | 9.25                      | 2024                       |
| District No. 3—Stanley                 | 23.00                         | 5.50                      | 2013                       |
| District No. 4—Mansfield               | 10.25                         | 19.50                     | 2031                       |
| District No. 5—Pelican                 | 34.00                         | 11.50                     | 2009                       |

**NOTE 3 - DEPOSITS AND INVESTMENTS:**

Deposits are stated at cost, which approximates fair value. Under state law, these deposits (or the resulting bank balances) 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 the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

**Custodial credit risk:** At year-end, the School Board’s carrying amount of deposits was \$49,321,442 (including certificates of deposits of \$27,202,092) and the bank balance was \$52,709,595. These deposits are reported as follows: Statement A-cash and cash equivalents, \$13,309,129; Statement A-investments, \$27,202,090; Statement J-cash and cash equivalents, \$8,810,223. Of the bank balance, \$3,886,267 was covered by federal depository insurance or by collateral held by the School Board’s agent in the School Board’s name. The remaining balance was collateralized with securities held by the pledging financial institution’s trust department or agent but not in the School Board’s name. Even though the pledged securities are considered uncollateralized under the provisions of GASB Statement No. 3, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the School Board that the fiscal agent has failed to pay deposited funds upon demand. The School Board’s policy regarding custodial credit risk is that funds on deposit shall be collateralized an amount at all times equal to 110% by pledged “approved securities” as specified by La. R.S 39:1225 as amended to adequately protect the funds of the School Board.

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**NOTE 4 – RECEIVABLES:** The receivables at June 30, 2009 are as follows:

| Class of Receivables               | School District    |                   | Other             |                     | Total               | Internal         | Total               |
|------------------------------------|--------------------|-------------------|-------------------|---------------------|---------------------|------------------|---------------------|
|                                    | General            | No. 4             | Parishwide        | Governmental        | Governmental        | Service Fund     |                     |
| <b>Taxes:</b>                      |                    |                   |                   |                     |                     |                  |                     |
| Sales Tax                          | \$2,630,626        | \$ 176,000        | \$ 173,059        | \$ 481,623          | \$ 3,461,308        | \$ -             | \$ 3,461,308        |
| <b>Intergovernmental - grants:</b> |                    |                   |                   |                     |                     |                  |                     |
| Federal                            | 16,466             | -                 | -                 | 1,399,699           | 1,416,165           | -                | 1,416,165           |
| State                              | 733,552            | -                 | -                 | -                   | 733,552             | -                | 733,552             |
| Other                              | 133,373            | 33,570            | 7,805             | 133                 | 174,881             | 27,921           | 202,802             |
| <b>Total</b>                       | <b>\$3,514,017</b> | <b>\$ 209,570</b> | <b>\$ 180,864</b> | <b>\$ 1,881,455</b> | <b>\$ 5,785,906</b> | <b>\$ 27,921</b> | <b>\$ 5,813,827</b> |

No allowance for doubtful accounts has been established as the School Board expects to collect the full balance.

**NOTE 5 – CAPITAL ASSETS:** Capital assets balances and activity for the year ended June 30, 2009, are as follows:

|  | Balance<br>Beginning | Additions            | Deletions        | Balance<br>Ending    |
|--|----------------------|----------------------|------------------|----------------------|
| <b>Governmental activities</b>             |                      |                      |                  |                      |
| <b>Nondepreciable capital assets:</b>      |                      |                      |                  |                      |
| Land                                       | \$ 1,745,645         | \$ -                 | \$ -             | \$ 1,745,645         |
| Construction in progress                   | 1,616,612            | 13,482,000           | -                | 15,098,612           |
| <b>Total nondepreciable capital assets</b> | <b>3,362,257</b>     | <b>13,482,000</b>    | <b>-</b>         | <b>16,844,257</b>    |
| <b>Depreciable Capital Assets:</b>         |                      |                      |                  |                      |
| Buildings                                  | 63,059,554           | 401,141              | -                | 63,460,695           |
| Land improvements                          | 4,074,921            | -                    | -                | 4,074,921            |
| Furniture and equipment                    | 1,848,100            | 241,058              | 210,350          | 1,878,808            |
| Vehicles                                   | 4,968,554            | 1,072,832            | 404,950          | 5,636,436            |
| <b>Total depreciable capital assets</b>    | <b>73,951,129</b>    | <b>1,715,031</b>     | <b>615,300</b>   | <b>75,050,860</b>    |
| <b>Less accumulated depreciation</b>       |                      |                      |                  |                      |
| Buildings                                  | 24,349,450           | 1,484,341            | -                | 25,833,791           |
| Land improvements                          | 1,981,698            | 132,458              | -                | 2,114,156            |
| Furniture and equipment                    | 1,088,296            | 150,680              | 181,375          | 1,057,601            |
| Vehicles                                   | 2,414,620            | 738,242              | 364,445          | 2,788,417            |
| <b>Total accumulated depreciation</b>      | <b>29,834,064</b>    | <b>2,505,721</b>     | <b>545,820</b>   | <b>31,793,965</b>    |
| <b>Governmental activities</b>             |                      |                      |                  |                      |
| <b>Capital assets, net</b>                 | <b>\$ 47,479,322</b> | <b>\$ 12,691,310</b> | <b>\$ 69,480</b> | <b>\$ 60,101,152</b> |

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Depreciation expense was charged to governmental activities as follows:

|                              |             |
|------------------------------|-------------|
| Regular programs             | \$1,608,656 |
| Vocational programs          | 727         |
| Other instructional programs | 1,017       |
| Other special programs       | 4,370       |
| Instructional staff          | 7,898       |
| School administration        | 75,186      |
| Business services            | 5,951       |
| Maintenance of plant         | 39,492      |
| Pupil transportation         | 596,415     |
| Food service operations      | 166,009     |
| Total depreciation expense   | \$2,505,721 |

**NOTE 6 – RETIREMENT SYSTEMS:**

**Plan description:** Substantially all School Board employees participate in either the Teachers’ Retirement System of Louisiana (TRSL) or the Louisiana School Employees’ Retirement System (LSERS), which are cost-sharing, multiple-employer public employee retirement systems (PERS). Benefit provisions are ultimately approved and amended by the Louisiana Legislature.

Participation in the Teachers’ Retirement System of Louisiana is divided into two plans – the Teachers’ Regular Plan and the Teachers’ Plan B. In general, professional employees (such as teachers and principals) and lunchroom workers are members of the Teachers’ Retirement System of Louisiana (TRSL); other employees, such as custodial personnel and bus drivers, are members of the Louisiana School Employees’ Retirement System (LSERS). Generally, all full-time employees are eligible to participate in the system.

With respect to the Teachers’ Regular Plan, normal retirement is at age sixty with ten years of service, or at any age with twenty years of service. The formula for annual maximum retirement benefits is generally two percent (with less than twenty-five years of service) or 2.5 percent (with twenty-five or more years of service) times the years of creditable service times the average salary of the thirty-six highest successive months (plus \$300 applicable to persons becoming members prior to July 1, 1986).

Under the Teachers’ Plan B, normal retirement is generally at any age with 30 or more years of creditable service, at age fifty-five with at least twenty-five years of creditable service and at age sixty with at least ten years of creditable service. The retirement benefit formula is generally three percent times the years of creditable service times the average salary of the thirty-six highest successive months plus \$24 per year of service.

Employees participating in the Louisiana School Employees’ Retirement System are eligible for normal retirement after thirty years of service, or after twenty-five years of service at age fifty-five or after ten years of service at age sixty. The maximum retirement allowance is computed at 2.5 percent times the highest thirty-six months of average salary, times the years of service plus a supplement of \$2.00 per month times the years of service.

**DeSoto Parish School Board**  
**Notes to the Basic Financial Statements**  
**June 30, 2009**

Both TRSL and LSERS issue annual financial reports. The reports can be obtained by telephoning or writing to the following:

Teachers' Retirement System of Louisiana  
 Post Office Box 94123  
 Baton Rouge, Louisiana 70804-9123  
 (225) 925-6446

Louisiana School Employees' Retirement System  
 Post Office Box 44516  
 Baton Rouge, Louisiana 70804  
 (225) 925-6484

**Funding Policy:** Each system is administered and controlled at the state level, by a separate board of trustees with contribution rates approved and amended by the Louisiana Legislature. Benefits of the systems are funded by employee and employer contributions. Benefits granted by the retirement systems are guaranteed by the state of Louisiana under provisions of the Louisiana Constitution of 1974.

In addition, the employer does not remit to the Teachers' Retirement System, Regular Plan or Plan B, the employer's contribution for the professional improvement program (PIP) portion of payroll. The PIP contribution is made directly to the retirement system by the state of Louisiana.

Contribution rates (as a percentage of covered salaries) for active plan members as established by the Louisiana Legislature for the year ended June 30, 2009, are as follows:

|   | <u>Employee</u> | <u>Employer</u> |
|---|-----------------|-----------------|
| Teachers' Retirement System of Louisiana:     |                 |                 |
| Regular                                       | 8.0%            | 15.5%           |
| Plan B  | 5.0%            | 15.5%           |
| Louisiana School Employees' Retirement System | 7.5%            | 17.8%           |

Total covered payroll of the School Board for TRSL - Regular Plan and LSERS for the year ended June 30, 2009, amounted to \$29,399,535 and \$3,812,163 respectively. Employer contributions for the year ended June 30, 2009, and each of the two preceding years are as follows:

| <u>Fiscal Year Ended</u> | <u>TRSL</u> | <u>LSERS</u> |
|--------------------------|-------------|--------------|
| June 30, 2007            | \$3,660,305 | \$594,674    |
| June 30, 2008            | 4,336,575   | 572,316      |
| June 30, 2009            | 4,557,031   | 678,336      |

Employer contributions totaled 100% of annual actuarially required contributions.

**NOTE 7 - OTHER POST EMPLOYMENT BENEFITS**

**Plan description** – In accordance with state statutes, the School Board provides certain continuing health care and life insurance benefits for its retired employees. Substantially all of the School Board's employees become eligible for these benefits if they reach normal retirement age while working for the School Board. These benefits and similar benefits for active employees are provided through the self insured health plan, whose monthly premiums are paid jointly by the employee and the School Board.

**Funding Policy** - The contribution requirements of plan members and the School Board are established and may be amended by LRS 42:801-883. Employees do not contribute to their post employment benefits cost until they become

**DeSoto Parish School Board**  
**Notes to the Basic Financial Statements**  
**June 30, 2009**

retirees and begin receiving those benefits. The retiree pays 15% and the employer pays 85%. The Board pays 100% of the life insurance premium for retired employees and 15.63% of dental insurance.

The plan does not issue a standalone financial report.

*Annual Other Post Employment Benefit Cost and Liability* - The School Board's Annual Required Contribution (ARC) is an amount actuarially determined in accordance with GASB 45, which is being implemented for the year ended June 30, 2009. The ARC represents a level of funding that, if paid on an ongoing basis, would cover normal cost each year and amortize any unfunded actuarial liabilities (UAL) over a period of thirty years. A 30 year, closed amortization period had been used. The total ARC for fiscal year 2009 is \$6,694,137 as set forth below:

|                                    |                    |
|------------------------------------|--------------------|
| Normal Cost                        | \$1,962,356        |
| 30-year UAL amortization amount    | 4,731,781          |
| Annual required contribution (ARC) | <u>\$6,694,137</u> |

Since this fiscal year is the first fiscal year for which GASB 45 is applicable for the School Board, no information for prior years is presented. GASB 45 was implemented prospectively.

The following table presents the School Board's OPEB Obligation for fiscal years 2009:

|   |                       |
|---|-----------------------|
|   | <u>2009</u>           |
| Beginning Net OPEB Obligation July 1, 2008  | \$ None               |
| Annual required contribution                | 6,694,137             |
| Interest on prior year Net OPEB Obligation  | -                     |
| Adjustment to ARC                           | -                     |
| Annual OPEB Cost                            | <u>6,694,137</u>      |
| Less current year retiree premiums          | <u>10,722,022</u>     |
| Funding excess                              | <u>4,027,885</u>      |
| Ending Net OPEB Obligation at June 30, 2009 | <u>\$ (4,027,885)</u> |

*Funded Status and Funding Progress* - The School Board's actuarial accrued liability of \$58,716,863 was partially funded.

The funded status of the plan, as determined by an actuary as of July 1, 2007, was as follows:

|   |                  |
|---|------------------|
| Actuarial accrued liability (AAL)                 | \$58,716,863     |
| Actuarial value of plan assets                    | <u>8,444,399</u> |
| Unfunded actuarial accrued liability (UAAL)       | 50,272,464       |
| Funded ratio (actuarial value of plan assets/AAL) | 14.4%            |
| Covered payroll                                   | \$35,245,729     |
| UAAL as a percentage of covered payroll           | 142.6%           |

**DeSoto Parish School Board**  
**Notes to the Basic Financial Statements**  
**June 30, 2009**

The Schedule of Funding Progress and Schedule of Employer Contributions required supplemental information follows the notes.

*Actuarial Methods and Assumptions* - Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities consistent with the long-term perspective of the calculations.

In the July 1, 2007, DeSoto Parish School Board actuarial valuation, the unit credit actuarial cost method was used. The actuarial assumptions included a 7.0 % investment rate of return and initial actual healthcare cost trend rate of 10.0% and 9.0% for Pre-Medicare and Medicare eligibles, respectively, scaling down to ultimate rates of 5.0% per year. The RP-2000 Static Health Mortality Table was used in making actuarial assumptions. Withdrawal rates for employees ranged from 7% at age 25 to 2% at age 50. Disability rates ranged from .01% at age 25 to .47% at age 55. Retirement rates ranged from 5% at age 38 to 100% at age 72. The remaining amortization period at June 30, 2009, was twenty-nine years.

**NOTE 8 - ACCOUNTS, SALARIES AND OTHER PAYABLES:** The payables at June 30, 2009, are as follows:

|          | School District No. |                    |                   | Other Governmental  | Total Governmental  | Internal Service Fund |
|----------|---------------------|--------------------|-------------------|---------------------|---------------------|-----------------------|
|          | General             | 4                  | Parishwide        |                     |                     |                       |
| Salaries | \$ 3,676,383        | \$ -               | \$ -              | \$ 659,995          | \$ 4,336,378        | \$ -                  |
| Accounts | 343,157             | 2,062,758          | 238,043           | 410,059             | 3,054,017           | -                     |
| Claims   | 228,423             | -                  | -                 | 80,456              | 308,879             | 2,178,059             |
| Total    | <u>\$ 4,247,963</u> | <u>\$2,062,758</u> | <u>\$ 238,043</u> | <u>\$ 1,150,510</u> | <u>\$ 7,699,274</u> | <u>\$ 2,178,059</u>   |

**NOTE 9 - COMPENSATED ABSENCES:** At June 30, 2009, employees of the School Board have accumulated and vested \$3,252,215 of employee leave benefits. These benefits were described in Note 1 (L) and were computed in accordance with GASB Codification Section C60.

**NOTE 10 - AGENCY FUND DEPOSITS DUE OTHERS (FFS LEVEL ONLY):** A summary of changes in agency fund deposits due others follows:

|                   | Balance at Beginning of year | Additions           | Deletions           | Balance at Ending of year |
|-------------------|------------------------------|---------------------|---------------------|---------------------------|
| School Activities | <u>\$ 427,299</u>            | <u>\$ 1,367,076</u> | <u>\$ 1,428,551</u> | <u>\$ 365,824</u>         |

**DeSoto Parish School Board**  
**Notes to the Basic Financial Statements**  
**June 30, 2009**

**NOTE 11 - LONG-TERM LIABILITIES:** The following is a summary of the long-term liabilities transactions and balances for the year ended June 30, 2009:

|                                 | Beginning<br>Balance | Additions         | Deletions           | Ending Balance       | Amounts Due<br>Within One<br>year |
|---------------------------------|----------------------|-------------------|---------------------|----------------------|-----------------------------------|
| Governmental Activities         |                      |                   |                     |                      |                                   |
| Bonded debt and sales tax bonds | \$ 36,041,000        | \$ -              | \$ 3,466,000        | \$ 32,575,000        | \$ 1,407,000                      |
| Other Liabilities:              |                      |                   |                     |                      |                                   |
| Compensated absences            | 2,788,046            | 661,348           | 197,179             | 3,252,215            | 197,179                           |
| Long-term debt                  | <u>\$ 38,829,046</u> | <u>\$ 661,348</u> | <u>\$ 3,663,179</u> | <u>\$ 35,827,215</u> | <u>\$ 1,604,179</u>               |

Payments on the general obligation bonds payable that pertain to the School Board's governmental activities are made by the debt service funds. The compensated absences liability attributable to the governmental activities will be liquidated by several of the School Board's governmental funds. In the past, 97% was paid by the general fund and the remaining 3% by other governmental funds.

Long term debt at June 30, 2009 is comprised of the following issues:

|                              | Original<br>Amount | Interest<br>Rates | Final<br>Payment | Interest to<br>Maturity | Principal<br>Outstanding |
|------------------------------|--------------------|-------------------|------------------|-------------------------|--------------------------|
| <b>DISTRICT 2</b>            |                    |                   |                  |                         |                          |
| December 1, 2004             | 7,000,000          | 4.0-4.55          | 2024             | \$ 2,517,549            | \$ 6,435,000             |
| March 1, 2005                | 5,000,000          | 4.0-4.5           | 2025             | 1,932,073               | 4,635,000                |
| November 12, 1998            |                    |                   |                  |                         |                          |
| Certificates of Indebtedness | 2,795,000          | 3.35              | 2012             | 84,336                  | 1,225,000                |
| December 1, 2005             | 1,650,000          | 4.11              | 2017             | 267,789                 | 1,340,000                |
| <b>DISTRICT 3</b>            |                    |                   |                  |                         |                          |
| September 1, 1994            | 300,000            | 5.3-9.0           | 2013             | 18,149                  | 115,000                  |
| December 16, 1998            |                    |                   |                  |                         |                          |
| Sales Tax Bonds              | 191,000            | 4.5-7.2           | 2010             | 2,047                   | 45,000                   |
| <b>DISTRICT 4</b>            |                    |                   |                  |                         |                          |
| September 1, 2007            | 10,000,000         | 4.35              | 2032             | 6,013,923               | 9,780,000                |
| January 1, 2008              | 9,000,000          | 4.25              | 2032             | 5,386,835               | 9,000,000                |
| Total                        |                    |                   |                  | <u>\$ 16,222,701</u>    | <u>\$32,575,000</u>      |

**DeSoto Parish School Board**  
**Notes to the Basic Financial Statements**  
**June 30, 2009**

All principal and interest requirements are funded in accordance with Louisiana law by the annual ad valorem tax levy on taxable property within the parish. At June 30, 2009, the School Board had accumulated \$1,467,911 in the debt service funds for future debt requirements. The bonds are due as follows:

| Year Ending June 30, | Principal<br>Payments | Interest<br>Payments | Total                |
|----------------------|-----------------------|----------------------|----------------------|
| 2010                 | \$ 1,407,000          | \$ 1,440,039         | \$ 2,847,039         |
| 2011                 | 1,473,000             | 1,369,064            | 2,842,064            |
| 2012                 | 1,530,000             | 1,296,989            | 2,826,989            |
| 2013                 | 1,595,000             | 1,221,808            | 2,816,808            |
| 2014                 | 1,335,000             | 1,149,491            | 2,484,491            |
| 2015-2019            | 7,190,000             | 4,748,340            | 11,938,340           |
| 2020-2024            | 8,545,000             | 3,135,503            | 11,680,503           |
| 2025-2029            | 5,660,000             | 1,525,245            | 7,185,245            |
| 2030 and thereafter  | 3,840,000             | 336,222              | 4,176,222            |
| Total                | <u>\$ 32,575,000</u>  | <u>\$ 16,222,701</u> | <u>\$ 48,797,701</u> |

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, 2009, the statutory limit is \$115,421,665 and outstanding net bonded debt totals \$29,837,089.

**NOTE 12 - INTERFUND ASSETS/ LIABILITIES (FFS LEVEL ONLY):** Assets/Liabilities at June 30, 2009 were as follows:

| <u>Receivable Fund</u>     | <u>Payable Fund</u> | <u>Amount</u>       |
|----------------------------|---------------------|---------------------|
| Other governmental         | General             | \$ 911,412          |
| Parishwide Capital Project | General             | 4,000,000           |
| General                    | Other Governmental  | 853,030             |
| Total                      |                     | <u>\$ 5,764,442</u> |

The purpose of the interfund assets/liabilities was to cover current-year expenditures on cost reimbursement programs until the reimbursement transactions are processed and to cover construction costs.

**NOTE 13 - INTERFUND TRANSFERS (FFS LEVEL ONLY):** Transfers for the year ended June 30, 2009, were as follows:

| <u>Fund</u>        | <u>Transfer In</u>  | <u>Transfers Out</u> |
|--------------------|---------------------|----------------------|
| General            | \$ 229,713          | \$ 6,078,426         |
| Parishwide         | 4,000,000           | -                    |
| Other Governmental | 2,078,426           | 229,713              |
| Totals             | <u>\$ 6,308,139</u> | <u>\$ 6,308,139</u>  |

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and to use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations. The transfer to the parishwide capital project fund is not a routine transfer.

**DeSoto Parish School Board**  
**Notes to the Basic Financial Statements**  
**June 30, 2009**

**NOTE 14 - ENCUMBRANCES (FFS LEVEL ONLY):** Encumbrances are not liabilities and, therefore, are not recorded as expenditures until receipt of material or service. For budgetary purposes, appropriations lapse at fiscal year-end and outstanding encumbrances are carried forward to the next year. At June 30, 2009, the School Board had entered into purchase orders and commitments as follows:

| <u>Fund</u>           | <u>Amount</u>       |
|-----------------------|---------------------|
| School District No. 1 | \$ 17,597           |
| School District No. 2 | 124,482             |
| School District No. 3 | 23,463              |
| School District No. 4 | 8,881,642           |
| School District No. 5 | 3,580               |
| Parish wide           | <u>1,126,000</u>    |
| Total                 | <u>\$10,176,764</u> |

**NOTE 15 - RISK MANAGEMENT:** The School Board is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks are handled by the School Board through the purchase of various commercial insurance policies with varying coverage limits, deductibles, and premiums based on the type of policy. No significant reductions in insurance coverage from coverage in the prior year occurred, and no claims exceeded the School Board's insurance coverage for each of the past three years.

The School Board is partially self-insured for medical, dental and workers' compensation insurance coverage. Claims are funded through operating funds of the School Board. The School Board maintains stop-loss coverage with an insurance company under its medical plan for individual claims in excess of \$150,000 and for total annual claims in excess of 125% of expected claims. The School Board maintains stop-loss coverage with an insurance company under its workers' compensation plan for individual claims in excess of \$250,000 and for total claims that exceed \$1,000,000 in a three year period.

All known claims filed and an estimate of incurred but not reported claims based on experience of the School Board are made and accrued as necessary in the general fund and internal service fund. This liability is the School Board's best estimate based on available information. Changes in the reported liability since June 30, 2006 resulted from the following:

**Worker's Compensation**

|           | <u>Beginning of<br/>Year Liability</u> | <u>Claims and<br/>Changes in<br/>Estimates</u> | <u>Benefit<br/>Payments and<br/>Claims</u> | <u>End of Year<br/>Liability</u> |
|-----------|--|--|--|----------------------------------|
| 2006-2007 | \$ 204,602                             | \$ 68,661                                      | \$ 68,662                                  | \$ 204,601                       |
| 2007-2008 | 204,601                                | 239,368  | 239,367                                    | 204,602                          |
| 2008-2009 | 204,602                                | 408,503  | 304,226                                    | 308,879                          |

The liability for worker's compensation is included in accounts, salaries and other payables in the general fund.

**DeSoto Parish School Board**  
**Notes to the Basic Financial Statements**  
**June 30, 2009**

**Health & Dental Insurance**

|           | Beginning of<br>Year Liability | Claims and<br>Changes in<br>Estimates | Benefit<br>Payments and<br>Claims | End of Year<br>Liability |
|-----------|--------------------------------|---------------------------------------|-----------------------------------|--------------------------|
| 2006-2007 | \$ 1,936,995                   | \$ 8,855,924                          | \$ 8,634,336                      | \$ 2,158,583             |
| 2007-2008 | 2,158,583                      | 6,409,579                             | 6,392,753                         | 2,175,409                |
| 2008-2009 | 2,175,409                      | 8,683,169                             | 8,680,519                         | 2,178,059                |

**NOTE 16 - LITIGATION AND CLAIMS:**

**Litigation:** The School Board is a defendant in several lawsuits. Management and legal counsel for the School Board believe that the potential claims against the School Board not covered by insurance would not materially affect the School Board's financial position.

**Grant Disallowances:** The School Board participates in a number of state and federally assisted grant programs. The programs are subject to compliance audits under the single audit approach. Such audits could lead to requests for reimbursement by the grantor agency for expenditures disallowed under terms of the grants. School Board management believes that the amount from future audits would not be material.

**Construction in Progress:** The School Board had ongoing construction projects for a new middle school and renovations at an existing school in District No. 4 at the year end. The School Board has spent \$15,098,612 on these projects and has purchase orders and commitments of another \$10,176,764.

**NOTE 17 - ON-BEHALF PAYMENTS FOR FRINGE BENEFITS AND SALARIES:** On-behalf payments for fringe benefits and salaries are direct payments made by an entity (the paying agent) to a third-party recipient for the employees of another, legally separate entity (the employer entity). GASB Statement No. 24 requires employer governments to recognize revenue and expenditures or expenses for these on-behalf payments.

The state of Louisiana made pension contributions (regarding Professional Improvement Program) directly to the Teachers' Retirement System of Louisiana on behalf of the School Board in the amount of \$8,173. This amount was recognized as state revenue and a corresponding expenditure in the applicable fund from which the salary was paid.

**NOTE 18 - ECONOMIC DEPENDENCY:** Statement of Financial Accounting Standards (SFAS) No. 14 requires disclosure in financial statements of a situation where one entity provides more than 10% of the audited entity's revenue. The Minimum Foundation funding provided by the state to all public school systems in Louisiana is primarily based on October 1 student count. The state provided \$28,968,754 to the School Board, which represents approximately 35% of the School Board's total revenue in the governmental funds for the year.

**NOTE 19 - LEASES:** The School Board is a lessor in a lease/purchase agreement with some of its bus drivers. Certain buses were purchased by the School Board and leased to the bus drivers, with title to the bus passing to the driver at the end of the lease term. Total rental income under the lease was approximately \$3,065 during the year ended June 30, 2009. This year was the final year of this agreement.

**NOTE 20 - JOINTLY GOVERNED ORGANIZATION:** The DeSoto Parish Sales and Use Tax Commission serves as the collector of sales and use taxes for the parish. The commission is comprised of five members, two each selected from the DeSoto Parish School Board and the DeSoto Parish Police Jury and one selected from the City of Mansfield, in accordance with the joint agreement of the agencies. Sales taxes of \$27,981,272 were collected by the Commission and distributed to the School Board.

**DeSoto Parish School Board**  
**Notes to the Basic Financial Statements**  
**June 30, 2009**

**NOTE 21 - NEW FUNDS:** The School Board established two new funds for the current fiscal year. The Other Post Employment Benefits Trust Fund was established to account for the assets held in an irrevocable trust for payment of retirees health insurance premiums. The Instructional Enhancement Programs special revenue fund was established to account for a locally funded program to improve the educational programs offered to pre-kindergarten through the 12<sup>th</sup> grade.

**DeSoto Parish School Board  
Mansfield, Louisiana**

**REQUIRED SUPPLEMENTAL  
INFORMATION**

**DeSoto Parish School Board  
Mansfield, Louisiana**

**SCHEDULE OF FUNDING PROGRESS FOR OTHER POST-EMPLOYMENT BENEFIT PLAN  
JUNE 30, 2009**

| <u>Actuarial<br/>Valuation<br/>Date</u> | (a)<br><u>Actuarial<br/>Value of<br/>Assets</u> | (b)<br><u>Actuarial<br/>Accrued<br/>Liability<br/>(AAL)</u> | (b-a)<br><u>Unfunded AAL<br/>(UAAL)</u> | (a/b)<br><u>Funded<br/>Ratio</u> | (c)<br><u>Covered<br/>Payroll</u> | (b-a/c)<br><u>UAAL as a<br/>Percentage<br/>of Covered<br/>Payroll</u> |
|---|---|---|---|----------------------------------|-----------------------------------|---|
| 7/1/2007                                | \$ 8,444,399                                    | \$ 58,716,863   | \$ 50,272,464                           | 14.40%                           | \$ 35,245,729                     | 142.63%   |

**DeSoto Parish School Board  
Mansfield, Louisiana**

**SCHEDULE OF EMPLOYER CONTRIBUTIONS FOR OTHER POST-EMPLOYMENT BENEFIT  
PLAN  
JUNE 30, 2009**

| <u>Year<br/>Ended<br/>June 30</u> | <u>Annual<br/>Required<br/>Contribution</u> | <u>Percentage<br/>Contributed</u> |
|-----------------------------------|---|-----------------------------------|
| 2009                              | \$ 6,694,137                                | 160%                              |

**DeSoto Parish School Board  
Mansfield, Louisiana  
Budgetary Comparison Schedule**

**General Fund and Major Special Revenue Funds with Legally Adopted Annual Budgets**

**GENERAL FUND:** The general fund accounts for all activities of the School Board except those required to be accounted for in another fund.

