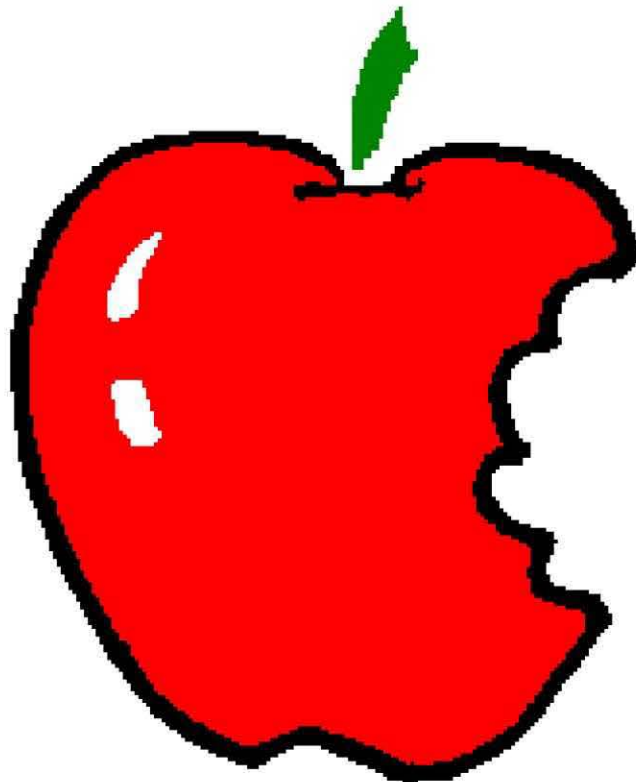


Lincoln Parish School Board

Ruston, Louisiana



Comprehensive Annual Financial Report

As of and for the year ended June 30, 2018

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2018

Mr. Joe E. Mitcham, Jr.
President

Mr. Mike Milstead
Superintendent

Prepared by the Department of Finance
Mr. George Murphy
Chief Financial Officer

**Lincoln Parish School Board
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INTRODUCTORY SECTION

Lincoln Parish School Board

Mike Milstead
Superintendent

Joe E. Mitcham, Jr.
President

410 South Farmerville Street
Ruston, Louisiana 71270-4699
Phone: 318-255-1430
Fax: 318-255-3203
Website: www.lincolnschools.org



December 28, 2018

Mr. Joe E. Mitcham, Jr., President,
Members of the Lincoln
Parish School Board
And Citizens of Lincoln Parish
Ruston, Louisiana

In accordance with the laws of the state of Louisiana, the Comprehensive Annual Financial Report of the Lincoln Parish School Board is hereby issued for the year ended June 30, 2018. This report consists of management's representations concerning the finances of the Lincoln Parish School Board. Consequently, management assumes full responsibility for the completeness and reliability of all the information provided in this report.

To provide a reasonable basis for making these representations, management has 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 Lincoln Parish School Board's financial statements. Because the costs of internal controls should not outweigh their benefits, the Lincoln 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 believe this report is accurate in all material respects, and is presented in a manner that fairly sets forth the results of operations and financial position of the Lincoln Parish School Board as of and for the year ended June 30, 2018. This report was prepared in accordance with generally accepted accounting principles (GAAP) as established by the Governmental Accounting Standards Board (GASB) of the Financial Accounting Foundation. The Governmental Accounting Standards Board is the standard-setting body for establishing governmental accounting and financial reporting standards in the United States of America.

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

The independent audit of the financial statements of the School Board was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. This year the School Board met the requirements for having a single audit conducted in accordance with The Single Audit Act Amendment of 1996 and the Uniform Guidance. 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 School Board's separately issued Single Audit Report.

GASB requires management to 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 the MD&A and should be read in conjunction with it. The School Board's MD&A can be found immediately following the report of the independent auditor in the financial section of this report.

Reporting Entity

The School Board is authorized by LSA-R.S. 17:81 to establish policies and procedures 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. Although created as a political subdivision of the State, the School Board legally stands on its own, is fiscally independent, and the citizens elect the governing body who is accountable for the financial activities of the Lincoln Parish School Board. Therefore, it is considered a primary government under the provision of Governmental Accounting Standards Board Statements. The School Board has no component units nor is it a component unit of any other entity. All funds and activities of the Lincoln Parish School Board are included in this annual report.

The Lincoln Parish School Board serves approximately 5,888 students as of February 1, 2018, employs 818 full time employees, and offers a full range of educational services for students from pre-kindergarten through twelfth grade, including regular and special education services for the disabled, vocational education, and alternative education programs, in addition to auxiliary services such as student transportation and food service. These services are provided through the Central Office and its twelve school sites housed throughout the parish. The School Board also provides financial support for education to four university lab schools and one home for neglected and delinquent students adjudicated by the state. To learn more about the Lincoln Parish School Board, visit our web site at www.lincolnschools.org.

Comprehensive Annual Financial Report Sections

This Comprehensive Annual Financial Report (CAFR) consists of three sections: the *introductory section*, the *financial section*, and the *statistical section*.

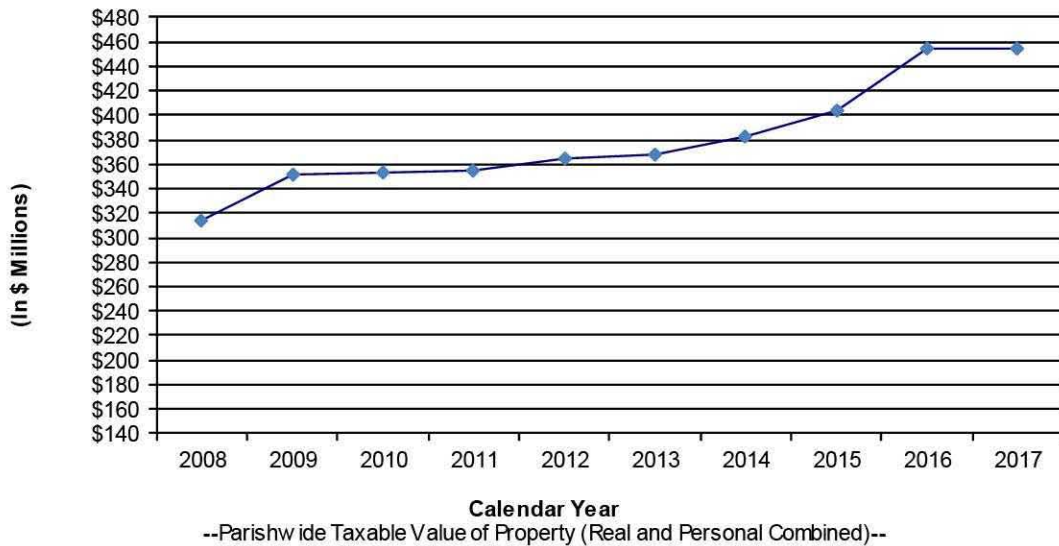
- The *introductory section* is the first major section of the CAFR. It introduces the reader to the CAFR and provides an overview of the annual report. It includes the title page, table of contents, this letter of transmittal, awards for financial reporting, teacher-of-the-year awards, organization chart, and list of elected officials and administrative officials.
- The *financial section* consists of the independent auditor's report, management's discussion and analysis, the basic financial statements, required supplementary information, and combining schedules. The basic financial statements include the following: government-wide financial statements, fund financial statements, and the notes to the financial statements.
- The *statistical section* is the last section in the CAFR. It includes comparative data over a ten-year period in addition to other demographic information. This information is prepared from both accounting and non-accounting sources for the purpose of reflecting financial trends and fiscal capacity of the School Board, as well as other social and economic information.

Economic Condition and Outlook

Lincoln Parish is located in the north-central region of the state of Louisiana at the crossroads of U. S. Highway 167 which runs North and South and U.S. Interstate 20 which runs East and West. It has a land area of 472 square miles which is situated between the two largest metropolitan cities in North Louisiana: the City of Shreveport approximately 60 miles to the west and the City of Monroe approximately 32 miles to the east. Lincoln Parish is also within the same proximity to Dallas, Texas; Little Rock, Arkansas; and Jackson, Mississippi. Lincoln Parish is considered one of the most business-friendly locations in the South. Lincoln Parish boasts a well-rounded economy based on education, natural resources, retail and service, transportation, manufacturing, agriculture and banking and financial services. The economy in Lincoln Parish is firmly rooted in education with two major universities, Louisiana Tech and Grambling State, two of the largest employers in the area, a strong K-12 public education program, and four private schools. Grambling State University maintains an enrollment of approximately 5,188 students and Louisiana Tech University has a student enrollment of 12,314⁶. With a population of 46,735 the citizens in Lincoln Parish enjoy all the benefits offered by life in a prosperous, smaller, family-oriented community, without big-city hassles. If a need does arise, however, proximity to metropolitan areas allows area citizens big city convenience at a moment's notice without sacrificing the safety and security of a non-urban lifestyle.¹ These are the qualities that continue to spur the prosperous economic growth in Lincoln Parish.

The growth and stability of the economy in Lincoln Parish is evidenced by several statistical factors. The growth in both the property tax base² and sales tax base³ over the past ten years have been slow and steady.

Property Tax Base Previous 10-Year Period



The property tax base in Lincoln is expected to continue the steady growth trend seen over the last ten years. Future growth will be enhanced by the continued development of the Squire Creek subdivision and country club in the northeast section of the parish. This exclusive subdivision provides for future growth of over 300 home sites situated around a professionally designed golf course and country club.

Like property values, the sales tax base in Lincoln Parish shows steady growth over the last 10 years. There was a noted increase in sales tax collections of 15% during the past ten years. Lincoln parish is gearing up for future economic development with the four-lane expansion of state Highway 167 which runs north and south through the

parish from Alexandria, Louisiana to El Dorado, Arkansas. A 125-acre parcel of land has been purchased to construct the theater, national restaurant chains and a strip mall. This project has been regarded as one of the largest single commercial developments ever attempted in Ruston, Louisiana. It is estimated this project will provide about 300 permanent jobs in the area.

Lincoln Parish School Board has buildings currently in use that were constructed from 1937 to the present. From time to time over the years, voters have approved construction and renovation projects in the districts and this has helped us maintain our facilities in excellent condition. Most recently, the voters in the Ruston District approved \$21 million in 2013. This construction and renovation was completed in 2017.

The Lincoln Prep School opened in August 2016. It is a type 2 charter school operating in Lincoln Parish. As of February 1, 2018 the school had 423 enrolled students and 268 were from Lincoln Parish.

Accounting System and Budgetary Control

An explanation of the School Board's accounting and budgetary policies are contained in the notes to the financial statements. Explained in detail are the basis of accounting, fund structure and other significant information regarding accounting and budgetary policies. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the School Board. Activities of the general fund and special revenue funds are included in the annual appropriated budget. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriate amount) is established by function within an individual fund. Management is responsible for review of the budget and making adjustments as needed by prior authority granted from the School Board. All budget amendments must be presented to the School Board for approval.

Major Initiatives Undertaken by the School Board

The Ruston District approved a \$21 million capital improvement program and construction was completed in 2017. A five-year capital improvements plan was approved by the School Board in September 2017.

Internal Control

The Lincoln Parish School Board has established and maintained internal control over financial information and compliance with applicable laws and regulations. Our staff has adequate education and experience to process financial transactions and record information accurately. Feedback received through various audits is used to enhance our internal control.

Long Term Financial Planning

Effort in State Funding. The School Board's effort ranking is 18th according to the state MFP for fiscal year 2017-2018. The following is a chart which shows the changes in local revenues over the past three years and the local revenue per pupil compared to the state average. Lincoln's local revenue per pupil is consistently higher than the overall state's average of local revenues.

<u>Fiscal Year</u>	<u>Total Pupils Served</u>	<u>Total Local Tax Revenues</u>	<u>Lincoln Parish Local Revenue Per Pupil</u>	<u>State Average Local Revenue Per Pupil⁴</u>
2015-16	6,488	\$40,301,739	\$6,212	\$3,734
2016-17	5,989	39,121,512	6,532	3,961
2017-18	5,888	39,533,943	6,714	3,961

School Board Meets Required Percent of Instruction. The MFP requires each school system in Louisiana to spend a minimum of 70% of total actual expenditures in the area of instruction. Lincoln Parish continues to meet this requirement as in years past, as well as exceed the state’s average expenditures for instruction.

District Report Card Lincoln Parish School Board received a District Performance Score of 100, A for the 2016-2017 schoolyear ⁵. Lincoln Parish School Board compared favorably with the State of Louisiana on the following indicators on the report:

<u>Indicator</u>	<u>LPSB</u>	<u>State</u>
Grades 3-8 Assessments Index	75%	74%
End of Course Exams Assessment	90%	73%
2017 Dropout Accumulation Index	145%	136%
Assessment Index ACT	96.2%	87.5%
Assessment Index End-of-Course Exams	89.9%	73.2%
Strength of Diploma	104.7%	88.1%
Cohort Graduation Rate Index	131.4%	104.0%
Cohort Graduation Rate	90.7%	77.0%
2017 Progress Points	10%	5%

GFOA Certificate of Achievement



The Government Finance Officers Association of the United States and Canada (GFOA) has awarded the Lincoln Parish School Board its *Certificate of Achievement for Excellence in Financial Reporting*. This is a prestigious national award recognizing conformance with the highest standards for preparation of state and local Comprehensive Annual Financial Reports. This award certifies that the Comprehensive Annual Financial Report for the fiscal year ended June 30, 2017, substantially conforms to the principles and standards of financial reporting as recommended and adopted by GFOA. In order to be awarded a certificate of achievement, a governmental unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements. A certificate of achievement is valid for a period of one year only. The School Board has been awarded this Certificate of Achievement for the Comprehensive Annual Financial Report for the year ended June 30, 1995, and each year thereafter.

ASBO Certificate of Excellence



The Lincoln Parish School Board has received the Association of School Business Officials International (ASBO) *Certificate of Excellence in Financial Reporting*. This award certifies that the Comprehensive Annual Financial Report for the fiscal year ended June 30, 2017, substantially conforms to the principles and standards of financial reporting as recommended and adopted by the Association of School Business Officials International. The award is granted only after an intensive review of financial reports by an expert panel of certified public accountants and practicing school business officials. The Lincoln Parish School Board has consecutively received this award for each Comprehensive Annual Financial Report prepared and submitted since June 30, 1994.

We believe the Comprehensive Annual Financial Report for the fiscal year ended June 30, 2018, which will be submitted to GFOA and ASBO for review, continues to conform to the principles and standards of each organization.

Acknowledgments

It is our desire that this report contain the necessary information and data which will provide a better understanding of the operations of the school system. It is further hoped that this report has been designed in a manner to be used as an administrative tool and general source of information so as to enhance our accountability to the public. We would like to take this opportunity to express our sincere appreciation to the staff of the business department whose extraordinary efforts contributed to the publication of this report.

Respectfully submitted,



Mr. Mike Milstead
Superintendent

Respectfully submitted,



Mr. George Murphy
Business Manager

-
1. Lincoln Parish information source: Ruston-Lincoln Chamber of Commerce (<http://www.rustonlincoln.org>)
 2. Property tax base statistical data source: Lincoln Parish Tax Assessor's Annual Recapitulation Reports
 3. Sales tax base statistical data source: Lincoln Sales & Use Tax Commission monthly distribution reports. Fiscal year parish-wide collections were divided by the parish-wide sales tax rate to arrive at parish-wide gross sales for the fiscal year.
 4. Source of state average local revenue per student: Louisiana Department of Education, Minimum Foundation Program annual budget letters.
 5. Source of District Report Cards: Louisiana Department of Education, School & District Report Cards.
 6. Obtained from Grambling State University and Louisiana Tech University websites.



Government Finance Officers Association

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

Presented to

**Lincoln Parish School Board
Louisiana**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2017

Christopher P. Morrill

Executive Director/CEO

Lincoln Parish School Board

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**ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL**

**The Certificate of Excellence in Financial Reporting
is presented to**

Lincoln Parish School Board

**for its Comprehensive Annual Financial Report (CAFR)
for the Fiscal Year Ended June 30, 2017.**

The CAFR has been reviewed and met or exceeded
ASBO International's Certificate of Excellence standards.



A handwritten signature in black ink that reads 'Charles E. Peterson, Jr.' The signature is written in a cursive style.

Charles E. Peterson, Jr., SFO, RSBA, MBA
President

A handwritten signature in black ink that reads 'John D. Musso'. The signature is written in a cursive style.

John D. Musso, CAE
Executive Director

Lincoln Parish School Board

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Lincoln Parish School Board
Ruston, Louisiana

TEACHERS-OF-THE-YEAR AWARDS
2017-2018

SCHOOL	TEACHER
<u>EARLY GRADES</u>	
Choudrant Elementary	Candi Perkins
Dubach School	N/A
Glen View Elementary	Ralee Smith
Hillcrest Elementary	Meredith Sanders
Lincoln Parish ECC	Dionna LeBlanc
Simsboro School	Holly Freeling
A.E. Phillips School	Paige Harvey

ELEMENTARY SCHOOL

Choudrant Elementary	Justin White
Cypress Springs Elementary	Missi DeRamus
Dubach School	Kimberly Franks
Ruston Elementary School	Sunny Mitchell
Simsboro School	Karla Doss
A.E. Phillips School	Stephanie Whitten

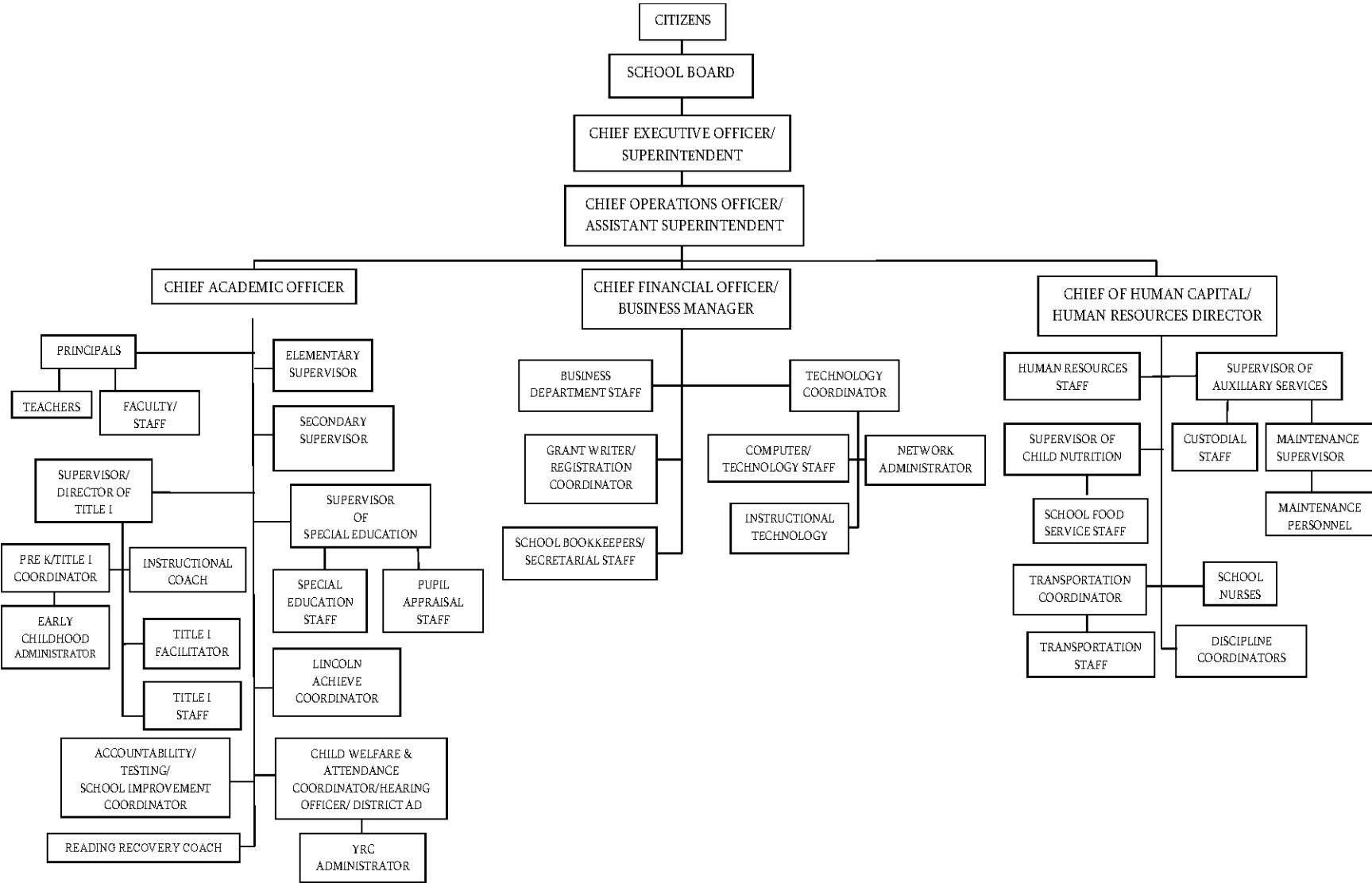
JUNIOR HIGH SCHOOL

Choudrant Elementary	Augustine Moore
Choudrant High School	Courtney Wade
I.A. Lewis School	Rose Kebe
Ruston Junior High School	Roxanne Holton
Simsboro High School	Lacey Holcomb
A.E. Phillips School	Lindsay Heard

HIGH SCHOOL

Choudrant High School	Chris Cavin
Ruston High School	Jamie Gressett
Simsboro High School	Mark Alexander

**Lincoln Parish School Board
Ruston, Louisiana**



**Lincoln Parish School Board
Ruston, Louisiana**

**Elected Officials
June 30, 2018**

Joe E. Mitcham, Jr., President

Lynda Henderson, Vice-President

Deborah Abrahm

David Ferguson

Otha Anders

Danny Hancock

Michael Barmore

Alexander T. Hunt

Lisa A. Best

George Mack, Jr

Curtis Dowling

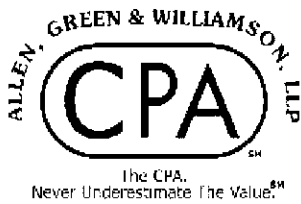
Susan Wiley

**Lincoln Parish School Board
Ruston, Louisiana**

**Administrative Officials
June 30, 2018**

Mike Milstead	Superintendent
Lisa Bastion	Assistant Superintendent and Chief Academic Officer
Doris Lewis	Chief of Human Capital/Human Resources Director
Ricky Edmiston	Director of Auxiliary Services
George Murphy	Chief Financial Officer
Lisa Wilmore	Supervisor: Secondary and Vocational Programs
Ashley Brown	Supervisor: Special Education
Becky Stutzman	Coordinator: Pupil Appraisal Services
Kim Shackelford	Supervisor: Title I Programs
Betty Fowler	Supervisor: School Food Services
Tim Nutt	Coordinator: Child Welfare and Attendance and Truancy, Athletic Director
Debbie Pender	Coordinator: Technology Services
Cathi Cox	Coordinator: Project ACHIEVE
Lillie Williams-Hearn	Coordinator: Accountability, Testing and School Improvement
Lisa Mangum	Supervisor: Elementary
Rik Cason	Coordinator: Transportation

FINANCIAL SECTION



ALLEN, GREEN & WILLIAMSON, LLP

CERTIFIED PUBLIC ACCOUNTANTS

P. O. Box 6075

Monroe, LA 71211-6075

2441 Tower Drive

Monroe, LA 71201

Telephone: (318) 388-4422

Fax: (318) 388-4664

Toll-free: (888) 741-0205

Partners: Tim Green, CPA
Amy Tynes, CPA, CFE
Aimee Buchanan, CPA
Nicia Bamburg, CPA, CFE
Principal: Cindy Thomason, CPA

Sandra Harper, CPA
Jennie Henry, CPA
Mallory Stone, CPA
Audit Manager: Margie Williamson, CPA

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

Independent Auditor's Report

Board Members
Lincoln Parish School Board
Ruston, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Lincoln Parish School Board, as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the School Board's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the School Board, as of June 30, 2018, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Schedule of Changes in the Total OPEB Liability and Related Ratios, Schedule of Proportionate Share of the Net Pension Liability, Schedule of Employer Contributions to Pension Plans, the Budgetary Comparison Schedules, and the notes to the required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Lincoln Parish School Board's basic financial statements. The accompanying supplementary information, as listed in the table of contents, and the other information such as the introductory and statistical sections, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The accompanying supplementary information, as listed in the table of contents, is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information, as listed in the table of contents, is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The accompanying other information, listed as the introductory and statistical sections in the table of contents, has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report, under separate cover, dated December 28, 2018 on our consideration of Lincoln Parish 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 solely 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 effectiveness of the Lincoln Parish School Board's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School Board's internal control over financial reporting and compliance.

Allen, Green + Williamson, LLP

ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana
December 28, 2018

REQUIRED SUPPLEMENTARY INFORMATION

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

Lincoln Parish School Board
Management's Discussion and Analysis (MD&A)
June 30, 2018

Our discussion and analysis of Lincoln Parish School Board's financial performance provides an overview of the School Board's financial activities for the fiscal year ended June 30, 2018. Certain comparative information between the current year and the prior year is required to be presented in the MD&A. Please read it in conjunction with the School Board's financial statements which follow this Management's Discussion and Analysis.

In fiscal year 2018, the School Board adopted the following new statement of financial accounting standards issued by the Governmental Accounting Standards Board:

- *Statement No. 75 – Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*, issued by the Government Accounting Standards Board. This Statement addresses accounting and financial reporting of OPEB that is provided to the employees of state and local governmental employers and establishes standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures. For defined benefit OPEB, this Statement identifies the methods and assumptions that are required to be used to project benefit payments, discount projected benefit payments to the actuarial present value, and attribute that present value to periods of employee service. Note disclosure and required supplementary information requirements about defined benefit OPEB also are addressed. This Statement replaces the requirements of Statements No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, as amended, and No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans*, for OPEB.

The adoption of Statement No. 75 has no impact on the School Board's governmental fund financial statements, which continue to report expenditures on a pay-as-you-go basis. However, the adoption has resulted in the restatement of the School Board's 2017 government-wide financial statements to reflect the reporting of total OPEB liability in accordance with the provisions of the Statement. Net position as of July 1, 2017 was decreased by \$53,245,472 reflecting the cumulative retrospective effect of adoption.

- *Statement No. 85 – Omnibus 2017*, issued by the Government Accounting Standards Board. This Statement is to address practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics including issues related to fair value measurement, and application, and postemployment benefits for both pensions and other postemployment benefits (OPEB).
- *Statement No. 86 – Certain Debt Extinguishment Issues*, issued by the Government Accounting Standards Board. This Statement is to improve consistency in accounting and financial reporting for in-substance defeasance of debt by providing guidance for transactions in which cash and other monetary assets acquired with only existing resources, resources other than the proceeds of refunding debt, are placed in an irrevocable trust.

The adoption of Statements No. 85 and 86 had no impact on the government-wide or the governmental fund financial statements, but provide for additional guidance, clarification and/or additional disclosures in the notes to the financial statements.

FINANCIAL HIGHLIGHTS The primary resources available to the School Board are local revenues which are primarily tax receipts, state revenues which are primarily minimum foundation funding and cost reimbursement grants, and federal revenues which are primarily cost reimbursement grants.

Total revenues for all governmental activities decreased \$372,277 due mainly to a decrease in State equalization of \$2,957,705 which was offset by an increase in sales tax of \$550,923 and an increase of other general revenues of \$2,253,394. Total expenses of our governmental activities decreased \$4,551,532 due primarily to decreases in

**Lincoln Parish School Board
Management's Discussion and Analysis (MD&A)
June 30, 2018**

Instruction regular programs of \$2,080,817, Instruction special programs of \$642,512 and Support services Instructional staff support of \$596,712. Also the OPEB entry increased expenses by \$4.4 million and the pension entry decreased expenses by \$3.4 million.

USING THIS ANNUAL REPORT The School Board's annual report consists of a series of financial statements that show information for the School Board as a whole, its funds, and its fiduciary responsibilities. The Statement of Net Position and the Statement of Activities provide information about the activities of the School Board as a whole and present a longer-term view of the School Board's finances. Our fund financial statements are included later in this report. For our governmental activities, these statements tell how we financed our services in the short-term as well as what remains for future spending. Fund financial statements also may give you some insights into the School Board's overall financial health. Fund financial statements also report the School Board's operations in more detail than the government-wide financial statements by providing information about the School Board's most significant funds, the General Fund, Title I special revenue fund and 2000 Ad Valorem special revenue fund. The remaining statement - the Statement of Fiduciary Assets and Liabilities presents financial information about activities for which the School Board acts solely as an agent for the benefit of students and parents.

Comprehensive Annual Financial Report
<u>Introductory Section</u> Transmittal Letter Certificates of Excellence in Financial Reporting Organization Chart Elected Officials and Selected Administrative Officers
<u>Financial Section</u> (Details outlined in the next chart)
<u>Statistical Section</u> Financial Trends Revenue Capacity Debt Capacity Demographic and Economic Information Operating Information

Required Supplementary Information
Management's Discussion & Analysis (MD&A)

Basic Financial Statements

**Government-wide
Financial Statements**

**Fund
Financial Statements**

Notes to the Basic Financial Statements

**Lincoln Parish School Board
Management's Discussion and Analysis (MD&A)
June 30, 2018**

Required Supplementary Information

**Schedule of Changes in the Total OPEB Liability and Related Ratios
Schedule of Proportionate Share of the Net Pension Liability
Schedule of Employer Contributions to Pension Plans
Budgetary Information for Major Funds**

Supplementary Information

**General Fund Accounts
Nonmajor Funds Combining Statements
Agency Funds Statements/Schedules
Schedule of Compensation Paid Board Members
Schedule of Compensation, Benefits and Other Payments to Agency Head**

Our auditor has provided assurance in the independent auditor's report, located immediately preceding this Management's Discussion and Analysis, that the Basic Financial Statements are fairly stated. Varying degrees of assurance is being provided by the auditor regarding the Required Supplementary Information and the Supplementary Information identified above. A user of this report should read the independent auditor's report carefully to ascertain the level of assurance being provided for each of the other parts in the Financial Section.

Reporting the School Board as a Whole

The Statement of Net Position and the Statement of Activities

Our analysis of the School Board as a whole begins with the government-wide financial statements. One of the most important questions asked about the School Board is, "Is the School Board as a whole better off or worse off financially as a result of the year's activities?" The Statement of Net Position and the Statement of Activities, which appear first in the School Board's financial statements, report information on the School Board as a whole and its activities in a way that helps you answer this question. We prepare these statements to include all assets, liabilities and deferred inflows/outflows of resources, using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the School Board's net position - the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources, as reported in the Statement of Net Position - as one way to measure the School Board's financial health, or financial position. Over time, increases or decreases in the School Board's net position - as reported in the Statement of Activities - are one indicator of whether its financial health is improving or deteriorating. The relationship between revenues and expenses is the School Board's operating results. However, the School Board's goal is to provide services to our students, not to generate profits as commercial entities do. One must consider many other nonfinancial factors, such as the quality of the education provided and the safety of the schools to assess the overall health of the School Board.

The Statement of Net Position and Statement of Activities report the following activity for the School Board:

Governmental activities - All of the School Board's services are reported here, including instruction, plant services, transportation, and food services. Property taxes, sales taxes, Minimum Foundation Program funds, and state and federal grants finance most of these activities.

Lincoln Parish School Board
Management's Discussion and Analysis (MD&A)
June 30, 2018

Reporting the School Board's Most Significant Funds

Fund Financial Statements

The School Board's fund financial statements provide detailed information about the most significant funds - not the School Board as a whole. Some funds are required to be established by State law and by bond covenants. However, the School Board establishes many other funds to help it control and manage money for particular purposes (like the school lunch) or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money (like grants the School Board receives from the U.S. Department of Education). The School Board's governmental funds use the following accounting approach:

Governmental Funds - All of the School Board's services are reported in governmental funds. Governmental fund reporting focuses on showing how money flows into and out of funds and the balances left at year-end that are available for spending. They are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the School Board's operations and the services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the School Board's programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in the reconciliation on Statements D and F.

Proprietary Funds - When the School Board charges customers for the services it provides – whether to outside customers or to other units of the School Board – these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Activities. The School Board uses internal service funds (the other component of proprietary funds) to report activities that provide supplies and services for the School Board's other programs and activities – the employee group health fund.

