

Research Update:

Rapides Parish School District No.52 (Pineville), LA's Series 2025 GO School Bonds Assigned 'A+' Rating

June 26, 2025

Overview

- S&P Global Ratings assigned its 'A+' long-term rating to [Rapides Parish School District NO. 52 \(Pineville\)](#), La.'s \$27 million general obligation school bonds, series 2025.
- The outlook is stable.

Rationale

Security

The GO bonds are direct obligations of the issuing districts, payable from unlimited ad valorem taxes levied on all taxable property within the boundaries of each district.

Our rating is additionally based on the application of our "[Issue Credit Ratings Linked To U.S. Public Finance Obligors' Creditworthiness](#)" criteria, Nov. 20, 2019, RatingsDirect. Rapides Parish School Board is the governing and operating authority for all districts, which represent a portion of the school board's boundaries and exist solely as taxing entities for the issuance and repayment of locally voted GO bonds. We view the individual districts as having very similar credit quality, differing slightly only in certain economic and debt ratios. In addition, management and associated operations for the districts are identical. While the ad valorem taxes from each district are derived from subset of the school board's tax base, we do not view the tax bases of the school districts as being exposed to disproportionate risks relative to the school board. Therefore, we rate the bonds on par with our view of the school board's general creditworthiness.

Credit highlights

The rating reflects our view of the school board's prudent financial management policies and practices, evidenced by its ability to maintain balanced operations and exceptionally strong reserves despite long-term enrollment declines. However, we consider the school board's concentrated tax base, below-average income metrics relative to national levels, and elevated

Primary contact

Alex Louie
Englewood
1-303-721-4559
alex.louie
@spglobal.com

Secondary contact

Lauren Levy
Englewood
1303-721-4956
lauren.levy
@spglobal.com

debt and liabilities profile credit limitations. The school board serves the entirety of Rapides Parish, including the cities of Alexandria and Pineville. Parishwide population has demonstrated modest, though consistent declines in the last ten years, which is also reflected in school board enrollment levels. Current enrollment for the 2024-2025 school year is approximately 21,900, a roughly 9% decline since 2012. However, the board has adapted to declining enrollment through staffing adjustments and facilities consolidation, maintaining its consistently strong financial performance and robust reserve position, which we expect to continue in the near term. For fiscal 2024, financial results include a \$7.5 million operating surplus (approximately 3% of revenue). The board adopted a balanced budget for fiscal 2025 and expects some positive variance at fiscal year-end (June 30) due to better-than-budgeted ad valorem revenue and sales tax collections, reflecting various commercial and industrial developments within the parish. In addition, officials report an uptick in weighted student attendance, despite modest declines in total enrollment, which is expected to offset any loss in state aid revenue for fiscal 2025. The board expects ongoing residential developments in the city of Alexandria, as well as several commercial and industrial expansions to contribute to stabilization of enrollment levels in the next five years.

The board's debt and liabilities profile is elevated compared to similarly rated peers nationally, particularly current costs for debt service, pension and other postemployment benefit (OPEB) contributions, and net pension liability (NPL) per capita. However, contributions typically exceed our minimum funding progress metric, and the school board has reported modest declines in employer contribution levels in the last two years, providing some relief to the operating budget. However, we consider the weighted average discount rate of 7.2% across the various pension plans aggressive, potentially leading to long-term cost escalations and slow funding progress.

The rating further reflects our view of the school board's:

- Concentrated, though stable, taxing base with weaker income and economic output metrics relative to national levels;
- Consistently positive financial performance, despite declining enrollment, which has contributed to maintenance of the substantial reserve position, which we expect to continue in the near term;
- Budgeting practices that include the use of conservative budget assumptions based on historical data and current macro-economic conditions, with budget-to-actual and investment reports reviewed by the board monthly; financial policies include an informal target to maintain a minimum of three months' operating expenditures in reserve, but lack formalized long-term financial projections, capital planning, and a debt management policy; and
- Elevated fixed costs for debt service, pension and OPEB contributions, and high NPLs per capita.
- For more information on our institutional framework assessment for Louisiana municipalities, please see "[Institutional Framework Assessment: Louisiana Local Governments](#)," Sept. 9, 2024.

Environmental, social, and governance

Given its proximity to the Gulf Coast, we view Rapides Parish School Board's exposure to both acute and chronic physical risks as elevated. Specifically, the parish has elevated exposure to severe weather events including hurricanes and flooding, as well as long-term factors, including sea-level rise, extreme heat, and drought. Although extreme weather events are typically

temporary, recurrence and prolonged exposure to these events can weaken property tax bases, enrollment levels, and the pace of economic development for affected local governments. The school board's effective management of insurance claims and FEMA reimbursements, as well as its substantial reserves and liquidity somewhat offset this risk. However, we recognize that the increasing frequency and severity of severe weather events present a long-term challenge for schools with exposure to these risks.

Outlook

The stable outlook reflects our expectation that the school board will continue to make budgetary adjustments to maintain balanced operations and its substantial reserve position, supported by conservative revenue assumptions and prudent expenditure controls.