DESOTO PARISH SCHOOL BOARD

GENERAL FUND  
Budgetary Comparison Schedule  
For the Year Ended June 30, 2009

Exhibit 1-1

|  | BUDGETED AMOUNTS    |                     | ACTUAL<br>AMOUNTS   | VARIANCE WITH<br>FINAL BUDGET |
|--|---------------------|---------------------|---------------------|-------------------------------|
|  | ORIGINAL            | FINAL               |                     | POSITIVE<br>(NEGATIVE)        |
| <b>REVENUES</b>  |                     |                     |                     |                               |
| Local sources:   |                     |                     |                     |                               |
| Taxes:   |                     |                     |                     |                               |
| Ad valorem   | \$ 9,935,690        | \$ 12,381,667       | \$ 12,381,668       | \$ 1                          |
| Sales and use  | 9,880,000           | 21,265,779          | 21,265,780          | 1                             |
| Interest earnings  | 258,000             | 215,629             | 203,303             | (12,326)                      |
| Other  | 738,917             | 1,189,966           | 707,096             | (482,870)                     |
| State sources:   |                     |                     |                     |                               |
| Equalization   | 22,890,373          | 24,401,870          | 24,401,870          | 0                             |
| Other  | 2,527,669           | 3,861,200           | 3,680,685           | (180,515)                     |
| Federal sources  | 116,926             | 123,290             | 123,291             | 1                             |
| <b>Total Revenues</b>  | <b>46,347,575</b>   | <b>63,439,401</b>   | <b>62,763,693</b>   | <b>(675,708)</b>              |
| <b>EXPENDITURES</b>  |                     |                     |                     |                               |
| Current:   |                     |                     |                     |                               |
| Instruction:   |                     |                     |                     |                               |
| Regular programs   | 17,753,065          | 21,562,587          | 20,798,086          | 764,501                       |
| Special programs   | 10,990,637          | 14,028,923          | 13,627,242          | 401,681                       |
| Adult/continuing education programs                          | 76,317              | 81,206              | 81,159              | 47                            |
| Support services:  |                     |                     |                     |                               |
| Pupil support services                                       | 1,695,888           | 2,246,110           | 2,155,693           | 90,417                        |
| Instructional staff support                                  | 2,962,759           | 3,687,040           | 3,242,825           | 444,215                       |
| General administration                                       | 1,173,335           | 1,751,204           | 1,464,511           | 286,693                       |
| School administration  | 3,391,870           | 4,108,701           | 4,036,247           | 72,454                        |
| Business services  | 891,003             | 1,104,498           | 1,056,157           | 48,341                        |
| Plant services   | 3,496,329           | 4,186,611           | 3,910,544           | 276,067                       |
| Student transportation services                              | 3,871,958           | 5,081,461           | 4,865,754           | 215,707                       |
| Central services   | 220,794             | 263,520             | 246,863             | 16,657                        |
| <b>Total Expenditures</b>                                    | <b>46,523,955</b>   | <b>58,101,861</b>   | <b>55,485,081</b>   | <b>2,616,780</b>              |
| <b>EXCESS (Deficiency) OF REVENUES<br/>OVER EXPENDITURES</b> |                     |                     |                     |                               |
|  | <b>\$ (176,380)</b> | <b>\$ 5,337,540</b> | <b>\$ 7,278,612</b> | <b>\$ 1,941,072</b>           |

(CONTINUED)

DESOTO PARISH SCHOOL BOARD

GENERAL FUND  
 Budgetary Comparison Schedule  
 For the Year Ended June 30, 2009

Exhibit 1-1

|                                      | <u>BUDGETED AMOUNTS</u> |                     | <u>ACTUAL<br/>AMOUNTS</u> | <u>VARIANCE WITH<br/>FINAL BUDGET<br/>POSITIVE<br/>(NEGATIVE)</u> |
|--------------------------------------|-------------------------|---------------------|---------------------------|---|
|                                      | <u>ORIGINAL</u>         | <u>FINAL</u>        |                           |   |
| OTHER FINANCING SOURCES (USES)       |                         |                     |                           |   |
| Transfers in                         | \$ 212,030              | \$ 231,346          | \$ 229,713                | \$ (1,633)  |
| Transfers out                        | 0                       | (4,370,333)         | (6,078,426)               | (1,708,093)   |
| Total Other Financing Sources (Uses) | <u>212,030</u>          | <u>(4,138,987)</u>  | <u>(5,848,713)</u>        | <u>(1,709,726)</u>  |
| Net Change in Fund Balance           | 35,650                  | 1,198,553           | 1,429,899                 | 231,346   |
| FUND BALANCE- BEGINNING              | <u>5,949,225</u>        | <u>7,521,542</u>    | <u>7,521,542</u>          | <u>0</u>  |
| FUND BALANCE - ENDING                | <u>\$ 5,984,875</u>     | <u>\$ 8,720,095</u> | <u>\$ 8,951,441</u>       | <u>\$ 231,346</u>   |

(CONCLUDED)

**DeSoto Parish School Board**  
**Notes to Budgetary Comparison Schedules**  
**For the Year Ended June 30, 2009**

**A. BUDGETS**

The School Board utilizes the following procedures in establishing the budgetary data reflected in the financial statements:

Phase I – The Budget Call

Every administrative staff member is involved in the budget process. Instructions are prepared and distributed to the department heads that explains how to go about preparing the budget along with budget forms and a budget calendar. Emphasis is placed on accurate, prompt, and uniform replies.

Phase II – Obtaining Input from Staff

Staff members have approximately one month to complete the budget forms and return them to the Business Office. The Business Office makes a complete analysis of the budget requests and assembles the financial information, goals, and objectives, and statistical information into one document for Superintendent to review.

Phase III – Review and Approval of the Budget by the Superintendent

The Business Office meets with the Superintendent on several different occasions as each section of the budget book is completed. Changes are sometimes made to the budget requests recommended and submitted by staff. Once the draft of the proposed budget is approved by the Superintendent, copies of the proposed budget are printed and a staff meeting is called to review the document before it is presented to the Board.

Phase IV – Public Meetings & Board Adoption of the Budget

At the first meeting in May, the proposed budget is presented to the School Board. Board Members are encouraged to review the proposed budget and to attend the Finance Committee, which is approximately two weeks thereafter. This is also the first budget hearing that is held. A brief review of the proposed budget is presented by the staff at this hearing and is followed by questions and answers. The School Board also holds one public hearing at its first meeting in June before a formal vote on the proposed budget is called. Any interested citizen can review the proposed budget at the Central Office and make comments and suggestions at the public hearing in June.

Phase V – Monitoring and Revising the Budget After Award

Once the School Board approves the proposed budget, the Superintendent has the authority to spend taxpayer's money. He does this by placing controls and assigning additional responsibilities to various staff members associated with a specific program or department. Staff members are held responsible for seeing that budget expenditures stay within the budget boundaries; however, overall execution and oversight is assigned to the Business Office. The budget is monitored and reconciled periodically to determine if formal Board action is required to amend the budget.

Budget Basis of Accounting

All governmental funds' budgets are prepared on the modified accrual basis of accounting in accordance with GAAP.

**DeSoto Parish School Board  
Mansfield, Louisiana**

**SUPPLEMENTAL INFORMATION**

**DeSoto Parish School Board  
Mansfield, Louisiana**

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

**DESOTO PARISH SCHOOL BOARD**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**Combining Balance Sheet - By Fund Type**  
**June 30, 2009**

Exhibit 2

|  | SPECIAL<br>REVENUE  | DEBT<br>SERVICE     | CAPITAL<br>PROJECTS | TOTAL                |
|--|---------------------|---------------------|---------------------|----------------------|
| <b>ASSETS</b>                              |                     |                     |                     |                      |
| Cash and cash equivalents                  | \$ 3,594,329        | \$ 1,467,911        | \$ 2,405,315        | \$ 7,467,555         |
| Receivables                                | 1,521,866           | 0                   | 359,589             | 1,881,455            |
| Interfund receivables                      | 911,411             | 0                   | 0                   | 911,411              |
| Inventory                                  | 29,735              | 0                   | 0                   | 29,735               |
| <b>TOTAL ASSETS</b>                        | <b>6,057,341</b>    | <b>1,467,911</b>    | <b>2,764,904</b>    | <b>10,290,156</b>    |
| <b>LIABILITIES AND FUND BALANCES</b>       |                     |                     |                     |                      |
| <b>Liabilities:</b>                        |                     |                     |                     |                      |
| Accounts, salaries and other payables      | 970,340             | 0                   | 180,170             | 1,150,510            |
| Interfund payables                         | 853,030             | 0                   | 0                   | 853,030              |
| Deferred revenues                          | 144                 | 0                   | 0                   | 144                  |
| <b>Total Liabilities</b>                   | <b>1,823,514</b>    | <b>0</b>            | <b>180,170</b>      | <b>2,003,684</b>     |
| <b>Fund Balances:</b>                      |                     |                     |                     |                      |
| Reserved for inventory                     | 29,735              | 0                   | 0                   | 29,735               |
| Reserved for debt service                  | 0                   | 1,467,911           | 0                   | 1,467,911            |
| <b>Unreserved:</b>                         |                     |                     |                     |                      |
| Designated for capital projects            | 0                   | 0                   | 2,584,734           | 2,584,734            |
| Unreserved and undesignated                | 4,204,092           | 0                   | 0                   | 4,204,092            |
| <b>Total Fund Balances</b>                 | <b>4,233,827</b>    | <b>1,467,911</b>    | <b>2,584,734</b>    | <b>8,286,472</b>     |
| <b>TOTAL LIABILITIES AND FUND BALANCES</b> | <b>\$ 6,057,341</b> | <b>\$ 1,467,911</b> | <b>\$ 2,764,904</b> | <b>\$ 10,290,156</b> |

**DESOTO PARISH SCHOOL BOARD**

**NONMAJOR GOVERNMENTAL FUNDS  
Combining Statement of Revenues, Expenditures,  
and Changes in Fund Balances - By Fund Type  
For the Year Ended June 30, 2009**

Exhibit 3

|  | <u>SPECIAL</u>        | <u>DEBT</u>               | <u>CAPITAL</u>          |                       |
|--|-----------------------|---------------------------|-------------------------|-----------------------|
|  | <u>REVENUE</u>        | <u>SERVICE</u>            | <u>PROJECTS</u>         | <u>TOTAL</u>          |
| <b>REVENUES</b>  |                       |                           |                         |                       |
| Local sources:   |                       |                           |                         |                       |
| Taxes:   |                       |                           |                         |                       |
| Ad valorem   | \$ 2,028,101          | \$ 3,167,309              | \$ 0                    | \$ 5,195,410          |
| Sales and use  | 1,119,252             | 609,869                   | 2,689,576               | 4,418,697             |
| Interest earnings  | 14,909                | 18,838                    | 12,004                  | 45,751                |
| Other  | 0                     | 0                         | 180,813                 | 180,813               |
| Food services  | 361,729               | 0                         | 0                       | 361,729               |
| State sources:   |                       |                           |                         |                       |
| Equalization   | 819,701               | 0                         | 0                       | 819,701               |
| Other  | 57,876                | 8,622                     | 0                       | 66,498                |
| Federal sources  | <u>7,052,184</u>      | <u>0</u>                  | <u>75,001</u>           | <u>7,127,185</u>      |
| <br>Total Revenues                                       | <br><u>11,453,752</u> | <br><u>3,804,638</u>      | <br><u>2,957,394</u>    | <br><u>18,215,784</u> |
| <br><b>EXPENDITURES</b>                                  |                       |                           |                         |                       |
| Current:   |                       |                           |                         |                       |
| Instruction:   |                       |                           |                         |                       |
| Special programs   | 4,284,666             | 0                         | 0                       | 4,284,666             |
| Adult/continuing education programs                      | 58,889                | 0                         | 0                       | 58,889                |
| Support services:  |                       |                           |                         |                       |
| Pupil support services                                   | 320,605               | 0                         | 0                       | 320,605               |
| Instructional staff support                              | 444,347               | 0                         | 0                       | 444,347               |
| General administration                                   | 176,910               | 139,608                   | 25,164                  | 341,682               |
| Business services  | 174                   | 0                         | 380                     | 554                   |
| Plant services   | 1,719,148             | 0                         | 218,781                 | 1,937,929             |
| Student transportation services                          | 137,159               | 0                         | 0                       | 137,159               |
| Food services  | 3,937,929             | 0                         | 0                       | 3,937,929             |
| Capital outlay   | 0                     | 0                         | 1,548,291               | 1,548,291             |
| Debt service:  |                       |                           |                         |                       |
| Principal retirement                                     | 0                     | 3,466,000                 | 0                       | 3,466,000             |
| Interest and bank charges                                | 0                     | 1,613,275                 | 0                       | 1,613,275             |
| <br>Total Expenditures                                   | <br><u>11,079,827</u> | <br><u>5,218,883</u>      | <br><u>1,792,616</u>    | <br><u>18,091,326</u> |
| <br>EXCESS (Deficiency) OF REVENUES<br>OVER EXPENDITURES | <br><u>\$ 373,925</u> | <br><u>\$ (1,414,245)</u> | <br><u>\$ 1,164,778</u> | <br><u>\$ 124,458</u> |

(CONTINUED)

DESOTO PARISH SCHOOL BOARD

NONMAJOR GOVERNMENTAL FUNDS  
 Combining Statement of Revenues, Expenditures,  
 and Changes in Fund Balances - By Fund Type  
 For the Year Ended June 30, 2009

Exhibit 3

|                                      | SPECIAL<br>REVENUE  | DEBT<br>SERVICE     | CAPITAL<br>PROJECTS | TOTAL               |
|--------------------------------------|---------------------|---------------------|---------------------|---------------------|
| OTHER FINANCING SOURCES (USES)       |                     |                     |                     |                     |
| Transfers in                         | \$ 2,078,426        | \$ 0                | \$ 0                | \$ 2,078,426        |
| Transfers out                        | (229,713)           | 0                   | 0                   | (229,713)           |
| Bond proceeds                        | 0                   | 0                   | 0                   | 0                   |
| Total Other Financing Sources (Uses) | <u>1,848,713</u>    | <u>0</u>            | <u>0</u>            | <u>1,848,713</u>    |
| Net Change in Fund Balances          | 2,222,638           | (1,414,245)         | 1,164,778           | 1,973,171           |
| FUND BALANCES - BEGINNING            | <u>2,011,189</u>    | <u>2,882,156</u>    | <u>1,419,956</u>    | <u>6,313,301</u>    |
| FUND BALANCES - ENDING               | <u>\$ 4,233,827</u> | <u>\$ 1,467,911</u> | <u>\$ 2,584,734</u> | <u>\$ 8,286,472</u> |

(CONCLUDED)

**DeSoto Parish School Board  
Mansfield, Louisiana  
Nonmajor Special Revenue Funds**

**EDUCATIONAL CONSOLIDATION & IMPROVEMENT ACT - TITLE I:** To improve the educational opportunities of educationally deprived children by helping them succeed in the regular school program, attain grade level proficiency and improve achievement in basic and more advanced skills. This fund is primarily used for provision of compensatory instructional activities to educationally deprived children that reside in low-income areas and have been selected on the basis of a needs assessment. Services supplement, not supplant, those normally provided by state and local educational agencies.

**IMPROVING TEACHER QUALITY (TITLE II):** This program was designed to improve the skills of teachers and the quality of instruction in mathematics and science, also to increase the accessibility of such instruction to all students.

**LITERACY CHALLENGE (TITLE III):** To improve the skills and knowledge of teachers using computers, the Internet, and technology.

**SAFE AND DRUG FREE SCHOOLS (TITLE IV):** To enhance the Nation's efforts to prevent the illegal use of drugs and violence among, and promote safety and discipline for, students at all educational levels.

**INNOVATIVE EDUCATION (TITLE V):** To assist state and local educational agencies in the reform of elementary and secondary education.

**7 MILL MAINTENANCE TAX:** To assist in paying the general cost of operation and maintenance of public schools in the parish.

**SPECIAL EDUCATION:** To provide free, appropriate public education to all children in need of special education and related services.

**USDA TEAM NUTRITION TRAINING:** To provide training to food service personnel to enable them to prepare and serve nutritious meals that appeal to students.

**ADULT EDUCATION:** To develop knowledge and skills to meet immediate and long-range educational objectives of adults who have completed or interrupted formal schooling, having accepted adult roles and responsibilities.

**JOBS FOR AMERICA'S GRADUATES:** A school to career program to keep young people in school through graduation and provide work based learning experiences.

**SCHOOL FOOD SERVICE:** This program was designed to assist through cash grants and food donations in providing a nutritious breakfast and lunch service for school students and to encourage the domestic consumption of nutritious agricultural commodities.

**VOCATIONAL EDUCATION:** To provide students with the opportunity to develop the knowledge, skills, and attitudes needed for employment in agriculture, home economics, industrial arts, business, etc.

**DeSoto Parish School Board  
Mansfield, Louisiana  
Nonmajor Special Revenue Funds**

**WORKFORCE INVESTMENT ACT:** To aid in designing with states and local communities a revitalized workforce investment system that will help low income youth between the ages of 14 and 21 acquired the educational and occupational skills, training, and support needed to achieve academic and employment process and successfully transition to careers and productive adulthood.

**INSTRUCTIONAL ENHANCEMENT PROGRAM:** Locally funded program to improve the educational programs offered to Pre-kindergarten through the 12<sup>th</sup> grade.

**READING FIRST:** Reading program designed to have all students reading on grade level by the end of the third grade using scientifically based reading research.

**DESOTO PARISH SCHOOL BOARD**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**Combining Balance Sheet**  
**June 30, 2009**

|  | EDUCATIONAL<br>CONSOLIDATION<br>& IMPROVEMENT<br>ACT - TITLE I | IMPROVING<br>TEACHER<br>QUALITY<br>TITLE II | LITERACY<br>CHALLENGE<br>TITLE III | SAFE AND<br>DRUG FREE<br>SCHOOLS<br>TITLE IV |
|--|--|---|------------------------------------|--|
| <b>ASSETS</b>                                  |  |   |                                    |  |
| Cash and cash equivalents                      | \$ 0   | \$ 0  | \$ 0                               | 0  |
| Receivables                                    | 572,206  | 109,910                                     | 0                                  | 7,032  |
| Interfund receivables                          | 0  | 0   | 0                                  | 0  |
| Inventory                                      | 0  | 0   | 0                                  | 0  |
| <b>TOTAL ASSETS</b>                            | <b>572,206</b>   | <b>109,910</b>                              | <b>0</b>                           | <b>7,032</b>                                 |
| <b>LIABILITIES AND FUND BALANCES</b>           |  |   |                                    |  |
| <b>Liabilities:</b>                            |  |   |                                    |  |
| Accounts, salaries and other payables          | 160,054  | 57,682                                      | 0                                  | 0  |
| Interfund payables                             | 412,091  | 52,213                                      | 0                                  | 7,028  |
| Deferred revenues                              | 61   | 15  | 0                                  | 4  |
| <b>Total Liabilities</b>                       | <b>572,206</b>   | <b>109,910</b>                              | <b>0</b>                           | <b>7,032</b>                                 |
| <b>Fund Balances:</b>                          |  |   |                                    |  |
| Reserved for inventory                         | 0  | 0   | 0                                  | 0  |
| Unreserved and undesignated                    | 0  | 0   | 0                                  | 0  |
| <b>Total Fund Balances</b>                     | <b>0</b>   | <b>0</b>                                    | <b>0</b>                           | <b>0</b>                                     |
| <b>TOTAL LIABILITIES AND<br/>FUND BALANCES</b> | <b>\$ 572,206</b>  | <b>\$ 109,910</b>                           | <b>\$ 0</b>                        | <b>7,032</b>                                 |

Exhibit 4

| INNOVATIVE<br>EDUCATION<br>TITLE V | 7 MILL<br>MAINTENANCE<br>TAX | SPECIAL<br>EDUCATION | USDA TEAM<br>NUTRITION<br>TRAINING | ADULT<br>EDUCATION | JOBS FOR<br>AMERICA'S<br>GRADUATES |
|------------------------------------|------------------------------|----------------------|------------------------------------|--------------------|------------------------------------|
| \$ 0                               | \$ 1,346,410                 | \$ 0                 | \$ 0                               | \$ 0               | \$ 0                               |
| 0                                  | 0                            | 407,198              | 16,355                             | 15,053             | 5,439                              |
| 0                                  | 0                            | 0                    | 0                                  | 0                  | 0                                  |
| 0                                  | 0                            | 0                    | 0                                  | 0                  | 0                                  |
| 0                                  | 1,346,410                    | 407,198              | 16,355                             | 15,053             | 5,439                              |
| 0                                  | 86,545                       | 136,848              | 0                                  | 8,262              | 0                                  |
| 0                                  | 0                            | 270,286              | 16,355                             | 6,791              | 5,439                              |
| 0                                  | 0                            | 64                   | 0                                  | 0                  | 0                                  |
| 0                                  | 86,545                       | 407,198              | 16,355                             | 15,053             | 5,439                              |
| 0                                  | 0                            | 0                    | 0                                  | 0                  | 0                                  |
| 0                                  | 1,259,865                    | 0                    | 0                                  | 0                  | 0                                  |
| 0                                  | 1,259,865                    | 0                    | 0                                  | 0                  | 0                                  |
| \$ 0                               | \$ 1,346,410                 | \$ 407,198           | \$ 16,355                          | \$ 15,053          | \$ 5,439                           |

(Continued)

**DESOTO PARISH SCHOOL BOARD**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**Combining Balance Sheet**  
**June 30, 2009**

|  | <u>SCHOOL<br/>FOOD<br/>SERVICE</u> | <u>VOCATIONAL<br/>EDUCATION</u> | <u>WORKFORCE<br/>INVESTMENT<br/>ACT</u> | <u>INSTRUCTIONAL<br/>ENHANCEMENT<br/>PROGRAM</u> |
|--|------------------------------------|---------------------------------|---|--|
| <b>ASSETS</b>                                  |                                    |                                 |   |  |
| Cash and cash equivalents                      | \$ 1,080,213                       | \$ 0                            | \$ 0                                    | \$ 1,167,706                                     |
| Receivables                                    | 156,099                            | 10,336                          | 0                                       | 0  |
| Interfund receivables                          | 0                                  | 0                               | 0                                       | 911,411  |
| Inventory                                      | 29,735                             | 0                               | 0                                       | 0  |
| <b>TOTAL ASSETS</b>                            | <u>1,266,047</u>                   | <u>10,336</u>                   | <u>0</u>                                | <u>2,079,117</u>                                 |
| <b>LIABILITIES AND FUND BALANCES</b>           |                                    |                                 |   |  |
| <b>Liabilities:</b>                            |                                    |                                 |   |  |
| Accounts, salaries and other payables          | 371,202                            | 0                               | 0                                       | 0  |
| Interfund payables                             | 0                                  | 10,336                          | 0                                       | 0  |
| Deferred revenues                              | 0                                  | 0                               | 0                                       | 0  |
| <b>Total Liabilities</b>                       | <u>371,202</u>                     | <u>10,336</u>                   | <u>0</u>                                | <u>0</u>   |
| <b>Fund Balances:</b>                          |                                    |                                 |   |  |
| Reserved for inventory                         | 29,735                             | 0                               | 0                                       | 0  |
| Unreserved and undesignated                    | 865,110                            | 0                               | 0                                       | 2,079,117  |
| <b>Total Fund Balances</b>                     | <u>894,845</u>                     | <u>0</u>                        | <u>0</u>                                | <u>2,079,117</u>                                 |
| <b>TOTAL LIABILITIES AND<br/>FUND BALANCES</b> | <u>\$ 1,266,047</u>                | <u>\$ 10,336</u>                | <u>\$ 0</u>                             | <u>\$ 2,079,117</u>                              |

Exhibit 4

| READING           |                     |  |
|-------------------|---------------------|--|
| <u>FIRST</u>      | <u>TOTAL</u>        |  |
| \$ 0              | \$ 3,594,329        |  |
| 222,238           | 1,521,866           |  |
| 0                 | 911,411             |  |
| <u>0</u>          | <u>29,735</u>       |  |
| <u>222,238</u>    | <u>6,057,341</u>    |  |
| 149,747           | 970,340             |  |
| 72,491            | 853,030             |  |
| <u>0</u>          | <u>144</u>          |  |
| <u>222,238</u>    | <u>1,823,514</u>    |  |
| 0                 | 29,735              |  |
| <u>0</u>          | <u>4,204,092</u>    |  |
| <u>0</u>          | <u>4,233,827</u>    |  |
| <u>\$ 222,238</u> | <u>\$ 6,057,341</u> |  |

(Concluded)

**DESOTO PARISH SCHOOL BOARD**

**NONMAJOR SPECIAL REVENUE FUNDS  
Combining Statement of Revenues, Expenditures,  
and Changes in Fund Balances  
For the Year Ended June 30, 2009**

|  | <b>EDUCATIONAL<br/>CONSOLIDATION<br/>&amp; IMPROVEMENT<br/>ACT - TITLE I</b> | <b>IMPROVING<br/>TEACHER<br/>QUALITY<br/>TITLE II</b> | <b>LITERACY<br/>CHALLENGE<br/>TITLE III</b> | <b>SAFE AND<br/>DRUG FREE<br/>SCHOOLS<br/>TITLE IV</b> |
|--|--|---|---|--|
| <b>REVENUES</b>  |  |   |   |  |
| Local sources:   |  |   |   |  |
| Taxes:   |  |   |   |  |
| Ad valorem   | \$ 0   | \$ 0  | \$ 0  | \$ 0   |
| Sales and use  | 0  | 0   | 0   | 0  |
| Interest earnings  | 0  | 0   | 0   | 0  |
| Food services  | 0  | 0   | 0   | 0  |
| State sources:   |  |   |   |  |
| Equalization   | 0  | 0   | 0   | 0  |
| Other  | 0  | 0   | 0   | 0  |
| Federal sources  | <u>2,018,424</u>   | <u>526,824</u>  | <u>9,146</u>                                | <u>27,631</u>  |
| <b>Total Revenues</b>  | <u>2,019,424</u>   | <u>526,824</u>  | <u>9,146</u>                                | <u>27,631</u>  |
| <b>EXPENDITURES</b>  |  |   |   |  |
| Current:   |  |   |   |  |
| Instruction:   |  |   |   |  |
| Special programs   | 1,406,373  | 395,725   | 9,146                                       | 0  |
| Adult/continuing education programs                          | 0  | 0   | 0   | 0  |
| Support services:  |  |   |   |  |
| Pupil support services                                       | 189,981  | 0   | 0   | 27,089   |
| Instructional staff support                                  | 258,544  | 107,673   | 0   | 0  |
| General administration                                       | 0  | 0   | 0   | 0  |
| Business services  | 0  | 0   | 0   | 0  |
| Plant services   | 0  | 0   | 0   | 0  |
| Student transportation services                              | 71,740   | 0   | 0   | 0  |
| Food services  | <u>0</u>   | <u>0</u>  | <u>0</u>                                    | <u>0</u>   |
| <b>Total Expenditures</b>                                    | <u>1,926,638</u>   | <u>503,398</u>  | <u>9,146</u>                                | <u>27,089</u>  |
| <b>EXCESS (Deficiency) OF REVENUES<br/>OVER EXPENDITURES</b> | <u>\$ 92,786</u>   | <u>\$ 23,426</u>                                      | <u>\$ 0</u>                                 | <u>\$ 542</u>  |

Exhibit 5

| INNOVATIVE<br>EDUCATION<br>TITLE V | 7 MILL<br>MAINTENANCE<br>TAX | SPECIAL<br>EDUCATION | USDA TEAM<br>NUTRITION<br>TRAINING | ADULT<br>EDUCATION | JOBS FOR<br>AMERICA'S<br>GRADUATES |
|------------------------------------|------------------------------|----------------------|------------------------------------|--------------------|------------------------------------|
| \$ 0                               | \$ 2,028,101                 | \$ 0                 | \$ 0                               | \$ 0               | \$ 0                               |
| 0                                  | 0                            | 0                    | 0                                  | 0                  | 0                                  |
| 0                                  | 7,101                        | 0                    | 0                                  | 0                  | 0                                  |
| 0                                  | 0                            | 0                    | 0                                  | 0                  | 0                                  |
| 0                                  | 0                            | 0                    | 0                                  | 0                  | 0                                  |
| 0                                  | 44,907                       | 0                    | 0                                  | 0                  | 0                                  |
| 5                                  | 0                            | 1,261,638            | 16,355                             | 61,739             | 49,997                             |
| 5                                  | 2,080,109                    | 1,261,638            | 16,355                             | 61,739             | 49,997                             |
| 5                                  | 15,872                       | 1,019,200            | 15,580                             | 0                  | 47,689                             |
| 0                                  | 0                            | 0                    | 0                                  | 58,889             | 0                                  |
| 0                                  | 0                            | 103,535              | 0                                  | 0                  | 0                                  |
| 0                                  | 0                            | 78,130               | 0                                  | 0                  | 0                                  |
| 0                                  | 176,910                      | 0                    | 0                                  | 0                  | 0                                  |
| 0                                  | 174                          | 0                    | 0                                  | 0                  | 0                                  |
| 0                                  | 1,719,148                    | 0                    | 0                                  | 0                  | 0                                  |
| 0                                  | 62,932                       | 2,487                | 0                                  | 0                  | 0                                  |
| 0                                  | 0                            | 0                    | 0                                  | 0                  | 0                                  |
| 5                                  | 1,975,036                    | 1,203,352            | 15,580                             | 58,889             | 47,689                             |
| \$ 0                               | \$ 105,073                   | \$ 58,286            | \$ 775                             | \$ 2,850           | \$ 2,308                           |

(Continued)

**DESOTO PARISH SCHOOL BOARD**

**NONMAJOR SPECIAL REVENUE FUNDS**  
**Combining Statement of Revenues, Expenditures,**  
**and Changes in Fund Balances**  
**For the Year Ended June 30, 2009**

|   | <b>EDUCATIONAL<br/>CONSOLIDATION<br/>&amp; IMPROVEMENT<br/>ACT - TITLE I</b> | <b>IMPROVING<br/>TEACHER<br/>QUALITY<br/>TITLE II</b> | <b>LITERACY<br/>CHALLENGE<br/>TITLE III</b> | <b>SAFE AND<br/>DRUG FREE<br/>SCHOOLS<br/>TITLE IV</b> |
|---|--|---|---|--|
| <b>OTHER FINANCING SOURCES (USES)</b>       |  |   |   |  |
| Transfers in                                | \$ 0   | \$ 0  | \$ 0  | \$ 0   |
| Transfers out                               | (92,786)   | (23,426)  | 0   | (542)  |
| <b>Total Other Financing Sources (Uses)</b> | <u>(92,786)</u>  | <u>(23,426)</u>                                       | <u>0</u>                                    | <u>(542)</u>   |
| <b>Net Change in Fund Balance</b>           | 0  | 0   | 0   | 0  |
| <b>FUND BALANCES - BEGINNING</b>            | <u>0</u>   | <u>0</u>  | <u>0</u>                                    | <u>0</u>   |
| <b>FUND BALANCES - ENDING</b>               | <u>\$ 0</u>  | <u>\$ 0</u>   | <u>\$ 0</u>                                 | <u>\$ 0</u>  |

