



**CITY OF MONROE SCHOOL BOARD
MONROE, LOUISIANA**

Financial Report

As of and for the Year Ended June 30, 2021

City of Monroe School Board
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Carr, Riggs & Ingram, LLC
1000 East Preston Avenue
Suite 200
Shreveport, LA 71105

Mailing Address:
P.O. Box 4278
Shreveport, LA 71134-0278

(318) 222-2222
(318) 226-7150 (fax)
CRLcpa.com

Independent Auditors' Report

Board Members
City of Monroe School Board
Monroe, 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 City of Monroe School Board (the "School Board") as of and for the year ended June 30, 2021, and 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 the financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' 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 of 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 auditors' 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 financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Monroe School Board, as of June 30, 2021, and the respective changes in financial position 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 Net OPEB Liability and Related Ratios, Schedule of Employer's Proportionate Share of Net Pension Liability, Schedule of Employer's Contributions, and the budgetary comparison schedules be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the School Board's financial statements as a whole. The accompanying other supplementary information, 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 schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements, the schedule of compensation paid to board members, schedule of compensation, benefits, and other payments to agency head and schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the 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 financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 31, 2022, on our consideration of the City of Monroe 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 City of Monroe 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 City of Monroe School Board's internal control over financial reporting and compliance.

Carr, Riggs & Ingram, L.L.C.

CARR, RIGGS & INGRAM, LLC
Shreveport, Louisiana

March 31, 2022

MANAGEMENT'S DISCUSSION AND ANALYSIS

**City of Monroe School Board
Management's Discussion and Analysis (Unaudited)
June 30, 2021**

We offer readers of the City of Monroe School Board's (the "School Board") financial statements this narrative overview and analysis of the financial activities of the City of Monroe School Board for the fiscal year ended June 30, 2021. It is designed to assist the reader in focusing on significant financial issues and identifying changes in the School Board's financial position.

Financial Highlights

Government-wide financial highlights for the 2020-21 fiscal year include the following:

- Statement of Net Position – The liabilities of the School Board exceeded its assets at the close of the most recent fiscal year by \$244 million (net deficit).
- Capital Assets – Total capital assets (net of depreciation) were \$102.3 million or 63% of the total assets. The School Board uses these assets to provide educational services to children and adults; consequently, these assets are not available for future spending.
- Long-Term Obligations – The School Board's total obligations increased by approximately \$25.2 million.
- Statement of Activities – The total net deficit of the City of Monroe School Board decreased by approximately \$12.2 million for the year ended June 30, 2021.

The School Board ended the 2020-2021 fiscal year with a fund balance in the General Fund of approximately \$19.8 million.

- Governmental Funds Balance Sheet – As of the close of the 2020-2021 fiscal year, the City of Monroe School Board's governmental funds reported combined ending fund balance of \$47.4 million, a decrease of approximately \$2.6 million in comparison with the prior fiscal year. This fund balance is comprised of approximately (1) \$19.8 million in General Fund, (2) \$6.5 million in the debt service funds, and (3) \$21.1 million in the remaining special revenue and capital projects funds.
- Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances – Total revenues for the year ended June 30, 2021 for the governmental funds of the City of Monroe School Board amounted to \$121.9 million. Approximately 96% of this amount is received from four major revenue sources: (1) \$47.1 million from Minimum Foundation Program, (2) \$14.1 million from local ad valorem taxes, (3) \$32 million from local sales and use taxes, and (4) \$23.7 million from federal grant awards.

City of Monroe School Board
Management's Discussion and Analysis (Unaudited)
June 30, 2021

Overview of the Financial Statements

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

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

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

Fund Financial Statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Monroe School Board, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. All of the funds of the City of Monroe School Board can be divided into two categories: governmental funds and fiduciary funds.

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the City of Monroe School Board's near-term financing decision.

**City of Monroe School Board
Management's Discussion and Analysis (Unaudited)
June 30, 2021**

Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City of Monroe School Board maintains seventeen governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures and changes in fund balances for the General Fund, Title 1, 2001 Sales Tax, and GO Bonds 2020 Refunding, all of which are considered to be major funds. Data for the other twelve governmental fund groups are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The City of Monroe School Board adopts an annual appropriated budget for its General Fund and all Special Revenue Funds. Budgetary comparison schedules have been provided to demonstrate compliance with these budgets.

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

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

Financial Analysis of Government-wide Activities

The largest portion of the City of Monroe School Board's total assets, totaling approximately \$102.3 million, which is net of accumulated depreciation of \$74.1 million, reflects its investment in capital assets (e.g. land, buildings, machinery, and equipment), less any related debt used to acquire those assets that are still outstanding. Debt outstanding related to the investment in capital assets is approximately \$65 million. The School Board uses these capital assets to provide educational services to children and adults; consequently, these assets are not available for future spending. Although the City of Monroe School Board's investment in its capital assets net position is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

**City of Monroe School Board
Management's Discussion and Analysis (Unaudited)
June 30, 2021**

The following analysis focuses on the net position of the School Board's governmental-wide activities:

<i>June 30,</i>	2021		2020		Dollar Change	Percentage Change
Current and other assets	\$	60,317,667	\$	63,882,077	\$ (3,564,410)	(5.6)
Capital assets, net		102,302,849		99,351,670	2,951,179	3.0
Total assets		162,620,516		163,233,747	(613,231)	(0.4)
Deferred outflows of resources		74,757,385		74,052,623	704,762	1.0
Current and other liabilities		19,308,811		20,378,236	(1,069,425)	(5.2)
Long-term liabilities		444,518,323		419,297,073	25,221,250	6.0
Total liabilities		463,827,134		439,675,309	24,151,825	5.5
Deferred inflows of resources		17,689,109		30,661,085	(12,971,976)	(42.3)
Net position						
Net invested in capital assets		37,298,209		30,102,456	7,195,753	23.9
Restricted		24,768,611		27,780,424	(3,011,813)	(10.8)
Unrestricted		(306,205,162)		(290,932,904)	(15,272,258)	(5.2)
Total net position (deficit)	\$	(244,138,342)	\$	(233,050,024)	\$ (11,088,318)	(4.8)

Restricted net position of \$24.8 million is reported separately to show the legal constraints for the payment of outstanding long-term debt obligations and future construction projects and to limit the School Board from using these funds for day-to-day operations. Debt Service Funds account for \$5.5 million of the total, \$7.1 million is restricted for salaries and benefits, \$11.1 million is restricted for instructional and maintenance costs and capital projects accounts for \$113 thousand. The remaining balance is monies restricted for salaries and benefits, and instructional and maintenance costs.

City of Monroe School Board
Management's Discussion and Analysis (Unaudited)
June 30, 2021

The following analysis focuses on the change in net position of the School Board's governmental activities:

<i>For the years ended June 30,</i>	2021	2020	Dollar Change	Percentage Change
Revenues				
Program revenues				
Charges for services	\$ 125,427	\$ 112,965	\$ 12,462	11.0
Operating and capital grants and contributions	24,556,447	18,661,912	5,894,535	31.6
General revenues				
Ad valorem taxes	14,192,288	14,641,242	(448,954)	(3.1)
Sales taxes	32,010,273	27,898,691	4,111,582	14.7
Minimum foundation program	47,076,457	47,115,095	(38,638)	(0.1)
Interest on investments	220,966	537,583	(316,617)	(58.9)
Other general revenues	4,962,146	1,702,359	3,259,787	191.5
Total revenues	123,144,004	110,669,847	12,474,157	11.3
Expenses				
Instruction	76,864,109	66,716,834	10,147,275	15.2
Support services				
Pupil support services	8,192,041	7,612,292	579,749	7.6
Instructional staff support	7,258,893	6,293,181	965,712	15.3
General administration	3,166,528	2,732,877	433,651	15.9
School administration	6,466,974	6,126,926	340,048	5.6
Business services	1,484,037	1,510,637	(26,600)	(1.8)
Plant services	12,408,039	12,406,491	1,548	0.0
Student transportation services	4,954,692	4,506,835	447,857	9.9
Central services	6,088,081	4,805,064	1,283,017	26.7
School food services	6,736,411	7,081,044	(344,633)	(4.9)
Facility acquisition and construction	-	-	-	-
Debt service - interest on long-term obligations	1,727,550	1,928,430	(200,880)	(10.4)
Total expenses	135,347,355	121,720,611	13,626,744	11.2
Increase (Decrease) in net position (deficit)	\$ (12,203,351)	\$ (11,050,764)	\$ (1,152,587)	(10.4)

Governmental Activities

Expenses are classified by functions/programs. Instructional services for fiscal year 2021 totaled \$76,864,109, compared to a total of \$66,716,834 for 2020. The remaining functions are considered support services and relate to those functions that support the instructional services provided, such as pupil support, instructional staff support, administration, transportation, and plant services. Support services for fiscal 2021 totaled \$50,019,285 compared to \$45,994,303 for 2020.

City of Monroe School Board
Management's Discussion and Analysis (Unaudited)
June 30, 2021

The remaining expenditures of \$8,463,961 consist of \$6,736,411 for food and service operations and \$1,727,550 for interest expense on long-term obligations.

The related program revenues for fiscal year 2021 directly related to these expenses were operating and capital grants and contributions in the amount of \$24,556,447 and \$125,427 in charges for such services. The balance of expenses represents the cost to the taxpayers. The costs of governmental activities exceeding restricted state and federal grants are paid primarily from the following sources:

- **Minimum Foundation Program (MFP)** – MFP is the funding formula for the 69 school districts in the state of Louisiana. The School Board was allocated \$47,203,269 in MFP funds in FY2021; with \$126,812 allocated to the district's Local Type 2 Charters for other LEA's as an equivalent to the local representation of the School Board. The net amount received by the School Board was \$47,076,457, which is 38.3% of the total revenues received by the School Board.
- **Sales Tax revenues** – Sales tax revenues are the second largest source of revenue for the School Board, generating \$32,010,273 in revenue, or 26% of total revenue.
- **Ad Valorem tax revenues** – Ad valorem, or property tax revenues, the third largest source of revenues, accounts for \$14,192,288 in revenue, or 11.5% of total revenues.

Financial Analysis of Governmental Funds

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

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

- As of the close of the current fiscal year, the City of Monroe School Board's governmental funds reported a combined ending fund balance of \$47,439,687; a decrease of \$2,092,465, which includes a prior period adjustment of \$514,552 in comparison with the prior fiscal year.
- The General Fund is the chief operating fund of the City of Monroe School Board. At the end of the current fiscal year, the fund balance of the General Fund is \$19,794,470.

**City of Monroe School Board
Management’s Discussion and Analysis (Unaudited)
June 30, 2021**

- The Special Revenue Funds, including nonmajor special revenue funds, have a total fund balance of \$21,023,228 of which \$168,852 is nonspendable, \$7,072,121 is restricted for salaries and related benefits, \$11,074,501 is restricted for instructional costs, \$2,233,677 is restricted for food services, and \$474,077 is restricted for student activity funds.
- The Debt Service Funds have a total fund balance of \$6,508,961 all of which is restricted for the payment of debt service.
- The two Capital Projects Funds have a fund balance totaling \$113,028 all of which is restricted for construction projects.

General Fund Budgetary Highlights

In accordance with Louisiana Revised Statutes Title 39, Chapter 9, Louisiana Local Government Budget Act (LSA-R.S 39:1301 et seq), the City of Monroe School Board must adopt a budget for the General Fund and all Special Revenue funds prior to September 15th. The original budget for the School Board was adopted on September 15, 2020.

The original General Fund Budget projected an ending fund balance of \$16.5 million, with the amended budget projecting to end the year with a positive balance of \$19.3 million. The actual ending balance for the General Fund came in at \$19.8 million.

Capital Assets and Debt Administration

Capital Assets: The City of Monroe School Board’s investment in capital assets as of June 30, 2021, amounts to \$102,302,849 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, furniture and equipment, and construction in progress. The table below shows the value at the end of the fiscal year.

<i>June 30,</i>	2021		2020	
Land	\$	1,669,547	\$	1,669,547
Buildings and improvements		81,039,660		82,770,770
Furniture and equipment		2,791,260		2,791,078
Construction in progress		16,802,382		12,120,275
Total capital assets, net of depreciation	\$	102,302,849	\$	99,351,670

**City of Monroe School Board
Management’s Discussion and Analysis (Unaudited)
June 30, 2021**

Long-Term Debt: At the end of the current fiscal year, the City of Monroe School Board had total debt outstanding of \$64.2 million. Of the amount, \$47.9 million comprises debt backed by the full faith and credit of the government. The following table summarizes bonds outstanding at June 30, 2021 and 2020.

<i>June 30,</i>	2021		2020	
General Obligation Bonds				
Series 2014	\$	5,855,000	\$	15,575,000
Series 2015		12,920,000		13,625,000
Series 2016		7,445,000		18,655,000
Series 2020		21,720,000		-
Sales Tax Bonds				
Series 2010		950,000		1,870,000
Series 2011		355,000		705,000
Revenue Bonds				
Series 2009		10,000,000		10,000,000
Series 2011		5,000,000		5,000,000
Total outstanding debt	\$	64,245,000	\$	65,430,000

Future Operations

The School Board established a goal of maintaining a fund balance equal to 15% of the General Fund budgeted expenditures. The district continued to maintain a fund balance that exceeded this goal for the current fiscal year, and anticipates exceeding this goal again for 2021-2022. The School Board adopted a General Fund budget for 2021-2022 with an operating planned surplus of \$196,160. With this planned surplus, the projected ending fund balance still remains significantly above the 15% fund balance goal. For the upcoming fiscal year, listed below are several factors considered for 2021-2022 operations and budget preparations.

- The adopted Minimum Foundation Program (“MFP”) Resolution for 2021-22 remained unchanged from 2020-21, which maintains a per pupil amount of \$4,015 in level 1 funding. Certified and support personnel pay raises were included for all full-time employees, in the amount of \$1,000 for certified employees and \$500 for support employees.
- The approved projects for the General Obligation Bonds (2014-2016) are near completion with the exception of approximately \$753,000 remaining for Martin Luther King, Jr. Junior High School. The construction was substantially completed on July 22, 2021 and occupied August 2021 for the start of 2021-2022 school year.
- Sales tax revenue is projected to remain stable with a projected decrease of approximately 10%.

**City of Monroe School Board
Management's Discussion and Analysis (Unaudited)
June 30, 2021**

- In April 2021, Jefferson Elementary sustained major storm damage to the roof of the school. The anticipated cost of for repairs is approximately \$750,000 for roof/building repairs and \$150,000 for contents. The staff and students of Jefferson Elementary will occupy the old Martin Luther King, Jr. Junior High School building for the 2021-2022 school year.

Contacting the School Board's Financial Management

If you have questions about this report or need additional financial information, contact DaVona Howard of the City of Monroe School Board, P. O. Box 4180, Monroe, LA 71211-4180, or call at (318) 325-0601.

BASIC FINANCIAL STATEMENTS

City of Monroe School Board
Statement of Net Position

	Primary Government Governmental Activities
June 30, 2021	
Assets	
Cash and cash equivalents	\$ 30,867,423
Investments	11,181,675
Receivables	
Ad valorem taxes	6,641
Sales and use taxes	5,805,195
Federal grants	10,880,599
State grants	896,153
Other	335,443
Inventory	191,357
Other assets	153,181
Capital assets, net	102,302,849
Total assets	162,620,516
Deferred outflows of resources	
Deferred outflows related to pension	33,256,770
Deferred outflows related to OPEB	39,456,902
Deferred outflows related to bonds	2,043,713
Total deferred outflows of resources	74,757,385
Liabilities	
Accounts payable	3,418,958
Salaries and wages payable	10,203,164
Interest payable - bonds	730,025
Long-term liabilities	
Due within one year	
Compensated absences	806,414
Bonds payable	4,150,250
Due in more than one year	
Compensated absences	1,166,525
Workers compensation	430,289
Other post employment benefits	257,813,127
Net pension liability	123,949,952
Bonds payable	61,158,430
Total liabilities	463,827,134
Deferred inflows of resources	
Deferred inflows related to pension	6,648,782
Deferred inflows related to OPEB	11,040,327
Total deferred outflows of resources	17,689,109
Net position	
Net investment in capital assets	37,298,209
Restricted for	
Instructional costs	3,410,023
Capital projects	113,028
Debt service	6,508,961
Salaries and related benefits	7,072,121
Instructional and maintenance costs	7,664,478
Unrestricted	(306,205,162)
Total net position (deficit)	\$ (244,138,342)

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

City of Monroe School Board Statement of Activities

<i>For the year ended June 30, 2021</i>				Program Revenues	Net (Expense) Revenues and Changes in Net Position
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Primary Government Governmental Activities	
Primary Government					
Governmental Activities					
Instructional services					
Regular programs	\$ 39,746,321	\$ -	\$ 518,978	\$ (39,227,343)	
Special education programs	15,904,335	-	975,415	(14,928,920)	
Vocational programs	1,832,141	-	333,608	(1,498,533)	
Other instructional programs	12,761,952	70,506	2,067,294	(10,624,152)	
Special programs	6,619,360	-	6,670,971	51,611	
Support services					
Pupil support services	8,192,041	-	1,864,589	(6,327,452)	
Instructional staff support services	7,258,893	-	4,355,780	(2,903,113)	
General administration	3,166,528	-	135	(3,166,393)	
School administration	6,466,974	-	44,248	(6,422,726)	
Business services	1,484,037	-	102,146	(1,381,891)	
Plant services	12,408,039	-	870,396	(11,537,643)	
Student transportation services	4,954,692	-	131,288	(4,823,404)	
Central services	6,088,081	-	1,762,133	(4,325,948)	
Noninstructional services					
Food service operations	6,736,411	54,921	4,859,466	(1,822,024)	
Debt service					
Interest on long-term obligations	1,727,550	-	-	(1,727,550)	
Total Primary Government	\$ 135,347,355	\$ 125,427	\$ 24,556,447	\$ (110,665,481)	
General revenues					
Taxes					
Ad valorem taxes levied for					
General purposes				11,369,399	
Debt service purposes				2,822,889	
Sales taxes levied for					
General purposes				12,484,006	
Salaries and related benefits				19,526,267	
Grants and contributions not restricted to specific programs					
Minimum foundation program				47,076,457	
State revenue sharing				944,541	
Interest and investment earnings				220,966	
Gain on disposals of assets				11,013	
Other				4,006,592	
Total general revenues				98,462,130	
Changes in net position				(12,203,351)	
Net position (deficit), beginning of year				(233,050,024)	
Prior period adjustment				1,115,033	
Net position (deficit) at beginning of year, restated				(231,934,991)	
Net position (deficit), end of year				\$ (244,138,342)	

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

City of Monroe School Board Balance Sheet - Governmental Funds

<i>June 30, 2021</i>	General Fund	Title I	2001 Sales Tax	GO Bonds 2020 Refunding	Non-Major Funds	Total Governmental Funds
Assets						
Cash and cash equivalents	\$ 15,256,072	\$ -	\$ 1,226,166	\$ -	\$ 14,385,185	\$ 30,867,423
Investments	250,000	-	10,931,675	-	-	11,181,675
Due from other governments	884,835	4,932,684	3,215,180	-	9,028,092	18,060,791
Due from other funds	13,136,956	-	-	-	-	13,136,956
Inventory	54,753	-	-	-	136,604	191,357
Other assets	48,270	(616)	32,248	-	73,280	153,182
Total assets	\$ 29,630,886	\$ 4,932,068	\$ 15,405,269	-	\$ 23,623,161	\$ 73,591,384
Liabilities and fund balances						
Liabilities						
Accounts payable	\$ 1,734,649	\$ 188,673	\$ 130,209	-	\$ 758,043	\$ 2,811,574
Salaries and wages payable	8,101,767	383,570	511,975	-	1,205,855	10,203,167
Due to other funds	-	4,359,825	795,423	-	7,981,708	13,136,956
Total liabilities	9,836,416	4,932,068	1,437,607	-	9,945,606	26,151,697
Fund balances						
Nonspendable						
Inventory and other assets	103,023	-	32,248	-	136,604	271,875
Restricted for						
Salaries and related benefits	-	-	6,270,936	-	801,185	7,072,121
Instructional costs	-	-	-	-	3,410,023	3,410,023
Instructional and maintenance costs	-	-	7,664,478	-	-	7,664,478
Food services	-	-	-	-	2,233,677	2,233,677
Debt service	-	-	-	-	6,508,961	6,508,961
Capital projects	-	-	-	-	113,028	113,028
Student activity funds	-	-	-	-	474,077	474,077
Unassigned	19,691,447	-	-	-	-	19,691,447
Total fund balances	19,794,470	-	13,967,662	-	13,677,555	47,439,687
Total liabilities and fund balances	\$ 29,630,886	\$ 4,932,068	\$ 15,405,269	\$ -	\$ 23,623,161	\$ 73,591,384

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

City of Monroe School Board Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position

