CENTRAL COMMUNITY SCHOOL SYSTEM

REPORT ON AUDIT OF BASIC FINANCIAL STATEMENTS

JUNE 30, 2021

CENTRAL, LOUISIANA

CENTRAL COMMUNITY SCHOOL SYSTEM

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HTB Hannis T. Bourgeois
CPAs + Business Advisors

2322 Tremont Drive ● Baton Rouge, LA 70809
1254 Del Este Avenue, Suite 1101 ● Denham Springs, LA 70726
Phone: 225.928.4770 ● Fax: 225.926.0945
650 Poydras Street, Suite 1200 ● New Orleans, LA 70130
Phone: 504.274.0200 ● Fax: 504.274.0201
www.htbcpa.com

INDEPENDENT AUDITOR'S REPORT

To the Members of the Board of the
Central Community School System
Central, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, the budgetary comparison statement of the general fund, and the aggregate remaining fund information of the Central Community School System, Central, Louisiana, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Central Community School System's basic financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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 auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, the budgetary comparison statement of the general fund, and the aggregate remaining fund information of the Central Community School System as of June 30, 2021, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

As discussed in Note 1 to the financial statements, the Central Community School System adopted new accounting guidance GASBS No. 84 *Fiduciary Activities* for the year ended June 30, 2021. Our opinion is not modified with respect to this matter.

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 proportionate share of the net pension liability by plan, schedule of contributions by plan, and the schedule of changes in the school system's total OPEB liability and related ratios on pages 4 through 10 and 61 through 63 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 Information

Our audit was conducted for the purpose of forming opinions on the primary government financial statements that collectively comprise the Central Community School System's basic financial statements. The schedules required by state law (Schedule 4 and Schedule 5), the nonmajor governmental funds combining statements (Schedule 6 and Schedule 7), each nonmajor special revenue fund budgetary comparison statement (Schedule 8-1 through Schedule 8-4), the schedule of compensation paid to board members (Schedule 9), and the schedule of compensation, benefits, and other payments to agency head (Schedule 10) are presented for purposes of additional analysis and are not a required part of the financial statements. The schedule of expenditures of federal awards (Schedule 11) is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) 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 nonmajor governmental funds combining statements (Schedule 6 and Schedule 7), each nonmajor special revenue fund budgetary comparison statement (Schedule 8-1 through Schedule 8-4), the schedule of compensation paid to board members (Schedule 9), the schedule of compensation, benefits, and other payments to agency head (Schedule 10), and the schedule of expenditures of federal awards (Schedule 11) are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the nonmajor governmental funds combining statements (Schedule 6 and Schedule 7), each nonmajor special revenue fund budgetary comparison statement (Schedule 8-1 through Schedule 8-4), the schedule of compensation paid to board members (Schedule 9), the schedule of compensation, benefits, and other payments to agency head (Schedule 10), and the schedule of expenditures of federal awards (Schedule 11) are fairly stated in all material respects in relation to the basic financial statements as a whole.

The schedules required by state law (Schedule 4 and Schedule 5) have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 14, 2022, on our consideration of the Central Community School System's internal control over financial reporting and 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 Central Community School System'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 Central Community School System's internal control over financial reporting and compliance.

Respectfully submitted,

Harris T. Bourgeois, LLP

Denham Springs, Louisiana
March 14, 2022

CENTRAL COMMUNITY SCHOOL SYSTEM

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2021

The Management's Discussion and Analysis (MD&A) of the Central Community School System (CCSS) provides an overview and overall review of the School System's financial activities for the fiscal year ended June 30, 2021. The intent of the MD&A is to look in layman's terms at the School System's financial performance as a whole. It should, therefore, be read in conjunction with the School System's Annual Financial Statements and the notes thereto.

The MD&A is a new element of the Required Supplementary Information specified in the Governmental Accounting Standards Board's (GASB) Statement No. 34 - *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*.

Financial Highlights

Key financial highlights for the 2020-2021 fiscal years include the following:

- Net position is a deficit of $(8,208,714) for the year ended June 30, 2021, which is a reductions of $7,440,711 from the prior year deficit.

- Total assets increased by $31,868,405 mainly due to the issue of bonds of $27 million for the Central High School remodel and increase in sales tax revenues as reflected in our cash amounts below:

	June 30, 2021	June 30, 2020	Amount Increase (Decrease)
Cash and Cash Equivalents	$ 31,451,030	$18,667,268	$12,783,762
Investments	14,981,385	-	14,981,385
Receivables	3,501,285	2,339,775	1,161,510
Inventory	86,499	117,503	(31,004)
Restricted Assets:			
Cash	6,336,087	4,779,352	1,556,735
Capital Assets:			
Land and Construction in Progress	6,935,214	3,848,456	3,086,758
Other Capital Assets (Net of Accumulated Depreciation)	58,098,648	59,769,389	(1,670,741)
Total Assets	$121,390,148	$89,521,743	$31,868,405

- Total Liabilities increased $30,682,328 attributed mostly to a bond issued in the amount of $24 million for the Central High School remodel project shown in the following items:

	June 30, 2021	June 30, 2020	Amount Increase (Decrease)
Accounts, Salaries, and Other Payables	$ 4,235,559	$ 5,277,254	$(1,041,695)
Interest Payable	745,413	480,049	265,364
Long-Term Liabilities:			
Due within One Year	5,319,974	4,654,397	665,577
Due in More than one Year	79,902,427	55,813,481	24,088,946
Net Pension Liability	52,808,700	46,154,564	6,654,136
Total Liabilities	$143,012,073	$112,379,745	$30,652,328

- Total revenues increased by $6,353,584 from fiscal year 2020 to fiscal year 2021. Primary increases and decreases are discussed below:

  - Property taxes levied increased $1,155,510.
  - Sales and use tax revenue increased by $2,107,110.
  - The largest revenue source is the Minimum Foundation Program (MFP) distribution from the State, amounting to $32,787,406. This amount has increased from the prior year by the amount of $203,545. The amount of funds received through the MFP is directly related to the school systems enrollment figures. Each student is allocated a certain number of dollars. The school systems enrollment continues to grow, because of this constant growth the severity of the state budget cuts were kept to a minimum.
  - Property taxes were levied in the amount of $4,532,409 by the school system to pay for the debt service requirements relating to the issuance of general obligation bonds. This is an increase of $591,191 above the 2020 assessment.
  - In 2010, half cents sales tax was levied by the school system to pay for the debt service requirements relating to the issuance of sales tax bonds. This half cents sales tax resulted in sales taxes in the amount of $2,323,245 which is a increase of $421,163 from 2020.

- Total Governmental Expenditures have increased in the amount $5,076,967 from fiscal year 2020 to fiscal year 2021. Primary increases and decreases are discussed below:
  - Instructional costs have increased by $2,193,194.
  - Support Services have increased by $854,514.
  - Central Services have decreased by $1,366,703, due to a $1.37M purchase of laptops for student use the prior year. (Laptop purchases are in two groups which will occur every two years, each on a four year cycle.)
  - Non Instructional increased by $346,104.
  - Capital Outlay has increased by $2,659,237.
  - Debt Services has been increased by $390,621.

OVERVIEW OF THE FINANCIAL STATEMENTS

The School Board's Report on the Audit of Basic Financial Statements consists of a series of financial statements and the associated notes to those statements. These statements are organized so the reader can understand the operations of the School Board as a whole, i.e., an entire operating entity. Beginning on page 11, the "Basic Financial Statements" Section, consisting of the Statement of Net Assets and the Statement of Activities, provide consolidated financial information, and render a government-wide perspective of the School Board's financial condition. They present an aggregate view of the School Board's finances. These statements seek to answer the question, "How did the School Board do financially during the 2020/2021 fiscal year?" These statements include *all assets and liabilities* using the *accrual basis* of accounting used by most private-sector enterprises. The *accrual basis* takes into account all of the Board's current year revenues and expenses regardless of when paid or received.

By showing the change in net assets for the year, the reader may ascertain whether the School Board's financial condition has improved or deteriorated. The changes, which are discussed in this MD&A, may be financial or non-financial in nature. Non-financial factors which may have an impact on the School Board's financial condition include increases in or erosion of the property or sales tax base within the school district, student enrollment, facilities maintenance and condition, mandated educational programs for which little or no funding is provided, or other external factors.

To provide more in-depth reporting of the School Board's financial position and the results of operations, fund basis financial information is presented in the "Fund Financial Statements" section beginning on page 13. The Fund Financial Statements, which should be familiar to those who have read previous governmental financial statements, report governmental activities on more of a current rather than long-term basis, indicating sources and uses of funding, as well as resources available for spending in future periods. This is referred to as the current resource measurement focus.

Fund Financial Statements also provide more in-depth data on the School Board's most significant fund, its General Fund. This fund is considered a "major fund" under GASB Statement No. 34. The relationship between governmental *activities* reported in the Basic Financial Statements and the governmental *funds* reported in the Fund Financial Statements are reconciled in the financial statements (See Statements D and F).

GOVERNMENTAL ACTIVITIES

As reported in the *Statement of Activities* on page 12, the cost of the School Board's governmental activities for the year ended June 30, 2021 was $59,030,289. However, not all of this cost was borne by the taxpayers of the Central Community School District. Of this amount, $1,762,340 was paid by those who used or benefited from the services rendered (e.g., charges for school lunches and summer school tuition) and $7,267,598 was paid through various federal and state grants. Consequently, the net cost of $49,000,351 was paid by the taxpayers of the Parish through ad valorem taxes, sales and use taxes, the Minimum Foundation Program (MFP) from the State of Louisiana, and other general revenues.

Table I below shows the total cost of services and the net cost of these services (after charges for services and grants received) for the largest categories of expenses of the School Board for the year ended June 30, 2021. The "net cost" presentation allows taxpayers to determine the remaining cost of the various categories which were borne by them, and allows them the opportunity to assess the cost of each of these functions in comparison to the perceived benefits received.

TABLE I

Total Cost and Net Cost of Governmental Activities
For the Years Ended June 30, 2021 and 2020

	2021		2020	
	Total Cost of Services	Net Cost of Services	Total Cost of Services	Net Cost of Services
Instruction:				
Regular Education Programs	$19,924,175	$18,486,464	$17,487,216	$17,368,701
Special Education Programs	4,772,917	4,087,486	4,324,927	3,893,306
Other Instructional Programs	5,840,074	3,525,360	4,373,601	3,036,126
Support Services:				
Pupil Support	2,803,739	2,440,677	2,556,234	2,139,869
Instructional Staff Support	2,153,576	1,608,918	2,216,473	1,241,812
General and School Administration	6,182,304	6,037,348	5,818,849	5,747,258
Business Services	674,622	485,908	546,915	453,806
Plant Services	5,051,458	4,050,248	3,930,849	3,930,849
Student Transportation	4,829,542	4,829,542	5,150,143	5,150,143
Central Services	1,477,581	1,275,177	2,815,229	2,609,313
Food Services	3,230,237	83,159	2,724,913	233,242
Bond Issuance Cost	408,656	408,656	165,886	165,886
Interest on Long-Term Debt	1,681,408	1,681,408	1,523,061	1,523,061
Totals	$59,030,289	$49,000,351	$53,634,296	$47,493,372

THE SCHOOL BOARD'S FUNDS

The School Board uses funds to control and manage money for particular purposes. The Fund basis financial statements allow the School Board to demonstrate its stewardship over and accountability for resources provided by taxpayers and other entities. These statements also allow the reader to obtain more insight into the financial workings of the School Board, and assess further the School Board's overall financial health.

As the School Board completed the fiscal year ended June 30, 2021, its combined fund balance is $51,896,236 as compared to its combined fund balance of $20,173,930 as of June 30, 2020, an increase of $31,722,306. The increase was a combination of the following: $23,000,000 Bond Issue for the CHS remodel project plus $3,943,823 Premium from the bond issue, a surplus of the General fund of $6,272,861, a healthy increase in the debt fund balance of $697,511, a decrease of $3,759,548 spent on capital projects, an increase in surplus of Non Governmental Funds such as Child Nutrition and others in the amount of $641,787 and an adjustment of $925,872 added to the bottom line for the adoption of GASB 84.

GENERAL FUND BUDGETARY HIGHLIGHTS

Over the course of the year, the School Board revises its budget to take into consideration significant changes in revenues or expenditures. Louisiana Revised Statute 39:1311 requires a budget amendment if either expected revenues are less than, and/or anticipated expenditures are in excess of budgetary goals by five percent (5%) or more. The Original Budget for the School Board was adopted on June 8, 2020.

A schedule showing the School Board's General Fund's original and final budget compared with actual operating results is provided in this report, Statement G. The School Board generally did better than had been budgeted in its major fund since it practices conservative budgeting in which revenues are forecasted very conservatively and expenditures are budgeted with worst case scenarios in mind. The General Fund finished the fiscal year $6,207,419 more than had been budgeted on the final amendment.

CAPITAL ASSETS AND DEBT

Capital Assets. At June 30, 2021, the Central Community School System had a $65,033,862 investment in capital assets net of accumulated depreciation. This amount was made up of land, buildings and improvements, and furniture and equipment. The capital assets balance is a combinations of the assets transferred from the East Baton Rouge Parish School System on July 1, 2007 and the new school buildings.

Long-Term Debt. At June 30, 2021, the School System had outstanding bonded indebtedness in the amount of $70,229,999.

In accordance with Louisiana Revised Statute 39:562, the School System is legally restricted from incurring long-term bonded debt funded by ad valorem taxes, in excess of 35% of the assessed value of taxable property. At June 30, 2021, the statutory limit is approximately $67,590,000 and outstanding general obligation bonded debt funded by ad valorem taxes totals $50,300,000.