Exhibit 5

| <u>INNOVATIVE</u><br><u>EDUCATION</u><br><u>TITLE V</u> | <u>7 MILL</u><br><u>MAINTENANCE</u><br><u>TAX</u> | <u>SPECIAL</u><br><u>EDUCATION</u> | <u>USDA TEAM</u><br><u>NUTRITION</u><br><u>TRAINING</u> | <u>ADULT</u><br><u>EDUCATION</u> | <u>JOBS FOR</u><br><u>AMERICA'S</u><br><u>GRADUATES</u> |
|---|---|------------------------------------|---|----------------------------------|---|
| \$ 0  | \$ 0  | \$ 0                               | \$ 0  | \$ 0                             | \$ 0  |
| 0   | 0   | (58,286)                           | (775)   | (2,850)                          | (2,308)   |
| 0   | 0   | (58,286)                           | (775)   | (2,850)                          | (2,308)   |
| 0   | 105,073   | 0                                  | 0   | 0                                | 0   |
| 0   | 1,154,792   | 0                                  | 0   | 0                                | 0   |
| \$ 0  | \$ 1,259,865                                      | \$ 0                               | \$ 0  | \$ 0                             | \$ 0  |

(Continued)

DESOTO PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUNDS  
 Combining Statement of Revenues, Expenditures,  
 and Changes in Fund Balances  
 For the Year Ended June 30, 2009

|  | SCHOOL<br>FOOD<br>SERVICE | VOCATIONAL<br>EDUCATION | WORKFORCE<br>INVESTMENT<br>ACT | INSTRUCTIONAL<br>ENHANCEMENT<br>PROGRAM |
|--|---------------------------|-------------------------|--------------------------------|---|
| <b>REVENUES</b>  |                           |                         |                                |   |
| Local sources:   |                           |                         |                                |   |
| Taxes:   |                           |                         |                                |   |
| Ad valorem   | \$ 0                      | \$ 0                    | \$ 0                           | \$ 0                                    |
| Sales and use  | 1,119,252                 | 0                       | 0                              | 0                                       |
| Interest earnings  | 7,117                     | 0                       | 0                              | 691                                     |
| Food services  | 361,729                   | 0                       | 0                              | 0                                       |
| State sources:   |                           |                         |                                |   |
| Equalization   | 819,701                   | 0                       | 0                              | 0                                       |
| Other  | 12,969                    | 0                       | 0                              | 0                                       |
| Federal sources  | 1,655,809                 | 74,854                  | 10,000                         | 0                                       |
| <b>Total Revenues</b>  | <b>3,976,377</b>          | <b>74,854</b>           | <b>10,000</b>                  | <b>691</b>                              |
| <b>EXPENDITURES</b>  |                           |                         |                                |   |
| Current:   |                           |                         |                                |   |
| Instruction:   |                           |                         |                                |   |
| Special programs   | 0                         | 71,393                  | 10,000                         | 0                                       |
| Adult/continuing education programs                          | 0                         | 0                       | 0                              | 0                                       |
| Support services:  |                           |                         |                                |   |
| Pupil support services                                       | 0                         | 0                       | 0                              | 0                                       |
| Instructional staff support                                  | 0                         | 0                       | 0                              | 0                                       |
| General administration                                       | 0                         | 0                       | 0                              | 0                                       |
| Business services  | 0                         | 0                       | 0                              | 0                                       |
| Plant services   | 0                         | 0                       | 0                              | 0                                       |
| Student transportation services                              | 0                         | 0                       | 0                              | 0                                       |
| Food services  | 3,937,929                 | 0                       | 0                              | 0                                       |
| <b>Total Expenditures</b>                                    | <b>3,937,929</b>          | <b>71,393</b>           | <b>10,000</b>                  | <b>0</b>                                |
| <b>EXCESS (Deficiency) OF REVENUES<br/>OVER EXPENDITURES</b> | <b>\$ 38,448</b>          | <b>\$ 3,461</b>         | <b>\$ 0</b>                    | <b>\$ 691</b>                           |

Exhibit 5

| READING          |                   |
|------------------|-------------------|
| <u>FIRST</u>     | <u>TOTAL</u>      |
| \$ 0             | \$ 2,028,101      |
| 0                | 1,119,252         |
| 0                | 14,909            |
| 0                | 361,729           |
| 0                | 819,701           |
| 0                | 57,876            |
| <u>1,338,962</u> | <u>7,052,184</u>  |
| <u>1,338,962</u> | <u>11,453,752</u> |

|                  |                   |
|------------------|-------------------|
| 1,293,683        | 4,284,666         |
| 0                | 58,889            |
| 0                | 320,605           |
| 0                | 444,347           |
| 0                | 176,910           |
| 0                | 174               |
| 0                | 1,719,148         |
| 0                | 137,159           |
| <u>0</u>         | <u>3,937,929</u>  |
| <u>1,293,683</u> | <u>11,079,827</u> |

|                  |                   |
|------------------|-------------------|
| <u>\$ 45,279</u> | <u>\$ 373,925</u> |
|------------------|-------------------|

(Continued)

**DESOTO PARISH SCHOOL BOARD**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**Combining Statement of Revenues, Expenditures,**  
**and Changes in Fund Balances**  
**For the Year Ended June 30, 2009**

|                                       | <u>SCHOOL<br/>FOOD<br/>SERVICE</u> | <u>VOCATIONAL<br/>EDUCATION</u> | <u>WORKFORCE<br/>INVESTMENT<br/>ACT</u> | <u>INSTRUCTIONAL<br/>ENHANCEMENT<br/>PROGRAM</u> |
|---------------------------------------|------------------------------------|---------------------------------|---|--|
| <b>OTHER FINANCING SOURCES (USES)</b> |                                    |                                 |   |  |
| Transfers in                          | \$ 0                               | \$ 0                            | \$ 0                                    | 2,078,426  |
| Transfers out                         | <u>0</u>                           | <u>(3,461)</u>                  | <u>0</u>                                | <u>0</u>   |
| Total Other Financing Sources (Uses)  | <u>0</u>                           | <u>(3,461)</u>                  | <u>0</u>                                | <u>2,078,426</u>                                 |
| Net Change in Fund Balance            | 38,448                             | 0                               | 0                                       | 2,079,117  |
| <b>FUND BALANCES - BEGINNING</b>      | <u>858,397</u>                     | <u>0</u>                        | <u>0</u>                                | <u>0</u>   |
| <b>FUND BALANCES - ENDING</b>         | <u>\$ 894,845</u>                  | <u>\$ 0</u>                     | <u>\$ 0</u>                             | <u>2,079,117</u>                                 |

Exhibit 5

| READING         |                     |
|-----------------|---------------------|
| <u>FIRST</u>    | <u>TOTAL</u>        |
| \$ 0            | \$ 2,078,426        |
| <u>(45,279)</u> | <u>(229,713)</u>    |
| <u>(45,279)</u> | <u>1,848,713</u>    |
| 0               | 2,222,838           |
| <u>0</u>        | <u>2,011,189</u>    |
| <u>\$ 0</u>     | <u>\$ 4,233,827</u> |

(Concluded)

DESOTO PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND

Educational Consolidation and Improvement Act  
Title I

Schedule of Revenues, Expenditures, and Changes in Fund  
Balance - Budget and Actual  
For the Year Ended June 30, 2009

Exhibit 6-1

|  | ORIGINAL<br>BUDGET | FINAL<br>BUDGET | ACTUAL       | VARIANCE<br>FAVORABLE<br>(UNFAVORABLE) |
|--|--------------------|-----------------|--------------|--|
| <b>REVENUES</b>                                      |                    |                 |              |  |
| Federal sources                                      | \$ 2,469,934       | \$ 2,339,744    | \$ 2,019,424 | \$ (320,320)                           |
| Total Revenues                                       | 2,469,934          | 2,339,744       | 2,019,424    | (320,320)                              |
| <b>EXPENDITURES</b>                                  |                    |                 |              |  |
| Current:   |                    |                 |              |  |
| Instruction:   |                    |                 |              |  |
| Special programs                                     | 1,389,775          | 1,447,849       | 1,406,373    | 41,276                                 |
| Support services:                                    |                    |                 |              |  |
| Pupil support services                               | 202,438            | 209,589         | 189,981      | 19,608                                 |
| Instructional staff support                          | 721,888            | 517,496         | 256,544      | 258,952                                |
| Student transportation services                      | 79,472             | 72,223          | 71,740       | 483                                    |
| Total Expenditures                                   | 2,373,573          | 2,246,957       | 1,926,638    | 320,319                                |
| EXCESS (Deficiency) OF REVENUES<br>OVER EXPENDITURES | 96,361             | 92,787          | 92,786       | (1)                                    |
| <b>OTHER FINANCING SOURCES (USES)</b>                |                    |                 |              |  |
| Transfers out  | (96,361)           | (92,787)        | (92,786)     | 1                                      |
| Total Other Financing Sources (Uses)                 | (96,361)           | (92,787)        | (92,786)     | 1                                      |
| Net Changes in Fund Balances                         | 0                  | 0               | 0            | 0                                      |
| FUND BALANCES - BEGINNING                            | 0                  | 0               | 0            | 0                                      |
| FUND BALANCES - ENDING                               | \$ 0               | \$ 0            | \$ 0         | \$ 0                                   |

**DESOTO PARISH SCHOOL BOARD**  
**NONMAJOR SPECIAL REVENUE FUND**

**Improving Teacher Quality**  
**Title II**

**Schedule of Revenues, Expenditures, and Changes in Fund**  
**Balance - Budget and Actual**  
**For the Year Ended June 30, 2009**

Exhibit 6-2

|  | ORIGINAL<br>BUDGET | FINAL<br>BUDGET | ACTUAL          | VARIANCE<br>FAVORABLE<br>(UNFAVORABLE) |
|--|--------------------|-----------------|-----------------|--|
| <b>REVENUES</b>  |                    |                 |                 |  |
| Federal sources  | \$ 102,447         | \$ 561,691      | \$ 526,824      | \$ (34,867)                            |
| <b>Total Revenues</b>  | <b>102,447</b>     | <b>561,691</b>  | <b>526,824</b>  | <b>(34,867)</b>                        |
| <b>EXPENDITURES</b>  |                    |                 |                 |  |
| <i>Current:</i>  |                    |                 |                 |  |
| <i>Instruction:</i>  |                    |                 |                 |  |
| Special programs   | 0                  | 428,983         | 395,725         | 33,258                                 |
| <i>Support services:</i>                                     |                    |                 |                 |  |
| Instructional staff support                                  | 97,663             | 107,673         | 107,673         | 0                                      |
| <b>Total Expenditures</b>                                    | <b>97,663</b>      | <b>536,656</b>  | <b>503,398</b>  | <b>33,258</b>                          |
| <b>EXCESS (Deficiency) OF REVENUES<br/>OVER EXPENDITURES</b> | <b>4,784</b>       | <b>25,035</b>   | <b>23,426</b>   | <b>(1,609)</b>                         |
| <b>OTHER FINANCING SOURCES (USES)</b>                        |                    |                 |                 |  |
| Transfers out  | (4,784)            | (25,035)        | (23,426)        | 1,609                                  |
| <b>Total Other Financing Sources (Uses)</b>                  | <b>(4,784)</b>     | <b>(25,035)</b> | <b>(23,426)</b> | <b>1,609</b>                           |
| <b>Net Change in Fund Balance</b>                            | <b>0</b>           | <b>0</b>        | <b>0</b>        | <b>0</b>                               |
| <b>FUND BALANCES - BEGINNING</b>                             | <b>0</b>           | <b>0</b>        | <b>0</b>        | <b>0</b>                               |
| <b>FUND BALANCES - ENDING</b>                                | <b>\$ 0</b>        | <b>\$ 0</b>     | <b>\$ 0</b>     | <b>\$ 0</b>                            |

**DESOTO PARISH SCHOOL BOARD**  
**NONMAJOR SPECIAL REVENUE FUND**

**Literacy Challenge**  
**Title III**

**Schedule of Revenues, Expenditures, and Changes in Fund**  
**Balance - Budget and Actual**  
**For the Year Ended June 30, 2009**

Exhibit 6-3

|  | ORIGINAL<br>BUDGET | FINAL<br>BUDGET | ACTUAL       | VARIANCE<br>FAVORABLE<br>(UNFAVORABLE) |
|--|--------------------|-----------------|--------------|--|
| <b>REVENUES</b>  |                    |                 |              |  |
| Federal sources  | \$ 9,329           | \$ 9,329        | \$ 9,146     | \$ (183)                               |
| Total Revenues   | <u>9,329</u>       | <u>9,329</u>    | <u>9,146</u> | <u>(183)</u>                           |
| <b>EXPENDITURES</b>  |                    |                 |              |  |
| Current:   |                    |                 |              |  |
| Instruction:   |                    |                 |              |  |
| Special programs   | 9,146              | 9,146           | 9,146        | 0                                      |
| Total Expenditures   | <u>9,146</u>       | <u>9,146</u>    | <u>9,146</u> | <u>0</u>                               |
| <b>EXCESS (Deficiency) OF REVENUES<br/>OVER EXPENDITURES</b> | <u>183</u>         | <u>183</u>      | <u>0</u>     | <u>(183)</u>                           |
| <b>OTHER FINANCING SOURCES (USES)</b>                        |                    |                 |              |  |
| Transfers out  | (183)              | (183)           | 0            | 183                                    |
| Total Other Financing Sources (Uses)                         | <u>(183)</u>       | <u>(183)</u>    | <u>0</u>     | <u>183</u>                             |
| Net Change in Fund Balances                                  | 0                  | 0               | 0            | 0                                      |
| <b>FUND BALANCES - BEGINNING</b>                             | <u>0</u>           | <u>0</u>        | <u>0</u>     | <u>0</u>                               |
| <b>FUND BALANCES - ENDING</b>                                | <u>\$ 0</u>        | <u>\$ 0</u>     | <u>\$ 0</u>  | <u>\$ 0</u>                            |

**DESOTO PARISH SCHOOL BOARD**  
**NONMAJOR SPECIAL REVENUE FUND**

**Safe and Drug Free Schools**  
**Title IV**

**Schedule of Revenues, Expenditures, and Changes in Fund**  
**Balance - Budget and Actual**  
**For the Year Ended June 30, 2009**

Exhibit 6-4

|  | ORIGINAL<br>BUDGET | FINAL<br>BUDGET | ACTUAL        | VARIANCE<br>FAVORABLE<br>(UNFAVORABLE) |
|--|--------------------|-----------------|---------------|--|
| <b>REVENUES</b>  |                    |                 |               |  |
| Federal sources  | \$ 44,279          | \$ 47,927       | \$ 27,631     | \$ (20,296)                            |
| <b>Total Revenues</b>  | <u>44,279</u>      | <u>47,927</u>   | <u>27,631</u> | <u>(20,296)</u>                        |
| <b>EXPENDITURES</b>  |                    |                 |               |  |
| Current:   |                    |                 |               |  |
| Support services:  |                    |                 |               |  |
| Pupil support services                                       | 43,509             | 46,987          | 27,089        | 19,898                                 |
| <b>Total Expenditures</b>                                    | <u>43,509</u>      | <u>46,987</u>   | <u>27,089</u> | <u>19,898</u>                          |
| <b>EXCESS (Deficiency) OF REVENUES<br/>OVER EXPENDITURES</b> | <u>770</u>         | <u>940</u>      | <u>542</u>    | <u>(398)</u>                           |
| <b>OTHER FINANCING SOURCES (USES)</b>                        |                    |                 |               |  |
| Transfers out  | (770)              | (940)           | (542)         | 398                                    |
| <b>Total Other Financing Sources (Uses)</b>                  | <u>(770)</u>       | <u>(940)</u>    | <u>(542)</u>  | <u>398</u>                             |
| <b>Net Change in Fund Balances</b>                           | 0                  | 0               | 0             | 0                                      |
| <b>FUND BALANCES - BEGINNING</b>                             | <u>0</u>           | <u>0</u>        | <u>0</u>      | <u>0</u>                               |
| <b>FUND BALANCES - ENDING</b>                                | <u>\$ 0</u>        | <u>\$ 0</u>     | <u>\$ 0</u>   | <u>\$ 0</u>                            |

**DESOTO PARISH SCHOOL BOARD**  
**NONMAJOR SPECIAL REVENUE FUND**

**Innovative Education**  
**Title V**

**Schedule of Revenues, Expenditures, and Changes in Fund**  
**Balance - Budget and Actual**  
**For the Year Ended June 30, 2009**

Exhibit 6-5

|  | <u>ORIGINAL<br/>BUDGET</u> | <u>FINAL<br/>BUDGET</u> | <u>ACTUAL</u> | <u>VARIANCE<br/>FAVORABLE<br/>(UNFAVORABLE)</u> |
|--|----------------------------|-------------------------|---------------|---|
| <b>REVENUES</b>  |                            |                         |               |   |
| Federal sources  | \$ 0                       | \$ 5                    | \$ 5          | \$ 0  |
| Total Revenues   | <u>0</u>                   | <u>5</u>                | <u>5</u>      | <u>0</u>  |
| <b>EXPENDITURES</b>  |                            |                         |               |   |
| Current:   |                            |                         |               |   |
| Instruction:   |                            |                         |               |   |
| Special programs   | <u>0</u>                   | <u>5</u>                | <u>5</u>      | <u>0</u>  |
| Total Expenditures   | <u>0</u>                   | <u>5</u>                | <u>5</u>      | <u>0</u>  |
| <b>EXCESS (Deficiency) OF REVENUES<br/>OVER EXPENDITURES</b> | <u>0</u>                   | <u>0</u>                | <u>0</u>      | <u>0</u>  |
| <b>FUND BALANCES - BEGINNING</b>                             | <u>0</u>                   | <u>0</u>                | <u>0</u>      | <u>0</u>  |
| <b>FUND BALANCES - ENDING</b>                                | <u>\$ 0</u>                | <u>\$ 0</u>             | <u>\$ 0</u>   | <u>\$ 0</u>                                     |

**DESOTO PARISH SCHOOL BOARD**  
**NONMAJOR SPECIAL REVENUE FUND**

**7 Mill Maintenance Tax**

**Schedule of Revenues, Expenditures, and Changes in Fund  
Balance - Budget and Actual  
For the Year Ended June 30, 2009**

Exhibit 6-6

|  | ORIGINAL<br>BUDGET    | FINAL<br>BUDGET         | ACTUAL                  | VARIANCE<br>FAVORABLE<br>(UNFAVORABLE) |
|--|-----------------------|-------------------------|-------------------------|--|
| <b>REVENUES</b>  |                       |                         |                         |  |
| Local sources:   |                       |                         |                         |  |
| Taxes:   |                       |                         |                         |  |
| Ad valorem   | \$ 1,621,620          | \$ 2,042,075            | \$ 2,028,101            | \$ (13,974)                            |
| Interest earnings  | 41,000                | 8,700                   | 7,101                   | (1,599)                                |
| State sources:   |                       |                         |                         |  |
| Other  | 44,631                | 44,907                  | 44,907                  | 0                                      |
| <br>Total Revenues   | <u>1,707,251</u>      | <u>2,095,682</u>        | <u>2,080,109</u>        | <u>(15,573)</u>                        |
| <br><b>EXPENDITURES</b>  |                       |                         |                         |  |
| Current:   |                       |                         |                         |  |
| Instruction:   |                       |                         |                         |  |
| Special programs   | 15,900                | 15,872                  | 15,872                  | 0                                      |
| Support services:  |                       |                         |                         |  |
| General administration   | 163,324               | 176,910                 | 176,910                 | 0                                      |
| Business services  | 0                     | 300                     | 174                     | 126                                    |
| Plant services   | 1,800,840             | 1,871,568               | 1,719,148               | 152,418                                |
| Student transportation services                                  | 60,160                | 62,932                  | 62,932                  | 0                                      |
| <br>Total Expenditures   | <u>2,040,224</u>      | <u>2,127,580</u>        | <u>1,975,036</u>        | <u>152,544</u>                         |
| <br><b>EXCESS (Deficiency) OF REVENUES<br/>OVER EXPENDITURES</b> | <br>(332,973)         | <br>(31,898)            | <br>105,073             | <br>136,971                            |
| <br><b>FUND BALANCES - BEGINNING</b>                             | <br><u>1,172,639</u>  | <br><u>1,154,792</u>    | <br><u>1,154,792</u>    | <br><u>0</u>                           |
| <br><b>FUND BALANCES - ENDING</b>                                | <br><u>\$ 839,666</u> | <br><u>\$ 1,122,894</u> | <br><u>\$ 1,259,865</u> | <br><u>\$ 136,971</u>                  |

**DESOTO PARISH SCHOOL BOARD**  
**NONMAJOR SPECIAL REVENUE FUND**

Special Education

**Schedule of Revenues, Expenditures, and Changes in Fund  
Balance - Budget and Actual  
For the Year Ended June 30, 2009**

Exhibit 6-7

|  | <u>ORIGINAL<br/>BUDGET</u> | <u>FINAL<br/>BUDGET</u> | <u>ACTUAL</u>    | <u>VARIANCE<br/>FAVORABLE<br/>(UNFAVORABLE)</u> |
|--|----------------------------|-------------------------|------------------|---|
| <b>REVENUES</b>                                      |                            |                         |                  |   |
| Federal sources                                      | \$ 1,261,622               | \$ 1,265,373            | \$ 1,261,638     | \$ (3,735)                                      |
| Total Revenues                                       | <u>1,261,622</u>           | <u>1,265,373</u>        | <u>1,261,638</u> | <u>(3,735)</u>                                  |
| <b>EXPENDITURES</b>                                  |                            |                         |                  |   |
| Current:   |                            |                         |                  |   |
| Instruction:   |                            |                         |                  |   |
| Special programs                                     | 1,008,281                  | 1,022,222               | 1,019,200        | 3,022   |
| Support services:                                    |                            |                         |                  |   |
| Pupil support services                               | 103,190                    | 103,538                 | 103,535          | 3   |
| Instructional staff support                          | 89,591                     | 78,341                  | 78,130           | 211   |
| Student transportation services                      | 2,140                      | 2,860                   | 2,487            | 373   |
| Total Expenditures                                   | <u>1,203,202</u>           | <u>1,206,961</u>        | <u>1,203,352</u> | <u>3,609</u>                                    |
| EXCESS (Deficiency) OF REVENUES<br>OVER EXPENDITURES | <u>58,420</u>              | <u>58,412</u>           | <u>58,286</u>    | <u>(126)</u>                                    |
| <b>OTHER FINANCING SOURCES (USES)</b>                |                            |                         |                  |   |
| Transfers out  | <u>(58,420)</u>            | <u>(58,412)</u>         | <u>(58,286)</u>  | <u>126</u>                                      |
| Total Other Financing Sources (Uses)                 | <u>(58,420)</u>            | <u>(58,412)</u>         | <u>(58,286)</u>  | <u>126</u>                                      |
| Net Change in Fund Balances                          | 0                          | 0                       | 0                | 0   |
| FUND BALANCES - BEGINNING                            | <u>0</u>                   | <u>0</u>                | <u>0</u>         | <u>0</u>  |
| FUND BALANCES - ENDING                               | <u>\$ 0</u>                | <u>\$ 0</u>             | <u>\$ 0</u>      | <u>\$ 0</u>                                     |

**DESOTO PARISH SCHOOL BOARD**  
**NONMAJOR SPECIAL REVENUE FUND**

**USDA Team Nutrition Training**

**Schedule of Revenues, Expenditures, and Changes in Fund  
Balance - Budget and Actual  
For the Year Ended June 30, 2009**

Exhibit 6-8

|  | <u>ORIGINAL<br/>BUDGET</u> | <u>FINAL<br/>BUDGET</u> | <u>ACTUAL</u> | <u>VARIANCE<br/>FAVORABLE<br/>(UNFAVORABLE)</u> |
|--|----------------------------|-------------------------|---------------|---|
| <b>REVENUES</b>  |                            |                         |               |   |
| Federal sources  | \$ 0                       | \$ 27,459               | \$ 16,355     | \$ (11,104)                                     |
| Total Revenues   | <u>0</u>                   | <u>27,459</u>           | <u>16,355</u> | <u>(11,104)</u>                                 |
| <b>EXPENDITURES</b>  |                            |                         |               |   |
| <b>Current:</b>  |                            |                         |               |   |
| <b>Instruction:</b>  |                            |                         |               |   |
| Special programs   | 0                          | 26,171                  | 15,580        | 10,591  |
| Total Expenditures   | <u>0</u>                   | <u>26,171</u>           | <u>15,580</u> | <u>10,591</u>                                   |
| <b>EXCESS (Deficiency) OF REVENUES<br/>OVER EXPENDITURES</b> | <u>0</u>                   | <u>1,288</u>            | <u>775</u>    | <u>(513)</u>                                    |
| <b>OTHER FINANCING SOURCES (USES)</b>                        |                            |                         |               |   |
| Transfers out  | 0                          | (1,288)                 | (775)         | 513   |
| Total Other Financing Sources (Uses)                         | <u>0</u>                   | <u>(1,288)</u>          | <u>(775)</u>  | <u>513</u>                                      |
| Net Changes in Fund Balances                                 | 0                          | 0                       | 0             | 0   |
| FUND BALANCES - BEGINNING                                    | <u>0</u>                   | <u>0</u>                | <u>0</u>      | <u>0</u>  |
| FUND BALANCES - ENDING                                       | <u>\$ 0</u>                | <u>\$ 0</u>             | <u>\$ 0</u>   | <u>\$ 0</u>                                     |

**DESOTO PARISH SCHOOL BOARD**  
**NONMAJOR SPECIAL REVENUE FUND**

**Adult Education**

**Schedule of Revenues, Expenditures, and Changes in Fund  
Balance - Budget and Actual  
For the Year Ended June 30, 2009**

Exhibit 6-9

|  | ORIGINAL<br>BUDGET | FINAL<br>BUDGET | ACTUAL         | VARIANCE<br>FAVORABLE<br>(UNFAVORABLE) |
|--|--------------------|-----------------|----------------|--|
| <b>REVENUES</b>  |                    |                 |                |  |
| Federal sources  | \$ 45,083          | \$ 61,978       | \$ 61,739      | \$ (239)                               |
| <b>Total Revenues</b>  | <b>45,083</b>      | <b>61,978</b>   | <b>61,739</b>  | <b>(239)</b>                           |
| <b>EXPENDITURES</b>  |                    |                 |                |  |
| Current:   |                    |                 |                |  |
| Instruction:   |                    |                 |                |  |
| Adult/continuing education programs                          | 42,960             | 58,988          | 58,889         | 99                                     |
| <b>Total Expenditures</b>                                    | <b>42,960</b>      | <b>58,988</b>   | <b>58,889</b>  | <b>99</b>                              |
| <b>EXCESS (Deficiency) OF REVENUES<br/>OVER EXPENDITURES</b> | <b>2,123</b>       | <b>2,990</b>    | <b>2,850</b>   | <b>(140)</b>                           |
| <b>OTHER FINANCING SOURCES (USES)</b>                        |                    |                 |                |  |
| Transfers out  | (2,123)            | (2,990)         | (2,850)        | 140                                    |
| <b>Total Other Financing Sources (Uses)</b>                  | <b>(2,123)</b>     | <b>(2,990)</b>  | <b>(2,850)</b> | <b>140</b>                             |
| <b>Net Change in Fund Balances</b>                           | <b>0</b>           | <b>0</b>        | <b>0</b>       | <b>0</b>                               |
| <b>FUND BALANCES - BEGINNING</b>                             | <b>0</b>           | <b>0</b>        | <b>0</b>       | <b>0</b>                               |
| <b>FUND BALANCES - ENDING</b>                                | <b>\$ 0</b>        | <b>\$ 0</b>     | <b>\$ 0</b>    | <b>\$ 0</b>                            |

**DESOTO PARISH SCHOOL BOARD**  
**NONMAJOR SPECIAL REVENUE FUND**

**Jobs for America's Graduates**

**Schedule of Revenues, Expenditures, and Changes in Fund  
Balance - Budget and Actual  
For the Year Ended June 30, 2009**

Exhibit 6-10

|  | ORIGINAL<br>BUDGET | FINAL<br>BUDGET | ACTUAL         | VARIANCE<br>FAVORABLE<br>(UNFAVORABLE) |
|--|--------------------|-----------------|----------------|--|
| <b>REVENUES</b>  |                    |                 |                |  |
| Federal sources  | \$ 50,000          | \$ 50,000       | \$ 49,997      | \$ (3)                                 |
| <i>Total Revenues</i>  | <u>50,000</u>      | <u>50,000</u>   | <u>49,997</u>  | <u>(3)</u>                             |
| <b>EXPENDITURES</b>  |                    |                 |                |  |
| Current:   |                    |                 |                |  |
| Instruction:   |                    |                 |                |  |
| Special programs   | 47,692             | 47,692          | 47,689         | 3                                      |
| <i>Total Expenditures</i>                                    | <u>47,692</u>      | <u>47,692</u>   | <u>47,689</u>  | <u>3</u>                               |
| <b>EXCESS (Deficiency) OF REVENUES<br/>OVER EXPENDITURES</b> | <u>2,308</u>       | <u>2,308</u>    | <u>2,308</u>   | <u>0</u>                               |
| <b>OTHER FINANCING SOURCES (USES)</b>                        |                    |                 |                |  |
| Transfers out  | (2,308)            | (2,308)         | (2,308)        | 0                                      |
| <i>Total Other Financing Sources (Uses)</i>                  | <u>(2,308)</u>     | <u>(2,308)</u>  | <u>(2,308)</u> | <u>0</u>                               |
| <i>Net Change in Fund Balances</i>                           | 0                  | 0               | 0              | 0                                      |
| <b>FUND BALANCES - BEGINNING</b>                             | <u>0</u>           | <u>0</u>        | <u>0</u>       | <u>0</u>                               |
| <b>FUND BALANCES - ENDING</b>                                | <u>\$ 0</u>        | <u>\$ 0</u>     | <u>\$ 0</u>    | <u>\$ 0</u>                            |

**DESOTO PARISH SCHOOL BOARD**  
**NONMAJOR SPECIAL REVENUE FUND**

**School Food Service**

**Schedule of Revenues, Expenditures, and Changes in Fund  
Balance - Budget and Actual  
For the Year Ended June 30, 2009**