Total fund balances - governmental funds		\$	47,439,687
Amounts reported for governmental activities in the statement of net position are different because:			
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.			
Governmental capital assets	176,439,268		
Less accumulated depreciation	<u>(74,136,419)</u>		102,302,849
Deferred outflows of resources related to pension earnings are not recognized in the governmental funds; however, they are recorded in the statement of net position under full accrual accounting.			
			33,256,770
Deferred inflows of resources related to pension earnings are not recognized in the governmental funds; however, they are recorded in the statement of net position under full accrual accounting.			
			(6,648,782)
Deferred outflows of resources related to OPEB earnings are not recognized in the governmental funds; however, they are recorded in the statement of net position under full accrual accounting.			
			39,456,902
Deferred inflows of resources related to OPEB earnings are not recognized in the governmental funds; however, they are recorded in the statement of net position under full accrual accounting.			
			(11,040,327)
Deferred outflows of resources related to payments to escrow agents to refund bonded debt are not recognized in the governmental funds; however, they are recorded in the statement of net position under full accrual accounting.			
			2,043,713
Retainage payable not due in one year			
			(744,142)
Long-term liabilities, including OPEB liability, net pension liability and compensated absences, are not due and payable in the current period and, therefore, are not reported in the funds.			
Compensated absences payable	(1,972,939)		
General obligation bonds payable	(47,940,000)		
Sales tax bonds payable	(1,305,000)		
Revenue bonds payable	(15,000,000)		
Interest payable	(730,025)		
Worker's Compensation IBNR	(430,289)		
Other post employment benefits	(257,813,127)		
Net pension obligations	(123,949,952)		
Bond premium	(1,063,680)		(450,205,012)
Change in net position of governmental activities			<u>\$ (244,138,342)</u>

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

City of Monroe School Board
Statement of Revenues, Expenditures, and Changes
in Fund Balances – Governmental Funds

For the year ended June 30, 2021	General Fund	Title I	2001 Sales Tax	GO Bonds 2020 Refunding	Non Major Funds	Total Governmental Funds
Revenues						
Local sources						
Ad valorem taxes	\$ 11,369,399	\$ -	\$ -	\$ -	\$ 2,822,889	\$ 14,192,288
Sales and use taxes	-	-	17,689,669	-	14,320,604	32,010,273
Earnings on investments	23,385	-	193,376	-	3,875	220,636
Cash payments for meals	-	-	-	-	54,921	54,921
Other local revenue	819,770	-	-	-	2,617,037	3,436,807
State sources						
State equalization	46,976,457	-	-	-	-	46,976,457
Revenue sharing	250,198	-	-	-	235,277	485,475
Other unrestricted revenue	-	-	-	-	538,709	538,709
Other restricted revenue	165,365	-	89,201	-	-	254,566
Federal sources						
Federal restricted grants-in-aid	231,839	7,823,335	-	-	15,671,422	23,726,596
Total revenues	59,836,413	7,823,335	17,972,246	-	36,264,734	121,896,728
Expenditures						
Current						
Instructional services						
Regular programs	23,659,760	102,428	4,101,543	-	6,187,091	34,050,822
Special education programs	9,080,626	-	1,495,557	-	2,843,776	13,419,959
Vocational programs	896,006	113,330	115,080	-	440,072	1,564,488
Other instructional programs	4,438,673	605,029	615,614	-	5,180,986	10,840,302
Special programs	547,120	4,049,438	36,275	-	1,020,252	5,653,085
Support services						
Pupil support services	3,737,610	590,695	586,100	-	2,092,353	7,006,758
Instructional staff support	2,001,627	1,577,572	230,136	-	2,690,256	6,499,591
General administration	1,322,248	-	1,571,794	-	187,913	3,081,955
School administration	3,864,975	-	498,857	-	1,113,515	5,477,347
Business services	863,631	6,884	202,778	-	240,989	1,314,282
Plant services	5,837,122	8,234	2,493,444	-	781,846	9,120,646
Student transportation services	2,886,337	35,813	593,301	-	409,120	3,924,571
Central services	1,105,298	-	2,258,739	-	2,205,432	5,569,469
Noninstructional services						
Food service operations	342,132	-	443,818	-	5,334,118	6,120,068
Debt service						
Principal	2,750	-	-	-	3,865,000	3,867,750
Interest	70,000	-	-	-	1,581,731	1,651,731
Capital outlay	371,102	-	-	-	5,311,045	5,682,147
Total expenditures	61,027,017	7,089,423	15,243,036	-	41,485,495	124,844,971
Excess (deficiency) of revenues over expenditures	(1,190,604)	733,912	2,729,210	-	(5,220,761)	(2,948,243)
Other Financing Sources (Uses)						
Proceeds from sale of assets	11,013	-	-	-	-	11,013
Insurance proceeds	330,213	-	-	-	-	330,213
Transfers in	2,043,764	-	776,026	-	1,448,468	4,268,258
Proceeds from bond issuance	-	-	-	21,890,000	-	21,890,000
Payments to bond escrow	-	-	-	(21,890,000)	-	(21,890,000)
Transfers out	(894,544)	(733,912)	(1,329,950)	-	(1,309,852)	(4,268,258)
Net other financing sources (uses)	1,490,446	(733,912)	(553,924)	-	138,616	341,226
Net change in fund balances	299,842	-	2,175,286	-	(5,082,145)	(2,607,017)
Fund balances as originally stated	16,016,142	-	6,306,035	-	18,245,148	40,567,325
Prior Period Adjustments	-	-	-	-	514,552	514,552
Fund balances, beginning of year	19,494,628	-	11,792,376	-	18,759,700	50,046,704
Fund balances, end of year	\$ 19,794,470	\$ -	\$ 13,967,662	\$ -	\$ 13,677,555	\$ 47,439,687

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

City of Monroe School Board

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities

For the Year Ended June 30, 2021

Net change in fund balance - total governmental funds	\$ (2,607,017)
<p>Governmental funds report capital outlays 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 outlay exceed depreciation in the current period.</p>	
Capital outlay	6,491,364
Depreciation expense	(4,284,332)
<p>Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.</p>	3,865,000
<p>Proceeds from bond issuance is a revenue in the governmental funds, but the issuance increases long-term liabilities in the statement of net position.</p>	(21,890,000)
Defeasance of outstanding bonds	19,210,000
Amortization of bond premium is an expenditure on the statement of activities	751,749
<p>Accrued interest does not require the use of current financial resources; therefore, is not reported as an expenditure in governmental funds.</p>	(127,689)
Change in deferred inflows of resources - pension plans	11,591,451
Change in deferred outflows of resources - pension plans	3,259,221
Change in deferred inflows of resources - other post employment benefits	1,380,526
Change in deferred outflows of resources - other post employment benefits	(4,533,625)
Change in deferred outflows of resources - bonds	1,979,166
<p>Other postemployment benefit obligation reported in the statement of activities does not require the use of current financial resources; therefore, is not reported as an expenditure in governmental funds.</p>	(16,725,631)
<p>Pension benefit obligation reported in the statement of activities does not require the use of current financial resources; therefore, is not reported as an expenditure in governmental funds.</p>	(10,359,245)
<p>Compensated absences are reported in the statement of activities when earned. As they do not require the use of current financial resources, they are not reported as expenditures on governmental funds until they have matured. This is the amount of compensated absences reported in the statement of activities in the prior year that has matured in the current year.</p>	(124,441)
<p>Workers compensation obligation reported in the statement of activities does not require the use of current financial resources; therefore, is not reported as an expenditure in governmental funds.</p>	(79,848)
Change in net position of governmental activities	\$ (12,203,351)

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Monroe School Board (the School Board) is governed by a seven-member board, each of whom is elected from a single member district. It operates under the authority of the City of Monroe Charter of 1900, as amended by the Mayor-Council Home Rule Charter for the City of Monroe, adopted in August 1979. The School Board is authorized to establish and operate public schools within the City of Monroe.

The School Board is composed of a central office, 19 schools and 2 support facilities. The School Board serves approximately 8,200 students and employs approximately 1,400 persons, of which over 800 are directly involved in the instructional process. The remainder provides ancillary support such as general administration, repair and maintenance, bus transportation and food service. The regular school term normally begins during the latter half of August and runs until the end of May.

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. 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's financial statements do not include any component units. Additionally, the School Board is a legally separate elected governing body and does not meet the definition of a component unit of any other entity.

Government Wide and Fund Financial Statements

The financial transactions of the School Board are recorded in individual funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that includes its assets, liabilities, fund equity, revenues and expenditures/expenses. 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 School Board uses the following fund categories and fund types:

Governmental Funds

Governmental funds 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 general fixed assets, and the servicing of general long-term debt.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Governmental funds are divided into major and nonmajor funds. Major funds are funds that meet certain dollar tests of their assets, liabilities, revenues and expenditures. Major funds are larger, more significant funds. Nonmajor funds are the governmental funds that do not meet the dollar tests for major funds.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Property taxes, sales taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). All other revenue items are considered to be measurable and available only when cash is received by the School Board.

Government-Wide Financial Statements

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 Net Assets 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 and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Non-exchange transactions are recognized when the School Board has an enforceable legal claim to the revenues, expenses, gains, losses, assets and liabilities.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Government-Wide Financial Statements (Continued)

Program Revenues

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

General Revenues

General revenues included in the Statement of Activities derive directly from local property and sales taxes and from unrestricted state grants. General revenues finance the remaining balance of a function not covered by program revenues.

Allocation of Indirect Expenses

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

Fund Financial Statements

The fund financial statements provide information about the School Board's funds, including its fiduciary funds. Separate statements for each fund category—governmental and fiduciary—are presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

The School Board reports the following major governmental funds:

General Fund - The General Fund is the general operating fund of the School Board. It accounts for all financial resources except those required to be accounted for in another fund. The General Fund is always a major fund.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Financial Statements (Continued)

Special Revenue Funds – Special Revenue Funds account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The following Special Revenue Funds are major funds:

Title I of the Elementary and Secondary Education Act (ESEA) is a federally financed program, which provides for the needs of children who are at risk of not meeting challenging academic standards and who reside in areas of high concentrations of children from low-income families.

2001 Sales Tax Fund accounts for the collection and distribution of the sales tax levies to provide additional support to the school system to include funding of capital improvements and employee salaries.

Debt Service Funds – Debt Service Funds account for financial resources used for the acquisition and payment of long-term debt. The following Debt Service Fund is a major fund:

The GO Bonds 2020 Refunding Fund (issued December 2020) accounts from the issuance of \$21,890,000 of General Obligation Bonds for the purpose of establishing an escrow account to refund and defease portions of Series 2014 and Series 2016 General Obligation Bond payments from 2028-2035.

The School Board reports the following nonmajor governmental funds:

The School Board has nine nonmajor Special Revenue Funds, two nonmajor Debt Service Funds and two nonmajor Capital Projects Funds. For a description of these funds, see the Nonmajor Funds section of this report starting on page 79.

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Governmental funds reported in the fund financial statements are accounted for on the modified accrual basis of accounting. Governmental fund revenues are recognized in the accounting period in which they become susceptible to accrual – that is when they become both measurable and available to pay current period liabilities. Such revenue items are ad valorem, sales and use taxes and federal and state entitlements. Ad valorem taxes are considered measurable in the calendar year of the tax levy. Ad valorem taxes are considered available because they are substantially collected within 60 days subsequent to year end. Sales taxes are considered measurable and available when collected by the vendors. Revenue from state and Federal grants are recorded when the reimbursable expenditure have been incurred.

Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as fund liabilities when due or when amounts have been accumulated in the Debt Service Funds for payments to be made early in the following year.

Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position

Cash and Cash Equivalents

Cash and cash equivalents include amounts in interest-bearing demand deposits as well as short-term investments with a maturity date within three months of the date acquired. Short-term investments are stated at cost, which approximates fair value.

Interest earned on balances maintained in the pooled bank account was distributed to the individual funds based on the cash balance maintained by the unrestricted participating fund during the year.

The School Board maintains separate “book” cash accounts for each fund that is pooled within the master bank account. Negative book cash balances appear in the financial statements as a liability, “Due to Other Funds.” The balance of these amounts will be paid primarily through collections of grants receivable reimbursements from the Federal and State Departments of Education.

Investments

Investments, consisting of certificates of deposit and fixed income securities, are stated at market value in accordance with the provisions of GASB Statement No. 31.

Interfund Activities and Transactions

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 fund financial statements balance sheet.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Interfund Activities and Transactions (Continued)

Interfund activity is reported as loans, reimbursements, or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental funds are netted as part of the reconciliation to the Government-Wide Financial Statements.

Inventory

Inventory of the School Food Service Fund consists of food and supplies. Inventory is recorded as an expenditure as it is consumed. Inventory is valued at cost on the first-in, first-out (FIFO) method. Commodities provided to the School Board by the United States Department of Agriculture (USDA) through the State Department of Education are reflected as revenue when received and as an expenditure when consumed. Commodities are valued at amounts assigned by the USDA.

Restricted Assets

Certain assets of the School Board are classified as restricted assets on the statement of net position because their use is limited by law through constitutional provisions or enabling legislation; or by restrictions imposed externally by creditors, grantors, contributors or laws or regulations of other governments. Special restricted asset accounts have been established to account for the sources and uses of these limited use assets as follows:

Capital projects are restricted because the proceeds from issuance of bonded debt are dedicated to acquiring and improving school property.

Debt service is considered restricted because an ad valorem tax has been levied specifically to meet the principal and interest payments of various bond issues.

Salaries and related benefits are considered restricted as it represents undistributed salaries and related benefits from sales taxes restricted exclusively for this purpose.

Sometimes the School Board will make expenditures for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as *restricted* – net position and *unrestricted* – net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the School Board's practice to consider *restricted* – net position to have been depleted before *unrestricted* – net position is applied.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Capital Assets

Capital Assets, which include land, buildings, and equipment, are reported in the governmental-wide financial statements. The School Board considers assets with an initial individual cost of \$5,000 or more and an estimated life of one year or more as a capital asset.

Capital assets are recorded at historical cost and depreciated over their estimated useful lives. Donated capital assets are recorded at their estimated fair value at the date of donation.

Estimated useful life is management’s estimate of how long the asset is expected to meet service demands. Capital assets have not been assigned a salvage value because management feels that the salvage value is immaterial.

Land and construction in progress are not depreciated. The other property, plant and equipment, and infrastructure of the primary government are depreciated using straight line method over the following useful lives:

<u>Capital asset classes</u>	<u>Lives</u>
Buildings	40 years
Furniture and equipment	3-15 years

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 (3) items that qualify for reporting as deferred outflows of resources, the *deferred amount on refunding*, the *deferred outflows related to pensions*, and the *deferred outflows related to other post-employment benefits*, all reported in the government-wide funds statements of net position. The deferred amount on refunding results from debt refinancing, whereby the reacquisition price of the funding debt instruments exceed their net carrying amount. The deferred amount on refunding is amortized over the shorter of the life of the refunded or refunding debt. The deferred outflows related to pensions and other post-employment benefits are an aggregate of items related to pensions as calculated in accordance with GASB Codification Section P20: *Pension Activities – Reporting for Benefits Provided through Trusts That Meet Specified Criteria* and other post-employment benefits as calculated in accordance with GASB Codification Section P52: *Postemployment Benefits Other than Pensions – Reporting for Benefits Not Provided through Trusts That Meet Specified Criteria – Defined Benefit*. The deferred outflows related to pensions will be recognized as either pension expense or a reduction in the net pension liability in future reporting years.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

In addition to liabilities, the statement of financial 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 (revenue) until that time. The School Board has two (2) items that qualify for reporting as deferred inflows of resources. The *deferred inflows related to pensions* are an aggregate of items related to pensions as calculated in accordance with GASB Codification Section P20: *Pension Activities – Reporting for Benefits Provided through Trusts That Meet Specified Criteria* and other postemployment benefits in accordance with GASB Codification Section P52: *Postemployment Benefits Other than Pensions – Reporting for Benefits Not Provided through Trusts That Meet Specified Criteria – Defined Benefit*. The deferred inflows related to pensions and other postemployment benefits will be recognized as a reduction to pension expense in future reporting years.

Compensated Absences

All employees receive ten sick days each year, with any unused portion being carried forward. Upon retirement, employees with twenty years of service or more are paid for up to 25 days of accumulated sick leave. Only employees who work 12 calendar months per year earn vacation days. The School Board's policy regarding payment of accumulated vacation days is to allow for a maximum accumulation and payment of no more than 30 days with persons credited with days in excess of 30 as of the effective date (July 1, 1994) being grandfathered in at their then-current accumulation.

Long-Term Obligations

Bond premiums and discounts, as well as issuance costs, are recognized in the fund financial statements in the period the bonds are issued. Bond proceeds are reported as an Other Financing Source. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures.

Costs associated with issuing bonds (bond rating fees, attorney fees, printing, etc.) are expensed as incurred and are reported as expenditures in the fund financial statements. Bond premium from bond sales is reported in the governmental funds as Other Financing Sources when received. Bond premium is reported in the Government-wide Financial Statements as a liability and amortized over the life of the bonds.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position, and additions to/deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by the plan. 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.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Other Post-Employment Benefits (OPEB) Liability

For purposes of measuring the net OPEB liability, deferred outflows/inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position and additions to/deductions from fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms.

Categories and Classification of Fund Balance

GASB 54 requires the fund balance amounts to be reported within the fund balance categories as follows:

Nonspendable fund balance represents resources that cannot be physically used to settle obligations of the school system, such as food inventory.

Restricted fund balances represent resources restricted by tax ordinances or by local, state or Federal grant regulations for future use and are, therefore, not available for future appropriation or expenditure.

Committed fund balances indicate the School Board's tentative plans for the use of financial resources in a future period. Fund balance commitments are made by Board approved resolutions.

Assigned fund balances are those determined by the Superintendent and Chief Financial Officer, under authority given under a resolution of the Board, as needed for the payment of future commitment.

The School Board had no committed or assigned fund balances at June 30, 2021.

Sometimes the School Board will make expenditures for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as *restricted*, *committed*, *assigned*, and *unassigned* fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied.

It is the School Board's practice to consider *restricted* fund balance to have been depleted before using any of the components of *unrestricted* fund balance. Further, when the components of *unrestricted* fund balance can be used for the same purpose, *committed* fund balance is depleted first, followed by *assigned* fund balance. *Unassigned* fund balance is applied last.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenues and Expenditures/Expenses

Sales and Use Taxes

In May 1968, the voters of Ouachita Parish authorized the City of Monroe School Board and the Ouachita Parish School Board to jointly levy and collect a 0.5% sales and use tax.

The net proceeds of the tax are to be allocated and prorated between the two school boards annually on the basis of average daily membership for the preceding school year. Eighty-eight percent of the sales and use tax revenues received by the School Board are to be used for the payment of the salaries of teachers, as defined by the Louisiana State Department of Education. The remaining twelve percent is to be used for the payment of salaries to designated personnel other than teachers.

In March 1994, the voters of the City of Monroe approved the levy of an additional 0.5% sales and use tax. The net proceeds of the tax are to supplement salaries and benefits of certified teachers and other personnel and to provide additional funds for instructional activities. This sales tax went into effect in July 1994.

In July 2001, the citizens of the City of Monroe approved an additional 1% sales tax for additional support of the School Board. This sales tax went into effect in October 2001.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make various estimates. Actual results could differ from those estimates.

Elimination and Reclassifications

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. Interfund receivables and payables were eliminated to minimize the “grossing up” effect on assets and liabilities within the governmental activities column.

Subsequent Events

Management has evaluated subsequent events through the date that the financial statements were available to be issued, March 31, 2022. No subsequent events occurring after this date have been evaluated for inclusion in these consolidated financial statements.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Newly Adopted Accounting Pronouncements

In January 2017, the GASB issued Statement No. 84, *Fiduciary Activities*. This Statement seeks to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. The School Board has implemented GASB Statement No. 84, *Fiduciary Activities*. The School Board has evaluated these criteria and determined that the Student Activity Funds previously reported as agency funds should now be classified as special revenue funds. Additional information can be found in Note 16.

Future Accounting Pronouncements

The Governmental Accounting Standards Board has issued statements that will become effective in future years. These statements are as follows:

GASB Statement No. 87, *Leases*, establishes improved guidance to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The requirements of this Statement are effective for reporting periods beginning after December 15, 2020.

GASB Statement No. 90, *Majority equity interests - An Amendment of GASB Statements No. 14 and No. 61*, the primary objective of this statement is to improve the consistency of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. The effective date is for reporting periods beginning after December 15, 2019.

In May 2019, the GASB Statement No. 91, *Conduit Debt Obligations* was issued. The primary objectives of this statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by the issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. The requirements of this Statement are effective for reporting periods beginning after December 15, 2021.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Future Accounting Pronouncements (Continued)

In January 2020, GASB Statement No. 92, *Omnibus 2020* was issued. The requirements of this Statement will enhance comparability in the application of accounting and financial reporting requirements and will improve the consistency of authoritative literature. More comparable reporting will improve the usefulness of information for users of state and local government financial statements. The requirements of this statement are effective periods after June 15, 2021. Earlier application is encouraged and is permitted by topic.

In March 2020, GASB issued Statement No. 93, *Replacement of Interbank Offered Rates*. The exceptions to the existing provisions for hedge accounting termination and lease modifications in this Statement will reduce the cost of the accounting and financial reporting ramifications of replacing Interbank Offered Rates with other reference rates. The reliability and relevance of reporting information will be maintained by requiring that agreements that effectively maintain an existing hedging arrangement continue to be accounting for in the same manner as before the replacement of a reference rate. As a result, this Statement will preserve the consistency and comparability of reporting hedging derivative instruments and leases after governments amend or replace agreements to replace an Interbank Offered Rate. The requirements of this Statement are effective for periods beginning after June 15, 2021.