The School Board as Trustee

Reporting the School Board's Fiduciary Responsibilities

The School Board is the trustee, or fiduciary, for its student activities funds. All of the School Board's fiduciary activities are reported in the Statements of Fiduciary Assets and Liabilities. We exclude these activities from the School Board's other financial statements because the School Board cannot use these assets to finance its operations. The School Board is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

Lincoln Parish School Board
Management's Discussion and Analysis (MD&A)
June 30, 2018

THE SCHOOL BOARD AS A WHOLE The School Board's net position was a deficit of \$(124,431,023) at June 30, 2018. Of this amount (\$167,155,292) was unrestricted. Restricted net position are reported separately to show legal constraints from debt covenants and enabling legislation that limit the School Board's ability to use those net position for day-to-day operations. Our analysis below focuses on the net position, (Table 1) and the change in net position (Table 2) of the School Board's governmental activities.

Table 1
Net Position
June 30,

	<u>Governmental Activities</u>		
	<u>2018</u>	<u>2017</u>	<u>Variance</u>
Other assets	\$ 61,388,889	\$ 64,214,304	\$ (2,825,415)
Capital assets	76,906,435	79,336,002	(2,429,567)
Total assets	<u>138,295,324</u>	<u>143,550,306</u>	<u>(5,254,982)</u>
Deferred outflows of resources	<u>15,726,235</u>	<u>23,060,968</u>	<u>(7,334,733)</u>
Other liabilities	8,205,321	7,945,704	259,617
Long-term liabilities	257,567,839	222,038,099	35,529,740
Total liabilities	<u>265,773,160</u>	<u>229,983,803</u>	<u>35,789,357</u>
Deferred inflows of resources	<u>12,679,422</u>	<u>4,998,010</u>	<u>7,681,412</u>
Net position			
Net investment in capital assets	20,757,280	20,760,858	(3,578)
Restricted	21,966,989	20,490,861	1,476,128
Unrestricted	<u>(167,155,292)</u>	<u>(109,622,258)</u>	<u>(57,533,034)</u>
Total net position	<u><u>\$ (124,431,023)</u></u>	<u><u>\$ (68,370,539)</u></u>	<u><u>\$ (56,060,484)</u></u>

The \$(167,155,292) in unrestricted net position of governmental activities represents accumulated results of all past year's operations. It means that if the School Board had to pay off all of its bills today including all of its non-capital liabilities such as compensated absences, there would be a deficit of \$167,155,292. The net position of the School Board had a decrease of \$2,815,012 for the year, which is due primarily to a decrease in total assets and deferred outflow of resources and an increase in total liabilities and deferred inflows of resources.

The results of this year's operations for the School Board as a whole are reported in the Statement of Activities. Table 2 on the following page, takes the information from that statement and rearranges it slightly so that readers can see total revenues for the year.

Lincoln Parish School Board
Management's Discussion and Analysis (MD&A)
June 30, 2018

Table 2
Statement of Activities
For the Years Ended June 30,

	<u>Governmental Activities</u>		
	<u>2018</u>	<u>2017</u>	<u>Variance</u>
Revenues:			
Program revenues			
Charges for services	\$ 110,469	\$ 104,455	\$ 6,014
Operating grants and contributions	8,576,786	8,663,197	(86,411)
General Revenues			
Ad valorem taxes	19,767,276	19,905,768	(138,492)
Sales taxes	19,766,667	19,215,744	550,923
State equalization	28,167,643	31,125,348	(2,957,705)
Other general revenues	3,917,804	1,664,410	2,253,394
Total revenues	<u>80,306,645</u>	<u>80,678,922</u>	<u>(372,277)</u>
Functions/Program Expenses:			
Instruction			
Regular programs	32,441,982	34,522,849	(2,080,867)
Special programs	9,664,182	10,306,694	(642,512)
Other instructional programs	6,417,769	6,859,185	(441,416)
Support services			
Student services	4,132,205	4,663,641	(531,436)
Instructional staff support	5,338,573	5,935,285	(596,712)
General administration	2,215,037	1,872,977	342,060
School administration	4,856,223	5,146,860	(290,637)
Business services	962,695	988,405	(25,710)
Plant services	6,726,152	6,332,191	393,961
Student transportation services	4,188,198	4,412,274	(224,076)
Central services	494,850	514,685	(19,835)
Food Services	4,133,028	4,451,103	(318,075)
Community Service Programs	117,721	126,702	(8,981)
Interest on long-term debt	1,433,042	1,540,338	(107,296)
Total expenses	<u>83,121,657</u>	<u>87,673,189</u>	<u>(4,551,532)</u>
Increase (decrease) in net position	<u>(2,815,012)</u>	<u>(6,994,267)</u>	<u>4,179,255</u>
Net Position – beginning	(68,370,539)	(61,376,272)	(6,994,267)
Prior period adjustment	(53,245,472)	-	(53,245,472)
Net Position – beginning, restated	<u>(121,616,011)</u>	<u>(61,376,272)</u>	<u>(60,239,739)</u>
Net Position – ending	<u>\$ (124,431,023)</u>	<u>\$ (68,370,539)</u>	<u>\$ (56,060,484)</u>

Lincoln Parish School Board
Management's Discussion and Analysis (MD&A)
June 30, 2018

Governmental activities - As reported in the Statement of Activities, the cost of all governmental activities this year was \$83,121,657. The cost was paid by those who benefited from the programs (\$110,469) or by other governments and organizations who subsidized certain programs with grants and contributions (\$8,576,786). The School Board paid for the remaining "public benefit" portion of its governmental activities with \$39,533,943 in property and sales taxes, \$28,167,643 in Minimum Foundation Program State funds, and with other revenues such as interest and other local sources.

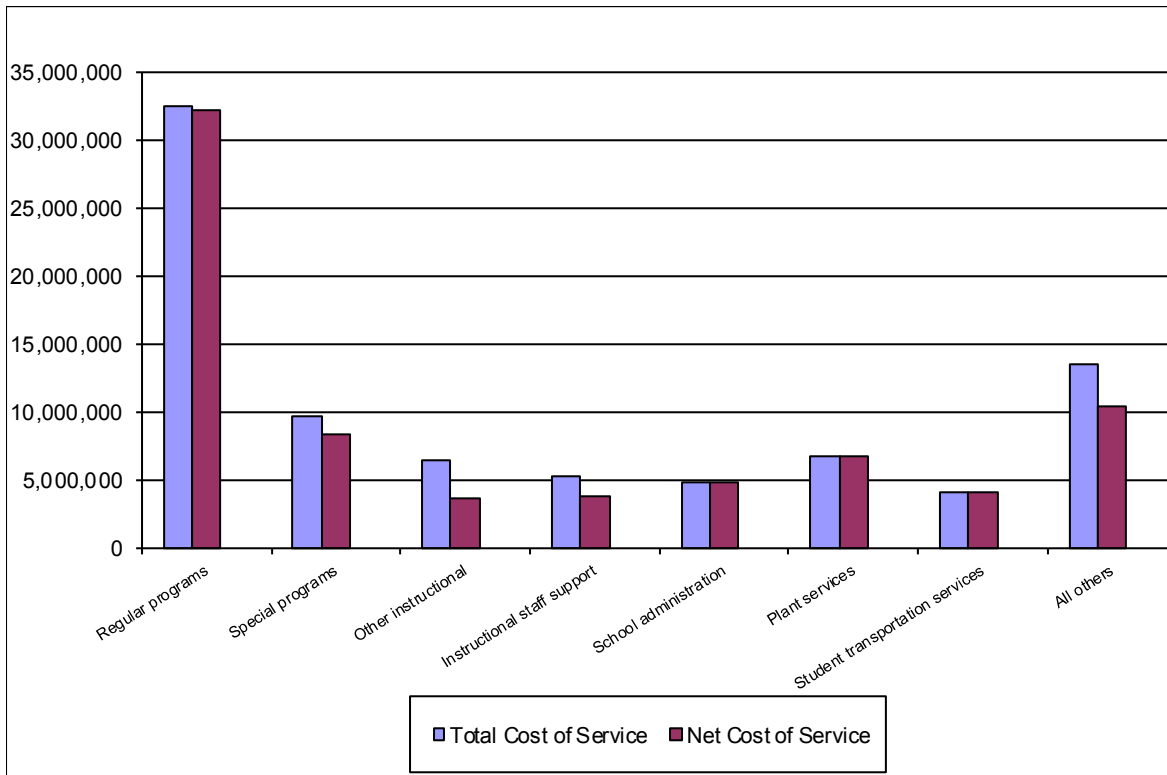
In the table below, we have presented the cost of each of the School Board's seven largest functions: regular programs, special programs, other instructional programs, instructional staff support, school administration, plant services, and student transportation services as well as each program's net cost (total cost less revenues generated by the activities). Net cost shows the financial burden that was placed on the School Board's taxpayers by each of these functions. Providing this information allows our citizens to consider the cost of each function in comparison to the benefits they believe are provided by that function.

Table 3
For the Years Ended June 30,
Governmental Activities

	<u>Total Cost of Services</u>		<u>Net Cost of Services</u>	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
Regular programs	\$ 32,441,982	\$ 34,522,849	\$ 32,218,006	\$ 34,131,300
Special programs	9,664,182	10,306,694	8,465,809	9,067,700
Other instructional programs	6,417,769	6,859,185	3,764,809	4,246,079
Instructional staff support	5,338,573	5,935,285	3,838,559	4,610,900
School administration	4,856,223	5,146,860	4,852,247	5,138,260
Plant services	6,726,152	6,332,191	6,717,119	6,324,635
Student transportation services	4,188,198	4,412,274	4,175,971	4,396,359
All others	13,488,578	14,157,851	10,401,882	10,990,304
Totals	<u>\$ 83,121,657</u>	<u>\$ 87,673,189</u>	<u>\$ 74,434,402</u>	<u>\$ 78,905,537</u>

**Lincoln Parish School Board
Management's Discussion and Analysis (MD&A)
June 30, 2018**

**Total Cost of Services
Versus
Net Cost of Services
For the Year Ended June 30, 2018**



THE SCHOOL BOARD'S FUNDS As we noted earlier, the School Board uses funds to help it control and manage money for particular purposes. Analyzing the funds is a factor in determining whether the School Board is being accountable for the resources taxpayers and others provide to it but may also give more insight into the School Board's overall financial health. The fund balance of the General Fund decreased \$4,814,267. The main reason for the decrease in fund balance of the general fund is due primarily to a transfer to the Parishwide Capital Projects Fund.

The Title I fund is a cost reimbursement fund and does not carry a fund balance.

The fund balance of the 2000 Ad Valorem fund decreased \$64,214. This fund provides a supplement to all board hired employees, technology funding, premiums for healthcare to retired employees and other operational funding.

The fund balance of the nonmajor governmental funds increased \$2,839,618 which was due mainly due to transfers in and insurance proceeds.

Lincoln Parish School Board
Management's Discussion and Analysis (MD&A)
June 30, 2018

GENERAL FUND BUDGETARY HIGHLIGHTS As mentioned earlier the School Board revises its budget as it attempts to deal with unexpected changes in revenues and expenditures. (A schedule showing the School Board's original and final budgets compared with actual results is provided in the required supplemental information section of this report.) Over the course of the year, the School Board revised the annual operating budgets only once. At the time the beginning budget for the fiscal year was approved by the School Board, management was given authorization to make amendments to the budget throughout the fiscal year and to bring all amendments before the Board at year-end for approval. Therefore, actual revenues and expenditures for the year are in line with final revised budgets approved by the School Board. Overall, actual revenues were more than budgeted revenues by \$1,399,075 while actual expenditures were more than expenditure projections by \$1,067,877. The reasons for the variations are due to state equalization payments increase and an increase in regular programs instruction. The variance in regular programs instruction is due to the local share withheld from the MFP that was not included in our budget.

In comparing the original budget and the final revised budget of the General Fund as shown in Exhibit 3, there are a few reasons for the significant changes between the original and final budget.

- Total revenues increased from the original budget by \$112,481 which included an increase in sales and use tax and an increase in other local sources which was offset by a decrease in state equalization payments.
- The original budget for expenditures was decreased by \$615,168 primarily due to decreases in regular program instruction.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At June 30, 2018, the School Board had \$76,906,435 invested in a broad range of capital assets, including land, buildings, improvements other than buildings, furniture and equipment, and transportation equipment. This amount represents a net decrease (including additions, deductions, and depreciation) of \$2,429,567 or 3.1% from last year. This decrease is a result of depreciation expense exceeded current year capital asset additions, which included construction in progress.

Capital Assets (net of accumulated depreciation) at June 30, 2018

	Governmental Activities		
	2018	2017	Variance
Land	\$ 1,041,065	\$ 1,041,065	\$ -
Construction in progress	1,247,264	463,631	783,633
Buildings	71,585,995	74,756,321	(3,170,326)
Improvements other than buildings	51,806	70,187	(18,381)
Furniture and equipment	504,254	588,207	(83,953)
Transportation equipment	2,476,051	2,416,591	59,460
Totals	\$ 76,906,435	\$ 79,336,002	\$ (2,429,567)

More detail information regarding capital assets is included in Note 7 of the Notes to the Basic Financial Statements.

Lincoln Parish School Board
Management's Discussion and Analysis (MD&A)
June 30, 2018

Debt

At the end of the fiscal year, the School Board had \$56,657,000 in debt outstanding versus \$59,817,000 last year. The outstanding debts consisted of:

Outstanding Debt at June 30, 2018

	Governmental Activities		
	2018	2017	Variance
General Obligation (financed with property taxes)	\$ 45,005,000	\$ 48,165,000	\$ (3,160,000)
Qualify School Construction Bonds (financed with general revenues)	11,652,000	11,652,000	-
Total	\$ 56,657,000	\$ 59,817,000	\$ (3,160,000)

The Ruston School District #1 outstanding bonds currently have an AA- rating and the Simsboro School District #3 bonds have an AA- rating with Standard & Poor's. The state limits the amount of general obligation debt that can be issued to 33 percent of the assessed value of all taxable property within the School Board's corporate limits. The School Board's net bonded general obligation debt of \$42,710,876 (total General Obligation bond debt, net of premiums, \$45,915,404 less restricted fund balance in general obligation debt service funds of \$6,916,426 plus restricted fund balance associated with QSCB revenue bonds of \$3,711,898) is significantly below the \$169,213,004 statutory-imposed limit.

We present more detailed information about our long-term liabilities in Note 13 of the Notes to the Basic Financial Statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

More supplemental information is presented on the economic condition and outlook in Lincoln Parish in the transmittal letter in the introductory section of this report.

At the time these financial statements were prepared and audited, the School Board was aware of the following circumstances that could significantly have an impact on the present and future budgets of the Lincoln Parish School Board:

Health care costs are expected to increase annually over the next several years due to implementation of the Affordable Care Act. The school system operating costs will continue to increase with the growing need for more and better technology, the increasing demands for accountability, and the implementing of state and federal mandates with no additional funding to offset the associated new costs.

CONTACTING THE SCHOOL BOARD'S FINANCIAL MANAGEMENT Our financial report is designed to provide our citizens, taxpayers, parents, students, and investors and creditors with a general overview of the School Board's finances and to show the School Board's accountability for the money it receives. If you have questions about this report or wish to request additional financial information, contact Mr. George Murphy, Business Manager, at Lincoln Parish School Board, 410 S. Farmerville Street, Ruston, Louisiana 71270-4699, telephone number (318) 255-1430.

BASIC FINANCIAL STATEMENTS:
GOVERNMENT-WIDE
FINANCIAL STATEMENTS (GWFS)

LINCOLN PARISH SCHOOL BOARD

STATEMENT OF NET POSITION

June 30, 2018

Statement A

**GOVERNMENTAL
ACTIVITIES**

ASSETS	
Cash and cash equivalents	\$ 15,046,843
Investments	42,474,072
Receivables	3,740,435
Inventory	125,039
Other assets	2,500
Capital assets:	
Land and construction in progress	2,288,329
Depreciable assets, net of depreciation	74,618,106
	138,295,324
TOTAL ASSETS	138,295,324
DEFERRED OUTFLOWS OF RESOURCES	
Deferred charge on refunding	1,418,249
Deferred outflows related to OPEB	124,629
Deferred outflows related to pensions	14,183,357
	15,726,235
TOTAL DEFERRED OUTFLOWS OF RESOURCES	15,726,235
LIABILITIES	
Accounts, salaries and other payables	7,712,732
Unearned revenue	69,424
Interest payable	423,165
Long-term liabilities	
Due within one year	4,800,602
Due in more than one year	252,767,237
	265,773,160
TOTAL LIABILITIES	265,773,160
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows related to OPEB	2,392,072
Deferred inflows related to pensions	10,287,350
	12,679,422
TOTAL DEFERRED INFLOWS OF RESOURCES	12,679,422
NET POSITION	
Net investment in capital assets	20,757,280
Restricted for:	
Miscellaneous Grant Programs	236,139
School food service	851,896
Maintenance	831,642
Capital projects	1,305,138
Salary improvement	12,148,913
Debt service	6,493,261
Workers' compensation	100,000
Unrestricted	(167,155,292)
	(124,431,023)
TOTAL NET POSITION	\$ (124,431,023)

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

LINCOLN PARISH SCHOOL BOARD

STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2018

Statement B

FUNCTIONS/PROGRAMS	PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	
<i>Governmental activities:</i>				
Instruction:				
Regular programs	\$ 32,441,982	\$ -	\$ 223,976	\$ (32,218,006)
Special programs	9,664,182	-	1,198,373	(8,465,809)
Other instructional programs	6,417,769	-	2,652,960	(3,764,809)
Support services:				
Student services	4,132,205	-	229,518	(3,902,687)
Instructional staff support	5,338,573	-	1,500,014	(3,838,559)
General administration	2,215,037	-	255,944	(1,959,093)
School administration	4,856,223	-	3,976	(4,852,247)
Business services	962,695	-	86,435	(876,260)
Plant services	6,726,152	-	9,033	(6,717,119)
Student transportation services	4,188,198	-	12,227	(4,175,971)
Central services	494,850	-	-	(494,850)
Food services	4,133,028	110,469	2,404,330	(1,618,229)
Community service programs	117,721	-	-	(117,721)
Interest on long-term debt	1,433,042	-	-	(1,433,042)
Total Governmental Activities	\$ 83,121,657	\$ 110,469	\$ 8,576,786	\$ (74,434,402)

General revenues:

Taxes:

Property taxes	19,767,276
Sales taxes	19,766,667

Grants and contributions not restricted to specific programs

State revenue sharing	303,181
Minimum Foundation Program	28,167,643
Interest and investment earnings	671,474
Miscellaneous	2,943,149

Total general revenues 71,619,390

Changes in net position (2,815,012)

Net position - beginning, as originally stated (68,370,539)

Prior period adjustment (53,245,472)

Net position - beginning (121,616,011)

Net position - ending \$ (124,431,023)

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

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

LINCOLN PARISH SCHOOL BOARD

GOVERNMENTAL FUNDS
Balance Sheet
June 30, 2018

Statement C

	GENERAL	TITLE I	2000 AD VALOREM	NONMAJOR GOVERNMENTAL	TOTAL
ASSETS					
Cash and cash equivalents	\$ 5,177,835	\$ -	\$ 724,258	\$ 7,766,440	\$ 13,668,533
Investments	17,028,608	-	5,146,498	17,510,683	39,685,789
Receivables	1,014,619	975,734	7,930	1,742,152	3,740,435
Interfund receivables	1,440,014	-	-	-	1,440,014
Inventory	-	-	-	125,039	125,039
Other assets	-	-	-	2,500	2,500
TOTAL ASSETS	24,661,076	975,734	5,878,686	27,146,814	58,662,310
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts, salaries and other payables	6,260,936	238,609	10,996	909,728	7,420,269
Interfund payables	2,208	737,125	-	702,889	1,442,222
Unearned revenues	-	-	-	69,424	69,424
Total Liabilities	6,263,144	975,734	10,996	1,682,041	8,931,915
Fund Balances:					
Nonspendable	-	-	-	58,455	58,455
Restricted	2,787,025	-	2,933,845	16,569,284	22,290,154
Committed	3,993,612	-	2,933,845	8,837,034	15,764,491
Assigned	200,000	-	-	-	200,000
Unassigned	11,417,295	-	-	-	11,417,295
Total Fund Balances	18,397,932	-	5,867,690	25,464,773	49,730,395
TOTAL LIABILITIES AND FUND BALANCES	\$ 24,661,076	\$ 975,734	\$ 5,878,686	\$ 27,146,814	\$ 58,662,310

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

LINCOLN PARISH SCHOOL BOARD

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

Statement D

Total fund balances - governmental funds		\$ 49,730,395
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The cost of capital assets (land, buildings, furniture and equipment) purchased or constructed is reported as an expenditure in governmental funds. The Statement of Net Position includes those capital assets among the assets of the School Board as a whole. The cost of those capital assets is 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	\$ 141,577,666	
Accumulated depreciation	<u>(64,671,231)</u>	
		76,906,435

Net position of the internal service fund is reported as proprietary fund type in the fund financial statement but included as governmental activities in the government -wide financial statement.

Total net position		2,713,778
--------------------	--	-----------

Deferred outflows of resources are not available to pay current period expenditures and, therefore, are not reported in the governmental funds.

Deferred charges on refunding		1,418,249
Deferred outflows related to OPEB		124,629
Deferred outflows related to pensions		14,183,357

Deferred inflows of resources are not due and payable in the current period and accordingly are not reported in the fund financial statements.

Deferred inflows related to OPEB		(2,392,072)
Deferred inflows related to pensions		(10,287,350)

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 Position.

Balances at June 30, 2018 are:

Long-term liabilities		
Bonds premiums	(910,404)	
Bonds payable	(56,657,000)	
Compensated absences payable	(3,188,819)	
OPEB liability	(121,291,471)	
Net pension liability	(74,357,585)	
Interest payable	<u>(423,165)</u>	
		<u>(256,828,444)</u>

Net Position - Governmental Activities		\$ (124,431,023)
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THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

LINCOLN PARISH SCHOOL BOARD

GOVERNMENTAL FUNDS
Statement of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended June 30, 2018

Statement E

	GENERAL	TITLE I	2000 AD VALOREM	NONMAJOR GOVERNMENTAL	TOTAL
REVENUES					
Local sources:					
Taxes:					
Ad valorem	\$ 8,478,765	\$ -	\$ 3,558,867	\$ 7,729,644	\$ 19,767,276
Sales and use	9,883,334	-	-	9,883,333	19,766,667
Interest earnings	372,246	-	48,506	216,792	637,544
Food services	-	-	-	110,469	110,469
Other	800,880	-	55,980	161,535	1,018,395
State sources:					
Equalization	27,803,239	-	-	364,404	28,167,643
Other	353,205	-	-	431,802	785,007
Federal sources	2,226	2,641,833	-	5,450,901	8,094,960
Total Revenues	47,693,895	2,641,833	3,663,353	24,348,880	78,347,961
EXPENDITURES					
Current:					
Instruction:					
Regular programs	21,647,675	-	1,459,250	4,301,148	27,408,073
Special programs	6,487,560	-	377,428	2,579,335	9,444,323
Other instructional programs	2,958,647	1,668,646	147,223	1,505,362	6,279,878
Support services:					
Student services	3,256,546	29,140	151,790	630,860	4,068,336
Instructional staff support	2,776,694	999,156	146,102	1,295,082	5,217,034
General administration	889,472	137,751	121,215	444,123	1,592,561
School administration	3,661,644	-	158,330	961,537	4,781,511
Business services	742,969	-	22,108	170,515	935,592
Plant services	2,456,252	7,140	164,551	4,113,057	6,741,000
Student transportation services	2,357,488	-	153,499	1,296,113	3,807,100
Central services	483,697	-	2,006	8,009	493,712
Food services	812,461	-	121,097	3,091,422	4,024,980
Community service programs	111,839	-	2,968	10,487	125,294
Capital outlay	413,041	-	-	2,504,855	2,917,896
Debt service:					
Principal retirement	-	-	-	3,160,000	3,160,000
Interest and bank charges	-	-	-	1,359,327	1,359,327
Total Expenditures	49,055,985	2,841,833	3,027,567	27,431,232	82,356,617
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	\$ (1,362,090)	\$ (200,000)	\$ 635,786	\$ (3,082,352)	\$ (4,008,656)

(CONTINUED)

LINCOLN PARISH SCHOOL BOARD

**GOVERNMENTAL FUNDS
Statement of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended June 30, 2018**

Statement E

	GENERAL	TITLE I	2000 AD VALOREM	NONMAJOR GOVERNMENTAL	TOTAL
OTHER FINANCING SOURCES (USES)					
Transfers in	\$ 222,823	\$ 200,000	\$ -	\$ 4,375,000	\$ 4,797,823
Transfers out	(3,675,000)	-	(700,000)	(200,000)	(4,575,000)
Insurance proceeds	-	-	-	1,746,970	1,746,970
Total Other Financing Sources (Uses)	<u>(3,452,177)</u>	<u>200,000</u>	<u>(700,000)</u>	<u>5,921,970</u>	<u>1,969,793</u>
Net Change in Fund Balances	(4,814,267)	-	(64,214)	2,839,618	(2,038,863)
FUND BALANCES - BEGINNING	<u>23,212,199</u>	<u>-</u>	<u>5,931,904</u>	<u>22,625,155</u>	<u>51,769,258</u>
FUND BALANCES - ENDING	<u>\$ 18,397,932</u>	<u>\$ -</u>	<u>\$ 5,867,690</u>	<u>\$ 25,464,773</u>	<u>\$ 49,730,395</u>

(CONCLUDED)

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

LINCOLN PARISH SCHOOL BOARD

**GOVERNMENTAL FUNDS
Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances to the Statement of Activities
For the Year Ended June 30, 2018**

Statement F

Total net change in fund balances - governmental funds \$ (2,038,863)

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

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

Capital outlays	\$	2,917,896	
Depreciation expense		(5,326,732)	
Loss on deletions from system and other disposals		(20,731)	(2,429,567)

The issuance of long-term debt provides current 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 position.

Repayment of bond principal 3,160,000

Bond premiums are reported as financing sources in the governmental funds and thus contribute to the change in fund balance. In the Statement of Net Position, however, bond premiums increase long-term debt and are amortized over the life of the bonds. 96,137

The Statement of Activities reflects the effects of other post-employment benefits, which is based on an actuarial amount that is increased over an amortized period and decreased for amounts actually paid during the year. The governmental funds reflect only the payments made as current year expenditures. This year, the change in OPEB liability was: (4,425,339)

The recognition of pension expense in the Statement of Activities is based on projected benefit payments discounted to actuarial present value and attributed to periods of employee service. Pension expenditures in the fund financial statements are the amounts actually paid. 3,494,006

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 used (\$348,597) exceeded the amounts earned (\$251,749) by \$96,848. 96,848

Deferred charges on advance refundings are reported in governmental funds as expenditures when debt is issued, whereas these amounts are deferred and amortized as interest expense in the Statement of Activities. The amortization for the current year is \$193,744. (193,744)

All revenues, expenses and changes in fund net position (deficits) of the internal service fund are reported as proprietary fund type in the fund financial statement but included as governmental activities in the government-wide financial statement.
Net income (loss) (598,382)

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. 23,892

Change in net position of governmental activities \$ (2,815,012)

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

LINCOLN PARISH SCHOOL BOARD

PROPRIETARY FUND TYPE - INTERNAL SERVICE
Statement of Net Position
June 30, 2018

Statement G

ASSETS	
CURRENT ASSETS	
Cash	\$ 1,378,310
Investments	2,788,283
Interfund receivables	2,208
	<hr/>
TOTAL CURRENT ASSETS	4,168,801
	<hr/>
LIABILITIES	
CURRENT LIABILITIES	
Accounts payable	292,463
Claims payable	1,077,005
	<hr/>
TOTAL CURRENT LIABILITIES	1,369,468
	<hr/>
NON CURRENT LIABILITIES	
Claims payable	85,555
	<hr/>
TOTAL NON CURRENT LIABILITIES	85,555
	<hr/>
TOTAL LIABILITIES	1,455,023
	<hr/>
NET POSITION	
Restricted for workers compensation surety	100,000
Unrestricted	2,613,778
	<hr/>
TOTAL NET POSITION	\$ 2,713,778
	<hr/> <hr/>

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

LINCOLN PARISH SCHOOL BOARD

PROPRIETARY FUND TYPE - INTERNAL SERVICE
Statement of Revenues, Expenses,
and Changes in Fund Net Position
For the Year Ended June 30, 2018

Statement H

OPERATING REVENUES	
Premiums	\$ 12,681,813
Other revenues	198,515
	<hr/>
Total operating revenues	12,880,328
	<hr/>
OPERATING EXPENSES	
Administration	1,896,838
Insurance premiums	191,307
Claims	11,201,672
	<hr/>
Total operating expenses	13,289,817
	<hr/>
Operating income (loss)	(409,489)
	<hr/>
NONOPERATING REVENUES/EXPENSES	
Earnings on investments	33,930
	<hr/>
INCOME (LOSS) BEFORE TRANSFERS	(375,559)
	<hr/>
TRANSFERS IN/OUT	
Transfers out	(222,823)
	<hr/>
Change in Net Position	(598,382)
NET POSITION - BEGINNING	3,312,160
	<hr/>
NET POSITION - ENDING	\$ 2,713,778
	<hr/> <hr/>

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

LINCOLN PARISH SCHOOL BOARD

PROPRIETARY FUND TYPE - INTERNAL SERVICE

Statement of Cash Flows

For the Year Ended June 30, 2018

Statement I

CASH FLOW (USES) FROM OPERATING ACTIVITIES	
Receipts from interfund services provided	\$ 12,904,636
Payments for administration	(1,896,838)
Payments for insurance premiums	(212,760)
Payments for claims	(11,673,351)
Other receipts	<u>198,515</u>
Net cash provided by (used for) operating activities	<u>(679,798)</u>
CASH FLOW (USES) FROM NONCAPITAL FINANCING ACTIVITIES	
Transfers out to other funds	<u>(222,823)</u>
Net cash provided by (used for) noncapital financing activities	<u>(222,823)</u>
CASH FLOW (USES) FROM INVESTING ACTIVITIES	
Sale of Investments	969,989
Earnings on investments	<u>33,930</u>
Net cash provided by (used for) investing activities	<u>1,003,919</u>
Net increase (decrease) in cash and cash equivalents	101,298
CASH AND CASH EQUIVALENTS - BEGINNING	<u>1,277,012</u>
CASH AND CASH EQUIVALENTS - ENDING	<u><u>1,378,310</u></u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	
Operating (loss)	(409,489)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:	
(Increase) decrease in interfunds receivable	222,823
Increase (decrease) in accounts payable	(21,453)
Increase (decrease) in claims payable	<u>(471,679)</u>
Net cash provided by (used for) operating activities	<u><u>\$ (679,798)</u></u>

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

LINCOLN PARISH SCHOOL BOARD

FIDUCIARY FUND
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
June 30, 2018

Statement J

AGENCY
FUND

ASSETS

Cash and cash equivalents

\$ 1,418,562

Total assets

1,418,562

LIABILITIES

Deposits due others

1,418,562

Total liabilities

\$ 1,418,562

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

Lincoln Parish School Board
Notes to the Basic Financial Statements
June 30, 2018

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Lincoln Parish School Board
Notes to the Basic Financial Statements
June 30, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES The accompanying financial statements of the 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 Lincoln Parish School Board was created by Louisiana Revised Statute LSA-R.S. 17:51 to provide public education for the children within Lincoln 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 twelve members who are elected from twelve districts for terms of four years.

The School Board operates fourteen schools and is the fiscal agent for three university laboratory schools within the parish with a total enrollment of approximately 5,888 pupils. In conjunction with the regular educational programs, some of these schools offer special education and/or adult education programs. In addition, the School Board provides transportation and school food services for the students.

GASB Standards establish criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. 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. As used in the standards, fiscally independent means that the School Board may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges, and issue bonded debt. The School Board also has no *component units*, defined by GASB Standards 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 fund:

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.

Title I The special revenue fund that accounts for the Title I federal grant.

2000 Ad Valorem The 2000 Ad Valorem Tax Fund accounts for the proceeds of a parish-wide 10 mill ad valorem tax. Of the total tax collections, 50% is to be used for paying salaries and benefits. The remaining 50% of tax collections is to be used for paying retiree health insurance premiums, paying for technology,

Lincoln Parish School Board
Notes to the Basic Financial Statements
June 30, 2018

covering the cost of mandated summer school, and for maintaining, operating and improving school buildings, facilities, vehicles, and equipment.

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 income measurement, which, together with the maintenance of equity, is an important financial indicator. Proprietary fund(s) include the following:

Internal service funds accounts for operations that provide services other departments or agencies of the government, or to other governments, on a cost-reimbursement basis.

Workers' compensation This fund, which began in fiscal year 1991, is used to account for the payment of workers' compensation benefits. Fund revenues are derived from government allocations. These revenues are planned to match: (1) expenses of insurance premiums in excess of risk retention amounts; (2) estimated claim losses resulting from risk retention programs which include estimated liabilities for claims incurred but not yet reported at year end, and (3) operating expenses.