Exhibit 6-11

|  | ORIGINAL<br>BUDGET | FINAL<br>BUDGET   | ACTUAL            | VARIANCE<br>FAVORABLE<br>(UNFAVORABLE) |
|--|--------------------|-------------------|-------------------|--|
| <b>REVENUES</b>  |                    |                   |                   |  |
| Local sources:   |                    |                   |                   |  |
| Taxes:   |                    |                   |                   |  |
| Sales and use  | \$ 520,000         | \$ 1,076,840      | \$ 1,119,252      | \$ 42,412                              |
| Interest earnings  | 60,000             | 9,396             | 7,117             | (2,279)                                |
| Food services  | 359,003            | 359,003           | 361,729           | 2,726                                  |
| Other  | 1,000              | 1,000             | 0                 | (1,000)                                |
| State sources:   |                    |                   |                   |  |
| Equalization   | 768,927            | 803,116           | 819,701           | 16,585                                 |
| Other  | 0                  | 30,269            | 12,969            | (17,300)                               |
| Federal sources  | 1,695,403          | 1,074,517         | 1,655,609         | (18,908)                               |
| <b>Total Revenues</b>  | <b>3,404,333</b>   | <b>3,954,141</b>  | <b>3,978,377</b>  | <b>22,236</b>                          |
| <b>EXPENDITURES</b>  |                    |                   |                   |  |
| Current:   |                    |                   |                   |  |
| Food services  | 3,506,598          | 3,954,141         | 3,937,929         | 16,212                                 |
| <b>Total Expenditures</b>                                    | <b>3,506,598</b>   | <b>3,954,141</b>  | <b>3,937,929</b>  | <b>16,212</b>                          |
| <b>EXCESS (Deficiency) OF REVENUES<br/>OVER EXPENDITURES</b> | <b>(102,265)</b>   | <b>0</b>          | <b>38,448</b>     | <b>38,448</b>                          |
| <b>FUND BALANCES - BEGINNING</b>                             | <b>1,042,230</b>   | <b>856,397</b>    | <b>856,397</b>    | <b>0</b>                               |
| <b>FUND BALANCES - ENDING</b>                                | <b>\$ 939,965</b>  | <b>\$ 856,397</b> | <b>\$ 894,845</b> | <b>\$ 38,448</b>                       |

**DESOTO PARISH SCHOOL BOARD**  
**NONMAJOR SPECIAL REVENUE FUND**

**Vocational Education**

**Schedule of Revenues, Expenditures, and Changes in Fund  
Balance - Budget and Actual  
For the Year Ended June 30, 2009**

Exhibit 6-12

|  | <u>ORIGINAL<br/>BUDGET</u> | <u>FINAL<br/>BUDGET</u> | <u>ACTUAL</u>  | <u>VARIANCE<br/>FAVORABLE<br/>(UNFAVORABLE)</u> |
|--|----------------------------|-------------------------|----------------|---|
| <b>REVENUES</b>  |                            |                         |                |   |
| Federal sources  | \$ 74,854                  | \$ 74,854               | \$ 74,854      | \$ 0  |
| Total Revenues   | <u>74,854</u>              | <u>74,854</u>           | <u>74,854</u>  | <u>0</u>  |
| <b>EXPENDITURES</b>  |                            |                         |                |   |
| Current:   |                            |                         |                |   |
| Instruction:   |                            |                         |                |   |
| Special programs   | <u>71,170</u>              | <u>71,396</u>           | <u>71,393</u>  | <u>3</u>  |
| Total Expenditures   | <u>71,170</u>              | <u>71,396</u>           | <u>71,393</u>  | <u>3</u>  |
| <b>EXCESS (Deficiency) OF REVENUES<br/>OVER EXPENDITURES</b> | <u>3,684</u>               | <u>3,458</u>            | <u>3,461</u>   | <u>3</u>  |
| <b>OTHER FINANCING SOURCES (USES)</b>                        |                            |                         |                |   |
| Transfers out  | <u>(3,684)</u>             | <u>(3,458)</u>          | <u>(3,461)</u> | <u>(3)</u>                                      |
| Total Other Financing Sources (Uses)                         | <u>(3,684)</u>             | <u>(3,458)</u>          | <u>(3,461)</u> | <u>(3)</u>                                      |
| Net Change in Fund Balances                                  | 0                          | 0                       | 0              | 0   |
| FUND BALANCES - BEGINNING                                    | <u>0</u>                   | <u>0</u>                | <u>0</u>       | <u>0</u>  |
| FUND BALANCES - ENDING                                       | <u>\$ 0</u>                | <u>\$ 0</u>             | <u>\$ 0</u>    | <u>\$ 0</u>                                     |

**DESOTO PARISH SCHOOL BOARD**  
**NONMAJOR SPECIAL REVENUE FUND**

**Workforce Investment Act**

**Schedule of Revenues, Expenditures, and Changes in Fund  
Balance - Budget and Actual  
For the Year Ended June 30, 2009**

Exhibit 6-13

|  | ORIGINAL<br>BUDGET | FINAL<br>BUDGET | ACTUAL        | VARIANCE<br>FAVORABLE<br>(UNFAVORABLE) |
|--|--------------------|-----------------|---------------|--|
| <b>REVENUES</b>  |                    |                 |               |  |
| Federal sources  | \$ 10,000          | \$ 10,000       | \$ 10,000     | \$ 0                                   |
| Total Revenues   | <u>10,000</u>      | <u>10,000</u>   | <u>10,000</u> | <u>0</u>                               |
| <b>EXPENDITURES</b>  |                    |                 |               |  |
| Current:   |                    |                 |               |  |
| Instruction:   |                    |                 |               |  |
| Special programs   | 10,000             | 10,000          | 10,000        | 0                                      |
| Total Expenditures   | <u>10,000</u>      | <u>10,000</u>   | <u>10,000</u> | <u>0</u>                               |
| <b>EXCESS (Deficiency) OF REVENUES<br/>OVER EXPENDITURES</b> | 0                  | 0               | 0             | 0                                      |
| <b>FUND BALANCES - BEGINNING</b>                             | <u>0</u>           | <u>0</u>        | <u>0</u>      | <u>0</u>                               |
| <b>FUND BALANCES - ENDING</b>                                | <u>\$ 0</u>        | <u>\$ 0</u>     | <u>\$ 0</u>   | <u>\$ 0</u>                            |

DESOTO PARISH SCHOOL BOARD  
NONMAJOR SPECIAL REVENUE FUND  
Instructional Enhancement Program

Schedule of Revenues, Expenditures, and Changes in Fund  
Balance - Budget and Actual  
For the Year Ended June 30, 2009

Exhibit 6-14

|  | ORIGINAL<br>BUDGET | FINAL<br>BUDGET     | ACTUAL              | VARIANCE<br>FAVORABLE<br>(UNFAVORABLE) |
|--|--------------------|---------------------|---------------------|--|
| <b>REVENUES</b>  |                    |                     |                     |  |
| Interest earnings  | \$ 0               | \$ 0                | \$ 691              | \$ 691                                 |
| Total Revenues   | <u>0</u>           | <u>0</u>            | <u>691</u>          | <u>691</u>                             |
| <b>EXPENDITURES</b>  |                    |                     |                     |  |
| Current:   |                    |                     |                     |  |
| Instruction:   |                    |                     |                     |  |
| Special programs   | <u>0</u>           | <u>0</u>            | <u>0</u>            | <u>0</u>                               |
| Total Expenditures   | <u>0</u>           | <u>0</u>            | <u>0</u>            | <u>0</u>                               |
| <b>EXCESS (Deficiency) OF REVENUES<br/>OVER EXPENDITURES</b> | 0                  | 0                   | 691                 | 691                                    |
| <b>OTHER FINANCING SOURCES</b>                               |                    |                     |                     |  |
| Transfer In  | <u>0</u>           | <u>1,167,015</u>    | <u>2,078,426</u>    | <u>911,411</u>                         |
| Total Other Financing Sources (Uses)                         | <u>0</u>           | <u>1,167,015</u>    | <u>2,078,426</u>    | <u>911,411</u>                         |
| Net Changes in Fund Balances                                 | 0                  | 1,167,015           | 2,079,117           | 912,102                                |
| <b>FUND BALANCES - BEGINNING</b>                             | <u>0</u>           | <u>0</u>            | <u>0</u>            | <u>0</u>                               |
| <b>FUND BALANCES - ENDING</b>                                | <u>\$ 0</u>        | <u>\$ 1,167,015</u> | <u>\$ 2,079,117</u> | <u>\$ 912,102</u>                      |

**DESOTO PARISH SCHOOL BOARD**  
**NON MAJOR SPECIAL REVENUE FUND**

**Reading First**

**Schedule of Revenues, Expenditures, and Changes in Fund  
Balance - Budget and Actual  
For the Year Ended June 30, 2009**

Exhibit 6-15

|  | ORIGINAL<br>BUDGET | FINAL<br>BUDGET  | ACTUAL<br>AMOUNTS | VARIANCE WITH<br>FINAL BUDGET<br>POSITIVE<br>(NEGATIVE) |
|--|--------------------|------------------|-------------------|---|
| <b>REVENUES</b>  |                    |                  |                   |   |
| Federal sources  | \$ 1,082,659       | \$ 1,430,163     | \$ 1,338,962      | \$ (91,201)   |
| <b>Total Revenues</b>  | <b>1,082,659</b>   | <b>1,430,163</b> | <b>1,338,962</b>  | <b>(91,201)</b>   |
| <b>EXPENDITURES</b>  |                    |                  |                   |   |
| Current:   |                    |                  |                   |   |
| Instruction:   |                    |                  |                   |   |
| Special programs   | 1,046,047          | 1,381,800        | 1,293,683         | 88,117  |
| <b>Total Expenditures</b>                                    | <b>1,046,047</b>   | <b>1,381,800</b> | <b>1,293,683</b>  | <b>88,117</b>   |
| <b>EXCESS (Deficiency) OF REVENUES<br/>OVER EXPENDITURES</b> | 36,612             | 48,363           | 45,279            | (3,084)   |
| <b>OTHER FINANCING SOURCES (USES)</b>                        |                    |                  |                   |   |
| Transfers out  | (36,612)           | (48,363)         | (45,279)          | 3,084   |
| <b>Total Other Financing Sources (Uses)</b>                  | <b>(36,612)</b>    | <b>(48,363)</b>  | <b>(45,279)</b>   | <b>3,084</b>  |
| Net change in Fund Balances                                  | 0                  | 0                | 0                 | 0   |
| <b>FUND BALANCES - BEGINNING</b>                             | <b>0</b>           | <b>0</b>         | <b>0</b>          | <b>0</b>  |
| <b>FUND BALANCES - ENDING</b>                                | <b>\$ 0</b>        | <b>\$ 0</b>      | <b>\$ 0</b>       | <b>\$ 0</b>   |

**DeSoto Parish School Board  
Mansfield, Louisiana  
Nonmajor Debt Service Funds**

**SCHOOL DISTRICTS NO.1, NO. 2 (1998 ISSUE), NO. 2 (1997 ISSUE), NO. 2 (2004 AND 2005 ISSUE), NO. 3 (1994 ISSUE), NO. 3 (1998 ISSUE), NO. 3 (1994 ISSUE), NO. 4, AND NO. 5:** To accumulate monies to pay outstanding bond issues. The bonds were issued by the respective school districts to acquire land for building sites, erect and improve school buildings, and acquire the necessary equipment and furnishings thereof. The bond issues are financed by a special property tax levy on property within the respective school districts and/or an allocation of sales and use tax collected.

DESOTO PARISH SCHOOL BOARD

NONMAJOR DEBT SERVICE FUNDS  
 Combining Balance Sheet  
 June 30, 2009

|  | NO. 1       | NO. 2<br>1998<br>ISSUE | NO. 2<br>1997<br>ISSUE | NO. 2<br>2004 & 2005<br>ISSUE |
|--|-------------|------------------------|------------------------|-------------------------------|
| <b>ASSETS</b>                              |             |                        |                        |                               |
| Cash and cash equivalents                  | \$ 0        | \$ 255,938             | \$ 161,254             | \$ 591,854                    |
| Receivables                                | 0           | 0                      | 0                      | 0                             |
| <b>TOTAL ASSETS</b>                        | <b>0</b>    | <b>255,938</b>         | <b>161,254</b>         | <b>591,854</b>                |
| <b>LIABILITIES AND FUND BALANCES</b>       |             |                        |                        |                               |
| <b>Liabilities:</b>                        |             |                        |                        |                               |
| Accounts, salaries and other payables      | 0           | 0                      | 0                      | 0                             |
| <b>Total Liabilities</b>                   | <b>0</b>    | <b>0</b>               | <b>0</b>               | <b>0</b>                      |
| <b>Fund Balances:</b>                      |             |                        |                        |                               |
| Reserved for debt service                  | 0           | 255,938                | 161,254                | 591,854                       |
| <b>Total Fund Balances</b>                 | <b>0</b>    | <b>255,938</b>         | <b>161,254</b>         | <b>591,854</b>                |
| <b>TOTAL LIABILITIES AND FUND BALANCES</b> | <b>\$ 0</b> | <b>\$ 255,938</b>      | <b>\$ 161,254</b>      | <b>\$ 591,854</b>             |

Exhibit 7

| <u>NO. 3</u><br><u>1994</u><br><u>ISSUE</u> | <u>NO. 3</u><br><u>1998</u><br><u>ISSUE</u> | <u>NO. 3</u><br><u>1994</u><br><u>ISSUE</u> | <u>NO. 4</u>      | <u>NO. 5</u> | <u>TOTAL</u>        |
|---|---|---|-------------------|--------------|---------------------|
| \$ 0  | \$ 12,443                                   | \$ 23,283                                   | \$ 423,139        | \$ 0         | \$ 1,467,911        |
| <u>0</u>                                    | <u>0</u>                                    | <u>0</u>                                    | <u>0</u>          | <u>0</u>     | <u>0</u>            |
| <u>0</u>                                    | <u>12,443</u>                               | <u>23,283</u>                               | <u>423,139</u>    | <u>0</u>     | <u>1,467,911</u>    |
| <u>0</u>                                    | <u>0</u>                                    | <u>0</u>                                    | <u>0</u>          | <u>0</u>     | <u>0</u>            |
| <u>0</u>                                    | <u>0</u>                                    | <u>0</u>                                    | <u>0</u>          | <u>0</u>     | <u>0</u>            |
| <u>0</u>                                    | <u>12,443</u>                               | <u>23,283</u>                               | <u>423,139</u>    | <u>0</u>     | <u>1,467,911</u>    |
| <u>0</u>                                    | <u>12,443</u>                               | <u>23,283</u>                               | <u>423,139</u>    | <u>0</u>     | <u>1,467,911</u>    |
| <u>\$ 0</u>                                 | <u>\$ 12,443</u>                            | <u>\$ 23,283</u>                            | <u>\$ 423,139</u> | <u>\$ 0</u>  | <u>\$ 1,467,911</u> |

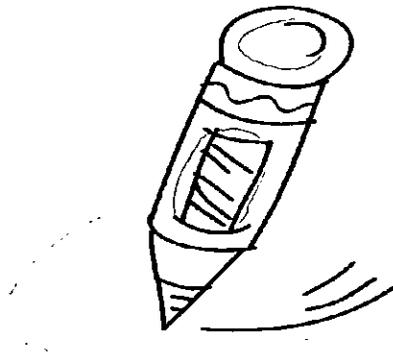
**DESOTO PARISH SCHOOL BOARD**  
**NONMAJOR DEBT SERVICE FUNDS**  
**Combining Statement of Revenues, Expenditures,**  
**and Changes in Fund Balances**  
**For the Year Ended June 30, 2009**

|  | NO. 1            | NO. 2<br>1998<br>ISSUE | NO. 2<br>1997<br>ISSUE | NO. 2<br>2004 & 2005<br>ISSUE |
|--|------------------|------------------------|------------------------|-------------------------------|
| <b>REVENUES</b>  |                  |                        |                        |                               |
| Local sources:   |                  |                        |                        |                               |
| Taxes:   |                  |                        |                        |                               |
| Ad valorem   | \$ 118,849       | \$ 349,498             | \$ 197,913             | \$ 718,401                    |
| Sales and use  | 4,693            | 0                      | 0                      | 0                             |
| Interest earnings  | 2,965            | 2,025                  | 1,299                  | 5,974                         |
| State sources - other  | 0                | 8,622                  | 0                      | 0                             |
| <b>Total Revenues</b>  | <b>126,507</b>   | <b>360,145</b>         | <b>199,212</b>         | <b>724,375</b>                |
| <b>EXPENDITURES</b>  |                  |                        |                        |                               |
| Current:   |                  |                        |                        |                               |
| Support services:  |                  |                        |                        |                               |
| General administration                                       | 5,066            | 12,914                 | 7,175                  | 33,003                        |
| Debt Service:  |                  |                        |                        |                               |
| Principal retirement   | 490,000          | 275,000                | 140,000                | 470,000                       |
| Interest and bank charges                                    | 16,589           | 45,706                 | 60,596                 | 523,330                       |
| <b>Total Expenditures</b>                                    | <b>511,655</b>   | <b>333,620</b>         | <b>207,771</b>         | <b>1,026,333</b>              |
| <b>EXCESS (Deficiency) OF REVENUES<br/>OVER EXPENDITURES</b> | <b>(385,148)</b> | <b>28,525</b>          | <b>(8,559)</b>         | <b>(301,958)</b>              |
| <b>FUND BALANCES - BEGINNING</b>                             | <b>385,148</b>   | <b>229,413</b>         | <b>169,813</b>         | <b>893,812</b>                |
| <b>FUND BALANCES - ENDING</b>                                | <b>\$ 0</b>      | <b>\$ 255,938</b>      | <b>\$ 161,254</b>      | <b>\$ 591,854</b>             |

Exhibit 8

| NO. 3<br>1994<br>ISSUE | NO. 3<br>1998<br>ISSUE | NO. 3<br>1994<br>ISSUE | NO. 4        | NO. 5     | TOTAL        |
|------------------------|------------------------|------------------------|--------------|-----------|--------------|
| \$ 73,727              | \$ 0                   | \$ 31,308              | \$ 1,609,222 | \$ 68,391 | \$ 3,167,309 |
| 10,326                 | 24,500                 | 0                      | 525,108      | 45,242    | 609,869      |
| 1,107                  | 79                     | 187                    | 4,714        | 488       | 18,838       |
| 0                      | 0                      | 0                      | 0            | 0         | 8,622        |
| 85,160                 | 24,579                 | 31,495                 | 2,139,044    | 114,121   | 3,804,638    |
| 3,560                  | 230                    | 1,018                  | 73,250       | 3,392     | 139,608      |
| 215,000                | 21,000                 | 20,000                 | 1,630,000    | 205,000   | 3,466,000    |
| 8,324                  | 2,501                  | 8,026                  | 944,523      | 3,680     | 1,613,275    |
| 226,884                | 23,731                 | 29,044                 | 2,647,773    | 212,072   | 5,218,883    |
| (141,724)              | 848                    | 2,451                  | (508,729)    | (97,951)  | (1,414,245)  |
| 141,724                | 11,595                 | 20,832                 | 931,868      | 97,951    | 2,882,156    |
| \$ 0                   | \$ 12,443              | \$ 23,283              | \$ 423,139   | \$ 0      | \$ 1,467,911 |

**DeSoto Parish School Board**



**DeSoto Parish School Board  
Mansfield, Louisiana  
Nonmajor Capital Project Funds**

**SCHOOL DISTRICTS NO. 1, NO. 2, NO. 3, AND NO. 5:** To account for financial resources to acquire, construct, and improve public school facilities in the respective districts.

**DESOTO PARISH SCHOOL BOARD**  
**NONMAJOR CAPITAL PROJECT FUNDS**  
**Combining Balance Sheet**  
**June 30, 2009**

|   | SCHOOL<br>DISTRICT<br>NO. 1 | SCHOOL<br>DISTRICT<br>NO. 2 | SCHOOL<br>DISTRICT<br>NO. 3 |
|---|-----------------------------|-----------------------------|-----------------------------|
| <b>ASSETS</b>                                 |                             |                             |                             |
| Cash and cash equivalents                     | \$ 759,395                  | \$ 988,841                  | \$ 367,522                  |
| Receivables                                   | <u>84,539</u>               | <u>203,517</u>              | <u>45,801</u>               |
| <b>TOTAL ASSETS</b>                           | <u>843,934</u>              | <u>1,192,358</u>            | <u>413,323</u>              |
| <b>LIABILITIES AND FUND BALANCES</b>          |                             |                             |                             |
| <b>Liabilities:</b>                           |                             |                             |                             |
| Accounts, salaries and other payables         | <u>1,943</u>                | <u>178,073</u>              | <u>30</u>                   |
| <b>Total Liabilities</b>                      | <u>1,943</u>                | <u>178,073</u>              | <u>30</u>                   |
| <b>Fund Balances:</b>                         |                             |                             |                             |
| Unreserved - designated for specific projects | <u>841,991</u>              | <u>1,014,285</u>            | <u>413,293</u>              |
| <b>TOTAL FUND BALANCES</b>                    | <u>841,991</u>              | <u>1,014,285</u>            | <u>413,293</u>              |
| <b>TOTAL LIABILITIES AND FUND BALANCES</b>    | <u>\$ 843,934</u>           | <u>\$ 1,192,358</u>         | <u>\$ 413,323</u>           |

Exhibit 9

| SCHOOL            |                     |
|-------------------|---------------------|
| DISTRICT          |                     |
| <u>NO. 5</u>      | <u>TOTAL</u>        |
| \$ 289,557        | \$ 2,405,315        |
| <u>25,732</u>     | <u>359,589</u>      |
| <u>315,289</u>    | <u>2,764,904</u>    |
| <br>              |                     |
| <u>124</u>        | <u>180,170</u>      |
| <br>              |                     |
| <u>124</u>        | <u>180,170</u>      |
| <br>              |                     |
| <u>315,165</u>    | <u>2,584,734</u>    |
| <br>              |                     |
| <u>315,165</u>    | <u>2,584,734</u>    |
| <br>              |                     |
| <u>\$ 315,289</u> | <u>\$ 2,764,904</u> |

**DESOTO PARISH SCHOOL BOARD**

**NONMAJOR CAPITAL PROJECT FUNDS  
Combining Statement of Revenues, Expenditures,  
and Changes in Fund Balances  
For the Year Ended June 30, 2009**

|  | <u>SCHOOL<br/>DISTRICT<br/>NO. 1</u> | <u>SCHOOL<br/>DISTRICT<br/>NO. 2</u> | <u>SCHOOL<br/>DISTRICT<br/>NO. 3</u> |
|--|--------------------------------------|--------------------------------------|--------------------------------------|
| <b>REVENUES</b>  |                                      |                                      |                                      |
| Local sources:   |                                      |                                      |                                      |
| Taxes:   |                                      |                                      |                                      |
| Sales and use  | \$ 624,884                           | \$ 1,645,294                         | \$ 296,752                           |
| Interest earnings  | 2,847                                | 4,832                                | 2,330                                |
| Other  | 73,392                               | 0                                    | 52,725                               |
| Federal sources  | <u>30,443</u>                        | <u>0</u>                             | <u>22,509</u>                        |
| Total Revenues   | <u>731,566</u>                       | <u>1,650,126</u>                     | <u>374,316</u>                       |
| <b>EXPENDITURES</b>  |                                      |                                      |                                      |
| Current:   |                                      |                                      |                                      |
| Support services:  |                                      |                                      |                                      |
| General administration                                       | 5,847                                | 15,396                               | 2,775                                |
| Business services  | 94                                   | 147                                  | 75                                   |
| Plant services   | 34,097                               | 156,656                              | 10,454                               |
| Capital outlay   | <u>156,252</u>                       | <u>1,027,608</u>                     | <u>256,375</u>                       |
| Total Expenditures   | <u>196,290</u>                       | <u>1,199,807</u>                     | <u>269,679</u>                       |
| <b>EXCESS (Deficiency) OF REVENUES<br/>OVER EXPENDITURES</b> | <u>535,276</u>                       | <u>450,319</u>                       | <u>104,637</u>                       |
| <b>OTHER FINANCING SOURCES (USES)</b>                        |                                      |                                      |                                      |
| Bond proceeds  | <u>0</u>                             | <u>0</u>                             | <u>0</u>                             |
| Total Other Financing Sources (Uses)                         | <u>0</u>                             | <u>0</u>                             | <u>0</u>                             |
| Net Change in Fund Balances                                  | <u>535,276</u>                       | <u>450,319</u>                       | <u>104,637</u>                       |
| <b>FUND BALANCES - BEGINNING</b>                             | <u>306,715</u>                       | <u>563,966</u>                       | <u>308,656</u>                       |
| <b>FUND BALANCES - ENDING</b>                                | <u>\$ 841,991</u>                    | <u>\$ 1,014,285</u>                  | <u>\$ 413,293</u>                    |

Exhibit 10

| SCHOOL DISTRICT NO. 5 |                | TOTAL               |
|-----------------------|----------------|---------------------|
| \$                    | 122,646        | \$ 2,689,576        |
|                       | 1,995          | 12,004              |
|                       | 54,696         | 180,813             |
|                       | <u>22,049</u>  | <u>75,001</u>       |
|                       | <u>201,386</u> | <u>2,957,394</u>    |
|                       | 1,146          | 25,164              |
|                       | 64             | 380                 |
|                       | 17,574         | 218,781             |
|                       | <u>108,056</u> | <u>1,548,291</u>    |
|                       | <u>126,840</u> | <u>1,792,616</u>    |
|                       | <u>74,546</u>  | <u>1,164,778</u>    |
|                       | <u>0</u>       | <u>0</u>            |
|                       | <u>0</u>       | <u>0</u>            |
|                       | <u>74,546</u>  | <u>1,164,778</u>    |
|                       | <u>240,619</u> | <u>1,419,956</u>    |
| \$                    | <u>315,165</u> | <u>\$ 2,584,734</u> |

**DeSoto Parish School Board  
Mansfield, Louisiana  
Internal Service Funds**

**GROUP DENTAL INSURANCE:** To recover over a period of time the total cost of providing group dental insurance to School Board employees and retirees.

**GROUP HEALTH INSURANCE:** To recover over a period of time the total cost of providing group medical insurance to School Board employees and retirees.

DESOTO PARISH SCHOOL BOARD

PROPRIETARY FUND TYPE - INTERNAL SERVICE FUNDS  
 Combining Statement of Net Assets  
 June 30, 2009

Exhibit 11

|                                  | GROUP<br>DENTAL<br>INSURANCE | GROUP<br>HEALTH<br>INSURANCE | TOTAL               |
|----------------------------------|------------------------------|------------------------------|---------------------|
| <b>ASSETS</b>                    |                              |                              |                     |
| Current assets:                  |                              |                              |                     |
| Cash and cash equivalents        | \$ 178,456                   | \$ 1,768,705                 | \$ 1,947,161        |
| Investments                      | 0                            | 3,500,000                    | 3,500,000           |
| Receivables                      | 0                            | 27,921                       | 27,921              |
| Prepaid Items                    | 0                            | 534,144                      | 534,144             |
| <b>TOTAL CURRENT ASSETS</b>      | <b>178,456</b>               | <b>5,830,770</b>             | <b>6,009,228</b>    |
| <b>NONCURRENT ASSETS</b>         |                              |                              |                     |
| OPEB asset                       | 0                            | 4,027,885                    | 4,027,885           |
| <b>TOTAL ASSETS</b>              | <b>178,456</b>               | <b>9,858,655</b>             | <b>10,037,111</b>   |
| <b>LIABILITIES</b>               |                              |                              |                     |
| Current liabilities:             |                              |                              |                     |
| Medical claims payable           | 0                            | 2,102,039                    | 2,102,039           |
| Dental claims payable            | 76,020                       | 0                            | 76,020              |
| <b>TOTAL CURRENT LIABILITIES</b> | <b>76,020</b>                | <b>2,102,039</b>             | <b>2,178,059</b>    |
| <b>NET ASSETS</b>                |                              |                              |                     |
| Restricted                       | 0                            | 4,027,885                    | 4,027,885           |
| Unrestricted                     | 102,436                      | 3,728,731                    | 3,831,167           |
| <b>TOTAL NET ASSETS</b>          | <b>\$ 102,436</b>            | <b>\$ 7,756,616</b>          | <b>\$ 7,859,052</b> |

DESOTO PARISH SCHOOL BOARD

PROPRIETARY FUND TYPE - INTERNAL SERVICE FUNDS  
 Combining Statement of Revenue, Expenses,  
 and Changes in Fund Net Assets  
 For the Year Ended June 30, 2009

Exhibit 12

|                                 | GROUP<br>DENTAL<br>INSURANCE | GROUP<br>HEALTH<br>INSURANCE | TOTAL               |
|---------------------------------|------------------------------|------------------------------|---------------------|
| <b>OPERATING REVENUE</b>        |                              |                              |                     |
| Medical premiums                | \$ 0                         | \$ 10,629,965                | \$ 10,629,965       |
| Dental premiums                 | 326,163                      | 74,206                       | 400,369             |
| <i>Total operating revenues</i> | <u>326,163</u>               | <u>10,704,171</u>            | <u>11,030,334</u>   |
| <b>OPERATING EXPENSES</b>       |                              |                              |                     |
| Claims                          | 306,727                      | 8,376,441                    | 8,683,168           |
| Administration                  | 15,216                       | 246,241                      | 261,457             |
| Insurance                       | 0                            | 458,067                      | 458,067             |
| <i>Total operating expenses</i> | <u>321,943</u>               | <u>9,080,749</u>             | <u>9,402,692</u>    |
| <i>Operating income (loss)</i>  | 4,220                        | 1,623,422                    | 1,627,642           |
| <b>NONOPERATING REVENUES</b>    |                              |                              |                     |
| Earnings on Investments         | 1,834                        | 132,005                      | 133,839             |
| <i>Change in Net Assets</i>     | 6,054                        | 1,755,427                    | 1,761,481           |
| <b>NET ASSETS - BEGINNING</b>   | <u>96,382</u>                | <u>6,001,189</u>             | <u>6,097,571</u>    |
| <b>NET ASSETS - ENDING</b>      | <u>\$ 102,436</u>            | <u>\$ 7,756,616</u>          | <u>\$ 7,859,052</u> |

DESOTO PARISH SCHOOL BOARD

PROPRIETARY FUND TYPE - INTERNAL SERVICE FUNDS  
 Combining Statement of Cash Flows  
 For the Year Ended June 30, 2009

Exhibit 13

|  | GROUP<br>DENTAL<br>INSURANCE | GROUP<br>HEALTH<br>INSURANCE | TOTAL              |
|--|------------------------------|------------------------------|--------------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>  |                              |                              |                    |
| Medical and dental premiums received   | \$ 352,495                   | \$ 12,706,518                | \$ 13,059,013      |
| Administrative fees paid   | (22,749)                     | (388,052)                    | (410,801)          |
| Premiums paid  | 0                            | (992,211)                    | (992,211)          |
| Claims paid  | (304,077)                    | (12,404,326)                 | (12,708,403)       |
| <br>Net cash provided (used) by operating activities   | <br>25,669                   | <br>(1,078,071)              | <br>(1,052,402)    |
| <b>CASH FLOW FROM INVESTING ACTIVITIES</b>   |                              |                              |                    |
| Earnings on investments  | 1,834                        | 132,005                      | 133,839            |
| Purchase of investments  | 0                            | (3,500,000)                  | (3,500,000)        |
| <br>Net cash provided (used) for investing activities  | <br>1,834                    | <br>(3,367,995)              | <br>(3,366,161)    |
| <br>Net increase (decrease) in cash and<br>cash equivalents  | <br>27,503                   | <br>(4,446,066)              | <br>(4,418,563)    |
| <br>CASH AND CASH EQUIVALENTS - BEGINNING  | <br>150,953                  | <br>6,214,771                | <br>6,365,724      |
| <br>CASH AND CASH EQUIVALENTS - ENDING   | <br>178,456                  | <br>1,768,705                | <br>1,947,161      |
| <b>RECONCILIATION OF OPERATING INCOME (LOSS) TO<br/>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b> |                              |                              |                    |
| Operating income (loss)  | 4,220                        | 1,623,422                    | 1,627,642          |
| Adjustments to reconcile operating income<br>to net cash provided (used) by operating activities:        |                              |                              |                    |
| (Increase) decrease in receivables   | 0                            | 1,069,835                    | 1,069,835          |
| (Increase) decrease in prepaid items   |                              | (534,144)                    | (534,144)          |
| (Increase) decrease in interfund receivables   | 26,332                       | 932,512                      | 958,844            |
| (Increase) decrease in OPEB asset  |                              | (4,027,885)                  | (4,027,885)        |
| Increase (decrease) in claims payable  | (4,883)                      | (141,811)                    | (146,694)          |
| <br>Net cash provided (used) for operating activities  | <br>\$ 25,669                | <br>\$ (1,078,071)           | <br>\$ (1,052,402) |

**DeSoto Parish School Board  
Mansfield, Louisiana  
Agency Funds**

**SCHOOL ACTIVITIES FUND:** The activities of the various individual school accounts are accounted for in the school activities agency fund. While the accounts are under the supervision of the School Board, they belong to the individual schools or their student bodies and are not available for use by the School Board.