In March 2020, GASB issued Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The requirements of this Statement will improve financial reporting by establishing the definitions of PPPs and APAs and providing uniform guidance on accounting and financial reporting for transactions that meet those definitions. That uniform guidance will provide more relevant and reliable information for financial statement users and create greater consistency in practice. This Statement will enhance the decision usefulness of a government's financial statements by requiring governments to report assets and liabilities related to PPPs consistently and disclose important information about PPP transactions. The required disclosures will allow users to understand the scale and important aspects of a government's PPPs and evaluate a government's future obligations and assets resulting from PPPs. The requirements of this Statement are effective for reporting reports beginning after June 15, 2022.

In May 2020, GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements*. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription assets – an intangible asset – and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, *Leases*, as amended. The requirements of this Statement are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter.

**City of Monroe School Board
Notes to Financial Statements**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Future Accounting Pronouncements (Continued)

In October 2021, GASB issued Statement No. 98, *The Annual Comprehensive Financial Reporting*. This Statement established the term annual comprehensive financial report and its acronym ACFR. That new term and acronym replace instances of comprehensive annual financial report and its acronym in generally accepted accounting principles for state and local governments. This Statement was developed in response to concerns raised by stakeholders that the common pronunciation of the acronym for comprehensive annual financial report sounds like a profoundly objectionable racial slur. This Statement’s introduction of the new term is founded on a commitment to promoting inclusiveness. The requirement of this Statement is effective for fiscal years beginning after December 15, 2021.

The School Board is evaluating the requirements of the above statements and the impact on reporting.

NOTE 2: CASH AND CASH EQUIVALENTS AND INVESTMENTS

Custodial credit risk - The School Board's cash and cash equivalents and investments consist of deposits with financial institutions. State statutes govern the School Board’s investment policy. Permissible investments include direct obligations of the U.S. Government and agency securities, certificates of deposit, and savings accounts or savings certificates of savings and loan associations and repurchase agreements.

Obligations that may be pledged as collateral are obligations of the United States government and its agencies and obligations of the state and its subdivisions. Per Louisiana State law, collateral is not required for funds invested in LAMP.

Differences between School Board’s book balances and the bank balances arise because of the net effect of deposits-in-transit and outstanding checks. The following is a schedule of the School Board's cash and cash equivalents at June 30, 2021:

	School Board Book Balances	Bank Balances
Cash on deposit	\$ 30,194,834	\$ 33,501,254
Petty cash	1,100	1,100
Cash equivalents:		
LAMP investments	671,489	671,489
Total cash and cash equivalents	\$ 30,867,423	\$ 34,173,843

**City of Monroe School Board
Notes to Financial Statements**

NOTE 2: CASH AND CASH EQUIVALENTS AND INVESTMENTS (Continued)

The School Board’s deposits are collateralized as follows:

Federal Deposit Insurance Corporation Coverage	\$	250,000
Securities Investor Protection Corporation coverage		250,000
Pledged Securities		37,386,794
<hr/>		
Total collateralized deposits	\$	37,886,794
<hr/>		

Credit risk. The School Board’s investments consist of a certificate of deposit and State and Local Government Series (SLGS) securities held by the paying agent thus limiting the School Board’s credit risk at June 30, 2021.

Concentration of credit risk. The School Board does not limit the amount that may be invested in securities of any one issuer. Applicable state statutes do not place limits on credit concentration.

Interest rate risk. The School Board manages its exposure to declines in fair values by limiting the maturity of its investments to no longer than one year.

In addition, local governments in Louisiana are authorized to invest in the Louisiana Asset Management Pool, Inc. (LAMP), a non-profit corporation formed by an initiative of the State Treasurer and organized under the laws of the State of Louisiana, which operates the local government investment pool. Collateral is required for demand deposits, certificates of deposit, savings certificates of savings and loan associations and repurchase agreements at 100% of all amounts not covered by deposit insurance.

The School Board’s investments at June 30, 2021, consist of a certificate of deposit with a carrying and market value of \$250,000. It is held by the School Board's agent in the School Board's name and is collateralized. Investments of cash of \$176,872 and \$10,754,803 in U.S. government fixed income securities are held in trust by the paying agent, BNY Mellon, for the repayment of the School Board’s Series 2009 and Series 2011 Qualified School Construction Bonds (“QSCB”).

The 2009 QSCB sinking fund consists of \$7,357,354 of fixed income securities that will mature in FY2025 and \$145,586 in cash balances and the 2011 QSCB sinking fund consists of \$3,397,449 of fixed income securities that will mature in FY2026 and \$28,286 in cash balances and is included in “Investments” on the statement of net position.

NOTE 3: FAIR VALUE MEASUREMENTS

GASB Codification Section 3100: *Fair Value Measurements* establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

**City of Monroe School Board
Notes to Financial Statements**

NOTE 3: FAIR VALUE MEASUREMENTS (Continued)

The three levels of the fair value hierarchy under the codification are described as follows:

- Level 1 (L1): Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the School Board has the ability to access.
- Level 2 (L2): Inputs to the valuation methodology include:
- quoted prices for similar assets or liabilities in active markets;
 - quoted prices for identical or similar assets or liabilities in inactive markets;
 - inputs other than quoted prices that are observable for the asset or liability;
 - inputs that are derived principally from or corroborated by observable market data by correlation or other means.
- Level 3 (L3): Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability’s fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following table sets forth by level, within the fair value hierarchy, the School Board’s assets at fair value as of June 30, 2021:

	Fair Value	Maturities (in years)			Level
		Less than 1	1 - 5	More than 5	
Investments by fair value level					
Primary government					
Cash and cash equivalents (LAMP)	\$ 176,872	\$ 176,872	\$ -	\$ -	L1
Fixed income securities	\$ 10,754,803	-	7,357,354	3,397,449	L1
Total primary government	\$ 10,931,675	\$ 176,872	\$ 7,357,354	\$ 3,397,449	
Total investments measured by fair value level	\$ 10,931,675	\$ 176,872	\$ 7,357,354	\$ 3,397,449	
Investments measured at cost					
Primary government					
Certificates of deposit	250,000				
Total Investments measured at cost	250,000				
Total investments	\$ 11,181,675				

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2021.

Fixed income securities – Fixed income securities classified in Level 1 of the fair value hierarchy are valued using quoted market prices for those securities.

City of Monroe School Board
Notes to Financial Statements

NOTE 4: CAPITAL ASSETS

The following is a summary of changes in capital assets during the year ended June 30, 2021:

	Beginning Balance (restated)	Additions	Deletions	Ending Balance
Governmental activities				
Capital assets not being depreciated				
Land	\$ 1,669,547	\$ -	\$ -	\$ 1,669,547
Construction in progress	12,120,274	6,629,387	1,947,279	\$ 16,802,382
Total capital assets not being depreciated	13,789,821	6,629,387	1,947,279	18,471,929
Capital assets being depreciated				
Buildings and improvements	133,477,416	1,975,650	-	\$ 135,453,066
Furniture and equipment	22,183,543	577,754	247,024	\$ 22,514,273
Total capital assets being depreciated	155,660,959	2,553,404	247,024	157,967,339
Less accumulated depreciation				
Building and improvements	50,706,646	3,706,760	-	54,413,406
Furniture and equipment	19,392,465	577,572	247,024	19,723,013
Total accumulated depreciation	70,099,111	4,284,332	247,024	74,136,419
Total capital assets being depreciated, net	85,561,848	(1,730,928)	-	83,830,920
Governmental activities capital assets, net	\$ 99,351,669	\$ 4,898,459	\$ 1,947,279	\$ 102,302,849

Depreciation expense was allocated to the governmental functions in the statement of activities as follows:

For the year ended June 30,	2021
Instructional services:	
Regular programs	\$ 454,699
Vocational programs	3,543
Other instructional programs	7,201
Special programs	7,397
Total depreciation expense - instructional services	472,840
Support services:	
General administration	\$ 1,556
Business services	2,642
Plant services	3,203,228
Student transportation services	464,042
Central services	80,265
Food service operations	59,759
Total depreciation expense - support services	3,811,492
Total depreciation expense	\$ 4,284,332

City of Monroe School Board
Notes to the Basic Financial Statements

NOTE 5: LONG-TERM OBLIGATIONS

The following is a summary of changes in Long-Term Obligations for the year ended June 30, 2021:

	Beginning Balances	Additions	Reductions	Ending Balances	Due Within One Year
Bonds Payable					
General obligation bonds	\$ 47,855,000	\$ 21,890,000	\$ 21,805,000	\$ 47,940,000	\$ 2,680,000
Unamortized bond premium	1,815,429	-	751,749	1,063,680	165,250
Sales tax bonds	2,575,000	-	1,270,000	1,305,000	1,305,000
Revenue bonds	15,000,000	-	-	15,000,000	-
Total bonds payable	67,245,429	21,890,000	23,826,749	65,308,680	4,150,250
Other post employment benefits	241,087,496	16,725,631	-	257,813,127	-
Worker's compensation	350,441	79,848	-	430,289	-
Net Pension Liability	113,590,707	10,359,245	-	123,949,952	-
Compensated absences, net	1,848,498	879,990	755,549	1,972,939	806,414
Total long-term obligations	\$ 424,122,571	\$ 49,934,714	\$ 24,582,298	\$ 449,474,987	\$ 4,956,664

Long-term bonds outstanding at June 30, 2021 are comprised of the following:

	Issue	Maturity Date	Rate	Outstanding
General obligation bonds				
Series 2014	2014	3/1/2024	2% - 4%	\$ 5,855,000
Series 2015	2015	3/1/2035	3.125% - 5%	12,920,000
Series 2016	2016	3/1/2036	2% - 4%	7,445,000
Series 2020	2020	3/1/2035	2.301%	21,720,000
Sales tax refunding bonds				
Series 2010	2010	10/1/2022	2% - 4%	950,000
Series 2011	2011	10/1/2022	2% to 3%	355,000
Revenue bonds				
Series 2009	2009	10/15/2024	0.50%	10,000,000
Series 2011	2011	3/15/2026	0.40%	5,000,000
Total bonds payable				\$ 64,245,000

City of Monroe School Board
Notes to the Basic Financial Statements

NOTE 5: LONG-TERM OBLIGATIONS (Continued)

Debt service requirements to maturity on all School Board bonds outstanding at June 30, 2021 are as follows:

<i>Year ending June 30,</i>	Governmental Activities					
	General Obligation Bond Series 2014		General Obligation Bond Series 2015		General Obligation Bond Series 2016	
	Principal	Interest	Principal	Interest	Principal	Interest
2022	\$ 880,000	\$ 531,038	\$ 730,000	\$ 491,538	\$ 905,000	\$ 652,150
2023	915,000	504,638	755,000	455,038	940,000	615,950
2024	955,000	468,038	785,000	417,288	970,000	587,750
2025	995,000	429,838	810,000	378,038	1,000,000	558,650
2026	1,035,000	399,988	840,000	337,538	1,035,000	528,650
2027-2031	1,075,000	367,644	4,655,000	1,238,063	1,075,000	487,250
2032-2036	-	-	4,345,000	392,650	1,520,000	45,600
2037-2041	-	-	-	-	-	-
Total	\$ 5,855,000	\$ 2,701,184	\$ 12,920,000	\$ 3,710,153	\$ 7,445,000	\$ 3,476,000

<i>Year ending June 30,</i>	Governmental Activities					
	General Obligation Bond Series 2020		Sales Tax Refunding Bond Series 2010		Sales Tax Refunding Bond Series 2011	
	Principal	Interest	Principal	Interest	Principal	Interest
2022	\$ 165,000	\$ 498,857	\$ 950,000	\$ 15,438	\$ 355,000	\$ 5,325
2023	170,000	495,003	-	-	-	-
2024	190,000	472,054	-	-	-	-
2025	265,000	397,244	-	-	-	-
2026	270,000	392,215	-	-	-	-
2027-2031	10,750,000	1,580,751	-	-	-	-
2032-2036	9,910,000	382,392	-	-	-	-
2037-2041	-	-	-	-	-	-
Total	\$ 21,720,000	\$ 4,218,516	\$ 950,000	\$ 15,438	\$ 355,000	\$ 5,325

<i>Year ending June 30,</i>	Governmental Activities					
	Revenue Bond Series 2009		Revenue Bond Series 2011		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2022	-	\$ 50,000	-	\$ 20,000	\$ 3,985,000	\$ 1,765,489
2023	-	50,000	-	20,000	2,780,000	1,645,626
2024	-	50,000	-	20,000	2,900,000	1,543,076
2025	-	50,000	-	20,000	3,070,000	1,436,526
2026	10,000,000	-	-	20,000	13,180,000	1,286,176
2027-2031	-	-	5,000,000	-	22,555,000	2,092,957
2032-2036	-	-	-	-	15,775,000	438,250
2037-2041	-	-	-	-	-	-
Total	\$ 10,000,000	\$ 200,000	\$ 5,000,000	\$ 100,000	\$ 64,245,000	\$ 10,208,100

City of Monroe School Board
Notes to the Basic Financial Statements

NOTE 6: NET INVESTMENT IN CAPITAL ASSETS

Net investment in capital assets at June 30, 2021 is as follows:

	Governmental Activities
Capital assets (net)	\$ 102,302,849
Outstanding debt related to capital assets	(65,308,680)
Unspent bond proceeds	304,040
Net investment in capital assets	\$ 37,298,209

NOTE 7: INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Individual balances due to/from other funds at June 30, 2021, are as follows:

	Due				
	From	To			
Major Funds:					
General Fund	\$ 13,136,956	\$ -	\$		13,136,956
Title I	-	4,359,825		\$	(4,359,825)
2001 Sales Tax		795,423			(795,423)
Non-major Funds:					
Special Education	-	725,316			(725,316)
1968 Sales Tax	-	1,250,612			(1,250,612)
1994 Sales Tax	-	637,978			(637,978)
ESSERF	-	4,177,530			(4,177,530)
Other Federal Programs	-	639,994			(639,994)
State Grants	-	20,985			(20,985)
Student Activity Funds		529,293			(529,293)
Total	\$ 13,136,956	\$ 13,136,956	\$		-

City of Monroe School Board
Notes to the Basic Financial Statements

NOTE 7: INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS (Continued)

Transfers to/from other funds for the year ended June 30, 2021 were as follows:

	Transfers		Net
	In	Out	
Major Funds:			
General Fund	\$ 2,043,764	\$ 894,544	\$ 1,149,220
2001 Sales Tax	776,026	1,329,950	(553,924)
Title I	-	733,912	(733,912)
2016 GO Bonds	-	-	-
Non-major Funds:			
Special Education	-	219,660	(219,660)
School Food Service	-	-	-
ESSERF	-	904,836	(904,836)
Other Federal Programs	11,565	185,356	(173,791)
State Grants	106,953	-	106,953
2001-2002 Sales Tax Bond Sinking	1,329,950	-	1,329,950
QZAB 2012 Sinking	-	-	-
Total	\$ 4,268,258	\$ 4,268,258	\$ -

NOTE 8: PENSION AND RETIREMENT PLANS

Plan Description

Substantially all employees of the School Board are provided with pensions through cost-sharing multiple-employer defined benefit pension plans administered by the Teachers' Retirement System Louisiana (TRSL), the Louisiana School Employees' Retirement System (LSERS), or the Louisiana State Employees' Retirement System (LASERS), all of which are administered on a statewide basis. The authority to establish and amend the benefit terms of TRSL, LSERS, and LASERS was granted to the respective Board of Trustees and the Louisiana Legislature by Title 11 of the Louisiana Revised Statutes. TRSL, LSERS, and LASERS each issue publicly available financial reports that can be obtained at www.trsl.org, www.lasers.net, and www.lasersonline.org, respectively.

TRSL

TRSL provides retirement, deferred retirement option (DROP), disability, and survivor's benefits. Participants should refer to the appropriate statutes for more complete information. Regular Plan - Members whose first employment makes them eligible for membership in a Louisiana state retirement system on or after January 1, 2011 may retire with a 2.5% accrual rate after attaining age sixty with at least 5 years of service credit and are eligible for an actuarially reduced benefit with 20 years of service at any age. All other members, if initially hired on or after July 1, 1999, are eligible for a 2.5% accrual rate at the earliest of age 60 with 5 years of service, age 55 with 25 years of service, or at any age with 30 years of service. Members may retire with an actuarially reduced benefit with 20 years of service at any age. If hired before July 1, 1999, members are eligible for a 2% accrual rate at the earliest of age 60 with 5 years of service, or at any age with 20 years of service and are eligible for a 2.5% accrual rate at the earliest of age 65 with 20 years of service, age 55 with 25 years of service, or at any age with 30 years of service.

City of Monroe School Board Notes to the Basic Financial Statements

NOTE 8: PENSION AND RETIREMENT PLANS (Continued)

Plan A - Members may retire with a 3.0% annual accrual rate at age 55 with 25 years of service, age 60 with 5 years of service or 30 years of service, regardless of age. Plan A is closed to new entrants. Plan B - Members may retire with a 2.0% annual accrual rate at age 55 with 30 years of service, or age 60 with 5 years of service.

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

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

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

In lieu of terminating employment and accepting a service retirement, an eligible member can begin participation in the Deferred Retirement Option Program (DROP) on the first retirement eligibility date for a period not to exceed the 3rd anniversary of retirement eligibility. Delayed participation reduces the three-year participation period. During participation, benefits otherwise payable are fixed, and deposited in an individual DROP account. Upon termination of DROP, the member can continue employment and earn additional accruals to be added to the fixed pre-DROP benefit. Upon termination of employment, the member is entitled to the fixed benefit, an additional benefit based on post -DROP service (if any), and the individual DROP account balance which can be paid in a lump sum or an additional annuity based on the account balance.

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

City of Monroe School Board Notes to the Basic Financial Statements

NOTE 8: PENSION AND RETIREMENT PLANS (Continued)

A surviving spouse with minor children of an active member with five years of creditable service (2 years immediately prior to death) or 20 years of creditable service is entitled to a benefit equal to the greater of (a) \$600 per month, or (b) 50% of the member's benefit calculated at the 2.5% accrual rate for all creditable service. When a minor child(ren) is no longer eligible to receive survivor benefits, the spouse's benefit reverts to a survivor benefit in accordance with the provisions for a surviving spouse with no minor child(ren). Benefits for the minor child(ren) cease when he/she is no longer eligible. Each minor child (maximum of 2) shall receive an amount equal to the greater of (a) 50% of the spouse's benefit or (b) \$300 (up to 2 eligible children). Benefits to minors cease at attainment of age 18, marriage, or age 23 if enrolled in an approved institution of higher education. A surviving spouse without minor children of an active member with 10 years of creditable service (2 years immediately prior to death) or 20 years of creditable service is entitled to a benefit equal to the greater of (a) \$600 per month, or (b) the option 2 equivalent of the benefit calculated at the 2.5% accrual rate for all creditable service.

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

The Optional Retirement Plan (ORP) was established for academic employees of public institutions of higher education who are eligible for membership in TRSL. This plan was designed to provide certain academic and unclassified employees of public institutions of higher education an optional method of funding for their retirement. The ORP is a defined contribution pension plan that provides for portability of assets and full and immediate vesting of all contributions submitted on behalf of the affected employees to the approved providers. These providers are selected by the TRSL Board of Trustees. Monthly employer and employee contributions are invested as directed by the employee to provide the employee with future retirement benefits. The amount of these benefits is entirely dependent upon the total contributions and investment returns accumulated during the employee's working lifetime. Employees in eligible positions of higher education can make an irrevocable election to participate in the ORP rather than TRSL and purchase annuity contracts—fixed, variable, or both—for benefits payable at retirement.

LSERS

LSERS provides retirement, deferred retirement option (DROP), disability, and survivor's benefits. Membership is mandatory for all persons employed by a Louisiana Parish or City School Board or by the Lafourche Special Education District #1 who work more than twenty hours per week as a school bus driver, school janitor, school custodian, school maintenance employee, or school bus aide, a monitor or attendant, or any other regular school employee who actually works on a school bus helping with the transportation of school children. If a person is employed by and is eligible to be a member of more than one public agency within the state, he must be a member of each such retirement system. Members are vested after 10 years of service or 5 years if enrolled after June 30, 2010.

City of Monroe School Board Notes to the Basic Financial Statements

NOTE 8: PENSION AND RETIREMENT PLANS (Continued)

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

Benefit provisions are authorized and amended under Louisiana Revised Statutes. Benefit provisions are dictated by LA R.S. 11:1141 - 11:1153. A member who joined the system on or before June 30, 2010 is eligible for normal retirement if he has at least 30 years of creditable service regardless of age, 25 years of creditable service and is at least age 55, 20 years of creditable service regardless of age with an actuarially reduced benefit, or 10 years of creditable service and is at least age 60. A member who joined the system on or after July 1, 2010 is eligible for normal retirement if he has at least 5 years of creditable service and is at least age 60, or 20 years of creditable service regardless of age with an actuarially reduced benefit.

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 three highest consecutive years of membership service, subject to the 10% salary limitation, multiplied by the number of years of service limited to 100% of final average compensation plus a supplementary allowance of \$2.00 per month for each year of service. For members who joined the system on or after July 1, 2006 through June 30, 2010, 3 1/3% of the average compensation is used to calculate benefits; however, the calculation consists of the five highest consecutive years of membership service, subject to the 10% salary limitation. For members who join the system on or after July 1, 2010, 2 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 he has at least five years of creditable service, is not eligible for normal retirement and has become totally and permanently disabled and is certified as disabled by the Medical Board. A member who joins the system on or after July 1, 2006, must have at least ten 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.