Other long-term obligations include compensated absences and accumulated Unfunded Other Postemployment Benefits Payable. At June 30, 2021, this balance was $14,992,402.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS

The Central Community School System is primarily described as a rural School district and the majority of its student population is from within the boundaries of the City of Central which has a population of approximately 28,000. The Central Community School System has seen a dramatic increase in student enrollment since the system's inception. Student enrollment on 10/01/2020 was 4,718 up from approximately 2,700 when the school system began in 2007. The Central Community School System consists of three elementary schools, one middle school and one high school. In 2009 three tax propositions were passed to address existing schools life safety codes and to build two new schools. The three taxes are a half cent sales tax, a 20 year 9.25 mill tax, and a 20 year 14.4 ,mill tax. In November of 2013 the voters approved CCSS to borrow an additional $13.1 Million and repay the bonds by extending property tax for five years. CCSS has built a 9th grade academy for $5.82 mil, old middle school renovations and asbestos removal $1.5 mil, technology update for state mandated assessments $2.0 mil, repair Central high parking lot $1.8 mil, lighting for central baseball & softball fields $500k.

In August 2016, the community of Central experienced a 500-year flood event and received over 30" of rain in less than 72 hours. This event caused 80% of the community to flood, including several buildings owned or leased by Central Community School System. Tanglewood Elementary School (a CCSS school) suffered the largest loss with 2' of water. CCSS had adequate fund balance and was able to begin recovery immediately. Tanglewood Elementary was re-opened in January 2017. CCSS has been reimbursed by FEMA for qualifying expenses.

In the fall of 2020 voter's approved to renew the 23.65 mills, which allowed CCSS to borrow $23 Million dollars to remodel Central High School. As a result of our Standard and Poor's bond rating are currently "AA" for General Obligation Bonds and "AA-" for Sales Tax Bonds as well as our history of debt repayment, a Premium of $3,943,823 was earned in benefit to the taxpayers to use toward the remodel as well. The renovation of Central High School includes a complete interior renovation as well as the addition of new athletic locker rooms, a second gymnasium, and a new commons area. Renovations are expected to be completed in fall 2022.

The budget outlook for the 2021-2022 year is strong for the Central Community School System. Expenditures remain relatively flat with the exception of a teacher / staff salary increase. The governor gave teachers a permanent raise of $800 per year and support workers a permanent raise of $400 per year. The CCSS decided to add $1,200 to the teacher raise and $600 to the support worker raise. The expected cost of this pay increase is approximately $644,000. The School Board voted to "roll forward" taxes for the 2021 year with an expected revenue increase of approximately $800,000. Every penny from the "roll forward" is being used for teacher/staff pay increases.

On the revenue side, the CCSS has seen large gains in regular sales tax revenues. For the 2019-2020 year, we saw just over 4% increase in sales tax revenue as compared to 2018-2019. For the 2020-2021 year, we saw a 22% increase in sales tax revenue as compared to 2019-2020. For the upcoming 2021-2022 year, we are projecting a more modest increase of approximately 7% which is more in line with our historical average.

CONTACTING THE CENTRAL COMMUNITY SCHOOL SYSTEM'S MANAGEMENT

While this report is designed to provide full and complete disclosure of the financial conditions and operations of the Central Community School System, citizens' groups, taxpayers, parents, students, other parish officials, investors or creditors may need further details. To obtain such details, please contact Mrs. Barbra Guyon, Chief Financial Officer, at the Central Community School System , 10510 Joor Road, Suite 300, City of Central, Louisiana 70818, or by calling 225-262-1919 , during regular business hours, Monday through Friday, 8:00 a.m. to 4:30 p.m., central time. Mrs. Barbra Guyon's email address is bguyon@centralcss.org.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

Statement A

CENTRAL COMMUNITY SCHOOL SYSTEM

STATEMENT OF NET POSITION (DEFICIT)

JUNE 30, 2021

ASSETS

	Governmental Activities
Cash and Cash Equivalents	$ 31,451,030
Investments	14,981,385
Receivables	3,501,285
Inventory	86,499
Restricted Assets:	
Cash	6,336,087
Capital Assets:	
Land and Construction in Progress	6,935,214
Other Capital Assets (Net of Accumulated Depreciation)	58,098,648
Total Assets	121,390,148
DEFERRED OUTFLOWS OF RESOURCES	
Deferred Amount on Refunding	2,222,573
Deferred Outflows - Related to Pensions	14,883,798
Deferred Outflows - Related to Post-Employment Benefits Other Than Pensions	1,501,160
Total Deferred Outflows	18,607,531
LIABILITIES	
Accounts, Salaries, and Other Payables	4,235,559
Interest Payable	745,413
Long-Term Liabilities:	
Due Within One Year	5,319,974
Due in More than One Year	79,902,427
Net Pension Liability	52,808,700
Total Liabilities	143,012,073
DEFERRED INFLOWS OF RESOURCES	
Deferred Inflows - Related to Pensions	4,169,008
Deferred Inflows - Related to Post-Employment Benefits Other Than Pensions	1,025,312
Total Deferred Inflows	5,194,320
NET POSITION (DEFICIT)	
Net Investment in Capital Assets	24,324,225
Restricted for:	
Capital Projects	22,394,251
Student Activities	1,034,708
Debt Service	3,671,827
Unrestricted (Deficit)	(59,633,725)
Total Net Position (Deficit)	$ (8,208,714)

The notes to the financial statements are an integral part of this statement.

Statement B

CENTRAL COMMUNITY SCHOOL SYSTEM

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2021

		Program Revenues			Total Governmental Activities - Net (Expense) Revenues and Changes in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
FUNCTIONS/PROGRAMS					
Governmental Activities:					
Instruction:					
Regular Programs	$ 19,924,175	$ 197,261	$ 1,240,450	$ -	$ (18,486,464)
Special Education Programs	4,772,917	267,065	418,366	-	(4,087,486)
Vocational Programs	1,538,125	-	-	-	(1,538,125)
Other Programs	3,147,470	1,106,368	254,953	-	(1,786,149)
Special Programs	1,154,479	-	953,393	-	(201,086)
Support Services:					
Pupil Support	2,803,739	-	363,062	-	(2,440,677)
Instructional Staff Support	2,153,576	-	544,658	-	(1,608,918)
General Administration	3,561,337	-	-	-	(3,561,337)
School Administration	2,620,967	141,919	3,037	-	(2,476,011)
Business Services	674,622	-	188,714	-	(485,908)
Plant Services	5,051,458	-	1,210	1,000,000	(4,050,248)
Student Transportation Services	4,829,542	-	-	-	(4,829,542)
Central Services	1,477,581	-	202,404	-	(1,275,177)
Food Services	3,230,237	49,727	3,097,351	-	(83,159)
Bond Issuance Costs	408,656	-	-	-	(408,656)
Interest on Long-Term Debt	1,681,408	-	-	-	(1,681,408)
Total Governmental Activities	$ 59,030,289	$1,762,340	$ 7,267,598	$ 1,000,000	(49,000,351)
	Taxes:				
	Property Taxes, Levied for General Purposes				6,225,606
	Property Taxes, Levied for Debt Services				4,532,409
	Sales and Use Taxes, Levied for General Purposes				9,292,980
	Sales and Use Taxes, Levied for Debt Services				2,323,245
	Grants and Contributions not Restricted to Specific Purposes:				
	Minimum Foundation Program				32,537,955
	Interest and Investment Earnings				41,357
	Net Gain (Loss) on Disposal of Assets				-
	Miscellaneous				531,638
	Total General Revenues				55,485,190
	Change in Net Position				6,484,839
	Net Position (Deficit) - Beginning of Year				(15,619,425)
	Prior Period Adjustment - Adoption of GASB 84				925,872
	Net Position (Deficit) - Beginning of Year, Restated				(14,693,553)
	Net Position (Deficit) - End of Year				$ (8,208,714)

The notes to the financial statements are an integral part of this statement.

FUND FINANCIAL STATEMENTS

CENTRAL COMMUNITY SCHOOL SYSTEM

BALANCE SHEET
GOVERNMENTAL FUNDS

JUNE 30, 2021

ASSETS	General Fund	Debt Service Fund General Obligation Bonds	Capital Projects Fund Proposition No. 2	Nonmajor Governmental Funds	Total Governmental Funds
Cash and Cash Equivalents	$ 16,121,175	$ -	$ 11,787,115	$ 3,542,740	$ 31,451,030
Investments	-	-	14,981,385	-	14,981,385
Receivables	1,689,623	4,796	-	1,806,866	3,501,285
Inventory	-	-	-	86,499	86,499
Due from Other Funds	6,794,613	-	-	71,520	6,866,133
Restricted Assets:					
Cash and Cash Equivalents	-	4,748,073	-	1,588,014	6,336,087
Total Assets	$ 24,605,411	$ 4,752,869	$ 26,768,500	$ 7,095,639	$ 63,222,419
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts, Salaries and Other Payables	$ 3,453,198	$ -	$ 690,695	$ 91,666	$ 4,235,559
Due to Other Funds	46,088	1,081,042	2,893,530	2,845,473	6,866,133
Total Liabilities	3,499,286	1,081,042	3,584,225	2,937,139	11,101,692
Deferred Inflows of Resources:					
Deferred Inflows of Resources-					
Unavailable Intergovernmental Revenues	-	-	-	224,491	224,491
Fund Balances:					
Nonspendable:					
Inventory	-	-	-	86,499	86,499
Restricted For:					
Capital Projects	-	-	20,351,079	2,043,172	22,394,251
Student Activities	-	-	-	1,034,708	1,034,708
Debt Service	-	3,671,827	-	-	3,671,827
Committed For:					
Construction Contracts	-	-	2,833,196	35,356	2,868,552
Assigned To:					
Capital Projects	1,083,897	-	-	-	1,083,897
School Lunch Program	-	-	-	494,670	494,670
Other Post Employment Benefits	2,000,000	-	-	-	2,000,000
Unassigned (Deficit)	18,022,228	-	-	239,604	18,261,832
Total Fund Balances (Deficit)	21,106,125	3,671,827	23,184,275	3,934,009	51,896,236
Total Liabilities and Fund Balances	$ 24,605,411	$ 4,752,869	$ 26,768,500	$ 7,095,639	$ 63,222,419

The notes to the financial statements are an integral part of this statement.

CENTRAL COMMUNITY SCHOOL SYSTEM

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION (DEFICIT)

JUNE 30, 2021

Total Fund Balances - Governmental Funds	$ 51,896,236
Cost of Capital Assets	91,392,381
Less: Accumulated Depreciation	(26,358,519)
	65,033,862
Elimination of Interfund Assets and Liabilities:	
Due from Other Funds	6,866,133
Due to Other Funds	(6,866,133)
	-
Long-Term Liabilities:	
Compensated Absences	(2,275,468)
Total OPEB Liability	(12,716,934)
Net Pension Liability	(52,808,700)
Bonds Payable	(70,229,999)
Deferred Amount on Refunding	2,222,573
Accrued Interest Payable	(745,413)
	(136,553,941)
Deferred Inflows of Resources - Unavailable Intergovernmental Revenues are not Reported in Governmental Funds	224,491
Deferred Outflows of Resources Related to Pensions are not Reported in Governmental Funds	14,883,798
Deferred Outflows of Resources Related to Other Post Employment Benefits are not Reported in Governmental Funds	1,501,160
Deferred Inflows of Resources Related to Pensions are not Reported in Governmental Funds	(4,169,008)
Deferred Inflows of Resources Related to Other Post Employment Benefits are not Reported in Governmental Funds	(1,025,312)
Net Position (Deficit)	$ (8,208,714)

The notes to the financial statements are an integral part of this statement.

CENTRAL COMMUNITY SCHOOL SYSTEM

STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2021

	General Fund	Debt Service Fund General Obligation Bonds	Capital Projects Fund Proposition No. 2	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:					
Local Sources:					
Taxes:					
Ad Valorem	$ 6,225,606	$ 4,532,409	$ -	$ -	$ 10,758,015
Sales and Use	9,292,980	-	-	2,323,245	11,616,225
Other	274,125	-	-	-	274,125
Tuition	208,487	-	-	-	208,487
Interest Earnings	36,801	8,862	3,607	-	49,270
Rentals, Leases and Royalties	9,050	-	-	-	9,050
Food Services	-	-	-	49,727	49,727
Student Activities	-	-	-	1,176,564	1,176,564
Other	514,858	-	-	-	514,858
State Sources:					
Unrestricted Grants-in-Aid	32,637,406	-	-	150,000	32,787,406
Restricted Grants-in-Aid	643,905	-	-	1,000,000	1,643,905
Other	670	-	-	-	670
Federal Sources:					
Unrestricted - Indirect Cost Recoveries	-	-	-	188,714	188,714
Restricted Grants-in-Aid - Subgrants	60,497	-	-	6,451,764	6,512,261
Other - Commodities	-	-	-	211,438	211,438
Total Revenues	49,904,385	4,541,271	3,607	11,551,452	66,000,715
Expenditures:					
Instruction:					
Regular Programs	17,418,205	-	-	1,502,588	18,920,793
Special Education Programs	4,128,499	-	-	418,366	4,546,865
Vocational Programs	1,459,184	-	-	-	1,459,184
Other Programs	2,019,466	-	-	1,051,587	3,071,053
Special Programs	798,044	-	-	309,488	1,107,532
Support Services:					
Pupil Support	2,317,465	-	-	364,508	2,681,973
Instructional Staff Support	1,512,810	-	-	551,585	2,064,395
General Administration	1,258,375	159,407	-	22,835	1,440,617
School Administration	2,280,439	-	-	132,306	2,412,745
Business Services	654,769	-	-	-	654,769
Plant Services	4,771,778	-	-	260,069	5,031,847
Transportation Services	4,829,542	-	-	-	4,829,542

(CONTINUED)

CENTRAL COMMUNITY SCHOOL SYSTEM

STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2021

	General Fund	Debt Service Fund General Obligation Bonds	Capital Projects Fund Proposition No. 2	Nonmajor Governmental Funds	Total Governmental Funds
Expenditures (Continued):					
Central Services	1,255,578	-	-	204,792	1,460,370
Non-Instructional Services:					
Food Services	-	-	-	3,094,927	3,094,927
Capital Outlay	240,846	-	1,696,429	1,725,028	3,662,303
Debt Service:					
Principal Retirement	-	2,155,000	-	995,000	3,150,000
Interest and Bank Charges	-	1,481,507	-	513,659	1,995,166
Bond Issuance Costs	-	149,843	258,813	-	408,656
Total Expenditures	44,945,000	3,945,757	1,955,242	11,146,738	61,992,737
Excess (Deficiency) of Revenues Over Expenditures	4,959,385	595,514	(1,951,635)	404,714	4,007,978
Other Financing Sources (Uses):					
Transfers In	1,988,714	-	-	925,787	2,914,501
Transfers Out	(425,787)	-	(1,800,000)	(688,714)	(2,914,501)
Other Transfers Out	(249,451)	-	-	-	(249,451)
Proceeds from Bond Issuance	-	8,535,000	23,000,000	-	31,535,000
Premium on Bond Issuance	-	276,732	3,943,823	-	4,220,555
Payment to Refund Bonds	-	(8,709,735)	-	-	(8,709,735)
Net Appreciation (Depreciation) in Fair Value of Investments	-	-	(7,913)	-	(7,913)
Total Other Financing Sources (Uses)	1,313,476	101,997	25,135,910	237,073	26,788,456
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	6,272,861	697,511	23,184,275	641,787	30,796,434
Fund Balances at Beginning of Year	14,833,264	2,974,316	-	2,366,350	20,173,930
Prior Period Adjustment - Adoption of GASB 84	-	-	-	925,872	925,872
Fund Balances at Beginning of Year, Restated	14,833,264	2,974,316	-	3,292,222	21,099,802
Fund Balances at End of Year	$ 21,106,125	$ 3,671,827	$ 23,184,275	$ 3,934,009	$ 51,896,236

The notes to the financial statements are an integral part of this statement.