**DESOTO PARISH SCHOOL BOARD**  
**SCHOOL ACTIVITIES AGENCY FUND**  
**Statement of Changes in Assets and Liabilities**  
**For the Year Ended June 30, 2009**

Exhibit 14

|                           | <u>Balance</u><br><u>July 1, 2008</u> | <u>Additions</u>    | <u>Deductions</u>   | <u>Balance</u><br><u>June 30, 2009</u> |
|---------------------------|---------------------------------------|---------------------|---------------------|--|
| <b>ASSETS</b>             |                                       |                     |                     |  |
| Cash and cash equivalents | \$ 408,299                            | \$ 1,367,076        | \$ 1,409,551        | \$ 365,824                             |
| Investments               | <u>19,000</u>                         | <u>0</u>            | <u>19,000</u>       | <u>0</u>                               |
| Total assets              | <u>427,299</u>                        | <u>1,367,076</u>    | <u>1,428,551</u>    | <u>365,824</u>                         |
| <b>LIABILITIES</b>        |                                       |                     |                     |  |
| Deposits due others       | <u>427,299</u>                        | <u>1,367,076</u>    | <u>1,428,551</u>    | <u>365,824</u>                         |
| Total liabilities         | <u>\$ 427,299</u>                     | <u>\$ 1,367,076</u> | <u>\$ 1,428,551</u> | <u>\$ 365,824</u>                      |

**DESOTO PARISH SCHOOL BOARD**  
**SCHOOL ACTIVITIES AGENCY FUND**  
**Schedule of Changes in Deposits Due Others**  
**For the Year Ended June 30, 2009**

Exhibit 15

| <u>SCHOOL</u>                       | <u>Balance,<br/>Beginning</u> | <u>Additions</u>           | <u>Deductions</u>          | <u>Balance,<br/>Ending</u> |
|-------------------------------------|-------------------------------|----------------------------|----------------------------|----------------------------|
| Logansport Elementary               | \$ 28,666                     | \$ 43,305                  | \$ 41,559                  | \$ 30,412                  |
| Logansport High                     | 43,671                        | 187,082                    | 199,825                    | 30,928                     |
| Mansfield Elementary Middle Pre K-2 | 60,451                        | 0                          | 60,451                     | 0                          |
| Mansfield Elementary Middle 3-5     | 15,605                        | 89,144                     | 67,567                     | 37,182                     |
| Mansfield Elementary Middle 6-8     | 19,363                        | 39,125                     | 43,974                     | 14,514                     |
| Mansfield High                      | 59,027                        | 223,252                    | 232,459                    | 49,820                     |
| North DeSoto Elementary PK-2        | 21,899                        | 17,847                     | 28,187                     | 11,559                     |
| North DeSoto Elementary 3-5         | 12,095                        | 16,822                     | 25,553                     | 3,364                      |
| North DeSoto Middle                 | 43,515                        | 77,344                     | 81,346                     | 39,513                     |
| North DeSoto High                   | 52,476                        | 446,714                    | 415,725                    | 83,465                     |
| Pelican High                        | 8,184                         | 39,157                     | 42,869                     | 4,472                      |
| Stanley High                        | 54,479                        | 181,088                    | 177,175                    | 68,392                     |
| DeSoto Parish Alternative           | <u>7,868</u>                  | <u>6,196</u>               | <u>11,861</u>              | <u>2,203</u>               |
| <b>Total</b>                        | <b><u>\$ 427,299</u></b>      | <b><u>\$ 1,367,076</u></b> | <b><u>\$ 1,428,551</u></b> | <b><u>\$ 365,824</u></b>   |

**DESOTO PARISH SCHOOL BOARD**  
**COMPARATIVE SCHEDULE OF CAPITAL ASSETS**  
**BY SOURCES**  
**June 30, 2009**

Exhibit 16

|   | <b>2009</b>          | <b>2008</b>          |
|---|----------------------|----------------------|
| <b>CAPITAL ASSETS:</b>                    |                      |                      |
| Land                                      | \$ 1,745,645         | \$ 1,745,645         |
| Land improvements                         | 4,074,921            | 4,074,921            |
| Buildings and improvements                | 63,460,695           | 63,059,554           |
| Furniture and equipment                   | 1,878,808            | 1,848,100            |
| Vehicles                                  | 5,636,436            | 4,968,554            |
| Construction in progress                  | 15,098,612           | 1,616,612            |
| <b>TOTAL CAPITAL ASSETS</b>               | <b>91,895,117</b>    | <b>77,313,386</b>    |
| <br><b>INVESTMENT IN CAPITAL ASSETS:</b>  |                      |                      |
| Capital Projects Funds                    | 85,248,300           | 70,642,061           |
| General Fund                              | 5,466,203            | 5,511,830            |
| School Lunch Fund                         | 394,985              | 366,986              |
| Federal Aid                               | 349,400              | 350,442              |
| State Aid                                 | 0                    | 5,838                |
| Gifts and donations                       | 436,229              | 436,229              |
| <b>TOTAL INVESTMENT IN CAPITAL ASSETS</b> | <b>\$ 91,895,117</b> | <b>\$ 77,313,386</b> |

**DESOTO PARISH SCHOOL BOARD**

**SCHEDULE OF CAPITAL ASSETS  
BY FUNCTION AND ACTIVITY**

June 30, 2009

Exhibit 17

| <u>FUNCTION AND ACTIVITY</u>                           | <u>Total</u>      | <u>Land and<br/>land<br/>improvements</u> | <u>Buildings<br/>and<br/>improvements</u> | <u>Furniture<br/>and<br/>equipment</u> | <u>Vehicles</u>  | <u>Construction<br/>in<br/>progress</u> |
|--|-------------------|---|---|--|------------------|---|
| <b><u>Instructional services:</u></b>                  |                   |   |   |  |                  |   |
| Regular and special programs                           |                   |   |   |  |                  |   |
| High schools   | \$ 43,970,754     | \$ 2,453,257                              | \$ 27,048,813                             | \$ 600,792                             | \$ 361,750       | \$ 13,506,142                           |
| Middle schools   | 12,337,035        | 678,294                                   | 11,418,420                                | 240,321                                | 0                | 0                                       |
| Elementary schools                                     | 26,692,291        | 2,201,351                                 | 24,040,971                                | 449,969                                | 0                | 0                                       |
| Adult/Continued education                              | 157,086           | 2,362                                     | 146,300                                   | 8,424                                  | 0                | 0                                       |
| <br>Total Instructional<br>services                    | <br>83,157,166    | <br>5,335,264                             | <br>62,654,504                            | <br>1,299,506                          | <br>361,750      | <br>13,506,142                          |
| <b><u>Supporting services</u></b>                      |                   |   |   |  |                  |   |
| General and school<br>administration                   | 1,200,486         | 358,080                                   | 398,191                                   | 311,190                                | 133,025          | 0                                       |
| Plant services   | 4,197,118         | 127,222                                   | 284,500                                   | 256,716                                | 1,936,210        | 1,592,470                               |
| Student transportation<br>services                     | 3,216,847         | 0   | 0   | 11,396                                 | 3,205,451        | 0                                       |
| NonInstructional services -<br>food service operations | 123,500           | 0   | 123,500                                   | 0                                      | 0                | 0                                       |
| <br>Total capital assets<br>allocated to<br>functions  | <br>\$ 91,895,117 | <br>\$ 5,820,566                          | <br>\$ 63,460,695                         | <br>\$ 1,878,808                       | <br>\$ 5,636,436 | <br>\$ 15,098,612                       |

DESOTO PARISH SCHOOL BOARD

SCHEDULE OF CHANGES IN CAPITAL ASSETS  
BY FUNCTION AND ACTIVITY  
For the Year Ended June 30, 2009

Exhibit 18

| <u>FUNCTION AND ACTIVITY</u>                        | <u>BALANCE,<br/>BEGINNING</u> | <u>ADDITIONS</u>     | <u>RETIREMENTS</u> | <u>BALANCE,<br/>ENDING</u> |
|---|-------------------------------|----------------------|--------------------|----------------------------|
| <b><u>Instructional services:</u></b>               |                               |                      |                    |                            |
| Regular and special programs:                       |                               |                      |                    |                            |
| High schools  | \$ 31,563,808                 | \$ 12,508,751        | \$ 101,805         | \$ 43,970,754              |
| Middle schools                                      | 12,303,080                    | 33,955               | 0                  | 12,337,035                 |
| Elementary schools                                  | 26,709,550                    | 84,158               | 101,415            | 26,692,291                 |
| Adult/Continued education                           | 157,086                       | 0                    | 0                  | 157,086                    |
| Total Instructional services                        | <u>70,733,524</u>             | <u>12,626,862</u>    | <u>203,220</u>     | <u>83,157,166</u>          |
| <b><u>Supporting services</u></b>                   |                               |                      |                    |                            |
| General and school administration                   | 1,078,350                     | 122,136              | 0                  | 1,200,486                  |
| Plant services                                      | 1,977,176                     | 2,219,942            | 0                  | 4,197,118                  |
| Student transportation services                     | 3,400,836                     | 0                    | 183,989            | 3,216,847                  |
| Noninstructional services - food service operations | <u>123,500</u>                | <u>0</u>             | <u>0</u>           | <u>123,500</u>             |
| Total capital assets                                | <u>\$ 77,313,386</u>          | <u>\$ 14,968,940</u> | <u>\$ 387,209</u>  | <u>\$ 91,895,117</u>       |

**DeSoto Parish School Board  
Mansfield, Louisiana**

**General**

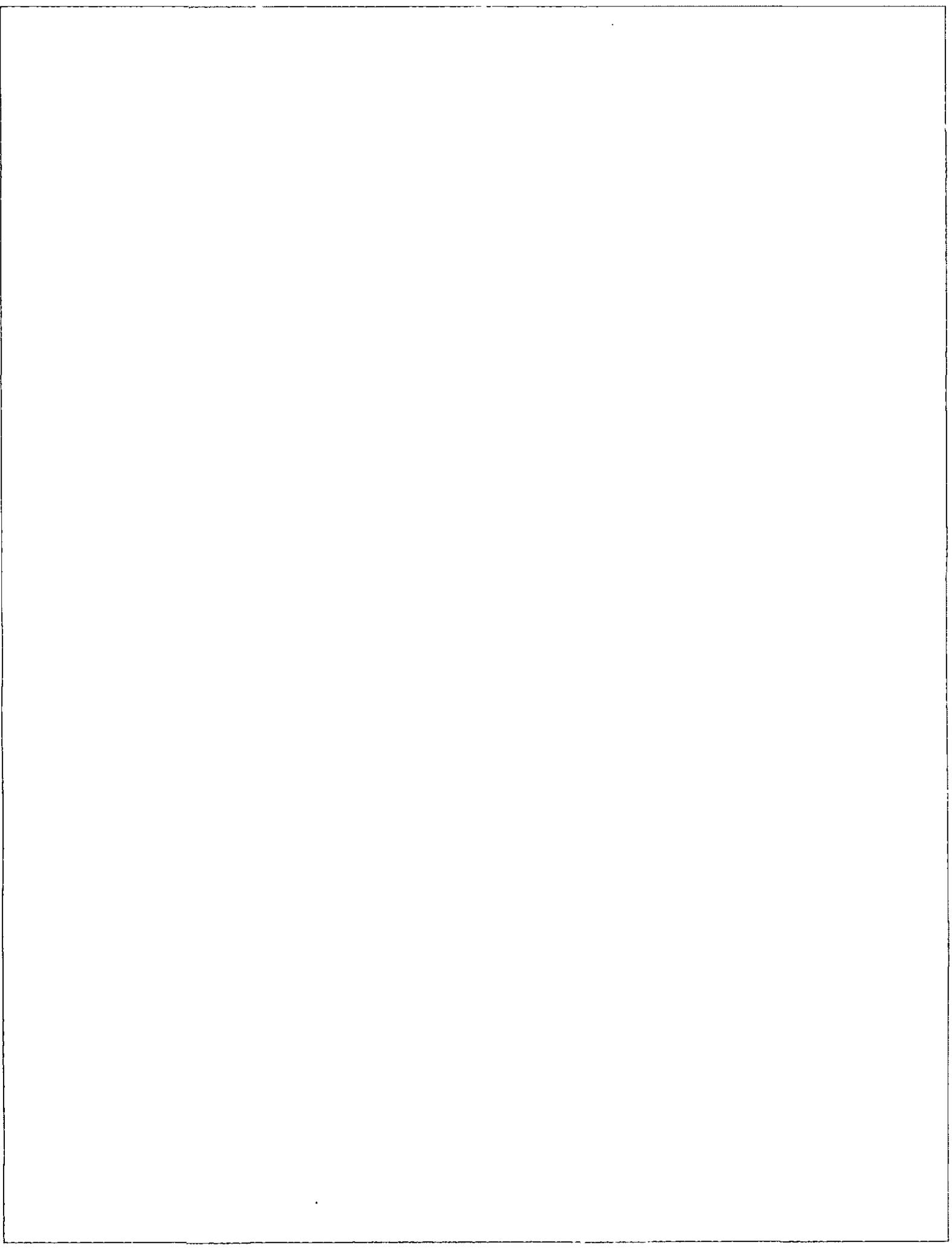
**Exhibit 19**

**Schedule of Compensation Paid Board Members  
For the Year Ended June 30, 2009**

The schedule of compensation paid School Board members is in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. Compensation of the School Board members is included in the general administrative expenditures of the general fund. In accordance with Louisiana Revised Statute 17:56, the School Board members have elected the monthly payment method of compensation. Under this method, each member of the School Board receives \$600 per month. The president receives an additional \$100 per month for performing the duties of the president, while the three members of the budget/finance committee (Executive Committee) receive an additional \$50 per month.

|                                    |                 |
|------------------------------------|-----------------|
| Mr. Douglas "Bartholmew" Claiborne | \$ 7,200        |
| Mr. Thomas "Tommy" Craig, Jr.      | 7,200           |
| Mr. Donald "Donny" Dufour          | 7,800           |
| Mr. McLawrence Fuller              | 7,500           |
| Mr. Dudley Glenn                   | 8,100           |
| Mr. Johnny Haynes                  | 7,500           |
| Dr. Robert "Neil" Henderson        | 7,800           |
| Mrs. Shirley Payne                 | 7,200           |
| Mr. L.J. Mayweather, Jr.           | 7,500           |
| Mr. John Neilson                   | 7,200           |
| Mr. Larry "Mark" Ross              | <u>7,200</u>    |
| Total                              | <u>\$82,200</u> |

50 = 4000 - 2000 = 3000



**DeSoto Parish School Board  
Statistical Section  
Contents**

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**DeSoto Parish School Board  
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**Demographic and Economic Information**

These schedules offer demographic and economic indicators to help the reader understand the environment within which the School Board's financial activities take place.

|                                     |    |     |
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**Operating Information**

These schedules contain service and infrastructure data to help the reader understand how the information in the School Board's financial report relates to the services the School Board provides and the activities it performs.

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Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial report (CAFR) for the relevant year.

(concluded)

Table 1

**DESOTO PARISH SCHOOL BOARD**  
Mansfield, Louisiana

Net Assets by Component  
Fiscal Years Ended June 30, 2001 through June 30, 2009  
(Accrual Basis of Accounting)

|   | 2001                 | 2002                 | 2003                 | 2004                 | 2005                 | 2006                 | 2007                 | 2008                 | 2009                 |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| <b>Governmental Activities</b>                  |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| Invested in capital assets, net of related debt | \$ 14,777,191        | \$ 15,610,810        | \$ 16,855,217        | \$ 18,219,109        | \$ 20,015,615        | \$ 22,567,461        | \$ 24,897,360        | \$ 11,438,322        | \$ 38,260,982        |
| Restricted                                      | 1,660,858            | 1,405,847            | 1,303,333            | 2,418,302            | 2,891,266            | 4,298,179            | 6,753,530            | 26,930,085           | 12,818,082           |
| Unrestricted                                    | 8,038,508            | 7,086,427            | 8,422,525            | 6,761,655            | 7,337,487            | 7,008,312            | 8,162,244            | 12,842,256           | 13,764,220           |
| <b>Total governmental activities net assets</b> | <b>\$ 24,476,557</b> | <b>\$ 24,103,084</b> | <b>\$ 26,581,075</b> | <b>\$ 27,399,066</b> | <b>\$ 30,244,368</b> | <b>\$ 33,873,952</b> | <b>\$ 39,813,134</b> | <b>\$ 51,210,663</b> | <b>\$ 64,843,284</b> |

Notes: GASB Statement No. 34 was implemented for the year ended June 30, 2001.

DESOTO PARISH SCHOOL BOARD  
Mansfield, Louisiana

Changes in Net Assets

Fiscal Years Ended June 30, 2001 through June 30, 2009  
(Accrual Basis of Accounting)

|  | 2001          | 2002          | 2003          | 2004          | 2005          | 2006          | 2007          | 2008          | 2009          |
|--|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| <b>Expenses</b>  |               |               |               |               |               |               |               |               |               |
| Instruction:   |               |               |               |               |               |               |               |               |               |
| Regular programs   | \$ 11,858,980 | \$ 14,383,330 | \$ 14,046,017 | \$ 15,152,359 | \$ 15,238,864 | \$ 15,425,304 | \$ 17,533,777 | \$ 17,264,404 | \$ 21,967,595 |
| Special programs   | 6,909,465     | 8,472,250     | 9,814,467     | 10,240,351    | 12,626,214    | 12,588,964    | 13,302,543    | 14,799,391    | 17,686,433    |
| Adult/continuing education                                     | 209,246       | 195,978       | 261,945       | 107,739       | 115,452       | 105,807       | 133,419       | 150,217       | 132,281       |
| Support services:  |               |               |               |               |               |               |               |               |               |
| Pupil support services   | 1,061,700     | 1,184,265     | 1,237,968     | 1,208,202     | 1,228,128     | 1,451,426     | 1,644,126     | 1,605,941     | 2,450,846     |
| Instructional staff support                                    | 2,077,959     | 2,523,993     | 3,041,098     | 2,920,386     | 2,841,233     | 2,762,940     | 2,992,461     | 2,852,134     | 3,552,709     |
| General administration   | 982,673       | 1,088,545     | 1,140,493     | 1,588,270     | 1,549,555     | 1,546,415     | 1,705,463     | 1,441,594     | 1,810,948     |
| School administration  | 1,844,141     | 2,151,169     | 2,337,729     | 2,344,862     | 2,557,467     | 2,662,902     | 3,034,275     | 2,973,792     | 4,093,880     |
| Business services  | 443,409       | 506,698       | 260,954       | 569,196       | 671,023       | 704,628       | 824,294       | 810,112       | 1,054,106     |
| Plant services   | 4,584,882     | 4,776,157     | 4,980,762     | 3,926,626     | 3,984,039     | 4,379,507     | 4,630,717     | 4,673,123     | 6,497,050     |
| Student transportation services                                | 2,570,419     | 2,729,577     | 3,158,800     | 2,841,218     | 3,019,097     | 3,303,256     | 3,786,831     | 3,530,902     | 5,116,331     |
| Central services   | 115,457       | 139,805       | 144,249       | 156,055       | 168,715       | 161,798       | 189,642       | 215,858       | 250,518       |
| Food services  | 2,443,189     | 2,548,521     | 2,588,022     | 2,712,905     | 2,995,400     | 2,970,622     | 3,152,776     | 3,712,780     | 3,980,066     |
| Community services   | 0             | 0             | 0             | 0             | 0             | 45,336        | 0             | 0             | 0             |
| Interest on long-term debt                                     | 1,171,709     | 1,067,117     | 998,853       | 598,643       | 803,126       | 948,763       | 869,372       | 1,349,988     | 1,510,974     |
| Total expenses   | 36,273,229    | 41,767,505    | 44,011,357    | 44,366,812    | 47,798,333    | 49,057,668    | 53,819,696    | 55,380,236    | 70,103,737    |
| <b>Program Revenues</b>  |               |               |               |               |               |               |               |               |               |
| Changes for services:  |               |               |               |               |               |               |               |               |               |
| Special Programs   | 38,055        | 35,492        | 44,469        | 0             | 0             | 0             | 0             | 0             | 0             |
| Food Service Operations  | 217,779       | 236,275       | 242,692       | 285,847       | 308,800       | 333,823       | 345,165       | 365,161       | 361,729       |
| Operating Grants and Contributions                             | 5,066,251     | 5,688,467     | 7,773,715     | 7,788,406     | 9,733,113     | 9,380,506     | 8,864,685     | 9,864,073     | 10,181,671    |
| Total program revenues   | 5,322,085     | 5,960,334     | 8,060,876     | 8,074,253     | 10,041,913    | 9,714,329     | 9,209,830     | 10,229,234    | 10,543,400    |
| Net (Expense) / Revenue  | (30,951,144)  | (35,807,171)  | (35,950,481)  | (36,292,559)  | (37,756,420)  | (39,343,339)  | (44,609,846)  | (45,151,002)  | (59,560,337)  |
| <b>General Revenues and Other Changes in Net Assets</b>        |               |               |               |               |               |               |               |               |               |
| Taxes  |               |               |               |               |               |               |               |               |               |
| Ad valorem taxes levied for general purposes                   | 8,150,403     | 8,011,628     | 8,265,507     | 8,034,583     | 8,427,720     | 8,890,004     | 9,553,227     | 11,746,663    | 14,409,769    |
| Ad valorem taxes levied for debt service purposes              | 1,883,090     | 1,784,924     | 1,939,027     | 1,858,337     | 2,818,816     | 3,133,086     | 3,305,724     | 4,371,078     | 3,167,309     |
| Sales taxes levied for capital improvements                    | 1,238,768     | 1,279,476     | 1,531,926     | 1,612,100     | 833,299       | 1,311,346     | 2,184,262     | 2,282,071     | 4,986,371     |
| Sales taxes levied for salaries, benefits and general purposes | 3,716,306     | 5,117,905     | 6,127,703     | 6,456,774     | 7,463,902     | 8,500,387     | 11,492,048    | 11,683,285    | 22,994,901    |
| Grants and contributions not restricted to specific programs   | 17,765,947    | 18,232,206    | 19,835,099    | 19,070,398    | 19,950,107    | 21,154,677    | 22,335,975    | 24,354,604    | 26,029,606    |
| Interest and investment earnings                               | 695,705       | 342,424       | 210,284       | 153,895       | 503,548       | 1,128,030     | 1,188,346     | 1,348,832     | 778,620       |
| Miscellaneous  | 410,243       | 365,135       | 518,926       | 315,262       | 604,330       | (1,144,609)   | 489,446       | 761,998       | 826,382       |
| Total  | 33,860,462    | 35,433,698    | 38,428,472    | 37,501,349    | 40,601,722    | 42,972,921    | 50,549,028    | 56,548,531    | 73,192,958    |
| Change in Net Assets   | \$ 2,909,318  | \$ (373,473)  | \$ 2,477,991  | \$ 1,208,790  | \$ 2,845,302  | \$ 3,629,582  | \$ 5,939,182  | \$ 11,397,529 | \$ 13,632,621 |

Notes: GASB Statement No. 34 was implemented for the year ended June 30, 2001.

Table 3

DESOTO PARISH SCHOOL BOARD  
Mansfield, Louisiana

Fund Balances of Governmental Funds  
Last Ten Fiscal Years  
(Modified Accrual Basis of Accounting)

|                                     | 2000                | 2001                | 2002                | 2003                | 2004                | 2005                 | 2006                 | 2007                | 2008                 | 2009                 |
|-------------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|----------------------|----------------------|---------------------|----------------------|----------------------|
| <b>General Fund</b>                 |                     |                     |                     |                     |                     |                      |                      |                     |                      |                      |
| Reserved                            | \$ 0                | \$ 0                | \$ 0                | \$ 0                | \$ 0                | \$ 0                 | \$ 0                 | \$ 0                | \$ 0                 | \$ 0                 |
| Unreserved                          | 5,533,406           | 7,778,346           | 7,328,748           | 7,344,026           | 6,062,882           | 6,088,080            | 5,893,616            | 5,899,760           | 7,521,542            | 8,951,441            |
| Total general fund                  | <u>5,533,406</u>    | <u>7,778,346</u>    | <u>7,328,748</u>    | <u>7,344,026</u>    | <u>6,062,882</u>    | <u>6,088,080</u>     | <u>5,893,616</u>     | <u>5,899,760</u>    | <u>7,521,542</u>     | <u>8,951,441</u>     |
| <b>All Other Governmental Funds</b> |                     |                     |                     |                     |                     |                      |                      |                     |                      |                      |
| Reserved                            | 2,190,288           | 1,684,890           | 1,405,847           | 1,303,333           | 1,262,632           | 1,866,994            | 2,124,728            | 2,355,751           | 2,897,072            | 1,497,646            |
| Unreserved, reported in:            |                     |                     |                     |                     |                     |                      |                      |                     |                      |                      |
| Special revenue funds               | 994,026             | 1,021,618           | 1,012,453           | 1,153,876           | 1,062,945           | 1,365,951            | 2,046,322            | 2,750,726           | 1,996,273            | 4,204,092            |
| Capital projects funds              | 1,448,591           | 1,143,220           | 1,052,965           | 1,475,935           | 1,337,522           | 13,130,941           | 10,761,121           | 4,673,513           | 24,620,216           | 18,527,102           |
| Total all other governmental funds  | <u>\$ 4,632,905</u> | <u>\$ 3,849,728</u> | <u>\$ 3,471,265</u> | <u>\$ 3,933,144</u> | <u>\$ 3,663,099</u> | <u>\$ 16,363,886</u> | <u>\$ 14,932,171</u> | <u>\$ 9,779,990</u> | <u>\$ 29,513,561</u> | <u>\$ 24,228,840</u> |