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

City of Monroe School Board Notes to the Basic Financial Statements

NOTE 8: PENSION AND RETIREMENT PLANS (Continued)

The Plan maintains subaccounts within this account reflecting the credits attributed to each participant in the Plan. Interest credited and payments from the DROP account are made in accordance with LA R.S. 11:1152(E)(3). Upon termination of participation in both the Plan and employment, a participant may receive his DROP monies either in a lump sum payment from the account or systematic disbursements. The Plan also provides for deferred benefits for vested members who terminate before being eligible for retirement. Once the member reaches the appropriate age for retirement, benefits become payable.

Effective January 1, 1996, the state legislature authorized the Plan to establish an Initial Benefit Retirement Plan (IBRP) program. IBRP is available to members who have not participated in DROP and who select the maximum benefit, Option 2 benefit, Option 3 benefit or Option 4 benefit. Thereafter, these members are ineligible to participate in the DROP.

The IBRP program provides both a one-time single sum payment of up to 36 months of a regular monthly retirement benefit, plus a reduced monthly retirement benefit for life. Interest credited and payments from IBRP account are made in accordance with LA R.S. 11:1152(F)(3).

LASERS

LASERS provides retirement, deferred retirement option (DROP), disability, and survivor's benefits. The age and years of creditable service required in order for a member to retire with full benefits are established by statute, and vary depending on the member's hire date, employer, and job classification. The majority of LASERS rank and file members may either retire with full benefits at any age upon completing 30 years of creditable service or at age 60 upon completing five to ten years of creditable service depending on their plan. Additionally, members may choose to retire with 20 years of service at any age, with an actuarially reduced benefit. The basic annual retirement benefit for members is equal to 2.5% to 3.5% of average compensation multiplied by the number of years of creditable service. Average compensation is defined as the member's average annual earned compensation for the highest 36 consecutive months of employment for members employed prior to July 1, 2006. For members hired July 1, 2006 or later, average compensation is based on the member's average annual earned compensation for the highest 60 consecutive months of employment. The maximum annual retirement benefit cannot exceed the lesser of 100% of average compensation or a certain specified dollar amount of actuarially determined monetary limits, which vary depending upon the member's age at retirement. Judges, court officers, and certain elected officials receive an additional annual retirement benefit equal to 1.0% of average compensation multiplied by the number of years of creditable service in their respective capacity.

As an alternative to the basic retirement benefits, a member may elect to receive their retirement benefits under any one of six different options providing for reduced retirement benefits payable throughout their life, with certain benefits being paid to their designated beneficiary after their death.

City of Monroe School Board Notes to the Basic Financial Statements

NOTE 8: PENSION AND RETIREMENT PLANS (Continued)

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

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

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

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

**City of Monroe School Board
Notes to the Basic Financial Statements**

NOTE 8: PENSION AND RETIREMENT PLANS (Continued)

Those members who select the IBO on or after January 1, 2004, are required to enter the SDP as described above.

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

Certain eligible surviving dependents receive benefits based on the deceased member's compensation and their relationship to the deceased. The deceased member who was in state service at the time of death must have a minimum of five years of service credit, at least two of which were earned immediately prior to death, or who had a minimum of twenty years of service credit regardless of when earned in order for a benefit to be paid to a minor or handicapped child. Benefits are payable to an unmarried child until age 18, or age 23 if the child remains a full-time student.

The aforementioned minimum service credit requirement is ten years for a surviving spouse with no minor children, and benefits are to be paid for life to the spouse or qualified handicapped child.

As fully described in Title 11 of the Louisiana Revised Statutes, LASERS allows for the payment of ad hoc permanent benefit increases, also known as cost-of-living adjustments (COLAs), which are funded through investment earnings when recommended by the Board of Trustees and approved by the State Legislature.

Contributions

TRSL

The employer contribution rate is established annually under LA R.S. 11:101 - 11:104 by the Public Retirement Systems Actuarial Committee (PRSACX) taking into consideration the recommendation of the System's actuary. Each sub plan pays a separate actuarially determined employer contribution rate. However, all assets of TRSL are used for the payment of benefits for all classes of members, regardless of their plan. The rates in effect during the fiscal year ended June 30, 2020 are as follows:

TRSL Sub Plan	Contribution Rates	
	School Board	Employees
K-12 Regular Plan	26.0%	8.0%
Plan A	26.0%	9.1%
Plan B	26.0%	5.0%

City of Monroe School Board
Notes to the Basic Financial Statements

NOTE 8: PENSION AND RETIREMENT PLANS (Continued)

The School Board’s contractually required composite contribution rate for the year ended June 30, 2020, was 26.0% of annual payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any Unfunded Actuarial Accrued Liability. Contributions to the pension plan from the School Board were \$13,728,844 for the year ended June 30, 2021.

LSERS

Contributions for members are established by state statute at 7.5% of their annual covered salary for members employed prior to July 1, 2010 and 8.0% for members employed subsequent to July 1, 2010. Contributions for all participating school boards are actuarially determined as required by Act 81 of 1988 but cannot be less than the rate required by the Constitution. The actuarial required contribution rate for June 30, 2020 was 29.4%. The actual employer rate for the year ended June 30, 2020 was 29.4%. A difference may exist due to the State Statute that requires the rate to be calculated in advance. Contributions to the pension plan from the School Board were \$1,449,604 for the year ended June 30, 2021.

LASERS

Contribution requirements of active employees are governed by Title 11 of the Louisiana Revised Statutes and may be amended by the Louisiana Legislature. Employee and employer contributions are deducted from a member’s salary and remitted to LASERS by participating employers. The rates in effect during the year ended June 30, 2020, for the relative plans follow:

LASERS Plan (Regular Employees and Optional Retirement Plan (ORP))	Plan Status	School Board	Employees
Pre Act 75 (hired before 7/1/2006)	Closed	37.9%	7.5%
Post Act 75 (hired after 6/30/2006)	Open	37.9%	8.0%

The School Board’s contractually required composite contribution rate for the year ended June 30, 2020, was 35.8% of annual payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any Unfunded Actuarial Accrued Liability. Contributions to the pension plan from the School Board were \$53,994 for the year ended June 30, 2021.

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

The net pension liabilities were measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The School Board’s proportion of the net pension liability for TRSL and LASERS was based on a projection of the School Board’s long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. The Schools Board’s proportion of the net pension liability of LSERS was based on the School Board’s historical contributions.

**City of Monroe School Board
Notes to the Basic Financial Statements**

NOTE 8: PENSION AND RETIREMENT PLANS (Continued)

The following table reflects the School Board's proportionate share of the Net Pension Liability for each of the pension plans, the proportion at June 30, 2021, and the change compared to the June 30, 2020 proportion:

	Net Pension Liability at June 30, 2021	Proportion at June 30, 2021	Increase (Decrease) to June 30, 2020 Proportion
TRSL	\$ 111,219,351	0.999850%	-0.028350%
LSERS	12,303,174	1.531280%	-0.021093%
LASERS	427,427	0.005170%	-0.004180%
	<u>\$ 123,949,952</u>		

The following table reflects the School Board's recognized pension expense plus the School Board's amortization of change in proportionate share and difference between employer contributions and proportionate share of contributions for each of the pension plans for the year ended June 30, 2021:

	Pension Expense	Amortization	Total
TRSL	\$ 11,509,467	\$ (1,749,864)	\$ 9,759,603
LSERS	1,519,216	(25,019)	1,494,197
LASERS	86,347	(167,685)	(81,338)
	<u>\$ 13,115,030</u>	<u>\$ (1,942,568)</u>	<u>\$ 11,172,462</u>

City of Monroe School Board
Notes to the Basic Financial Statements

NOTE 8: PENSION AND RETIREMENT PLANS (Continued)

At June 30, 2021, the School Board reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<u>TRSL</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Experience	\$ -	\$ 1,785,318
Investment Earnings	8,585,471	
Assumptions	6,616,449	-
Change in Proportions	770,194	4,019,858
Employer Contributions	13,728,844	-
	<u>\$ 29,700,958</u>	<u>\$ 5,805,176</u>

<u>LSERS</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Experience	\$ -	\$ 302,860
Investment Earnings	1,873,265	-
Assumptions	73,308	-
Change in Proportion and Difference in Contributions	-	163,523
Employer Contributions	1,449,604	-
	<u>\$ 3,396,177</u>	<u>\$ 466,383</u>

<u>LASERS</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Experience	\$ -	\$ 4,105
Investment Earnings	62,482	-
Assumptions	1,368	-
Change in Proportion and Difference in Contributions	41,791	373,118
Employer Contributions	53,994	-
	<u>\$ 159,635</u>	<u>\$ 377,223</u>

Summary totals of deferred outflows of resources and deferred inflows of resources by pension plan:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
TRSL	\$ 29,700,958	\$ 5,805,176
LSERS	3,396,177	466,383
LASERS	159,635	377,223
	<u>\$ 33,256,770</u>	<u>\$ 6,648,782</u>

City of Monroe School Board
Notes to the Basic Financial Statements

NOTE 8: PENSION AND RETIREMENT PLANS (Continued)

Deferred outflows of resources related to pensions resulting from the School Board's contributions subsequent to the measurement date of \$15,232,442 will be recognized as a reduction of net pension liability in the year ending June 30, 2022. The following table lists the pension contributions made subsequent to the measurement date for each pension plan:

	Subsequent Contributions
TRSL	\$ 13,728,844
LSERS	1,449,604
LASERS	53,994
	\$ 15,232,442

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

June 30,	2022	2023	2024	2025	Total
TRSL	\$ 206,319	\$ 3,120,666	\$ 3,961,757	\$ 2,878,185	\$ 10,166,927
LSERS	39,061	444,021	568,759	428,359	1,480,200
LASERS	(225,025)	(80,323)	19,308	14,460	(271,580)
	\$ 20,355	\$ 3,484,364	\$ 4,549,824	\$ 3,321,004	\$ 11,375,547

City of Monroe School Board
Notes to the Basic Financial Statements

NOTE 8: PENSION AND RETIREMENT PLANS (Continued)

Actuarial Assumptions

A summary of the actuarial methods and assumptions used in determining the total pension liability as of June 30, 2020, are as follows:

	TRSL	LSERS	LASERS
Valuation Date	June 30, 2020	June 30, 2020	June 30, 2020
Actuarial Cost Method	Entry Age Normal	Entry Age Normal	Entry Age Normal
Amortization Approach	Closed		
Actuarial Assumptions:			
Expected Remaining Service Lives	5 years	3 years	2 years
Investment Rate of Return	7.45% net of investment expenses	7.00% net of investment expenses	7.55% per annum.
Inflation Rate	2.50% per annum.	2.50%	2.30% per annum.
Salary Increases	3.1% - 4.6% varies depending on duration of service.	3.25% based on a 2013-2017 experience study of the System's members	2014-2018 experience study, ranging from 2.6% to 13.8%
Cost of Living Adjustments	None	Cost of living raises may be granted from the Experience Account provided there are sufficient funds needed to offset the increase in the actuarial liability and the plan has met the criteria and eligibility requirements outline by ACT 399 of 2014.	The present value of future retirement benefits is based on benefits currently being paid by the System and includes the previously granted cost of living increases. The projected benefit payments do not include provisions for potential future increases not yet authorized by the Board of Trustees as they were deemed not to be substantively automatic.
Mortality	Mortality rates based on MP-2017 generational improvement table with the continued future mortality improvement projected using the MP-2017 generational mortality improvement tables.	Mortality rates based on the RP-2014 Healthy Employee Tables, and the RP-2014 Sex Distinct Disabled mortality improvement tables.	Non-disabled members - The RP-2014 Blue Collar (males/females) and White Collar (females) Healthy Annuitant Tables projected on a fully generational basis by Mortality Improvement Scale MP-2018 Disabled members – Mortality rates based on the RP-2000 Disabled Retiree Mortality Table, with no projection for mortality improvement.
Termination, Disability, and Retirement	Termination, disability, and retirement assumptions were projected based on a five-year (2012-2017) experience of the System's members.	Termination, disability, and retirement assumptions were projected based on a five-year (2013-2017) experience of the System's members.	Termination, disability, and retirement assumptions were projected based on a five-year (2014-2018) experience study of the System's members.

City of Monroe School Board
Notes to the Basic Financial Statements

NOTE 8: PENSION AND RETIREMENT PLANS (Continued)

The following table lists the methods used by each of the pension plans in determining the long-term rate of return on pension plan investments:

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

The following table provides a summary of the best estimates of arithmetic real rates of return for each major asset class included in each of the pension plans' target asset allocation as of June 30, 2020:

Asset Class	Target Allocation			Long-Term Expected Portfolio Real Rate of Return		
	TRSL	LSERS	LASERS	TRSL	LSERS	LASERS
Cash	-	-	-	-	-	-0.59%
Domestic Equity	27.0%	-	23.0%	4.60%	-	4.79%
International Equity	19.0%	-	32.0%	5.54%	-	5.83%
Domestic Fixed Income	13.0%	-	6.0%	0.69%	-	1.76%
International Fixed Income	5.5%	-	10.0%	1.50%	-	3.98%
Private Assets	25.5%	-	-	8.62%	-	0.00%
Other Private Assets	10.0%	-	-	4.45%	-	0.00%
Fixed Income	-	26.0%	-	-	0.92%	0.00%
Equity	-	39.0%	-	-	2.82%	0.00%
Alternative investments	-	23.0%	29.0%	-	1.95%	6.69%
Real Estate	-	0.0%	-	-	0.00%	0.00%
Real Assets	-	12.0%	-	-	0.69%	0.00%
Risk Parity	-	-	0.0%	-	-	4.20%
Total	100.0%	100.0%	100.0%	n/a	6.38%	5.81%

n/a - amount not provided by Retirement System

City of Monroe School Board
Notes to the Basic Financial Statements

NOTE 8: PENSION AND RETIREMENT PLANS (Continued)

Discount Rate

The discount rates used to measure the total pension liability for TRSL, LSERS, and LASERS were 7.45%, 7.00%, and 7.55%, respectively, for the year ended June 30, 2021.

The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that sponsor contributions will be made at rates equal to the difference between actuarially determined contribution rates and member rate. Based on those assumptions, each of the pension plans' fiduciary net positions were projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the School Board's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following table presents the School Board's proportionate share of the Net Pension Liability (NPL) using the discount rate of each pension plan as well as what the School Board's proportionate share of the Net Pension Liability 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
TRSL			
Discount rate	6.45%	7.45%	8.45%
Share of NPL	\$ 145,187,469	\$ 111,219,351	\$ 82,624,808
LSERS			
Discount rate	6.00%	7.00%	8.00%
Share of NPL	\$ 16,115,337	\$ 12,303,174	\$ 9,042,788
LASERS			
Discount rate	6.55%	7.55%	8.55%
Share of NPL	\$ 525,243	\$ 427,428	\$ 344,422

City of Monroe School Board
Notes to the Basic Financial Statements

NOTE 8: PENSION AND RETIREMENT PLANS (Continued)

Support of Non-employer Contributing Entities

Contributions received by a pension plan from non-employer contributing entities that are not in a special funding situation are recorded as revenue by the respective pension plan. The School Board recognizes revenue in an amount equal to their proportionate share of the total contributions to the pension plan from these non-employer contributing entities. During the year ended June 30, 2021, the School Board recognized revenue as a result of support received from non-employer contributing entities of \$431,447 for its participation in TRSL. LSERS and LASERS do not receive support from non-employer contributing entities and, as a result, no revenue was recorded for LSERS or LASERS for the year ended June 30, 2021.

Pension Plans Fiduciary Net Position

Detailed information about the pension plans' fiduciary net position is available in the separately issued financial reports for TRSL, LSERS, and LASERS and can be obtained on the pension plans' respective websites or on the Louisiana Legislative Auditor's website: www.lla.la.gov.

Payables to the Pension Plan

As of June 30, 2021, the School Board had payables due to the pension plans totaling \$2,815,580. Payables are the School Board's legally required contributions to the pension plans. Outstanding balances will be applied the School Board's required monthly contributions. The balance due to each of the pension plans is as follows:

	Payables
TRSL	\$ 2,659,255
LSERS	147,582
LASERS	8,743
	\$ 2,815,580

School Board Sponsored Plan

The School Board has adopted for its employees a deferred compensation plan created in accordance with Internal Revenue Code (IRC) section 457. The plan, available to all School Board employees, permits them to defer a portion of their salaries until future years.

The School Board does not make any contributions to the plan. The deferred compensation is not available to employees until termination, retirement or unforeseen emergency. The deferred compensation is available to employee's beneficiaries in case of death.

**City of Monroe School Board
Notes to the Basic Financial Statements**

NOTE 8: PENSION AND RETIREMENT PLANS (Continued)

School Board Sponsored Plan (Continued)

Under the terms of a plan established in accordance with terms of the amended IRC Section 457, all compensation deferred under the plan, all property and rights acquired with those amounts and all income attributable to those amounts and rights are solely the property and rights of the participants and their beneficiaries. As required by the amended IRC Section 457, the School Board has established custodial accounts with an unrelated third party administrator who holds in trust the assets and income of the plan. The trustee holds assets with a fair market value of \$1,109,322 as of June 30, 2021.

NOTE 9: OTHER POST-EMPLOYMENT BENEFITS

As permitted by Louisiana Revised Statute 17:1223, the School Board provides certain continuing health care and life insurance benefits for certain retired employees through the State group insurance plan, an agent multiple employer defined benefit plan. These benefits occur if they reach normal retirement age, as defined under the applicable retirement system (see Note 8), while working for the School Board. Currently the City of Monroe School Board’s postemployment benefits plan provides employees with a choice of participation in one of three medical insurance plans, each with varying benefits: preferred provider organization (PPO), exclusive provider organization (EPO), or health maintenance organization (HMO). LSA-R.S. 42:801 – 859 assigns the authority to establish benefit plans and premium rates and negotiate contracts to the Office of Group Benefits under the direction of the Commissioner of Administration. The Office of Group Benefits’ financial report is included in the Louisiana Comprehensive Annual Financial Report (CAFR), which may be obtained from Office of Statewide Reporting and Accounting Policy’s website at www.doa.la.gov/osrap; by writing to P.O. Box 94095, Baton Rouge, Louisiana 70804-9095; or by calling (225)342-0708.

Net OPEB Liability

The components of the net OPEB liability of the School Board at June 30, 2021, were as follows:

Total OPEB liability	\$ 257,813,127
Plan fiduciary net position	-
School Board's net OPEB liability	\$ 257,813,127

The School Board’s net OPEB liability was measured as of June 30, 2021, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date.

City of Monroe School Board
Notes to the Basic Financial Statements

NOTE 9: OTHER POST-EMPLOYMENT BENEFITS (Continued)

Actuarial Assumptions

The total OPEB liability in the July 1, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.30%
Salary increases	3.00%
Discount rates	2.16%

Mortality Rate

The mortality rate was determined by using the 2010 General Employees Amount-Weighted Mortality MP-2020 Tables for non-annuitants and post-retirement annuitants.

Discount Rate

Although this plan is a defined benefit OPEB plan, which meets the requirements of paragraph 4 of GASB Statement No. 75, the funded ratio is 0% and the total actual and deemed employer contributions are well below the actuarially determined contribution. We have therefore used a discount rate which would be applicable had the requirements of paragraph 4 not been met. That discount rate is 2.16%, which is the value of the Bond Buyers' 20 Year General Obligation municipal bond index as of June 30, 2021, the end of the applicable measurement period is a decrease from the prior period. The discount rate used to measure the Net OPEB liability as of June 30, 2021 was 2.16%, which was based on the Bond Buyer General Obligation 20-Bond Municipal Index.

City of Monroe School Board
Notes to the Basic Financial Statements

NOTE 9: OTHER POST-EMPLOYMENT BENEFITS (Continued)

Changes in the Net OPEB Liability

	Increases (Decreases)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
Balance at June 30, 2020	\$ 241,087,496	\$ -	\$ 241,087,496
Changes for the Year:			
Service cost	13,988,132	-	13,988,132
Interest on total OPEB liability	5,575,272	-	5,575,272
Effect of plan changes	-	-	-
Effect on economic/demographic gains or losses	(1,846,926)	-	(1,846,926)
Effect of assumptions changes or inputs	4,641,725	-	4,641,725
Benefit payments	(5,632,572)	-	(5,632,572)
Net changes	16,725,631	-	16,725,631
Balance as of June 30, 2021	\$ 257,813,127	\$ -	\$ 257,813,127

Sensitivity of the net OPEB liability to changes in the discount rate

The following represents the net OPEB liability of the School Board, as well as what the School Board's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate:

	1.0% Decrease (1.16%)	Current Discount Rate (2.16%)	1.0% Increase (3.16%)
Net OPEB liability	\$ 313,677,227	\$ 257,813,127	\$ 214,641,612

Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates

The following represents the net OPEB liability of the School Board, as well as what the School Board's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current healthcare trend rates:

	1.0% Decrease	Current Healthcare Trend	1.0% Increase
Net OPEB liability	\$ 210,490,121	\$ 257,813,127	\$ 320,471,615

City of Monroe School Board
Notes to the Basic Financial Statements

NOTE 9: OTHER POST-EMPLOYMENT BENEFITS (Continued)

OPEB expense and deferred outflows of resources and deferred inflows of resources related to OPEB

For the year ended June 30, 2021, the School Board recognized OPEB expense of \$25,511,302. At June 30, 2021, the School Board reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 10,669,812
Changes in assumptions / inputs	39,456,902	370,515
Total	\$ 39,456,902	\$ 11,040,327

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

Year ended June 30:

2022	\$ 5,947,898
2023	\$ 5,947,898
2024	\$ 5,947,898
2025	\$ 7,361,490
2026	\$ 3,211,391
Thereafter	\$ -

Payable to the OPEB Plan

At June 30, 2021, the School Board no payables to the OPEB Plan.