Group health insurance Revenues for this fund are received from local sales and property taxes, employee deductions from payroll, payments from retirees, and Minimum Foundation Program Funding (MFP). Monies are used to pay employee health insurance claims, the administrative cost to the insurance administrator for administration of the plan and processing medical claims, cost of excess and specific insurance to protect the fund from exposure to large claims, hospital pre-certification, and life insurance with an insurance carrier.

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, or on behalf of other funds within the School Board. Trust funds account for assets held by the government under the terms of a formal trust agreement.

Agency funds are custodial in nature (assets equal liabilities) and do not present results of operations or have a measurement focus. Agency funds are accounted for using the accrual basis of accounting. This fund is used to account for assets that the government holds for others in an agency capacity. The agency fund is as follows:

School activities agency fund accounts for assets held by the School Board as an agent for the individual schools and school organizations.

C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Government-Wide Financial Statements (GWFS)

The Statement of Net Position 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 Position and the Statement of Activities were prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, liabilities and deferred inflows/outflows of resources resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets, liabilities and deferred inflows/outflows of resources resulting from nonexchange transactions are recognized in accordance with the GASB Standards.

Lincoln Parish School Board
Notes to the Basic Financial Statements
June 30, 2018

Internal Activities The workers' compensation and group health insurance internal service funds provide services to the governmental funds. Accordingly, the internal service funds activities were rolled up into the governmental activities. The internal activities have been eliminated in order to avoid the "grossing-up" effect of a straight inclusion. Interfund services provided and used are not eliminated in the process of consolidation.

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 and miscellaneous student fees. Operating grants and contributions consist of the many educational grants received from the federal and state government.

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

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 interest and principal payments on long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when they mature.

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 and sales taxes are susceptible to accrual.

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.

Lincoln Parish School Board
Notes to the Basic Financial Statements
June 30, 2018

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.

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 capital 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.

Encumbrances Encumbrance accounting, under which purchase orders are recorded in order to reserve that portion of the applicable appropriation, is not employed. However, outstanding purchase orders are taken into consideration before expenditures are incurred in order to assure that applicable appropriations are not exceeded. In addition, the monthly budget reports are reviewed to ensure compliance with the budget, and where necessary, revisions to the budget are made.

Proprietary Funds Proprietary funds are 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 these funds 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 Funds 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. DEPOSITS AND INVESTMENTS Cash includes amounts in demand deposits and interest-bearing demand deposits. Cash equivalents include amounts in investments with original maturities of ninety days or less. Under state law, the School Board may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

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

The investments are reflected at fair value except for the following which are permitted per GASB Standards:

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.

The School Board reported at amortized cost money market investments and *participating* interest-earning investment contracts that have a remaining maturity at time of purchase of one year or less.

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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.

The School Board participates in the Louisiana Asset Management Pool, Inc. (LAMP) which is an external investment pool that is not SEC-registered. Because the LAMP is an arrangement sponsored by a type of governmental entity, it is exempt by statute from regulation by the SEC.

LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local government entities having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LA-R.S. 33.2955.

GASB Statement No. 40 Deposit and Investment Risk Disclosure, requires disclosure of credit risk, custodial credit risk, concentration of credit risk, interest rate risk and foreign currency risk for all public entity investments.

LAMP is an investment pool that, to the extent practical, invest in a manner consistent with GASB No. 79. The following facts are relevant for investment pools:

- Credit risk: LAMP is rated AAAm by Standard & Poor's.
- Custodial credit risk: LAMP participants' investments in the pool are evidenced by shares of the pool. Investments in pools should be disclosed, but not categorized because they are not evidenced by securities that exist in physical or book-entry form. The public entity's investment is with the pool, not the securities that make up the pool; therefore, no disclosure is required.
- Concentration of credit risk: Pooled investments are excluded from the 5 percent disclosure requirement.
- Interest rate risk: LAMP is designed to be highly liquid to give its participants immediate access to their account balances. LAMP prepares its own interest rate risk disclosure using the weighted average maturity (WAM) method. The WAM of LAMP assets is restricted to not more than 90 days and consists of no securities with a maturity in excess of 397 days or 762 days for U.S. Government floating/variable rate investments. The WAM for LAMP's total investments is 39 days as of June 30, 2018.
- Foreign currency risk: Not applicable.

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

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

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certified public accountant. The Legislative Auditor of the state of Louisiana has full access to the records of the LAMP.

LAMP issues financial reports. These financial reports can be obtained by writing: LAMP, Inc., 228 St. Charles Avenue, Suite 1123, New Orleans, LA 70130 or contact the LAMP administrative office at 800-249-5267.

E. SHORT-TERM INTERFUND RECEIVABLES/PAYABLES During the course of operations, numerous transactions occur between individual funds for services rendered. These receivables and payables are classified as due from other funds or due to other funds on the balance sheet. Short-term interfund loans are classified as interfund receivables/payables.

F. INVENTORY Inventory of the school food service special revenue fund consists of food purchased by the School Board and commodities granted by the United States Department of Agriculture through the Louisiana Department of Agriculture and Forestry. Inventory of the school food service fund is accounted for on the consumption method. Inventory items are valued at cost (first-in, first-out) and commodities are assigned values based on information provided by the United States Department of Agriculture. Revenues related to commodities which are not consumed as of the date of the balance sheet are reflected as unearned revenues since title does not pass to the School Board until the commodities are consumed. Inventories are classified as nonspendable fund balance which indicates that these do not constitute "available spendable resources," even though they are a component of total assets.

Acquisition of materials and supplies other than the food purchases are accounted for on the purchase method, that is, the expenditures are charged when the items are purchased. The value of these materials and supplies, except for the food purchased in the school food service special revenue fund, are not considered significant at June 30, 2018, and their value is not shown in the accompanying balance sheet.

G. CAPITAL ASSETS Capital assets are recorded at historical cost and depreciated over their estimated useful lives (excluding salvage value). The capitalization threshold is \$5,000. Donated capital assets are recorded at their acquisition value at the date of donation. Intangible assets have a capitalization threshold of \$100,000. Estimated useful life is management's estimate of how long the asset is expected to meet service demands. Straight line depreciation is used based on the following estimated useful lives:

Buildings	20 - 40 years
Improvements other than buildings	10 - 20 years
Furniture and equipment	3 - 10 years
Transportation equipment	5-8 years
Intangibles-software	5-8 years

H. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The School Board has three types of item that qualify for reporting in this category. One item is deferred charges on refunding, which results from the difference in the carrying value of refunded debt and its requisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. In the Statement of Net Position, the net investment in capital assets includes the effect of deferring the recognition of expense from the deferred charge on refunding. The balance of deferred outflow of resources will be recognized as expense and decrease in net investment in capital assets through the 2029 fiscal year. The School Board had deferred outflows related to OPEB; see Note 9 for additional information. Additionally, the School Board had deferred outflows

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related to pensions; see Note 8 for additional information.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenues) until that time. The School Board has two items that qualify for reporting in this category, which are deferred inflows related to OPEB and deferred inflows related to pensions. See Notes 8 and 9 for additional information.

I. UNEARNED REVENUES The School Board reports unearned revenues on its combined balance sheet. Unearned revenues arise when resources are received by the School Board before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures or for commodities in inventory at June 30, as described in Note F. In subsequent periods, when the School Board has a legal claim to the resources, the liability for unearned revenue is removed from the combined balance sheet and the revenue is recognized.

J. COMPENSATED ABSENCES All twelve-month employees earn from ten to eighteen days of vacation leave each year, depending on their length of service with the School Board. Vacation leave may be accumulated and carried forward to the next fiscal year without limitation. Employees hired or transferred into twelve-month positions after December 31, 2002, are limited to 25 days of accumulated vacation leave. Upon retirement, termination, or death, unused accumulated vacation leave is paid to the employee or the employee's estate at the employee's current rate of pay. As of 2009, full time twelve-month employees hired prior to January 1, 2003 shall have the option to annually request a portion of their annual leave be paid out. Employees in twelve month positions hired prior to January 1, 2003, may request a portion of their accumulated vacation leave once a year. Nine-month employees earn two work days of personal leave per academic year, which is non-cumulative.

All School Board employees earn from ten to eighteen days of sick leave each year, depending upon the length of employee contracts and years of service. Sick leave can be accumulated without limitation. Upon retirement or death, unused accumulated sick leave of up to twenty-five days is paid to the employee or to the employee's estate at the employee's current rate of pay. Under the Louisiana Teachers' Retirement System and the Louisiana School Employees' Retirement System, all unpaid sick leave subject to retirement system limitations is used in the retirement benefit computation as earned service.

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

GASB Statement No. 16 provides that vacation leave and other compensated absences with similar characteristics should be accrued as liability as the benefits are earned by the employees if both of the following conditions are met:

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

GASB Statement No. 16 provides that a liability for sick leave should be accrued using one of two termination approaches:

The School Board uses the following approach in accruing sick leave. A governmental entity should estimate its accrued sick leave liability based on the sick leave accumulated at the balance sheet date by those employees who currently are eligible to receive termination payments as well as other employees

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who are expected to become eligible in the future to receive such payments. Employees with ten years of experience or more are included in the estimate.

K. LONG-TERM OBLIGATIONS For governmental fund types, bond premiums and discounts, as well as issuance costs, are recognized during the current period. Bond proceeds are reported as another financing source net of the applicable premium or discount. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures.

The School Board provides certain continuing health care and life insurance benefits for its retired employees. The OPEB Plan is a single employer defined benefit “substantive plan” as understood by past practices of the School Board. Expenditures are recorded as payments are made to the internal service fund as premiums.

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the retirement systems and additions to/deductions from the retirements systems fiduciary net position have been determined on the same basis as they are reported by the retirement systems. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

L. RESTRICTED NET POSITION For the government-wide statement of net position, net position is reported as restricted when constraints placed on net position use are either:

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

Imposed by law through constitutional provisions or enabling legislation.

When both restricted and unrestricted resources are available for use, it is the government’s policy to use restricted resources first, and then unrestricted resources as they are needed. \$15,774,388 of the restricted net position reported by the School Board is restricted through enabling legislation.

M. FUND EQUITY OF FUND FINANCIAL STATEMENTS GASB Standards require the fund balance amounts to be reported within the fund balance categories as follows:

Non-spendable: Fund balance that is not in spendable form or legally or contractually required to be maintained intact. This category includes items that are not easily converted to cash such as inventories and prepaid items.

Restricted: Fund balance that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation.

Committed: Fund balance that can only be used for specific purposes determined by the School Board’s highest level of decision making authority. Committed amounts cannot be used for any other purpose unless the Board removes or changes the specified use by taking the same type of action it employed to previously commit the funds. Committed fund balance is the result of resolutions that were passed at a School Board meeting committing the funds.

Assigned: Fund balance that is constrained by the School Board’s intent to be used for specific purposes, but are neither restricted nor committed. The Superintendent has the authority to assign unrestricted fund balance amounts

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according to the fund balance policy where the School Board's intent is for those amounts to be used for specific purposes.

Unassigned: Fund balance that is the residual classification for the general fund. A negative unassigned fund balance may be reported in other governmental funds if expenditures incurred for specific purposes exceeded the amounts restricted, committed or assigned to those purposes.

When an expenditure is incurred for which restricted and unrestricted funds are available, it is the School Board's policy to use restricted resources first. The School Board reduces committed amounts, followed by assigned amounts and then unassigned amounts when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

N. INTERFUND TRANSACTIONS Transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed. All other interfund transactions are reported as transfers. In the process of aggregating data for the statement of net position and the statement of activities, some amounts reported as interfund activity and balances in the funds were eliminated or reclassified to minimize the "grossing up" effect on assets and liabilities within the governmental activities column.

O. SALES TAXES The School Board receives a two-cent sales and use tax. The tax is collected by the Lincoln Parish Sales and Use Tax Commission and is remitted to the School Board the same month the tax is collected. The sales and use tax is recorded as revenue in the general fund and special revenue funds.

A one-half cent sales and use tax approved September 12, 1967, is dedicated to supplement other revenues available for the payment of salaries of teachers in the public elementary and secondary schools and for the expenditures of operating said schools, such operating expenditures to include payment of other personnel employed by the School Board in addition to teachers.

A one-half cent sales and use tax approved May 19, 1979, and rededicated March 8, 1988, was dedicated as follows:

Two-thirds is for paying salaries of certified and non-certified employees of the School Board above their base pay and paying retirement and other benefits for said employees.

One-third is for constructing, acquiring, erecting, improving, and/or repairing schools and school-related facilities and for paying the cost of utilities therefore, and for improving instruction, providing instructional materials and student services and curriculum enrichment, including salaries for over-staffed instructional positions, in and for the public schools.

The third one-half cent sales and use tax approved January 16, 1993, is dedicated for the purpose of paying institutional and support staff salaries and benefits, including but not limited to salaries and benefits for elementary school librarians, elementary school vocal music instructors, and elementary coordinators.

Another one-half cent sales and use tax approved January 15, 2000, is dedicated for paying salaries and benefits of teachers and other School Board employees.

P. BUDGETS

General Budget Policies The School Board follows these procedures in establishing the budgetary data reflected in the combined financial statements.

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State statute requires budgets be adopted for the general fund and all special revenue funds.

Each year prior to September 15, the Superintendent submits to the School Board proposed annual budgets for the general fund and special revenue funds' budgets that are not grant-oriented. Public hearings are conducted, prior to the School Board's approval, to obtain citizen comments. Grant funds are included in special revenue funds and their budgets are adopted at the time the grant applications are approved by the grantor. The operating budgets include proposed expenditures and the means of financing them.

Appropriations (unexpended budget balances) lapse at year end.

Formal budget integration (within the accounting records) is employed as a management control device. Budget amounts included in the accompanying financial statements include the original adopted budget and all subsequent amendments. All budget revisions are approved by the School Board.

Budget Basis of Accounting All governmental funds' budgets are prepared on the modified accrual basis of accounting, a basis consistent with accounting principles generally accepted in the United States of America (GAAP). Budgeted amounts are as originally adopted or as amended by the Board. Legally, the Board must adopt a balanced budget; that is, total budgeted revenues and other financing sources including fund balance must equal or exceed total budgeted expenditures and other financing uses. State statutes require the Board to amend its budgets when revenues plus projected revenues within a fund are expected to be less than budgeted revenues by five percent or more and/or expenditures within a fund are expected to exceed budgeted expenditures by five percent or more. The School Board approves budgets at the function level for the general fund and at the fund level for special revenue funds. Management can transfer amounts between line items within a function.

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

NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Excess of Expenditures over Appropriations in Individual Funds The following individual funds had actual expenditures over budgeted expenditures for the year ended June 30, 2018:

<u>Fund</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
General Fund	\$ 47,988,108	\$ 49,055,985	\$ (1,067,877)
2000 Ad Valorem	3,024,599	3,027,567	(2,968)

These variances were the result of unanticipated expenditures after the last budget revision.

NOTE 3 - LEVIED TAXES The School Board levies taxes on real and business personal property located within Lincoln Parish's boundaries. Property taxes are levied by the School Board on property values assessed by the Lincoln Parish Tax Assessor and approved by the state of Louisiana Tax Commission.

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The Lincoln Parish Sheriff's Office bills and collects property taxes for the School Board. Collections are remitted to the School Board monthly.

Property Tax Calendar

Tax bills mailed	November 10, 2017
Taxes due date	December 31, 2017
Lien date	December 31, 2017
Penalties and interest are added	December 31, 2017
Collection dates	December 2017 thru February 2018
sale – 2017 delinquent property	June 25, 2018

Assessed values are established by the Lincoln 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 after 1978 to be completed no less than every four years. The last revaluation was completed for the roll of January 1, 2016. Total assessed value was \$512,766,680 for the 2017 calendar year. Louisiana state law exempts the first \$75,000 of assessed value of a taxpayer's primary residence from parish property taxes. This homestead exemption was \$58,144,746 of the assessed value in calendar year 2017.

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 2017 property taxes to be collected occurs in December 2017 and January and February 2018. All property taxes are recorded in the general, special revenue (maintenance funds), and debt service funds. The School Board considers the lien date (December 31, 2017) as the date an enforceable legal claim occurs for 2017 property taxes. Property tax revenue is recognized in the period for which the taxes are levied (budgeted). Accordingly, the 2017 property taxes are budgeted in the 2017-2018 fiscal year of the 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>Authorized Millage</u>	<u>Levied Millage</u>	<u>Expiration Date</u>
Parish-wide taxes:			
Constitutional	4.23	3.91	Statutory
Special maintenance and operation	4.94	4.57	2018
Special repair and equipment	4.94	4.57	2018
Maintenance and operation	10.25	9.47	2022
Maintenance and operation	8.49	7.84	2019
District taxes:			
Maintenance and operations			
Ruston School District #1	2.61	2.28	2023
Simsboro School District #3	3.19	2.99	2025
Dubach School District #5	3.49	3.25	2018
Choudrant School District #6	3.03	2.64	2019
Bond and interest			
Ruston School District #1	Variable	11.00	2026
Simsboro School District #3	Variable	7.25	2025
Choudrant School District #6	Variable	18.00	2029

The difference between authorized and levied millages is the result of the reassessment of taxable property required by Article 7, Section 23 of the Louisiana Constitution of 1974.

NOTE 4 - DEPOSITS 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 fair 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-deposits. At year-end, the School Board's carrying amount of deposits was \$29,853,193 (Statement A- \$15,046,843 classified as cash, Statement A-\$1,650,000 in CDs classified as investments, Statement A-\$11,737,788 in money market accounts classified as investments and Statement J-\$1,418,562) and the bank balance was \$30,217,720. The bank balance was covered by federal depository insurance in the amount of \$2,100,851 and \$28,116,869 was collateralized by securities held by the trust department but not in the School Board's name. The School Board's investment policy does not address custodial credit risk.

Additional information is included at Note 1 (d).

NOTE 5 - INVESTMENTS As of June 30, 2018, the School Board had its assets in U. S. agency securities, money market instruments and other government securities managed by a financial institution. The account managed by a financial institution has a fair value of \$30,736,284 (including \$1,650,000 in CDs) as of June 30, 2018 which represents 72% of the School Board's investments as of this date.

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Investments are measured at fair value on a recurring basis. Recurring fair value measurements are those that Governmental Accounting Standards Board (GASB) Statements require or permit in the Statement of Net Position at the end of each reporting period. Fair value measurements are categorized based on the valuation inputs used to measure an asset's fair value. Level 1 inputs are quoted prices in the active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Investments' fair value measurements are as follows at June 30, 2018:

Type of Debt Investment	Fair Value	Matures in Less Than 1 Year	Matures in 1 to 5 Years	Matures in Greater than 5 Years	Percentage of Investment	Fair Market Value Hierarchy	Valuation Technique	Credit Risk
LAMP	\$ 5,183,436	\$ 5,183,436	\$ -	\$ -	12%	Level 1	Not applicable	AAAm (S&P)
Federal Farm Credit Bonds	5,416,583	5,112,558	304,025	-	13%	Level 2	Market approach	Unrated
Federal Home Loan Bonds	7,126,391	6,426,538	699,853	-	18%	Level 2	Market approach	Unrated
U. S. Treasury Notes	5,582,932	5,582,932	-	-	14%	Level 1	Not applicable	Unrated
State and Local Government Bonds	5,776,942	210	-	5,776,732	15%	Level 2	Market approach	Unrated
Money Market	11,737,788	11,737,788	-	-	28%	Level 1	Not applicable	Unrated
Total investments	<u>\$ 40,824,072</u>	<u>\$ 34,043,462</u>	<u>\$ 1,003,878</u>	<u>\$ 5,776,732</u>	<u>100%</u>			

Interest Rate Risk: The School Board's policy does not address interest rate risk. The School Board has \$5,776,732 in State and Local Government Bonds that mature in 2024 and 2026. These investments are for the QSCB 2009 and 2011 series maturity payment which are payable in 2024 and 2026.

Credit Rate Risk: State law limits investments to securities issued, guaranteed, or backed by the U.S. Treasury, the U.S. Government, or one of its agencies. Even though the School Board adheres to the state regulations, the School Board's policy does not address credit rate risk.

Custodial Credit Risk-Investments: For an investment, this is the risk that, in the event of the failure of the counter party, the School Board will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The School Board does maintain investment accounts at a financial institution.

NOTE 6 - RECEIVABLES The receivables at June 30, 2018, are as follows:

Class of Receivables	General	Title I	2000 Ad Valorem	Nonmajor Governmental	Total
Taxes:					
Ad Valorem	\$ 18,126	\$ -	\$ 7,930	\$ 17,824	\$ 43,880
Sales Tax	860,730	-	-	860,730	1,721,460
Intergovernmental - grants:					
Federal	36,190	975,734	-	831,221	1,843,145
State	1,920	-	-	32,377	34,297
Other	97,653	-	-	-	97,653
Total	<u>\$ 1,014,619</u>	<u>\$ 975,734</u>	<u>\$ 7,930</u>	<u>\$ 1,742,152</u>	<u>\$ 3,740,435</u>

The School Board expects to collect these balances in full; therefore, no allowance for doubtful accounts was established.

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NOTE 7 - CAPITAL ASSETS Capital assets balances and activity for the year ended June 30, 2018 is as follows:

	<u>Balance Beginning</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance Ending</u>
Governmental activities				
Non depreciable capital assets:				
Land	\$ 1,041,065	\$ -	\$ -	\$ 1,041,065
Construction in progress	463,631	2,463,459	1,679,826	1,247,264
Total non depreciable capital assets	<u>1,504,696</u>	<u>2,463,459</u>	<u>1,679,826</u>	<u>2,288,329</u>
Depreciable capital assets:				
Buildings	127,381,056	1,679,826	-	129,060,882
Improvements other than buildings	588,433	-	-	588,433
Furniture and equipment	2,690,792	13,445	42,238	2,661,999
Transportation equipment	6,661,780	440,992	124,749	6,978,023
Total depreciable capital assets	<u>137,322,061</u>	<u>2,134,263</u>	<u>166,987</u>	<u>139,289,337</u>
Total cost of capital assets	<u>138,826,757</u>	<u>4,597,722</u>	<u>1,846,813</u>	<u>141,577,666</u>
Less accumulated depreciation				
Buildings	52,624,735	4,850,152	-	57,474,887
Improvements other than buildings	518,246	18,381	-	536,627
Furniture and equipment	2,102,585	89,867	34,707	2,157,745
Transportation equipment	4,245,189	368,332	111,549	4,501,972
Total accumulated depreciation	<u>59,490,755</u>	<u>5,326,732</u>	<u>146,256</u>	<u>64,671,231</u>
Depreciable capital assets, net	<u>77,831,306</u>	<u>(3,192,469)</u>	<u>20,731</u>	<u>74,618,106</u>
Governmental activities				
Capital assets, net	<u>\$79,336,002</u>	<u>\$ (729,010)</u>	<u>\$ 1,700,557</u>	<u>\$ 76,906,435</u>

Depreciation expense was charged to governmental activities as follows:

Regular programs	\$ 4,702,686
Special programs	16,894
Vocational programs	8,981
Other instructional programs	1,321
Other Special programs	17,364
Instructional staff support	132
School administration	354
Plant services	41,237
Student transportation services	475,828
Food services	61,935
Total depreciation expense	<u>\$ 5,326,732</u>

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NOTE 8 - PENSION PLANS

The School Board is a participating employer in two statewide, public employee retirement systems, the Louisiana School Employees' Retirement System (LSERS) and the Teacher's Retirement System of Louisiana (TRSL). Both systems have separate boards of trustees and administer cost-sharing, multiple-employer defined benefit pension plans, including classes of employees with different benefits and contribution rates (sub-plans). Article X, Section 29(F) of the Louisiana Constitution of 1974 assigns the authority to establish and amend benefit provisions of all sub-plans administered by these systems to the State Legislature. Each system issues a public report that includes financial statements and required supplementary information. Copies of these reports for LSERS and TRSL may be obtained at www.lasers.net and www.trsl.org, respectively.

TRSL also administers an optional retirement plan (ORP), which was created by Louisiana Revised Statute 11:921-931 for academic and administrative employees of public institutions of higher education and is considered a defined contribution plan (see Optional Retirement Plan note below). A portion of the employer contributions for ORP plan members is dedicated to the unfunded accrued liability of the TRSL defined benefit plan.

General Information about the Pension Plans

Plan Descriptions/Benefits Provided:

Louisiana School Employees' Retirement System: LSERS administers a plan to provide retirement, disability, and survivor's benefits to non-teacher school employees excluding those classified as lunch workers and their beneficiaries as defined in R.S. 11:1001. The age and years of creditable service (service) required in order for a member to receive retirement benefits are established by R.S. 11:1141-1153 and vary depending on the member's hire date.

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

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

A member is eligible to retire and receive disability benefits if the member has at least 5 years of creditable service, is not eligible for normal retirement and has become totally and permanently disabled and is certified as disabled by the Medical Board. A vested person with twenty or more years of creditable service who has withdrawn from active

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service prior to the age at which that person is eligible for retirement benefits, is eligible for a disability benefit until normal retirement age. A member who joins the system on or after July 1, 2006, must have at least 10 years of service to qualify for disability benefits. Upon the death of a member with five or more years of creditable service, the plan provides benefits for surviving spouses and minor children. Under certain conditions outlined in the statutes, a spouse is entitled to 75% of the member's benefit.

Teachers' Retirement System of Louisiana: TRSL administers a plan to provide retirement, disability, and survivor benefits to employees who meet the legal definition of a "teacher" as provided for in R.S. 11:701. Eligibility for retirement benefits and the calculation of retirement benefits are provided for in R.S. 11:761. Statutory changes closed existing, and created new, sub-plans for members hired on or after January 1, 2011 and July 1, 2015.

Most members are eligible to receive retirement benefits 1) at the age of 60 with 5 years of service, 2) at the age of 55 with at least 25 years of service, or 3) at any age with at least 30 years of service. For members joining on or after July 1, 2015, retirement benefits are paid at age 62 with at least 5 years of service credit. Members may retire with an actuarially reduced benefit with 20 years of service credit. Retirement benefits are calculated by applying a percentage ranging from 2% to 3% of final average salary multiplied by years of service. Average compensation is defined as the member's average annual earned compensation for the highest 36 consecutive months of employment for members employed prior to January 1, 2011, or highest 60 consecutive months of employment for members employed after that date.

Under R.S. 11:778 and 11:779, members who have suffered a qualified disability are eligible for disability benefits if employed prior to January 1, 2011 and attained at least 5 years of service or if employed on or after January 1, 2011 and attained at least 10 years of service. Members employed prior to January 1, 2011 receive disability benefits equal to 2½% of average compensation multiplied by the years of service, but not more than 50% of average compensation subject to statutory minimums. Members employed on or after January 1, 2011 receive disability benefits equivalent to the regular retirement formula without reduction by reason of age.

Survivor benefits are provided for in R.S. 11:762. In order for survivor benefits to be paid, the deceased member must have been an active member at the time of death and must have a minimum of five years of service, at least two of which were earned immediately prior to death, or must have had a minimum of twenty years of service regardless of when earned in order for a benefit to be paid to a minor or handicapped child. Survivor benefits are equal to 50% of the benefit to which the member would have been entitled if retired on the date of death using a factor of 2½% regardless of years of service or age, or \$600 per month, whichever is greater. Benefits are payable to an unmarried child until age 21, or age 23 if the child remains a full-time student. The minimum service credit requirement is ten years for a surviving spouse with no minor children, and benefits are to be paid for life to the spouse or a qualified handicapped child.

Deferred Retirement Option Program (DROP)

In lieu of terminating employment and accepting a service retirement, an eligible LSERS or TRSL member can begin participation in the DROP on the first retirement eligibility date for a period not to exceed 3 years. A member has a 60 day window from his first eligible date to participate in the program in order to participate for the maximum number of years. Delayed participation reduces the three year maximum participation period. During participation, benefits otherwise payable are fixed, and deposited in an individual DROP account. Upon termination of DROP participation, the member can continue employment and earn additional benefit accruals to be added to the fixed pre-DROP benefit. Upon termination of employment, the member is entitled to the fixed benefit, an additional benefit based on post-DROP service (if any), and the individual DROP account balance which can be paid in a lump sum or an additional annuity based upon the account balance.

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Cost of Living Adjustments

As fully described in Title 11 of the Louisiana Revised Statutes, LSERS and TRSL allow for the payment of permanent benefit increases, also known as cost of living adjustments, or COLAs, that are funded through investment earnings when recommended by the board of trustees and approved by the Legislature. These ad hoc COLAs are not considered to be substantively automatic.

Contributions

Article X, Section 29(E)(2)(a) of the Louisiana Constitution of 1974 assigns the Legislature the authority to determine employee contributions. Employer contributions are actuarially determined using statutorily established methods on an annual basis and are constitutionally required to cover the employer's portion of the normal cost and provide for the amortization of the unfunded accrued liability. Employer contributions are adopted by the Legislature annually upon recommendation of the Public Retirement Systems' Actuarial Committee. For those members participating in the TRSL defined contribution ORP, a portion of the employer contributions are used to fund the TRSL defined benefit plans' unfunded accrual liability.

Employer contributions to LSERS for fiscal year 2018 were \$705,816, with active member contributions ranging from 7.5% to 8%, and employer contributions of 27.6%. Employer defined benefit plan contributions to TRSL for fiscal year 2018 were \$8,969,682, with active member contributions of 8%, and employer contributions of 26.6%. Non-employer contributing entity contributions to TRSL, which are comprised of \$330,534 from ad valorem tax revenue and \$6,257 from the State for PIP salaries, totaled \$336,791 for fiscal year 2018, and were recognized as revenue by the School Board.

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

At June 30, 2018, the School Board reported liabilities of \$5,217,798 and \$69,139,787 under LSERS and TRSL, respectively, for its proportionate share of the Net Pension Liability (NPL). The NPL for LSERS and TRSL was measured as of June 30, 2017, and the total pension liabilities used to calculate the NPL were determined by actuarial valuations as of that date. The School Board's proportions of the NPL were based on projections of the School Board's long-term share of contributions to the pension plans relative to the projected contribution of all participating employers, actuarially determined. As of June 30, 2017, the most recent measurement date, the School Board's proportions and the changes in proportion from the prior measurement date were .815374%, or a decrease of .033089% for LSERS and .67441%, or a decrease of .04133% for TRSL.

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For the year ended June 30, 2018, the School Board recognized a total pension expense of \$6,181,492, or \$178,692 and \$6,002,800 for LSERS and TRSL, respectively. The School Board reported deferred outflows of resources and deferred inflows of resources related to pensions as components of unrestricted net position from the following sources:

	Deferred Outflows			Deferred Inflows		
	LSERS	TRSL	Total	LSERS	TRSL	Total
Differences between expected and actual experience	\$ -	\$ -	\$ -	\$ 121,674	\$ 2,272,739	\$ 2,394,413
Changes of assumptions	109,407	729,080	838,487	81,285	-	81,285
Net difference between projected and actual earnings on pension plan investments	-	-	-	81,589	1,785,753	1,867,342
Changes in proportion and differences between employer contributions and proportionate share of contributions	-	3,669,372	3,669,372	329,992	5,614,318	5,944,310
Employer contributions subsequent to the measurement date	705,816	8,969,682	9,675,498	-	-	-
Total	<u>\$ 815,223</u>	<u>\$ 13,368,134</u>	<u>\$ 14,183,357</u>	<u>\$ 614,540</u>	<u>\$ 9,672,810</u>	<u>\$ 10,287,350</u>

Deferred outflows of resources related to pensions resulting from the School Board's contributions subsequent to the measurement date will be recognized as a reduction of the LSERS and TRSL NPL in the year ended June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

	LSERS	TRSL	Total
2019	\$ (429,583)	\$ (762,586)	\$ (1,192,169)
2020	79,900	(185,029)	(105,129)
2021	34,392	(1,721,174)	(1,686,782)
2022	(189,842)	(2,605,569)	(2,795,411)

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Actuarial Assumptions

The total pension liabilities for LSERS and TRSL in the June 30, 2017, actuarial valuations were determined using the following actuarial assumptions, applied to all periods included in the measurements:

	LSERS	TRSL
Valuation Date	June 30, 2017	June 30, 2017
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Expected Remaining Service Lives	3 years, closed period	5 years, closed period
Investment Rate of Return	7.125% per annum	7.70%, net of investment exp.
Inflation Rate	2.625% per annum	2.5% per annum
Mortality - Non-disabled	RP-2000 Sex Distinct Mortality Table	RP-2000, scale AA to 2025
Mortality - Disabled	RP-2000 Disabled Lives Mortality Table	RP-2000
Termination, Disability, Retirement	2008-2012 experience study	2008-2012 experience study
Salary Increases	3.075% to 5.375%	3.5% - 10% varies depending on duration of service
Cost of Living Adjustments	Not substantively automatic	Not substantively automatic

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

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For TRSL the long-term expected rate of return for each plan was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.5% and an adjustment for the effect of rebalancing/diversification. The target allocation and best estimates of real rates of return for each major asset class are summarized for each plan in the following table:

	<u>Target Allocation</u>	<u>LT Expected Real Rate of Return</u>	
TRSL (arithmetic)			
Domestic equity	27.00%	4.28%	
International equity	19.00%	4.96%	
Domestic fixed income	13.00%	1.98%	
International fixed income	5.50%	2.75%	
Private equity	25.50%	8.47%	
Other private assets	10.00%	3.51%	
Total	<u>100.00%</u>		
LSERS (arithmetic)			
Fixed income	Core Fixed Income	8.00%	2.02%
	High Yield	5.00%	4.43%
	Emerging Markets Debt	7.00%	4.71%
	Global Fixed Income	10.00%	1.38%
Equity	US Equity	20.00%	6.44%
	Developed Equity	18.00%	7.40%
	Emerging Markets Equity	10.00%	9.42%
	Global REITs	3.00%	5.77%
Alternative	Private Equity	5.00%	10.47%
	Hedge Fund of Funds	3.00%	3.75%
	Real Estate	5.00%	5.00%
Real assets	Timber	2.00%	5.67%
	Oil & Gas	2.00%	10.57%
	Infrastructure	2.00%	6.25%
Total	<u>100.00%</u>		

Discount Rate. The discount rate used to measure the total pension liability was 7.125% for LSERS and 7.70% for TRSL. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that employer contributions from participating employers will be made at contractually required rates, actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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The TRSL discount rate used in the June 30, 2017 net pension liability valuation was decreased from the 7.75% used in the June 30, 2016 valuation to 7.70%. The discount rate was reduced in accordance with the TRSL Board’s adopted plan to reduce the discount rate to 7.5% in 0.05% annual increments. This change was anticipated in the prior valuation when determining the projected contribution requirements for fiscal year 2018.