DESOTO PARISH SCHOOL BOARD  
Mansfield, Louisiana

Changes in Fund Balances of Governmental Funds  
Last Ten Fiscal Years  
(Modified Accrual Basis of Accounting)

|   | 2000              | 2001                | 2002                | 2003              | 2004                  | 2005                 | 2006                  | 2007                  | 2008                 | 2009                  |
|---|-------------------|---------------------|---------------------|-------------------|-----------------------|----------------------|-----------------------|-----------------------|----------------------|-----------------------|
| <b>Revenues</b>   |                   |                     |                     |                   |                       |                      |                       |                       |                      |                       |
| Ad valorem taxes  | \$ 9,861,342      | \$ 10,033,493       | \$ 9,796,552        | \$ 10,204,534     | \$ 9,892,920          | \$ 11,246,536        | \$ 12,023,090         | \$ 12,838,951         | \$ 16,117,741        | \$ 17,577,078         |
| Sales & use taxes                                       | 4,969,660         | 4,955,074           | 6,397,381           | 7,659,629         | 8,068,874             | 8,297,201            | 9,811,733             | 13,676,310            | 13,965,356           | 27,981,272            |
| Investment Earning                                      | 674,223           | 695,705             | 342,424             | 205,204           | 143,031               | 434,552              | 1,024,184             | 993,455               | 1,176,257            | 644,781               |
| Other Revenues  | 1,022,543         | 492,171             | 627,645             | 506,170           | 729,049               | 973,706              | 1,133,677             | 834,980               | 1,127,159            | 1,257,591             |
| <b>Total revenues from local sources</b>                | <b>16,527,768</b> | <b>16,176,443</b>   | <b>17,164,002</b>   | <b>18,575,537</b> | <b>18,833,874</b>     | <b>20,951,995</b>    | <b>23,992,684</b>     | <b>28,363,696</b>     | <b>32,386,513</b>    | <b>47,460,722</b>     |
| Revenue from state sources:                             |                   |                     |                     |                   |                       |                      |                       |                       |                      |                       |
| Equalization  | 15,845,700        | 17,445,447          | 18,218,123          | 19,520,709        | 18,765,973            | 19,646,115           | 20,793,596            | 22,028,299            | 24,031,093           | 25,221,571            |
| Other   | 1,244,519         | 1,234,466           | 1,231,024           | 1,332,459         | 1,272,798             | 1,731,134            | 2,223,850             | 1,930,126             | 3,195,205            | 3,747,183             |
| <b>Total revenue from state sources</b>                 | <b>17,090,219</b> | <b>18,679,913</b>   | <b>19,449,147</b>   | <b>20,853,168</b> | <b>20,038,771</b>     | <b>21,377,249</b>    | <b>23,017,446</b>     | <b>23,958,425</b>     | <b>27,226,298</b>    | <b>28,968,754</b>     |
| Revenue from federal sources                            | 3,954,091         | 4,326,191           | 4,780,883           | 6,979,898         | 6,820,033             | 8,305,971            | 7,517,737             | 7,242,235             | 6,992,379            | 7,242,523             |
| Judgments   | 0                 | 0                   | 0                   | 75,665            | 0                     | 0                    | 0                     | 0                     | 0                    | 0                     |
| <b>Total Revenues</b>                                   | <b>37,572,078</b> | <b>39,182,547</b>   | <b>41,394,032</b>   | <b>46,484,268</b> | <b>45,692,678</b>     | <b>50,635,215</b>    | <b>54,527,867</b>     | <b>59,564,336</b>     | <b>66,605,190</b>    | <b>83,671,999</b>     |
| <b>Expenditures:</b>                                    |                   |                     |                     |                   |                       |                      |                       |                       |                      |                       |
| <b>Current:</b>   |                   |                     |                     |                   |                       |                      |                       |                       |                      |                       |
| Instruction services                                    | 19,016,460        | 18,746,301          | 22,211,843          | 24,758,911        | 24,758,911            | 26,811,616           | 26,921,281            | 29,504,417            | 32,839,633           | 38,850,042            |
| Pupil support services                                  | 1,035,654         | 1,063,943           | 1,181,946           | 1,252,060         | 1,230,744             | 1,229,815            | 1,418,410             | 1,611,725             | 1,906,963            | 2,476,298             |
| Instructional staff support                             | 2,040,958         | 2,067,007           | 2,553,944           | 3,083,207         | 2,959,256             | 2,821,547            | 2,698,530             | 2,942,931             | 3,024,033            | 3,687,172             |
| General administration                                  | 954,797           | 980,260             | 1,069,260           | 1,135,204         | 1,038,630             | 1,541,470            | 1,459,887             | 1,680,587             | 1,510,262            | 1,827,664             |
| School administration                                   | 1,773,945         | 1,855,898           | 2,096,146           | 2,331,390         | 2,306,505             | 2,474,148            | 2,616,251             | 2,927,541             | 3,369,398            | 4,036,247             |
| Business services                                       | 439,879           | 438,413             | 480,655             | 581,762           | 575,160               | 656,261              | 688,456               | 795,579               | 881,124              | 1,057,991             |
| Plant services  | 3,083,458         | 3,201,451           | 3,354,931           | 3,590,400         | 3,929,564             | 3,951,660            | 4,359,839             | 4,567,788             | 5,057,181            | 6,555,621             |
| Student transportation services                         | 2,686,079         | 2,865,742           | 2,981,483           | 3,130,906         | 2,775,058             | 2,802,916            | 3,046,073             | 3,429,902             | 3,891,662            | 5,002,913             |
| Food service  | 2,359,759         | 2,424,045           | 2,535,867           | 2,587,750         | 2,631,543             | 2,889,290            | 2,841,729             | 3,006,551             | 3,703,963            | 3,937,929             |
| Central services  | 109,658           | 114,432             | 131,888             | 139,762           | 156,139               | 181,576              | 157,882               | 180,804               | 208,540              | 246,863               |
| Community services                                      | 0                 | 0                   | 0                   | 0                 | 0                     | 0                    | 45,336                | 0                     | 0                    | 0                     |
| Capital Outlay  | 560,090           | 597,872             | 491,255             | 372,013           | 1,239,588             | 1,370,616            | 5,358,251             | 9,712,131             | 3,591,227            | 14,768,806            |
| Debt service:   |                   |                     |                     |                   |                       |                      |                       |                       |                      |                       |
| Interest  | 1,265,549         | 1,197,420           | 1,097,875           | 933,208           | 636,225               | 647,726              | 987,059               | 892,437               | 1,030,831            | 1,613,275             |
| Principal   | 2,069,000         | 2,188,000           | 1,935,000           | 2,090,000         | 2,211,000             | 2,327,000            | 2,478,000             | 2,668,000             | 3,235,000            | 3,466,000             |
| <b>Total Expenditures</b>                               | <b>37,395,286</b> | <b>37,740,784</b>   | <b>42,222,093</b>   | <b>45,539,943</b> | <b>46,468,323</b>     | <b>49,705,641</b>    | <b>55,076,984</b>     | <b>63,920,393</b>     | <b>64,249,837</b>    | <b>87,526,821</b>     |
| Excess of revenues over (under) expenditures            | 176,792           | 1,441,763           | (828,061)           | 944,325           | (775,645)             | 929,574              | (549,117)             | (4,356,037)           | 2,355,353            | (3,854,822)           |
| <b>Other Financing Sources (Uses)</b>                   |                   |                     |                     |                   |                       |                      |                       |                       |                      |                       |
| Proceeds from borrowing                                 | 0                 | 0                   | 0                   | 0                 | 0                     | 12,000,000           | 0                     | 0                     | 19,000,000           | 0                     |
| Proceeds from refunding                                 | 0                 | 0                   | 0                   | 3,665,000         | 4,205,000             | 0                    | 1,650,000             | 0                     | 0                    | 0                     |
| Payments to escrow agent                                | 0                 | 0                   | 0                   | (3,665,000)       | (4,245,764)           | 0                    | (1,650,000)           | 0                     | 0                    | 0                     |
| Transfers in  | 64,928            | 118,763             | 147,008             | 408,239           | 285,860               | 1,138,315            | 1,698,232             | 1,567,777             | 1,552,500            | 6,308,139             |
| Transfers out   | (64,928)          | (118,763)           | (147,008)           | (875,397)         | (1,020,617)           | (1,341,905)          | (2,775,296)           | (2,357,777)           | (1,552,500)          | (6,308,139)           |
| <b>Total other financing sources (uses)</b>             | <b>0</b>          | <b>0</b>            | <b>0</b>            | <b>(467,168)</b>  | <b>(775,541)</b>      | <b>11,796,410</b>    | <b>(1,077,064)</b>    | <b>(790,000)</b>      | <b>19,000,000</b>    | <b>0</b>              |
| <b>Net change in fund balances</b>                      | <b>\$ 176,792</b> | <b>\$ 1,441,763</b> | <b>\$ (828,061)</b> | <b>\$ 477,157</b> | <b>\$ (1,551,186)</b> | <b>\$ 12,725,984</b> | <b>\$ (1,626,181)</b> | <b>\$ (5,146,037)</b> | <b>\$ 21,355,353</b> | <b>\$ (3,854,822)</b> |
| Debt service as a percentage of noncapital expenditures | 9.1%              | 9.1%                | 7.3%                | 6.7%              | 6.3%                  | 6.2%                 | 7.0%                  | 6.6%                  | 7.0%                 | 7.0%                  |

DESOTO PARISH SCHOOL BOARD  
Mansfield, Louisiana

Assessed Value and Estimated Actual Value of Taxable Property  
Last Ten Fiscal Years

| Fiscal Year Ended June 30 | Real Property        |                     | Personal Property | Less: Homestead Exempt Property | Total Taxable Assessed Value | Total Direct Tax Rate | Estimated Actual Taxable Value | Assessed Value as a Percentage of Actual Value |
|---------------------------|----------------------|---------------------|-------------------|---------------------------------|------------------------------|-----------------------|--------------------------------|--|
|                           | Residential Property | Commercial Property |                   |                                 |                              |                       |                                |  |
| 2000                      | \$ 34,673,517        | \$ 111,201,530      | \$ 52,112,795     | \$ 27,213,002                   | \$ 170,774,840               | 39.80                 | \$ 1,643,200,800               | 12.05%   |
| 2001                      | 34,573,260           | 110,879,998         | 51,962,114        | 28,493,946                      | 168,921,426                  | 44.30                 | 1,645,128,100                  | 12.00%   |
| 2002                      | 34,560,017           | 110,837,527         | 51,942,211        | 29,339,407                      | 168,000,348                  | 47.56                 | 1,440,436,168                  | 13.70%   |
| 2003                      | 35,153,595           | 112,741,190         | 52,834,332        | 30,817,819                      | 169,911,298                  | 47.56                 | 1,450,240,000                  | 13.84%   |
| 2004                      | 35,537,259           | 114,035,783         | 53,441,022        | 32,404,785                      | 170,629,279                  | 47.56                 | 1,799,556,416                  | 11.28%   |
| 2005                      | 59,504,951           | 98,322,204          | 47,215,983        | 33,441,125                      | 171,602,013                  | 48.56                 | 1,832,435,444                  | 11.19%   |
| 2006                      | 61,861,605           | 108,310,812         | 46,657,286        | 34,462,705                      | 182,366,998                  | 48.56                 | 1,710,413,588                  | 12.68%   |
| 2007                      | 64,236,108           | 112,666,610         | 48,076,717        | 35,462,783                      | 189,516,652                  | 49.55                 | 1,790,844,660                  | 12.56%   |
| 2008                      | 67,122,274           | 123,087,517         | 83,224,404        | 36,296,280                      | 237,137,915                  | 48.56                 | 2,136,157,852                  | 12.80%   |
| 2009                      | 70,879,823           | 174,617,824         | 84,278,538        | 38,051,137                      | 291,725,048                  | 48.56                 | 2,598,564,280                  | 12.69%   |

Source: DeSoto Parish Tax Assessor Agency

Notes:

- (1) Property in the parish is reassessed every four years.
- (2) Assessed values are established by the Assessor each year on a uniform basis at the following ratios of assessed value to actual value:
  - 10% land
  - 10% residential improvements
  - 15% industrial improvements
  - 15% machinery
  - 15% commercial improvements
  - 25% public service properties, excluding land
  - 28% agricultural class property
- (3) Tax rates are per \$1,000 of assessed value.

Table 6

DESOTO PARISH SCHOOL BOARD  
Mansfield, Louisiana

Overlapping Governments  
Last Ten Fiscal Years

| Fiscal<br>Year<br>Ended<br>June 30 | School District Direct Rate |                         | Total School            |                              | Overlapping Rates    |        | Total Direct and<br>Overlapping<br>Rates |
|------------------------------------|-----------------------------|-------------------------|-------------------------|------------------------------|----------------------|--------|--|
|                                    | Operating<br>Millage        | Debt Service<br>Millage | Total School<br>Millage | DeSoto Parish<br>Police Jury | City of<br>Mansfield |        |  |
| 2000                               | 44.30                       | 99.00                   | 143.30                  | 16.75                        | 16.57                | 176.62 |  |
| 2001                               | 47.56                       | 93.50                   | 141.06                  | 18.40                        | 16.57                | 176.03 |  |
| 2002                               | 47.56                       | 92.50                   | 140.06                  | 18.40                        | 16.82                | 175.28 |  |
| 2003                               | 47.56                       | 98.00                   | 145.56                  | 18.41                        | 16.82                | 180.79 |  |
| 2004                               | 47.56                       | 96.50                   | 144.06                  | 18.41                        | 16.82                | 179.29 |  |
| 2005                               | 48.56                       | 113.25                  | 161.81                  | 18.39                        | 16.82                | 197.02 |  |
| 2006                               | 48.56                       | 113.00                  | 161.56                  | 18.39                        | 16.82                | 196.77 |  |
| 2007                               | 49.55                       | 110.25                  | 159.80                  | 18.39                        | 16.82                | 195.01 |  |
| 2008                               | 48.56                       | 112.00                  | 160.56                  | 18.39                        | 16.82                | 195.77 |  |
| 2009                               | 48.56                       | 48.38                   | 96.94                   | 17.86                        | 16.61                | 131.41 |  |

Source: DeSoto Parish Tax Assessor Agency

Notes:

- (1) School district debt service millage is for individual school districts.
- (2) The above schedule does not include water districts, fire districts, forestry districts, or levee districts.
- (3) Overlapping rates are those of city and parish governments that apply to property owners within DeSoto Parish. Not all overlapping rates apply to all property owners.

Table 7

**DESOTO PARISH SCHOOL BOARD**  
Mansfield, Louisiana

Principal Property Taxpayers  
June 30, 2009 and Nine Years Ago

| Taxpayer                   | Fiscal Year 2009       |      |  |  | Fiscal Year 2000       |      |  |  |
|----------------------------|------------------------|------|--|--|------------------------|------|--|--|
|                            | Taxable Assessed Value | Rank | Percentage of Total Taxable Assessed Value |  | Taxable Assessed Value | Rank | Percentage of Total Taxable Assessed Value |  |
| International Paper Co.    | \$ 70,209,413          | 1    | 24.07 %                                    |  | \$ 34,596,443          | 2    | 20.26 %                                    |  |
| Southwestern Electric LP   | 24,067,275             | 2    | 8.25                                       |  | 30,357,941             | 3    | 17.78                                      |  |
| Exco Partners Operating    | 23,628,881             | 3    | 8.10                                       |  |                        |      |  |  |
| Cleco Power LLC            | 21,835,166             | 4    | 7.48                                       |  | 37,315,498             | 1    | 21.85                                      |  |
| El Paso Production Company | 16,824,156             | 5    | 5.77                                       |  | 2,237,356              | 7    | 1.31                                       |  |
| Gulf South Pipeline        | 9,233,520              | 6    | 3.17                                       |  |                        |      |  |  |
| J-W Operating Co.          | 6,964,969              | 7    | 2.39                                       |  | 1,788,900              | 10   | 1.05                                       |  |
| Centerpoint Energy         | 5,140,020              | 8    | 1.76                                       |  |                        |      |  |  |
| Doleit Hills Lignite Co.   | 4,471,067              | 9    | 1.53                                       |  | 4,772,720              | 4    | 2.79                                       |  |
| Coronado Energy            | 3,781,792              | 10   | 1.30                                       |  |                        |      |  |  |
| Northeast Texas Electric   |                        |      |  |  | 2,711,518              | 5    | 1.59                                       |  |
| South Central Bell         |                        |      |  |  | 2,742,310              | 6    | 1.61                                       |  |
| Oklahoma Municipal Power   |                        |      |  |  | 2,130,320              | 8    | 1.25                                       |  |
| Southern Natural Gas       |                        |      |  |  | 1,846,980              | 9    | 1.08                                       |  |
| <b>Totals</b>              | <b>\$ 186,156,259</b>  |      | <b>63.81 %</b>                             |  | <b>\$ 120,499,986</b>  |      | <b>70.56 %</b>                             |  |

Source: DeSoto Parish Tax Assessor Agency

DESOTO PARISH SCHOOL BOARD  
Mansfield, Louisiana

Property Tax Levies and Collections  
Last Ten Fiscal Years

| Fiscal Year<br>Ended<br>June 30 | Total Tax<br>Levy for<br>Fiscal Year | Collected within the |                    | Collections In<br>Subsequent Years | Total Collections to Date |                    |
|---------------------------------|--------------------------------------|----------------------|--------------------|------------------------------------|---------------------------|--------------------|
|                                 |                                      | Amount               | Percentage of Levy |                                    | Amount                    | Percentage of Levy |
| 2000                            | \$ 9,654,706                         | \$ 9,577,462         | 99.20%             | \$ 77,244                          | \$ 9,654,706              | 100.00%            |
| 2001                            | 9,942,862                            | 9,440,697            | 94.95%             | 37,180                             | 9,477,877                 | 95.32%             |
| 2002                            | 9,747,208                            | 9,392,571            | 96.36%             | 209,095                            | 9,601,666                 | 98.51%             |
| 2003                            | 10,028,737                           | 9,965,181            | 99.37%             | 63,556                             | 10,028,737                | 100.00%            |
| 2004                            | 9,656,305                            | 9,497,701            | 98.36%             | 158,604                            | 9,656,305                 | 100.00%            |
| 2005                            | 11,199,232                           | 11,022,061           | 98.42%             | 62,949                             | 11,085,010                | 98.98%             |
| 2006                            | 12,072,270                           | 11,780,059           | 97.58%             | 18,558                             | 11,798,617                | 97.73%             |
| 2007                            | 12,729,706                           | 12,598,512           | 98.97%             | N/A                                | 12,598,512                | 98.97%             |
| 2008                            | 15,915,773                           | 15,821,447           | 99.41%             | 12,163                             | 15,833,610                | 99.48%             |
| 2009                            | 17,356,378                           | 17,243,258           | 99.35%             | N/A                                | 17,243,258                | 99.35%             |

Source: DeSoto Parish Sheriff (ex-officio tax collector)

N/A - Information is not yet available.

DESOTO PARISH SCHOOL BOARD  
Mansfield, Louisiana

Sales and Use Tax Rates and Collections - All Governments  
Last Ten Fiscal Years

| Fiscal Year | Sales and Use Tax Rates |        |      |                          |            |                |            |              |              |           | Tax Collections              |            |            |                   |  |
|-------------|-------------------------|--------|------|--------------------------|------------|----------------|------------|--------------|--------------|-----------|------------------------------|------------|------------|-------------------|--|
|             | Parishwide              |        |      |                          |            | Municipalities |            |              |              |           | Municipalities               |            |            |                   |  |
|             | School Board            | Police | Jury | Law Enforcement District | Total Rate | Mansfield      | Other      | School Board | Police       | Jury      | Law Enforcement District (5) | Mansfield  | Other      | Total Collections |  |
| 2000        | 2.00%                   | 1.00%  |      |                          | 4.00%      | 1.00%          | 3.00%      | \$ 4,969,660 | \$ 2,478,680 |           | 0                            | \$ 744,160 | \$ 294,298 | \$ 8,486,798      |  |
| 2001        | 2.00%                   | 1.00%  |      |                          | 4.00%      | 1.00%          | 4,955,074  | 2,453,442    |              | 0         | 743,018                      | 301,348    | 8,452,882  |                   |  |
| 2002        | 2.50%                   | 1.00%  |      |                          | 4.50%      | 1.00%          | 6,166,690  | 2,511,673    |              | 0         | 769,526                      | 288,619    | 9,736,508  |                   |  |
| 2003        | 2.50%                   | 1.00%  |      |                          | 4.50%      | 1.00%          | 7,281,919  | 2,914,812    |              | 0         | 778,128                      | 304,461    | 11,279,320 |                   |  |
| 2004        | 2.50%                   | 1.00%  |      |                          | 4.50%      | 1.00%          | 7,833,361  | 3,141,382    |              | 0         | 751,352                      | 257,921    | 11,984,016 |                   |  |
| 2005        | 2.50%                   | 1.00%  |      | 0.50%                    | 5.00%      | 1.00%          | 8,113,931  | 3,247,301    |              | 1,036,038 | 769,587                      | 328,298    | 13,495,155 |                   |  |
| 2006        | 2.50%                   | 1.00%  |      | 0.50%                    | 5.00%      | 1.00%          | 9,635,507  | 3,858,636    |              | 1,903,864 | 878,337                      | 357,982    | 16,634,326 |                   |  |
| 2007        | 2.50%                   | 1.00%  |      | 0.50%                    | 5.00%      | 1.00%          | 13,480,208 | 5,394,684    |              | 2,645,792 | 1,024,391                    | 469,773    | 23,014,847 |                   |  |
| 2008        | 2.50%                   | 1.00%  |      | 0.50%                    | 5.00%      | 1.00%          | 13,850,262 | 5,541,825    |              | 2,748,825 | 1,034,387                    | 461,324    | 23,636,623 |                   |  |
| 2009        | 2.50%                   | 1.00%  |      | 0.50%                    | 5.00%      | 1.50%          | 25,810,503 | 10,382,643   |              | 5,162,962 | 1,418,932                    | 650,807    | 43,425,848 |                   |  |

Notes:

- (1) Information provided by DeSoto Parish Sales and Use Tax Commission.
- (2) Total rate represents the maximum amount that may be assessed by local taxing authorities. These rates do not include the state sales and use tax rate.
- (3) The Municipalities - Other column includes 1% each for Logansport, South Mansfield, and Stonewall. New sales and use tax levies of 1% each for Grand Cane and Keatchi were effective January 1, 1997.
- (4) Sales tax collections reported by the DeSoto Sales and Use Tax Commission are on the cash basis.
- (5) The Law Enforcement District is a new sales and use tax levy of 1/2% effective 10/1/2004.

Table 10

**DESOTO PARISH SCHOOL BOARD**  
Mansfield, Louisiana

Ratios of Outstanding Debt by Type  
Last Ten Fiscal Years

| Fiscal Year<br>Ended<br>June 30 | General<br>Obligation<br>Bonds |  | Sales Tax<br>Revenue<br>Bonds |  | Total<br>Bonds<br>Outstanding |  | Percentage<br>of Personal<br>Income | Per<br>Capita |
|---------------------------------|--------------------------------|--|-------------------------------|--|-------------------------------|--|-------------------------------------|---------------|
|                                 | \$                             |  | \$                            |  | \$                            |  |                                     |               |
| 2000                            | 23,700,000                     |  | 198,000                       |  | 23,898,000                    |  | 5.31%                               | 855           |
| 2001                            | 21,525,000                     |  | 185,000                       |  | 21,710,000                    |  | 4.66%                               | 786           |
| 2002                            | 19,605,000                     |  | 170,000                       |  | 19,775,000                    |  | 3.98%                               | 720           |
| 2003                            | 17,630,000                     |  | 155,000                       |  | 17,785,000                    |  | 3.30%                               | 641           |
| 2004                            | 15,525,000                     |  | 139,000                       |  | 15,664,000                    |  | 2.91%                               | 555           |
| 2005                            | 22,960,000                     |  | 122,000                       |  | 23,082,000                    |  | 4.08%                               | 880           |
| 2006                            | 20,825,000                     |  | 104,000                       |  | 20,929,000                    |  | 3.48%                               | 793           |
| 2007                            | 18,425,000                     |  | 86,000                        |  | 18,511,000                    |  | 2.91%                               | 701           |
| 2008                            | 34,475,000                     |  | 66,000                        |  | 34,541,000                    |  | 5.10%                               | 1,315         |
| 2009                            | 31,305,000                     |  | 45,000                        |  | 31,350,000                    |  | 4.40%                               | 1,188         |

## Notes:

- (1) Details regarding the School Board's outstanding debt can be found in the notes to the financial statements.
- (2) General Obligation Bonds column excludes certificates of indebtedness.
- (3) See the Schedule of Demographic and Economic Statistics for personal income and population data (Table 14).

Table 11

**DESOTO PARISH SCHOOL BOARD**  
Mansfield, Louisiana

Ratios of General Bonded Debt Outstanding  
Last Ten Fiscal Years

| Fiscal Year<br>Ended<br>June 30 | General<br>Obligation<br>Bonds | Less: Amounts<br>Available in Debt<br>Service Funds | Total         | Percentage of                                       |          | Per<br>Capita |
|---------------------------------|--------------------------------|---|---------------|---|----------|---------------|
|                                 |                                |   |               | Estimated<br>Actual Taxable<br>Value of<br>Property | Property |               |
| 2000                            | \$ 23,700,000                  | \$ 2,149,496  | \$ 21,550,504 | 1.31%   | \$       | 847           |
| 2001                            | 21,525,000                     | 1,660,858   | 19,864,142    | 1.21%   |          | 779           |
| 2002                            | 19,605,000                     | 1,405,847   | 18,199,153    | 1.26%   |          | 714           |
| 2003                            | 17,630,000                     | 1,303,333   | 16,326,667    | 1.13%   |          | 635           |
| 2004                            | 15,525,000                     | 1,239,870   | 14,285,130    | 0.79%   |          | 550           |
| 2005                            | 22,960,000                     | 1,849,935   | 21,110,065    | 1.15%   |          | 805           |
| 2006                            | 20,825,000                     | 2,098,334   | 18,726,666    | 1.09%   |          | 710           |
| 2007                            | 18,425,000                     | 2,333,147   | 16,091,853    | 0.90%   |          | 610           |
| 2008                            | 34,475,000                     | 2,882,156   | 31,592,844    | 1.48%   |          | 1,203         |
| 2009                            | 31,305,000                     | 1,467,911   | 29,837,089    | 1.15%   |          | 1,131         |

## Notes:

- (1) Details regarding the School Board's outstanding debt can be found in the notes to the financial statements.
- (2) General Obligation Bonds column excludes sales tax bonds and certificates of indebtedness.
- (3) See the Schedule of Demographic and Economic Statistics for personal income and population data (Table 14).

Table 12

**DESOTO PARISH SCHOOL BOARD**  
Mansfield, Louisiana

Direct and Overlapping Governmental Activities Debt  
As of June 30, 2009

| <u>Governmental Unit</u>                      | <u>Debt Outstanding</u> | <u>Estimated Percentage Applicable</u> | <u>Estimated Share of Overlapping Debt</u> |
|---|-------------------------|--|--|
| <b>Debt repaid with property taxes</b>        |                         |  |  |
| DeSoto Parish Police Jury                     | \$ 2,635,000            | 100.00%                                | \$ 2,635,000                               |
| City of Mansfield                             | 635,000                 | 100.00%                                | 635,000                                    |
| Subtotal, overlapping debt                    |                         |  | <u>3,270,000</u>                           |
| <b>DeSoto Parish School Board Direct Debt</b> |                         |  | <u>32,575,000</u>                          |
| <b>Total direct and overlapping debt</b>      |                         |  | <u><u>\$ 35,845,000</u></u>                |

Sources: Debt outstanding data extracted from annual financial report of respective governments.

Notes:

- (1) Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the School Board. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the School Board.
- (2) Various tax districts exist within DeSoto Parish that involve a small percentage of parish taxpayers. These districts' debt is not included as the amounts and impact on this schedule is not significant.
- (3) Debt outstanding includes all general bonded debt, certificates of indebtedness, and sales tax bonds.

DESOTO PARISH SCHOOL BOARD  
Mansfield, Louisiana

Legal Debt Margin Information  
Last Ten Fiscal Years

|   | 2000          | 2001          | 2002          | 2003          | 2004          | 2005          | 2006          | 2007          | 2008          | 2009           |
|---|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|----------------|
| Debt Limit  | \$ 69,154,551 | \$ 68,955,909 | \$ 68,942,015 | \$ 70,164,163 | \$ 70,987,859 | \$ 71,677,035 | \$ 75,996,846 | \$ 78,742,802 | \$ 95,701,968 | \$ 115,421,665 |
| Total net debt applicable to limit                                      | 18,380,260    | 16,759,142    | 16,695,000    | 14,925,000    | 13,040,000    | 21,110,065    | 18,726,666    | 16,091,853    | 31,592,844    | 29,837,089     |
| Legal debt margin   | \$ 50,774,291 | \$ 52,196,767 | \$ 52,247,015 | \$ 55,239,163 | \$ 57,947,859 | \$ 50,566,970 | \$ 57,270,180 | \$ 62,650,949 | \$ 64,109,124 | \$ 85,584,576  |
| Total net debt applicable to the limit<br>as a percentage of debt limit | 26.58%        | 24.30%        | 24.22%        | 21.27%        | 18.27%        | 28.45%        | 24.64%        | 20.44%        | 33.01%        | 25.85%         |

Legal Debt Margin Calculation for Fiscal Year 2009

|  |                |
|--|----------------|
| Assessed value   | \$ 291,725,048 |
| Add back: exempt real property                                     | 38,051,137     |
| Total assessed value   | 329,776,185    |
| Debt limit ( 35% of total assessed value)                          | 115,421,665    |
| Debt applicable to limit:  |                |
| General Obligation bonds   | 31,305,000     |
| Less: Amount set aside for repayment of<br>general obligation debt | 1,467,911      |
| Total net debt applicable to limit                                 | 29,837,089     |
| Legal debt margin  | \$ 85,584,576  |

Source: DeSoto Parish Tax Assessor.

Notes:

(1) The debt limit is 35% of total assessed value. This percentage is in accordance with Act 103 or 1980 Regular Session of the Louisiana Legislature R.S. 39:562 (C).

Table 14

**DESOTO PARISH SCHOOL BOARD**  
Mansfield, Louisiana

Demographic and Economic Statistics  
Last Ten Fiscal Years

| Fiscal Year<br>Ended<br>June 30 | Population | Personal Income    |                                     | School<br>Enrollment | Percentage<br>on Free &<br>Reduced<br>Meals | Unemployment<br>Rate |
|---------------------------------|------------|--------------------|-------------------------------------|----------------------|---|----------------------|
|                                 |            | Personal<br>Income | Per<br>Capita<br>Personal<br>Income |                      |   |                      |
| 2000                            | 25,436     | 449,768,000        | 17,682                              | 5,095                | N/A   | 6.4 %                |
| 2001                            | 25,494     | 465,947,000        | 18,277                              | 4,992                | N/A   | 6.6                  |
| 2002                            | 25,496     | 496,739,000        | 19,483                              | 4,810                | N/A   | 7.7                  |
| 2003                            | 25,708     | 539,671,000        | 20,992                              | 4,840                | N/A   | 10.9                 |
| 2004                            | 25,990     | 537,360,000        | 20,676                              | 5,003                | N/A   | 10.5                 |
| 2005                            | 26,231     | 565,986,000        | 21,577                              | 5,058                | N/A   | 7.5                  |
| 2006                            | 26,383     | 602,010,000        | 22,818                              | 5,016                | N/A   | 5.5                  |
| 2007                            | 26,390     | 637,078,000        | 24,141                              | 5,008                | 63.12 %                                     | 5.5                  |
| 2008                            | 26,269     | 677,131,000        | 25,777                              | 4,881                | 66.50                                       | 7.6                  |
| 2009                            | 26,388     | 715,563,396        | 27,117                              | 4,885                | 67.05                                       | 6.8                  |

## Sources:

- (1) Population data obtained from the U. S. Census Bureau.
- (2) School enrollment and free and reduced meals data obtained from Louisiana Department of Education.
- (3) Unemployment rate obtained from U. S. Department of Labor.
- (4) Personal Income data obtained from [www.stats.indiana.edu](http://www.stats.indiana.edu).

Table 15

DESOTO PARISH SCHOOL BOARD  
Mansfield, Louisiana

Principal Employers  
Current Year

|                               | Number of<br>Employees | % of Total<br>Employment |
|-------------------------------|------------------------|--------------------------|
| DeSoto Parish School Board    | 850                    | 8.09%                    |
| International Paper           | 560                    | 5.33%                    |
| DeSoto Regional Health System | 258                    | 2.46%                    |
| Dolet Hills Lignite Mill      | 205                    | 1.95%                    |
| Hendrix Manufacturing         | 103                    | 0.98%                    |
| DeSoto Parish Police Jury     | 103                    | 0.98%                    |
| DeSoto Sheriff Department     | 96                     | 0.91%                    |
| DeSoto Parish EMS Unit        | 51                     | 0.49%                    |

Source: DeSoto Parish Chamber of Commerce

Notes:

- (1) Principal employers information was not available for nine years ago.
- (2) Employment data obtained from U. S. Department of Labor.