Funded Status and Funding Progress

The School Board has not made any contributions to a postemployment benefits plan trust. Therefore, the plan has no assets, and hence has a funded ratio of zero.

City of Monroe School Board
Notes to the Basic Financial Statements

NOTE 10: DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES

The balances of deferred inflows and outflows of resources as of June 30, 2021 consist of:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Bond Refundings	\$ 2,043,713	\$ -
Net Pension Liabilities (GASB 68):		
Teachers' Retirement System of Louisiana (TRSL)	29,700,958	5,805,176
Louisiana State Employees' Retirement System (LASERS)	3,396,177	466,383
Louisiana School Employees' Retirement System (LSE)	159,635	377,223
	33,256,770	6,648,782
Other Post-Employment Benefits (GASB 75)	39,456,902	11,040,327
Balance as of June 30, 2019	\$ 74,757,385	\$ 17,689,109

NOTE 11: AD VALOREM TAXES

The Sheriff of Ouachita Parish, as provided by State law, bills and collects property taxes on behalf of the School Board using the assessed values determined by the tax assessor of Ouachita Parish. For the year ended June 30, 2021, taxes of 34.51 mills were levied on property with assessed valuations totaling \$393,279,429 and were dedicated as follows:

Parish wide taxes:	Levied
School Operations, Maintenance, Aid and Support	27.51 mills
Bonds - Debt Service	7.00 mills
	34.51 mills

The School Board's portion of the total taxes originally levied was \$15,063,644 of which \$14,012,939 was assessed on property owners and \$1,050,705 was assessed under Homestead Exemption. The School Board collected \$14,192,288 through June 30, 2021, of which a nominal amount was for prior year(s) levies. Approximately 85% of the homestead exemption is not appropriated by the State of Louisiana and therefore is not collected. Collections are remitted to the School Board monthly.

City of Monroe School Board Notes to the Basic Financial Statements

NOTE 11: AD VALOREM TAXES (Continued)

Below is the property tax calendar in effect for the year ended June 30, 2021:

Millage Rates Adopted	August 25, 2020
Levy Date	November 30, 2020
Tax Bills Mailed	November 30, 2020
Total Taxes are Due	December 31, 2020
Lien Date	January 1, 2021

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

10% Land	15% Machinery
10% Residential Improvements	15% Commercial Improvements
15% Industrial Improvements	25% Public Service Properties, Excluding Land

Historically, virtually all ad valorem taxes receivable were collected since they are secured by property; therefore, there is no allowance for uncollectible taxes.

NOTE 12: RISK MANAGEMENT

Risk Exposure

The School Board is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks are handled by the School Board through the purchase of various commercial insurance policies with varying coverage limits, deductibles, and premiums based on the type of policy.

Workers' Compensation

The School Board is self-insured for workers' compensation. Claims expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. These losses include an estimate of claims that have been incurred but not reported. This liability is the School Board's best estimate based on available information. This liability does not include incremental costs, if any. The current amounts due and payable are recorded in the general fund in the government-wide financial statements.

City of Monroe School Board Notes to the Basic Financial Statements

NOTE 12: RISK MANAGEMENT (Continued)

Risk of loss under workers' compensation statutes is self-insured by the School Board for up to \$200,000 per occurrence, with reinsurance coverage in force for losses in excess of that amount. The self-insured plan is administered by a third party, with the claims under the self-insured amount paid by the General Fund; certain Special Revenue funds reimburse the General Fund for payment of their claims. Consistent with the provisions of GASB Statement No. 10 *Accounting and Financial Reporting for Risk Financing and Related Insurance Issues*, the School Board uses the General Fund to account for its risk financing activities. During the year ended June 30, 2021, the School Board incurred and paid claims under the worker's compensation plan of approximately \$546,496, net of reimbursements. The liability for worker's compensation claims is \$430,288 as of June 30, 2021.

NOTE 13: COMMITMENTS AND CONTINGENCIES

Operating Leases

The School Board leases various items of equipment and facilities under lease agreements that are subject to annual re-appropriation clauses. Generally, as equipment leases expire, they are replaced with other leases. Rent expense for the year ended June 30, 2021 totaled \$245,262. Rent expense for the year ending June 30, 2022 is expected to be approximately \$140,000.

Legal

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

The School Board is defendant in a lawsuit with fourteen (14) certified teachers as plaintiffs alleging that as certified teachers, they are exclusively entitled to receive, as extra compensation, certain portions or percentages of funds that are derived from two (2) local sales tax levies. Class action certification is sought; permitting the plaintiffs to represent every certified teacher presently employed and previously employed dating back to 1968, along with the estates of any now deceased certified teachers employed since 1968. The School Board's liability exposure, in the opinion of counsel, is questionable and indeterminate at this time; therefore, no liability is recorded as of June 30, 2021.

COVID-19 Pandemic

In March 2020, the World Health Organization made the assessment that the outbreak of a novel coronavirus (COVID-19) can be characterized as a pandemic. As a result, uncertainties have arisen that may have a significant negative impact on the operating activities and results of the Organization. The occurrence and extent of such an impact will depend on future developments, including (i) the duration and spread of the virus, (ii) government quarantine measures, (iii) voluntary and precautionary restrictions on travel or meetings, (iv) the effects on the financial markets, and (v) the effects on the economy overall, all of which are uncertain.

City of Monroe School Board Notes to the Basic Financial Statements

NOTE 13: COMMITMENTS AND CONTINGENCIES (Continued)

Construction Commitments

Remaining construction cost contracts for the construction of a middle school is approximately \$3,965,000. This cost will be paid in future periods as work is performed and payments will be made with proceeds remaining from previous bond issues.

NOTE 14: CONCENTRATIONS

Amounts due from governmental agencies represent substantially all of receivables from outside sources. The School Board derives a majority of its revenue from grants by governmental agencies and is, therefore, economically dependent upon these grants.

NOTE 15: ECONOMIC DEPENDENCY

The Minimum Foundation funding provided by the state to all public school systems in Louisiana is primarily based on October 1 and February 1 student counts. The state provided \$46,976,457, net of allocations of \$126,812 to charter schools, to the School Board, which represents approximately 39% of the School Board's total revenues for the year.

NOTE 16: NET POSITION RESTATEMENT

In fiscal year 2021, School Board implemented GASB Statement No. 84, *Fiduciary Activities*. The School Board has a prior period adjustment of \$514,552, which was required for restating the prior period balance of fiduciary net position. The June 30, 2020 net position was previously reported on agency fund financial statements instead of custodial net position as required under GASB Statement No. 84. The previously reported agency funds are now reported as a non-major special revenue fund in the accompanying financial statements.

In the prior year, the School Board had accrued retention liabilities for construction commitments in the amount of \$600,481. This amount was not included in the previous year in capital assets, net on the statement of net position for the year ended June 30, 2020. The beginning balance of construction in progress was restated to include the \$600,481 and increase net investment in capital assets.

The total adjustment to the beginning balance of net position as of July 1, 2020 was an increase of \$1,115,033.

REQUIRED SUPPLEMENTARY INFORMATION

City of Monroe School Board Budgetary Comparison Schedule – General Fund (Unaudited)

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance With Final Budget Over (Under)
	Original Budget	Final Budget		
<i>For the year ended June 30, 2021</i>				
Budgetary Fund Balance, Beginning	\$ 19,494,628	\$ 19,494,628	\$ 19,494,628	\$ -
Resources (inflows)				
Local sources				
Ad valorem taxes				
Constitutional tax	2,840,000	2,810,000	2,810,215	215
Renewable tax	8,250,000	8,167,000	8,167,006	6
Other than school taxes	375,000	392,170	392,178	8
Earnings on investments	50,000	23,300	23,385	85
Other local revenue	792,500	815,780	819,770	3,990
Total local sources	12,307,500	12,208,250	12,212,554	4,304
State and federal sources				
State equalization	47,646,609	46,976,457	46,976,457	-
State revenue sharing	258,000	250,000	250,198	198
Other unrestricted revenue	51,600	40,490	-	(40,490)
Other restricted revenue	20,000	52,000	165,365	113,365
Federal restricted grants-in-aid	300,000	232,000	231,839	(161)
Total state and federal sources	48,276,209	47,550,947	47,623,859	72,912
Other sources				
Proceeds from sale of assets	1,000	9,400	11,013	1,613
Insurance proceeds	-	330,213	330,213	-
Judgments	-	-	-	-
Transfers in	851,000	2,001,000	2,043,764	42,764
Total other sources	852,000	2,340,613	2,384,990	44,377
Total resources	61,435,709	62,099,810	62,221,403	121,593
Amounts available for appropriations	80,930,337	81,594,438	81,716,031	121,593
Charges to appropriations (outflows)				
Current				
Instructional services				
Regular programs	23,525,654	23,793,357	23,659,760	(133,597)
Special education programs	9,315,608	9,147,278	9,080,626	(66,652)
Vocational programs	987,643	909,090	896,006	(13,084)
Other instructional programs	4,561,262	4,494,233	4,438,673	(55,560)
Special programs	483,584	559,898	547,120	(12,778)
Adult/Continuing education programs	-	-	-	-
Support Services				
Pupil support services	3,808,685	3,757,885	3,737,610	(20,275)
Instructional staff support	2,072,740	2,015,662	2,001,627	(14,035)
General administration	1,173,195	1,339,651	1,322,248	(17,403)
School administration	4,003,776	3,878,357	3,864,975	(13,382)
Business services	909,258	871,426	863,631	(7,795)
Plant services	5,868,993	5,856,923	5,837,122	(19,801)
Student transportation services	3,200,104	2,929,789	2,886,337	(43,452)
Central services	1,159,942	1,115,170	1,105,298	(9,872)
Non-instructional services				
Food service operations	251,449	342,132	342,132	-
Capital outlay	2,065,433	423,961	371,102	(52,859)
Debt service	948,750	848,776	72,750	(776,026)
Other uses				
Transfers out	100,000	1,630	894,544	892,914
Indirect cost transfers	-	-	-	-
Total charges to appropriations	64,436,076	62,285,218	61,921,561	(363,657)
Budgetary Fund Balances, Ending	\$ 16,494,261	\$ 19,309,220	\$ 19,794,470	\$ 485,250

See notes to budgetary comparison schedules.

City of Monroe School Board
Budgetary Comparison Schedule – Title I (Unaudited)

<i>For the year ended June 30, 2021</i>	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance With Final Budget Over (Under)
	Original Budget	Final Budget		
Budgetary Fund Balance, Beginning	\$ -	\$ -	\$ -	\$ -
Resources (inflows)				
Federal sources				
Federal restricted grants-in-aid	7,152,439	7,752,519	7,823,335	70,816
Total federal sources	7,152,439	7,752,519	7,823,335	70,816
Local sources				
Other local sources	-	-	-	-
Total local sources	-	-	-	-
Other sources				
Transfers in	-	-	-	-
Total other sources	-	-	-	-
Total resources	7,152,439	7,752,519	7,823,335	70,816
Amounts available for appropriations	7,152,439	7,752,519	7,823,335	70,816
Charges to appropriations (outflows)				
Current				
Instructional services				
Regular programs	105,767	102,428	102,428	-
Vocational programs	118,241.00	113,330	113,330	-
Other instructional programs	288,982	572,905	605,029	32,124
Special programs	3,657,622	4,038,378	4,049,438	11,060
Support services				
Pupil support services	542,906	589,625	590,695	1,070
Instructional staff support	1,684,849	1,578,198	1,577,572	(626)
Business services	28,490	6,479	6,884	405
Plant services	15,301	8,234	8,234	-
Student transportation services	38,600	10,527	35,813	25,286
Other uses				
Transfers out	671,681	732,415	733,912	1,497
Total charges to appropriations	7,152,439	7,752,519	7,823,335	70,816
Budgetary Fund Balances, Ending	\$ -	\$ -	\$ -	\$ -

See notes to budgetary comparison schedules.

City of Monroe School Board
Budgetary Comparison Schedule – 2001 Sales Tax (Unaudited)

<i>For the year ended June 30, 2021</i>	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance With Final Budget Over (Under)
	Original Budget	Final Budget		
Budgetary Fund Balance, Beginning	\$ 11,792,376	\$ 11,792,376	\$ 11,792,376	\$ -
Resources (inflows)				
Local sources				
Sales and use taxes	14,991,000	17,689,669	17,689,669	-
Interest on investments	-	-	193,376	193,376
Other local revenue	-	-	-	-
State sources				
Other restricted revenues	45,000	69,201	89,201	20,000
Other sources				
Transfers in	-	-	776,026	776,026
Total resources	15,036,000	17,758,870	18,748,272	989,402
Amounts available for appropriations	26,828,376	29,551,246	30,540,648	989,402
Charges to appropriations (outflows)				
Current				
Instructional services				
Regular programs	4,289,188	4,100,949	4,101,543	594
Special education programs	1,285,965	1,495,557	1,495,557	-
Vocational programs	98,140	115,080	115,080	-
Other instructional programs	738,585	613,467	615,614	2,147
Special programs	71,928	36,275	36,275	-
Adult education services	-	-	-	-
Support services				
Pupil support services	550,410	586,100	586,100	-
Instructional staff support	227,195	230,136	230,136	-
General administration	1,408,184	1,571,794	1,571,794	-
School administration	416,682	498,857	498,857	-
Business services	324,324	202,778	202,778	-
Plant services	2,019,975	2,472,925	2,493,444	20,519
Student transportation services	475,488	593,301	593,301	-
Central services	2,141,608	2,247,332	2,258,739	11,407
Non-Instructional services				
Food service operations	388,226	443,818	443,818	-
Capital outlay	-	-	-	-
Debt services	-	-	-	-
Other uses				
Transfers out	1,500,000	1,329,950	1,329,950	-
Total charges to appropriations	15,935,898	16,538,319	16,572,986	34,667
Budgetary Fund Balances, Ending	\$ 10,892,478	\$ 13,012,927	\$ 13,967,662	\$ 954,735

See notes to budgetary comparison schedules.

City of Monroe School Board
Budgetary Comparison Schedule – 1968 Sales Tax (Unaudited)

<i>For the year ended June 30, 2021</i>	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance With Final Budget Over (Under)
	Original Budget	Final Budget		
Budgetary Fund Balance, Beginning	\$ 150,605	\$ 150,605	\$ 150,605	\$ -
Resources (inflows)				
Local sources				
Sales and use taxes	4,710,000	5,475,772	5,475,771	(1)
Interest on investments	-	-	-	-
State sources				
Other restricted revenues	-	-	-	-
Other sources				
Transfers in	-	-	-	-
Total resources	4,710,000	5,475,772	5,475,771	(1)
Amounts available for appropriations	4,860,605	5,626,377	5,626,376	(1)
Charges to appropriations (outflows)				
Current				
Instructional services				
Regular programs	2,253,842	2,664,303	2,663,897	(406)
Special education programs	883,602	1,019,233	1,019,233	-
Vocational programs	89,096	103,880	103,880	-
Other instructional programs	365,799	396,646	396,646	-
Special programs	21,324	17,500	17,497	(3)
Adult education services	-	-	-	-
Support services				
Pupil support services	320,995	364,373	371,793	7,420
Instructional staff support	166,070	189,419	181,999	(7,420)
General administration	36,059	37,355	37,355	-
School administration	278,406	319,306	319,306	-
Business services	12,988	16,703	16,703	-
Plant services	128,105	156,282	156,282	-
Student transportation services	104,754	124,099	124,099	-
Central services	35,897	41,608	41,608	-
Other support services	-	-	-	-
Non-Instructional services				
Food service operations	105,210	123,624	123,624	-
Capital outlay	-	-	-	-
Debt services	-	-	-	-
Facility acquisition and construction	-	-	-	-
Other uses				
Transfers out	-	-	-	-
Total charges to appropriations	4,802,147	5,574,331	5,573,922	(409)
Budgetary Fund Balances, Ending	\$ 58,458	\$ 52,046	\$ 52,454	\$ 408

See notes to budgetary comparison schedules.

City of Monroe School Board
Budgetary Comparison Schedule – 1994 Sales Tax (Unaudited)

<i>For the year ended June 30, 2021</i>	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance With Final Budget Over (Under)
	Original Budget	Final Budget		
Budgetary Fund Balance, Beginning	\$ 2,532,687	\$ 2,532,687	\$ 2,532,687	\$ -
Resources (inflows)				
Local sources				
Sales and use taxes	7,597,000	8,844,783	8,844,833	50
Interest on investments	23,080	3,282	2,934	(348)
State sources				
Other restricted revenues	-	-	-	-
Other sources				
Transfers in	48,000	48,000	-	(48,000)
Total resources	7,668,080	8,896,065	8,847,767	(48,298)
Amounts available for appropriations	10,200,767	11,428,752	11,380,454	(48,298)
Charges to appropriations (outflows)				
Current				
Instructional services				
Regular programs	3,047,646	3,339,702	3,348,124	8,422
Special education programs	1,056,305	1,188,037	1,188,037	-
Vocational programs	100,716	115,984	115,984	-
Other instructional programs	768,453	708,939	708,939	-
Special programs	25,140	20,595	20,269	(326)
Adult education services	-	-	-	-
Support services				
Pupil support services	517,321	450,279	448,134	(2,145)
Instructional staff support	246,600	216,761	216,761	-
General administration	73,340	68,895	68,895	-
School administration	704,067	751,286	751,286	-
Business services	151,416	128,573	129,025	452
Plant services	237,044	269,574	269,574	-
Student transportation services	123,950	149,621	149,621	-
Central services	1,116,417	425,271	401,896	(23,375)
Other support services	-	-	-	-
Non-Instructional services				
Food service operations	109,683	133,265	133,265	-
Capital outlay	-	-	-	-
Debt services	-	-	-	-
Facility acquisition and construction	-	-	-	-
Other uses				
Transfers out	48,000	48,000	-	(48,000)
Total charges to appropriations	8,326,098	8,014,782	7,949,810	(64,972)
Budgetary Fund Balances, Ending	\$ 1,874,669	\$ 3,413,970	\$ 3,430,644	\$ 16,674

See notes to budgetary comparison schedules.

City of Monroe School Board
Budgetary Comparison Schedule – School Food Service (Unaudited)

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance With Final Budget Over (Under)
	Original Budget	Final Budget		
<i>For the year ended June 30, 2021</i>				
Budgetary Fund Balance, Beginning	\$ 2,220,066	\$ 2,220,066	\$ 2,220,066	\$ -
Resources (inflows)				
Local sources				
Income from meals	70,905	55,000	54,921	(79)
Other miscellaneous revenues	1,714	9,600	-	(9,600)
State sources				
Other restricted revenues	100,000	100,000	109,499	9,499
Federal sources				
Federal restricted grants-in-aid	4,930,795	4,650,000	4,859,466	209,466
Other sources				
Transfers in	20,000	1,000	-	(1,000)
Total resources	5,123,414	4,815,600	5,023,886	208,286
Amounts available for appropriations	7,343,480	7,035,666	7,243,952	208,286
Charges to appropriations (outflows)				
Current				
Instructional services				
Regular programs	-	-	-	-
Special education programs	-	-	-	-
Vocational programs	-	-	-	-
Other instructional programs	-	-	-	-
Special programs	-	-	-	-
Adult education services	-	-	-	-
Support services				
Pupil support services	-	-	-	-
Instructional staff support	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Business services	-	-	-	-
Plant services	-	-	-	-
Student transportation services	-	-	-	-
Central services	-	-	-	-
Other support services	-	-	-	-
Non-Instructional services				
Food service operations	5,148,305	4,563,513	4,873,671	310,158
Capital outlay	-	-	-	-
Debt services	-	-	-	-
Facility acquisition and construction	-	-	-	-
Other uses				
Transfers out	-	-	-	-
Total charges to appropriations	5,148,305	4,563,513	4,873,671	310,158
Budgetary Fund Balances, Ending	\$ 2,195,175	\$ 2,472,153	\$ 2,370,281	\$ (101,872)

See notes to budgetary comparison schedules.