CENTRAL COMMUNITY SCHOOL SYSTEM

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

Total Net Change in Fund Balances - Governmental Funds	$ 30,796,434
Amounts Reported for Governmental Activities in the Statement of Activities are Different Because:	
Deferred Inflows of Resources - Unavailable Intergovernmental Revenues	(228,223)
Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.	
Capital Outlays Which Were Capitalized	3,662,303
Depreciation Expense	(2,246,286)
Add accumulated depreciation on capital assets retired during the year	27,648
Less cost basis of capital assets retired during the year	(27,648)
The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities.	
Issuance of General Obligation Bonds	(35,755,555)
Payment to Refund Bonds	8,709,735
Repayment of Debt	3,150,000
Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.	
(Increase) Decrease in Compensated Absences Payable	69,270
Amortization of Premiums on Bonds	742,422
(Increase) Decrease in Pension Expense	(941,880)
(Increase) Decrease in OPEB Expense	(1,044,717)
Amortization of Deferred Amount on Refunding	(163,300)
Interest on long-term debt in the Statement of Activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the Statement of Activities, however, interest expense is recognized as the interest accrues, regardless of when it is due.	
(Increase) Decrease in Accrued Interest Payable	(265,364)
Change in Net Position of Governmental Activities	$ 6,484,839

The notes to the financial statements are an integral part of this statement.

CENTRAL COMMUNITY SCHOOL SYSTEM

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL - GENERAL FUND

FOR THE YEAR ENDED JUNE 30, 2021

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues:				
Local Sources:				
Taxes:				
Ad Valorem	$ 5,470,000	$ 6,050,000	$ 6,225,606	$ 175,606
Sales and Use	7,260,000	8,300,000	9,292,980	992,980
Other	269,000	269,000	274,125	5,125
Tuition	322,000	322,000	208,487	(113,513)
Interest Earnings	153,000	39,400	36,801	(2,599)
Rentals, Leases, and Royalties	500	500	9,050	8,550
Other	440,600	240,600	514,858	274,258
State Sources:				
Unrestricted Grants-in-Aid	31,965,000	32,315,227	32,637,406	322,179
Restricted Grants-in-Aid	668,629	732,944	643,905	(89,039)
Other	2,000	2,000	670	(1,330)
Federal Sources:				
Restricted Grants-in-Aid	58,000	58,000	60,497	2,497
Total Revenues	46,608,729	48,329,671	49,904,385	1,574,714
Expenditures:				
Instruction:				
Regular Programs	17,683,440	19,139,458	17,418,205	1,721,253
Special Education Programs	4,418,122	4,302,322	4,128,499	173,823
Vocational Programs	1,527,007	1,654,815	1,459,184	195,631
Other Programs	2,315,146	2,257,807	2,019,466	238,341
Special Programs	694,195	678,608	798,044	(119,436)
Support Services:				
Pupil Support	2,238,311	2,351,263	2,317,465	33,798
Instructional Staff Support	1,452,538	1,565,240	1,512,810	52,430
General Administration	1,435,030	1,486,860	1,258,375	228,485
School Administration	2,342,235	2,347,709	2,280,439	67,270

(CONTINUED)

CENTRAL COMMUNITY SCHOOL SYSTEM

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL - GENERAL FUND (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2021

	Original Budget	Final Budget	Actual	Variance With Final Budget
Expenditures (Continued):				
Support Services (Continued):				
Business Services	743,748	714,297	654,769	59,528
Plant Services	4,646,898	4,881,929	4,771,778	110,151
Transportation Services	5,161,180	5,161,180	4,829,542	331,638
Central Services	1,554,965	1,388,341	1,255,578	132,763
Non-Instructional Services:				
Food Services	16,200	16,200	-	16,200
Capital Outlay	368,290	368,290	240,846	127,444
Debt Service:				
Principal Retirement	29,910	29,910	-	29,910
Total Expenditures	46,627,215	48,344,229	44,945,000	3,399,229
Excess (Deficiency) of Revenues Over (Under) Expenditures	(18,486)	(14,558)	4,959,385	4,973,943
Other Financing Sources (Uses):				
Transfers In	1,985,000	80,000	1,988,714	1,908,714
Transfers Out	-	-	(425,787)	(425,787)
Other Transfers Out	-	-	(249,451)	(249,451)
Total Other Financing Sources (Uses)	1,985,000	80,000	1,313,476	1,233,476
Excess (Deficiency) of Revenues and Other Sources Over (Under) Expenditures and Other Uses	1,966,514	65,442	6,272,861	6,207,419
Fund Balance at Beginning of Year	14,833,264	14,833,264	14,833,264	-
Fund Balance at End of Year	$ 16,799,778	$ 14,898,706	$ 21,106,125	$ 6,207,419

The notes to the financial statements are an integral part of this statement.

CENTRAL COMMUNITY SCHOOL SYSTEM

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2021

INTRODUCTION

Effective November 2006, the Central Community School System (School System) seceded from the East Baton Rouge Parish School System (EBRPSS) and formed its own school district as a result of a statewide election to amend the Louisiana Constitution to create the special school district. The School System was created by Louisiana Revised Statute (LSA-R.S.) 17:66 for the purpose of providing public education for the residents within the Central Community in East Baton Rouge Parish. The School System operated as a start up organization from December 11, 2006 through June 30, 2007 in order to plan, organize and recruit personnel for the following school year. The first year the School System provided educational programs to the residents of the Central Community began on July 1, 2007. The School System Board is comprised of seven members who are elected from seven districts for terms of four years and are charged with the management and operation of the Central Community School System.

The School System operates five schools within the community with a total enrollment of approximately 4,800 students. In conjunction with the regular educational programs, some of these schools offer special education and vocational education programs. In addition, the School System provides transportation and school food services for the students.

(1) Summary of Significant Accounting Policies

A. Basis of Presentation

The accompanying financial statements of the Central Community School System have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

This financial report has been prepared in conformity with GASB Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*.

B. Reporting Entity

For financial reporting purposes, the School System includes all funds, schools, and agencies that are within the oversight responsibility of the School System. The oversight responsibility derived by the School System is related to its scope of public service and gives it the authority to establish public schools as it deems necessary. This oversight responsibility also allows the School System to determine the number of teachers and employees to be employed, to establish the financial interdependency of the funds, to appoint management, and to significantly influence operations and accountability for fiscal matters.

Certain units of local government over which the School System exercises no oversight responsibility, such as the City of Central, other independently elected officials, and other governments within the city, are excluded from the accompanying financial statements. These units of government are considered separate reporting entities and issue financial statements separate from those of the Central Community School System.

The Governmental Accounting Standards Board (GASB) Statement No. 61, the Financial Reporting Entity: Omnibus, established criteria for determining which component units should be considered part of the Central Community School System for financial reporting purposes. The GASB has set forth criteria to be considered in determining financial accountability. These criteria include:

1. Legal status of the potential component unit.
2. Financial accountability:
   a. The primary government appoints a voting majority of the potential component unit's governing body and the primary government is able to impose its will on the potential component unit (or)
   b. When a potential component unit is fiscally dependent on the primary government regardless of whether the organization has separately elected officials or boards.
3. Financial benefits/burden relationship between the School System and the potential component unit, and misleading to exclude which covers other potential component units for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading.

Based on the previous criteria, the School System's management has determined that there are no component units at June 30, 2021.

C. Funds

The School System uses funds to maintain its financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain School System functions and activities. A fund is defined as a separate fiscal and accounting entity with a self-balancing set of accounts.

Funds of the School System are classified Governmental Funds and are discussed below.

Governmental Funds

Governmental funds are used to account for all of the School System's general activities. These funds focus on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may be used. Current liabilities are assigned to the fund from which they will be paid. The difference between a governmental fund's assets and liabilities is reported as fund balance. In general, fund balance represents the accumulated expendable resources which may be used to finance future period programs or operations of the School System.

The following are the School System's primary governmental funds:

Governmental Fund Types:

General Fund - The General Fund is the general operating fund of the School System. It is used to account for and report all financial resources not accounted for and reported in other funds.

Special Revenue Funds - The Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt services or capital projects.

Debt Service Funds - The Debt Service Funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditures for principal and interest and related costs for each type of bond issued.

Capital Projects Funds - The Capital Projects Funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

D. Measurement Focus/Basis of Accounting

Government-Wide Financial Statements (GWFS)

The Statement of Net Position and the Statement of Activities display information about the reporting government as a whole. These statements include all the financial activities of the school system.

The GWFS were prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*.

Program Revenues

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

Allocation of Indirect Expenses

The School System reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Indirect expenses of other functions are not allocated to those functions but are reported separately in the Statement of Activities. Depreciation expense which can be specifically identified by function is included in the direct expenses of each function. Depreciation on buildings is assigned to the "general administration" function since school buildings serve many purposes.

Fund Financial Statements (FFS)

Governmental Funds

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

Fund financial statements report detailed information about the School System. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. The major funds of the School System are the General Fund, the General Obligation Bonds Debt Service Fund, and the Proposition No. 2 Capital Projects Fund for the year ended June 30, 2021. The General Obligation Bonds Debt Service Fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditures for principal and interest and related costs for General Obligation Revenue Bonds and Sales Tax Bonds.

The modified accrual basis of accounting is used by Governmental Funds. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter (generally 60 days) to be used to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred. The Governmental Funds use the following practices in recording revenues and expenditures:

Revenues

Ad valorem taxes are recorded in the year the taxes are due and payable. Ad valorem taxes are assessed on a calendar year basis, become due on November 15 of each year, and become delinquent on December 31. The taxes are generally collected in December, January, and February of the fiscal year.

Federal and State entitlements (which include state equalization) are recorded when available and measurable. Federal and State grants are recorded when the reimbursable expenditures have been incurred.

Sales and use tax revenues are recorded in the month collected by the vendor even though not paid to the School System until the subsequent month.

Substantially all other revenues are recorded when received.

Expenditures

Salaries are recorded as expenditures when earned. Nine-month employee salaries are earned over a 9-month period but are paid over a 12-month period. Compensated absences are recognized as expenditures when leave is taken or when employees (or heirs) are paid for accrued leave upon retirement or death. All other expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

Other Financing Sources (Uses)

Transfers between funds that are not expected to be repaid, sale of fixed assets, long-term debt proceeds, bank loan proceeds, etc., are accounted for as other financing sources (uses). These other financing sources (uses) are recognized at the time the underlying events occur.

E. Budget Practices

The School System adopts an annual budget for the General Fund; the Special Revenue Funds, including the Other Federal Grants Fund, the Improving America's Schools Act Fund, the Special Education Fund, and the School Food Service Fund; each Debt Service Fund; and each Capital Projects Fund. Only the General Fund and Special Revenue Funds are required to be presented in these financial statements.

The proposed budgets for the fiscal year ended June 30, 2021, were made available for public inspection and comments from taxpayers. The budgets, which included proposed expenditures and the means of financing them, were published in the official journal fifteen days prior to the public hearing on the budget for the year ended June 30, 2021. At this meeting, the proposed budgets were legally adopted by the School Board.

The budgets are prepared on a modified accrual basis of accounting. All appropriations lapse at year end. Encumbrances are not recognized within the accounting records for budgetary control purposes. Formal budget integration (within the accounting records) is employed as a management control device. The superintendent is authorized to transfer between line items within any fund. However, when actual revenues within a fund fail to meet budgeted revenues by five percent or more, a budget amendment is adopted by the School System in an open meeting. Budget amounts included in the accompanying financial statements include the original adopted budget and all subsequent amendments.

F. Encumbrances

Encumbrance accounting, under which purchase orders are recorded in order to reserve that portion of the applicable appropriation, is not employed. However, outstanding purchase orders are taken into consideration before expenditures are incurred in order to assure that applicable appropriations are not exceeded.