DESOTO PARISH SCHOOL BOARD  
Mansfield, Louisiana

School Building Information  
June 30, 2009

Form of Government: Parish School Board  
Geographic Area: 879 Square Miles  
Population: 26,388  
Public School Enrollment: 4,885

| Instructional Sites              | Date Constructed | School District | Grades Taught | Capacity Sq. Ft. | Acreage       | No. of Rated Classrooms | Student Capacity |
|----------------------------------|------------------|-----------------|---------------|------------------|---------------|-------------------------|------------------|
| <b>High Schools:</b>             |                  |                 |               |                  |               |                         |                  |
| DeSoto Alternative               | 1998             | #4              | 9-12          | 19,507           | 4.20          | 10                      | 130              |
| Logansport                       | 1992             | #1              | Pre K-12      | 124,197          | 53.47         | 64                      | 990              |
| Mansfield                        | 1959             | #4              | 9-12          | 83,119           | 27.34         | 44                      | 690              |
| North DeSoto                     | 1982             | #2              | 9-12          | 146,092          | 37.57         | 45                      | 720              |
| Pelican                          | 1992             | #5              | Pre K-12      | 48,799           | 42.73         | 24                      | 400              |
| Stanley                          | 1991             | #3              | Pre K-12      | 63,820           | 40.00         | 30                      | 500              |
| <b>Middle Schools:</b>           |                  |                 |               |                  |               |                         |                  |
| Mansfield                        | 1994             | #4              | Pre K-8       | 216,878          | 140.30        | 110                     | 1,800            |
| North DeSoto                     | 2007             | #2              | 6-8           | 75,178           | 41.56         | 30                      | 900              |
| <b>Elementary Schools:</b>       |                  |                 |               |                  |               |                         |                  |
| North DeSoto PK-2                | 1988             | #2              | Pre K-2       | 65,782           | 20.00         | 43                      | 720              |
| North DeSoto 3-5                 | 1994             | #2              | 3-5           | 70,078           | 15.00         | 32                      | 650              |
| Adult Ed.                        | 1975             | #4              | Age 16+       | 7,200            | 0.50          | 3                       | 62               |
| <b>Total Instructional Sites</b> |                  |                 |               | <b>920,650</b>   | <b>422.67</b> | <b>435</b>              | <b>7,562</b>     |

| Non-Instructional Sites              | Date Constructed | Number of Buildings | Capacity Sq. Ft. | Acreage       | No. of Rated Rooms |           |
|--------------------------------------|------------------|---------------------|------------------|---------------|--------------------|-----------|
| Central Office                       | 1956             | 1                   | 5,287            | 1.13          | 16                 |           |
| Food Service Office                  | 1956             | 1                   | 4,000            | 0.30          | 4                  |           |
| Maintenance                          | 1965             | 2                   | 13,600           | 1.74          | 6                  |           |
| Instructional Materials Center       | 1969             | 1                   | 14,950           | 3.36          | 18                 |           |
| Textbook Warehouse                   | 1981             | 1                   | 9,200            | 0.25          | 2                  |           |
| Special Services Building            | 1981             | 1                   | 10,020           | 1.15          | 16                 |           |
| <b>Total Non-Instructional Sites</b> |                  |                     |                  | <b>57,057</b> | <b>7.93</b>        | <b>62</b> |

Source: DeSoto Parish School Board.

DESOTO PARISH SCHOOL BOARD  
Mansfield, Louisiana

School Personnel

Fiscal Years Ended June 30, 2002 Through June 30, 2009

|                                    | 2002       | 2003       | 2004       | 2005       | 2006       | 2007       | 2008       | 2009       |
|------------------------------------|------------|------------|------------|------------|------------|------------|------------|------------|
| <b>Teachers</b>                    |            |            |            |            |            |            |            |            |
| Less than a Bachelor's degree      | 0          | 0          | 0          | 0          | 3          | 4          | 3          | 3          |
| Bachelor                           | 277        | 276        | 291        | 274        | 265        | 267        | 253        | 257        |
| Master                             | 53         | 58         | 52         | 56         | 66         | 68         | 67         | 66         |
| Master +30                         | 25         | 25         | 26         | 23         | 20         | 19         | 21         | 25         |
| Specialist in Education            | 3          | 2          | 3          | 3          | 3          | 3          | 3          | 4          |
| Ph.D or Ed.D                       | 1          | 2          | 2          | 1          | 1          | 2          | 2          | 1          |
| <b>Total</b>                       | <b>359</b> | <b>363</b> | <b>374</b> | <b>357</b> | <b>358</b> | <b>363</b> | <b>349</b> | <b>356</b> |
| <b>Principals &amp; Assistants</b> |            |            |            |            |            |            |            |            |
| Bachelor                           | 1          | 1          | 1          | 1          | 3          | 3          | 3          | 2          |
| Master                             | 12         | 10         | 11         | 11         | 11         | 11         | 12         | 13         |
| Master +30                         | 11         | 14         | 12         | 12         | 11         | 10         | 11         | 12         |
| Specialist in Education            | 0          | 0          | 0          | 0          | 0          | 0          | 0          | 0          |
| Ph.D or Ed.D                       | 0          | 0          | 0          | 0          | 0          | 0          | 0          | 0          |
| <b>Total</b>                       | <b>24</b>  | <b>25</b>  | <b>24</b>  | <b>24</b>  | <b>25</b>  | <b>24</b>  | <b>26</b>  | <b>27</b>  |

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

Notes:

(1) The agreed upon procedures report on performance and statistical data is available only for the fiscal years ended June 30, 2002 through 2009.

**DESOTO PARISH SCHOOL BOARD**  
Mansfield, Louisiana

Operating Statistics  
For the Fiscal Years Ended June 30, 2002 through June 30, 2009

| Fiscal Year<br>Ended<br>June 30 | Expenses      | PreK - 12<br>Enrollment | Cost Per<br>Pupil | Percentage<br>Change | Teaching<br>Staff | Pupil/<br>Teacher<br>Ratio |
|---------------------------------|---------------|-------------------------|-------------------|----------------------|-------------------|----------------------------|
|                                 |               |                         |                   |                      |                   |                            |
| 2002                            | \$ 41,767,505 | 5,092                   | \$ 8,203          | 0                    | 359               | 14.18                      |
| 2003                            | 44,011,357    | 5,065                   | 8,689             | 5.93%                | 363               | 13.95                      |
| 2004                            | 44,366,812    | 5,003                   | 8,868             | 2.06%                | 374               | 13.38                      |
| 2005                            | 47,798,333    | 5,058                   | 9,450             | 6.56%                | 357               | 14.17                      |
| 2006                            | 49,057,668    | 5,016                   | 9,780             | 3.49%                | 358               | 14.01                      |
| 2007                            | 53,819,696    | 5,024                   | 10,713            | 9.53%                | 363               | 13.84                      |
| 2008                            | 55,380,236    | 4,881                   | 11,346            | 5.91%                | 349               | 13.99                      |
| 2009                            | 70,103,737    | 4,885                   | 14,351            | 26.48%               | 356               | 13.72                      |

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

Notes:

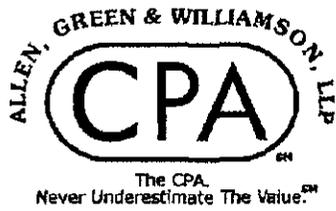
- (1) This information is presented for 2002 and thereafter because the teaching staff information is extracted from the agreed upon procedures report on performance and statistical data which is available only for the fiscal years ended June 30, 2002 through 2009.
- (2) Expenses are on full accrual and is extracted from Table 2, Changes in Net Assets.
- (3) Enrollment is extracted from Table 14, Demographic and Economic Statistics.
- (4) Teaching staff is extracted from Table 17, School Personnel.

DESOTO PARISH SCHOOL BOARD  
Mansfield, Louisiana

Schedule of Insurance in Force  
June 30, 2009

| Type of Coverage/<br>Name of Company                  | Policy Number | Policy Period |           | Details of<br>Coverage and Coinsurance   | Coverage Limits                                 | 2007-08                 | 2008-09                 |
|---|---------------|---------------|-----------|--|---|-------------------------|-------------------------|
|   |               | From          | To        |  |   | Premium                 | Premium                 |
| Property damage<br>RSUI Indemnity Co.                 | NHD359523     | 10/1/2008     | 9/30/2009 | Blanket Coverage- all property<br>\$100,000 deductible   | \$ 97,312,083                                   | \$ 134,583              | \$ 115,179              |
| EDP and Musical Instruments<br>RSUI Indemnity Company | See Property  | 10/1/2008     | 9/30/2009 | Includes EDP coverage<br>Blanket Coverage- all property<br>\$5,000 deductible  | 3,855,778                                       | Included in<br>Property | Included in<br>Property |
| Property loss and damage<br>C.N.A.                    | BM1098616439  | 10/1/2008     | 9/30/2009 | Boilers and electric motors<br>\$2,500 deductible  | 6,250,000                                       | 9,158                   | 8,846                   |
| General Liability<br>LARMA                            | LA110-F       | 10/1/2008     | 9/30/2009 | All property and employees<br>\$25,000 deductible per occur  | 1,000,000 per occurrence<br>3,000,000 aggregate | 68,551                  | 68,766                  |
| Auto/Fleet<br>LARMA                                   | LA110-F       | 10/1/2008     | 9/30/2009 | Specified vehicles<br>\$2,500 deductible (comprehensive)<br>\$2,500 deductible (collision)<br>\$5,000 medical payments/person<br>\$50,000 per occurrence | 1,000,000 liability w/<br>10,000 deductible     | 112,114                 | 119,776                 |
| Public Employees Blanket Bond<br>LARMA                | GVT554410205  | 10/1/2008     | 9/30/2009 | All School Board employees<br>\$2,500 deductible   | 100,000   | 3,086                   | 3,178                   |
| School Board Legal Liability<br>LARMA                 | LA110-F       | 10/1/2008     | 9/30/2009 | Errors and omissions coverage<br>\$25,000 deductible   | 1,000,000                                       | 19,196                  | 19,311                  |
| Workers Compensation<br>Safety National Casualty Co.  | AGC-IP71-LA   | 7/1/2008      | 6/30/2009 | Blanket coverage - all employees<br>Self-insured retention \$250,000   | 1,000,000                                       | 26,453                  | 26,453                  |

Source: DeSoto Parish School Board.



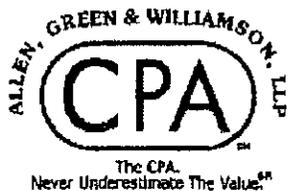
**DeSoto Parish School Board  
Mansfield, Louisiana**

**Compliance with Single Audit Act Amendment of 1996  
And Other Information  
For the Year Ended June 30, 2009**

**ALLEN, GREEN & WILLIAMSON, LLP**  
**CERTIFIED PUBLIC ACCOUNTANTS**  
**MONROE \* SHREVEPORT**

**DeSoto Parish School Board  
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## **Report on Internal Control over Financial Reporting and on Compliance and Other Matters based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards**

Board Members  
DeSoto Parish School Board  
Mansfield, Louisiana

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the DeSoto Parish School Board as of and for the year ended June 30, 2009, which collectively comprise the School Board's basic financial statements and have issued our report thereon dated November 8, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

### Internal Control over Financial Reporting

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

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the School Board's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the School Board's financial statements that is more than inconsequential will not be prevented or detected by the School Board's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the School Board's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

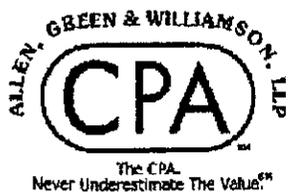
As part of obtaining reasonable assurance about whether the School Boards' financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material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

This report is intended solely for the information and use of management, the Board, others within the School Board, 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. Although the intended use of these reports may be limited, under Louisiana Revised Statute 24:513 this report is distributed by the Louisiana Legislative Auditor as a public document.

*Allen, Green + Williamson, LLP*

ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana  
November 8, 2009



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## **Report on Compliance with Requirements Applicable to Each Major Program and on Internal Control Over Compliance in Accordance With OMB Circular A-133**

Board Members  
DeSoto Parish School Board  
Mansfield, Louisiana

### Compliance

We have audited the compliance of DeSoto Parish 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, 2009. The School Board's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to 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 auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the School Board's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of 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, 2009.

### Internal Control Over Compliance

The management of the School Board is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the School Board's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the School Board's internal control over compliance.

A control deficiency in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

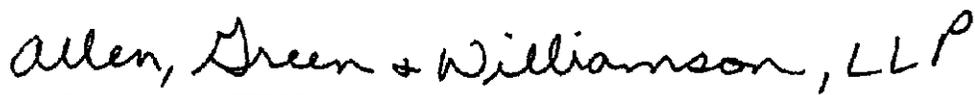
A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

Schedule of Expenditures of Federal Awards

We have audited the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the School Board as of and for the year ended June 30, 2009, and have issued our report thereon dated November 8, 2009. Our audit was performed for the purpose of forming our opinions on the financial statements that collectively comprise the School Board's basic financial statements. 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 basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

This report is intended solely for the information and use of management, the Board, others within the School Board, 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. Although the intended use of these reports may be limited, under Louisiana Revised Statute 24:513 this report is distributed by the Louisiana Legislative Auditor as a public document.



ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana  
November 8, 2009

**DeSoto Parish School Board**  
**Schedule of Expenditures of Federal Awards**  
**For the Year Ended June 30, 2009**

| FEDERAL GRANTOR/<br>PASS-THROUGH GRANTOR/PROGRAM NAME | CFDA<br>Number | Grantor No.   |                  | Pass-Through<br>Expenditures |
|---|----------------|---------------|------------------|------------------------------|
| <b>CASH FEDERAL AWARDS</b>                            |                |               |                  |                              |
| United States Department of Agriculture               |                |               |                  |                              |
| Passed Through Louisiana Department of Education:     |                |               |                  |                              |
| Child Nutrition Cluster:                              |                |               |                  |                              |
| Non Cash Assistance (Commodities):                    |                |               |                  |                              |
| National School Lunch Program                         | 10.555         | N/A           | \$ 140,371       |                              |
| Cash Assistance:                                      |                |               |                  |                              |
| School Breakfast Program                              | 10.553         | N/A           | 383,650          |                              |
| National School Lunch Program                         | 10.555         | N/A           | 1,131,588        | \$ 1,655,609                 |
| Team Nutrition Training                               | 10.574         | 28-08-FN-16   |                  |                              |
|   |                | 28-09-FN-16   |                  | 16,355                       |
| Total United States Department of Agriculture         |                |               |                  | <u>1,671,964</u>             |
| Passed Through Louisiana Department of Education:     |                |               |                  |                              |
| Adult Education – State-Administered                  |                |               |                  |                              |
| Basic Grant Program                                   | 84.002A        | 28-09-44-16   |                  | 58,076                       |
| Title I Grants to Local Educational Agencies          |                |               |                  |                              |
| Basic Grant Program                                   | 84.010A        | 28-08-TA-16   | 133,990          |                              |
|   |                | 28-09-T1-16   | <u>1,885,434</u> | 2,019,424                    |
| Special Education Cluster:                            |                |               |                  |                              |
| State Grants – Part B                                 |                |               |                  |                              |
|   | 84.027A        | 09-BI-16      | 1,092,766        |                              |
|   |                | 28-08-PD-16   | 46,208           |                              |
|   |                | 28-09-PD-16   | 80,699           |                              |
| Preschool Grants                                      | 84.173A        | 09-PI-16      | <u>41,966</u>    | 1,261,639                    |
| Vocational Education:                                 |                |               |                  |                              |
| Basic Grants to States                                | 84.048A        | 28-08-02-16-C | 5,992            |                              |
|   |                | 28-09-02-16   | <u>68,862</u>    | 74,854                       |
| Innovative Education Program                          |                |               |                  |                              |
| Strategies – Title V                                  | 84.298A        | 28-09-80-16   |                  | 5                            |
| Title II Math & Science Partnerships                  |                |               |                  |                              |
| Improving Teacher Quality (Title II)                  | 84.367A        | 28-09-50-16   |                  | 396,061                      |
| Reading First State Grants                            | 84.357A        | 28-06-RF-16C  | 7,901            |                              |
|   |                | 28-06-RS-16C  | 176,735          |                              |
|   |                | 28-07-RF-16   | 123,893          |                              |
|   |                | 28-07-RS-16   | 12,706           |                              |
|   |                | 28-08-GL-16   | 28,072           |                              |
|   |                | 28-08-RF-16   | <u>989,655</u>   | 1,338,962                    |
| English Language Acquisition Grant (Title III)        | 84.365A        | 28-09-60-16   |                  | 9,146                        |
| Education Technology State Grants                     |                |               |                  |                              |
|   | 84.318X        | 28-08-49-16   | 14,247           |                              |
|   |                | 28-09-49-16   | 15,027           |                              |
|   |                | 28-09-S5-16   | <u>83,541</u>    | 112,815                      |

(Continued)

**DeSoto Parish School Board  
Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2009**

| FEDERAL GRANTOR/<br>PASS-THROUGH GRANTOR/PROGRAM NAME  | <u>CFDA<br/>Number</u> | <u>Grantor No.</u> | <u>Pass-Through<br/>Expenditures</u> |
|--|------------------------|--------------------|--------------------------------------|
| Title IV (Safe and Drug-Free Schools)  | 84.186A                | 28-09-70-16        | <u>27,631</u>                        |
| Total United States Department of Education  |                        |                    | <u>5,316,562</u>                     |
| United States Department of Health and Human Services<br>Passed Through the Louisiana Department of Education:<br>Payments to States for Child Care Assistance |                        |                    |                                      |
| Temporary Assistance for Needy Families (TANF)   | 93.558B                | 28-09-EP-16        | 3,662                                |
|  | 93.558                 | 28-09-JA-16        | 49,997                               |
|  |                        |                    | <u>53,659</u>                        |
| United States Department of Defense<br>Jr. ROTC  | 12.UKN                 |                    | <u>115,338</u>                       |
| United States Department of Labor<br>Passed Through LTC Shreveport – Bossier:<br>WIA Youth Activities  | 17.259                 | PY0970W1A4         | <u>10,000</u>                        |
| United States Department of Homeland Security<br>Passed Through the State of Louisiana<br>Disaster Grant-Public Assistance                                     | 97.036                 | N/A                | <u>75,000</u>                        |
| TOTAL FEDERAL AWARDS   |                        |                    | <u><u>\$ 7,242,523</u></u>           |

(Concluded)

**DeSoto Parish School Board**  
**Notes to the Schedule of Expenditures of Federal Awards**  
**For the Year Ended June 30, 2009**

**NOTE 1 - GENERAL** The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal awards programs of the DeSoto Parish School Board, Mansfield, Louisiana. The DeSoto Parish School Board (the "School Board") reporting entity is defined in Note 1 to the School Board's financial statements. Federal awards received directly from federal agencies, as well as federal awards passed through other government agencies, are included on the schedule.

**NOTE 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 financial statements.

**NOTE 3 - RELATIONSHIP TO BASIC FINANCIAL STATEMENTS** Federal awards revenues are reported in the School Board's financial statements as follows:

|   |                     |
|---|---------------------|
| General Fund  | \$ 115,338          |
| Special Revenue:                                      |                     |
| Educational Consolidation & Improvement Act - Title I | 2,019,424           |
| Improving Teacher Quality -- Title II                 | 526,824             |
| Literacy Challenge - Title III                        | 9,146               |
| Safe and Drug Free Schools -- Title IV                | 27,631              |
| Innovation Education -- Title V                       | 5                   |
| Special Education                                     | 1,261,638           |
| USDA Team Nutrition Training                          | 16,355              |
| Adult Education                                       | 61,739              |
| Jobs for America's Graduates                          | 49,997              |
| School Food Service                                   | 1,655,609           |
| Vocational Education                                  | 74,854              |
| Workforce Investment Act                              | 10,000              |
| Reading First   | 1,338,962           |
| Capital Projects:                                     |                     |
| School District No. 1                                 | 30,443              |
| School District No. 3                                 | 22,509              |
| School District No. 5                                 | 22,049              |
| Total   | <u>\$ 7,242,523</u> |

**NOTE 4 - RELATIONSHIP TO FEDERAL FINANCIAL REPORTS** Amounts reported in the accompanying schedule agree with the amounts reported in the related federal financial reports except for changes made to reflect amounts in accordance with accounting principles generally accepted in the United States of America.

**NOTE 5 - MATCHING REVENUES** For those funds that have matching revenues and state funding, federal expenditures were determined by deducting matching revenues from total expenditures.

**NOTE 6 - NONCASH PROGRAMS** The commodities received, which are noncash revenues, are valued using prices provided by the United States Department of Agriculture.

**DeSoto Parish School Board**  
**Schedule of Findings and Questioned Costs**  
**For the Year Ended June 30, 2009**

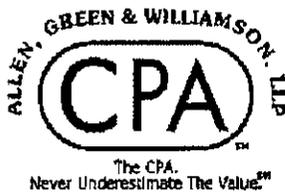
**PART I - Summary of the Auditors' Results**

**Financial Statement Audit**

- i. The type of audit report issued was unqualified.
- ii. There were no significant deficiencies required to be disclosed by Government Auditing Standards issued by the Comptroller General of the United States of America.
- iii. There were no instances of noncompliance considered material to the financial statements, as defined by the Government Auditing Standards.

**Audit of Federal Awards**

- iv. There were no significant deficiencies required to be disclosed by OMB Circular A-133.
- v. The type of report the auditor issued on compliance of major federal awards was unqualified.
- vi. The audit disclosed no audit findings which the auditor is required to report under OMB Circular A-133, Section .510(a).
- vii. The major federal awards are:
  - Child Nutrition Cluster:
    - CFDA# 10.553 School Breakfast Program
    - CFDA# 10.555 National School Lunch Program
  
  - CFDA # 84.357A Reading First State Grants
  - CFDA # 84.318X Education Technology State Grants
- viii. The dollar threshold used to distinguish between Type A and Type B programs as defined in OMB Circular A-133, Section .520(b) was \$300,000.
- ix. The auditee does qualify as a low-risk auditee under OMB Circular A-133, Section .530.



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Angie Williamson, CPA

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(Retired) 1963 - 2000

## INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Board Members  
DeSoto Parish School Board  
Mansfield, Louisiana

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

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

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

1. We selected a random sample of 25 transactions and reviewed supporting documentation to determine if the sampled expenditures/revenues are classified correctly and are reported in the proper amounts for each of the following amounts reported on the schedule:

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

**Comment:** No exceptions were noted as result of applying the agreed upon procedures.

*Education Levels of Public School Staff (Schedule 2)*

2. We reconciled the total number of full-time classroom teachers per the schedule "Experience of Public Principals and Full-time Classroom Teachers" (Schedule 4) to the combined total number of full-time classroom teachers per this schedule and to school board supporting payroll records as of October 1st.

**Comment:** No exceptions were noted as result of applying the agreed upon procedures.

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

**Comment:** No exceptions were noted as result of applying the agreed upon procedures.

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

**Comment:** No exceptions were noted as result of applying the agreed upon procedures.

*Number and Type of Public Schools (Schedule 3)*

5. We obtained a list of schools by type as reported on the schedule. We compared the list to the schools and grade levels as reported on the Title 1 Grants to Local Educational Agencies (CFDA 84.010) application and/or the National School Lunch Program (CFDA 10.555)

**Comment:** No exceptions were noted as result of applying the agreed upon procedures.

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

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

**Comment:** No exceptions were noted as result of applying the agreed upon procedures.

*Public Staff Data (Schedule 5)*

7. We obtained a list of all classroom teachers including their base salary, extra compensation, and ROTC or rehired retiree status as well as full-time equivalent as reported on the schedule and traced a random sample of 25 teachers to the individual's personnel file and determined if the individual's salary, extra compensation, and full-time equivalents were properly included on the schedule.

**Comment:** No exceptions were noted as result of applying the agreed upon procedures.

8. We recalculated the average salaries and full-time equivalents reported in the schedule.

**Comment:** No exceptions were noted as result of applying the agreed upon procedures.

Class Size Characteristics (Schedule 6)

9. We obtained a list of classes by school, school type, and class size as reported on the schedule and reconciled school type classifications to Schedule 3 data, as obtained in procedure 5. We then traced a random sample of ten classes to the October 1st roll books for those classes and determined if the class was properly classified on the schedule.

**Comment:** No exceptions were noted as result of applying the agreed upon procedures.

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

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

**Comment:** No exceptions were noted as result of applying the agreed upon procedures.

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

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

**Comment:** No exceptions were noted as result of applying the agreed upon procedures.

The Iowa Tests (Schedule 9)

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

**Comment:** No exceptions were noted as result of applying the agreed upon procedures.

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

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

*Allen, Green + Williamson, LLP*  
ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana  
November 8, 2009

**DESOTO PARISH SCHOOL BOARD**  
**Mansfield, Louisiana**

**General Fund Instructional and Support Expenditures  
and Certain Local Revenue Sources  
For the Year Ended June 30, 2009**

**General Fund Instructional and Equipment Expenditures**

## General Fund Instructional Expenditures:

## Teacher and Student Interaction Activities:

|  |              |              |
|--|--------------|--------------|
| Classroom Teacher Salaries                       | \$18,837,454 |              |
| Other Instructional Staff Salaries               | 2,527,006    |              |
| Employee Benefits                                | 11,114,082   |              |
| Purchased Professional and Technical Services    | 424,970      |              |
| Instructional Materials and Supplies             | 1,036,568    |              |
| Instructional Equipment                          | <u>0</u>     |              |
| Total Teacher and Student Interaction Activities |              | \$33,740,080 |

Other Instructional Activities \$885,245

|  |             |             |
|--|-------------|-------------|
| Pupil Support Activities                     | \$2,155,692 |             |
| Less: Equipment for Pupil Support Activities | <u>0</u>    |             |
| Net Pupil Support Activities                 |             | \$2,155,692 |

|  |             |             |
|--|-------------|-------------|
| Instructional Staff Services                     | \$3,242,761 |             |
| Less: Equipment for Instructional Staff Services | <u>0</u>    |             |
| Net Instructional Staff Services                 |             | \$3,242,761 |

|   |             |                    |
|---|-------------|--------------------|
| School Administration                     | \$4,036,247 |                    |
| Less: Equipment for School Administration | <u>0</u>    |                    |
| Net School Administration                 |             | <u>\$4,036,247</u> |

Total General Fund Instructional Expenditures \$43,860,025

Total General Fund Equipment Expenditures 0

**Certain Local Revenue Sources**

## Local Taxation Revenue:

|   |                   |                     |
|---|-------------------|---------------------|
| Constitutional Ad Valorem Taxes   | \$1,322,761       |                     |
| Renewable Ad Valorem Tax  | 12,748,052        |                     |
| Debt Service Ad Valorem Tax   | 3,167,310         |                     |
| Up to 1% of Collections by the Sheriff on Taxes Other than School Taxes | 338,955           |                     |
| Sales and Use Taxes   | <u>27,981,270</u> |                     |
| Total Local Taxation Revenue  |                   | <u>\$45,558,348</u> |

## Local Earnings on Investment in Real Property:

|   |                |                  |
|---|----------------|------------------|
| Earnings from 16th Section Property                 | \$297,188      |                  |
| Earnings from Other Real Property                   | <u>171,730</u> |                  |
| Total Local Earnings on Investment in Real Property |                | <u>\$468,918</u> |

## State Revenue in Lieu of Taxes:

|                                      |                |                  |
|--------------------------------------|----------------|------------------|
| Revenue Sharing - Constitutional Tax | \$29,253       |                  |
| Revenue Sharing - Other Taxes        | 282,459        |                  |
| Revenue Sharing - Excess Portion     | 0              |                  |
| Other Revenue in Lieu of Taxes       | <u>167,559</u> |                  |
| Total State Revenue in Lieu of Taxes |                | <u>\$479,271</u> |

Nonpublic Textbook Revenue \$4,407

Nonpublic Transportation Revenue \$0

**DESOTO PARISH SCHOOL BOARD**  
**Mansfield, Louisiana**

**Education Levels of Public School Staff**  
**As of October 1, 2008**

| Category                      | Full-time Classroom Teachers |                |                |         | Principals & Assistant Principals |                |                |         |
|-------------------------------|------------------------------|----------------|----------------|---------|-----------------------------------|----------------|----------------|---------|
|                               | Certificated                 |                | Uncertificated |         | Certificated                      |                | Uncertificated |         |
|                               | Number                       | Percent        | Number         | Percent | Number                            | Percent        | Number         | Percent |
| Less than a Bachelor's Degree | 3                            | 0.84%          | 0              |         | 0                                 | 0.00%          | 0              |         |
| Bachelor's Degree             | 257                          | 72.19%         | 0              |         | 2                                 | 7.41%          | 0              |         |
| Master's Degree               | 66                           | 18.54%         | 0              |         | 13                                | 48.15%         | 0              |         |
| Master's Degree + 30          | 25                           | 7.02%          | 0              |         | 12                                | 44.44%         | 0              |         |
| Specialist in Education       | 4                            | 1.12%          | 0              |         | 0                                 | 0.00%          | 0              |         |
| Ph. D. or Ed. D.              | 1                            | 0.28%          | 0              |         | 0                                 | 0.00%          | 0              |         |
| <b>Total</b>                  | <b>356</b>                   | <b>100.00%</b> | <b>0</b>       |         | <b>27</b>                         | <b>100.00%</b> | <b>0</b>       |         |

Schedule 3

DESOTO PARISH SCHOOL BOARD  
Mansfield, Louisiana

Number and Type of Public Schools  
For the Year Ended June 30, 2009

| Type            | Number    |
|-----------------|-----------|
| Elementary      | 4         |
| Middle/Jr. High | 2         |
| Secondary       | 5         |
| Combination     | 3         |
| <b>Total</b>    | <b>14</b> |

Schedule 4

DESOTO PARISH SCHOOL BOARD  
Mansfield, Louisiana

Experience of Public Principals, Assistant Principals, and Full-time Classroom Teachers  
As of October 1, 2008

|                      | 0-1 Yr. | 2-3 Yrs. | 4-10 Yrs. | 11-14 Yrs. | 15-19 Yrs. | 20-24 Yrs. | 25+ Yrs. | Total |
|----------------------|---------|----------|-----------|------------|------------|------------|----------|-------|
| Assistant Principals | 0       | 0        | 3         | 2          | 0          | 2          | 8        | 15    |
| Principals           | 0       | 0        | 1         | 2          | 2          | 2          | 5        | 12    |
| Classroom Teachers   | 31      | 28       | 87        | 52         | 47         | 44         | 67       | 356   |
| Total                | 31      | 28       | 91        | 56         | 49         | 48         | 80       | 383   |