Sensitivity of the proportionate share of the NPL to changes in the discount rate. The following presents the School Board’s proportionate share of the NPL for LSERS and TRSL using the current discount rate as well as what the School Board’s proportionate share of the NPL would be if it were calculated using a discount rate that is one percentage-point lower or one percentage-point higher than the current rate:

	1.0% Decrease	Current Discount Rate	1.0% Increase
LSERS	\$ 7,152,988	\$ 5,217,798	\$ 3,555,924
TRSL	89,088,194	69,139,787	52,170,160

Pension plan fiduciary net position. Detailed information about LSERS and TRSL fiduciary net position is available in the separately issued financial reports referenced above.

Payables to the Pension Plan. At June 30, 2018, the School Board had \$155,744 and \$2,041,659 as payables to LSERS and TRSL, respectively, for the June 2018 employee and employer legally required contributions.

Optional Retirement Plan

TRSL administers an optional retirement plan (ORP), which was created by R.S. 11:921-931 for academic and administrative employees of public institutions of higher education. The purpose of the optional retirement plan is to provide retirement and death benefits to the participants while affording the maximum portability of these benefits to the participants. The optional retirement plan is a defined contribution plan that provides for full and immediate vesting of all contributions remitted to the participating companies on behalf of the participants. Eligible employees make an irrevocable election to participate in the optional retirement plan rather than the TRSL and purchase retirement and death benefits through contracts provided by designated companies. Benefits payable to participants are not the obligation of the State of Louisiana or the TRSL. Such benefits and other rights of the ORP are the liability and responsibility solely of the designated company or companies to whom contributions have been made.

R.S. 11:927 sets the contribution requirements of the ORP plan members and the employer equal to the contribution rates established for the regular retirement plan of TRSL. However, effective July 1, 2014, the employer contribution rate for amounts credited to the ORP participants who are not employed in higher education must be the greater of: (1) the employer normal cost contribution for the TRSL Regular Plan; or (2) 6.2%.

Employer ORP contributions to TRSL for fiscal year 2018 totaled \$149,377 which represents pension expense for the School Board. Employee contributions totaled \$42,078. The Active member and employer contribution rates were 8% and 6.2%, respectively, with an additional employer contribution of 22.2% made to the TRSL defined benefit plan described in the note above.

NOTE 9 - 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 on a pay-as-you-go basis. The School Board’s OPEB Plan is a single-employer defined benefit “substantive plan” as understood by past practices of the School Board and its 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 an insurance program, whose monthly premiums are paid jointly by the employee and the

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School Board. The School Board is self-insured for health care costs. The School Board pays the costs of life insurance for qualified individuals. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

Benefits Provided and 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 retirees and begin receiving those benefits. The retirees contribute to the cost of retiree healthcare based on a rate schedule. Contribution amounts are approximately 25% retiree/75% employer of the stated costs of healthcare coverage.

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

Inactive employees or beneficiaries currently receiving benefit payments	717
Inactive employees entitled to but not yet receiving benefit payments	0
Active employees	680
Total	1,397

Total OPEB Liability – The School Board’s total OPEB liability of \$121,291,471 was measured as of June 30, 2018 and was determined by an actuarial valuation as of July 1, 2017.

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

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Actuarial method	Entry age normal cost - Level percentage of projected salary
Discount rate	3.87% based on the Bond Buyer General Obligation 20 bond municipal index
Heathcare trend	The expected rate of increase in healthcare costs was 7.6% for Pre-65 and 6.1% for Post-65 graduated down to a rate of 4.4% for both. Both rates include a 2.5% inflation assumption. For post-65 retirees with Medicare, Medicare is assumed to coordinate with the health plan in the "Coordination of Benefits" manner, as described by Health Cost Guidelines.
Mortality	RP-2014 total table projected backward to 2006 with Mortality Improvement Scale MP-2014 and then forward with Mortality Improvement Scale MP-2017
Turnover	Range from 13% at ages 24-30 to 4% at ages 52 and over
Retirement rates	Ranges from 2% at age 38 increasing to 44.6% at age 58, declining 34% at age 69. Age 70 is 100%.
Salary increase	3.00%

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Changes in the Total OPEB Liability:

	Total OPEB Liability
Balance at June 30, 2017	\$ 119,133,575
Changes for the year:	
Service cost	4,376,314
Interest	4,359,055
Effect of economic/demographic gains and losses	167,605
Effect of assumptions changes or inputs	(3,216,925)
Benefit payments	(3,528,153)
Net changes	2,157,896
Balance at June 30, 2018	\$ 121,291,471

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate – The following presents the total OPEB liability of the School Board, as well as what the School Board’s total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower and one percentage point higher than the current discount rate.

	1% Decrease (2.87%)	Discount Rate (3.87%)	1% Increase (4.87%)
Total OPEB liability	\$ 142,975,905	\$ 121,291,471	\$ 104,226,896

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates – The following presents the total OPEB liability of the School Board, as well as what the School Board’s total OPEB liability would be if it were calculated using healthcare cost trend rates that are one percentage point lower and one percentage point higher than the current healthcare cost trend rates.

	1% Decrease	Current Trend Rate	1% Increase
Total OPEB liability	\$ 103,172,275	\$ 121,291,471	\$ 144,228,151

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB– For the year ended June 30, 2018, the School Board recognized OPEB expense of \$7,953,492. At June 30, 2018, the School Board reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Inflows of Resources	Deferred Outflows of Resources
Differences between expected and actual experience	\$ -	\$ 124,629
Changes of assumptions	2,392,072	-

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

Year Ended June 30:	
2019	\$ (781,877)
2020	(781,877)
2021	(703,689)

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NOTE 10 - ACCOUNTS, SALARIES AND OTHER PAYABLES The payables at June 30, 2018, are as follows:

	General	Title I	2000 Ad Valorem	Nonmajor Governmental	Internal Service	Total
Salaries	\$ 3,347,930	\$ 194,593	\$ 54	\$ 360,500	\$ -	\$ 3,903,077
Retainage	-	-	-	64,884	-	64,884
Accounts	2,913,006	44,016	10,942	484,344	292,463	3,744,771
	<u>\$ 6,260,936</u>	<u>\$ 238,609</u>	<u>\$ 10,996</u>	<u>\$ 909,728</u>	<u>\$ 292,463</u>	<u>\$ 7,712,732</u>

NOTE 11 - COMPENSATED ABSENCES At June 30, 2018, employees of the School Board have accumulated and vested \$3,188,819 of employee leave benefits including \$45,576 of salary-related benefits.

NOTE 12 - AGENCY FUND DEPOSITS DUE OTHERS A summary of changes in school activity agency fund deposits due others for the year ended June 30, 2018 is as follows:

	Balance at Beginning of year	Additions	Deletions	Balance at Ending of year
Agency funds:				
School activities	<u>\$ 1,297,793</u>	<u>\$ 3,333,731</u>	<u>\$ 3,212,962</u>	<u>\$ 1,418,562</u>

NOTE 13 - LONG-TERM OBLIGATIONS The following is a summary of the long-term obligation transactions for the year ended June 30, 2018:

	Claims Payable	Bond Premiums	Bonds & QSCB Payable	Compensated Absences	OPEB Liability*	Net Pension Liability	Total
Governmental activities:							
Balance, beginning of year	\$ 1,634,239	\$ 1,006,541	\$ 59,817,000	\$ 3,285,667	\$ 119,133,575	\$ 90,406,549	\$ 275,283,571
Additions	12,213,432	-	-	251,749	5,686,049	6,442,918	24,594,148
Deduction	12,685,111	96,137	3,160,000	348,597	3,528,153	22,491,882	42,309,880
Balance, end of year	<u>\$ 1,162,560</u>	<u>\$ 910,404</u>	<u>\$ 56,657,000</u>	<u>\$ 3,188,819</u>	<u>\$ 121,291,471</u>	<u>\$ 74,357,585</u>	<u>\$ 257,567,839</u>
Amounts due in one year	<u>\$ 1,077,005</u>	<u>\$ -</u>	<u>\$ 3,375,000</u>	<u>\$ 348,597</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,800,602</u>

*The beginning balance for OPEB liability was increased \$53,245,472 due to the implementation of GASB 75.

Payments for claims payable are paid using the internal service funds. The majority of the payment requirements for compensated absences and OPEB liability will be funded by the School Board's General fund and will be appropriated in the year of payment as necessary. Net pension liability will be funded in the same manner as the corresponding salaries are changed. The Bonds and QSCB payments are made by the debt service funds.

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The individual issues are as follows:

	Original Issue	Interest Rates	Range of Maturities	Interest to Maturity	Principal Outstanding June 30, 2018	Amount due in one year
Ruston No. 1						
September, 2012	\$ 9,845,000	0.9-2.47%	2013-2024	\$ 534,240	\$ 6,520,000	\$ 1,020,000
April, 2013	6,605,000	2.58%	2013-2025	500,003	4,715,000	620,000
March, 2014	8,000,000	2.0-3.50%	2014-2034	1,993,788	6,870,000	315,000
March, 2015	5,000,000	2.0-3.5%	2015-2035	1,595,054	4,930,000	75,000
December, 2015	4,500,000	1.0-3.0%	2015-2026	477,642	3,830,000	420,000
March 9, 2016	8,000,000	2.0-3.0%	2019-2036	2,692,825	8,000,000	25,000
January, 2016	635,000	1.10-3.10%	2016-2026	67,316	520,000	60,000
Simsboro No. 3						
April, 2013	4,500,000	2.20%	2013-2025	291,185	3,215,000	420,000
Choudrant No. 6						
June, 2010	9,000,000	3.0 - 4.125%	2010-2030	33,750	860,000	420,000
November 01, 2016	5,595,000	2.0-4.00%	2016-2030	1,683,650	5,545,000	-
Qualified School Construction Bonds						
September, 2009	5,087,000	N/A	2009-2024	-	5,087,000	-
Qualified School Construction Bonds						
May, 2011	3,150,000	0.79%	2011-2026	199,077	3,150,000	-
Qualified School Construction Bonds						
July, 2011	3,415,000	1.0%	2011-2026	273,200	3,415,000	-
Total				<u>\$ 10,341,730</u>	<u>\$ 56,657,000</u>	<u>\$ 3,375,000</u>

All bond principal and interest requirements are funded in accordance with Louisiana law by the annual ad valorem tax levy on taxable property within the parish for all debt except the Qualified School Construction Bonds. At June 30, 2018, the School Board had accumulated \$3,204,528 in debt service funds for future general obligation debt requirements on general obligation bonds (total restricted fund balance in debt service funds of \$6,916,426 less amounts reported in investment accounts for QSCB payable of \$3,711,898). The Parishwide Sinking and the Ruston No. 1 Sinking fund balances are amounts set aside from general revenues for payments of the Qualified School Construction Bonds.

The bonds were issued for acquiring and/or improving lands for building sites and playgrounds; purchasing, erecting and/or improving school buildings and other school related facilities within and for said school district including to the extent feasible, those specific school projects set forth in the capital improvement plan approved by the School Board.

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Bonds are due as follows:

Year Ending June 30,	Principal Payments	Interest Payments	Total
2019	\$ 3,375,000	\$ 1,273,472	\$ 4,648,472
2020	3,485,000	1,195,552	4,680,552
2021	3,625,000	1,120,261	4,745,261
2022	3,910,000	1,034,988	4,944,988
2023	4,030,000	942,148	4,972,148
2024-2028	25,677,000	3,169,957	28,846,957
2029-2033	8,895,000	1,384,043	10,279,043
2034-2036	3,660,000	221,309	3,881,309
Total	<u>\$ 56,657,000</u>	<u>\$10,341,730</u>	<u>\$ 66,998,730</u>

In accordance with Louisiana Revised Statute 39:562, the School Board is legally restricted from incurring long-term bonded debt in excess of 33 percent of the assessed value of taxable property. At June 30, 2018, the statutory limit is \$169,213,004 and outstanding net bonded debt totals \$42,710,876 (Total of individual issues, net of premiums, \$45,915,404 less the amount in the Debt Service funds of \$6,916,426 plus restricted fund balance associated with QSCB revenue bonds of \$3,711,898.)

Pledged revenues: The School Board has pledged future collections of the 4.23 mills (such rate being subject to adjustment from time to time due to reassessment) ad valorem tax to repay the QSCB Revenue Bonds, Series 2009 and 2011. The original bond issuances were for \$5,087,000 for the 2009 and \$3,150,000 and \$3,415,000 for 2011 issuances. Proceeds from the bonds provided financing for the purpose of constructing, acquiring, improving and maintaining public school and school related facilities. The revenue bonds are payable through 2024 for the 2009 and 2026 for both the 2011 bonds. Total principal and interest remaining to be paid on the bonds is \$11,652,000 and \$472,277, respectively. The School Board has committed \$4,609,969 (in addition to the \$3,711,898 in restricted funds) which is recorded in the debt service funds for payment of the bonds. For the year ended June 30, 2018, the School Board received \$1,774,921 from the collection of the 4.23 mills and paid \$59,036 in debt service interest payments and made the required annual payments of \$538,714 into the QSCB investment accounts. The annual required payment and interest payments are estimated to be 26.8% of the tax revenues over the next 8 years.

Defeasance of Debt

In November 2016, the School Board defeased general obligation bonds by placing the proceeds of the new bonds in an irrevocable trust account to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the School Board's financial statement. At June 30, 2018, \$5,680,000 of defeased bonds remain outstanding. These bonds will be called on March 1, 2020.

NOTE 14 - RESTRICTED NET POSITION FOR WORKERS' COMPENSATION The School Board entered into a security agreement with the State of Louisiana Office of Workers' Compensation (OWC) Department of Employment and Training that grants to OWC a security interest in the School Board's \$100,000 Certificate of Deposit. The security interest is to secure the prompt payment of all present and future obligations, including, but not limited to, prompt payment of workers' compensation payments, the furnishing of medical treatment, and or any other requirement under the provisions of the Louisiana Workers' Compensation Act and Rules of the OWC Fiscal Responsibility Unit.

Lincoln Parish School Board
Notes to the Basic Financial Statements
June 30, 2018

NOTE 15 - INTERFUND TRANSACTIONS (FFS Level Only)

Interfund receivables/payables:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Nonmajor Governmental Funds	\$ 702,889
General	Title I	737,125
Internal Service Funds	General	2,208
Total		<u><u>\$ 1,442,222</u></u>

At year-end the General Fund is owed from Title I and nonmajor governmental funds for the following:

1. Various federal grant programs held negative cash balances at year end due to outstanding federal or state reimbursement claims.

The General Fund owes the internal service funds \$2,208 for the following:

1. The Workers' Compensation Fund is owed \$2,208 to cover the outstanding workers compensation claims liability at year end.

Transfers:

	<u>Transfers In</u>	<u>Transfers Out</u>
General	\$ 222,823	\$ 3,675,000
Title I	200,000	-
2000 Ad Valorem	-	700,000
Nonmajor Governmental	4,375,000	200,000
Intrnal Service Fund	-	222,823
Total	<u><u>\$ 4,797,823</u></u>	<u><u>\$ 4,797,823</u></u>

During the fiscal year, the 2000 Ad Valorem Tax Fund transferred \$700,000 and the General fund transferred \$3,175,000 to the Parish-wide Capital Projects fund to assist with construction costs in the parish. The General fund transferred \$500,000 to the Five Mill Maintenance fund to assist with various operating costs. The Title II program transferred \$200,000 to the Title I program to assist with the costs of operating the program. The workers' comp Internal Service fund transferred \$222,823 to the General fund for various operating costs.

Lincoln Parish School Board
Notes to the Basic Financial Statements
June 30, 2018

NOTE 16 - FUND BALANCE CLASSIFICATION DETAILS: The following are details of the fund balance classifications:

	General Fund	2000 Ad Valorem	Nonmajor Governmental	Total
Non-spendable:				
Inventory	\$ -	\$ -	\$ 58,455	\$ 58,455
Restricted for:				
School food service	-	-	851,896	851,896
Maintenance	-	-	831,642	831,642
Grant and Donor Restricted	14,489	-	221,650	236,139
School construction	-	-	1,305,138	1,305,138
Debt Service	-	-	6,916,426	6,916,426
Salary and benefit improvements	2,772,536	2,933,845	6,442,532	12,148,913
Committed to:				
Maintenance	-	-	389,601	389,601
School construction	-	-	3,837,464	3,837,464
Debt Service	-	-	4,609,969	4,609,969
Health Insurance	-	586,759	-	586,759
Salary improvements	3,993,612	1,466,943	-	5,460,555
Technology	-	293,384	-	293,384
Instruction, repairs, and construction of schools	-	586,759	-	586,759
Assigned:				
Casualty retention	200,000	-	-	200,000
Unassigned	11,417,295	-	-	11,417,295
Total	<u>\$ 18,397,932</u>	<u>\$ 5,867,690</u>	<u>\$ 25,464,773</u>	<u>\$ 49,730,395</u>

NOTE 17 - LITIGATION, COMMITMENTS AND CLAIMS

Litigation At June 30, 2018, the School Board is involved in various litigations. It is the opinion of management and legal counsel for the School Board that potential claims against the School Board not covered by insurance would not materially affect the financial statements.

Grant Disallowance 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 of disallowances, if any, which may arise from future audits will not be material.

Tax Arbitrage Rebate Under the Tax Reform Act of 1986, interest earned on the debt proceeds in excess of interest expense prior to the disbursement of the proceeds must be rebated to the Internal Revenue Service (IRS). Management believes there is no tax arbitrage rebate liability at year end.

Construction Projects The School Board had the following construction projects underway at the close of the 2017- 18 year: \$490,000 in construction for a football scoreboard at Ruston High School, \$2,930,000 in construction of a STEM building at Ruston Junior High School, \$590,000 for construction of a special education building at Ruston High School, \$191,000 for construction of baseball lighting at Choudrant High School. The total amount outstanding on these projects at June 30, 2018 was \$1,247,263.

Lincoln Parish School Board
Notes to the Basic Financial Statements
June 30, 2018

NOTE 18 - 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; and automobile liability for which the School Board carries commercial insurance. In addition to insurance coverage purchased from third-party insurers, the School Board retains liability for losses up to a specified retention limit per claim for several of the coverages above. The School Board maintains loss retention of property claims of \$50,000 per occurrence, for errors and omissions of \$10,000 per occurrence, and for general and automobile liability of \$25,000 per occurrence.

For its workers' compensation program the School Board maintains a partially self-insured program whereby the School Board is responsible for payment of all claims incurred during the year up to a maximum of \$425,000 per claim.

The School Board also administers its own health and dental insurance plan for its employees with a combination of self-insurance and stop-loss coverage. Claims are paid from contributions made by the School Board and its plan members. In the 2017-18 fiscal year the School Board retained specific stop-loss insurance coverage which provides excess coverage for claims in excess of \$150,000 per covered member.

On July 1, 2002, the School Board resumed the limited risk management program for workers' compensation claims in place prior to July 1, 1999. During fiscal year 2018, a total of \$337,529 was incurred in claims and changes in estimates. An excess insurance policy covers all claims prior to July 1, 1999, in excess of \$150,000, and after June 30, 2002, in excess of \$425,000 up to \$1,000,000 annually. This risk management program is accounted for in a separate internal service fund. Premiums are paid to the internal service fund from all other funds. The internal service fund for workers' compensation benefits at June 30, 2018 had net position of \$149,286.

The School Board established a risk management program for group health insurance in fiscal year 1990. The group health insurance plan provides benefits to active employees and retirees. Premiums are paid into the group health insurance internal service fund by its members and all other funds. These premiums are available to pay claims, claim reserves, and administrative costs of the program. During fiscal year 2018 a total of \$12,347,582 was paid for claims and administrative costs from the internal service fund. A third-party administrator is used to manage and pay claims according to group health plan provisions. The incurred but not reported claims at year-end of \$839,635 have been accrued as a liability based upon the third-party administrator's calculation using historical claim experience. The internal service fund for group health insurance benefits incurred a net loss during the fiscal year 2018 of \$377,443 and at June 30, 2018, had \$2,564,492 in net position.

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

	Beginning of Fiscal Year Liability	Claims and Changes in Estimates	Benefit Payment and Claims	Ending of Fiscal Year Liability
Workers' Compensation				
2016	\$ 322,925	\$ 548,018	\$ 548,018	\$ 322,925
2017	322,925	312,808	312,808	322,925
2018	322,925	337,529	337,529	322,925
Group Health Insurance				
2016	\$ 1,097,016	\$ 11,825,879	\$ 11,774,353	\$ 1,148,542
2017	1,148,542	10,790,330	10,627,558	1,311,314
2018	1,311,314	11,875,903	12,347,582	839,635

Settlements during the past three years have not exceeded insurance coverage. Additionally, the School Board has made no significant reductions in insurance coverage from the coverage in the prior year.

Lincoln Parish School Board
Notes to the Basic Financial Statements
June 30, 2018

NOTE 19 - 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 \$6,257. This amount was recognized as state revenue and a corresponding expenditure in the applicable fund from which the salary was paid.

The Parish Tax Collector makes pension contributions to the Teacher's Retirement System of Louisiana on behalf of the School Board. These remittances are a portion of the property taxes and state revenue sharing collected which are statutorily set aside for teacher's retirement. The basis for recognizing the revenue and expenditures is the actual contribution made by the Tax Collector's office. For the 2018 fiscal year, the Tax Collector paid the Teacher's Retirement System of Louisiana \$330,534 on behalf of the School Board. This amount was recognized as ad valorem revenue and a reduction in the School Board's required contribution.

NOTE 20 - ECONOMIC DEPENDENCY. The Minimum Foundation funding provided by the state to all public school systems in Louisiana is primarily based on October 1 student count with an adjustment made based on February 1 student count. The state provided \$28,167,643 to the School Board, which represents approximately 36% of the School Board's total revenue for the year.

NOTE 21 - NEW GASB STANDARDS In fiscal year 2018, the School Board adopted the following new standards of financial accounting issued by the Governmental Accounting Standards Board:

Statement No. 75 – Accounting and Financial Reporting for Postemployment Benefits Other than Pensions, issued by the Government Accounting Standards Board. This Statement addresses accounting and financial reporting of OPEB that is provided to the employees of state and local governmental employers and establishes standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures. For defined benefit OPEB, this Statement identifies the methods and assumptions that are required to be used to project benefit payments, discount projected benefit payments to the actuarial present value, and attribute that present value to periods of employee service. Note disclosure and required supplementary information requirements about defined benefit OPEB also are addressed. This Statement replaces the requirements of Statements No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, as amended, and No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans*, for OPEB.

The adoption of Statement No. 75 has no impact on the School Board's governmental fund financial statements, which continue to report expenditures on a pay-as-you-go basis. However, the adoption has resulted in the restatement of the School Board's 2017 government-wide financial statements to reflect the reporting of total OPEB liability in accordance with the provisions of the Statement. Net position as of July 1, 2017 was decreased by \$53,245,472 reflecting the cumulative retrospective effect of adoption.

Statement No. 85 – Omnibus 2017, issued by the Government Accounting Standards Board. This Statement is to address practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics including issues related to fair value measurement, and application, and postemployment benefits for both pensions and other postemployment benefits (OPEB).

Statement No. 86 – Certain Debt Extinguishment Issues, issued by the Government Accounting Standards Board. This Statement is to improve consistency in accounting and financial reporting for in-substance defeasance of debt

Lincoln Parish School Board
Notes to the Basic Financial Statements
June 30, 2018

by providing guidance for transactions in which cash and other monetary assets acquired with only existing resources, resources other than the proceeds of refunding debt, are placed in an irrevocable trust.

The adoption of Statements No. 85 and 86 had no impact on the government-wide or the governmental fund financial statements, but provide for additional guidance, clarification and/or additional disclosures in the notes to the financial statements.

NOTE 22 - CHANGE IN PRESENTATION The 2000 Ad Valorem tax fund is reported as a major fund in the current year. In the prior year this fund was included with the nonmajor governmental funds.

NOTE 23 - INSURANCE PROCEEDS The School Board received \$1,746,970 in insurance proceeds in the current fiscal year as a partial payment on a building which burned. The building was a total loss. The School Board expects to receive approximately \$4,500,000.

NOTE 24 - PRIOR PERIOD ADJUSTMENT The government-wide financial statements include a prior period adjustment decreasing net position of the governmental activities by \$53,245,472, which was related to the implementation of GASB 75. The pro forma amounts for fiscal year 2017 are not presented because the amounts are not readily determinable.

NOTE 25 - TAX ABATEMENTS The School Board is subject to tax abatements granted by the Louisiana Department of Economic Development, Office of Commerce and Industry. Louisiana has a ten-year industrial exemption law that provides any manufacturing establishment entering Louisiana, or any manufacturing establishment expanding its Louisiana facilities is eligible to receive exemption on buildings and equipment from state, parish and local property taxes for a period of ten years. The exemption is for the “contract” value of buildings or equipment used by the business. When the exemption expires, the property is to be placed on the tax roll at 15% of its current market value. The amount of tax abatement under this program during the fiscal year ended June 30, 2018 by authorized millage is as follows:

<u>Tax Code</u>	<u>Taxable Value</u>	<u>Taxpayer Exemption</u>
Constitutional	\$ 435,271	\$ 17,019
Special maintenance and operation	435,271	19,892
Special repair and equipment	435,271	19,892
Maintenance and operation	435,271	41,220
Maintenance and operation	435,271	34,125
		<u>\$ 132,148</u>

**REQUIRED SUPPLEMENTARY
INFORMATION**

Lincoln Parish School Board

**Schedule of Changes in the Total OPEB Liability and Related Ratios
For the Year Ended June 30, 2018**

Exhibit 1

Total OPEB Liability

Service costs	\$ 4,376,314
Interest	4,359,055
Effect of economic/demographic gains or (losses)	167,605
Effect of assumption changes or imputs	(3,216,925)
Benefit payments	<u>(3,528,153)</u>
Net change in total OPEB liability	2,157,896
Total OPEB liability - Beginning	<u>119,133,575</u>
Total OPEB liability - Beginning	<u>\$ 121,291,471</u>
Covered employee payroll	<u>\$ 39,590,959</u>
Total OPEB liability as a percentage of covered employee payroll	306.36%

Changes of Assumptions

Changes of assumptions and other inputs reflect the effect of changes in the discount rate each period. The following is the discount rate used:

2018	3.87%
------	-------

Notes:

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10 year trend is compiled, only information for those years for which information is available is presented.

No assets are accumulated in a trust that meets the criteria in GASB No. 75, paragraph 4, to pay related benefits.

Lincoln Parish School Board

**Schedule of Proportionate Share of the Net Pension Liability
June 30, 2018**

Exhibit 2-1

<u>Fiscal Year</u>	<u>Employer's Proportion of the Net Pension Liability</u>	<u>Employer's Proportionate Share of the Net Pension Liability</u>	<u>Employer's Covered Payroll</u>	<u>Employer's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Employee Payroll</u>	<u>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</u>
Louisiana School Employees' Retirement System					
2015	0.946000%	\$ 5,492,956	\$ 2,658,412	207%	76.18%
2016	0.926012%	5,872,092	2,580,724	228%	74.49%
2017	0.848463%	6,400,357	2,408,756	266%	70.09%
2018	0.815374%	5,217,798	2,335,042	223%	75.03%
Teacher's Retirement System of Louisiana					
2015	0.73387%	\$ 75,011,728	\$ 31,415,835	239%	63.7%
2016	0.74462%	80,063,171	33,500,484	239%	62.5%
2017	0.71574%	84,006,192	33,517,043	251%	59.9%
2018	0.67441%	69,139,787	32,719,967	211%	65.6%

Notes:

The amounts presented have a measurement date of the previous fiscal year end.
This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10 year trend is compiled, only information for those years for which information is available is presented.

Lincoln Parish School Board

**Schedule of Employer Contributions to Pension Plans
For the Year Ended June 30, 2018**

Exhibit 2-2

<u>Fiscal Year</u>	<u>Contractually Required Contribution</u>	<u>Contributions in Relation to Contractually Required Contributions</u>	<u>Contribution Deficiency (Excess)</u>	<u>Employer's Covered Payroll</u>	<u>Contributions as a Percentage of Covered Employee Payroll</u>
Louisiana School Employees' Retirement System					
2015	\$ 846,107	\$ 846,107	\$ -	\$ 2,580,724	32.8%
2016	726,884	726,884	-	2,408,756	30.2%
2017	637,465	637,465	-	2,335,042	27.3%
2018	705,816	705,816	-	2,557,365	27.6%
Teacher's Retirement System of Louisiana					
2015	\$ 9,969,650	\$ 9,969,650	\$ -	\$ 34,094,812	29.2%
2016	9,127,479	9,127,479	-	33,517,043	27.2%
2017	8,346,597	8,346,597	-	32,719,967	25.5%
2018	8,969,682	8,969,682	-	33,722,755	26.6%

Notes:

The amounts presented were determined as of the fiscal year end.
This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10 year trend is compiled, only information for those years for which information is available is presented.

Lincoln Parish School Board

Notes to Required Supplementary Information for Pension Plans

Louisiana School Employees' Retirement System

Changes in Benefit Terms: Members whose first employment makes them eligible for membership in a Louisiana state retirement system on or after July 1, 2015 may retire with a 2.5% benefit factor after attaining the age of 62 with at least 5 years of service credit and are eligible for an actuarially reduced benefit with 20 years of service at any age. This benefit change raised the age requirement from 60 years of age for members hired after June 30, 2010.

Changes in assumptions: For amounts reported in 2016, the valuation investment rate of return was reduced from the 7.25% reported in 2015 to 7.00%. The reduction was made to account for the funding of administrative expenses out of investment earnings. Prior to this valuation, no explicit provision was made to fund or offset administrative expenses. In addition, the valuation model was revised. The long-term expected portfolio real rate of return (expected arithmetic nominal return) was increased .77% in 2016 to 8.30% from the rate of 7.53% used in the 2015 valuation.

Change in discount rate: For LSERS, the discount rate used in the June 30, 2016 net pension liability valuation was increased from the 7.0% used in the June 30, 2015 valuation to 7.125%. For the June 30, 2015 year, the discount rate assumed 0.25% of investment return would offset administrative expenses. Based on Act 94 of the 2016 regular session of the legislature, beginning with the June 30, 2016 actuarial evaluation, the explicit cost of projected noninvestment related administrative expenses will be included in the calculation of the actuarially required contributions for the System. Prior to this valuation, no explicit provision was made to fund or offset administrative expenses. With this change, the valuation of plan liabilities based on a valuation interest rate set for .25% below the assumed long-term rate of return is no longer necessary. Instead, for the June 30, 2016 actuarial valuation, the assumed long-term rate of return was reduced from 7.25% to 7.125%, and the valuation interest rate was set equal to the long-term rate of return.