G. Cash, Cash Equivalents, and Investments

Under state law, the School System may deposit funds with a fiscal agent organized under the laws of the State of Louisiana, the laws of any other state in the union, or the laws of the United States. Cash and cash equivalents include cash on hand, cash on deposit, certificates of deposit with original maturities less than 90 days, and money market accounts. Under state law, these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times be equal or exceed the amount on deposit with the fiscal agent. Investments (certificates of deposit with original maturities greater than 90 days) are reflected at fair value.

The School System may invest in United States bonds, treasury notes, or certificate and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana or with the Louisiana Asset Management Pool, Inc. Under state law, the School System may deposit funds in demand deposits, interest bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana. Cash and cash equivalents are stated at cost, which approximates market value.

H. Inventory

Inventory of the School Lunch Special Revenue Fund consists of food purchased by the School System and commodities granted by the United States Department of Agriculture through the Louisiana Department of Agriculture and Forestry. The commodities are recorded as revenues when received; however, all inventory items are recorded as expenditures when consumed. All purchased inventory items are valued at the lower of cost (first-in, first-out basis) or market, and commodities are assigned values based on information provided by the United States Department of Agriculture.

I. Capital Assets

Capital assets are capitalized at historical cost or estimated historical cost for assets where actual historical cost is not available. Donated capital assets, donated works of art and similar items, and capital assets received in service concession arrangements are recorded at acquisition value. The system for accumulation of fixed assets cost data does not provide the means for determining the percentage of assets valued at actual and those valued at estimated cost.

Capital assets are recorded in the GWFS but are not reported in the FFS. All capital assets are depreciated using the straight-line method over their estimated useful lives. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public school purposes by the School System, no salvage value is taken into consideration for depreciation purposes. Useful lives vary from 10 to 50 years for buildings and improvements, and 5 to 15 years on equipment.

Assets transferred from the East Baton Rouge Parish School System on July 1, 2007 were transferred at historical cost less accumulated depreciation. These amounts were obtained from the East Baton Rouge Parish School System.

The School System does not possess any material amounts of infrastructure capital assets, such as sidewalks and parking lots. Amounts expended for such items prior to June 30, 2007 were considered to be part of the cost of buildings or other immovable property such as stadiums. In the future, if such items are built or constructed, they will be capitalized and depreciated over their estimated useful lives.

The costs of normal repairs and maintenance that do not add to the value of the asset or materially extend the asset lives are not capitalized. The School System capitalizes equipment that has an original purchase price of $5,000 or greater.

J. Compensated Absences

All 12-month employees earn 15 days of vacation leave each year. A maximum of 25 days can be accumulated and is paid to the employee upon termination or can be used for retirement benefit computation.

All school board employees earn from 8 to 10 days of sick leave each year, depending upon the number of months employed and 2 days personal leave days each year. Sick leave may be accumulated without limitation. Upon retirement or death, unused accumulated sick leave of up to twenty-five days is paid to the employee or to the employee's estate at the employee's current rate of pay. Under the Louisiana Teachers Retirement System, the total unused accumulated sick leave, including the twenty-five days paid, is used in the retirement benefit computation as earned service for leave earned prior to July 1, 1988. For sick leave earned between July 1, 1988 and June 30, 1990 under the Louisiana Teachers Retirement System and

for sick leave earned under the Louisiana School Employees Retirement System, all unpaid sick leave, which excludes the twenty-five days paid, is used in the retirement benefit computation as earned service. For sick leave earned after June 30, 1990, a maximum of one year of accumulated sick leave earned, which excludes the twenty-five days paid, can be converted to one year of earned service. All remaining accumulated sick leave earned after June 30, 1990, after converting one year of sick leave into one year of earned service, may only be added to the member's service credit if purchased.

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

K. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

L. Net Position

Net position represents the difference between assets and liabilities in the GWFS. "Net investment in capital assets" consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any long-term debt used to build or acquire the capital assets. Net position is reported as restricted in the GWFS when there are limitations imposed on their use through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

M. Sales and Use Taxes

The School System receives a two percent sales and use tax. The sales and use tax is collected by the East Baton Rouge City-Parish, remitted to the School System, and is included in the revenues of the General Fund. The proceeds of the tax are dedicated to the payment of salaries of school teachers and other school employees; the payment of utilities; and constructing, maintaining or operating school buildings and other school related facilities, including the acquisition of sites.

In addition, on May 2, 2009, the voters approved a ½ percent sales and use tax for the purpose of constructing, furnishing and equipping a new middle school, including, if necessary, land acquisitions and related debt repayment.

N. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America includes the use of estimates that affect the financial statements. Accordingly, actual results could differ from those estimates.

O. Deferred Outflows/Inflows of Resources

The statement of net position reports a separate section for deferred outflows and (or) inflows of financial resources. Deferred outflows of resources represent consumptions of net position that apply to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. Deferred inflows of resources represent acquisitions of net position that apply to a future period(s) and so will not be recognized as an inflow of resources until that time.

Deferred outflows and inflows of resources on the statement of net position are related to pensions, post-employment benefits other than pensions (OPEB) and federal grants. See Pension Plans Note 8, Long-Term Debt Note 10, and Notes to Schedule of Expenditures of Federal Awards.

P. Pensions

The School System is a participating employer in cost-sharing, multiple-employer defined benefit plans as described in Note 8. 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 of each of the plans, and additions to/deductions from the plans' fiduciary net position have been determined on the same basis as they are reported by the plans. 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.

Q. Fund Equity

The School System has adopted the provisions of Governmental Accounting Standards Board Statement No. 54 which redefined how fund balances are presented in fund financial statements. In the governmental fund financial statements, fund balances are classified as follows:

Nonspendable - Amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

Restricted - Amounts that can be spent only for specific purposes because of the state or federal laws, or externally imposed conditions by grantors or creditors.

Committed - Amounts that can only be used for specific purposes determined by a formal action of the School System. These amounts cannot be used for any other purpose unless the School System removes or changes the specified use by taking the same type of action that was employed when the funds were initially committed.

Assigned - Amounts that are designated as committed by the School System but are not spendable until a budget resolution is passed.

Unassigned - All amounts not included in other spendable classifications; positive amounts are only in the general fund. The School System has adopted a policy to maintain the general fund's unassigned fund balance at a minimum balance of 15% of general fund expenditures.

The details of the fund balances are included in the Balance Sheet - Governmental Funds (Statement C). As noted above, restricted funds are used first as appropriate. Assigned Funds are reduced to the extent that expenditure authority has been budgeted by the School System or the Assignment has been changed by the School System. Decreases to fund balance first reduce Unassigned Fund balance; in the event that Unassigned becomes zero, then Assigned and Committed Fund Balances are used in that order.

R. Impact of Recently Issued Accounting Principles

The School System has adopted and implemented the following statement of the Governmental Accounting Standards Board effective for the School System's 2021 fiscal year:

- *Statement No. 84 – Fiduciary Activities* – This statement enhances consistency and comparability by (1) establishing specific criteria for identifying activities that should be reported as fiduciary activities and (2) clarifying whether and how business-type activities should report their fiduciary activities. The School System reviewed the fund previously reported as a fiduciary activity and determined that the School Activities Fund does not meet the new criteria of a fiduciary activity and will now be reported as a Special Revenue Fund. The following restatement of beginning fund balance for the nonmajor governmental funds was required:

Student Activities Fund Balance, Beginning of Year	$ -
Prior Period Adjustment - Adoption of GASB 84	925,872
Student Activities Fund Balance, Beginning of Year, Restated	$925,872

The following statements of the Governmental Accounting Standards Board will be effective for years subsequent to the School System's fiscal year 2021:

1. *Statement No. 87 - Leases (2022)*
2. *Statement No. 90 - Majority Equity Interests an amendment of GASB Statements No. 14 and No. 61 (2021)*
3. *Statement No. 91 - Conduit Debt Obligations (2023)*
4. *Statement No. 96 - Subscription-Based Information Technology Arrangements (2023)*
5. *Statement No. 97 - Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans (2022)*

The School System is currently evaluating the effects that these statements will have in its financial statements for the years ending June 30, 2022 and later.

(2) Cash and Cash Equivalents

For reporting purposes, cash and cash equivalents include amounts in demand deposits, interest bearing demand deposits, and money market accounts. Under state law, the School System may deposit funds in demand deposits, interest bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

At June 30, 2021, the carrying amount of the School System's Cash and Cash Equivalents (checking accounts, savings accounts, and certificates of deposits) was $37,787,117 and the confirmed bank balances were $38,006,199. Cash and Cash Equivalents are stated at cost, which approximates market.

Custodial Credit Risk - Deposits

In the case of deposits, this is the risk that in the event of a bank failure, the School System's deposits may not be returned to it. To mitigate this risk, state law requires for these deposits (or the resulting bank balances) to be secured by federal deposit insurance or the pledge of securities by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. The pledged securities are deemed by Louisiana State Law to be under the control and possession and in the name of the School System regardless of its designation by the financial institution in which it is deposited. As of June 30, 2021, none of the School System's bank balance of $38,006,199 was exposed to custodial credit risk.

(3) Investments

All investments are stated on the balance sheet at fair value. All investments are in municipal bonds or U.S Government-Sponsored Entity debt securities that are held by a broker, or in the Louisiana Asset Management Pool (LAMP), a local government external investment pool.

LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local government entities having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LSA-R.S. 33:2955.

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

LAMP, Inc. is subject to the regulatory oversight of the state treasurer and the board of directors. LAMP is not registered with the SEC as an investment company. LAMP, Inc., issues an annual publicly available financial report that includes financial statements and required supplementary information for LAMP, Inc. That report may be obtained by writing to LAMP, Inc., 650 Poydras Street, Suite 2220, New Orleans, Louisiana 70130, or by calling (800) 249-5267.

Fair Value of Financial Instruments. The School System categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The LAMP investment is stated at the net asset value of the pool shares, which is the same as the fair value which is permitted per GASB Statement No. 79.

At June 30, 2021, the School System held investments as summarized below:

	Fair Value
LAMP	$ 10,467,817
Municipal Bonds (Level 2)	2,267,273
U.S. Government-Sponsored Debt Securities (Level	2,246,295
Total Investments	$ 14,981,385

Interest Rate Risk. As a means of limiting its exposure to fair value changes arising from fluctuations in interest rates, the School System invests in municipal bonds and U.S Government-Sponsored Entity debt securities that are backed by government agencies. LAMP is designed to be highly liquid to give participants immediate access to their account balances. LAMP prepares its own interest rate risk disclosure using the weighted average maturity (WAM) method. The WAM of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days or 762 days for U.S. Government floating/variable rate investments. The WAM for LAMP's total investments is 58 days as of December 31, 2021.

Credit Risk. Under state law, the School System may invest in United States bonds, treasury notes, or certificates. The School System invests in municipal bonds and U.S Government-Sponsored Entity debt securities that are in compliance with the state law. LAMP is rated AAAm by Standards and Poor's.

Concentration of Credit Risk. Pooled investments are excluded from the five percent disclosure requirement. Municipal bonds and U.S Government-Sponsored Entity debt securities are 15% and 15%, respectfully, of the total investments.

Custodial Credit Risk. Custodial credit risk is the risk that, in the event of the failure of the counterparty, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. At June 30, 2021, the School System is not exposed to custodial credit risk with respect to its investments because all investments are either insured by federal depository insurance, registered in the name of the School System, or collateralized by other investments pledged in the name of the School System. In the case of LAMP, participants' investments in the pool are evidenced by shares of the pool. Investments in pools should be disclosed, but not categorized because they are not evidenced by securities that exist in physical or book-entry form. The public entity's investment is with the pool, not the securities that make up the pool; therefore, no disclosure is required.

(4) Ad Valorem Taxes

All taxable property in Louisiana is required by law to be assessed annually at a percentage of its fair market value by the Parish Assessor, except for public utility property which is assessed by the Louisiana Tax Commission.

The 1974 Louisiana Constitution (Article 7 Section 18) provided that land and improvements for residential purposes be assessed at 10% of fair market value; other property and electric cooperative properties, excluding land are to be assessed at 15% and public service properties, excluding land, are to be assessed at 25% of fair market value. Fair market value is determined by the elected assessor of the parish on all property subject to taxation except public service properties, which is valued by the Louisiana Tax Commission (LRS 47:1957). The correctness of assessments by the assessor is subject to review and certification by the Louisiana Tax Commission. The Assessor is required to reappraise all property subject to taxation at intervals of not more than four years.

Ad Valorem taxes attach as an enforceable lien on property as of January 1 of each year. Taxes are levied by the Parish Assessor during the year and are billed to taxpayers in November. Billed taxes become delinquent on December 31. Revenues from Ad Valorem taxes are budgeted in the year billed and recognized as revenue when billed. The Parish Sheriff bills and collects the property taxes using the assessed value determined by the Parish Assessor's office.

The following is a summary of authorized and levied ad valorem taxes:

	Authorized Millage	Levied Millage
Parishwide Taxes:		
Constitutional	5.00	3.49
Special	38.45	28.99
Debt Service	9.25	9.25
Debt Service	14.40	14.40

Any differences between authorized and levied millages are the result of reassessment of the tax rolls required by Article 7, Section 23 of the Louisiana Constitution of 1974.

Total Ad Valorem Taxes Levied	$10,839,605
Less: Amounts Deemed Uncollectible	(81,590)
Net Ad Valorem Taxes Collectible	$10,758,015

Ad Valorem taxes receivable at June 30, 2021, totaled $23,981.