Schedule 5

DESOTO PARISH SCHOOL BOARD  
Mansfield, Louisiana

Public School Staff Data: Average Salaries  
For the Year Ended June 30, 2009

|  | All Classroom Teachers | Classroom Teachers Excluding ROTC, Retired Retirees, and Flagged Salary Reductions |
|--|------------------------|--|
| Average Classroom Teachers' Salary Including Extra Compensation                        | \$55,060.80            | \$54,533.06  |
| Average Classroom Teachers' Salary Excluding Extra Compensation                        | \$53,948.10            | \$53,405.73  |
| Number of Teacher Full-time Equivalents (FTEs) used in Computation of Average Salaries | 357.3                  | 341.36   |

**DESOTO PARISH SCHOOL BOARD**  
**Mansfield, Louisiana**

**Class Size Characteristics**  
**As of October 1, 2008**

| School Type                      | Class Size Range |        |         |        |         |        |         |        |         |        |         |        |
|----------------------------------|------------------|--------|---------|--------|---------|--------|---------|--------|---------|--------|---------|--------|
|                                  | 1 - 20           |        | 21 - 25 |        | 27 - 33 |        | 34+     |        |         |        |         |        |
|                                  | Percent          | Number | Percent | Number | Percent | Number | Percent | Number | Percent | Number | Percent | Number |
| Elementary                       | 86.20%           | 382    | 31.20%  | 180    | 2.43%   | 14     | 0.17%   | 1      |         |        |         |        |
| Elementary Activity Classes      | 63.44%           | 59     | 32.26%  | 30     | 2.15%   | 2      | 2.15%   | 2      |         |        |         |        |
| Middle/Jr. High                  | 51.19%           | 129    | 30.56%  | 77     | 18.25%  | 46     | 0.00%   | 0      |         |        |         |        |
| Middle/Jr. High Activity Classes | 39.53%           | 17     | 30.23%  | 13     | 27.91%  | 12     | 2.33%   | 1      |         |        |         |        |
| High                             | 67.75%           | 437    | 21.40%  | 138    | 10.54%  | 68     | 0.31%   | 2      |         |        |         |        |
| High Activity Classes            | 84.55%           | 93     | 7.27%   | 8      | 6.36%   | 7      | 1.82%   | 2      |         |        |         |        |
| Combination                      | 79.47%           | 209    | 12.93%  | 34     | 7.60%   | 20     | 0.00%   | 0      |         |        |         |        |
| Combination Activity Classes     | 84.52%           | 20     | 12.90%  | 4      | 16.13%  | 5      | 6.45%   | 2      |         |        |         |        |

DESOTO PARISH SCHOOL BOARD  
Mansfield, Louisiana

Louisiana Educational Assessment Program (LEAP)  
For the Year Ended June 30, 2009

| District Achievement Level Results | English Language Arts |         |        |         |        |         | Mathematics |         |        |         |        |         |  |
|------------------------------------|-----------------------|---------|--------|---------|--------|---------|-------------|---------|--------|---------|--------|---------|--|
|                                    | 2007                  |         | 2008   |         | 2009   |         | 2007        |         | 2008   |         | 2009   |         |  |
|                                    | Number                | Percent | Number | Percent | Number | Percent | Number      | Percent | Number | Percent | Number | Percent |  |
| Grade 4                            |                       |         |        |         |        |         |             |         |        |         |        |         |  |
| Advanced                           | 4                     | 1.0%    | 3      | 0.8%    | 2      | 0.5%    | 5           | 1.5%    | 3      | 0.8%    | 5      | 1.2%    |  |
| Mastery                            | 63                    | 15.3%   | 46     | 12.1%   | 48     | 11.2%   | 28          | 6.8%    | 39     | 10.3%   | 26     | 6.1%    |  |
| Basic                              | 178                   | 43.3%   | 165    | 43.4%   | 187    | 43.8%   | 172         | 42.0%   | 149    | 39.2%   | 153    | 35.8%   |  |
| Approaching Basic                  | 114                   | 27.7%   | 101    | 26.6%   | 120    | 28.1%   | 120         | 29.3%   | 99     | 26.1%   | 122    | 28.6%   |  |
| Unsatisfactory                     | 52                    | 12.7%   | 65     | 17.1%   | 70     | 16.4%   | 84          | 20.5%   | 90     | 23.7%   | 121    | 28.3%   |  |
| Total                              | 411                   | 100.0%  | 380    | 100.0%  | 427    | 100.0%  | 410         | 100.0%  | 380    | 100.0%  | 427    | 100.0%  |  |

| District Achievement Level Results | Science |         |        |         |        |         | Social Studies |         |        |         |        |         |
|------------------------------------|---------|---------|--------|---------|--------|---------|----------------|---------|--------|---------|--------|---------|
|                                    | 2007    |         | 2008   |         | 2009   |         | 2007           |         | 2008   |         | 2009   |         |
|                                    | Number  | Percent | Number | Percent | Number | Percent | Number         | Percent | Number | Percent | Number | Percent |
| Grade 4                            |         |         |        |         |        |         |                |         |        |         |        |         |
| Advanced                           | 6       | 1.5%    | 4      | 1.1%    | 16     | 3.7%    | 4              | 1.0%    | 3      | 0.8%    | 1      | 0.2%    |
| Mastery                            | 44      | 10.7%   | 46     | 12.1%   | 46     | 10.8%   | 38             | 9.3%    | 29     | 7.6%    | 34     | 8.0%    |
| Basic                              | 156     | 38.0%   | 151    | 39.7%   | 171    | 40.0%   | 195            | 47.6%   | 152    | 42.6%   | 193    | 45.2%   |
| Approaching Basic                  | 154     | 37.6%   | 127    | 33.4%   | 121    | 28.3%   | 116            | 28.3%   | 107    | 28.2%   | 102    | 23.9%   |
| Unsatisfactory                     | 50      | 12.2%   | 52     | 13.7%   | 73     | 17.1%   | 57             | 13.9%   | 79     | 20.8%   | 97     | 22.7%   |
| Total                              | 410     | 100.0%  | 380    | 100.0%  | 427    | 100.0%  | 410            | 100.0%  | 380    | 100.0%  | 427    | 100.0%  |

| District Achievement Level Results | English Language Arts |         |        |         |        |         | Mathematics |         |        |         |        |         |  |
|------------------------------------|-----------------------|---------|--------|---------|--------|---------|-------------|---------|--------|---------|--------|---------|--|
|                                    | 2007                  |         | 2008   |         | 2009   |         | 2007        |         | 2008   |         | 2009   |         |  |
|                                    | Number                | Percent | Number | Percent | Number | Percent | Number      | Percent | Number | Percent | Number | Percent |  |
| Grade 8                            |                       |         |        |         |        |         |             |         |        |         |        |         |  |
| Advanced                           | 1                     | 0.3%    | 4      | 1.1%    | 8      | 2.0%    | 13          | 3.5%    | 5      | 1.4%    | 14     | 3.5%    |  |
| Mastery                            | 40                    | 10.8%   | 42     | 11.5%   | 55     | 13.8%   | 19          | 5.1%    | 20     | 5.5%    | 24     | 6.0%    |  |
| Basic                              | 181                   | 49.1%   | 148    | 40.1%   | 167    | 41.8%   | 156         | 42.3%   | 156    | 43.0%   | 172    | 43.0%   |  |
| Approaching Basic                  | 116                   | 31.4%   | 138    | 37.9%   | 129    | 32.3%   | 105         | 28.5%   | 107    | 29.5%   | 97     | 24.3%   |  |
| Unsatisfactory                     | 31                    | 8.4%    | 34     | 9.3%    | 41     | 10.3%   | 76          | 20.6%   | 75     | 20.7%   | 93     | 23.3%   |  |
| Total                              | 369                   | 100.0%  | 364    | 100.0%  | 400    | 100.0%  | 389         | 100.0%  | 383    | 100.0%  | 400    | 100.0%  |  |

| District Achievement Level Results | Science |         |        |         |        |         | Social Studies |         |        |         |        |         |
|------------------------------------|---------|---------|--------|---------|--------|---------|----------------|---------|--------|---------|--------|---------|
|                                    | 2007    |         | 2008   |         | 2009   |         | 2007           |         | 2008   |         | 2009   |         |
|                                    | Number  | Percent | Number | Percent | Number | Percent | Number         | Percent | Number | Percent | Number | Percent |
| Grade 8                            |         |         |        |         |        |         |                |         |        |         |        |         |
| Advanced                           | 1       | 0.3%    | 2      | 0.6%    | 7      | 1.8%    | 2              | 0.5%    | 1      | 0.3%    | 5      | 1.3%    |
| Mastery                            | 25      | 6.8%    | 51     | 14.0%   | 35     | 8.8%    | 34             | 9.2%    | 31     | 8.5%    | 31     | 7.8%    |
| Basic                              | 146     | 39.6%   | 107    | 29.5%   | 128    | 32.2%   | 175            | 47.4%   | 144    | 39.7%   | 157    | 39.5%   |
| Approaching Basic                  | 120     | 32.5%   | 110    | 30.3%   | 149    | 37.4%   | 95             | 25.7%   | 119    | 32.8%   | 107    | 27.0%   |
| Unsatisfactory                     | 77      | 20.9%   | 93     | 25.6%   | 79     | 19.8%   | 63             | 17.1%   | 68     | 18.7%   | 97     | 24.4%   |
| Total                              | 369     | 100.0%  | 363    | 100.0%  | 398    | 100.0%  | 389            | 100.0%  | 383    | 100.0%  | 387    | 100.0%  |

**DESOTO PARISH SCHOOL BOARD**  
Mansfield, Louisiana

**Graduation Exit Examination (GEE)  
For the Year Ended June 30, 2009**

| District Achievement Level<br>Results | English Language Arts |               |            |               |            |               | Mathematics |               |            |               |            |               |
|---------------------------------------|-----------------------|---------------|------------|---------------|------------|---------------|-------------|---------------|------------|---------------|------------|---------------|
|                                       | 2007                  |               | 2008       |               | 2009       |               | 2007        |               | 2008       |               | 2009       |               |
|                                       | Number                | Percent       | Number     | Percent       | Number     | Percent       | Number      | Percent       | Number     | Percent       | Number     | Percent       |
| <b>Grade 10 &amp; 11</b>              |                       |               |            |               |            |               |             |               |            |               |            |               |
| Advanced                              | 2                     | 0.7%          | 1          | 0.3%          | 1          | 0.3%          | 17          | 5.6%          | 16         | 5.3%          | 21         | 6.3%          |
| Mastery                               | 15                    | 5.0%          | 26         | 8.7%          | 16         | 4.7%          | 37          | 12.2%         | 28         | 9.3%          | 22         | 6.5%          |
| Basic                                 | 123                   | 40.6%         | 147        | 49.0%         | 125        | 37.1%         | 122         | 40.3%         | 142        | 47.0%         | 140        | 41.7%         |
| Approaching Basic                     | 94                    | 31.0%         | 81         | 27.0%         | 130        | 38.6%         | 52          | 17.2%         | 60         | 19.9%         | 82         | 24.4%         |
| Unsatisfactory                        | 69                    | 22.8%         | 45         | 15.0%         | 65         | 19.3%         | 75          | 24.8%         | 55         | 18.5%         | 71         | 21.1%         |
| <b>Total</b>                          | <b>303</b>            | <b>100.0%</b> | <b>300</b> | <b>100.0%</b> | <b>337</b> | <b>100.0%</b> | <b>303</b>  | <b>100.0%</b> | <b>302</b> | <b>100.0%</b> | <b>336</b> | <b>100.0%</b> |

| District Achievement Level<br>Results | Science    |               |            |               |            |               | Social Studies |               |            |               |            |               |
|---------------------------------------|------------|---------------|------------|---------------|------------|---------------|----------------|---------------|------------|---------------|------------|---------------|
|                                       | 2007       |               | 2008       |               | 2009       |               | 2007           |               | 2008       |               | 2009       |               |
|                                       | Number     | Percent       | Number     | Percent       | Number     | Percent       | Number         | Percent       | Number     | Percent       | Number     | Percent       |
| <b>Grade 10 &amp; 11</b>              |            |               |            |               |            |               |                |               |            |               |            |               |
| Advanced                              | 4          | 1.6%          | 5          | 1.9%          | 5          | 1.9%          | 4              | 1.6%          | 0          | 0.0%          | 1          | 0.4%          |
| Mastery                               | 22         | 8.5%          | 31         | 11.5%         | 28         | 10.6%         | 11             | 4.3%          | 16         | 5.9%          | 12         | 4.5%          |
| Basic                                 | 101        | 39.1%         | 111        | 41.3%         | 111        | 41.9%         | 115            | 44.6%         | 134        | 49.8%         | 117        | 44.0%         |
| Approaching Basic                     | 72         | 27.9%         | 75         | 27.9%         | 84         | 31.7%         | 63             | 24.4%         | 78         | 29.0%         | 95         | 36.7%         |
| Unsatisfactory                        | 59         | 22.9%         | 47         | 17.5%         | 37         | 14.0%         | 65             | 25.2%         | 41         | 15.2%         | 41         | 15.4%         |
| <b>Total</b>                          | <b>258</b> | <b>100.0%</b> | <b>259</b> | <b>100.0%</b> | <b>265</b> | <b>100.0%</b> | <b>258</b>     | <b>100.0%</b> | <b>269</b> | <b>100.0%</b> | <b>266</b> | <b>100.0%</b> |

DESOTO PARISH SCHOOL BOARD  
Mansfield, Louisiana

iLEAP Tests  
For the Year Ended June 30, 2009

| District Achievement Level Results | English Language Arts 2007 |         | Mathematics 2007 |         | Science 2007 |         | Social Studies 2007 |         |
|------------------------------------|----------------------------|---------|------------------|---------|--------------|---------|---------------------|---------|
|                                    | Number                     | Percent | Number           | Percent | Number       | Percent | Number              | Percent |
| Students Grade 3                   |                            |         |                  |         |              |         |                     |         |
| Advanced                           | 4                          | 1.2%    | 9                | 2.6%    | 8            | 2.3%    | 12                  | 3.5%    |
| Mastery                            | 39                         | 11.2%   | 36               | 10.4%   | 32           | 9.2%    | 38                  | 11.0%   |
| Basic                              | 122                        | 35.2%   | 132              | 38.0%   | 133          | 38.3%   | 139                 | 40.1%   |
| Approaching Basic                  | 117                        | 33.7%   | 85               | 27.4%   | 117          | 33.7%   | 86                  | 24.8%   |
| Unsatisfactory                     | 65                         | 18.7%   | 75               | 21.6%   | 67           | 19.4%   | 72                  | 20.7%   |
| Total                              | 347                        | 100.0%  | 347              | 100.0%  | 347          | 100.0%  | 347                 | 100.0%  |

| District Achievement Level Results | English Language Arts 2007 |         | Mathematics 2007 |         | Science 2007 |         | Social Studies 2007 |         |
|------------------------------------|----------------------------|---------|------------------|---------|--------------|---------|---------------------|---------|
|                                    | Number                     | Percent | Number           | Percent | Number       | Percent | Number              | Percent |
| Students Grade 5                   |                            |         |                  |         |              |         |                     |         |
| Advanced                           | 5                          | 1.8%    | 8                | 2.9%    | 10           | 3.6%    | 11                  | 4.0%    |
| Mastery                            | 47                         | 17.1%   | 21               | 7.8%    | 43           | 15.7%   | 45                  | 16.4%   |
| Basic                              | 127                        | 46.2%   | 138              | 50.2%   | 125          | 45.6%   | 137                 | 50.0%   |
| Approaching Basic                  | 56                         | 20.4%   | 55               | 20.0%   | 70           | 25.5%   | 54                  | 19.7%   |
| Unsatisfactory                     | 40                         | 14.5%   | 53               | 19.3%   | 26           | 9.5%    | 27                  | 9.9%    |
| Total                              | 275                        | 100.0%  | 275              | 100.0%  | 274          | 100.0%  | 274                 | 100.0%  |

| District Achievement Level Results | English Language Arts 2007 |         | Mathematics 2007 |         | Science 2007 |         | Social Studies 2007 |         |
|------------------------------------|----------------------------|---------|------------------|---------|--------------|---------|---------------------|---------|
|                                    | Number                     | Percent | Number           | Percent | Number       | Percent | Number              | Percent |
| Students Grade 6                   |                            |         |                  |         |              |         |                     |         |
| Advanced                           | 6                          | 1.7%    | 5                | 1.4%    | 2            | 0.6%    | 9                   | 2.5%    |
| Mastery                            | 37                         | 10.2%   | 16               | 4.4%    | 36           | 9.7%    | 30                  | 8.3%    |
| Basic                              | 141                        | 39.1%   | 168              | 46.5%   | 137          | 38.0%   | 144                 | 39.9%   |
| Approaching Basic                  | 109                        | 30.2%   | 82               | 22.7%   | 120          | 33.2%   | 111                 | 30.7%   |
| Unsatisfactory                     | 68                         | 18.8%   | 90               | 24.8%   | 67           | 18.6%   | 87                  | 23.8%   |
| Total                              | 361                        | 100.0%  | 361              | 100.0%  | 361          | 100.0%  | 361                 | 100.0%  |

| Students          | District Achievement Level Results |         |             |         |         |         |                |         |
|-------------------|------------------------------------|---------|-------------|---------|---------|---------|----------------|---------|
|                   | English Language Arts              |         | Mathematics |         | Science |         | Social Studies |         |
|                   | Number                             | Percent | Number      | Percent | Number  | Percent | Number         | Percent |
| Grade 7           |                                    |         |             |         |         |         |                |         |
| Advanced          | 15                                 | 3.6%    | 10          | 2.4%    | 1       | 0.2%    | 7              | 1.7%    |
| Mastery           | 33                                 | 8.0%    | 23          | 5.6%    | 32      | 7.7%    | 43             | 10.4%   |
| Basic             | 182                                | 44.2%   | 170         | 41.3%   | 137     | 33.2%   | 207            | 50.1%   |
| Approaching Basic | 115                                | 27.9%   | 108         | 26.2%   | 150     | 36.3%   | 104            | 25.2%   |
| Unsatisfactory    | 67                                 | 16.3%   | 50          | 12.5%   | 93      | 22.5%   | 52             | 12.6%   |
| Total             | 412                                | 100.0%  | 412         | 100.0%  | 413     | 100.0%  | 413            | 100.0%  |

| Students          | District Achievement Level Results |         |             |         |         |         |                |         |
|-------------------|------------------------------------|---------|-------------|---------|---------|---------|----------------|---------|
|                   | English Language Arts              |         | Mathematics |         | Science |         | Social Studies |         |
|                   | Number                             | Percent | Number      | Percent | Number  | Percent | Number         | Percent |
| Grade 8           |                                    |         |             |         |         |         |                |         |
| Advanced          | 1                                  | 0.3%    | 9           | 2.6%    |         |         |                |         |
| Mastery           | 27                                 | 7.9%    | 29          | 8.5%    |         |         |                |         |
| Basic             | 168                                | 49.1%   | 157         | 45.9%   |         |         |                |         |
| Approaching Basic | 113                                | 33.0%   | 77          | 22.5%   |         |         |                |         |
| Unsatisfactory    | 33                                 | 9.6%    | 70          | 20.5%   |         |         |                |         |
| Total             | 342                                | 100.0%  | 342         | 100.0%  |         |         |                |         |

| Students          | District Achievement Level Results |         |             |         |         |         |                |         |
|-------------------|------------------------------------|---------|-------------|---------|---------|---------|----------------|---------|
|                   | English Language Arts              |         | Mathematics |         | Science |         | Social Studies |         |
|                   | Number                             | Percent | Number      | Percent | Number  | Percent | Number         | Percent |
| Grade 3           |                                    |         |             |         |         |         |                |         |
| Advanced          | 1                                  | 0.3%    | 8           | 2.2%    | 7       | 1.9%    | 5              | 1.4%    |
| Mastery           | 45                                 | 12.3%   | 40          | 10.9%   | 39      | 10.7%   | 29             | 7.9%    |
| Basic             | 136                                | 37.2%   | 128         | 35.0%   | 125     | 34.2%   | 168            | 45.5%   |
| Approaching Basic | 109                                | 29.8%   | 96          | 26.2%   | 113     | 30.9%   | 79             | 21.5%   |
| Unsatisfactory    | 75                                 | 20.5%   | 94          | 25.7%   | 82      | 22.4%   | 88             | 23.6%   |
| Total             | 366                                | 100.0%  | 366         | 100.0%  | 368     | 100.0%  | 365            | 100.0%  |

| Students          | District Achievement Level Results |         |             |         |         |         |                |         |
|-------------------|------------------------------------|---------|-------------|---------|---------|---------|----------------|---------|
|                   | English Language Arts              |         | Mathematics |         | Science |         | Social Studies |         |
|                   | Number                             | Percent | Number      | Percent | Number  | Percent | Number         | Percent |
| Grade 5           |                                    |         |             |         |         |         |                |         |
| Advanced          | 9                                  | 2.6%    | 11          | 3.2%    | 8       | 2.3%    | 12             | 3.5%    |
| Mastery           | 63                                 | 18.1%   | 25          | 7.2%    | 56      | 16.1%   | 56             | 16.1%   |
| Basic             | 133                                | 38.2%   | 158         | 46.7%   | 128     | 36.8%   | 159            | 45.8%   |
| Approaching Basic | 89                                 | 25.6%   | 84          | 24.4%   | 103     | 29.6%   | 72             | 20.7%   |
| Unsatisfactory    | 54                                 | 15.6%   | 89          | 25.6%   | 53      | 15.2%   | 48             | 13.8%   |
| Total             | 348                                | 100.0%  | 348         | 100.0%  | 348     | 100.0%  | 347            | 100.0%  |

| Students          | District Achievement Level Results |         |             |         |         |         |                |         |
|-------------------|------------------------------------|---------|-------------|---------|---------|---------|----------------|---------|
|                   | English Language Arts              |         | Mathematics |         | Science |         | Social Studies |         |
|                   | Number                             | Percent | Number      | Percent | Number  | Percent | Number         | Percent |
| Grade 6           |                                    |         |             |         |         |         |                |         |
| Advanced          | 4                                  | 1.3%    | 5           | 1.6%    | 8       | 2.5%    | 8              | 2.5%    |
| Mastery           | 49                                 | 15.4%   | 28          | 8.1%    | 29      | 9.1%    | 28             | 8.8%    |
| Basic             | 144                                | 45.1%   | 150         | 46.9%   | 152     | 47.6%   | 164            | 51.4%   |
| Approaching Basic | 93                                 | 29.2%   | 88          | 21.3%   | 91      | 28.5%   | 92             | 28.8%   |
| Unsatisfactory    | 29                                 | 9.1%    | 71          | 22.2%   | 39      | 12.2%   | 27             | 8.5%    |
| Total             | 319                                | 100.0%  | 320         | 100.0%  | 319     | 100.0%  | 319            | 100.0%  |

| Students          | District Achievement Level Results |         |             |         |         |         |                |         |
|-------------------|------------------------------------|---------|-------------|---------|---------|---------|----------------|---------|
|                   | English Language Arts              |         | Mathematics |         | Science |         | Social Studies |         |
|                   | Number                             | Percent | Number      | Percent | Number  | Percent | Number         | Percent |
| Grade 7           |                                    |         |             |         |         |         |                |         |
| Advanced          | 8                                  | 2.1%    | 7           | 1.9%    | 3       | 0.8%    | 8              | 2.1%    |
| Mastery           | 49                                 | 13.1%   | 22          | 5.9%    | 25      | 6.7%    | 40             | 10.7%   |
| Basic             | 155                                | 41.3%   | 149         | 39.7%   | 122     | 32.5%   | 183            | 48.9%   |
| Approaching Basic | 114                                | 30.4%   | 101         | 26.9%   | 145     | 38.7%   | 88             | 23.5%   |
| Unsatisfactory    | 49                                 | 13.1%   | 96          | 25.6%   | 80      | 21.3%   | 55             | 14.7%   |
| Total             | 375                                | 100.0%  | 375         | 100.0%  | 375     | 100.0%  | 374            | 100.0%  |

| Students          | English Language Arts |         | Mathematics |         |
|-------------------|-----------------------|---------|-------------|---------|
|                   | Number                | Percent | Number      | Percent |
|                   | Grade 9               |         |             |         |
| Advanced          | 0                     | 0.0%    | 10          | 2.9%    |
| Mastery           | 19                    | 5.6%    | 20          | 5.8%    |
| Basic             | 175                   | 50.4%   | 174         | 50.1%   |
| Approaching Basic | 119                   | 34.3%   | 75          | 21.6%   |
| Unsatisfactory    | 34                    | 9.8%    | 88          | 25.6%   |
| Total             | 347                   | 100.0%  | 347         | 100.0%  |

| Students          | District Achievement Level Results |         |             |         |         |         |                |         |
|-------------------|------------------------------------|---------|-------------|---------|---------|---------|----------------|---------|
|                   | English Language Arts              |         | Mathematics |         | Science |         | Social Studies |         |
|                   | Number                             | Percent | Number      | Percent | Number  | Percent | Number         | Percent |
| Grade 3           |                                    |         |             |         |         |         |                |         |
| Advanced          | 8                                  | 2.0%    | 12          | 3.1%    | 7       | 1.8%    | 1              | 0.3%    |
| Mastery           | 47                                 | 12.0%   | 60          | 15.3%   | 60      | 15.3%   | 50             | 12.7%   |
| Basic             | 152                                | 38.7%   | 144         | 36.6%   | 132     | 33.6%   | 164            | 41.7%   |
| Approaching Basic | 100                                | 25.4%   | 78          | 19.8%   | 115     | 29.3%   | 86             | 21.9%   |
| Unsatisfactory    | 66                                 | 16.9%   | 89          | 22.2%   | 79      | 20.1%   | 92             | 23.4%   |
| Total             | 393                                | 100.0%  | 393         | 100.0%  | 393     | 100.0%  | 393            | 100.0%  |

| Students          | English Language Arts<br>2009 |               | Mathematics<br>2009 |               | Science<br>2009 |               | Social Studies<br>2009 |               |
|-------------------|-------------------------------|---------------|---------------------|---------------|-----------------|---------------|------------------------|---------------|
|                   | Number                        | Percent       | Number              | Percent       | Number          | Percent       | Number                 | Percent       |
| Grade 6           |                               |               |                     |               |                 |               |                        |               |
| Advanced          | 5                             | 1.8%          | 9                   | 3.2%          | 10              | 3.5%          | 11                     | 3.9%          |
| Mastery           | 45                            | 15.9%         | 19                  | 6.7%          | 51              | 18.0%         | 48                     | 17.0%         |
| Basic             | 138                           | 48.8%         | 143                 | 50.6%         | 138             | 48.1%         | 153                    | 54.1%         |
| Approaching Basic | 84                            | 22.8%         | 54                  | 19.1%         | 65              | 23.0%         | 56                     | 19.8%         |
| Unsatisfactory    | 31                            | 11.0%         | 58                  | 20.5%         | 21              | 7.4%          | 15                     | 5.3%          |
| <b>Total</b>      | <b>283</b>                    | <b>100.0%</b> | <b>283</b>          | <b>100.0%</b> | <b>283</b>      | <b>100.0%</b> | <b>283</b>             | <b>100.0%</b> |

| Students          | English Language Arts<br>2009 |               | Mathematics<br>2009 |               | Science<br>2009 |               | Social Studies<br>2009 |               |
|-------------------|-------------------------------|---------------|---------------------|---------------|-----------------|---------------|------------------------|---------------|
|                   | Number                        | Percent       | Number              | Percent       | Number          | Percent       | Number                 | Percent       |
| Grade 6           |                               |               |                     |               |                 |               |                        |               |
| Advanced          | 3                             | 0.8%          | 17                  | 4.5%          | 6               | 1.6%          | 30                     | 8.0%          |
| Mastery           | 47                            | 12.5%         | 95                  | 25.3%         | 54              | 14.3%         | 46                     | 12.2%         |
| Basic             | 187                           | 49.6%         | 189                 | 50.1%         | 145             | 38.6%         | 189                    | 52.8%         |
| Approaching Basic | 56                            | 15.1%         | 78                  | 20.7%         | 120             | 31.5%         | 71                     | 18.8%         |
| Unsatisfactory    | 44                            | 11.7%         | 58                  | 15.4%         | 52              | 13.8%         | 31                     | 8.2%          |
| <b>Total</b>      | <b>377</b>                    | <b>100.0%</b> | <b>377</b>          | <b>100.0%</b> | <b>377</b>      | <b>100.0%</b> | <b>377</b>             | <b>100.0%</b> |

| Students          | English Language Arts<br>2009 |               | Mathematics<br>2009 |               | Science<br>2009 |               | Social Studies<br>2009 |               |
|-------------------|-------------------------------|---------------|---------------------|---------------|-----------------|---------------|------------------------|---------------|
|                   | Number                        | Percent       | Number              | Percent       | Number          | Percent       | Number                 | Percent       |
| Grade 7           |                               |               |                     |               |                 |               |                        |               |
| Advanced          | 9                             | 2.6%          | 18                  | 5.6%          | 6               | 1.8%          | 7                      | 2.2%          |
| Mastery           | 46                            | 14.4%         | 28                  | 8.8%          | 38              | 11.9%         | 58                     | 18.2%         |
| Basic             | 159                           | 49.8%         | 148                 | 45.8%         | 122             | 36.4%         | 182                    | 57.2%         |
| Approaching Basic | 76                            | 23.8%         | 71                  | 22.3%         | 108             | 34.0%         | 52                     | 16.4%         |
| Unsatisfactory    | 29                            | 9.1%          | 96                  | 29.9%         | 44              | 13.8%         | 19                     | 6.0%          |
| <b>Total</b>      | <b>319</b>                    | <b>100.0%</b> | <b>319</b>          | <b>100.0%</b> | <b>318</b>      | <b>100.0%</b> | <b>318</b>             | <b>100.0%</b> |

| Students          | English Language Arts<br>2009 |               | Mathematics<br>2009 |               |
|-------------------|-------------------------------|---------------|---------------------|---------------|
|                   | Number                        | Percent       | Number              | Percent       |
| Grade 9           |                               |               |                     |               |
| Advanced          | 2                             | 0.7%          | 13                  | 4.5%          |
| Mastery           | 26                            | 9.0%          | 39                  | 13.4%         |
| Basic             | 154                           | 53.5%         | 129                 | 44.5%         |
| Approaching Basic | 81                            | 28.1%         | 53                  | 18.3%         |
| Unsatisfactory    | 25                            | 8.7%          | 96                  | 33.3%         |
| <b>Total</b>      | <b>288</b>                    | <b>100.0%</b> | <b>290</b>          | <b>100.0%</b> |