Downside scenario

If operations become structurally imbalanced, with deficits over a sustained period and material draws on reserves, with no credible plan to restore, we could lower the rating.

Upside scenario

We could raise the rating if the local economy expands and diversifies, contributing to sustained improvement in economic output and per capita income metrics to levels we view as commensurate with those of higher-rated peers, coupled with moderation of the board's debt and liabilities profile.

Ratings List

New Issue Ratings	
US\$27.0 mil GO sch bnds ser 2025 due 03/01/2045	
Long Term Rating	A+/Stable

Certain terms used in this report, particularly certain adjectives used to express our view on rating relevant factors, have specific meanings ascribed to them in our criteria, and should therefore be read in conjunction with such criteria. Please see Ratings Criteria at <https://disclosure.spglobal.com/ratings/en/regulatory/ratings-criteria> for further information. A description of each of S&P Global Ratings' rating categories is contained in "S&P Global Ratings Definitions" at <https://disclosure.spglobal.com/ratings/en/regulatory/article/-/view/sourceld/504352>. Complete ratings information is available to RatingsDirect subscribers at www.capitaliq.com. All ratings referenced herein can be found on S&P Global Ratings' public website at www.spglobal.com/ratings.

Copyright © 2025 by Standard & Poor's Financial Services LLC. All rights reserved.

No content (including ratings, credit-related analyses and data, valuations, model, software or other application or output therefrom) or any part thereof (Content) may be modified, reverse engineered, reproduced or distributed in any form by any means, or stored in a database or retrieval system, without the prior written permission of Standard & Poor's Financial Services LLC or its affiliates (collectively, S&P). The Content shall not be used for any unlawful or unauthorized purposes. S&P and any third-party providers, as well as their directors, officers, shareholders, employees or agents (collectively S&P Parties) do not guarantee the accuracy, completeness, timeliness or availability of the Content. S&P Parties are not responsible for any errors or omissions (negligent or otherwise), regardless of the cause, for the results obtained from the use of the Content, or for the security or maintenance of any data input by the user. The Content is provided on an "as is" basis. S&P PARTIES DISCLAIM ANY AND ALL EXPRESS OR IMPLIED WARRANTIES, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE, FREEDOM FROM BUGS, SOFTWARE ERRORS OR DEFECTS, THAT THE CONTENT'S FUNCTIONING WILL BE UNINTERRUPTED OR THAT THE CONTENT WILL OPERATE WITH ANY SOFTWARE OR HARDWARE CONFIGURATION. In no event shall S&P Parties be liable to any party for any direct, indirect, incidental, exemplary, compensatory, punitive, special or consequential damages, costs, expenses, legal fees, or losses (including, without limitation, lost income or lost profits and opportunity costs or losses caused by negligence) in connection with any use of the Content even if advised of the possibility of such damages.

Some of the Content may have been created with the assistance of an artificial intelligence (AI) tool. Published Content created or processed using AI is composed, reviewed, edited, and approved by S&P personnel.

Credit-related and other analyses, including ratings, and statements in the Content are statements of opinion as of the date they are expressed and not statements of fact. S&P's opinions, analyses and rating acknowledgment decisions (described below) are not recommendations to purchase, hold, or sell any securities or to make any investment decisions, and do not address the suitability of any security. S&P assumes no obligation to update the Content following publication in any form or format. The Content should not be relied on and is not a substitute for the skill, judgment and experience of the user, its management, employees, advisors and/or clients when making investment and other business decisions. S&P does not act as a fiduciary or an investment advisor except where registered as such. While S&P has obtained information from sources it believes to be reliable, S&P does not perform an audit and undertakes no duty of due diligence or independent verification of any information it receives. Rating-related publications may be published for a variety of reasons that are not necessarily dependent on action by rating committees, including, but not limited to, the publication of a periodic update on a credit rating and related analyses.

To the extent that regulatory authorities allow a rating agency to acknowledge in one jurisdiction a rating issued in another jurisdiction for certain regulatory purposes, S&P reserves the right to assign, withdraw or suspend such acknowledgment at any time and in its sole discretion. S&P Parties disclaim any duty whatsoever arising out of the assignment, withdrawal or suspension of an acknowledgment as well as any liability for any damage alleged to have been suffered on account thereof.

S&P keeps certain activities of its business units separate from each other in order to preserve the independence and objectivity of their respective activities. As a result, certain business units of S&P may have information that is not available to other S&P business units. S&P has established policies and procedures to maintain the confidentiality of certain non-public information received in connection with each analytical process.

S&P may receive compensation for its ratings and certain analyses, normally from issuers or underwriters of securities or from obligors. S&P reserves the right to disseminate its opinions and analyses. S&P's public ratings and analyses are made available on its Web sites, www.spglobal.com/ratings (free of charge), and www.ratingsdirect.com (subscription), and may be distributed through other means, including via S&P publications and third-party redistributors. Additional information about our ratings fees is available at www.spglobal.com/usratingsfees.

STANDARD & POOR'S, S&P and RATINGSDIRECT are registered trademarks of Standard & Poor's Financial Services LLC.