(5) Receivables

The receivables at June 30, 2021, are as follows:

	Federal Grants	State Grants	Sales Taxes	Ad Valorem Taxes	Other	Total
General Fund	$ 10,979	$ 81,524	$ 1,315,588	$ 19,185	$262,347	$ 1,689,623
General Obligation Bonds Debt Service Fund	-	-	-	4,796	-	4,796
Nonmajor Funds	1,477,969	-	328,897	-	-	1,806,866
Totals	$1,488,948	$ 81,524	$ 1,644,485	$ 23,981	$262,347	$ 3,501,285

(6) Interfund Receivables, Payables - Transfers In, Transfers Out

Interfund receivables and payables at June 30, 2021 are as follows:

	Due from Other Funds	Due to Other Funds
General Fund	$ 6,794,613	$ 46,088
General Obligation Bonds Debt Service Fund	-	1,081,042
Proposition No. 2 Capital Projects Fund	-	2,893,530
Nonmajor Governmental Funds:		
Special Revenue Funds:		
Federal Grants	-	872,453
Improving America's Schools Act	-	166,343
Special Education	-	119,402
School Food Service	71,520	-
Sales Tax Bonds Debt Service Fund	-	1,677,307
Proposition No. 1 Capital Projects Fund	-	9,968
Total Nonmajor Governmental Funds	71,520	2,845,473
Total	$ 6,866,133	$ 6,866,133

Interfund transfers for the year ended June 30, 2021 are as follows:

	Transfers In	Transfers Out
General Fund	$ 1,988,714	$ 425,787
Proposition No. 2 Capital Projects Fund	-	1,800,000
Nonmajor Governmental Funds:		
Special Revenue Funds:		
Federal Grants	-	130,607
Improving America's Schools Act	-	29,228
Special Education	-	28,879
Sales Tax Bonds Debt Service Fund		500,000
Proposition No. 1 Capital Projects Fund	925,787	-
Total Nonmajor Governmental Funds	925,787	688,714
Total	$ 2,914,501	$ 2,914,501

(7) Changes in Capital Assets

Capital asset activity for the year ended June 30, 2021 is as follows:

	Balance July 01, 2020	Additions	Deletions	Balance June 30, 2021
Governmental Activities:				
Capital Assets not being Depreciated:				
Land	$ 2,931,206	$ -	$ -	$ 2,931,206
Construction in Progress	917,250	3,458,105	371,347	4,004,008
Total Capital Assets not being Depreciated	3,848,456	3,458,105	371,347	6,935,214
Capital Assets being Depreciated:				
Buildings and Improvements	79,040,871	499,779	-	79,540,650
Furniture and Equipment	4,868,399	75,766	27,648	4,916,517
Total Capital Assets being Depreciated	83,909,270	575,545	27,648	84,457,167
Less: Accumulated Depreciation for:				
Buildings and Improvements	19,789,421	2,096,198	-	21,885,619
Furniture and Equipment	4,350,460	150,088	27,648	4,472,900
Total Accumulated Depreciation	24,139,881	2,246,286	27,648	26,358,519
Total Capital Assets being Depreciated, Net	59,769,389	(1,670,741)	-	58,098,648
Total Governmental Activities Capital Assets, Net	$ 63,617,845	$ 1,787,364	$ 371,347	$ 65,033,862

Depreciation expense of $2,246,286 for the year ended June 30, 2021 was charged to the following governmental functions:

Instruction:	
Regular Education	$ 24,822
Support Services:	
General Administration (Including all Buildings)	2,094,695
School Administration	92,905
Plant Services	18,066
Food Services	15,798
Total	$ 2,246,286

The Capital Project Proposition No. 1 Fund reports a total fund balance of $2,078,528. A summary of commitments under construction contracts for the School System at June 30, 2021, follows:

	Project Authorization	Expended to June 30, 2021	Unexpended Commitment
BHE Interior	$ 11,455	$ 11,455	$ -
Wildcat Stadium Turf Install	1,882,468	1,847,112	35,356
School Board Office Renovation	117,250	117,250	-
TES Classroom Wing	98,839	98,839	-
Modular Building Purchases	49,343	49,343	-
CHS Remodel	4,713,205	1,880,009	2,833,196
	$ 6,872,560	$ 4,004,008	$ 2,868,552

At June 30, 2021, the unexpended commitments of $2,868,552 are recorded in the Capital Projects Fund – Proposition No.1 ($35,356) and the Capital Projects Fund – Proposition No. 2 ($2,833,196) as fund balance committed to contracts to the extent of available fund balance.

(8) Accounts, Salaries, and Other Payables

The payables at June 30, 2021, are as follows:

	Accounts Payable	Salaries, Withholdings and Benefits	Total
General Fund	$ 250,879	$3,202,319	$3,453,198
Proposition No. 2 Capital Projects Fund	690,695	-	690,695
Nonmajor Governmental Funds:			
Special Revenue Funds:			
Federal Grants	41,803	-	41,803
Improving America's Schools	36,121	-	36,121
Special Education	5,518	-	5,518
School Food Service	824	-	824
Proposition No.1 Capital Projects Fund	7,400	-	7,400
Total Nonmajor Governmental Funds	91,666	-	91,666
Total	$1,033,240	$3,202,319	$4,235,559

(9) Pension Plans

The School System follows the requirements of GASB Statement 68. *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27* and GASB Statement 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date, an amendment to GASB 68.* These standards revise and establish new financial reporting requirements for governments that provide their employees with pension benefits. These standards require the School System to record its proportionate share of each of the pension plans net pension liability and report the following disclosures:

General Information about the Pension Plans

Plan Descriptions

Teachers' Retirement System of Louisiana

Employees of the School System are provided with pensions through a cost-sharing multiple-employer defined benefit plan administered by the Teachers' Retirement System of Louisiana (TRSL). Chapter 2 of Title 11 of the Louisiana Revised Statutes (La. R.S. 11:401) grants to TRSL Board of Trustees and the Louisiana Legislature the authority to review administration, benefit terms, investments, and funding of the plan. TRSL issues a publicly available financial report that can be obtained at www.trsl.org.

State of Louisiana School Employees' Retirement System

The State of Louisiana School Employees' Retirement System (LSERS) was established and provided for by R.S. 11:1001 of the Louisiana Revised Statutes as a cost-sharing multiple employer defined benefit pension plan. LSERS issues a publicly available financial report that can be obtained at www.lsers.net.

Benefits Provided:

Teachers' Retirement System of Louisiana

The following is a description of the plan and its benefits and is provided for general informational purposes only. TRSL provides retirement, deferred retirement option (DROP), disability, and survivor's benefits. Participants should refer to the appropriate statutes for more complete information.

Retirement Benefits

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.

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 62 with 5 years of service.

Benefit Formula

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.

Payment Options

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 can't 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.

Deferred Retirement Option Program (DROP)

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 upon the account balance.

Disability Benefits

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.

Survivor Benefits

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.

Permanent Benefit Increases/Cost-of-Living Adjustments

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.

Optional Retirement Plan (ORP)

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 which 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.

State of Louisiana School Employees' Retirement System

The following is a description of the plan and its benefits and is provided for general informational purposes only. Participants should refer to the appropriate statutes for more complete information.

Eligibility Requirements

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 or for part-time employees who have ten years of creditable service in the System as a school bus driver, school janitor, school custodian, school maintenance employee, school bus aide 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.

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 System. Any part-time employees who work 20 hours or less per week and who are not vested will be refunded their contributions.

Benefits

Benefit provisions are authorized under Louisiana Revised Statutes 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 62, 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 System 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.

Disability

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 vested person with twenty or more years of creditable service is eligible for a disability benefit until normal retirement age. A member who joins the System on or after July 1, 2006, must have at least ten years of service to qualify for disability benefits. Upon the death of a member with five or more years of creditable service, the System 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.

Deferred Retirement Option Plan

Members of the System 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 System. 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.

The System maintains subaccounts within this account reflecting the credits attributed to each participant in the DROP program. Interest credited and payments from the DROP account are made in accordance with Louisiana Revised Statutes 11:1152(F)(3). Upon termination of participation in both the DROP program and employment, a participant may receive his DROP monies either in a lump sum payment from the account or systematic disbursements.

The System 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.

Initial Benefit Retirement Plan

Effective January 1, 1996, the state legislature authorized the System 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 Louisiana Revised Statutes 11:1152(F)(3).

Contributions:

Teachers' Retirement System of Louisiana

The employer contribution rate is established annually under La. R.S. 11:101-11:104 by the Public Retirement Systems' Actuarial Committee (PRSAC), 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, 2021 are as follows:

2021	Contributions	
TRSL Sub Plan	Employee	Employer
K-12 Regular Plan	8.0%	25.8%
Plan A	9.1%	25.0%
ORP		
2021	8.0%	28.0%

The contractually required composite contribution rate was 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 TRSL from the School System were $6,225,028 for the year ended June 30, 2021.

In accordance with state statute, TRSL receives ad valorem taxes and state revenue sharing funds. These additional sources of income are used as employer contributions and are considered support from non-employer contributing entities, but are not considered special funding situations. The amount of non-employer contributions recognized as revenue in the government-wide statement of activities was $204,557 for the year ended June 30, 2021.

State of Louisiana School Employees' Retirement System

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. For the year ending June 30, 2021, the employer contribution rate was 28.7% and the employee rate was 7.5%. Contributions to LSERS from the School System were $-0- for the year ended June 30, 2021.

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

At June 30, 2021, the School System reported a liability of $52,808,700 for its proportionate share of the net pension liability of TRSL and LSERS combined. For all plans, the net pension liability was 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 System's proportion of the net pension liability was based on a projection of the School System's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined. The School System's proportion at June 30, 2020 and change in proportion measured as of June 30, 2020 is as follows:

Plan	Proportion at June 30, 2020	Change in Proportion
TRSL	0.474050%	0.00976%
LSERS	0.009649%	-0.00117%

For the year ended June 30, 2021, the School System recognized pension expense as follows:

Plan	Expense
TRSL	$ 7,209,415
LSERS	(42,582)
	$ 7,166,833

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

	TRSL	LSERS	Total
Deferred Outflows of Resources:			
Changes in Assumptions	$ 3,136,986	$ 462	$ 3,137,448
Net difference between projected and actual earnings on pension plan investments	4,070,541	11,804	4,082,345
Changes in proportion and differences between Employer contributions and proportionate share of contributions	1,438,977	-	1,438,977
Employer contributions subsequent to the measurement date	6,225,028	-	6,225,028
Total Deferred Outflows of Resources	$ 14,871,532	$ 12,266	$14,883,798
Deferred Inflows of Resources:			
Differences between expected and actual Experience	$ 846,452	$ 1,909	$ 848,361
Changes in proportion and differences between Employer contributions and proportionate share of contributions	3,262,151	58,496	3,320,647
Total Deferred Inflows of Resources	$ 4,108,603	$ 60,405	$ 4,169,008

$6,225,028 reported as deferred outflows of resources related to pensions resulting from the School System's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30:	TRSL	LSERS	Total
2022	$ 92,234	$ (54,998)	$ 37,236
2023	1,795,663	576	1,796,239
2024	1,271,460	3,584	1,275,044
2025	1,378,544	2,699	1,381,243
	$ 4,537,901	$ (48,139)	$ 4,489,762

Actuarial Assumptions:

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

	TRSL	LSERS
Inflation	2.300%	2.500%
Investment rate of return	7.450%	7.000%
Salary increases	3.1% to 4.6% varies on duration of service	3.25%

For TRSL, the mortality rates were projected based on RP-2014 White Collar Employee and Healthy Annuitant Tables and RP-2014 Disability Tables. Termination, disability, and retirement assumptions were projected based on a five year (2012-2017) experience study of the System's members.

For LSERS, the mortality rates were based on the RP-2014 Healthy Annuitant Table, RP-2014 Sex Distinct Employee Table, and RP-2014 Sex Distinct Mortality Table.

For all plans' cost of living adjustments, the present value of future retirement benefits is based on benefits currently being paid by the Systems and includes previously granted cost of living increases. The present values do not include provisions for potential future increase not yet authorized by the Board of Trustees.

For TRSL, the long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.3% and an adjustment for the effect of rebalancing/diversification. The resulting expected long-term rate of return was 8.17% for 2020. Best estimates of arithmetic real rates of return for each major asset class included in the TRSL's target asset allocation as of June 30, 2020 are summarized in the following table:

Asset Class	Target Asset Allocation	Expected Portfolio Real Rate of Return
Domestic Equity	27.0%	4.60%
International Equity	19.0%	5.54%
Domestic Fixed Income	13.0%	0.69%
International Fixed Income	5.5%	1.50%
Private Equity	25.5%	8.62%
Other Private Assets	10.0%	4.45%
	100%	

For LSERS, the long-term expected rate of return on pension plan investments was determined using a triangulation method which integrated the CAPM pricing model (top-down), a treasury yield curve approach (bottom-up) and an equity building-block model (bottom-up). Risk return and correlations are projected on a forward looking basis in equilibrium, in which best-estimates of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These rates are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation and an adjustment for the effect of rebalancing/diversification. The resulting long-term arithmetic nominal expected return is 8.38%. Best estimates of geometric real rates of return for each major asset class included in the System's target asset allocation as of June 30, 2020 are summarized in the following table:

Asset Class	Target Asset Allocation	Long-Term Expected Portfolio Real Rate of
Fixed Income	26%	0.92%
Equity	39%	2.82%
Alternatives	23%	1.95%
Real Estate	12%	0.69%
Total	100%	6.38%
Inflation		2.00%
Expected Arithmetic Nominal Return		8.38%

Discount Rate:

The discount rate used to measure the total pension liability was 7.450% for TRSL, which was a decrease of 0.10% from the prior measurement date of June 30, 2019. For LSERS, the discount rate used to measure the total pension liability was 7.00%, which was the same as the prior measurement date of June 30, 2019. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that employer contributions from participating employers and non-employer contributing entities will be made at actuarially determined rates, which are calculated in accordance with relevant statutes and approved by the respective Board of Trustees and the Public Retirement Systems' Actuarial Committee. Based on those assumptions, the pension plans' fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

TRSL:	Changes in Discount Rate		
	1% Decrease 6.450%	Current Discount Rate 7.450%	1% Increase 8.450%
Net pension liability	$ 68,836,093	$ 52,731,174	$ 39,173,966

LSERS:	Changes in Discount Rate		
	1% Decrease 6.000%	Current Discount Rate 7.000%	1% Increase 8.000%
Net pension liability	$ 101,547	$ 77,526	$ 56,981

Pension Plans Fiduciary Net Position:

TRSL issued a stand-alone audit report on its financial statements for the year ended June 30, 2020. Access to the audit report can be found on the System's website: www.trsl.org or on the Office of Louisiana Legislative Auditor's official website: www.lla.state.la.us.