Teacher's Retirement System of Louisiana

Changes in Benefit Terms: Members whose first employment makes them eligible for membership in a Louisiana state retirement system on or after July 1, 2015 may retire with a 2.5% benefit factor after attaining the age of 62 with at least 5 years of service credit and are eligible for an actuarially reduced benefit with 20 years of service at any age. This benefit change raised the age requirement from 60 years of age for members hired after January 1, 2011.

Change in discount rate: The discount rate was reduced from 7.75% to 7.70% effective July 1, 2017, in accordance with the Board's adopted plan to reduce the discount rate to 7.50% in .05% increments.

Lincoln Parish School Board

Budgetary Comparison Schedule

GENERAL FUND The general fund is used to account for resources traditionally associated with government which are not required legally or by sound financial management to be accounted for in another fund.

TITLE I The special revenue fund that accounts for the Title I federal grant.

2000 AD VALOREM The 2000 Ad Valorem Tax Fund accounts for the proceeds of a parish-wide 10 mill ad valorem tax. Of the total tax collections, 50% is to be used for paying salaries and benefits. The remaining 50% of tax collections is to be used for paying retiree health insurance premiums, paying for technology, covering the cost of mandated summer school, and for maintaining, operating and improving school buildings, facilities, vehicles and equipment.

LINCOLN PARISH SCHOOL BOARD

**GENERAL FUND
Budgetary Comparison Schedule
For the Year Ended June 30, 2018**

Exhibit 3

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL	AMOUNTS	
REVENUES				
Local sources:				
Taxes:				
Ad valorem	\$ 8,495,981	\$ 8,476,548	\$ 8,478,765	\$ 2,217
Sales and use	9,543,184	9,764,816	9,883,334	118,518
Interest earnings	133,200	199,794	372,246	172,452
Other	1,340,412	1,698,493	800,880	(897,613)
State sources:				
Equalization	26,446,878	25,799,285	27,803,239	2,003,954
Other	222,684	355,884	353,205	(2,679)
Federal sources	-	-	2,226	2,226
Total Revenues	46,182,339	46,294,820	47,693,895	1,399,075
EXPENDITURES				
Current:				
Instruction:				
Regular programs	20,764,536	19,614,491	21,647,675	(2,033,184)
Special programs	6,429,789	6,642,345	6,487,560	154,785
Other instructional programs	3,454,963	3,185,317	2,958,647	226,670
Support services:				
Student services	3,145,723	3,750,895	3,256,546	494,349
Instructional staff support	2,797,358	2,789,481	2,776,694	12,787
General administration	1,229,042	976,661	889,472	87,189
School administration	3,557,291	3,661,644	3,661,644	-
Business services	735,867	741,755	742,969	(1,214)
Plant services	2,263,015	2,452,335	2,456,252	(3,917)
Student transportation services	2,829,479	2,763,687	2,357,488	406,199
Central services	495,134	483,697	483,697	-
Food services	778,743	812,461	812,461	-
Community service programs	122,336	111,839	111,839	-
Capital Outlay	-	1,500	413,041	(411,541)
Total Expenditures	48,603,276	47,988,108	49,055,985	(1,067,877)
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	\$ (2,420,937)	\$ (1,693,288)	\$ (1,362,090)	\$ 331,198

(continued)

LINCOLN PARISH SCHOOL BOARD

GENERAL FUND
 Budgetary Comparison Schedule
 For the Year Ended June 30, 2018

Exhibit 3

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL	AMOUNTS	FINAL BUDGET
				POSITIVE
				(NEGATIVE)
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ 184,121	\$ 350,781	\$ 222,823	\$ (127,958)
Transfers out	(3,788,520)	(3,807,030)	(3,675,000)	132,030
Total Other Financing Sources (Uses)	(3,604,399)	(3,456,249)	(3,452,177)	4,072
Net Change in Fund Balances	(6,025,336)	(5,149,537)	(4,814,267)	335,270
FUND BALANCES - BEGINNING	23,458,754	23,384,523	23,212,199	(172,324)
FUND BALANCES - ENDING	\$ 17,433,418	\$ 18,234,986	\$ 18,397,932	\$ 162,946

(concluded)

LINCOLN PARISH SCHOOL BOARD

TITLE I
 Budgetary Comparison Schedule
 For the Year Ended June 30, 2018

Exhibit 3-1

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL	AMOUNTS	FINAL BUDGET
				POSITIVE
				(NEGATIVE)
REVENUES				
Federal sources	\$ 2,633,811	\$ 3,206,680	\$ 2,641,833	\$ (564,847)
Total Revenues	2,633,811	3,206,680	2,641,833	(564,847)
EXPENDITURES				
Current:				
Instruction:				
Other instructional programs	1,551,134	1,897,678	1,668,646	229,032
Support services:				
Student services	-	96,904	29,140	67,764
Instructional staff support	925,495	1,034,506	999,156	35,350
General administration	157,182	155,436	137,751	17,685
Plant Services	-	22,156	7,140	15,016
Total Expenditures	2,633,811	3,206,680	2,841,833	364,847
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	-	-	(200,000)	(200,000)
Transfers in	-	-	200,000	200,000
Net Change in Fund Balances	-	-	-	-
FUND BALANCES - BEGINNING	-	-	-	-
FUND BALANCES - ENDING	\$ -	\$ -	\$ -	\$ -

LINCOLN PARISH SCHOOL BOARD

2000 AD VALOREM
Budgetary Comparison Schedule
For the Year Ended June 30, 2018

Exhibit 3-2

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL	AMOUNTS	FINAL BUDGET
				POSITIVE
				(NEGATIVE)
REVENUES				
Local sources:				
Taxes:				
Ad valorem	\$ 3,562,211	\$ 3,558,867	\$ 3,558,867	\$ -
Interest earnings	26,238	48,506	48,506	-
Other	55,980	55,980	55,980	-
Total Revenues	3,644,429	3,663,353	3,663,353	-
EXPENDITURES				
Current:				
Instruction:				
Regular programs	1,049,279	1,456,282	1,459,250	(2,968)
Special programs	295,110	377,428	377,428	-
Other instructional programs	118,092	147,223	147,223	-
Support services:				
Student services	114,598	151,790	151,790	-
Instructional staff support	118,760	146,102	146,102	-
General administration	120,883	121,215	121,215	-
School administration	118,981	158,330	158,330	-
Business services	16,446	22,108	22,108	-
Plant Services	115,396	164,551	164,551	-
Student transportation services	120,518	153,499	153,499	-
Central services	1,576	2,006	2,006	-
Food services	99,292	121,097	121,097	-
Community service programs	2,308	2,968	2,968	-
Total Expenditures	2,291,239	3,024,599	3,027,567	(2,968)
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	1,353,190	638,754	635,786	(2,968)
Transfers in	61,625	-	-	-
Transfers out	(700,000)	(700,000)	(700,000)	-
Net Change in Fund Balances	714,815	(61,246)	(64,214)	(2,968)
FUND BALANCES - BEGINNING	5,924,276	5,931,904	5,931,904	-
FUND BALANCES - ENDING	\$ 6,639,091	\$ 5,870,658	\$ 5,867,690	\$ (2,968)

**Lincoln Parish School Board
Notes to Budgetary Comparison Schedule
For the Year Ended June 30, 2018**

A. BUDGETS

Formal budget integration (within the accounting records) is employed as a management control device. Budget amounts included in the accompanying financial statements include the original adopted budget and all subsequent amendments. All budget revisions are approved by the School Board.

Budget Basis of Accounting The General Fund and special revenue budgets are prepared on the modified accrual basis of accounting, a basis consistent with accounting principles generally accepted in the United States of America (GAAP). Budgeted amounts are as originally adopted or as amended by the Board. Legally, the Board must adopt a balanced budget; that is, total budgeted revenues and other financing sources including fund balance must equal or exceed total budgeted expenditures and other financing uses. State statutes require the Board to amend its budgets when revenues plus projected revenues within a fund are expected to be less than budgeted revenues by five percent or more and/or expenditures within a fund are expected to exceed budgeted expenditures by five percent or more. The School Board approves budgets at the function level for the general fund and at the fund level for special revenue funds. Management can transfer amounts between line items within a function.

Excess of Expenditures over Appropriations The following individual funds had actual expenditures over budgeted expenditures for the year ended June 30, 2018:

<u>Fund</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
General Fund	\$ 47,988,108	\$ 49,055,985	\$ (1,067,877)
2000 Ad Valorem	3,024,599	3,027,567	(2,968)

Lincoln Parish School Board

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OTHER SUPPLEMENTARY INFORMATION

LINCOLN PARISH SCHOOL BOARD

**GENERAL FUND ACCOUNTS
Combining Balance Sheet
June 30, 2018**

	GENERAL ACCOUNTS	1967 SALES TAX ACCOUNT	1979 SALES TAX ACCOUNT
ASSETS			
Cash and cash equivalents	\$ 3,449,413	\$ 722,698	\$ 480,953
Investments	5,043,604	2,867,574	3,352,082
Receivables	144,310	430,365	430,365
Interfund receivables	1,440,014	-	-
TOTAL ASSETS	10,077,341	4,020,637	4,263,400
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts, salaries and other payables	6,075,008	27,025	106,674
Interfund payables	2,105	-	-
Total Liabilities	6,077,113	27,025	106,674
Fund Balances:			
Restricted	13,846	-	2,772,536
Committed	-	3,993,612	-
Assigned	200,000	-	-
Unassigned	3,786,382	-	1,384,190
Total Fund Balances	4,000,228	3,993,612	4,156,726
TOTAL LIABILITIES AND FUND BALANCES	\$ 10,077,341	\$ 4,020,637	\$ 4,263,400

Exhibit 4

1993 AD VALOREM TAX ACCOUNT	EWING FOUNDATION	TOTAL
\$ 524,128	\$ 643	\$ 5,177,835
5,765,348	-	17,028,608
9,579	-	1,014,619
-	-	1,440,014
<u>6,299,055</u>	<u>643</u>	<u>24,661,076</u>
52,229	-	6,260,936
103	-	2,208
<u>52,332</u>	<u>-</u>	<u>6,263,144</u>
-	643	2,787,025
-	-	3,993,612
-	-	200,000
6,246,723	-	11,417,295
<u>6,246,723</u>	<u>643</u>	<u>18,397,932</u>
<u>\$ 6,299,055</u>	<u>\$ 643</u>	<u>\$ 24,661,076</u>

LINCOLN PARISH SCHOOL BOARD

GENERAL FUND ACCOUNTS
Combining Schedule of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended June 30, 2018

	GENERAL ACCOUNTS	1967 SALES TAX ACCOUNT	1979 SALES TAX ACCOUNT
REVENUES			
Local sources:			
Taxes:			
Ad valorem	\$ 4,179,917	\$ -	\$ -
Sales and use	-	4,941,667	4,941,667
Interest earnings	285,399	30,540	37,577
Other	731,743	-	14,715
State sources:			
Equalization	27,803,239	-	-
Other	353,205	-	-
Federal sources			
	2,226	-	-
 Total Revenues	 <u>33,355,729</u>	 <u>4,972,207</u>	 <u>4,993,959</u>
 EXPENDITURES			
Current:			
Instruction:			
Regular programs	17,179,542	1,656,925	2,138,099
Special programs	5,012,748	691,434	603,657
Other instructional programs	1,789,560	388,960	592,904
Support services:			
Student services	2,776,417	222,874	208,228
Instructional staff support	2,294,568	178,589	273,305
General administration	524,020	81,758	52,674
School administration	3,047,940	327,109	232,196
Business services	652,743	46,852	35,332
Plant services	1,304,205	409,522	231,277
Student transportation services	1,486,826	430,425	268,110
Central services	473,827	5,452	3,408
Food services	55,517	382,174	228,794
Community service programs	107,194	1,928	2,717
Capital outlay	8,000	-	-
 Total Expenditures	 <u>36,713,107</u>	 <u>4,824,002</u>	 <u>4,870,701</u>
 EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	 <u>\$ (3,357,378)</u>	 <u>\$ 148,205</u>	 <u>\$ 123,258</u>

Exhibit 5

1993 AD VALOREM TAX ACCOUNT	EWING FOUNDATION	TOTAL
\$ 4,298,848	\$ -	\$ 8,478,765
-	-	9,883,334
18,730	-	372,246
54,422	-	800,880
-	-	27,803,239
-	-	353,205
-	-	2,226
<hr/> 4,372,000	<hr/> -	<hr/> 47,693,895
673,109	-	21,647,675
179,721	-	6,487,560
187,223	-	2,958,647
49,027	-	3,256,546
30,232	-	2,776,694
231,020	-	889,472
54,399	-	3,661,644
8,042	-	742,969
511,248	-	2,456,252
172,127	-	2,357,488
1,010	-	483,697
145,976	-	812,461
-	-	111,839
405,041	-	413,041
<hr/> 2,648,175	<hr/> -	<hr/> 49,055,985
<hr/> \$ 1,723,825	<hr/> \$ -	<hr/> \$ (1,362,090)

(CONTINUED)

LINCOLN PARISH SCHOOL BOARD

GENERAL FUND ACCOUNTS
Combining Schedule of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended June 30, 2018

	GENERAL ACCOUNTS	1967 SALES TAX ACCOUNT	1979 SALES TAX ACCOUNT
OTHER FINANCING SOURCES (USES)			
Transfers in	\$ 207,226	\$ -	\$ -
Transfers out	(3,675,000)	-	-
Total Other Financing Sources (Uses)	(3,467,774)	-	-
Net Change in Fund Balances	(6,825,152)	148,205	123,258
FUND BALANCES - BEGINNING	10,825,380	3,845,407	4,033,468
FUND BALANCES - ENDING	\$ 4,000,228	\$ 3,993,612	\$ 4,156,726

Exhibit 5

1993 AD VALOREM TAX ACCOUNT	EWING FOUNDATION	TOTAL
\$ 15,597	\$ -	\$ 222,823
-	-	(3,675,000)
15,597	-	(3,452,177)
1,739,422	-	(4,814,267)
4,507,301	643	23,212,199
<u>\$ 6,246,723</u>	<u>\$ 643</u>	<u>\$ 18,397,932</u>

(CONCLUDED)

LINCOLN PARISH SCHOOL BOARD

**GENERAL FUND (GENERAL ACCOUNTS)
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (GAAP Basis) and Actual
For the Year Ended June 30, 2018**

Exhibit 6

**VARIANCE
OVER
(UNDER)**

	BUDGET	ACTUAL	VARIANCE OVER (UNDER)
REVENUES			
Local sources:			
Taxes:			
Ad valorem	\$ 4,177,700	\$ 4,179,917	\$ 2,217
Interest earnings	112,947	285,399	172,452
Other	1,629,356	731,743	(897,613)
State sources:			
Equalization	25,799,285	27,803,239	2,003,954
Other	355,884	353,205	(2,679)
Federal sources	-	2,226	2,226
Total Revenues	32,075,172	33,355,729	1,280,557
 EXPENDITURES			
Current:			
Instruction:			
Regular programs	15,165,814	17,179,542	(2,013,728)
Special programs	5,167,533	5,012,748	154,785
Other instructional programs	2,016,230	1,789,560	226,670
Support services:			
Student services	3,170,766	2,776,417	394,349
Instructional staff support	2,307,355	2,294,568	12,787
General administration	612,640	524,020	88,620
School administration	3,047,940	3,047,940	-
Business services	651,529	652,743	(1,214)
Plant services	1,304,174	1,304,205	(31)
Student transportation services	1,487,984	1,486,826	1,158
Central services	473,827	473,827	-
Food services	55,517	55,517	-
Community service programs	107,194	107,194	-
Capital outlay	1,500	8,000	(6,500)
Total Expenditures	35,570,003	36,713,107	(1,143,104)
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	\$ (3,494,831)	\$ (3,357,378)	\$ 137,453

(CONTINUED)

LINCOLN PARISH SCHOOL BOARD

**GENERAL FUND (GENERAL ACCOUNTS)
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (GAAP Basis) and Actual
For the Year Ended June 30, 2018**

Exhibit 6

**VARIANCE
OVER
(UNDER)**

	<u>BUDGET</u>	<u>ACTUAL</u>	
OTHER FINANCING SOURCES (USES)			
Transfers in	\$ 335,184	\$ 207,226	\$ (127,958)
Transfers out	(3,807,030)	(3,675,000)	132,030
	<u>(3,471,846)</u>	<u>(3,467,774)</u>	<u>4,072</u>
Total Other Financing Sources (Uses)			
Net Change in Fund Balances	(6,966,677)	(6,825,152)	141,525
FUND BALANCE AT BEGINNING OF YEAR	<u>10,998,347</u>	<u>10,825,380</u>	<u>(172,967)</u>
FUND BALANCE AT END OF YEAR	<u><u>\$ 4,031,670</u></u>	<u><u>\$ 4,000,228</u></u>	<u><u>\$ (31,442)</u></u>

(CONCLUDED)

LINCOLN PARISH SCHOOL BOARD

**GENERAL FUND (1967 SALES TAX ACCOUNT)
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (GAAP Basis) and Actual
For the Year Ended June 30, 2018**

Exhibit 7

	BUDGET	ACTUAL	VARIANCE OVER (UNDER)
REVENUES			
Local sources:			
Taxes:			
Sales and use	\$ 4,882,408	\$ 4,941,667	\$ 59,259
Interest earnings	30,540	30,540	-
	4,912,948	4,972,207	59,259
EXPENDITURES			
Current:			
Instruction:			
Regular programs	1,656,925	1,656,925	-
Special programs	691,434	691,434	-
Other instructional programs	388,960	388,960	-
Support services:			
Student services	222,874	222,874	-
Instructional staff support	178,589	178,589	-
General administration	81,758	81,758	-
School administration	327,109	327,109	-
Business services	46,852	46,852	-
Plant services	409,522	409,522	-
Student transportation services	430,425	430,425	-
Central services	5,452	5,452	-
Food services	382,174	382,174	-
Community service programs	1,928	1,928	-
	4,824,002	4,824,002	-
Total Expenditures			
	88,946	148,205	59,259
Net Change in Fund Balances			
	3,845,407	3,845,407	-
FUND BALANCE AT BEGINNING OF YEAR			
	\$ 3,934,353	\$ 3,993,612	\$ 59,259
FUND BALANCE AT END OF YEAR			

LINCOLN PARISH SCHOOL BOARD

**GENERAL FUND (1979 SALES TAX ACCOUNT)
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (GAAP Basis) and Actual
For the Year Ended June 30, 2018**

Exhibit 8

	BUDGET	ACTUAL	VARIANCE OVER (UNDER)
REVENUES			
Local sources:			
Taxes:			
Sales and use	\$ 4,882,408	\$ 4,941,667	\$ 59,259
Interest earnings	37,577	37,577	-
Other	14,715	14,715	-
	4,934,700	4,993,959	59,259
EXPENDITURES			
Current:			
Instruction:			
Regular programs	2,138,099	2,138,099	-
Special programs	603,657	603,657	-
Other instructional programs	592,904	592,904	-
Support services:			
Student services	208,228	208,228	-
Instructional staff support	273,305	273,305	-
General administration	51,243	52,674	(1,431)
School administration	232,196	232,196	-
Business services	35,332	35,332	-
Plant services	231,277	231,277	-
Student transportation services	268,110	268,110	-
Central services	3,408	3,408	-
Food services	228,794	228,794	-
Community service programs	2,717	2,717	-
	4,869,270	4,870,701	(1,431)
Net Change in Fund Balances	65,430	123,258	57,828
FUND BALANCE AT BEGINNING OF YEAR	4,033,468	4,033,468	-
FUND BALANCE AT END OF YEAR	\$ 4,098,898	\$ 4,156,726	\$ 57,828

LINCOLN PARISH SCHOOL BOARD

**GENERAL FUND (1993 AD VALOREM TAX ACCOUNT)
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (GAAP Basis) and Actual
For the Year Ended June 30, 2018**

Exhibit 9

	BUDGET	ACTUAL	VARIANCE OVER (UNDER)
REVENUES			
Local sources:			
Taxes:			
Ad valorem	\$ 4,298,848	\$ 4,298,848	\$ -
Interest earnings	18,730	18,730	-
Other	54,422	54,422	-
Total Revenues	4,372,000	4,372,000	-
EXPENDITURES			
Current:			
Instruction:			
Regular programs	653,653	673,109	(19,456)
Special programs	179,721	179,721	-
Other instructional programs	187,223	187,223	-
Support services:			
Student services	149,027	49,027	100,000
Instructional staff support	30,232	30,232	-
General administration	231,020	231,020	-
School administration	54,399	54,399	-
Business services	8,042	8,042	-
Plant services	507,362	511,248	(3,886)
Student transportation services	577,168	172,127	405,041
Central services	1,010	1,010	-
Food services	145,976	145,976	-
Capital outlay	-	405,041	(405,041)
Total Expenditures	2,724,833	2,648,175	76,658
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES			
	1,647,167	1,723,825	76,658
OTHER FINANCING SOURCES (USES)			
Transfers in	15,597	15,597	-
Total Other Financing Sources (Uses)	15,597	15,597	-
Net change in fund balance	1,662,764	1,739,422	76,658
FUND BALANCE AT BEGINNING OF YEAR			
	4,507,301	4,507,301	-
FUND BALANCE AT END OF YEAR			
	\$ 6,170,065	\$ 6,246,723	\$ 76,658

LINCOLN PARISH SCHOOL BOARD

**GENERAL FUND (EWING FOUNDATION)
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (GAAP Basis) and Actual
For the Year Ended June 30, 2018**

Exhibit 10

	BUDGET	ACTUAL	VARIANCE OVER (UNDER)
REVENUES			
Local sources:			
Other	\$ -	\$ -	\$ -
Total Revenues	-	-	-
EXPENDITURES			
Current:			
Instruction:			
Regular programs	-	-	-
Total Expenditures	-	-	-
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	-	-	-
FUND BALANCE AT BEGINNING OF YEAR	-	643	643
FUND BALANCE AT END OF YEAR	\$ -	\$ 643	\$ 643

*The School Board budgeted zero amounts.

**COMBINING
NONMAJOR GOVERNMENTAL FUNDS**

LINCOLN PARISH SCHOOL BOARD

**NONMAJOR GOVERNMENTAL FUNDS
Combining Balance Sheet - By Fund Type
June 30, 2018**

Exhibit 11

	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS	TOTAL
ASSETS				
Cash and cash equivalents	\$ 3,802,486	\$ 1,393,058	\$ 2,570,896	\$ 7,766,440
Investments	4,471,431	10,122,680	2,916,572	17,510,683
Receivables	1,731,495	10,657	-	1,742,152
Inventory	125,039	-	-	125,039
Other assets	2,500	-	-	2,500
TOTAL ASSETS	10,132,951	11,526,395	5,487,468	27,146,814
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts, salaries and other payables	564,862	-	344,866	909,728
Interfund payables	702,889	-	-	702,889
Unearned revenue	69,424	-	-	69,424
Total Liabilities	1,337,175	-	344,866	1,682,041
Fund Balances:				
Nonspendable	58,455	-	-	58,455
Restricted	8,347,720	6,916,426	1,305,138	16,569,284
Committed	389,601	4,609,969	3,837,464	8,837,034
Total Fund Balances	8,795,776	11,526,395	5,142,602	25,464,773
TOTAL LIABILITIES AND FUND BALANCES	\$ 10,132,951	\$ 11,526,395	\$ 5,487,468	\$ 27,146,814

LINCOLN 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, 2018**

Exhibit 12

	<u>SPECIAL REVENUE</u>	<u>DEBT SERVICE</u>	<u>CAPITAL PROJECTS</u>	<u>TOTAL</u>
REVENUES				
Local sources:				
Taxes:				
Ad valorem	\$ 3,214,449	\$ 4,515,195	\$ -	\$ 7,729,644
Sales and use	9,883,333	-	-	9,883,333
Interest earnings	57,989	149,508	9,295	216,792
Food services	110,469	-	-	110,469
Other	31,535	-	130,000	161,535
State sources:				
Equalization	364,404	-	-	364,404
Other	431,802	-	-	431,802
Federal sources				
	5,450,901	-	-	5,450,901
 Total Revenues	 <u>19,544,882</u>	 <u>4,664,703</u>	 <u>139,295</u>	 <u>24,348,880</u>
 EXPENDITURES				
Current:				
Instruction:				
Regular programs	4,301,148	-	-	4,301,148
Special programs	2,579,335	-	-	2,579,335
Other instructional programs	1,505,362	-	-	1,505,362
Support services:				
Student services	630,860	-	-	630,860
Instructional staff support	1,295,082	-	-	1,295,082
General administration	305,091	139,032	-	444,123
School administration	961,537	-	-	961,537
Business services	170,515	-	-	170,515
Plant services	3,637,664	-	475,393	4,113,057
Student transportation services	1,296,113	-	-	1,296,113
Central services	8,009	-	-	8,009
Food services	3,091,422	-	-	3,091,422
Community service programs	10,487	-	-	10,487
Capital outlay	41,396	-	2,463,459	2,504,855
Debt service:				
Principal retirement	-	3,160,000	-	3,160,000
Interest and bank charges	-	1,359,327	-	1,359,327
 Total Expenditures	 <u>19,834,021</u>	 <u>4,658,359</u>	 <u>2,938,852</u>	 <u>27,431,232</u>
 EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	 <u>\$ (289,139)</u>	 <u>\$ 6,344</u>	 <u>\$ (2,799,557)</u>	 <u>\$ (3,082,352)</u>

(CONTINUED)

LINCOLN 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, 2018**

Exhibit 12

	<u>SPECIAL REVENUE</u>	<u>DEBT SERVICE</u>	<u>CAPITAL PROJECTS</u>	<u>TOTAL</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ 500,000	\$ -	\$ 3,875,000	\$ 4,375,000
Transfers out	(200,000)	-	-	(200,000)
Insurance proceeds	-	-	1,746,970	1,746,970
Total Other Financing Sources (Uses)	<u>300,000</u>	<u>-</u>	<u>5,621,970</u>	<u>5,921,970</u>
Net Change in Fund Balances	10,861	6,344	2,822,413	2,839,618
FUND BALANCES - BEGINNING	<u>8,784,915</u>	<u>11,520,051</u>	<u>2,320,189</u>	<u>22,625,155</u>
FUND BALANCES - ENDING	<u>\$ 8,795,776</u>	<u>\$ 11,526,395</u>	<u>\$ 5,142,602</u>	<u>\$ 25,464,773</u>

(CONCLUDED)

Lincoln Parish School Board

Nonmajor Special Revenue Funds

TITLE II 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.

SPECIAL PROGRAMS The special programs fund accounts for special education federal grants to the School Board. All of the grants are restricted for special purposes.

SCHOOL FOOD SERVICE 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.

PARISHWIDE MAINTENANCE The parishwide maintenance fund accounts for the proceeds of a specific parish-wide ad valorem tax to be used for maintenance and upkeep of school facilities.

RUSTON NO. 1 MAINTENANCE AND OPERATIONS The Ruston School District No. 1 maintenance and operation fund accounts for the proceeds of a 3-mill Ruston School District ad valorem tax to be used for the utilities of the schools in the district.

SIMSBORO NO. 3 MAINTENANCE AND OPERATIONS The Simsboro School District No. 3 maintenance and operation fund accounts for the proceeds of a 3-mill Simsboro School District ad valorem tax to be used for the utilities of the schools in the district.

DUBACH NO. 5 MAINTENANCE AND OPERATIONS The Dubach School District No. 5 maintenance and operation fund accounts for the proceeds of a 3-mill Dubach School District ad valorem tax to be used for maintaining and operating the school facilities in the district including the payment of the cost of the utilities.

CHOUDRANT NO. 6 MAINTENANCE AND OPERATIONS The Choudrant School District No. 6 maintenance and operation fund accounts for the proceeds of a 3-mill Choudrant School District ad valorem tax to be used for maintaining and operating the school facilities in the district including the cost of the utilities.

EDUCATION EXCELLENCE The Louisiana State Legislature established the Millennium Trust in 1999 to provide for the disposition of proceeds from the tobacco settlement. This fund is a component of the Millennium Trust. The funds are restricted to expenditure for pre-kindergarten through twelfth grade instructional enhancements for students, including early childhood education programs focused on at-risk children and remedial instruction and assistance to children who fail to achieve required scores on tests required for advancement.

RURAL EDUCATION ACHIEVEMENT These funds are used for teacher recruitment and retention, professional development, educational technology and parental involvement activities.

2000 SALES TAX The 2000 Sales Tax Fund accounts for the proceeds of a one-half cent sales tax to be used for the payment of salaries and benefits of teachers and other School Board employees.

1993 SALES TAX The 1993 Sales Tax Fund accounts for the proceeds of a one-half cent sales tax to be used for paying instructional and support staff salaries and benefits.

VOCATIONAL EDUCATION These funds account for the federal Carl Perkins funds used to more fully develop the skills of students who elect to enroll in vocational and technical programs.

(Continued)

Lincoln Parish School Board

Nonmajor Special Revenue Funds

EARLY CHILDHOOD These funds account for state 8g grants and federal early childhood grants to provide enhancement to early childhood educational programs.

OTHER MISCELLANEOUS This fund accounts for several small state and federal funds, such as TANF/LA4, which are restricted for special purposes.