City of Monroe School Board
Budgetary Comparison Schedule – CARES Act (Unaudited)

<i>For the year ended June 30, 2021</i>	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance With Final Budget Over (Under)
	Original Budget	Final Budget		
Budgetary Fund Balance, Beginning	\$ -	\$ -	\$ -	\$ -
Resources (inflows)				
Local sources				
Income from meals	-	-	-	-
Other miscellaneous revenues	-	-	-	-
State sources				
Other restricted revenues	-	-	-	-
Federal sources				
Federal restricted grants-in-aid	6,320,405	5,669,007	5,672,113	3,106
Other sources				
Transfers in	-	-	-	-
Total resources	6,320,405	5,669,007	5,672,113	3,106
Amounts available for appropriations	6,320,405	5,669,007	5,672,113	3,106
Charges to appropriations (outflows)				
Current				
Instructional services				
Regular programs	273,625	130,694	130,694	-
Special education programs	-	72,356	72,356	-
Vocational programs	-	86,062	86,062	-
Other instructional programs	64,725	1,009,622	1,010,747	1,125
Special programs	24,440	13,323	13,323	-
Adult education services	-	-	-	-
Support services				
Pupil support services	252,900	175,061	175,062	1
Instructional staff support	1,606,734	464,332	467,032	2,700
General administration	-	-	-	-
School administration	-	14,841	14,841	-
Business services	5,560	90,204	93,272	3,068
Plant services	858,000	355,989	355,990	1
Student transportation services	-	79,877	79,877	-
Central services	1,821,745	1,761,928	1,761,928	-
Non-Instructional services				
Food service operations	323,625	-	-	-
Capital outlay	-	506,093	506,093	-
Other uses				
Transfers out	1,089,121	908,623	904,836	(3,787)
Total charges to appropriations	6,320,475	5,669,005	5,672,113	3,108
Budgetary Fund Balances, Ending	\$ (70)	\$ 2	\$ -	\$ (2)

See notes to budgetary comparison schedules.

City of Monroe School Board Notes to Budgetary Comparison Schedules (Unaudited)

Note A – BUDGETS

General Budget Policies The School Board utilized the following procedures in establishing the budgetary data reflected in the financial statements:

In July, the Superintendent submits to the School Board proposed annual appropriated budgets for the General Fund and the Special Revenue Funds for the fiscal year commencing July 1. A public hearing is conducted to obtain taxpayer comments. Prior to September 15, the School Board legally enacts the budget through adoption. The only legal requirement is that the School Board adopts a balanced budget; that is, total budgeted revenues and other financing sources (including fund balance) must equal or exceed total budgeted expenditures and other financing uses. The budget is revised periodically throughout the year, when deemed appropriate, but a balanced budget is always approved.

All budgets have annual appropriated budgets adopted on a basis consistent with GAAP. Except for grant-oriented funds, unencumbered appropriations lapse at the end of the fiscal year. Encumbered appropriations are utilized when goods or services are received. Grant-oriented fund budgets are adopted at the time the grant applications are approved by the grantor. Separate annual budgets are adopted for unencumbered appropriations of grant-oriented Special Revenue Funds at the beginning of the following fiscal year.

Formal budgetary integration is employed as a management control device during the year for the General Fund and Special Revenue Funds. All budgets are operational at the departmental or project level. The Superintendent of the School Board is authorized to transfer budget amounts between line item activity and between any functions of an individual fund; however, any supplemental appropriations that amend the total expenditures of any fund require School Board approval.

Budget Basis of Accounting All governmental funds' budgets are prepared on the modified accrual basis of accounting. Budgeted amounts are as originally adopted or as amended by the School Board members. 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 School 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 plus projected expenditures within a fund are expected to exceed budgeted expenditures by five percent or more. The School Board approves budgets at the function level and management can transfer amounts between line items within a function. The effects of budget revisions to the general fund passed during the year were insignificant.

City of Monroe School Board
Notes to Budgetary Comparison Schedules (Unaudited)

Note B – BUDGET TO GAAP RECONCILIATION

Explanation of differences between budgetary inflows and outflows and GAAP revenues and expenditures

	<u>General Fund</u>
<u>Sources/inflows of resources:</u>	
Actual amounts (budgetary basis) "Available for appropriation" from the Budgetary Comparison Schedule	\$ 81,716,031
The fund balance at the beginning of the year is a budgetary resource but is not a current year revenue for financial reporting purposes	(19,494,628)
Other financing sources - Transfers from other funds and Insurance Proceeds	(2,384,990)
Total revenues as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	\$ 59,836,413
 <u>Charges to appropriations:</u>	
Actual amounts (budgetary basis) "Total charges to appropriations" from the Budgetary Comparison Schedule	\$ 61,921,561
Other financing uses - Transfers to other funds	(894,544)
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	\$ 61,027,017

City of Monroe School Board
Notes to Budgetary Comparison Schedules (Unaudited)

Explanation of differences between budgetary inflows and outflows and GAAP revenues and expenditures

	Title I
<u>Sources/inflows of resources:</u>	
Actual amounts (budgetary basis) "Available for appropriation" from the Budgetary Comparison Schedule	\$ 7,823,335
The fund balance at the beginning of the year is a budgetary resource but is not a current year revenue for financial reporting purposes	-
Other financing sources	-
<hr/>	
Total revenues as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	\$ 7,823,335
<hr/>	
<u>Charges to appropriations:</u>	
Actual amounts (budgetary basis) "Total charges to appropriations" from the Budgetary Comparison Schedule	\$ 7,823,335
Other financing uses - Transfers to other funds	(733,912)
<hr/>	
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	\$ 7,089,423
<hr/>	

City of Monroe School Board
Notes to Budgetary Comparison Schedules (Unaudited)

Explanation of differences between budgetary inflows and outflows and GAAP revenues and expenditures

	<u>2001 Sales Tax</u>
<u>Sources/inflows of resources:</u>	
Actual amounts (budgetary basis) "Available for appropriation" from the Budgetary Comparison Schedule	\$ 30,540,648
The fund balance at the beginning of the year is a budgetary resource but is not a current year revenue for financial reporting purposes	(11,792,376)
<u>Other financing sources - transfers from other funds</u>	<u>(776,026)</u>
Total revenues as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	<u>\$ 17,972,246</u>
 <u>Charges to appropriations:</u>	
Actual amounts (budgetary basis) "Total charges to appropriations" from the Budgetary Comparison Schedule	\$ 16,572,986
<u>Other financing uses - transfers from other funds</u>	<u>(1,329,950)</u>
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	<u>\$ 15,243,036</u>

City of Monroe School Board
Notes to Budgetary Comparison Schedules (Unaudited)

Explanation of differences between budgetary inflows and outflows and GAAP revenues and expenditures

	<u>1968 Sales Tax</u>
<u>Sources/inflows of resources:</u>	
Actual amounts (budgetary basis) "Available for appropriation" from the Budgetary Comparison Schedule	\$ 5,626,376
The fund balance at the beginning of the year is a budgetary resource but is not a current year revenue for financial reporting purposes	(150,605)
<hr/>	
Total revenues as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	\$ 5,475,771
<hr/>	
<u>Charges to appropriations:</u>	
Actual amounts (budgetary basis) "Total charges to appropriations" from the Budgetary Comparison Schedule	\$ 5,573,922
Other financing uses	-
<hr/>	
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	\$ 5,573,922
<hr/>	

City of Monroe School Board
Notes to Budgetary Comparison Schedules (Unaudited)

Explanation of differences between budgetary inflows and outflows and GAAP revenues and expenditures

	1994 Sales Tax
<u>Sources/inflows of resources:</u>	
Actual amounts (budgetary basis) "Available for appropriation" from the Budgetary Comparison Schedule	\$ 11,380,454
The fund balance at the beginning of the year is a budgetary resource but is not a current year revenue for financial reporting purposes	(2,532,687)
Total revenues as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	\$ 8,847,767
 <u>Charges to appropriations:</u>	
Actual amounts (budgetary basis) "Total charges to appropriations" from the Budgetary Comparison Schedule	\$ 7,949,810
Other financing uses	-
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	\$ 7,949,810

City of Monroe School Board
Notes to Budgetary Comparison Schedules (Unaudited)

Explanation of differences between budgetary inflows and outflows and GAAP revenues and expenditures

	School Food Service
<u>Sources/inflows of resources:</u>	
Actual amounts (budgetary basis) "Available for appropriation" from the Budgetary Comparison Schedule	\$ 7,243,952
The fund balance at the beginning of the year is a budgetary resource but is not a current year revenue for financial reporting purposes	(2,220,066)
<u>Other financing uses</u>	<u>-</u>
Total revenues as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	\$ 5,023,886
 <u>Charges to appropriations:</u>	
Actual amounts (budgetary basis) "Total charges to appropriations" from the Budgetary Comparison Schedule	\$ 4,873,671
<u>Other financing uses</u>	<u>-</u>
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	\$ 4,873,671

City of Monroe School Board
Notes to Budgetary Comparison Schedules (Unaudited)

Explanation of differences between budgetary inflows and outflows and GAAP revenues and expenditures

	CARES Act
<u>Sources/inflows of resources:</u>	
Actual amounts (budgetary basis) "Available for appropriation" from the Budgetary Comparison Schedule	\$ 5,672,113
The fund balance at the beginning of the year is a budgetary resource but is not a current year revenue for financial reporting purposes	-
Other financing uses	-
<div style="text-align: right;">Total revenues as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds</div>	
	\$ 5,672,113

Charges to appropriations:

Actual amounts (budgetary basis) "Total charges to appropriations" from the Budgetary Comparison Schedule	\$ 5,672,113
Other financing uses - Transfers to other funds	(904,836)
<div style="text-align: right;">Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds</div>	
	\$ 4,767,277

City of Monroe School Board
Schedule of Changes in Net OPEB Liability and Related Ratios

<i>For the Year Ended June 30,</i>	2021	2020	2019	2018
Total OPEB Liability				
Service cost	\$ 13,988,132	\$ 8,681,889	\$ 8,286,178	\$ 7,671,437
Interest	5,575,272	6,657,929	6,949,091	6,482,827
Changes of benefit terms	-	-	-	-
Economic/demographic gains or losses	(1,846,926)	-	(7,787,835)	(11,280,713)
Changes of assumptions	4,641,725	46,378,402	7,067,274	(833,659)
Benefit payments	(5,632,572)	(4,313,631)	(4,177,777)	(4,177,338)
Net change in total OPEB liability	\$ 16,725,631	\$ 57,404,589	\$ 10,336,931	\$ (2,137,446)
Total OPEB liability - beginning	\$ 241,087,496	183,682,907	173,345,976	175,483,422
Total OPEB liability - ending (a)	\$ 257,813,127	\$ 241,087,496	\$ 183,682,907	\$ 173,345,976
Plan Fiduciary Net Position				
Contributions - employer	-	-	-	-
Net investment income	-	-	-	-
Net change in plan fiduciary net position	-	-	-	-
Plan fiduciary net position - beginning	\$ -	\$ -	\$ -	\$ -
Plan fiduciary net position - ending (b)	\$ -	\$ -	\$ -	\$ -
Net OPEB liability - ending (a)-(b)	\$ 257,813,127	\$ 241,087,496	\$ 183,682,907	\$ 173,345,976
Plan fiduciary net position as a percentage of the total OPEB liability	0%	0%	0%	0%
Covered payroll	\$ 45,286,221	\$ 45,286,221	\$ 44,856,260	\$ 43,954,546
Net OPEB liability as a percentage of covered payroll	569%	532%	409%	394%

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

City of Monroe School Board Schedule of the Employer's Proportionate Share of the Net Pension Liability

Fiscal Year*	Agency's proportion of the net pension liability (asset)	Agency's proportionate share of the net pension liability (asset)	Agency's covered payroll	Agency's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total pension liability
Teachers' Retirement System of Louisiana					
2020	0.999850%	\$ 111,219,351	\$ 47,934,908	232%	65.6%
2019	1.028200%	\$ 102,045,449	\$ 48,552,357	210%	68.6%
2018	1.031790%	\$ 101,404,232	\$ 47,155,131	215%	68.2%
2017	1.062300%	\$ 108,905,486	\$ 48,794,800	223%	65.6%
2016	1.073350%	\$ 125,978,361	\$ 49,217,661	256%	59.9%
2015	1.098610%	\$ 118,125,271	\$ 48,484,596	244%	62.5%
2014	1.062880%	\$ 108,641,273	\$ 48,484,596	224%	63.7%
Louisiana School Employees' Retirement System					
2020	1.531280%	\$ 12,303,174	\$ 4,631,160	266%	69.7%
2019	1.552373%	\$ 10,867,570	\$ 2,487,665	437%	73.5%
2018	1.566513%	\$ 10,466,458	\$ 2,671,565	392%	75.0%
2017	1.636276%	\$ 10,470,972	\$ 2,877,347	364%	75.0%
2016	1.603258%	\$ 12,094,133	\$ 2,879,970	420%	70.1%
2015	1.564946%	\$ 9,923,745	\$ 2,999,671	331%	74.5%
2014	1.543200%	\$ 8,945,660	\$ 2,999,671	298%	76.2%
Louisiana State Employees' Retirement System					
2020	0.005170%	\$ 427,428	\$ 170,401	251%	58.0%
2019	0.009350%	\$ 677,689	\$ 224,649	302%	62.9%
2018	0.015790%	\$ 1,077,071	\$ 229,747	469%	64.3%
2017	0.012550%	\$ 883,584	\$ 220,264	401%	62.5%
2016	0.016190%	\$ 1,271,642	\$ 233,044	546%	57.7%
2015	0.018390%	\$ 1,250,458	\$ 213,049	587%	62.7%
2014	0.014950%	\$ 934,807	\$ 213,049	439%	65.0%

*Amounts presented were determined as of the measurement date (previous fiscal year end).

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

City of Monroe School Board Schedule of Employer's Contributions

Fiscal Year*	(a) Statutorily Required Contribution	(b) Contributions in relation to the statutorily required contribution	(a-b) Contribution Deficiency (Excess)	Agency's covered payroll	Contributions as a percentage of covered payroll
Teachers' Retirement System of Louisiana					
2021	\$ 13,728,844	\$ 13,728,844	\$ -	\$ 52,803,245	26.0%
2020	\$ 12,798,620	\$ 12,798,620	\$ -	\$ 47,934,908	26.7%
2019	\$ 12,868,882	\$ 12,868,882	\$ -	\$ 48,552,357	26.5%
2018	\$ 12,493,276	\$ 12,493,276	\$ -	\$ 47,155,131	26.5%
2017	\$ 12,235,860	\$ 12,235,860	\$ -	\$ 48,794,800	25.1%
2016	\$ 12,829,115	\$ 12,829,115	\$ -	\$ 49,217,661	26.1%
2015	\$ 13,461,987	\$ 13,461,987	\$ -	\$ 48,484,596	27.8%
2014	\$ 12,668,488	\$ 12,668,488	\$ -	\$ 48,484,596	26.1%
Louisiana School Employees' Retirement System					
2021	\$ 1,449,604	\$ 1,449,604	\$ -	\$ 4,930,626	29.4%
2020	\$ 1,296,725	\$ 1,296,725	\$ -	\$ 4,631,160	28.0%
2019	\$ 1,243,793	\$ 1,243,793	\$ -	\$ 2,487,665	50.0%
2018	\$ 1,240,486	\$ 1,240,486	\$ -	\$ 2,671,565	46.4%
2017	\$ 1,271,047	\$ 1,271,047	\$ -	\$ 2,877,347	44.2%
2016	\$ 1,344,117	\$ 1,344,117	\$ -	\$ 2,879,970	46.7%
2015	\$ 1,444,156	\$ 1,444,156	\$ -	\$ 2,999,671	48.1%
2014	\$ 1,392,033	\$ 1,392,033	\$ -	\$ 2,999,671	46.4%
Louisiana State Employees' Retirement System					
2021	\$ 53,994	\$ 53,994	\$ -	\$ 132,664	40.7%
2020	\$ 69,353	\$ 69,353	\$ -	\$ 170,401	40.7%
2019	\$ 101,963	\$ 101,963	\$ -	\$ 224,649	45.4%
2018	\$ 87,173	\$ 87,173	\$ -	\$ 229,747	37.9%
2017	\$ 83,433	\$ 83,433	\$ -	\$ 220,264	37.9%
2016	\$ 86,692	\$ 86,692	\$ -	\$ 233,044	37.2%
2015	\$ 90,000	\$ 90,000	\$ -	\$ 213,049	42.2%
2014	\$ 64,973	\$ 64,973	\$ -	\$ 213,049	30.5%

*Amounts presented were determined as of the end of the fiscal year.

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

City of Monroe School Board Notes to Required Supplementary Information

Changes of Benefit Terms

Louisiana School Employees' Retirement System

There were no changes of benefit terms for the actuarial valuation for the year ended June 30, 2020.

Teachers' Retirement System of Louisiana

There were no changes of benefit terms for the actuarial valuation for the year ended June 30, 2020.

Louisiana State Employees' Retirement System

There were no changes of benefit terms for the actuarial valuation for the year ended June 30, 2020.

Changes of Assumptions

Louisiana School Employees' Retirement System

For the actuarial valuation for the year ended June 30, 2018, the discount rate was decreased from 7.125% to 7.0625% and the inflation rate was decreased from 2.625% to 2.5%. Salary increases decreased from a range of 3.075% to 5.375% to a rate of 3.25%.

For the actuarial valuation for the year ended June 30, 2019, the discount rate was decreased from 7.0625% to 7.00%.

There were no changes to the discount rate for the year ended June 30, 2020.

Teachers' Retirement System of Louisiana

For the actuarial valuation for the year ended June 30, 2018, the discount rate was decreased from 7.70% to 7.65%
For the actuarial valuation for the year ended June 30, 2019, the discount rate was decreased from 7.65% to 7.55%
For the actuarial valuation for the year ended June 30, 2020, the discount rate was decreased from 7.55% to 7.45%

Louisiana State Employees' Retirement System

For the actuarial valuation for the year ended June 30, 2018, the discount rate was decreased from 7.70% to 7.65%.
For the actuarial valuation for the year ended June 30, 2019, the discount rate was decreased from 7.65% to 7.60%.
For the actuarial valuation for the year ended June 30, 2020, the discount rate was decreased from 7.60% to 7.55%.

OTHER SUPPLEMENTARY INFORMATION

City of Monroe School Board Non-major Governmental Fund Descriptions

Special Revenue Funds:

Special Revenue Funds account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes. These funds are primarily established for specific educational purposes and funded through the United States Department of Education or the Louisiana Department of Education.

- The Special Education funds is a Federal program that provides free appropriate education for all identified handicapped children from 3 to 21 years of age in the least restrictive environment.
- School Food Service accounts for the revenues and expenditures incurred, in providing to pupils, breakfast and lunch services during the school year and in the Summer Feeding program.
- 1968 Sales Tax Fund accounts for the collection and distribution of a one-half percent sales tax to provide for supplemental salaries to School Board personnel. Certified personnel receive 88% of the collections with classified personnel receiving 12%.
- 1994 Sales Tax Fund accounts for the collection and distribution of a one-half percent sales tax levied to provide additional support to the school system to including funding of employee salaries and instructional purposes.
- CARES Act Fund is a collection of federal programs that provide local educational agencies with emergency relief funds to address the impact that COVID-19 has had, and continues to have, on elementary and secondary schools. Authority for creation of this fund is the Education Stabilization Fund, a component of the recently enacted Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act, 2021.
- The Other Federal Programs funds account for all other federal programs that were not specifically discussed above.
- The State Grants funds account for various programs funded by the Louisiana Department of Education.
- The Local Grants funds account for one grant from a private entity.
- Student Activity Funds account for the revenues and expenditures incurred at the individual School level for clubs, fundraisers, field trips, and other activities at each school.

City of Monroe School Board Non-major Governmental Fund Descriptions

Debt Service Funds:

Debt Service Funds account for the accumulation of resources for the payment of general long-term principal, interest and related costs.

- The Bond Redemption Fund accounts for the 2014 General Obligation Bonds and the 2003 and 2010 Refunding Bonds.
- The 2001-2002 Sales Tax Bond Sinking Fund accounts for the 2010 and 2011 Series Sales Tax Refunding Bonds.

Capital Projects Funds:

Capital Projects Funds account for the financial resources received and used for the acquisition, construction or improvements of capital facilities not reported in other governmental funds.

- The Capital Projects Fund accounts for resources accumulated and expended for improvements, acquisitions and construction of School Board Facilities.
- The GO Bonds 2016 Capital Projects Fund (issued June 2016) accounts from the issuance of \$21,800,000 of General Obligation Bonds for the purpose of acquiring and/or improving lands for building sites and playgrounds, including construction of necessary sidewalks and streets adjacent thereto; purchasing, erecting and/or improving school buildings and other school related facilities.