LSERS issued a stand-alone audit report on its financial statements for the year ended June 30, 2020. Access to the audit report can be found on the System's website: www.lsers.net or on the Office of Louisiana Legislative Auditor's official website: www.lla.state.la.us.

Payables to the Pension Plans:

At June 30, 2021 included in liabilities are payables to the TRSL of $1,225,491. These payables are normal legally required contributions to the pension plan.

(10) Long-Term Debt

The following is a summary of the long-term obligation transactions for the year ended June 30, 2021:

	Bonded Debt	Compensated Absences	Post-Employment Benefits	Total
Long-Term Obligations July 01, 2020	$ 46,211,866	$ 2,344,738	$ 11,911,274	$60,467,878
Additions:				
Increases	35,755,555	1,524,300	1,613,234	38,893,089
Deductions:				
Principal Payments	(3,150,000)	-	-	(3,150,000)
Amortization of Premium on Issuance of Bonds	(742,422)	-	-	(742,422)
Current Year Refunding	(7,845,000)	-	-	(7,845,000)
Deductions	-	(1,593,570)	(807,574)	(2,401,144)
Long-Term Obligations June 30, 2021	$ 70,229,999	$ 2,275,468	$ 12,716,934	$85,222,401

The following is a summary of the current (due in one year or less) and the long-term (due in more than one year) portions of long-term obligations as of June 30, 2021:

	Bonded Debt	Compensated Absences	Post-Employment Benefits	Total
Current Portion	$ 4,751,107	$ 568,867	$ -	$ 5,319,974
Long-Term Portion	65,478,892	1,706,601	12,716,934	79,902,427
Total	$ 70,229,999	$ 2,275,468	$ 12,716,934	$85,222,401

Bonded Debt

All School System bonds outstanding at June 30, 2021 in the amount of $61,660,000 consist of general obligation bonds and sales tax revenue bonds with final maturities from 2022 to 2040 and interest rates from 2.00 percent to 5.00 percent. Bond principal and interest payable in the next fiscal year is $4,180,000 and $2,454,878, respectively. Bonded debt is comprised of the following individual issues which are payable from the debt service funds:

	Original Issue	Issue Date	Interest Rates	Final Payment Due	Interest to Maturity	Principal Outstanding
General Obligation Bonds						
Secured by Ad Valorem Taxes:						
Series 2014	$ 13,100,000	3/11/2014	2.0 - 4.5%	3/1/2034	$ 164,250	$ 1,800,000
Series 2016	$ 6,445,000	5/25/2016	3.0 - 4.0%	3/1/2029	1,014,750	5,375,000
Series 2017	$ 6,925,000	9/1/2017	2.0 - 5.0%	9/1/2029	1,439,900	6,295,000
Series 2019	$ 5,720,000	12/19/2019	3.0 - 5.0%	3/1/2030	1,364,400	5,295,000
Series 2020	$ 23,000,000	11/10/2020	2.0 - 5.0%	9/3/2040	10,232,700	23,000,000
Series 2021	$ 8,535,000	3/4/2021	2%	3/1/2034	1,441,578	8,535,000
Total General Obligation Bonds					15,657,578	50,300,000
Sales Tax Revenue Bonds						
Secured by Sales Taxes:						
Series 2017	$ 3,675,000	9/1/2017	2.0 - 5.0%	1/1/2029	737,050	3,085,000
Series 2019	$ 8,970,000	10/30/2019	3.0 - 5.0%	1/1/2030	2,041,400	8,275,000
Total Sales Tax Bonds					2,778,450	11,360,000
Total Bonded Debt					$ 18,436,028	$ 61,660,000

All principal and interest requirements are funded in accordance with Louisiana law by the annual ad valorem tax levy on taxable property within the Central Community School District and the avails of a ½% sales and use tax within the Central Community School District within East Baton Rouge Parish. At June 30, 2021 the School System has accumulated $6,336,087 in the Debt Service Funds for future debt requirements. The bonds are due, by years, as follows:

	General Obligation Bonds:			Sales Tax Bonds:		
Year Ending June 30,	Principal Payments	Interest Payments	Total	Principal Payments	Interest Payments	Total
2022	$ 3,145,000	$ 1,936,328	$ 5,081,328	$ 1,035,000	$ 518,550	$ 1,553,550
2023	3,280,000	1,825,275	5,105,275	1,105,000	473,000	1,578,000
2024	3,440,000	1,695,025	5,135,025	1,155,000	433,350	1,588,350
2025	3,600,000	1,542,500	5,142,500	1,225,000	391,800	1,616,800
2026	3,775,000	1,391,100	5,166,100	1,300,000	330,550	1,630,550
2027-2031	17,325,000	4,479,250	21,804,250	5,540,000	631,200	6,171,200
2032-2036	9,360,000	2,137,900	11,497,900	-	-	-
2037-2040	6,375,000	650,200	7,025,200	-	-	-
	50,300,000	15,657,578	65,957,578	11,360,000	2,778,450	14,138,450
Unamortized Premium	6,843,535	-	6,843,535	1,726,464	-	1,726,464
	$ 57,143,535	$ 15,657,578	$ 72,801,113	$ 13,086,464	$ 2,778,450	$ 15,864,914

	Total Bonds		
Year Ending June 30,	Principal Payments	Interest Payments	Total
2022	$ 4,180,000	$ 2,454,878	$ 6,634,878
2023	4,385,000	2,298,275	6,683,275
2024	4,595,000	2,128,375	6,723,375
2025	4,825,000	1,934,300	6,759,300
2026	5,075,000	1,721,650	6,796,650
2027-2031	22,865,000	5,110,450	27,975,450
2032-2036	9,360,000	2,137,900	11,497,900
2037-2040	6,375,000	650,200	7,025,200
	61,660,000	18,436,028	80,096,028
Unamortized Premium	8,569,999	-	8,569,999
	$ 70,229,999	$ 18,436,028	$ 88,666,027

In accordance with Louisiana Revised Statute 39:562, the School System is legally restricted from incurring long-term bonded debt funded by ad valorem taxes, in excess of thirty-five percent of the assessed value of taxable property. At June 30, 2021, the statutory limit is approximately $67,590,000 and outstanding general obligation bonded debt funded by ad valorem taxes totals $50,300,000.

On October 7, 2020, the School System issued $23,000,000 Series 2020 General Obligation School Bonds for the purpose of (i) acquiring and/or improving lands for building erecting and/or improving school buildings and other school related facilities, including, to the extent feasible, those specific school projects set forth in the "Capital Improvement Plan" approved by the School Board on January 9, 2020, and acquiring the necessary equipment and furnishings therefor, title to which shall be in the public, and (ii) paying the cost of issuance of the bonds. The interest rates on the bonds range from 2% to 5%, with final maturity on March 1, 2040. The net proceeds of the bonds were $26,651,466 which included a reoffering premium of $3,943,823 and after payment of $292,357 in cost of issuance.

Current Year Advance Refunding Bonds

On February 2, 2021, the School System issued $8,535,000 Series 2021 General Obligation School Refunding Bonds for the purpose of refunding $7,845,000 of the outstanding balance of the General Obligation School Bonds Series 2014 and interest associated with the Series 2014 Bonds. The net proceeds of $8,878,474 (after receipts of reoffering premium of $276,732 and existing debt service transfer of $66,741, less payment of $168,738 in cost of issuance) were used to purchase U.S. government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the Series 2014 Bonds. This advance refunding was undertaken to decrease total debt service payments over the next 14 years by $494,682 and resulted in an economic gain of $430,029.

Sources:		
Principal Proceeds	$	8,535,000
Premium		276,732
Transfer from Existing Debt Service Reserve		66,741
	$	8,878,473
Uses:		
Deposit to Escrow Fund	$	8,709,735
Issuance Cost		168,738
	$	8,878,473
Cash Flow Difference:		
Old Debt Service Cash Flows	$	12,502,250
Less: New Debt Service Cash Flows		(11,940,827)
Less: Contribution from Sinking Fund		(66,741)
	$	494,682
Economic Gain on Refunding:		
Gross PV Debt Service Savings	$	496,770
Less: Net Contribution from Sinking Funds		(66,741)
Economic Gain	$	430,029

The advance refunding of the Series 2014 General Obligation Bonds resulted in differences between the reacquisition price and the net carrying amount of the old debt of $864,735, which was deferred and is being amortized over the life of the new bonds. This difference is reported in the accompanying financial statements as Deferred Outflow of Resources and is to be charged to operations as a component of interest expense. At June 30, 2021, the unamortized balance is $864,735. Also, as a result of the advance refunding, $7,845,000 of the Series 2014 General Obligation Bonds was considered in-substance defeased and the liability for those bonds was removed from the School System's books. At June 30, 2021, $7,845,000 of the defeased bonds are still outstanding.

Prior Years Advance Refunding

On December 19, 2019, the School System issued $5,720,000 Series 2019 General Obligation School Refunding Bonds for the purpose of refunding $6,415,000 of the outstanding balance of the General Obligation School Bonds Series 2010 and interest associated with the Series 2010 Bonds. The net proceeds of $6,519,838 (after receipt of reoffering premium of $942,538 less payment of $142,700 in cost of issuance) were used to purchase U.S. government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the Series 2010 Bonds. This advance refunding was undertaken to decrease total debt service payments over the next 12 years by $639,387 and resulted in an economic gain of $585,742.

The advance refunding of the Series 2010 General Obligation Bonds resulted in differences between the reacquisition price and the net carrying amount of the old debt of $104,383, which was deferred and is being amortized over the life of the new bonds. This difference is reported in the accompanying financial statements as Deferred Outflow of Resources and is to be charged to operations as a component of interest expense. At June 30, 2021, the unamortized balance is $94,354. Also, as a result of the advance refunding, $6,415,000 of the Series 2010 General Obligation Bonds was considered in-substance defeased and the liability for those bonds was removed from the School System's books. At June 30, 2021, $6,415,000 of the defeased bonds are still outstanding.

On October 30, 2019, the School System issued $8,970,000 Series 2019 Sales Tax Refunding Bonds for the purpose of refunding $11,925,000 of the outstanding balance of the Sales Tax Bonds Series 2010 & 2010A and interest associated with the Series 2010 & 2010A Bonds. The net proceeds of $12,334,577 (after receipt of reoffering premium of $1,358,138.35 less payment of $184,980 in cost of issuance plus an additional $67,275 of sinking fund monies and $2,033,298 of debt service reserve fund monies) were used to purchase U.S. government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the Series 2010 & 2010A Bonds. This advance refunding was undertaken to decrease total debt service payments over the next 12 years by $1,200,823 and resulted in an economic gain of $857,130.

The advance refunding of the Series 2010 & 2010A Sales Tax Bonds resulted in differences between the reacquisition price and the net carrying amount of the old debt of $409,577, which was deferred and is being amortized over the life of the new bonds. This difference is reported in the accompanying financial statements as Deferred Outflow of Resources and is to be charged to operations as a component of interest expense. At June 30, 2021, the unamortized balance is $368,619. Also, as a result of the advance refunding, $11,925,000 of the Series 2010 & 2010A Sales Tax Bonds was considered in-substance defeased and the liability for those bonds was removed from the School System's books. At June 30, 2021, $11,925,000 of the defeased bonds are still outstanding.

On May 25, 2016, the School System issued $6,445,000 General Obligation School Refunding Bonds Series 2016 for the purpose of refunding $6,630,000 of the outstanding balance of the General Obligation School Refunding Bonds Series 2009 and interest associated with the Series 2009 Bonds. The net proceeds of $7,286,948 (after payment of $140,472 in cost of issuance plus an additional $74,818 of the sinking fund monies) were used to purchase U.S. government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the Series 2009 Bonds. This advance refunding was undertaken to decrease total debt service payments over the next 13 years by $473,924 and resulted in an economic gain of $416,131.

The advance refunding of the Series 2009 Bonds resulted in differences between the reacquisition price and the net carrying amount of the old debt of $656,948, which was deferred and is being amortized over the life of the new bonds. This difference is reported in the accompanying financial statements as Deferred Outflow of Resources and is to be charged to operations as a component of interest expense. At June 30, 2021, the unamortized balance is $404,275. Also, as a result of the advance refunding of the Series 2009 Bonds, $6,630,000 of the Series 2009 Bonds were considered in-substance defeased and the liability for those bonds was removed from the School System's books. During 2021, the Series 2009 defeased bonds were paid off.

On September 1, 2017, the School System issued $6,925,000 Series 2017 General Obligation School Refunding Bonds for the purpose of refunding $7,325,000 of the outstanding balance of the General Obligation School Bonds Series 2009A and interest associated with the Series 2009A Bonds. The net proceeds of $7,787,383 (after receipt of reoffering premium of $1,009,893 less payment of $143,909 in cost of issuance) were used to purchase U.S. government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the Series 2009A Bonds. This advance refunding was undertaken to decrease total debt service payments over the next 12 years by $269,763 and resulted in an economic gain of $230,474.

The advance refunding of the Series 2009A General Obligation Bonds resulted in differences between the reacquisition price and the net carrying amount of the old debt of $462,383, which was deferred and is being amortized over the life of the new bonds. This difference is reported in the accompanying financial statements as Deferred Outflow of Resources and is to be charged to operations as a component of interest expense. At June 30, 2021, the unamortized balance is $308,255. Also, as a result of the advance refunding, $7,325,000 of the Series 2009A General Obligation Bonds was considered in-substance defeased and the liability for those bonds was removed from the School System's books. During 2021, the defeased bonds were paid off.