(Concluded)

LINCOLN PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUNDS

Combining Balance Sheet

June 30, 2018

	<u>TITLE II</u>	<u>SPECIAL PROGRAMS</u>	<u>SCHOOL FOOD SERVICE</u>	<u>PARISHWIDE MAINTENANCE</u>
ASSETS				
Cash and cash equivalents	\$ -	\$ -	\$ 945,963	\$ 527,477
Investments	-	-	-	-
Receivables	59,340	362,193	20,487	4,793
Inventory	-	-	125,039	-
Other assets	-	-	-	2,500
TOTAL ASSETS	<u>59,340</u>	<u>362,193</u>	<u>1,091,489</u>	<u>534,770</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts, salaries and other payables	2,818	44,559	114,554	145,169
Interfund payables	56,522	317,634	-	-
Unearned revenue	-	-	66,584	-
Total Liabilities	<u>59,340</u>	<u>362,193</u>	<u>181,138</u>	<u>145,169</u>
Fund Balances:				
Nonspendable	-	-	58,455	-
Restricted	-	-	851,896	-
Committed	-	-	-	389,601
Total Fund Balances	<u>-</u>	<u>-</u>	<u>910,351</u>	<u>389,601</u>
TOTAL LIABILITIES AND AND FUND BALANCES	<u>\$ 59,340</u>	<u>\$ 362,193</u>	<u>\$ 1,091,489</u>	<u>\$ 534,770</u>

Exhibit 13

SCHOOL DISTRICTS				
<u>RUSTON NO. 1</u> <u>MAINTENANCE</u> <u>& OPERATIONS</u>	<u>SIMSBORO NO. 3</u> <u>MAINTENANCE</u> <u>& OPERATIONS</u>	<u>DUBACH NO. 5</u> <u>MAINTENANCE</u> <u>& OPERATIONS</u>	<u>CHOUDRANT NO. 6</u> <u>MAINTENANCE</u> <u>& OPERATIONS</u>	<u>EDUCATION</u> <u>EXCELLENCE</u>
\$ 251,228	\$ 352,953	\$ 259,430	\$ 51,420	\$ 198,627
-	-	-	-	-
2,183	61	118	13	-
-	-	-	-	-
-	-	-	-	-
<u>253,411</u>	<u>353,014</u>	<u>259,548</u>	<u>51,433</u>	<u>198,627</u>
61,663	6,112	4,912	13,077	300
-	-	-	-	-
-	-	-	-	-
<u>61,663</u>	<u>6,112</u>	<u>4,912</u>	<u>13,077</u>	<u>300</u>
-	-	-	-	-
191,748	346,902	254,636	38,356	198,327
-	-	-	-	-
<u>191,748</u>	<u>346,902</u>	<u>254,636</u>	<u>38,356</u>	<u>198,327</u>
<u>\$ 253,411</u>	<u>\$ 353,014</u>	<u>\$ 259,548</u>	<u>\$ 51,433</u>	<u>\$ 198,627</u>

(CONTINUED)

LINCOLN PARISH SCHOOL BOARD

**NONMAJOR SPECIAL REVENUE FUNDS
Combining Balance Sheet
June 30, 2018**

	RURAL EDUCATION ACHIEVEMENT	2000 SALES TAX	1993 SALES TAX	VOCATIONAL EDUCATION
ASSETS				
Cash and cash equivalents	\$ -	\$ 615,038	\$ 586,554	\$ 607
Investments	-	2,476,184	1,995,247	-
Receivables	4,854	430,365	430,365	47,614
Inventory	-	-	-	-
Other assets	-	-	-	-
TOTAL ASSETS	4,854	3,521,587	3,012,166	48,221
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts, salaries and other payables	2,506	-	91,221	-
Interfund payables	2,348	-	-	48,221
Unearned revenue	-	-	-	-
Total Liabilities	4,854	-	91,221	48,221
Fund Balances:				
Nonspendable	-	-	-	-
Restricted	-	3,521,587	2,920,945	-
Committed	-	-	-	-
Total Fund Balances	-	3,521,587	2,920,945	-
TOTAL LIABILITIES AND FUND BALANCES	\$ 4,854	\$ 3,521,587	\$ 3,012,166	\$ 48,221

Exhibit 13

<u>EARLY CHILDHOOD</u>	<u>OTHER MISCELLANEOUS</u>	<u>TOTAL</u>
\$ -	\$ 13,189	\$ 3,802,486
-	-	4,471,431
31,936	337,173	1,731,495
-	-	125,039
-	-	2,500
<u>31,936</u>	<u>350,362</u>	<u>10,132,951</u>
9,769	68,202	564,862
22,167	255,997	702,889
-	2,840	69,424
<u>31,936</u>	<u>327,039</u>	<u>1,337,175</u>
-	-	58,455
-	23,323	8,347,720
-	-	389,601
<u>-</u>	<u>23,323</u>	<u>8,795,776</u>
<u>\$ 31,936</u>	<u>\$ 350,362</u>	<u>\$ 10,132,951</u>

(CONCLUDED)

LINCOLN PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUNDS
 Combining Statement of Revenues, Expenditures,
 and Changes in Fund Balances
 For the Year Ended June 30, 2018

	TITLE II	SPECIAL PROGRAMS	SCHOOL FOOD SERVICE	PARISHWIDE MAINTENANCE
REVENUES				
Local sources:				
Taxes:				
Ad valorem	\$ -	\$ -	\$ -	\$ 2,074,462
Sales and use	-	-	-	-
Interest earnings	-	-	884	422
Food service	-	-	110,469	-
Other	-	-	-	31,195
State sources:				
Equalization	-	-	364,404	-
Other	-	-	-	106,171
Federal sources	351,712	1,659,146	2,404,330	-
Total Revenues	351,712	1,659,146	2,880,087	2,212,250
EXPENDITURES				
Current:				
Instruction:				
Regular programs	-	-	-	-
Special programs	-	1,172,106	-	-
Other instructional programs	149,185	104,838	-	-
Support services:				
Student services	-	74,392	-	-
Instructional staff support	-	102,337	-	-
General administration	2,527	99,473	-	63,809
School administration	-	-	-	-
Business services	-	86,435	-	-
Plant services	-	1,893	-	1,914,455
Student transportation services	-	12,227	-	668,523
Central services	-	-	-	-
Food services	-	-	2,594,737	-
Community service programs	-	-	-	-
Capital outlay	-	5,445	-	35,951
Total Expenditures	151,712	1,659,146	2,594,737	2,682,738
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	\$ 200,000	\$ -	\$ 285,350	\$ (470,488)

Exhibit 14

SCHOOL DISTRICTS				
RUSTON NO. 1 MAINTENANCE & OPERATIONS	SIMSBORO NO. 3 MAINTENANCE & OPERATIONS	DUBACH NO. 5 MAINTENANCE & OPERATIONS	CHOUDRANT NO. 6 MAINTENANCE & OPERATIONS	EDUCATION EXCELLENCE
\$ 687,454	\$ 210,318	\$ 144,564	\$ 97,651	\$ -
-	-	-	-	-
359	419	365	106	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	116,708
-	-	-	-	-
<u>687,813</u>	<u>210,737</u>	<u>144,929</u>	<u>97,757</u>	<u>116,708</u>
-	-	-	-	92,689
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	18,437
21,126	6,313	4,427	3,197	-
-	-	-	-	-
-	-	-	-	-
748,606	148,792	203,650	152,975	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>769,732</u>	<u>155,105</u>	<u>208,077</u>	<u>156,172</u>	<u>111,126</u>
\$ (81,919)	\$ 55,632	\$ (63,148)	\$ (58,415)	\$ 5,582

(CONTINUED)

LINCOLN PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUNDS
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended June 30, 2018

	<u>TITLE II</u>	<u>SPECIAL PROGRAMS</u>	<u>SCHOOL FOOD SERVICE</u>	<u>PARISHWIDE MAINTENANCE</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ -	\$ -	\$ -	\$ 500,000
Transfers out	(200,000)	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	(200,000)	-	-	500,000
Net Change in Fund Balances	-	-	285,350	29,512
FUND BALANCES AT BEGINNING OF YEAR	-	-	625,001	360,089
FUND BALANCES AT END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 910,351</u>	<u>\$ 389,601</u>

Exhibit 14

SCHOOL DISTRICTS				
RUSTON NO. 1 MAINTENANCE & OPERATIONS	SIMSBORO NO. 3 MAINTENANCE & OPERATIONS	DUBACH NO. 5 MAINTENANCE & OPERATIONS	CHOUDRANT NO. 6 MAINTENANCE & OPERATIONS	EDUCATION EXCELLENCE
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	-	-	-
(81,919)	55,632	(63,148)	(58,415)	5,582
273,667	291,270	317,784	96,771	192,745
<u>\$ 191,748</u>	<u>\$ 346,902</u>	<u>\$ 254,636</u>	<u>\$ 38,356</u>	<u>\$ 198,327</u>

(CONTINUED)

LINCOLN PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUNDS
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended June 30, 2018

	RURAL EDUCATION ACHIEVEMENT	2000 SALES TAX	1993 SALES TAX	VOCATIONAL EDUCATION
REVENUES				
Local sources:				
Taxes:				
Ad valorem	\$ -	\$ -	\$ -	\$ -
Sales and use	-	4,941,666	4,941,667	-
Interest earnings	-	22,386	33,048	-
Food service	-	-	-	-
Other	-	-	-	-
State sources:				
Equalization	-	-	-	-
Other	-	-	-	-
Federal sources	125,172	-	-	71,579
Total Revenues	125,172	4,964,052	4,974,715	71,579
EXPENDITURES				
Current:				
Instruction:				
Regular programs	1,679	2,223,867	1,884,452	-
Special programs	-	682,150	706,515	-
Other instructional programs	-	235,304	326,546	68,890
Support services:				
Student services	-	296,896	256,569	2,689
Instructional staff support	117,546	209,678	556,897	-
General administration	5,947	31,852	52,396	-
School administration	-	317,802	639,759	-
Business services	-	41,742	42,338	-
Plant services	-	192,659	274,634	-
Student transportation services	-	288,067	327,296	-
Central services	-	3,818	4,191	-
Food services	-	220,873	275,812	-
Community service programs	-	6,634	3,853	-
Capital outlay	-	-	-	-
Total Expenditures	125,172	4,751,342	5,351,258	71,579
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	\$ -	\$ 212,710	\$ (376,543)	\$ -

Exhibit 14

<u>EARLY CHILDHOOD</u>	<u>OTHER MISCELLANEOUS</u>	<u>TOTAL</u>
\$ -	\$ -	\$ 3,214,449
-	-	9,883,333
-	-	57,989
-	-	110,469
-	340	31,535
-	-	364,404
108,844	100,079	431,802
-	838,962	5,450,901
<u>108,844</u>	<u>939,381</u>	<u>19,544,882</u>
-	98,461	4,301,148
-	18,564	2,579,335
108,822	511,777	1,505,362
-	314	630,860
-	290,187	1,295,082
22	14,002	305,091
-	3,976	961,537
-	-	170,515
-	-	3,637,664
-	-	1,296,113
-	-	8,009
-	-	3,091,422
-	-	10,487
-	-	41,396
<u>108,844</u>	<u>937,281</u>	<u>19,834,021</u>
<u>\$ -</u>	<u>\$ 2,100</u>	<u>\$ (289,139)</u>

(CONTINUED)

LINCOLN PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUNDS
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended June 30, 2018

	RURAL EDUCATION ACHIEVEMENT	2000 SALES TAX	1993 SALES TAX	VOCATIONAL EDUCATION
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ -	\$ -	\$ -	\$ -
Transfers out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-
Net Change in Fund Balances	-	212,710	(376,543)	-
FUND BALANCES AT BEGINNING OF YEAR	-	3,308,877	3,297,488	-
FUND BALANCES AT END OF YEAR	<u>\$ -</u>	<u>\$ 3,521,587</u>	<u>\$ 2,920,945</u>	<u>\$ -</u>

Exhibit 14

<u>EARLY CHILDHOOD</u>	<u>OTHER MISCELLANEOUS</u>	<u>TOTAL</u>
\$ -	\$ -	\$ 500,000
-	-	(200,000)
-	-	300,000
-	2,100	10,861
-	21,223	8,784,915
<u>\$ -</u>	<u>\$ 23,323</u>	<u>\$ 8,795,776</u>

(CONCLUDED)

LINCOLN PARISH SCHOOL BOARD

**NONMAJOR SPECIAL REVENUE FUNDS
TITLE II**

**Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (GAAP Basis) and Actual
For the Year Ended June 30, 2018**

Exhibit 15

	BUDGET	ACTUAL	VARIANCE OVER (UNDER)
REVENUES			
Federal sources	\$ 300,623	\$ 351,712	\$ 51,089
Total Revenues	300,623	351,712	51,089
EXPENDITURES			
Current:			
Instruction:			
Other instructional programs	295,623	149,185	146,438
Support services:			
General administration	5,000	2,527	2,473
Total Expenditures	300,623	151,712	148,911
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	-	200,000	200,000
OTHER FINANCING SOURCES (USES)			
Transfers out	-	(200,000)	(200,000)
TOTAL OTHER FINANCING SOURCES (USES)	-	(200,000)	(200,000)
Net Change in Fund Balances	-	-	-
FUND BALANCE AT BEGINNING OF YEAR	-	-	-
FUND BALANCE AT END OF YEAR	\$ -	\$ -	\$ -

LINCOLN PARISH SCHOOL BOARD

**NONMAJOR SPECIAL REVENUE FUNDS
SPECIAL PROGRAMS
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (GAAP Basis) and Actual
For the Year Ended June 30, 2018**

Exhibit 16

	BUDGET	ACTUAL	VARIANCE OVER (UNDER)
REVENUES			
Federal sources	\$ 2,183,411	\$ 1,659,146	\$ (524,265)
Total Revenues	2,183,411	1,659,146	(524,265)
EXPENDITURES			
Current:			
Instruction:			
Special programs	1,435,782	1,172,106	263,676
Other instructional programs	181,799	104,838	76,961
Support services:			
Student services	112,072	74,392	37,680
Instructional staff support	173,004	102,337	70,667
General administration	123,393	99,473	23,920
Business services	117,267	86,435	30,832
Plant services	2,000	1,893	107
Student transportation	38,094	12,227	25,867
Capital outlay	-	5,445	(5,445)
Total Expenditures	2,183,411	1,659,146	524,265
Net Change in Fund Balances	-	-	-
FUND BALANCE AT BEGINNING OF YEAR	-	-	-
FUND BALANCE AT END OF YEAR	\$ -	\$ -	\$ -

LINCOLN PARISH SCHOOL BOARD

**NONMAJOR SPECIAL REVENUE FUNDS
SCHOOL FOOD SERVICE
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (GAAP Basis) and Actual
For the Year Ended June 30, 2018**

Exhibit 17

	BUDGET	ACTUAL	VARIANCE OVER (UNDER)
REVENUES			
Local sources:			
Interest earnings	\$ 884	\$ 884	\$ -
Food service	110,469	110,469	-
State sources:			
Equalization	364,404	364,404	-
Federal sources			
	2,404,330	2,404,330	-
Total Revenues	2,880,087	2,880,087	-
EXPENDITURES			
Current:			
Food services	2,793,560	2,594,737	198,823
Total Expenditures	2,793,560	2,594,737	198,823
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	86,527	285,350	198,823
OTHER FINANCING SOURCES (USES)			
Transfers in	500,000	-	(500,000)
TOTAL OTHER FINANCING SOURCES (USES)	500,000	-	(500,000)
Net Change in Fund Balances	586,527	285,350	(301,177)
FUND BALANCE AT BEGINNING OF YEAR	625,001	625,001	-
FUND BALANCE AT END OF YEAR	\$ 1,211,528	\$ 910,351	\$ (301,177)

LINCOLN PARISH SCHOOL BOARD

**NONMAJOR SPECIAL REVENUE FUNDS
PARISHWIDE MAINTENANCE
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (GAAP Basis) and Actual
For the Year Ended June 30, 2018**

Exhibit 18

	BUDGET	ACTUAL	VARIANCE OVER (UNDER)
REVENUES			
Local sources:			
Taxes:			
Ad valorem	\$ 2,074,462	\$ 2,074,462	\$ -
Interest earnings	422	422	-
Other	30,995	31,195	200
State sources:			
Other	106,171	106,171	-
Total Revenues	2,212,050	2,212,250	200
EXPENDITURES			
Current:			
Support services:			
General administration	63,809	63,809	-
Plant services	2,119,589	1,914,455	205,134
Student transportation services	646,600	668,523	(21,923)
Capital outlay	-	35,951	(35,951)
Total Expenditures	2,829,998	2,682,738	147,260
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	(617,948)	(470,488)	147,460
OTHER FINANCING SOURCES (USES)			
Transfers in	500,000	500,000	-
TOTAL OTHER FINANCING SOURCES (USES)	500,000	500,000	-
Net Change in Fund Balances	(117,948)	29,512	147,460
FUND BALANCE AT BEGINNING OF YEAR	360,089	360,089	-
FUND BALANCE AT END OF YEAR	\$ 242,141	\$ 389,601	\$ 147,460

LINCOLN PARISH SCHOOL BOARD

**NONMAJOR SPECIAL REVENUE FUNDS
RUSTON NO. 1 MAINTENANCE AND OPERATIONS
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (GAAP Basis) and Actual
For the Year Ended June 30, 2018**

Exhibit 19

	BUDGET	ACTUAL	VARIANCE OVER (UNDER)
REVENUES			
Local sources:			
Taxes:			
Ad valorem	\$ 687,454	\$ 687,454	\$ -
Interest earnings	359	359	-
	687,813	687,813	-
Total Revenues			
	687,813	687,813	-
EXPENDITURES			
Current:			
Support services:			
General administration	21,126	21,126	-
Plant services	813,083	748,606	64,477
	834,209	769,732	64,477
Total Expenditures			
	834,209	769,732	64,477
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	(146,396)	(81,919)	64,477
FUND BALANCE AT BEGINNING OF YEAR	273,667	273,667	-
FUND BALANCE AT END OF YEAR	\$ 127,271	\$ 191,748	\$ 64,477

LINCOLN PARISH SCHOOL BOARD

**NONMAJOR SPECIAL REVENUE FUNDS
SIMSBORO NO. 3 MAINTENANCE AND OPERATIONS
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (GAAP Basis) and Actual
For the Year Ended June 30, 2018**

Exhibit 20

	BUDGET	ACTUAL	VARIANCE OVER (UNDER)
REVENUES			
Local sources:			
Taxes:			
Ad valorem	\$ 210,318	\$ 210,318	\$ -
Interest earnings	419	419	-
Total Revenues	210,737	210,737	-
EXPENDITURES			
Current:			
Support services:			
General administration	6,313	6,313	-
Plant services	248,729	148,792	99,937
Total Expenditures	255,042	155,105	99,937
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	(44,305)	55,632	99,937
FUND BALANCE AT BEGINNING OF YEAR	291,270	291,270	-
FUND BALANCE AT END OF YEAR	\$ 246,965	\$ 346,902	\$ 99,937

LINCOLN PARISH SCHOOL BOARD

**NONMAJOR SPECIAL REVENUE FUNDS
DUBACH NO. 5 MAINTENANCE AND OPERATIONS
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (GAAP Basis) and Actual
For the Year Ended June 30, 2018**

Exhibit 21

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE OVER (UNDER)</u>
REVENUES			
Local sources:			
Taxes:			
Ad valorem	\$ 144,564	\$ 144,564	\$ -
Interest earnings	365	365	-
	<u>144,929</u>	<u>144,929</u>	<u>-</u>
Total Revenues			
EXPENDITURES			
Current:			
Support services:			
General administration	4,427	4,427	-
Plant services	298,779	203,650	95,129
	<u>303,206</u>	<u>208,077</u>	<u>95,129</u>
Total Expenditures			
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	(158,277)	(63,148)	95,129
FUND BALANCE AT BEGINNING OF YEAR	<u>317,784</u>	<u>317,784</u>	<u>-</u>
FUND BALANCE AT END OF YEAR	<u>\$ 159,507</u>	<u>\$ 254,636</u>	<u>\$ 95,129</u>

LINCOLN PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUNDS
 CHOUDRANT NO. 6 MAINTENANCE AND OPERATIONS
 Schedule of Revenues, Expenditures, and Changes
 in Fund Balance - Budget (GAAP Basis) and Actual
 For the Year Ended June 30, 2018

Exhibit 22

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE OVER (UNDER)</u>
REVENUES			
Local sources:			
Taxes:			
Ad valorem	\$ 97,651	\$ 97,651	\$ -
Interest earnings	106	106	-
Total Revenues	<u>97,757</u>	<u>97,757</u>	<u>-</u>
EXPENDITURES			
Current:			
Support services:			
General administration	3,197	3,197	-
Plant services	167,903	152,975	14,928
Total Expenditures	<u>171,100</u>	<u>156,172</u>	<u>14,928</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	(73,343)	(58,415)	14,928
FUND BALANCE AT BEGINNING OF YEAR	<u>96,771</u>	<u>96,771</u>	<u>-</u>
FUND BALANCE AT END OF YEAR	<u>\$ 23,428</u>	<u>\$ 38,356</u>	<u>\$ 14,928</u>

LINCOLN PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUNDS
 EDUCATION EXCELLENCE
 Schedule of Revenues, Expenditures, and Changes
 in Fund Balance - Budget (GAAP Basis) and Actual
 For the Year Ended June 30, 2018

Exhibit 23

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE OVER (UNDER)</u>
REVENUES			
State sources:			
Other	\$ 301,050	\$ 116,708	\$ (184,342)
Total Revenues	<u>301,050</u>	<u>116,708</u>	<u>(184,342)</u>
EXPENDITURES			
Current:			
Instruction:			
Regular programs	235,727	92,689	143,038
Support services:			
Instructional staff support	<u>65,323</u>	<u>18,437</u>	<u>46,886</u>
Total Expenditures	<u>301,050</u>	<u>111,126</u>	<u>189,924</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	-	5,582	5,582
FUND BALANCE AT BEGINNING OF YEAR	<u>192,745</u>	<u>192,745</u>	<u>-</u>
FUND BALANCE AT END OF YEAR	<u>\$ 192,745</u>	<u>\$ 198,327</u>	<u>\$ 5,582</u>

LINCOLN PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUNDS
RURAL EDUCATION ACHIEVEMENT
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (GAAP Basis) and Actual
For the Year Ended June 30, 2018

Exhibit 24

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE OVER (UNDER)</u>
REVENUES			
Federal sources	\$ 129,751	\$ 125,172	\$ (4,579)
Total Revenues	<u>129,751</u>	<u>125,172</u>	<u>(4,579)</u>
EXPENDITURES			
Current:			
Instruction:			
Regular programs	1,679	1,679	-
Support services:			
Instructional staff support	121,911	117,546	4,365
General administration	6,161	5,947	214
Total Expenditures	<u>129,751</u>	<u>125,172</u>	<u>4,579</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	-	-	-
FUND BALANCE AT BEGINNING OF YEAR	-	-	-
FUND BALANCE AT END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

LINCOLN PARISH SCHOOL BOARD

**NONMAJOR SPECIAL REVENUE FUNDS
2000 SALES TAX**

**Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (GAAP Basis) and Actual
For the Year Ended June 30, 2018**

Exhibit 25

	BUDGET	ACTUAL	VARIANCE OVER (UNDER)
REVENUES			
Local sources:			
Taxes:			
Sales and use	\$ 4,882,408	\$ 4,941,666	\$ 59,258
Interest earnings	22,386	22,386	-
	4,904,794	4,964,052	59,258
Total Revenues			
EXPENDITURES			
Current:			
Instruction:			
Regular programs	2,223,867	2,223,867	-
Special programs	682,150	682,150	-
Other instructional programs	235,304	235,304	-
Support services:			
Student services	296,896	296,896	-
Instructional staff support	209,678	209,678	-
General administration	31,852	31,852	-
School administration	317,802	317,802	-
Business services	41,742	41,742	-
Plant services	192,659	192,659	-
Student transportation services	288,067	288,067	-
Central services	3,818	3,818	-
Food services	220,873	220,873	-
Community services	6,634	6,634	-
	4,751,342	4,751,342	-
Total Expenditures			
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	153,452	212,710	59,258
FUND BALANCE AT BEGINNING OF YEAR	3,308,877	3,308,877	-
FUND BALANCE AT END OF YEAR	\$ 3,462,329	\$ 3,521,587	\$ 59,258

LINCOLN PARISH SCHOOL BOARD

**NONMAJOR SPECIAL REVENUE FUNDS
1993 SALES TAX
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (GAAP Basis) and Actual
For the Year Ended June 30, 2018**

Exhibit 26

	BUDGET	ACTUAL	VARIANCE OVER (UNDER)
REVENUES			
Local sources:			
Taxes:			
Sales and use	\$ 4,882,408	\$ 4,941,667	\$ 59,259
Interest earnings	33,048	33,048	-
	4,915,456	4,974,715	59,259
EXPENDITURES			
Current:			
Instruction:			
Regular programs	1,884,452	1,884,452	-
Special programs	706,515	706,515	-
Other instructional programs	326,546	326,546	-
Support services:			
Student services	256,569	256,569	-
Instructional staff support	556,897	556,897	-
General administration	52,396	52,396	-
School administration	639,759	639,759	-
Business services	42,338	42,338	-
Plant services	274,634	274,634	-
Student transportation services	327,296	327,296	-
Central services	4,191	4,191	-
Food services	275,812	275,812	-
Community services	3,853	3,853	-
	5,351,258	5,351,258	-
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	(435,802)	(376,543)	59,259
FUND BALANCE AT BEGINNING OF YEAR	3,297,488	3,297,488	-
FUND BALANCE AT END OF YEAR	\$ 2,861,686	\$ 2,920,945	\$ 59,259

LINCOLN PARISH SCHOOL BOARD

**NONMAJOR SPECIAL REVENUE FUNDS
VOCATIONAL EDUCATION**

**Schedule of Revenues, Expenditures, and Changes in
Fund Balance - Budget (GAAP Basis) and Actual
For the Year Ended June 30, 2018**

Exhibit 27

	BUDGET	ACTUAL	VARIANCE OVER (UNDER)
REVENUES			
Federal sources	\$ 76,903	\$ 71,579	\$ (5,324)
Total Revenues	76,903	71,579	(5,324)
EXPENDITURES			
Current:			
Instruction:			
Other instructional programs	68,403	68,890	(487)
Support services:			
Student services	8,500	2,689	5,811
Total Expenditures	76,903	71,579	5,324
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	-	-	-
FUND BALANCE AT BEGINNING OF YEAR	-	-	-
FUND BALANCE AT END OF YEAR	\$ -	\$ -	\$ -

LINCOLN PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUNDS
EARLY CHILDHOOD

Schedule of Revenues, Expenditures, and Changes in
Fund Balance - Budget (GAAP Basis) and Actual
For the Year Ended June 30, 2018

Exhibit 28

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE OVER (UNDER)</u>
REVENUES			
State sources:			
Other	\$ 109,274	\$ 108,844	\$ (430)
Total Revenues	<u>109,274</u>	<u>108,844</u>	<u>(430)</u>
EXPENDITURES			
Current:			
Instruction:			
Other instructional programs	109,274	108,822	452
Support services:			
General administration	-	22	(22)
Total Expenditures	<u>109,274</u>	<u>108,844</u>	<u>430</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	-	-	-
FUND BALANCE AT BEGINNING OF YEAR	-	-	-
FUND BALANCE AT END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

LINCOLN PARISH SCHOOL BOARD

**NONMAJOR SPECIAL REVENUE FUNDS
OTHER MISCELLANEOUS**
**Schedule of Revenues, Expenditures, and Changes in
Fund Balance - Budget (GAAP Basis) and Actual
For the Year Ended June 30, 2018**

Exhibit 29

	BUDGET	ACTUAL	VARIANCE OVER (UNDER)
REVENUES			
Local sources:			
Other	\$ 14,268	\$ 340	\$ (13,928)
State sources:			
Other	102,533	100,079	(2,454)
Federal sources	1,401,026	838,962	(562,064)
Total Revenues	1,517,827	939,381	(578,446)
EXPENDITURES			
Current:			
Instruction:			
Regular programs	199,656	98,461	101,195
Special programs	-	18,564	(18,564)
Other instructional programs	565,250	511,777	53,473
Support services:			
Student services	2,344	314	2,030
Instructional staff support	731,134	290,187	440,947
General administration	16,264	14,002	2,262
School administration	4,205	3,976	229
Total Expenditures	1,518,853	937,281	581,572
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	(1,026)	2,100	3,126
FUND BALANCE AT BEGINNING OF YEAR	56,356	21,223	(35,133)
FUND BALANCE AT END OF YEAR	\$ 55,330	\$ 23,323	\$ (32,007)

Lincoln Parish School Board

Nonmajor Debt Service Funds

The debt service funds are used to accumulate monies to pay outstanding bond issues. The bonds were issued by the respective school districts to acquire land for building sites and to purchase, erect, and improve school buildings, equipment, and furnishings. The bond issues are financed by an ad valorem tax on property within the legal boundaries of the respective school districts.

The School Board utilizes the following debt service funds:

RUSTON SCHOOL DISTRICT NO. 1

SIMSBORO SCHOOL DISTRICT NO. 3

CHOUDRANT SCHOOL DISTRICT NO. 6

PARISHWIDE SINKING

RUSTON NO. 1 SINKING

LINCOLN PARISH SCHOOL BOARD

NONMAJOR DEBT SERVICE FUNDS

Combining Balance Sheet

June 30, 2018

	SCHOOL DISTRICTS		
	RUSTON NO. 1	SIMSBORO NO. 3	CHOUDRANT NO. 6
ASSETS			
Cash and cash equivalents	\$ 461,293	\$ 130,041	\$ 405,134
Investments	2,319,117	301,838	301,838
Receivables	9,809	648	200
TOTAL ASSETS	<u>2,790,219</u>	<u>432,527</u>	<u>707,172</u>
FUND BALANCES			
Restricted	2,790,219	432,527	707,172
Committed	-	-	-
TOTAL FUND BALANCES	<u>2,790,219</u>	<u>432,527</u>	<u>707,172</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 2,790,219</u>	<u>\$ 432,527</u>	<u>\$ 707,172</u>

Exhibit 30

SCHOOL DISTRICTS		
PARISHWIDE SINKING	RUSTON NO. 1 SINKING	TOTAL
\$ 339,817	\$ 56,773	\$ 1,393,058
4,261,468	2,938,419	10,122,680
-	-	10,657
<u>4,601,285</u>	<u>2,995,192</u>	<u>11,526,395</u>
1,518,236	1,468,272	6,916,426
<u>3,083,049</u>	<u>1,526,920</u>	<u>4,609,969</u>
<u>4,601,285</u>	<u>2,995,192</u>	<u>11,526,395</u>
<u>\$ 4,601,285</u>	<u>\$ 2,995,192</u>	<u>\$ 11,526,395</u>

LINCOLN PARISH SCHOOL BOARD

NONMAJOR DEBT SERVICE FUNDS
 Combining Statement of Revenues, Expenditures,
 and Changes in Fund Balances
 For the Year Ended June 30, 2018

	SCHOOL DISTRICTS		
	RUSTON NO. 1	SIMSBORO NO. 3	CHOUDRANT NO. 6
REVENUES			
Local sources:			
Taxes:			
Ad valorem	\$ 3,316,032	\$ 497,913	\$ 701,250
Interest earnings	41,071	1,123	1,475
Total Revenues	<u>3,357,103</u>	<u>499,036</u>	<u>702,725</u>
EXPENDITURES			
Current:			
Support services:			
General administration	101,924	15,308	21,800
Debt service:			
Principal retirement	2,355,000	405,000	400,000
Interest and bank charges	999,683	79,734	252,600
Total Expenditures	<u>3,456,607</u>	<u>500,042</u>	<u>674,400</u>
Net Change in Fund Balance	(99,504)	(1,006)	28,325
FUND BALANCES - BEGINNING	<u>2,889,723</u>	<u>433,533</u>	<u>678,847</u>
FUND BALANCES - ENDING	<u>\$ 2,790,219</u>	<u>\$ 432,527</u>	<u>\$ 707,172</u>

Exhibit 31

SCHOOL DISTRICTS		
PARISHWIDE SINKING	RUSTON NO. 1 SINKING	TOTAL
\$ -	\$ -	\$ 4,515,195
62,686	43,153	149,508
62,686	43,153	4,664,703
-	-	139,032
-	-	3,160,000
2,425	24,885	1,359,327
2,425	24,885	4,658,359
60,261	18,268	6,344
4,541,024	2,976,924	11,520,051
\$ 4,601,285	\$ 2,995,192	\$ 11,526,395

Lincoln Parish School Board

Nonmajor Capital Project Funds

The capital project funds are used to account for financial resources used to acquire, construct, or improve facilities within the respective districts.

The School Board utilizes the following capital project funds:

PARISHWIDE CAPITAL PROJECTS

2016 RUSTON SCHOOL DISTRICT NO. 1

INSURANCE PROCEEDS FUND

LINCOLN PARISH SCHOOL BOARD
NONMAJOR CAPITAL PROJECT FUNDS
Combining Balance Sheet
June 30, 2018

Exhibit 32

	PARISHWIDE CAPITAL PROJECTS	2016 RUSTON SD #1 BOND	INSURANCE PROCEEDS FUND	TOTAL
ASSETS				
Cash and cash equivalents	\$ 1,261,483	\$ -	\$ 1,309,413	\$ 2,570,896
Investments	2,916,572	-	-	2,916,572
TOTAL ASSETS	4,178,055	-	1,309,413	5,487,468
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts, salaries and other payables	340,591	-	4,275	344,866
Total Liabilities	340,591	-	4,275	344,866
Fund Balances:				
Restricted	-	-	1,305,138	1,305,138
Committed	3,837,464	-	-	3,837,464
Total Fund Balances	3,837,464	-	1,305,138	5,142,602
TOTAL LIABILITIES AND FUND BALANCES	\$ 4,178,055	\$ -	\$ 1,309,413	\$ 5,487,468

LINCOLN PARISH SCHOOL BOARD

NONMAJOR CAPITAL PROJECT FUNDS
 Combining Statement of Revenues, Expenditures,
 and Changes in Fund Balances
 For the Year Ended June 30, 2018

Exhibit 33

	PARISHWIDE CAPITAL PROJECTS	2016 RUSTON SD #1 BOND	INSURANCE PROCEEDS FUND	TOTAL
REVENUES				
Local sources:				
Interest earnings	\$ 9,295	\$ -	\$ -	\$ 9,295
Other	130,000	-	-	130,000
Total Revenues	139,295	-	-	139,295
EXPENDITURES				
Current:				
Support services:				
Plant services	24,776	8,785	441,832	475,393
Capital outlay	1,835,840	627,619	-	2,463,459
Total Expenditures	1,860,616	636,404	441,832	2,938,852
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	(1,721,321)	(636,404)	(441,832)	(2,799,557)
OTHER FINANCING SOURCES (USES)				
Transfers in	3,875,000	-	-	3,875,000
Insurance proceeds	-	-	1,746,970	1,746,970
Total Other Financing Sources (Uses)	3,875,000	-	1,746,970	5,621,970
Net Change in Fund Balances	2,153,679	(636,404)	1,305,138	2,822,413
FUND BALANCES - BEGINNING	1,683,785	636,404	-	2,320,189
FUND BALANCES - ENDING	\$ 3,837,464	\$ -	\$ 1,305,138	\$ 5,142,602

Lincoln Parish School Board

INTERNAL SERVICE FUNDS

The internal service funds are used to account for the accumulation of resources for and the payment of benefits by the School Board's risk retention programs. The School Board maintains the following risk retention funds:

Workers' Compensation - This fund, which began in fiscal year 1991, is used to account for the payment of workers' compensation benefits. Fund revenues are derived from government allocations. These revenues are planned to match: (1) expenses of insurance premiums in excess of risk retention amounts; (2) estimated claim losses resulting from risk retention programs which include estimated liabilities for claims incurred but not yet reported at year end, and (3) operating expenses.

Group Health Insurance - Monies in this fund are received from three sources: employee deductions from payroll, 1967 sales tax fund, and the general fund. Monies are used to pay employee health insurance claims, the administrative cost to the insurance administrator for administration of the plan and processing medical claims, cost of excess and specific insurance to protect the fund from exposure to large claims, hospital pre-certification, and life insurance with an insurance carrier.