City of Monroe School Board
Combining Balance Sheet – Non-Major Governmental Funds

<i>June 30, 2021</i>	Total Special Revenue	Total Debt Service	Total Capital Projects	Total Non-major Funds
Assets				
Cash and cash equivalents	\$ 7,528,749	\$ 6,507,204	\$ 349,232	\$ 14,385,185
Investments	-	-	-	-
Accounts receivable	9,026,335	1,757	-	9,028,092
Inventory	136,604	-	-	136,604
Other assets	73,280	-	-	73,280
Total assets	\$ 16,764,968	\$ 6,508,961	\$ 349,232	\$ 23,623,161
Liabilities and Fund Balances				
Liabilities				
Accounts payable	\$ 521,839	\$ -	\$ 236,204	\$ 758,043
Salaries and wages payable	1,205,855	-	-	1,205,855
Due to other funds	7,981,708	-	-	7,981,708
Total liabilities	9,709,402	-	236,204	9,945,606
Fund Balances				
Nonspendable				
Inventory and other assets	136,604	-	-	136,604
Restricted for				
Salaries and related benefits	801,185	-	-	801,185
Instructional costs	3,410,023	-	-	3,410,023
Food services	2,233,677	-	-	2,233,677
Student Activity Funds	474,077	-	-	474,077
Debt service	-	6,508,961	-	6,508,961
Capital projects	-	-	113,028	113,028
Total fund balances	7,055,566	6,508,961	113,028	13,677,555
Total liabilities and fund balances	\$ 16,764,968	\$ 6,508,961	\$ 349,232	\$ 23,623,161

City of Monroe School Board
Combining Statement of Revenues, Expenditures, and Changes
in Fund Balances – Non-Major Governmental Funds

<i>Year ended June 30, 2021</i>	Total Special Revenue	Total Debt Service	Total Capital Projects	Total Non-major Funds
Revenues				
Local Sources				
Ad valorem tax	\$ -	\$ 2,822,889	\$ -	\$ 2,822,889
Sales and use taxes	14,320,604	-	-	14,320,604
Earnings on investments	2,934	554	387	3,875
Cash payments for meals	54,921	-	-	54,921
Other local revenue	2,617,037	-	-	2,617,037
State Sources				
Restricted grants-in-aid	235,277	-	-	235,277.00
Other unrestricted revenue	538,709	-	-	538,709
Federal Sources				
Restricted grants-in-aid	15,671,422	-	-	15,671,422
Total revenues	33,440,904	2,823,443	387	36,264,734
Expenditures				
Current				
Instructional				
Regular programs	6,187,091	-	-	6,187,091
Special education programs	2,843,776	-	-	2,843,776
Vocational programs	440,072	-	-	440,072
Other instructional programs	5,180,986	-	-	5,180,986
Special programs	1,020,252	-	-	1,020,252
Support Services				
Pupil support services	2,092,353	-	-	2,092,353
Instructional staff	2,690,256	-	-	2,690,256
General administration	106,250	81,663	-	187,913
School administration	1,113,515	-	-	1,113,515
Business services	240,989	-	-	240,989
Plant services	781,846	-	-	781,846
Student transportation services	371,593	-	37,527	409,120
Central services	2,205,432	-	-	2,205,432
Noninstructional				
Food service operations	5,143,716	-	190,402.00	5,334,118
Debt service				
Principal	-	3,865,000	-	3,865,000
Interest	-	1,581,731	-	1,581,731
Capital outlay	506,093	-	4,804,952	5,311,045
Total expenditures	30,924,220	5,528,394	5,032,881.00	41,485,495
Excess (Deficiency) of Revenues Over Expenditures	2,516,684	(2,704,951)	(5,032,494)	(5,220,761)
Other Financing Sources (Uses)				
Transfers in	118,518	1,329,950	-	1,448,468
Transfers out	(1,309,852)	-	-	(1,309,852)
Total other financing sources (Uses)	(1,191,334)	1,329,950	-	138,616
Net Change in Fund Balances	1,325,350	(1,375,001)	(5,032,494)	(5,082,145)
Fund Balances, beginning of year	5,215,664	7,883,962	5,145,522	18,245,148
Prior Period Adjustment	514,552	-	-	514,552
Fund Balances, beginning of year, restated	5,730,216	7,883,962	5,145,522	18,759,700
Fund Balances, end of year	\$ 7,055,566	\$ 6,508,961	\$ 113,028	\$ 13,677,555

City of Monroe School Board
Combining Balance Sheet – Non-Major Special Revenue Funds

<i>June 30, 2021</i>	Special Revenue Funds								Total	
	Special Education	School Food Service	1968 Sales Tax	1994 Sales Tax	CARES Act	Other Federal Programs	State Grants	Local Grants	School Activity Funds	Non-major Special Revenue Funds
Assets										
Cash and cash equivalents	\$ -	\$ 2,316,597	\$ 615,073	\$ 2,944,483	\$ -	\$ 147,801	\$ 501,425	\$ -	\$ 1,003,370	\$ 7,528,749
Investments	-	-	-	-	-	-	-	-	-	-
Due from other governments	822,276	333,379	991,860	1,598,155	4,321,078	902,517	57,070	-	-	9,026,335
Inventory	-	136,604	-	-	-	-	-	-	-	136,604
Other assets	7,280	-	-	66,000	-	-	-	-	-	73,280
Total assets	\$ 829,556	\$ 2,786,580	\$ 1,606,933	\$ 4,608,638	\$ 4,321,078	\$ 1,050,318	\$ 558,495	\$ -	\$ 1,003,370	\$ 16,764,968
Liabilities and Fund Balances										
Liabilities										
Accounts payable	\$ 43,386	\$ 207,726	\$ -	\$ 44,890	\$ 138,926	\$ 51,257	\$ 35,654	\$ -	\$ -	\$ 521,839
Salaries and wages payable	60,854	208,573	303,867	495,126	4,622	105,462	27,351	-	-	1,205,855
Due to other funds	725,316	-	1,250,612	637,978	4,177,530	639,994	20,985	-	529,293	7,981,708
Total liabilities	829,556	416,299	1,554,479	1,177,994	4,321,078	796,713	83,990	-	529,293	9,709,402
Fund Balances										
Nonspendable										
Inventory and prepaids	-	136,604	-	-	-	-	-	-	-	136,604
Restricted for										
Salaries and related benefits	-	-	52,454	495,126	-	253,605	-	-	-	801,185
Instructional costs	-	-	-	2,935,518	-	-	474,505	-	-	3,410,023
Food services	-	2,233,677	-	-	-	-	-	-	-	2,233,677
Student Activity Funds	-	-	-	-	-	-	-	-	474,077	474,077
Total fund balances	-	2,370,281	52,454	3,430,644	-	253,605	474,505	-	474,077	7,055,566
Total liabilities and fund balances	\$ 829,556	\$ 2,786,580	\$ 1,606,933	\$ 4,608,638	\$ 4,321,078	\$ 1,050,318	\$ 558,495	\$ -	\$ 1,003,370	\$ 16,764,968

City of Monroe School Board

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Non-Major Special Revenue Funds

Year ended June 30, 2021	Special Revenue Funds									Total Non-Major Special Revenue Funds	
	Special Education	School Food Service	1968 Sales Tax	1994 Sales Tax	CARES Act	Other Federal Programs	State Grants	Local Grants	Student Activity Funds		
Revenues											
Local Sources											
Sales and use taxes	\$ -	\$ -	\$ 5,475,771	\$ 8,844,833	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 14,320,604
Earnings on investments	-	-	-	2,934	-	-	-	-	-	-	2,934
Cash payments for meals	-	54,921	-	-	-	-	-	-	-	-	54,921
Other local revenue	-	-	-	-	-	-	-	44,376	2,572,661	-	2,617,037
State Sources											
Restricted grants-in-aid	-	-	-	-	-	-	235,277	-	-	-	235,277
State - other revenues	41,394	109,499	-	-	-	-	387,816	-	-	-	538,709
Federal Sources											
Restricted grants-in-aid	2,347,336	4,859,466	-	-	5,672,113	2,792,507	-	-	-	-	15,671,422
Total revenues	2,388,730	5,023,886	5,475,771	8,847,767	5,672,113	2,792,507	623,093	44,376	2,572,661	-	33,440,904
Expenditures											
Current											
Instructional											
Regular programs	-	-	2,663,897	3,348,124	130,694	-	-	44,376	-	-	6,187,091
Special education programs	564,150	-	1,019,233	1,188,037	72,356	-	-	-	-	-	2,843,776
Vocational programs	-	-	103,880	115,984	86,062	56,893	77,253	-	-	-	440,072
Other instructional programs	28,125	-	396,646	708,939	1,010,747	423,393	-	-	2,613,136	-	5,180,986
Special programs	-	-	17,497	20,269	13,323	808,503	160,660	-	-	-	1,020,252
Support Services											
Pupil support services	794,069	-	371,793	448,134	175,062	261,425	41,870	-	-	-	2,092,353
Instructional staff	780,737	-	181,999	216,761	467,032	840,570	203,157	-	-	-	2,690,256
General administration	-	-	37,355	68,895	-	-	-	-	-	-	106,250
School administration	-	-	319,306	751,286	14,841	-	28,082	-	-	-	1,113,515
Business services	1,989	-	16,703	129,025	93,272	-	-	-	-	-	240,989
Plant services	-	-	156,282	269,574	355,990	-	-	-	-	-	781,846
Student transportation services	-	-	124,099	149,621	79,877	17,996	-	-	-	-	371,593
Central services	-	-	41,608	401,896	1,761,928	-	-	-	-	-	2,205,432
Noninstructional											
Food service operations	-	4,873,671	123,624	133,265	-	13,156	-	-	-	-	5,143,716
Capital outlay	-	-	-	-	506,093	-	-	-	-	-	506,093
Total expenditures	2,169,070	4,873,671	5,573,922	7,949,810	4,767,277	2,421,936	511,022	44,376	2,613,136	-	30,924,220
Excess of Revenues Over Expenditures	219,660	150,215	(98,151)	897,957	904,836	370,571	112,071	-	(40,475)	-	2,516,684
Other Financing Sources (Uses)											
Transfers in	-	-	-	-	-	11,565	106,953	-	-	-	118,518
Transfers out	(219,660)	-	-	-	(904,836)	(185,356)	-	-	-	-	(1,309,852)
Total other financing sources (Uses)	(219,660)	-	-	-	(904,836)	(173,791)	106,953	-	-	-	(1,191,334)
Net Change in Fund Balances	-	150,215	(98,151)	897,957	-	196,780	219,024	-	(40,475)	-	1,325,350
Fund Balances at Beginning of Year, original	-	2,220,066	150,605	2,532,687	-	56,825	255,481	-	-	-	5,215,664
Prior Period Adjustment	-	-	-	-	-	-	-	-	514,552	-	514,552
Fund Balances at Beginning of Year, restated	-	2,220,066	150,605	2,532,687	-	56,825	255,481	-	514,552	-	5,730,216
Fund Balances at End of Year	\$ -	\$ 2,370,281	\$ 52,454	\$ 3,430,644	\$ -	\$ 253,605	\$ 474,505	\$ -	\$ 474,077	\$ -	\$ 7,055,566

**City of Monroe School Board
Combining Balance Sheet – Non-Major Debt Service Funds**

City of Monroe School Board
Monroe, Louisiana

**NONMAJOR DEBT SERVICE FUND
Combining Balance Sheet**

<i>June 30, 2021</i>	Bond Redemption	2001-2002 Sales Tax Bond Sinking	Total Non-Major Debt Service Fund
Assets			
Cash and cash equivalents	\$ 2,941,242	\$ 3,565,962	\$ 6,507,204
Due from other governments	1,757	-	1,757
Total assets	\$ 2,942,999	\$ 3,565,962	\$ 6,508,961
Liabilities and Fund Balances			
Liabilities			
Other Payables	\$ -	\$ -	\$ -
Fund Balances			
Restricted for debt service	2,942,999	3,565,962	6,508,961
Total liabilities and fund balances	\$ 2,942,999	\$ 3,565,962	\$ 6,508,961

City of Monroe School Board
Combining Statement of Revenues, Expenditures, and Changes
in Fund Balances – Non-Major Debt Service Funds

<i>Year ended June 30, 2021</i>	Bond Redemption Debt Service	2001-2002 Sales Tax Bond Sinking	Total Non-major Debt Service Fund
Revenues			
Local Sources			
Ad valorem tax	\$ 2,822,889	\$ -	\$ 2,822,889
Earnings on investments	554	-	554
Total revenues	2,823,443	-	2,823,443
Expenditures			
General administration	81,663	-	81,663
Debt service			
Principal	2,595,000	1,270,000	3,865,000
Interest	1,520,356	61,375	1,581,731
Total expenditures	4,197,019	1,331,375	5,528,394
Excess (deficiency) of revenues over expenditures	(1,373,576)	(1,331,375)	(2,704,951)
Other financing sources / uses			
Transfers in	-	1,329,950	1,329,950
Transfers out	-	-	-
Total other financing sources	-	1,329,950	1,329,950
Net change in fund balances	(1,373,576)	(1,425)	(1,375,001)
Fund balances at beginning of year	4,316,575	3,567,387	7,883,962
Fund balances at end of year	\$ 2,942,999	\$ 3,565,962	\$ 6,508,961

City of Monroe School Board Combining Balance Sheet – Non-Major Capital Project Funds

<i>June 30, 2021</i>	Capital Projects	GO BONDS 2016 CAPITAL PROJECTS	Total Non-major Capital Projects Fund
Assets			
Cash and cash equivalents	\$ 43,359	\$ 305,873	\$ 349,232
Total assets	\$ 43,359	\$ 305,873	\$ 349,232
Liabilities and Fund Balances			
Liabilities			
Accounts Payable	\$ -	\$ 236,204	\$ 236,204
Fund Balances			
Restricted for capital projects	43,359	69,669	113,028
Total liabilities and fund balances	\$ 43,359	\$ 305,873	\$ 349,232

City of Monroe School Board
Combining Statement of Revenues, Expenditures, and Changes
in Fund Balance – Non-Major Capital Project Funds

<i>Year ended June 30, 2021</i>	Capital Projects	GO BONDS 2016 Capital Projects	Total Non-major Capital Projects Fund
Revenues			
Local sources			
Earnings on investments	\$ 44	\$ 343	\$ 387
Total revenues	44	343	387
Expenditures			
Current			
Business services	-	-	-
Plant services	-	-	-
Student transportation services	-	37,527	37,527
Central services	-	-	-
Noninstructional			
Food service operations	-	190,402	190,402
Facility acquisition & construction	-	4,804,952	4,804,952
Total expenditures	-	5,032,881	5,032,881
Excess (deficiency) of revenues over expenditures	44	(5,032,538)	(5,032,494)
Other Financing Sources (Uses)			
Transfers in	-	-	-
Transfers out	-	-	-
Total other financing sources (Uses)	-	-	-
Net change in fund balances	44	(5,032,538)	(5,032,494)
Fund balances at beginning of year	43,315	5,102,207	5,145,522
Fund balances at end of year	\$ 43,359	\$ 69,669	\$ 113,028

**City of Monroe School Board
 Schedule of Compensation Paid to Board Members
 For the Year Ended June 30, 2021**

	<u>District</u>	<u>Compensation</u>
Rick Saulsberry	1	14,088
Jennifer Haneline	2	9,600
William "Bill" Willson	3	9,700
Daryll Berry	4	10,100
Betty Ward Cooper, President eff. 1/2020	5	10,200
Brandon Johnson	6	9,600
Sharon Neal Greer	7	9,600
<hr/>		
Total board member compensation		\$ 72,888

City of Monroe School Board
Schedule of Compensation, Benefits and Other Payments to Agency Head
For the Year Ended June 30, 2021

Agency Head Name: Brent Anthony Vidrine, Superintendent

Purpose	Amount
Salary	\$ 237,078
Benefits-insurance (health & life)	\$ 7,488
Benefits (retirement)	\$ 55,269
Car allowance	\$ 8,400
Contract benefits	\$ 286,045
Travel	\$ 2,778
Supplies	\$ 113

REPORTS ON INTERNAL CONTROL AND COMPLIANCE MATTERS

**Independent Auditors’ Report on Internal Control Over
Financial Reporting and on Compliance and Other Matters
Based on an Audit of Financial Statements Performed
In Accordance With *Government Auditing Standards***

Board Members
City of Monroe School Board
Monroe, 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, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of City of Monroe School Board (the “School Board”), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise City of Monroe School Board’s basic financial statements, and have issued our report thereon dated March 31, 2022.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered City of Monroe School Board’s internal control over financial reporting (internal control) as a basis for designing 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 City of Monroe School Board’s internal control. Accordingly, we do not express an opinion on the effectiveness of City of Monroe 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. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned cost as items 2021-001, 2021-002, 2021-003, and 2021-004 that we considered to be significant deficiencies.

Compliance and Other Matters

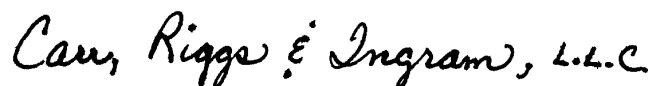
As part of obtaining reasonable assurance about whether City of Monroe School Board's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. 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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as items 2021-005 and 2021-006.

City of Monroe School Board's Response to Findings

City of Monroe School Board's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. City of Monroe School Board's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

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



CARR, RIGGS & INGRAM, LLC

Shreveport, Louisiana
March 31, 2022



Carr, Riggs & Ingram, LLC
1000 East Preston Avenue
Suite 200
Shreveport, LA 71105

Mailing Address:
P.O. Box 4278
Shreveport, LA 71134-0278

(318) 222-2222
(318) 226-7150 (fax)
CRlcpa.com

**Independent Auditors' Report on Compliance for
Each Major Program and on Internal
Control over Compliance Required by the *Uniform Guidance***

Board Members
City of Monroe School Board
Monroe, Louisiana

Report on Compliance for Each Major Federal Program

We have audited the City of Monroe School Board's (the School Board) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the School Board's major federal programs for the year ended June 30, 2021. The School Board's major federal programs are identified in the summary of auditors' results section of the accompanying Schedule of Findings and Questioned Costs.

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.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of City of Monroe 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 City of Monroe 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, 2021.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as item 2021-007. Our opinion on each major federal program is not modified with respect to these matters.

The City of Monroe School Board's response to the noncompliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The City of Monroe School Board's response was not subjected to the auditing procedures in the audit of compliance and, accordingly, we express no opinion on this response.

Report on Internal Control Over Compliance

Management of City of Monroe 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 City of Monroe 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 City of Monroe 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 and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we did identify a deficiency in internal control over compliance, described in the accompany schedule of findings and questioned costs as item 2021-007, that we consider to be a significant deficiency.

The City of Monroe School Board's response to the internal control over compliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The City of Monroe School Board's response was not subjected to the auditing procedures in the audit of compliance and, accordingly, we express no opinion on this response.

Purpose of this Report

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 these reports 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.

Carr, Riggs & Ingram, L.L.C.

CARR, RIGGS & INGRAM, LLC

Shreveport, Louisiana
March 31, 2022

City of Monroe School Board
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2021

Federal Grantor/ Pass-Through Grantor/ Program Title	Assistance Listing Number	Pass Through Grant Number	Expenditures / Issues	Expenditures to Subrecipients
DIRECT PROGRAMS:				
U.S. DEPARTMENT OF DEFENSE				
ROTC Language and Culture Training Grants	12.357	N/A	\$ 114,624	\$ -
Total U.S. Department of Defense			<u>114,624</u>	-
U.S. DEPARTMENT OF EDUCATION				
Impact Aid	84.041	N/A	117,215	-
Total U.S. Department of Education			<u>117,215</u>	-
Total Direct Programs			<u>231,839</u>	-
PASS THROUGH PROGRAMS:				
U. S. DEPARTMENT OF EDUCATION				
Passed through Louisiana Department of Education				
Comprehensive Literacy Development	84.371	28-18-SR05-65	46,948	-
Comprehensive Literacy Development	84.371	28-18-SR06-65	155,871	-
Comprehensive Literacy Development	84.371	28-18-SR03-65	150,346	-
Comprehensive Literacy Development	84.371	28-18-SR04-65	166,773	-
Total Comprehensive Literacy Development			<u>519,938</u>	-
Title I Grants to Local Educational Agencies				
Title I Grants to Local Educational Agencies	84.010	28-21-T1-65	7,096,423	-
Title I Grants to Local Educational Agencies	84.010	28-20-RD19-65	567,105	-
Title I Grants to Local Educational Agencies	84.010	28-21-DSS-65	127,681	-
Total Title I Grants to Local Educational Agencies			<u>7,791,209</u>	-
SPECIAL EDUCATION CLUSTER:				
Special Education-Individuals With Disabilities Education Act IDEA B Grants to States (IDEA Part B)				
Preschool Grants	84.027	28-21-B1-65	2,253,116	-
Grants to States (High Cost Services)	84.173	28-21-P1-65	84,699	-
Total Special Education Cluster	84.027	28-21-RH-65	<u>9,521</u>	-
			<u>2,347,336</u>	-
English Language Acquisition State Grants	84.365	28-19-S3-65	7,875	-
Supporting Effective Instruction State Grants	84.367	28-21-50-65	532,828	-
21st Century Community Learning Centers Cohort	84.287	28-20-2C-65	735,977	-
School Improvement Grants	84.377	28-17-TC07-65	32,125	-
Career and Technical Education - Basic Grants to States	84.048	28-21-02-65	<u>56,828</u>	-
COVID-19 - Education Stabilization Fund	84.425D	28-20-ESRF-65	1,833,759	-
COVID-19 - Education Stabilization Fund	84.425D	28-20-ERSI-65	146,456	-
COVID-19 - Education Stabilization Fund	84.425D	28-21-ES2F-65	1,055,206	-
COVID-19 - Education Stabilization Fund	84.425U	28-21-ESEB-65	1,348,522	-
COVID-19 - Education Stabilization Fund	84.425C	28-20-GERF-65	<u>1,288,171</u>	-
Total Education Stabilization Funds			<u>5,672,114</u>	-
Total U.S. Dept. of Education Passed Through LA DOE			<u>17,696,230</u>	-
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES				
Passed through Louisiana Department of Education				
Substance Abuse and Mental Health Services	93.243	28-19-LSMH-65	320,582	-
Improving Student Health and Academic Achievement through Nutrition, Physical Activity and the Management of Chronic Conditions in Schools	93.981	28-19-LHSC-65	11,548	-
Total U. S. Department of Health and Human Services Passed Through LA DOE			<u>332,130</u>	-

(continued)

City of Monroe School Board
Schedule of Expenditures of Federal Awards (Continued)
For the Year Ended June 30, 2021

Federal Grantor/ Pass-Through Grantor/ Program Title	Assistance Listing Number	Pass Through Grant Number	Expenditures / Issues	Expenditures to Subrecipients
U.S. DEPARTMENT OF AGRICULTURE (USDA)				
Passed through Louisiana Department of Education				
CHILD NUTRITION CLUSTER:				
School Breakfast Program	10.553	N/A	1,208,369	-
School Lunch Program	10.555	N/A	2,764,030	-
School Snack Program	10.555	N/A	6,064	-
Commodities	10.555	N/A	417,106	-
Summer Feeding	10.559	N/A	17,358	-
Total Child Nutrition Cluster			<u>4,412,927</u>	-
Fresh Fruit and Vegetable Program	10.582	N/A	<u>469,959</u>	-
Total U.S. Dept. of Agriculture Passed Through LA DOE			<u>4,882,886</u>	-
TOTAL PASS THROUGH PROGRAMS			<u>22,911,246</u>	-
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$ 23,143,085</u>	<u>\$ -</u>

(concluded)

City of Monroe School Board
Notes to Schedule of Expenditures of Federal Awards (Unaudited)

A. General

The preceding Schedule of Expenditures of Federal Awards presents the activity of all Federal financial assistance programs of the City of Monroe School Board (the School Board). The School Board reporting entity is defined in Note 1 to the School Board's general purpose financial statements. All Federal financial assistance received directly from Federal agencies as well as Federal financial assistance passed through other government agencies is included on the schedule.