On September 1, 2017, the School System issued $3,675,000 Series 2017 Sales Tax Refunding Bonds for the purpose of refunding $3,915,000 of the outstanding balance of the Sales Tax Bonds Series 2009 and interest associated with the Series 2009 Bonds. The net proceeds of $4,188,502 (after receipt of reoffering premium of $564,121 less payment of $75,280 in cost of issuance plus an additional $29,400 of sinking fund monies and $25,006 of debt service reserve fund monies) were used to purchase U.S. government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the Series 2009 Bonds. This advance refunding was undertaken to decrease total debt service payments over the next 13 years by $231,906 and resulted in an economic gain of $195,443.

The advance refunding of the Series 2009 Sales Tax Bonds resulted in differences between the reacquisition price and the net carrying amount of the old debt of $273,502, which was deferred and is being amortized over the life of the new bonds. This difference is reported in the accompanying financial statements as Deferred Outflow of Resources and is to be charged to operations as a component of interest expense. At June 30, 2021, the unamortized balance is $182,335. Also, as a result of the advance refunding, $3,915,000 of the Series 2009 Sales Tax Bonds was considered in-substance defeased and the liability for those bonds was removed from the School System's books. During 2021, the defeased bonds were paid off.

Compensated Absences

At June 30, 2021, employees of the School System have accumulated and vested $2,275,468 of employee leave benefits, which was computed in accordance with GASB Codification Section C60.

Post-Employment Benefits Other Than Pensions (OPEB)

Plan Description. The Central Community School System's defined benefit OPEB plan, CCSS Employee/Retiree Health Insurance plan, provides medical benefits through insured programs, and these benefits are made available to employees upon actual retirement. CCSS Employee/Retiree Health Insurance plan is a single employer OPEB plan which is administered by the School System. The plan is authorized by the School System's Board. Article 11 of the State Compiled Statutes grants the authority to establish and amend the benefit terms and financing requirements to the School System's Board. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75. Substantially all of the school system's employees become eligible for these benefits when they reach retirement age while working for the system. Benefits are available to employees upon retirement according to retirement eligibility provisions as follows: If date of hire is before 1/1/2011: (1) Age 60 with at least 5 years of service credit; (2) Age 55 with at least 25 years of service credit; (3) any age with at least 30 years of service credit; If date of hire is after 1/1/2011, age 60 with at least 5 years of service with the exception that some food service employees must have 30 years of service and be age 55. These benefits for retirees are similar to benefits for active employees provided through an insurance company. Premiums are paid jointly by the school system and retiree. Entitlement to benefits continues through Medicare to death.

A new policy was adopted prior to the June 30, 2015 fiscal year end which states that any employee who retires on or before June 30, 2015 shall have the following option: The retiree and qualified dependent who qualifies for Medicare coverage can choose to keep the School System's subsidized retiree medical insurance benefits. Retirees younger than 65 on June 30, 2015 must choose this option within 30 days from their qualifying birthday or coverage will be terminated. In addition, any employee who retires on or after July 1, 2015 and who qualifies for Medicare will no longer be eligible for retiree medical insurance benefits from the School System. Further, such retirees' eligible dependents who qualify for Medicare will not be eligible for benefits either.

Health coverage includes a fully insured group health maintenance plan together with Medicare plans for those eligible. The plan provisions are contained in the official plan documents. Life insurance coverage is also available to retirees.

Contribution Rates. Employees do not contribute to their post-employment benefits costs until they become retirees and begin receiving those benefits. The plan provisions and contribution rates are contained in the official plan documents.

Employees Covered by Benefit Terms. At June 30, 2021, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	45
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	480
	525

Total OPEB Liability. The School System's total OPEB liability of $12,716,934 was measured as of June 30, 2021, and was determined by an actuarial valuation as of that date.

Changes in the Total OPEB Liability

Total OPEB Liability - Beginning	$ 11,911,274
Changes for the year:	
Service Cost	381,037
Interest	249,659
Changes to Benefit Terms	-
Differences Between Expected and Actual Experience	333,828
Changes in Assumptions or Other Inputs	648,710
Benefit Payments	(807,574)
Net Changes to Total OPEB Liability	805,660
Total OPEB Liability - Ending	$ 12,716,934

Changes in assumptions or other inputs between 2020 and 2021 reflect the following changes:

1) The discount rate was decreased from 2.6% to 2.1%.
2) The contribution trends, stop loss trends and expense trends were revised using updated contribution, stop loss and expense rates, respectively.
3) The mortality rates were updated to reflect the PubG.H-2010 Employee and Healthy Retiree Mortality Tables, Generational with Projection Scale MP-2020.

All other assumptions and inputs remained the same.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate. The following presents the total OPEB liability of the School System, as well as what the School System's total 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:

	Changes in Discount Rate		
	1% Decrease 1.1%	Discount Rate 2.1%	1% Increase 3.1%
Total OPEB Liability	$ 14,475,748	$ 12,716,934	$ 11,249,969

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates. The following presents the total OPEB liability of the School System, as well as what the School System's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower or 1 percentage point higher than the current healthcare cost trend rates:

	Changes in Healthcare Cost Trend Rates		
	1% Decrease	Base Trend Rate	1% Increase
Total OPEB Liability	$ 11,040,451	$ 12,716,934	$ 14,745,871

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2021, the School System recognized OPEB expense of $1,025,217. At June 30, 2021, the School System 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	$ 812,361	$ 261,649
Changes in Assumptions or Other Inputs	688,799	763,663
Total	$ 1,501,160	$ 1,025,312

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

Year Ended June 30	Outflows	Inflows
2022	$ 1,369,846	$ 148,250
2023	26,280	148,250
2024	26,280	148,250
2025	26,280	148,250
2026	26,280	148,250
2027 and Later	26,194	284,062
	$ 1,501,160	$ 1,025,312

Actuarial Assumptions and Other Inputs. The total OPEB liability in the June 30, 2021 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified.

Actuarial Cost Method. As required by GASB Statement 75, the OPEB liability is determined using the Entry Age Level Percent of Pay cost method.

Discount Rate. GASB Statement 75 states that the discount rate should be equal to the expected yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher (or equivalent quality on another rating scale), determined as of the measurement date, which in this case is June 30, 2021. An average of the S&P Municipal Bond 20 Year High Grade Rate Index of 2.18% and the Fidelity General Obligation AA 20 Year Yield of 1.92% was 2.1%, which is the discount rate used in this valuation.

Actuarial Value of Plan Assets. There are no assets as the School System has not established a separate trust to hold the separate plan assets as of June 30, 2021.

Turnover Rate. A years-of-service related turnover scale based on actual experience as determined by the actuary for the Teachers' Retirement System, adjusted using a scalar of 1.20 to reflect CCSS experience over the period of 2015-2019. The rates for each age follow:

Sample	Years of Service			
Age	0 - 1	1 - 2	2 - 3	4+
20	30.0%	30.0%	19.8%	20.4%
25	21.6%	16.2%	19.8%	10.8%
30	21.6%	16.2%	13.6%	8.4%
35	19.8%	15.6%	11.8%	6.0%
40	19.8%	14.4%	10.8%	5.0%
45	18.0%	14.4%	10.8%	5.0%
50	18.0%	14.4%	10.8%	5.0%
55	18.0%	14.4%	10.8%	5.0%
60	18.0%	14.4%	10.8%	12.0%
65	18.0%	14.4%	10.8%	12.0%
70	18.0%	14.4%	10.8%	12.0%
75	0.0%	0.0%	0.0%	0.0%

Post-Employment Benefit Plan Eligibility Requirements. It is assumed that entitlement to benefits will commence after earliest eligibility to retire. Eligibility for these benefits is described above in the Plan Description.

Health Care Cost Trend Rate. Rates were developed using the baseline projection of the SOA Long-Run Medical Cost Trend Model including observation and extrapolation of plan experience. The plan assumes a medical inflation rate of 5.8% beginning in 2021, decreasing to a rate of 4.0% ultimately. Other input variables included the following: rate of inflation 2.5%, rate of growth in real income/GDP per capita 1.5%, salary increases of 2.0% level per annum, extra trend due to technology and other factors 1.1%, health share of GDP resistance point 25.0%, and year for limiting cost growth to GDP growth 2075. Participation of future retirees in the plan was estimated at 75%, derived based on a review of plan experience over the period of 2010-2020, with 25% of the retirees' spouses electing coverage in the plan, derived based on a review of plan experience. Future retiree plan election are based on current retiree elections with those less than 65 using HDHP: 47%, $0 Ded: 53%, $1,000 Ded: 0%, and those greater than 65 using HDHP: 47%, $0 Ded: 53%, $1,000 Ded 0%. Husbands were assumed to be three years older than wives.

Mortality Rate: For pre-retirement mortality, the PubG.H-2010 Employee Mortality Table, generational with projection scale MP-2020 were used. For post-retirement mortality, the PubG.H-2010 Healthy Retiree Mortality Table, generational with projection scale MP-2020 were used.

Method of Determining Value of Benefits. The "value of benefits" has been assumed to be the portion of the premium after retirement date expected to be paid by the employer for each retiree and has been used as the basis for calculating the actuarial present value of OPEB benefits to be paid. The rates for active and retired were "age" adjusted and were derived from the premiums trended to the valuation date and adjusted to the risk characteristics of the group.

(11) Group Health Self Insurance

The School System self-insures the group health coverage for employees. Each month, the School System funds an account with an amount equal to what would be required for premiums if the previous policy had continued. From this account, the health claims of employees are paid, as well as a premium for stop-loss insurance which caps the claims per employee at $50,000 per policy year. As of June 30, 2021, the School System has accrued a liability as of June 30, 2021 in the amount of $303,681 based on a search of actual claims subsequent to the balance sheet date as well as a reserve for claims incurred but not yet reported.

(12) Litigation and Claims

At June 30, 2021, the School System is involved in several lawsuits. It is the opinion of the legal adviser for the School System that the ultimate resolution of these lawsuits will not involve any material liability to the School System in excess of insurance coverage and amounts recorded in these financial statements.

(13) Fund Balances

General Fund - Assigned To Other Post-Employment Benefits -

During the fiscal year ended June 30, 2013, the School System passed a motion to set aside funds in the amount of $2,000,000 in the General Fund to be used to fund the Other Post-Employment Benefits trust fund plan when adopted. As of June 30, 2021, a trust fund plan has not been adopted.

(14) COVID-19 Pandemic

The COVID-19 outbreak in the United States and globally has caused an economic downturn on a global scale, disrupted global supply chains, and created significant uncertainty, volatility, and disruption across economies and financial markets. Therefore, uncertainty remains regarding the ongoing impact of the COVID-19 outbreak upon the School System's financial condition and future results of operations, as well as upon the significant estimates and assumptions that may be utilized in reporting certain assets and liabilities.

(15) Budget Variance - Special Revenue Fund

The School Food Service Fund – Special Revenue Fund had actual expenditures with an unfavorable budget variance exceeding 5% for the year ended June 30, 2021.

Final Budget	Actual	Unfavorable Variance	Unfavorable Variance Percentage
$ 2,822,950	$ 3,094,927	$ 271,977	9.63%

(16) Subsequent Events

Management has evaluated subsequent events through March 14, 2022, the date which the financial statements were available to be issued.

REQUIRED SUPPLEMENTARY INFORMATION

CENTRAL COMMUNITY SCHOOL SYSTEM

SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY BY PLAN

FOR THE YEAR ENDED JUNE 30, 2021*

Fiscal Year	Employer's Proportion of the Net Pension Liability	Employer's Proportionate Share of the Net Pension Liability	Employer's Covered Payroll	Employer's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
Teachers' Retirement System of Louisiana:					
2015	0.47400%	$ 48,449,904	$ 21,139,123	229.20%	63.65%
2016	0.46749%	50,266,265	21,414,781	234.73%	62.47%
2017	0.48754%	57,222,015	21,369,156	267.78%	59.90%
2018	0.46743%	47,920,658	21,953,214	218.29%	59.90%
2019	0.49702%	48,847,047	22,829,919	213.96%	68.17%
2020	0.46429%	46,078,799	22,668,391	203.27%	68.57%
2021	0.47405%	52,731,174	22,924,574	230.02%	65.61%
State of Louisiana School Employees' Retirement System:					
2015	0.02180%	$ 126,193	$ 53,516	235.80%	76.18%
2016	0.01887%	119,628	52,725	226.89%	74.49%
2017	0.01899%	143,273	53,946	265.59%	70.09%
2018	0.03450%	220,747	98,747	223.55%	70.09%
2019	0.03556%	237,568	102,337	232.14%	74.44%
2020	0.01082%	75,765	31,489	240.61%	73.49%
2021	0.00965%	77,526	28,857	268.66%	69.67%

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

*For TRSL and LSERS, the amounts presented have a measurement date of the previous fiscal year end.

See independent auditor's report.

CENTRAL COMMUNITY SCHOOL SYSTEM

SCHEDULE OF CONTRIBUTIONS BY PLAN

FOR THE YEAR ENDED JUNE 30, 2021

Fiscal Year	Contractually Required Contributions	Contributions in Relation to Contractually Required Contributions	Contribution Deficiency (Excess)	Employer's Covered Payroll	Contributions as a % of Covered Payroll
Teachers' Retirement System of Louisiana:					
2015	$ 5,983,374	$ 5,974,194	$ 9,180	$ 21,414,781	27.90%
2016	5,740,130	5,741,199	(1,069)	21,369,156	26.87%
2017	5,587,028	5,587,028	-	21,953,214	25.45%
2018	6,078,264	6,078,264	-	22,829,919	26.62%
2019	6,057,826	6,057,826	-	22,668,391	26.72%
2020	5,978,221	5,978,221	-	22,924,574	26.08%
2021	6,225,028	6,225,028		24,883,062	25.02%
State of Louisiana School Employees' Retirement System:					
2015	$ 17,399	$ 17,476	$ (77)	$ 52,725	33.15%
2016	16,292	16,292	-	53,946	30.20%
2017	26,958	26,958	-	98,747	27.30%
2018	28,245	28,245	-	102,337	27.60%
2019	8,817	8,817	-	31,489	28.00%
2020	8,484	8,484	-	28,857	29.40%
2021	-	-	-	-	0.00%

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

See independent auditor's report.