LINCOLN PARISH SCHOOL BOARD

PROPRIETARY FUND TYPE - INTERNAL SERVICE
 Combining Statement of Net Position
 June 30, 2018

Exhibit 34

	<u>WORKERS' COMPENSATION</u>	<u>GROUP HEALTH INSURANCE</u>	<u>TOTAL</u>
ASSETS			
CURRENT ASSETS			
Cash	\$ 60,212	\$ 1,318,098	\$ 1,378,310
Investments	411,999	2,376,284	2,788,283
Interfund receivables	-	2,208	2,208
TOTAL CURRENT ASSETS	<u>472,211</u>	<u>3,696,590</u>	<u>4,168,801</u>
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable	-	292,463	292,463
Claims payable	237,370	839,635	1,077,005
TOTAL CURRENT LIABILITIES	<u>237,370</u>	<u>1,132,098</u>	<u>1,369,468</u>
NON CURRENT LIABILITIES			
Claims payable	85,555	-	85,555
TOTAL NON CURRENT LIABILITIES	<u>85,555</u>	<u>-</u>	<u>85,555</u>
TOTAL LIABILITIES	<u>322,925</u>	<u>1,132,098</u>	<u>1,455,023</u>
NET POSITION			
Restricted for workers compensation surety	100,000	-	100,000
Unrestricted	49,286	2,564,492	2,613,778
TOTAL NET POSITION	<u>\$ 149,286</u>	<u>\$ 2,564,492</u>	<u>\$ 2,713,778</u>

LINCOLN PARISH SCHOOL BOARD

PROPRIETARY FUND TYPE - INTERNAL SERVICE
 Combining Statement of Revenues, Expenses,
 and Changes in Fund Net Position
 For the Year Ended June 30, 2018

Exhibit 35

	<u>WORKERS' COMPENSATION</u>	<u>GROUP HEALTH INSURANCE</u>	<u>TOTAL</u>
OPERATING REVENUE			
Premiums	\$ 357,529	\$ 12,324,284	\$ 12,681,813
Other revenues	-	198,515	198,515
	<u>357,529</u>	<u>12,522,799</u>	<u>12,880,328</u>
OPERATING EXPENSES			
Administration	-	1,896,838	1,896,838
Insurance premiums	-	191,307	191,307
Claims	357,529	10,844,143	11,201,672
	<u>357,529</u>	<u>12,932,288</u>	<u>13,289,817</u>
Total operating expenses	<u>357,529</u>	<u>12,932,288</u>	<u>13,289,817</u>
Operating income (loss)	<u>-</u>	<u>(409,489)</u>	<u>(409,489)</u>
NONOPERATING REVENUES/EXPENSES			
Earnings on investments	<u>1,884</u>	<u>32,046</u>	<u>33,930</u>
INCOME (LOSS) BEFORE TRANSFERS	<u>1,884</u>	<u>(377,443)</u>	<u>(375,559)</u>
TRANSFERS IN/OUT			
Transfers out	<u>(222,823)</u>	<u>-</u>	<u>(222,823)</u>
Change in Net Position	(220,939)	(377,443)	(598,382)
NET POSITION - BEGINNING	<u>370,225</u>	<u>2,941,935</u>	<u>3,312,160</u>
NET POSITION - ENDING	<u>\$ 149,286</u>	<u>\$ 2,564,492</u>	<u>\$ 2,713,778</u>

LINCOLN PARISH SCHOOL BOARD

PROPRIETARY FUND TYPE - INTERNAL SERVICE
 Combining Statement of Cash Flows
 For the Year Ended June 30, 2018

Exhibit 36

	WORKERS' COMPENSATION	GROUP HEALTH INSURANCE	TOTAL
CASH FLOW (USES) FROM OPERATING ACTIVITIES			
Receipts from interfund services provided	\$ 580,352	\$ 12,324,284	\$ 12,904,636
Payments for administration	-	(1,896,838)	(1,896,838)
Payments for insurance premiums	-	(212,760)	(212,760)
Payments for claims	(357,529)	(11,315,822)	(11,673,351)
Other receipts	-	198,515	198,515
	<u>222,823</u>	<u>(902,621)</u>	<u>(679,798)</u>
CASH FLOW FROM NONCAPITAL FINANCING ACTIVITIES			
Transfers out to other funds	<u>(222,823)</u>	<u>-</u>	<u>(222,823)</u>
	<u>(222,823)</u>	<u>-</u>	<u>(222,823)</u>
CASH FLOW (USES) FROM INVESTING ACTIVITIES			
Sale of investments	(1,797)	971,786	969,989
Earnings on investments	1,884	32,046	33,930
	<u>87</u>	<u>1,003,832</u>	<u>1,003,919</u>
Net increase (decrease) in cash and cash equivalents	87	101,211	101,298
CASH AND CASH EQUIVALENTS - BEGINNING	<u>60,125</u>	<u>1,216,887</u>	<u>1,277,012</u>
CASH AND CASH EQUIVALENTS - ENDING	<u><u>60,212</u></u>	<u><u>1,318,098</u></u>	<u><u>1,378,310</u></u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Operating (loss)	-	(409,489)	(409,489)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:			
(Increase) decrease in interfund receivable	222,823	-	222,823
Increase (decrease) in accounts payable	-	(21,453)	(21,453)
Increase (decrease) in claims payable	-	(471,679)	(471,679)
	<u>222,823</u>	<u>(902,621)</u>	<u>(679,798)</u>
Net cash provided by (used for) operating activities	<u><u>\$ 222,823</u></u>	<u><u>\$ (902,621)</u></u>	<u><u>\$ (679,798)</u></u>

Lincoln Parish School Board

AGENCY FUNDS

SCHOOL ACTIVITIES AGENCY 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.

LINCOLN PARISH SCHOOL BOARD

**SCHOOL ACTIVITIES AGENCY FUND
Statement of Changes in Assets and Liabilities
For the Year Ended June 30, 2018**

Exhibit 37

	Balance July 1, 2017	Additions	Deductions	Balance June 30, 2018
ASSETS				
Cash and cash equivalents	\$ 1,297,793	\$ 3,333,731	\$ 3,212,962	\$ 1,418,562
Total assets	1,297,793	3,333,731	3,212,962	1,418,562
LIABILITIES				
Deposits due others	1,297,793	3,333,731	3,212,962	1,418,562
Total liabilities	\$ 1,297,793	\$ 3,333,731	\$ 3,212,962	\$ 1,418,562

LINCOLN PARISH SCHOOL BOARD

**SCHOOL ACTIVITIES AGENCY FUND
Schedule of Changes in Deposits Due Others
For the Year Ended June 30, 2018**

Exhibit 38

<u>SCHOOL</u>	<u>Balance, Beginning</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance, Ending</u>
Choudrant Elementary	\$ 56,545	\$ 68,751	\$ 70,016	\$ 55,280
Choudrant High School	108,513	479,535	485,568	102,480
Cypress Springs Elementary	38,620	122,213	119,001	41,832
Dubach High School	69,591	35,815	43,982	61,424
Early Childhood Center	109,133	44,510	36,169	117,474
Glen View Elementary	157,224	110,080	96,212	171,092
Hillcrest Elementary	11,489	70,207	63,516	18,180
I. A. Lewis School	30,388	106,219	101,768	34,839
Ruston Elementary	22,932	88,226	76,023	35,135
Ruston High School	476,718	1,555,110	1,476,765	555,063
Ruston Junior High	99,611	345,670	357,727	87,554
Simsboro High	117,029	307,395	286,215	138,209
Total	\$ 1,297,793	\$ 3,333,731	\$ 3,212,962	\$ 1,418,562

Lincoln Parish School Board

**Schedule of Compensation Paid Board Members
For the Year Ended June 30, 2018**

Exhibit 39

The schedule of compensation paid to School Board members is presented 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 and the president receives \$700 per month for performing the duties of the office.

Joe E. Mitcham, Jr., President	\$ 8,400
Lynda D. Henderson, Vice-President	7,200
Deborah E. Abrahm	7,200
Otha L. Anders	7,200
Michael J. Barmore	7,200
Lisa A. Best	7,200
Curtis Dowling	7,200
David Ferguson	7,200
Danny R. Hancock	7,200
Alexander T. Hunt III	7,200
George Mack, Jr.	7,200
Susan Wiley	<u>7,200</u>
Total	<u>\$87,600</u>

Lincoln Parish School Board

**Schedule of Compensation, Benefits and Other Payments to Agency Head (Superintendent)
For the Year Ended June 30, 2018**

Exhibit 40

Agency Head Name: Mike Milstead, Superintendent

<u>Purpose</u>	<u>Amount</u>
Salary	\$148,197
Benefits-insurance	6,855
Benefits-retirement	39,420
Cell phone	720
Travel	<u>7,400</u>
Total	\$202,592

Lincoln Parish School Board

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STATISTICAL SECTION

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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)

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

Net Position by Component
As of June 30, 2009 through June 30, 2018

(Accrual Basis of Accounting)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Governmental Activities										
Net investment in capital assets	\$ 17,471,102	\$ 21,217,155	\$ 20,235,907	\$ 21,094,207	\$ 17,225,141	\$ 18,889,958	\$ 19,672,809	\$ 21,318,895	\$ 20,760,858	\$ 20,757,280
Restricted	26,269,612	28,125,864	20,273,480	16,101,180	17,056,352	19,385,787	20,730,179	21,861,350	20,490,861	21,966,989
Unrestricted	13,520,916	3,645,445	2,120,496	(4,574,729)	(7,805,312)	(20,778,030)	(101,376,587)	(104,556,524)	(109,622,258)	(167,155,292)
Total governmental activities net position	<u>\$ 57,261,630</u>	<u>\$ 52,988,464</u>	<u>\$ 42,629,883</u>	<u>\$ 32,620,658</u>	<u>\$ 26,476,181</u>	<u>\$ 17,497,715</u>	<u>\$ (60,973,599)</u>	<u>\$ (61,376,279)</u>	<u>\$ (68,370,539)</u>	<u>\$ (124,431,023)</u>

Source: Comprehensive Annual Financial Report

Notes: GASB Statement No. 63 was implemented for the year ended June 30, 2013. The statement changed the term net assets to net position.

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

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

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Expenses										
Instruction:										
Regular programs	\$ 30,163,462	\$ 30,427,302	\$ 32,642,396	\$ 33,068,518	\$ 31,500,292	\$ 32,663,625	\$ 34,247,192	\$ 33,264,279	\$ 34,522,849	\$ 32,441,982
Special programs	8,031,993	8,496,973	9,188,534	8,714,638	8,137,886	8,759,210	8,864,384	9,222,025	10,306,694	9,664,182
Other instructional programs	7,691,752	6,661,970	7,375,026	6,289,918	5,640,524	6,491,780	6,380,248	7,038,294	6,859,185	6,417,769
Support services:										
Student services	3,272,079	4,249,298	4,505,317	4,761,831	4,375,322	4,560,723	4,694,693	4,943,395	4,663,641	4,132,205
Instructional staff support	4,720,407	4,498,787	5,273,039	4,792,607	4,400,846	5,027,381	4,805,141	5,063,025	5,935,285	5,338,573
General administration	918,507	962,385	1,437,546	1,930,984	1,680,642	1,701,078	1,645,180	2,144,596	1,872,977	2,215,037
School administration	4,932,880	4,640,775	5,145,320	5,039,560	4,832,407	5,026,979	4,971,805	5,047,343	5,146,860	4,856,223
Business services	961,722	1,239,033	1,196,835	560,074	799,194	895,336	971,276	999,380	988,405	962,695
Plant services	6,263,414	5,601,915	5,718,301	5,735,159	6,122,978	6,336,565	6,452,901	6,754,949	6,332,191	6,726,152
Student transportation services	3,853,893	3,682,459	3,939,094	4,057,003	4,128,052	4,572,395	4,178,165	3,968,266	4,412,274	4,188,198
Central services	638,967	673,685	602,886	647,069	651,162	716,716	726,120	692,382	514,685	494,850
Food services	4,917,466	4,597,796	4,862,319	4,665,598	4,568,379	4,763,151	4,689,505	4,702,082	4,451,103	4,133,028
Community service programs	129,591	127,472	120,025	122,464	97,781	98,181	103,415	122,103	126,702	117,721
Interest on long-term debt	1,523,279	1,464,046	1,765,129	1,687,304	1,518,153	1,389,160	1,505,207	1,576,941	1,540,338	1,433,042
Total expenses	<u>78,019,412</u>	<u>77,323,896</u>	<u>83,771,767</u>	<u>82,072,727</u>	<u>78,453,618</u>	<u>83,002,280</u>	<u>84,235,232</u>	<u>85,539,060</u>	<u>87,673,189</u>	<u>83,121,657</u>
Program Revenues										
Charges for services:										
Food Service Operations	481,394	428,867	390,539	460,527	359,319	285,760	274,055	236,185	104,455	110,469
Operating Grants and Contributions	9,158,702	10,108,590	9,524,505	7,798,000	7,568,327	7,597,696	7,126,905	8,646,589	8,663,197	8,576,786
Total program revenues	<u>9,640,096</u>	<u>10,537,457</u>	<u>9,915,044</u>	<u>8,258,527</u>	<u>7,927,646</u>	<u>7,883,456</u>	<u>7,400,960</u>	<u>8,882,774</u>	<u>8,767,652</u>	<u>8,687,255</u>
Net (Expense) / Revenue	<u>(68,379,316)</u>	<u>(66,786,439)</u>	<u>(73,856,723)</u>	<u>(73,814,200)</u>	<u>(70,525,972)</u>	<u>(75,118,824)</u>	<u>(76,834,272)</u>	<u>(76,656,286)</u>	<u>(78,905,537)</u>	<u>(74,434,402)</u>
General Revenues and Other Changes in Net Position										
Taxes										
Property taxes	13,628,657	15,722,585	16,427,235	16,588,347	17,114,594	16,981,856	17,670,812	18,624,264	19,905,768	19,767,276
Sales taxes	17,135,956	13,737,876	14,503,760	14,341,048	14,907,193	15,930,635	21,824,714	21,677,475	19,215,744	19,766,667
Grants and contributions not restricted to specific programs	32,517,429	30,872,533	31,202,870	31,622,931	30,992,218	32,329,375	33,247,328	34,355,511	31,436,022	28,470,824
Interest and investment earnings	1,196,099	279,044	277,631	205,119	124,681	215,195	112,897	228,500	381,412	671,474
Miscellaneous	767,171	769,908	1,086,646	1,047,520	1,242,814	683,297	1,122,743	1,367,856	972,324	2,943,149
Total	<u>65,245,312</u>	<u>61,381,946</u>	<u>63,498,142</u>	<u>63,804,965</u>	<u>64,381,500</u>	<u>66,140,358</u>	<u>73,978,494</u>	<u>76,253,606</u>	<u>71,911,270</u>	<u>71,619,390</u>
Change in Net Position	<u>\$ (3,134,004)</u>	<u>\$ (5,404,493)</u>	<u>\$ (10,358,581)</u>	<u>\$ (10,009,235)</u>	<u>\$ (6,144,472)</u>	<u>\$ (8,978,466)</u>	<u>\$ (2,855,778)</u>	<u>\$ (402,680)</u>	<u>\$ (6,994,267)</u>	<u>\$ (2,815,012)</u>

Source: Comprehensive Annual Financial Report

Notes: GASB Statement No. 63 was implemented for the year ended June 30, 2013. The statement changed the term net assets to net position.

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

Fund Balances of Governmental Funds
As of June 30, 2009 through June 30, 2018
(Modified Accrual Basis of Accounting)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
General Fund										
Reserved	\$ 11,130,963	\$ 9,815,401	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	\$ 9,763,144	\$ 13,302,919	-	-	-	-	-	-	-	-
Nonspendable	-	-	-	-	-	-	-	-	-	-
Restricted	-	-	2,982,976	603,318	2,633,004	2,504,929	2,786,218	3,177,809	2,703,222	2,787,025
Committed	-	-	5,417,506	6,963,486	5,349,385	5,633,198	4,865,055	4,963,711	3,845,407	3,993,612
Assigned	-	-	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000
Unassigned	-	-	13,664,232	15,254,193	13,056,610	9,835,583	10,942,748	14,654,620	16,463,570	11,417,295
Total general fund	<u>20,894,107</u>	<u>23,118,320</u>	<u>22,264,714</u>	<u>23,020,997</u>	<u>21,238,999</u>	<u>18,173,710</u>	<u>18,794,021</u>	<u>22,996,140</u>	<u>23,212,199</u>	<u>18,397,932</u>
All Other Governmental Funds										
Reserved	\$ 16,046,862	\$ 19,660,931	-	-	-	-	-	-	-	-
Unreserved, reported in:										
Special revenue funds	\$ 2,122,435	\$ 3,022,809	-	-	-	-	-	-	-	-
Capital projects funds	\$ 7,177,996	\$ 12,735,334	-	-	-	-	-	-	-	-
Nonspendable	-	-	79,339	90,082	133,499	144,401	100,469	73,536	146,018	58,455
Restricted	-	-	20,346,918	15,810,005	14,278,371	23,366,913	25,756,027	25,295,473	18,771,100	19,503,129
Committed	-	-	11,397,985	12,034,700	11,549,958	10,225,053	10,404,549	7,885,242	9,639,941	11,770,879
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-	-
Total all other governmental funds	<u>25,347,293</u>	<u>35,419,074</u>	<u>31,824,242</u>	<u>27,934,787</u>	<u>25,961,828</u>	<u>33,736,367</u>	<u>36,261,045</u>	<u>33,254,251</u>	<u>28,557,059</u>	<u>31,332,463</u>
Grand Total of funds	<u>\$ 46,241,400</u>	<u>\$ 58,537,394</u>	<u>\$ 54,088,956</u>	<u>\$ 50,955,784</u>	<u>\$ 47,200,827</u>	<u>\$ 51,910,077</u>	<u>\$ 55,055,066</u>	<u>\$ 56,250,391</u>	<u>\$ 51,769,258</u>	<u>\$ 49,730,395</u>

Source: Comprehensive Annual Financial Report
New Fund Balance Categories (June 2011)

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

Changes in Fund Balances of Governmental Funds
Fiscal Years Ended June 30, 2009 through June 30, 2018
(Modified Accrual Basis of Accounting)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Revenues										
Ad valorem taxes	\$ 13,626,657	\$ 15,722,585	\$ 16,427,235	\$ 16,588,347	\$ 17,114,594	\$ 16,981,856	\$ 17,670,812	\$ 18,624,264	\$ 19,905,768	\$ 19,767,276
Sales & use taxes	17,135,956	13,737,876	14,503,760	14,341,048	14,907,193	15,930,635	21,824,714	21,677,475	19,215,744	19,766,667
Investment Earning	1,095,279	254,185	239,527	189,152	110,932	130,791	107,376	215,951	354,274	637,544
Food Services	481,394	428,867	390,539	460,527	359,319	285,760	274,055	236,185	104,455	110,469
Other Revenues	519,705	722,525	834,817	703,212	1,067,104	521,725	818,166	1,404,067	807,867	1,018,395
Total revenues from local sources	<u>32,858,991</u>	<u>30,866,038</u>	<u>32,395,878</u>	<u>32,282,286</u>	<u>33,559,142</u>	<u>33,850,767</u>	<u>40,695,123</u>	<u>42,157,942</u>	<u>40,388,108</u>	<u>41,300,351</u>
Revenue from state sources:										
Equalization	32,242,502	30,588,211	29,582,077	31,298,443	30,694,168	31,657,271	32,942,869	34,060,865	31,125,348	28,167,643
Other	2,592,254	1,158,839	971,138	730,750	816,328	1,619,796	830,267	1,297,965	1,007,482	785,007
Total revenue from state sources	<u>34,834,756</u>	<u>31,747,050</u>	<u>30,553,215</u>	<u>32,029,193</u>	<u>31,510,496</u>	<u>33,277,067</u>	<u>33,773,136</u>	<u>35,358,830</u>	<u>32,132,830</u>	<u>28,952,650</u>
Revenue from federal sources	<u>6,841,375</u>	<u>9,234,073</u>	<u>10,174,160</u>	<u>7,391,748</u>	<u>7,050,049</u>	<u>6,650,004</u>	<u>6,601,097</u>	<u>7,643,270</u>	<u>7,966,389</u>	<u>8,094,960</u>
Total Revenues	<u>74,535,122</u>	<u>71,847,161</u>	<u>73,123,253</u>	<u>71,703,227</u>	<u>72,119,687</u>	<u>73,777,838</u>	<u>81,069,356</u>	<u>85,160,042</u>	<u>80,487,327</u>	<u>78,347,961</u>
Expenditures:										
Current:										
Instruction services	37,857,331	38,495,336	39,976,958	39,280,230	37,772,937	39,897,194	42,103,939	42,618,771	42,389,986	43,132,274
Student services	2,792,847	3,799,922	3,933,493	4,217,345	3,915,798	4,218,687	4,308,702	4,574,644	4,120,635	4,068,336
Instructional staff support	4,107,975	3,942,309	4,536,033	4,076,366	3,935,938	4,452,557	4,408,802	4,615,250	5,348,514	5,217,034
General administration	879,223	915,653	1,380,563	1,586,859	1,490,801	1,556,495	1,553,646	2,034,874	1,688,892	1,592,561
School administration	4,152,272	4,029,608	4,272,081	4,198,058	4,307,187	4,657,489	4,529,093	4,660,427	4,550,237	4,781,511
Business services	869,411	1,156,961	1,081,994	443,959	716,987	826,757	902,902	937,758	898,208	935,592
Plant services	5,797,908	5,238,277	5,270,824	5,440,027	5,797,311	5,742,758	6,209,713	6,530,639	6,017,888	6,741,000
Student transportation services	3,213,446	3,071,306	3,214,950	3,338,561	3,491,370	3,653,350	3,640,654	3,422,256	3,656,780	3,807,100
Central services	642,241	665,880	591,057	635,715	641,051	709,879	717,647	686,392	503,448	493,712
Food service	4,368,744	4,081,070	4,246,023	4,070,262	4,269,431	4,201,941	4,426,764	4,485,793	4,117,506	4,024,980
Community services	120,669	120,451	114,460	117,241	97,322	98,181	103,415	123,355	117,272	125,294
Capital Outlay	6,709,061	6,330,856	8,493,710	6,388,933	4,797,667	5,354,216	6,013,528	12,788,489	7,166,868	2,917,896
Debt service:										
Principal	1,455,000	1,525,000	1,934,133	2,716,458	2,992,142	2,410,000	2,790,000	2,920,000	3,035,000	3,160,000
Interest	1,543,364	1,484,982	1,675,412	1,742,375	1,546,292	1,181,817	1,334,712	1,407,409	1,370,659	1,359,327
Bond Issuance	-	-	-	-	127,046	-	-	53,904	116,107	-
Total Expenditures	<u>74,509,492</u>	<u>74,857,611</u>	<u>80,721,691</u>	<u>78,252,389</u>	<u>75,899,280</u>	<u>78,961,321</u>	<u>83,043,517</u>	<u>91,859,961</u>	<u>85,098,000</u>	<u>82,356,617</u>
Excess of revenues over (under) expenditures	<u>25,630</u>	<u>(3,010,450)</u>	<u>(7,598,438)</u>	<u>(6,549,162)</u>	<u>(3,779,593)</u>	<u>(5,183,483)</u>	<u>(1,974,161)</u>	<u>(6,699,919)</u>	<u>(4,610,673)</u>	<u>(4,008,656)</u>
Other Financing Sources (Uses)										
Proceeds from borrowing	-	-	3,150,000	3,415,000	21,641	8,000,000	5,000,000	13,135,000	5,595,000	-
Payments to escrow agent	-	-	-	-	-	-	-	(4,980,000)	(6,276,830)	-
Transfers in	7,500,000	4,696,956	5,599,211	1,261,536	-	2,888,527	3,289,794	1,790,279	3,001,625	4,797,823
Transfers out	(9,750,000)	(4,696,956)	(5,599,211)	(1,260,546)	-	(2,888,527)	(3,289,941)	(2,290,279)	(3,001,625)	(4,575,000)
Other	-	-	-	-	-	-	119,293	240,244	811,363	1,746,970
Total other financing sources (uses)	<u>(2,250,000)</u>	<u>-</u>	<u>3,150,000</u>	<u>3,415,990</u>	<u>21,641</u>	<u>8,000,000</u>	<u>5,119,146</u>	<u>7,895,244</u>	<u>129,533</u>	<u>1,969,793</u>
Net change in fund balances	<u>\$ (2,224,370)</u>	<u>\$ (3,010,450)</u>	<u>\$ (4,448,438)</u>	<u>\$ (3,133,172)</u>	<u>\$ (3,757,952)</u>	<u>\$ 2,816,517</u>	<u>\$ 3,144,985</u>	<u>\$ 1,195,325</u>	<u>\$ (4,481,140)</u>	<u>\$ (2,038,863)</u>
Debt service as a percentage of noncapital expenditures	4.4%	4.4%	5.0%	6.2%	6.4%	4.9%	5.4%	5.5%	5.7%	5.7%

Source: Comprehensive Annual Financial Report

LINCOLN PARISH SCHOOL BOARD
Ruston, 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						
2009	\$ 170,661,941	\$ 80,605,827	\$ 118,357,662	\$ 55,839,945	\$ 313,785,485	61.41	\$ 2,920,418,379	12.66%
2010	174,569,477	97,095,409	136,916,109	56,496,942	352,084,053	62.20	3,147,569,130	12.98%
2011	177,017,012	102,543,244	130,696,587	57,011,497	353,245,346	86.20	3,154,246,995	13.01%
2012	179,487,928	102,771,387	129,749,705	57,082,309	354,926,711	84.70	3,177,412,371	12.97%
2013	187,616,732	108,154,310	127,182,937	57,253,450	365,700,529	84.60	3,271,223,590	12.93%
2014	189,625,042	102,372,586	132,835,571	56,722,532	368,110,667	83.35	3,305,682,426	12.85%
2015	192,958,394	100,769,419	145,669,235	56,961,721	382,435,327	83.35	3,368,585,893	13.04%
2016	196,294,125	105,606,908	158,949,220	57,071,964	403,778,289	83.35	3,568,550,012	12.91%
2017	224,435,657	112,921,687	176,394,963	58,577,541	455,174,766	80.27	4,008,485,298	12.82%
2018	229,235,196	115,363,001	168,168,483	58,144,746	454,621,934	77.77	4,020,231,828	12.75%

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Source: Lincoln 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
- (3) Tax rates are per \$1,000 of assessed value.
- (4) Total direct tax rate includes operating and debt millages.

LINCOLN PARISH SCHOOL BOARD
 Ruston, Louisiana

Overlapping Governments
 Last Ten Fiscal Years

Fiscal Year Ended June 30	School District Direct Rate			Overlapping Rates		Total Direct and Overlapping Rates
	Operating Millage	Debt Service Millage	Total School Millage	Lincoln Parish Police Jury	City of Ruston	
2009	40.41	21.00	61.41	21.65	9.04	92.10
2010	41.70	20.50	62.20	21.65	9.04	92.89
2011	44.70	41.50	86.20	21.65	9.04	116.89
2012	44.70	40.00	84.70	21.65	9.04	115.39
2013	44.60	40.00	84.60	21.66	8.80	115.06
2014	44.60	38.75	83.35	20.66	8.80	112.81
2015	44.60	38.75	83.35	20.38	8.80	112.53
2016	44.60	38.75	83.35	20.38	8.80	112.53
2017	41.52	38.75	80.27	17.51	8.16	105.94
2018	41.52	36.25	77.77	17.82	8.15	103.74

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 Lincoln Parish. Not all overlapping rates apply to all property owners.

Table 7

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

Principal Property Taxpayers
June 30, 2018 and Nine Years Ago

Taxpayer	Fiscal Year 2018			Fiscal Year 2009		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Range Louisiana Operating LLC	\$ 40,849,945	1	8.99 %			
ETC Field Service, LLC formerly Regency Gas Gathering & Proc)	11,767,772	2	2.59			
Roseburg Forest Products	11,519,235	3	2.53			
Enable Mississippi River Trans	9,360,780	4	2.06			
Enable Gas Transfer	8,281,370	5	1.82			
Weyeraruser NR Co. LA 762	7,242,976	6	1.59			
Midcontinent Express Pipeline	6,998,230	7	1.54			
Gulf Crossng Pipeline Co.	6,889,670	8	1.52			
Ardagh Glass Inc.	6,445,999	9	1.42			
Entergy Louisiana Inc	6,374,330	10	1.40			
Laclede Gas Co.				\$ 10,114,110	1	4.01 %
Center Point Miss. River Trans				9,548,410	2	3.79
CenterPoint Energy Gas Trans				7,045,370	4	2.79
CenterPoint Energy Arkla				4,309,410	5	1.71
St. Gobain Containers				3,916,710	6	1.55
Petrohawk Energy				3,770,940	7	1.50
Energy Louisiana				3,421,440	8	1.36
Flakeboard America Ltd				2,858,455	9	1.13
Weyeraruser Co.				8,267,710	3	3.28
Weyeraruser Co.				2,613,027	10	1.04
Totals	\$ <u>115,730,307</u>		<u>25.46 %</u>	\$ <u>55,865,582</u>		<u>22.16 %</u>

Source: Lincoln Parish Tax Assessor Agency
Table 5 - Total Assessed Value

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year Ended June 30	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy		Collections In Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2009	\$ 13,540,614	\$ 13,381,344	98.82%	\$ 91,249	\$ 13,472,593	99.50%
2010	15,495,822	15,287,561	98.66%	299	15,287,860	98.66%
2011	16,254,811	15,649,323	96.28%	533	15,649,856	96.28%
2012	16,276,263	16,106,932	98.96%	396	16,107,328	98.96%
2013	16,781,320	16,590,672	98.86%	1,293	16,591,965	98.87%
2014	17,414,011	16,476,372	94.62%	(1,889)	16,474,483	94.60%
2015	17,363,790	17,135,203	98.68%	(400)	17,134,803	98.68%
2016	18,366,805	17,737,510	96.57%	1,888	17,739,398	96.58%
2017	19,601,161	19,572,825	99.86%	19,291.00	19,592,116	99.95%
2018	19,466,515	19,424,102	99.78%	N/A	19,424,102	99.78%

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

N/A - Information is not yet available.

(1) Negative amounts represent refunds submitted to taxpayers

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

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

Fiscal Year	Sales and Use Tax Rates							Total Rate	Parishwide			Municipalities			Total
	School Board	Police Jury	Sheriff Dept.	City of Ruston	City of Grambling	Grambling EDD	Other		School Board	Police Jury	Sheriff Dept.	Ruston	Grambling EDD	Other	
2009	2.00%	0.75%	0.00%	1.75%	2.00%	0.00%	2.25%	4.75%	\$ 17,128,678	\$ 6,393,742	\$ -	\$ 8,998,399	\$ 443,486	\$ 1,077,334	\$ 34,041,639
2010	2.00%	0.75%	0.00%	1.75%	2.00%	0.00%	2.25%	4.75%	13,758,809	5,120,974	-	8,536,175	409,649	1,025,739	28,851,346
2011	2.00%	0.75%	0.00%	1.75%	2.00%	0.00%	2.25%	4.75%	14,500,745	5,432,187	-	8,816,518	479,367	1,140,004	30,368,821
2012	2.00%	0.75%	0.00%	1.75%	2.00%	0.00%	2.25%	4.75%	14,354,105	5,382,763	-	8,849,616	557,157	1,106,739	30,250,380
2013	2.00%	0.75%	0.25%	1.75%	2.00%	0.00%	2.25%	5.00%	14,889,567	5,583,326	1,803,337	8,952,627	466,674	1,195,084	32,890,615
2014	2.00%	0.75%	0.25%	1.75%	2.00%	0.00%	2.25%	5.00%	16,029,943	6,011,299	2,000,568	8,964,195	465,755	1,392,676	34,864,436
2015	2.00%	0.75%	0.25%	1.75%	2.00%	0.00%	2.25%	5.00%	21,717,482	8,144,046	2,706,659	10,037,505	478,108	2,132,781	45,216,581
2016	2.00%	0.75%	0.25%	2.50%	2.25%	0.50%	2.25%	5.75%	21,683,420	8,131,268	2,706,573	10,538,261	522,764	2,117,525	45,699,811
2017	2.00%	0.75%	0.25%	2.50%	2.25%	0.50%	2.25%	5.75%	19,215,744	7,207,333	2,386,995	10,891,088	603,641	1,709,517	42,014,318
2018	2.00%	0.75%	0.25%	2.50%	2.25%	0.50%	2.25%	5.75%	19,759,622	7,373,025	2,457,726	15,316,281	625,480	1,823,289	47,355,423

Notes:

- (1) Information provided by Lincoln 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 Dubach, Choudrant and Convention and Visitors Bureau
- (4) Grambling column contains Grambling and Grambling Economic District. Tax for Grambling Economic Development District effective 4/1/2016
- (5) City of Grambling tax rate changed from 2.00 to 2.25 effective 4/1/2016
- (6) City of Ruston tax rate changed from 1.75 to 2.50 effective 7/1/2016
- (7) City of Grambling EDD tax rate effective 4/1/2016
- (8) Sales tax collections totals are as of June 30th each year

Table 10

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year Ended June 30	General Obligation Bonds	Qualified School Construction Bonds	Certificates of Indebtedness	Total Bonds Outstanding	Percentage of Personal Income	Per Capita
2009	\$ 34,630,000	\$ -	\$ 60,000	\$ 34,690,000	2.83%	\$ 815
2010	42,135,000	5,087,000	30,000	47,252,000	3.52%	1,092
2011	40,653,711	7,897,867	-	48,551,578	3.34%	1,123
2012	38,699,305	10,546,409	-	49,245,714	3.43%	1,051
2013	38,324,899	9,759,267	-	48,084,166	3.28%	1,024
2014	43,840,000	11,652,000	-	55,492,000	3.58%	1,170
2015	46,050,000	11,652,000	-	57,702,000	3.56%	1,212
2016	51,285,000	11,652,000	-	62,937,000	3.87%	1,317
2017	49,171,541	11,652,000	-	60,823,541	3.58%	1,274
2018	45,915,404	11,652,000	-	57,567,404	3.30%	1,206

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 and includes premium.
- (3) See the Schedule of Demographic and Economic Statistics (Table 14) for personal income and population data.