B. Basis of Accounting

The Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting, which is described in Note 1 to the School Board's financial statements.

C. Relationship to Financial Statements

The following reconciliation is provided to help the reader of the School Board's financial statements and supplementary information relate such information to the Schedule of Expenditures of Federal Awards for the year ended June 30, 2021:

Total federal awards expended per Schedule of Expenditures of Federal Awards	\$ 23,143,085
Total expenditures funded by other sources	101,701,886
<hr/>	
Total expenditures	<hr/> \$ 124,844,971 <hr/>

Included in the Child Nutrition Cluster is \$417,106 of non-cash awards in the form of commodities provided by the United States Department of Agriculture.

D. Relationship to Federal Financial Reports

Amounts reported in the accompanying schedule agree with the amounts reported in the federal financial reports except for changes made to reflect amounts in accordance with accounting principles generally accepted in the United States of America.

City of Monroe School Board
Notes to Schedule of Expenditures of Federal Awards (Unaudited)

E. Federal Indirect Cost Rate

City of Monroe School Board did not elect to use the 10% de minimis federal indirect cost rate for the year ended June 30, 2021.

F. Subrecipients

City of Monroe School Board did not provide federal funds to any subrecipients during the year ended June 30, 2021.

G. Loans

City of Monroe School Board did not expend federal awards related to loans or loan guarantees during the year ended June 30, 2021.

H. Federally Funded Insurance

City of Monroe School Board has no federally funded insurance.

**City of Monroe School Board
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2021**

Section I - Summary of Auditors' Results

Financial Statements

The auditors' report expresses an unmodified opinion on the financial statements in accordance with GAAP.

Internal control over financial reporting:

- Material weaknesses identified? _____ yes X no
- Significant deficiency(ies) identified that are not considered to be material weaknesses? X yes _____ none reported
- Noncompliance material to the financial statements noted? _____ yes X no

Federal Awards

Type of auditors' report issued on compliance for major programs:

Unmodified

Internal control of major programs:

- Material weaknesses identified? _____ yes X no
- Significant deficiency(ies) identified that are not considered to be material weaknesses? X yes _____ none reported

Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance (2 CFR 200.516(a))? X yes _____ none reported

The programs tested as major programs included:

Assistance Listing Number	Program Name
10.553	Child Nutrition Cluster:
10.555	School Breakfast Program
10.559	National School Lunch Program
	Summer Food Service Program for Children
84.425C	COVID-19 Education Stabilization Fund
84.425D	COVID-19 Education Stabilization Fund
84.425U	COVID-19 Education Stabilization Fund

Dollar threshold used to distinguish between Type A and B programs: \$750,000

- Auditee qualified as a low-risk auditee? _____ yes X no

**City of Monroe School Board
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2021**

Section II – Financial Statement Findings Reported in Accordance with *Government Auditing Standards*

2021-001 Timely Filing of Audit Report

Entity-Wide or Program/Department Specific: This finding is entity-wide

Criteria or Specific Requirement: Louisiana Revised Statute 24:513 requires that the School Board prepare and submit its annual audited financial statements to the Louisiana Legislative Auditor within six months of the School Board’s fiscal year end.

Condition: The School Board was not able to submit its audited financial statements to the Louisiana Legislative Auditor by the required deadline.

Effect: Noncompliance with Louisiana Revised Statute 24:513.

Cause: The School Board was not able to obtain the actuarial report for the Other Post-employment Benefit obligation (OPEB) as required by GASB 75 until after the calendar year end.

Recommendation: We recommend the School Board take necessary steps to ensure that future audits will be completed and submitted to the Louisiana Legislative auditor within the prescribed time period.

Views of responsible officials and corrective action plan: School Board will work to implement a process to ensure all necessary information and documentation is provided to appropriate entities in a timely manner.

2021-002 Use of Personal 3rd Party CashApp

Entity-Wide or Program/Department Specific: This finding is specific to the Band department

Criteria or Specific Requirement: All fees related to the School Board or Student Activity Funds should be collected through proper methods.

Condition: A staff member was using their personal 3rd party CashApp application to collect fees belonging to the School.

Effect: Noncompliance with school board policy and best practices for cash collections.

Cause: Lack of implementation of School Board policies and procedures.

Recommendation: CRI recommends the School Board to review cash collection procedures with school level personnel.

City of Monroe School Board
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2021

Views of responsible officials and corrective action plan: School Board has instructed staff to discontinue use of the 3rd party CashApp application and to adhere to district policies, procedures, and the applicable statutes.

2021-003 Student Activity Funds

Entity-Wide or Program/Department Specific: This finding is specific to the Student Activity Funds at each of the schools of the School Board.

Criteria or Specific Requirement: Funds should be accounted for properly and supported by appropriate documentation in accordance with *Government Auditing Standards* and School Board policies and procedures.

Condition: Documentation was not maintained for ten deposits tested and support was missing for four expense transactions. Seven transactions included sales tax that was either paid to the vendor or reimbursed to the employee. Two transactions had improper segregation of duties. Eleven transactions did not have proper approval and one transaction was reimbursed for the incorrect amount.

Effect: Student activity funds could be used for items and expenses that are not allowable and for improper amounts due to a lack of internal controls.

Cause: Lack of internal controls

Recommendation: CRI recommends the School Board provide training to school officials in charge of the student activity funds.

Views of responsible officials and corrective action plan: The School Board will conduct training sessions for School staff on the proper ways to record all monies received and disbursed at their schools according to the guidelines provided under *Government Auditing Standards* and School Board policies. The School Board will be conducting more internal audits to ensure schools maintain proper supporting documentation for all monies received or disbursed, to ensure that sales tax exempt forms are being properly used, to ensure that deposits are made timely and emphasize the importance of segregation of duties. The School Board will ensure handbooks detailing the policies and procedures are provided.

2021-004 Inaccurate information / missing files

Entity-Wide or Program/Department Specific: This finding is specific to the OPEB liability for the school board/

Criteria or Specific Requirement: Information should be accounted for properly and supported by appropriate documentation in accordance with *Government Auditing Standards* and School Board policies and procedures.

**City of Monroe School Board
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2021**

Condition: During our testing of the OPEB census data, inaccurate information was identified and instances of lack of supporting documentation was identified regarding OPEB information.

Effect: Inaccurate or incomplete information could have a material effect on the OPEB liability that is calculated by the 3rd party actuaries.

Cause: Lack of reconciliation of information maintained in the personnel files to the Louisiana Office of Group Benefits.

Recommendation: CRI recommends the School Board reconcile information between Human Resources and the Louisiana Office of Group Benefits.

Views of responsible officials and corrective action plan: Personnel files will be reconciled to OGB census file for all retirees and active employees. Implement plans to inform plan members to provide information changes to HR as well as OGB and to encourage future retirees to complete all paperwork with OGB to keep or drop coverage within 30 days of retirement.

2021-005 Timesheet inaccuracies

Entity-Wide or Program/Department Specific: This finding is entity-wide.

Criteria or Specific Requirement: Information should be accounted for properly and supported by appropriate documentation in accordance with *Government Auditing Standards* and School Board policies and procedures.

Condition: During our testing of non-regular payroll, we identified three (3) instances of timesheets being properly approved by supervisors; however, the hours worked were not calculated properly by the employee.

Effect: Inaccurate information allows for inaccurate information to be processed.

Cause: Lack of implementation of policies and procedures.

Recommendation: CRI recommends the School Board implement procedures to review and recalculate timesheets prior to processing.

Views of responsible officials and corrective action plan: Additional staff will review approved timesheets before they are processed for payment.

**City of Monroe School Board
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2021**

2021-006 Professional Leave

Entity-Wide or Program/Department Specific: This finding is entity-wide.

Criteria or Specific Requirement: Information should be accounted for properly and supported by appropriate documentation in accordance with *Government Auditing Standards* and School Board policies and procedures.

Condition: During our audit procedures, we identified an instance of noncompliance with School Board policy regarding professional leave.

Effect: Lack of compliance with School Board policies.

Cause: Requests for leave to attend professional meetings was not provided to the School Board.

Recommendation: CRI recommends the School Board implement procedures to review and recalculate timesheets prior to processing.

Views of responsible officials and corrective action plan: The School Board will implement procedures to ensure compliance with policies regarding professional leave for employees.

Section III – Federal Award Findings and Responses

2021-007 Child Nutrition Program Reimbursements

Federal Program, Assistance Listing # and Year, Federal Agency, Pass-Through Entity:

School Lunch Program and School Breakfast Program, Assistance Listing #10.555 and #10.553, 2021, U.S. Department of Agriculture, Louisiana Department of Education.

Criteria or Specific Requirement: 2 CFR 200.303 requires the entity to establish and maintain effective internal controls over compliance with respect to federal awards and Section 1111(b)(2)(A) of the ESEA for compliance accountability. Proper internal controls require supporting documentation to be retained as evidence for effectiveness of the controls in place.

Condition: During our testing procedures, we identified certain documentation was not able to be found to support the request for reimbursement for the number of meals served for the months tested.

Effect: The School Board did not have documentation on file to demonstrate compliance with the applicable compliance requirement.

Questioned Cost: Reimbursement requests for the months tested were overstated by \$10,378. Projected questioned costs (reimbursement requests) is calculated to be \$87,339.

**City of Monroe School Board
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2021**

Cause: Lack of reconciliation of the number of meals served.

Recommendation: We recommend the School Board take necessary steps to ensure that all documentation is retained.

Views of responsible officials and corrective action plan: The School Board will work to implement procedures to ensure accurate financial reporting. The claim for any reimbursement will be reconciled and prepared by the Child Nutrition Supervisor and checked thoroughly for errors by the Child Nutrition Secretary prior to submission. If claim is found to be submitted with any inaccuracies, a revision will be submitted immediately for all inaccuracies that do not match. The Child Nutrition Program of the Department of Education in Baton Rouge, Louisiana will be contacted immediately if errors cannot be corrected from this office.

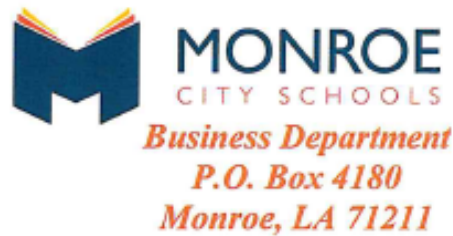
City of Monroe School Board
Summary Schedule of Prior Year Audit Findings and Questioned Costs
For the Year Ended June 30, 2020

Section II – Financial Statement Findings Reported in Accordance with *Governmental Auditing Standards*

None Reported

Section III – Federal Award Findings and Responses

None reported



DaVona Howard
Chief Financial Officer

(318) 325-0601, Ext. 3032
Fax: (318) 812-3605
davona.howard@mcschools.net

**Corrective Action Plan
For the Year Ended June 30, 2021**

Section II – Financial Statement Findings Reported in Accordance with *Government Auditing Standards*

2021-001 Timely Filing of Audit Report

Entity-Wide or Program/Department Specific: This finding is entity-wide

Condition: The School Board was not able to submit its audited financial statements to the Louisiana Legislative Auditor by the required deadline.

Corrective Action Plan: School Board will work to implement a process to ensure all necessary information and documentation is provided to appropriate entities in a timely manner.

Person Responsible for Corrective Action – DaVona Howard, Chief Financial Officer

Anticipated Completion Date – Immediately

2021-002 Use of Personal 3rd Party CashApp

Condition: A staff member was using their personal 3rd party CashApp application to collect fees belonging to the School.

Corrective Action Plan: School Board has instructed staff to discontinue use of the 3rd party CashApp application and to adhere to district policies, procedures, and the applicable statutes.

Person Responsible for Corrective Action – DaVona Howard, Chief Financial Officer

Anticipated Completion Date – Immediately

2021-003 Student Activity Funds

Condition: Documentation was not maintained for ten deposits tested and support was missing for four expense transactions. Seven transactions included sales tax that was either paid to the vendor or reimbursed to the employee. Two transactions had improper segregation of duties. Eleven transactions did not have proper approval and one transaction was reimbursed for the incorrect amount.

Corrective Action Plan: The School Board will conduct training sessions for School staff on the proper ways to record all monies received and disbursed at their schools according to the guidelines provided under *Government Auditing Standards* and School Board policies. The School Board will be conducting more internal audits to ensure schools maintain proper supporting documentation for all monies received or disbursed, to ensure that sales tax exempt forms are being properly used, to ensure that deposits are made timely and emphasize the importance of segregation of duties. The School Board will ensure handbooks detailing the policies and procedures are provided.

Person Responsible for Corrective Action – DaVona Howard, Chief Financial Officer

Anticipated Completion Date – 1st Quarter of 2022

2021-004 Inaccurate information / missing files

Condition: During our testing of the OPEB census data, inaccurate information was identified and instances of lack of supporting documentation was identified regarding OPEB information.

Corrective Action Plan: Personnel files will be reconciled to OGB census file for all retirees and active employees. Implement plans to inform plan members to provide information changes to HR as well as OGB and to encourage future retirees to complete all paperwork with OGB to keep or drop coverage within 30 days of retirement.

Person Responsible for Corrective Action – Ericka Cleveland, HR and Insurance Benefits

Anticipated Completion Date – June 30, 2022

2021-005 Timesheet inaccuracies

Condition: During our testing of non-regular payroll, we identified three (3) instances of timesheets being properly approved by supervisors; however, the hours worked were not calculated properly by the employee.

Corrective Action Plan: Additional staff will review approved timesheets before they are processed for payment.

Person Responsible for Corrective Action – DaVona Howard, Chief Financial Officer

Anticipated Completion Date – Immediately

2021-006 Professional Leave

Condition: During our audit procedures, we identified an instance of noncompliance with School Board policy regarding professional leave.

Corrective Action Plan: The School Board will implement procedures to ensure compliance with policies regarding professional leave for employees.

Person Responsible for Corrective Action – Dr. Brent Vidrine, Superintendent

Anticipated Completion Date – Immediately

Federal Award Findings and Responses

2021-007 Child Nutrition Program Reimbursements

Condition: During our testing procedures, we identified certain documentation was not able to be found to support the request for reimbursement for the number of meals served for the months tested.

Corrective Action Plan: The School Board will work to implement procedures to ensure accurate financial reporting. The claim for any reimbursement will be reconciled and prepared by the Child Nutrition Supervisor and checked thoroughly for errors by the Child Nutrition Secretary prior to submission. If claim is found to be submitted with any inaccuracies, a revision will be submitted immediately for all inaccuracies that do not match. The Child Nutrition Program of the Department of Education in Baton Rouge, Louisiana will be contacted immediately if errors cannot be corrected from this office.

Person Responsible for Corrective Action – April Temple, Child Nutrition Director

Anticipated Completion Date – Immediately

OTHER INFORMATION

**Independent Accountants' Report
On Applying Agreed-Upon Procedures**

Board Members
City of Monroe School Board
Monroe, Louisiana

We have performed the procedures included in the Louisiana Governmental Audit Guide and enumerated below, which were agreed to by the management of City of Monroe School Board and the Legislative Auditor, State of Louisiana, solely to assist users in evaluating management's assertions about the performance and statistical data accompanying the annual financial statements of the School Board and to determine whether the specified schedules are free of obvious errors and omissions as provided by the Board of Elementary and Secondary Education. Management of the School Board is responsible for its performance and statistical data. 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 relate to the accompanying schedules of supplemental information and are as follows:

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

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

Comment: No exceptions were noted as a result of applying the agreed-upon procedure.

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 sample of 10 classes to the October 1, 2020 roll books for those classes and observed that the class was properly classified on the schedule.

Comment: No exceptions were noted as a result of applying the agreed-upon procedure.

Education Levels / Experience of Public School Staff (No Schedule)

3. We obtained October 1, 2020 PEP data submitted to the Department of Education (or equivalent listing prepared by management), including full-time teachers, principals, and assistant principals by classification, as well as their level of education and experience, and obtained management's representation that the data / listing was complete. We then selected a sample of 25 individuals, traced to each individual's personnel file, and observed that each individual's education level and experience was properly classified on the PEP data or equivalent listing prepared by management.

Comment: No exceptions were noted as a result of applying agreed-upon procedures.

Public School Staff Data: Average Salaries (No Schedule)

4. We obtained June 30, 2021 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 as a result of applying 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 standards applicable to attestation engagements contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. We were not engaged to perform, and did not perform, an audit, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

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 City of Monroe School Board, as required by Louisiana Revised Statute 24:514.I, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

Carr, Riggs & Ingram, L.L.C.

CARR, RIGGS & INGRAM, LLC

Shreveport, Louisiana

March 31, 2022

CITY OF MONROE SCHOOL BOARD
Monroe, Louisiana

**General Fund Instructional and Support Expenditures
and Certain Local Revenue Sources
For the Year Ended June 30, 2021**

General Fund Instructional and Equipment Expenditures**General Fund Instructional Expenditures:****Teacher and Student Interaction Activities:**

Classroom Teacher Salaries	\$ 19,943,081	
Other Instructional Staff Activities	2,469,956	
Instructional Staff Employee Benefits	14,066,462	
Purchased Professional and Technical Services	44,678	
Instructional Materials and Supplies	240,643	
Instructional Equipment	-	
Total Teacher and Student Interaction Activities	-	\$ 36,764,820

Other Instructional Activities

	4,072,598	225,954
--	-----------	---------

Pupil Support Activities

Less: Equipment for Pupil Support Activities	-	
Net Pupil Support Activities	-	4,072,598

Instructional Staff Services

Less: Equipment for Instructional Staff Services	2,413,161	
Net Instructional Staff Services	-	2,413,161

School Administration

Less: Equipment for School Administration	4,166,431	
Net School Administration	-	4,166,431

Total General Fund Instructional Expenditures \$ 47,642,964

Total General Fund Equipment Expenditures \$ -

Certain Local Revenue Sources**Local Taxation Revenue:**

Ad Valorem Taxes		
Constitutional Ad Valorem Taxes	\$ 2,810,215	
Renewable Ad Valorem Tax	8,167,006	
Debt Service Ad Valorem Tax	2,822,889	
Up to 1% of Collections by the Sheriff on taxes other than School Taxes	392,178	
Sales Taxes		
Sales and Use Taxes - Gross		32,010,273
Total Local Taxation Revenue		\$ 46,202,561

Local Earnings on Investment in Real Property:

Total Local Earnings on Investment in Real Property \$ -

State Revenue in Lieu of Taxes:

Revenue Sharing-Constitutional Tax	\$ 250,198	
Total State Revenue in Lieu of Taxes	\$ 250,198	

Nonpublic Textbook Revenue \$ 23,929

CITY OF MONROE SCHOOL BOARD
Class Size Characteristics
As of October 1, 2020

School Type	Class Size Range							
	1 - 20		21-26		27 - 33		34+	
	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Elementary	63.5%	1,018	25.9%	415	8.2%	131	2.4%	39
Elementary Activity Classes	63.1%	149	25.8%	61	8.5%	20	2.5%	6
Middle/Jr. High	64.3%	370	25.7%	148	9.6%	55	0.3%	2
Middle/Jr. High Activity Classes	90.8%	119	6.1%	8	3.1%	4	0.0%	0
High	71.2%	734	21.7%	224	6.6%	68	0.5%	5
High Activity Classes	90.5%	172	5.8%	11	1.1%	2	2.6%	5
Combination	100.0%	47	0.0%	0	0.0%	0	0.0%	0
Combination Activity Classes	100.0%	5	0.0%	0	0.0%	0	0.0%	0
Other	0.0%	6	0.0%	0	0.0%	0	0.0%	0