Table 11

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years

Fiscal Year Ended June 30	General Obligation Bonds	Less: Amounts Available in Debt Service Funds	Net	Percentage of Estimated Actual Taxable Value of Property	Per Capita
2009	\$ 34,630,000	\$ 4,309,777	\$ 30,320,223	1.04%	\$ 712
2010	42,135,000	8,500,419	33,634,581	1.07%	777
2011	40,653,711	4,602,477	36,051,234	1.14%	834
2012	38,699,305	4,229,219	34,470,086	1.08%	736
2013	38,324,899	3,931,500	34,393,399	1.05%	733
2014	43,840,000	3,700,630	40,139,370	1.21%	847
2015	46,050,000	3,013,379	43,036,621	1.28%	904
2016	51,285,000	2,943,546	48,341,454	1.35%	1,012
2017	49,171,541	2,785,903	46,385,638	1.16%	972
2018	45,915,404	3,204,528	42,710,876	1.06%	895

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 and Qualified School Construction Bonds.
- (3) See the Schedule of Demographic and Economic Statistics for personal income and population data. (Table 14)
- (4) See Schedule of Assessed Value and Estimated Actual Value of Taxable Property for property value data. (Table 15)

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

Legal Debt Margin Information
Last Ten Fiscal Years

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Debt Limit	\$ 121,976,392	\$ 134,831,728	\$ 135,384,758	\$ 135,962,977	\$ 139,574,813	\$ 140,194,956	\$ 145,001,026	\$ 152,080,583	\$ 169,538,261	\$ 169,213,004
Total net debt applicable to limit	<u>30,320,223</u>	<u>33,634,581</u>	<u>36,051,234</u>	<u>34,470,086</u>	<u>34,393,399</u>	<u>40,139,370</u>	<u>43,036,621</u>	<u>48,341,454</u>	<u>46,385,638</u>	<u>42,710,876</u>
Legal debt margin	<u>\$ 91,656,169</u>	<u>\$ 101,197,147</u>	<u>\$ 99,333,524</u>	<u>\$ 101,492,891</u>	<u>\$ 105,181,414</u>	<u>\$ 100,055,586</u>	<u>\$ 101,964,405</u>	<u>\$ 103,739,129</u>	<u>\$ 123,152,623</u>	<u>\$ 126,502,128</u>
Total net debt applicable to the limit as a percentage of debt limit	24.86%	24.95%	26.63%	25.35%	24.64%	28.63%	29.68%	31.79%	27.36%	25.24%

Legal Debt Margin Calculation for Fiscal Year 2018

Assessed value	\$ 454,621,934
Add back: exempt real property	<u>58,144,746</u>
Total assessed value	512,766,680
Debt limit (33% of total assessed value)	169,213,004
Debt applicable to limit:	
General Obligation bonds	45,915,404
Less: Amount set aside for repayment of general obligation debt	<u>3,204,528</u>
Total net debt applicable to limit	<u>42,710,876</u>
Legal debt margin	<u>\$ 126,502,128</u>

Source: Comprehensive Annual Financial Report
Assessed value is obtained from the Lincoln Parish Tax Assessor.
Notes:

(1) The debt limit is 33% of total assessed value. This percentage is in accordance with Act 103 of 1980 Regular Session of the Louisiana Legislature R.S. 39:562 (C).

Table 13

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

Direct and Overlapping Governmental Activities Debt
As of June 30, 2018

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Lincoln Parish Police Jury	\$ 1,953,000	100.00%	\$ 1,953,000
City of Ruston	70,075,000	100.00%	<u>70,075,000</u>
¹⁷⁹ Subtotal, overlapping debt			<u>72,028,000</u>
Lincoln Parish School Board Direct Debt			<u>57,567,404</u>
Total direct and overlapping debt			<u><u>\$ 129,595,404</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 Lincoln 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.

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

Demographic and Economic Statistics
Last Ten Fiscal Years

Fiscal Year Ended June 30	Population	Personal Income	Per Capita Personal Income	School Enrollment	Percentage on Free & Reduced Meals	Unemployment Rate
2009	42,558	\$ 1,226,291,000	\$ 28,815	6,582	58.21	5.1
2010	43,286	1,343,843,000	31,046	6,462	59.79	7.4
2011	43,217	1,454,172,000	33,648	6,496	59.23	8.3
2012	46,856	1,437,027,000	30,669	6,451	59.41	8.7
2013	46,953	1,464,552,000	31,256	6,470	58.94	8.0
2014	47,414	1,550,864,526	32,709	6,354	58.23	7.6
2015	47,617	1,622,644,509	34,077	6,370	64.12	7.8
2016	47,774	1,627,994,598	34,077	6,488	64.42	7.3
2017	47,745	1,701,058,860	35,628	5,989	44.35	6.5
2018	47,744	1,746,714,240	36,585	5,888	60.93	5.2

Sources:

- (1) Population data obtained American Factfinder from U. S. Census Bureau.
- (2) School enrollment and free and reduced meals data obtained from Louisiana Department of Education.
- (3) Unemployment rate obtained from www.StatsAmerica.org
- (4) Personal Income data obtained from www.StatsAmerica.org.

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

Principal Employers
June 30, 2018 and Nine Years Ago

	Fiscal Year 2018			Fiscal Year 2009		
	Number of Employees		% of Total Employment	Number of Employees		% of Total Employment
Louisiana Tech University	1,230	1	5.99%	1,275	1	7.14%
Lincoln Parish School Board	1,068	2	5.20%	1,000	2	5.60%
Grambling State University	900	3	4.38%	794	3	4.44%
Northern Louisiana Medical Center	520	4	2.53%	645	4	3.61%
Genisis Energy	480	6	2.34%			
Walmart	450	5	2.19%	500	5	2.80%
Ardagh Glass Inc	433	7	2.11%			
Louisiana Methodists Childrens' Home	400	8	1.95%	300	8	1.68%
City of Ruston	260	9	1.27%	293	9	1.64%
North Louisiana Rehabilitation Center Inc	230	10	1.12%			
Franke Consumer Products				200	10	1.12%
HealthSouth				325	7	1.82%
Saint Gobain container				348	6	1.95%

Notes:

Source: North Louisiana Economic Partnership

(1) Employment data obtained from U.S. Department of Labor.

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

School Building Information
June 30, 2009 through June 30, 2018

Form of Government
Area of Parish
Regular School Days

President/School Board
472 Square Miles
180

Number of Schools:	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Pre-K	1	1	1	1	1	1	1	1	1	1
K-5	5	5	5	6	6	5	5	5	5	5
K-6	2	2	2	1	1	1	1	1	1	1
K-8	1	1	1	1	2	2	2	2	2	2
K-12	1	1	1	1	2	2	2	2	2	2
6 Grade Only	1	1	1	1	1	1	1	1	1	1
Middle School (6-8 only)	1	1	1	1	1	1	1	1	1	1
Junior High (7-8 only)	1	1	1	1	1	1	1	1	1	1
3rd - 12th Grade	1	1	1	1	0	0	0	0	0	0
6th - 12th Grade	1	1	1	1	0	0	0	0	0	0
High School (7-12 only)	2	2	2	1	1	1	1	1	1	1
High School (9-12 only)	2	2	2	2	2	2	2	2	2	2
Total	19	19	19	18	18	17	17	17	17	17
Enrollment (Public School Only):										
Preschool	40	44	47	71	71	64	89	97	82	74
Kindergarten	563	523	576	595	541	498	490	500	465	493
Grades 1-5	2582	2,579	2,609	2,555	2,561	2,520	2,491	2,496	2,333	2,245
Grades 6-8	1573	1,536	1,423	1,473	1,533	1,507	1,483	1,479	1,419	1,371
Grades 9-12	1,824	1,780	1,841	1,757	1,764	1,765	1,817	1,916	1,690	1,705
Total	6,582	6,462	6,496	6,451	6,470	6,354	6,370	6,488	5,989	5,888

Source: Lincoln Parish School Board Student Membership 02/1/18

Note:

- (1) Included in total number of schools and enrollment are 4 university laboratory schools in the parish for which Lincoln Parish School Board services as a pass-through for state equalization funding.
- (2) Total enrollment does not include Pre-K students

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana
School Personnel
Fiscal Years Ended June 30, 2009 Through June 30, 2018

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Teachers										
Less than a Bachelor's degree	1	1	0	0	0	0	0	0	0	0
Bachelor	248	255	261	255	243	251	256	257	242	244
Master	154	146	142	143	133	158	160	175	158	159
Master +30	84	78	70	69	65	55	56	50	48	38
Specialist in Education	3	3	4	3	3	2	1	1	1	2
Ph.D or Ed.D	3	4	3	1	3	1	2	3	4	4
Total	493	487	480	471	447	467	475	486	453	447
Principals & Assistants										
Bachelor	1	0	1	1	1	1	1	1	2	2
Master	5	6	6	7	6	7	7	12	10	10
Master +30	23	21	20	17	17	14	12	12	10	10
Specialist in Education	0	0	0	0	0	0	0	0	1	1
Ph.D or Ed.D	2	2	2	2	2	4	4	2	2	2
Total	31	29	29	27	26	26	24	27	25	25

Source:

2009-2017 Agreed upon procedures report on performance and statistical data accompanying the annual financial statements.

2018 Lincoln Parish School Board

LINCOLN PARISH SCHOOL BOARD
Ruston, Louisiana

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

Fiscal Year Ended June 30	Expenses	Enrollment	Cost Per Pupil	Percentage Change	Teaching Staff	Pupil/ Teacher Ratio
2009	\$ 77,604,544	6,582	\$ 11,790	11.18%	493	13.35
2010	77,323,896	6,462	11,966	1.49%	487	13.27
2011	83,490,238	6,496	12,853	7.41%	480	13.53
2012	82,072,727	6,451	12,722	-1.01%	471	13.70
2013	78,453,618	6,470	12,126	-4.69%	447	14.47
2014	83,002,280	6,354	13,063	7.73%	467	13.61
2015	84,235,232	6,370	13,224	1.23%	475	13.41
2016	85,539,060	6,488	13,184	-0.30%	486	13.35
2017	87,673,189	5,989	14,639	11.03%	453	13.22
2018	83,121,657	5,888	14,117	-3.57%	447	13.17

Notes:

- (1) Expenses are on full accrual and is extracted from Table 2, Changes in Net Assets.
- (2) Enrollment is extracted from Table 14, Demographic and Economic Statistics.
- (3) Teaching staff is extracted from Table 17, School Personnel.

**Lincoln Parish School Board
Ruston, Louisiana**

**Single Audit Report
For the Year Ended June 30, 2018**

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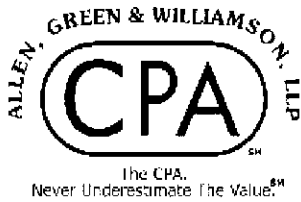
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Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards*

Independent Auditor's Report

Board Members
Lincoln Parish School Board
Ruston, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Lincoln Parish School Board, as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the School Board's basic financial statements, and have issued our report thereon dated December 28, 2018.

Internal Control over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

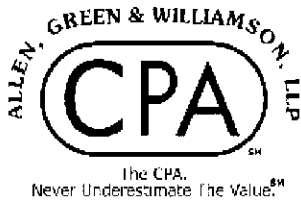
The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in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

Although the intended use of this report may be limited, under Louisiana Revised Statute 24:513, this report is distributed by the Office of the Louisiana Legislative Auditor as a public document.

Allen, Green + Williamson, LLP

ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana
December 28, 2018



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Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance; and Report on the Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

Independent Auditor's Report

Board Members
Lincoln Parish School Board
Ruston, Louisiana

Report on Compliance for Each Major Federal Program

We have audited Lincoln Parish School Board's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the School Board's major federal programs for the year ended June 30, 2018. The School Board's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on Each Major Federal Program

In our opinion, the School Board complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2018.

Report on Internal Control over Compliance

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

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose. Although the intended use of this report may be limited, under Louisiana Revised Statute 24:513, this report is distributed by the Office of the Louisiana Legislative Auditor as a public document.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

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, 2018 and the related notes to the financial statements, which collectively comprise the School Board's basic financial statements. We issued our report thereon dated December 28, 2018, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional

procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Allen, Green + Williamson, LLP

ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana
December 28, 2018

Lincoln Parish School Board
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2018

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/PROGRAM NAME	CFDA <u>Grantor No.</u>	Pass-Through <u>Grantor No.</u>	<u>Expenditures</u>
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	\$ 267,771
Cash Assistance:			
School Breakfast Program	10.553	N/A	\$ 559,905
National School Lunch Program	10.555	N/A	<u>1,575,172</u>
Total Cash Assistance			<u>2,135,077</u>
Total Child Nutrition Cluster			<u>2,402,848</u>
Supper Program (CACFP)	10.558	N/A	<u>1,482</u>
Total United States Department of Agriculture			<u><u>2,404,330</u></u>
United States Department of Education			
Passed Through Louisiana Department of Education:			
Title I Grants to Local Educational Agencies			
	84.010A	28-17-BPT0-31	22,194
	84.010A	S010A160018	2,226
	84.010A	28-18-T1-31	<u>2,641,833</u>
			2,666,253
Special Education Cluster:			
Grants to States (Part B)	84.027A	28-18-BPT6-31	28,500
	84.027A	28-18-BI-31	1,615,866
Preschool Grants	84.173A	28-18-CY-31	3,905
	84.173A	28-18-P1-31	<u>43,280</u>
Total Special Education Cluster			1,691,551
Rural Education Achievement	84.358B	28-18-RE-31	125,172
Title VII - Homeless Assistance	84.196A	28-17-H1-31	333
Title II - Improving Teacher Quality State Grants	84.367A	28-18-50-31	351,712
Title III - English Language Acquisition Grants	84.365A	28-18-S3-31	29,025
Title IV Student Support and Academic Enrichment Program	84.424A	28-18-71-31	37,807
Mathematics and Science	84.366B	28-17-MP02-31	6,609
Migrant Education	84.011A	28-18-M1-31	19,176
Striving Readers/Comprehensive Literacy Development	84.371C	28-18-SR04-31	2,057
Teacher Incentive Fund	84.374A	28-18-TP-31	253,345
	84.374A	28-18-PBCS-31	<u>48,983</u>
			302,328
Preschool Development Grant	84.419B	28-17-RM-31	218,012
	84.419B	28-17-RL-31	<u>52,016</u>
			270,028
Passed Through Louisiana Community and Technical College System			
Vocational Education:			
Basic Grants to States	84.048	28-18-02-31	<u>71,579</u>
Total United States Department of Education			<u>5,573,630</u>
United States Department of Health and Human Services			
Passed Through Louisiana Department of Education:			
Early Childhood Community Network Pilot (CCDF Cluster)	93.575	28-17-CO-31	17,147
Temporary Assistance for Needy Families (TANF Cluster)	93.558	28-18-36-31	<u>99,853</u>
Total United States Department of Health and Human Services			<u>117,000</u>
TOTAL FEDERAL AWARDS			<u><u>\$ 8,094,960</u></u>

The accompanying notes are an integral part of this schedule.

Lincoln Parish School Board
Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2018

NOTE 1 - BASIS OF PRESENTATION The accompanying Schedule of Expenditures of Federal Awards includes the federal award activity of the Lincoln Parish School Board, (the School Board) Ruston, Louisiana under programs of the federal government for the year ended June 30, 2018. The information in this schedule is presented in accordance with the requirements of Title 2 *U.S. Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). The School Board's reporting entity is defined in Note 1 of the Notes to the basic financial statements of the School Board's Comprehensive Annual Financial Report. Because the schedule presents only a selected portion of the operations of the School Board it is not intended to and does not present the financial position, changes in net position, or cash flows of the school board.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES The accompanying Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting, which is described in Note 1 of the Notes to the basic Financial Statements of the School Board's Comprehensive Annual Financial Report. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

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

	Federal Sources
Major Funds:	
General Fund	\$ 2,226
Title I	2,641,833
Nonmajor Funds:	
Title II	351,712
Special programs	1,659,146
School food service	2,404,330
Rural education achievement	125,172
Vocational education	71,579
Other miscellaneous	838,962
Total	\$ 8,094,960

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

NOTE 5 - MAJOR FEDERAL AWARDS 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.

NOTE 7 - INDIRECT COST RATE The School Board has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

**Lincoln Parish School Board
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2018**

PART I - Summary of the Auditor's Results

Financial Statement Audit

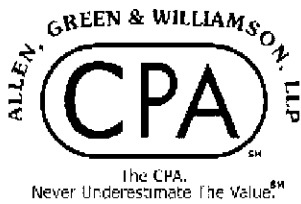
- i. The type of audit report issued was unmodified.
- ii. There were no significant deficiencies required to be disclosed by Government Auditing Standards issued by the Comptroller General of the United States of America.
- iii. The audit disclosed no instances of noncompliance considered material to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

Audit of Federal Awards

- iv. There were no significant deficiencies required to be disclosed by the Uniform Guidance (2 CFR 200).
- v. The type of report the auditor issued on compliance for major programs was unmodified.
- vi. The audit disclosed no audit findings which the auditor is required to report under the Uniform Guidance.
- vii. The major federal program is:
 - CFDA #84.374A Teacher Incentive Fund
 - Special Education Program Cluster:
 - CFDA #84.027A Grants to States (IDEA) Part B
 - CFDA #84.173A Preschool Grants
 - Child Nutrition Cluster:
 - CFDA #10.553 School Breakfast Program
 - CFDA #10.555 National School Lunch Program
- viii. The dollar threshold used to distinguish between Type A and Type B programs as described in the Uniform Guidance was \$750,000.
- ix. The auditee does not qualify as a low-risk auditee under the Uniform Guidance.

Lincoln Parish School Board

OTHER INFORMATION



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Management Letter

Board Members
Lincoln Parish School Board
Ruston, Louisiana

In planning and performing our audit of the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Lincoln Parish School Board, for the year ended June 30, 2018, we considered the Lincoln Parish School Board's internal control to plan our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control.

However, during our audit, we noted a certain matter involving internal control that is presented for your consideration. This letter does not affect our report dated December 28, 2018, on the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Lincoln Parish School Board. We will review the status of this comment during our next audit engagement. Our comment and recommendation, which has been discussed with appropriate members of management, is intended to improve the internal control or result in other operating efficiencies. We will be pleased to discuss this comment in further detail at your convenience, to perform any additional study of this matter, or to assist you in implementing the recommendation. Our comments and management's response are summarized as follows:

2018-M1 **Capital Assets Listing of Buildings and Vehicles**

Comment: The depreciation schedule currently includes portables buildings with a total cost of \$1,043,567 and a book value of \$211,587. Most of these portable buildings were purchased from 1980 through 1999. The list of portable buildings on the insurance policy does not agree with the list on the depreciation schedule. The depreciation schedule also includes 102 buses with a cost of \$6,690,649 and a book value of \$2,320,399. The fully depreciated buses were purchased between October 1999 and July 2009.

An inventory of equipment is conducted annually but presently there are no procedures for an inventory of buildings and vehicles.

Recommendation: Procedures should be established to conduct an inventory of buildings and vehicles. The depreciation schedule should be compared to the insurance listing also to ensure agreement.

Management's response: The Chief Financial Officer and the Assistant Business Manager will ensure that the inventory of buildings and vehicles are updated each year and any adjustments made to the inventory listing and the insurance listing.

Our audit procedures are designed primarily to enable us to form our opinions on the financial statements of the Lincoln Parish School Board as of and for the year ended June 30, 2018, which collectively comprise the Lincoln Parish School Board's basic financial statements, and therefore, may not reveal all weaknesses in policies and procedures that may exist.

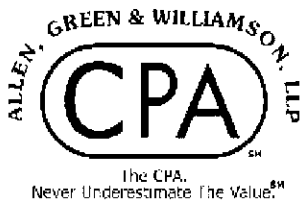
Also included are management's responses to our current year management letter items. We have performed no audit work to verify the content of the responses.

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

Allen, Green & Williamson, LLP

Allen, Green & Williamson, LLP

Monroe, Louisiana
December 28, 2018



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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING STATEWIDE AGREED-UPON PROCEDURES

Board Members
Lincoln Parish School Board
Ruston, Louisiana

We have performed the procedures enumerated below, which were agreed to by the management of Lincoln Parish School Board, Ruston, Louisiana, and the Legislative Auditor (LLA) on the control and compliance areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period April 1, 2017 through March 31, 2018. The School Board's management is responsible for the control and compliance areas identified in these Statewide Agreed-Upon Procedures.

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

Our procedures and findings are as follows:

Written Policies and Procedures

1. Obtain and inspect the entity's written policies and procedures and observe that they address each of the following categories and subcategories (if applicable to public funds and the entity's operations):
 - a) **Budgeting**, including preparing, adopting, monitoring, and amending the budget
 - b) **Purchasing**, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the public bid law; and (5) documentation required to be maintained for all bids and price quotes.
 - c) **Disbursements**, including processing, reviewing, and approving
 - d) **Receipts/Collections**, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g. periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).

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- e) **Payroll/Personnel**, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked.
- f) **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process
- g) **Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases)
- h) **Travel and expense reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers
- i) **Ethics** including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirement that all employees, including elected officials, annually attest through signature verification that they have read the entity's ethics policy.
- j) **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

Comment: No exceptions were noted in applying the agreed upon procedures.

Board or Finance Committee

- 2. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:
 - a) Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.
 - b) For those entities reporting on the governmental accounting model, observe that the minutes referenced or included monthly budget-to-actual comparisons on the general fund and major special revenue funds, as well as monthly financial statements (or budget-to-actual comparisons, if budgeted) for major proprietary funds. *Alternately, for those entities reporting on the non-profit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.*
 - c) For governmental entities, obtain the prior year audit report and observe the unrestricted fund balance in the general fund. If the general fund had a negative ending unrestricted fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unrestricted fund balance in the general fund.

Comment: No exceptions were noted in applying the agreed upon procedures.

Bank Reconciliations

- 3. Obtain a listing of client bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for selected each account, and observe that:
 - a) Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated, electronically logged);

- b) Bank reconciliations include evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and
- c) Management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

Comment: Four bank reconciliations selected did not include evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks reviewed the bank reconciliation. These four accounts were student activity funds.

Management's Response: These were school bank reconciliations. A designated person in the central office receives all bank reconciliations from the schools to ensure that they are done properly and on time. She will sign these in the future indicating that she has seen the reconciliations.

Collections

- 4. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).
- 5. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e. 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:
 - a) Employees that are responsible for cash collections do not share cash drawers/registers.
 - b) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g. pre-numbered receipts) to the deposit.
 - c) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.
 - d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions are not responsible for collecting cash, unless another employee verifies the reconciliation.
- 6. Inquire of management that all employees who have access to cash are covered by a bond or insurance policy for theft.
- 7. Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3 under "Bank Reconciliations" above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *Alternately, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and:
 - a) Observe that receipts are sequentially pre-numbered.
 - b) Trace sequentially pre-numbered receipts, system reports, and other related collection

- c) Trace the deposit slip total to the actual deposit per the bank statement.
- d) Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100).
- e) Trace the actual deposit per the bank statement to the general ledger.

Comment: At the four student activity collection sites selected the bookkeeper/secretary collects cash, prepares the deposit and posts the entries to the ledger. One exception was noted in the test of receipts because no collection documentation was attached. This was a central office receipt.

Management's Response: This will continue to be an exception at the school level due to limited staffing. The one receipt at the central office was just an oversight. Management will make every effort to date stamp all receipts and include all documentation with all receipts.

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

- 8. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).
- 9. For each location selected under #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:
 - a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.
 - b) At least two employees are involved in processing and approving payments to vendors.
 - c) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.
 - d) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.
- 10. For each location selected under #8 above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction and:
 - a) Observe that the disbursement matched the related original invoice/billing statement.
 - b) Observe that the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

Comment: An exception was noted at four of the student activity fund locations because the bookkeeper/secretary prepares and mails the checks. Four exceptions were noted in the test of 25 disbursements because documentation did not include evidence that two employees were involved in initiating the purchase, approving the purchase, and placing the order/making the purchase. These exceptions were student activity fund disbursements.

Management's Response: This will continue to be an exception due to limited staffing at the school level.

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

11. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.
12. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtain supporting documentation, and:
 - a) Observe that there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) was reviewed and approved, in writing, by someone other than the authorized card holder. [Note: Requiring such approval may constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); these instances should not be reported.]
 - b) Observe that finance charges and late fees were not assessed on the selected statements.
13. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e. each card should have 10 transactions subject to testing). For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only).

Comment: No exceptions were noted in applying the agreed upon procedures.

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

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

Comment: No exceptions were noted in applying the agreed upon procedures.

Payroll and Personnel

15. Obtain a listing of employees/elected officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees/officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.
16. Randomly select one pay period during the fiscal period. For the 5 employees/officials selected under #16 above, obtain attendance records and leave documentation for the pay period, and:
 - a) Observe that all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, an elected official is not eligible to earn leave and does not document his/her attendance and leave. However, if the elected official is earning leave according to policy and/or contract, the official should document his/her daily attendance and leave.)
 - b) Observe that supervisors approved the attendance and leave of the selected employees/officials.
 - c) Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.
17. Obtain a listing of those employees/officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees/officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations, agree the hours to the employee/officials' cumulative leave records, and agree the pay rates to the employee/officials' authorized pay rates in the employee/officials' personnel files.
18. Obtain management's representation that employer and employee portions of payroll taxes, retirement contributions, health insurance premiums, and workers' compensation premiums have been paid, and associated forms have been filed, by required deadlines.

Comment: Five employees were selected from five different schools. One of these could not be tested because the attendance documentation was not retained. At all five locations the principal was not documenting approval of the attendance.

Management's Response: At the January 2019 principals meeting, all principals will be made aware that they need to sign off on all attendance sign in sheets. All documentation will be retained on all attendance sign in sheets.

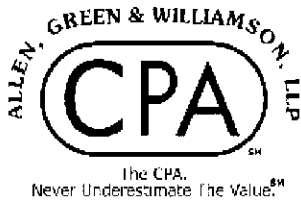
We were not engaged to and did not perform an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on those control and compliance areas identified in the SAUPs. Accordingly, we do not express such an opinion or conclusion. Had we performed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

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

Allen, Green & Williamson, LLP

Allen, Green & Williamson, LLP
Monroe, Louisiana

December 28, 2018



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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING BESE AGREED-UPON PROCEDURES

Board Members
Lincoln Parish School Board
Ruston, Louisiana

We have performed the procedures enumerated below, which were agreed to by the management of Lincoln Parish School Board, Ruston, Louisiana, the Louisiana Department of Education, and the Office of the Louisiana Legislative Auditor, State of Louisiana, on the performance and statistical data accompanying the annual financial statements of Lincoln Parish School Board for the fiscal year ended June 30, 2018; and to determine whether the specified schedules are free of obvious errors and omissions as provided by the Board of Elementary and Secondary Education (BESE) in compliance with Louisiana Revised Statute 24:5141. The Lincoln Parish School Board's management is responsible for the performance and statistical data. This agreed-upon procedures engagement was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of 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 noted in applying agreed upon procedures.

Class Size Characteristics (Schedule 2)

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

Comment: No exceptions were noted in applying the agreed upon procedures.

Education Levels Experience of Public School Staff (No Schedule)

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

Comment: No exceptions were noted in applying the agreed upon procedures.

Public School Staff Data: Average Salaries (No Schedule)

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

Comment: No exceptions were noted in applying the agreed upon procedures.

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

The purpose of this report is solely to describe the scope of testing performed on the performance and statistical data accompanying the annual financial statements of the Lincoln Parish School Board as required by Louisiana Revised Statute 24:514.1, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Office of the Louisiana Legislative Auditor as a public document.

Allen, Green & Williamson, LLP

ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana
December 28, 2018

**Lincoln Parish School Board
Ruston, Louisiana**

**General Fund Instructional and Support Expenditures
and Certain Local Revenue Sources
For the Year Ended June 30, 2017-18**

	Column A	Column B
<u>General Fund Instructional and Equipment Expenditures</u>		
General Fund Instructional Expenditures:		
Teacher and Student Interaction Activities:		
Classroom Teacher Salaries	\$ 16,986,612	
Other Instructional Staff Activities	1,509,398	
Instructional Staff Employee Benefits	8,706,159	
Purchased Professional and Technical Services	472,622	
Instructional Materials and Supplies	1,008,115	
Instructional Equipment	<u>96,434</u>	
Total Teacher and Student Interaction Activities		\$ 28,779,340
Other Instructional Activities		274,367
Pupil Support Services	3,376,899	
Less: Equipment for Pupil Support Services	<u>0</u>	
Net Pupil Support Services		3,376,899
Instructional Staff Services	2,363,900	
Less: Equipment for Instructional Staff Services	<u>406</u>	
Net Instructional Staff Services		2,363,494
School Administration	3,661,647	
Less: Equipment for School Administration	<u>3,742</u>	
Net School Administration		<u>3,657,905</u>
Total General Fund Instructional Expenditures (Total of Column B)		<u>38,452,005</u>
Total General Fund Equipment Expenditures (Object 730; Function Series 1000-4000)		<u>526,538</u>
<u>Certain Local Revenue Sources</u>		
Local Taxation Revenue:		
Constitutional Ad Valorem Taxes		1,774,921
Renewable Ad Valorem Tax		13,146,628
Debt Service Ad Valorem Tax		4,515,196
Up to 1% of Collections by the Sheriff on Taxes Other than School Taxes		330,534
Sales and Use Taxes		<u>19,929,634</u>
Total Local Taxation Revenue		<u>39,696,913</u>
Local Earnings on Investment in Real Property:		
Earnings from 16th Section Property		0
Earnings from Other Real Property		<u>172,453</u>
Total Local Earnings on Investment in Real Property		<u>172,453</u>
State Revenue in Lieu of Taxes:		
Revenue Sharing - Constitutional Tax		90,839
Revenue Sharing - Other Taxes		212,342
Revenue Sharing - Excess Portion		0
Other Revenue in Lieu of Taxes		<u>0</u>
Total State Revenue in Lieu of Taxes		<u>303,181</u>
Nonpublic Textbook Revenue		<u>22,682</u>
Nonpublic Transportation Revenue		<u>0</u>

**Lincoln Parish School Board
Ruston, Louisiana**

**Class Size Characteristics
As of October 1, 2017**

School Type	Class Size Range							
	1 - 20		21 - 26		27 - 33		34+	
	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Elementary	33.52%	595	44.43%	283	34.51%	39	43.75%	7
Elementary Activity Classes	4.11%	73	7.54%	48	8.85%	10	18.75%	3
Middle/Jr. High	6.76%	120	9.73%	62	24.78%	28	0.00%	0
Middle/Jr. High Activity Classes	2.70%	48	0.78%	5	3.54%	4	0.00%	0
High	29.52%	524	27.94%	178	23.89%	27	0.00%	0
High Activity Classes	6.82%	121	1.26%	8	3.54%	4	37.50%	6
Combination	14.54%	258	7.22%	46	0.88%	1	0.00%	0
Combination Activity Classes	2.03%	36	1.10%	7	0.00%	0	0.00%	0
	100.00%	1775	100.00%	637	100.00%	113	100.00%	16

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