Schedule 3

CENTRAL COMMUNITY SCHOOL SYSTEM

SCHEDULE OF CHANGES IN THE SCHOOL SYSTEM'S
TOTAL OPEB LIABILITY AND RELATED RATIOS

FOR THE YEAR ENDED JUNE 30, 2021

Total OPEB Liability	2021	2020	2019	2018	2017	2016	2015
Service Cost	$ 381,037	$ 336,202	$ 325,920	$ 319,529	$ 336,812	$ 336,812	$ 639,379
Interest	249,659	246,560	284,237	319,853	314,437	257,883	312,259
Changes to Benefit Terms	-	-	180,647	-	-	-	-
Differences Between Expected and Actual Experience	333,828	1,936,341	(232,143)	(459,228)	(63,394)	(448,485)	-
Changes in Assumptions or Other Inputs	648,710	620,548	(17,827)	(29,432)	(1,292,067)	315,277	-
Benefit Payments	(807,574)	(750,535)	(334,672)	(415,447)	(397,413)	(374,942)	(250,192)
Net Change in Total OPEB Liability	805,660	2,389,116	206,162	(264,725)	(1,101,625)	86,545	701,446
Total OPEB Liability - Beginning	11,911,274	9,522,158	9,315,996	9,580,721	10,682,346	10,595,801	9,894,355
Total OPEB Liability - Ending	$ 12,716,934	$ 11,911,274	$ 9,522,158	$ 9,315,996	$ 9,580,721	$ 10,682,346	$ 10,595,801
Covered Employee Payroll	$ 23,986,321	$ 23,516,001	$ 22,524,677	$ 22,083,017	$ 17,595,198	$ 17,595,198	$ 19,683,240
Total OPEB Liability as a Percentage of Covered Employee Payroll	53.02%	50.65%	42.27%	42.19%	54.45%	60.71%	53.83%

Notes to Schedule

There are no plan assets accumulated in a trust to pay OPEB benefits.

Changes of assumptions and other inputs between 2020 and 2021:

1) The discount rate was decreased from 2.6% to 2.1%.

2) The contribution trends, stop loss trends and expense trends were revised using updated contribution, stop loss and expense rates, respectively.

3) The mortality rates were updated to reflect the PubG.H-2010 Employee and Healthy Retiree Mortality Tables, Generational with Projection Scale MP-2020.

All other assumptions and inputs remained the same.

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

See independent auditor's report.

Pension Liability:

Changes of Benefit Terms

Teachers' Retirement System of Louisiana (TRSL):

- There were no changes of benefit terms for the years ended June 30, 2021, 2020, 2019, 2018, 2017, and 2016.
- A 1.5% cost of living adjustment (COLA), effective July 1, 2014, provided by Act 102 of the 2014 Louisiana Regular Legislative Session.

State of Louisiana School Employees' Retirement System (LSERS):

- There were no changes of benefit terms for the years ended June 30, 2021, 2020, 2019, 2018, 2017, 2016, and 2015.

Changes in Assumptions

Teachers' Retirement System of Louisiana (TRSL):

- Assumptions regarding the discount rate changed from 7.55% to 7.45% in performing the June 30, 2020 valuation (used to measure the June 30, 2021 net pension liability).
- Assumptions regarding the discount rate changed from 7.65% to 7.55% in performing the June 30, 2019 valuation (used to measure the June 30, 2020 net pension liability).
- Assumptions regarding the discount rate changed from 7.70% to 7.65% in performing the June 30, 2018 valuation (used to measure the June 30, 2019 net pension liability).
- Assumptions regarding the discount rate changed from 7.75% to 7.70% in performing the June 30, 2017 valuation (used to measure the June 30, 2018 net pension liability).

State of Louisiana School Employees' Retirement System (LSERS):

- Assumptions regarding the discount rate changed from 7.0625% to 7.00% in performing the June 30, 2018 valuation (used to measure the June 30, 2019 net pension liability).
- Assumptions regarding the discount rate changed from 7.125% to 7.0625% in performing the June 30, 2017 valuation (used to measure the June 30, 2018 net pension liability).
- Assumptions regarding the discount rate changed from 7.00% to 7.125% in performing the June 30, 2016 valuation (used to measure the June 30, 2017 net pension liability).
- Assumptions regarding the discount rate changed from 7.25% to 7.00% in performing the June 30, 2015 valuation (used to measure the June 30, 2016 net pension liability).

SCHEDULES REQUIRED BY STATE LAW

(R.S. 24:514 - PERFORMANCE AND STATISTICAL DATA)

HTB Hannis T. Bourgeois
CPAs + Business Advisors

2322 Tremont Drive ● Baton Rouge, LA 70809
1254 Del Este Avenue, Suite 1101 ● Denham Springs, LA 70726
Phone: 225.928.4770 ● Fax: 225.926.0945
650 Poydras Street, Suite 1200 ● New Orleans, LA 70130
Phone: 504.274.0200 ● Fax: 504.274.0201
www.htbcpa.com

Independent Accountant's Report on Applying Agreed-Upon Procedures

To the Members of the Board of the
Central Community School System,
the Louisiana Department of Education,
and the Louisiana Legislative Auditor

We have performed the procedures enumerated below on the performance and statistical data accompanying the annual financial statements of Central Community School System for the fiscal year ended June 30, 2021; and to determine whether the specified schedules are free of obvious errors and omissions, in compliance with Louisiana Revised Statute 24:514.I. Management of the Central Community School System is responsible for its performance and statistical data.

The Central Community School System has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the performance and statistical data accompanying the annual financial statements. Additionally, the Louisiana Department of Education and the Louisiana Legislative Auditor have agreed to and acknowledged that the procedures performed are appropriate for their purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

General Fund Instructional and Support Expenditures and Certain Local Revenue Sources (Schedule 4)

1. We selected a sample of 25 transactions, reviewed supporting documentation, and observed that the sampled expenditures/revenues are classified correctly and are reported in the proper amounts among 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
   - Nonpublic Transportation Revenue

   (No Differences Noted)

Class Size Characteristics (Schedule 5)

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 roll books for those classes and observed that the class was properly classified on the schedule.

   (No Differences Noted)

Education Levels/Experience of Public School Staff (NO SCHEDULE)

3. We obtained October 1st PEP data submitted to the Department of Education (or equivalent listing prepared by management), including full-time teachers, principals, and assistant principals by classification, as well as their level of education and experience, and obtained management's representation 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.

   (No Differences Noted)

Public School Staff Data: Average Salaries (NO SCHEDULE)

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

   (No Differences Noted)

We were engaged by the Central Community School System to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants, and the standards applicable to attestation engagements contained in *Government Auditing Standards*, issued by the United States Comptroller General. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the performance and statistical data. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the Central Community School System and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely to describe the scope of testing performed on the performance and statistical data accompanying the annual financial statements of the Central Community School System, 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.

Respectfully submitted,

Harris T. Bourgeois, LLP

Denham Springs, Louisiana
March 14 2022

Schedule 4 - General Fund Instructional and Support Expenditures and Certain Local Revenue Sources

This schedule includes general fund instructional and equipment expenditures. It also contains local taxation revenue, earnings on investments, revenue in lieu of taxes, and nonpublic textbook and transportation revenue. This data is used either in the Minimum Foundation Program (MFP) formula or is presented annually in the MFP 70% Expenditure Requirement Report.

Schedule 5 - Class Size Characteristics

This schedule includes the percent and number of classes with student enrollment in the following ranges: 1-20, 21-26, 27-33, and 34+ students.

CENTRAL COMMUNITY SCHOOL SYSTEM

GENERAL FUND INSTRUCTIONAL AND SUPPORT EXPENDITURES AND CERTAIN LOCAL REVENUE SOURCES

FOR THE YEAR ENDED JUNE 30, 2021

General Fund Instructional and Equipment Expenditures	Column A	Column B
General Fund Instructional Expenditures:		
Teacher and Student Interaction Activities:		
Classroom Teacher Salaries	$ 16,257,967	
Other Instructional Staff Activities	886,341	
Employee Benefits	6,748,505	
Purchased Professional and Technical Services	717,500	
Instructional Materials and Supplies	1,735,451	
Instructional Equipment	5,885	
Total Teacher and Student Interaction Activities		$ 26,351,649
Other Instructional Activities		638,193
Pupil Support Activities	2,317,465	
Less: Equipment for Pupil Support Activities	-	
Net Pupil Support Activities		2,317,465
Instructional Staff Services	1,512,810	
Less: Equipment for Instructional Staff Services	-	
Net Instructional Staff Services		1,512,810
School Administration	2,280,439	
Less: Equipment for School Administration	-	
Net School Administration		2,280,439
Total General Fund Instructional Expenditures (Total Column B)		$ 33,100,556
Total General Fund Equipment Expenditures		$ -

(CONTINUED)

CENTRAL COMMUNITY SCHOOL SYSTEM

GENERAL FUND INSTRUCTIONAL AND SUPPORT EXPENDITURES
AND CERTAIN LOCAL REVENUE SOURCES (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2021

Certain Local Revenue Sources

Local Taxation Revenue:	
Ad Valorem Taxes	
Constitutional Ad Valorem Taxes	$ 669,141
Renewable Ad Valorem Tax	5,556,465
Debt Service Ad Valorem Tax	4,532,409
Up to 1% of Collections by the Sheriff on Taxes Other than School Taxes	274,125
Sales and Use Taxes	11,616,225
Total Local Taxation Revenue	$ 22,648,365
Local Earnings on Investment in Real Property:	
Earnings from 16th Section Property	$ 8,000
Earnings from Other Real Property	-
Total Local Earnings on Investment in Real Property	$ 8,000
State Revenue in Lieu of Taxes:	
Revenue Sharing - Constitutional Tax	$ -
Revenue Sharing - Other Taxes	-
Revenue Sharing - Excess Portion	-
Other Revenue in Lieu of Taxes	-
Total State Revenue in Lieu of Taxes	$ -
Nonpublic Textbook Revenue	$ 20,447
Nonpublic Transportation Revenue	$ -

See independent auditor's report.

CENTRAL COMMUNITY SCHOOL SYSTEM

CLASS SIZE CHARACTERISTICS

FOR THE YEAR ENDED JUNE 30, 2021

	Class Size Range							
	1 - 20		21 - 26		27 - 33		34+	
School Type	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Elementary Activity Classes	28.7%	43	70.0%	105	0.0%	-	1.3%	2
Elementary	38.4%	316	60.6%	499	0.0%	-	1.0%	8
High Activity Classes	93.0%	147	5.7%	9	1.3%	2	0.0%	-
High	65.5%	420	27.3%	175	2.2%	14	5.0%	32
Middle/Jr. High Activity Classes	20.0%	10	54.0%	27	18.0%	9	8.0%	4
Middle/Jr. High	47.1%	163	35.6%	123	17.3%	60	0.0%	-

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

See independent auditor's report.

OTHER SUPPLEMENTARY INFORMATION

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special Revenue Funds account for the proceeds of specific revenue sources (other than special assessment, expendable trusts, or for major capital projects) that are legally restricted to expenditures for specific purposes.

Federal Grants Fund - The Federal Grants Fund is used to account for all Federal Grants not accounted for in the other Special Revenue funds. These programs include the Public Assistance grant, the Education Stabilization Fund, the Education Jobs Fund grant, the Vocational Education (Carl Perkins) grant, the Capital Area Human Resources Prevention grant, the Mathematics and Science Partnership grant, and the Enhancing Education Through Technology grant.

Improving America's Schools Act Fund includes the following programs:

Title I - Grants to Local Educational Agencies

Title I includes programs primarily in the areas of reading and math. These programs strive to meet the special needs of economically and educationally deprived children through federal funding for teachers, aids, instructional material, equipment and parental involvement.

Title II - Education for Economy Security Act

The Education for Economy Security Act is a federally funded program to provide financial assistance to improve the skills of teaching and instruction in mathematics, science, computer learning, and foreign languages; and increase the access of all students to this instruction.

Special Education Fund - Individuals with Disabilities Education Act

Individuals with Disabilities Education Act IDEA Part B is a federally funded program designed to assist states in providing free, appropriate education to all children with exceptionalities from 3 to 21 years of age in the least restrictive environment.

School Food Service Fund - The School Lunch Fund is a program that provides the students with balanced and nutritious meals. This program is federally financed, state-administered, and locally operated by the School System.

Student (School) Activities Fund – The Student (School) Activities Fund is used to account for monies generated by the individual schools and school organizations within the system. While the school activity accounts are under the supervision of the School System, they belong to the individual schools or their student bodies and are not available for use by the School System.

CAPITAL PROJECTS FUNDS

Capital Projects Funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

Proposition No. 1 Fund - This fund is used to account for the costs of major repairs and renovation of existing schools.

DEBT SERVICE FUNDS

Debt Service Funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditures for principal and interest and related costs for each type of bond issued.

Sales Tax Bonds Fund – This fund is used to accumulate sales tax revenues collected for the repayment of sales tax revenue bonds. In addition, this fund accounts for the repayment of the sales tax revenue bond principal and interest repayments and for other expenses authorized by the voters within the School System.

Schedule 6

CENTRAL COMMUNITY SCHOOL SYSTEM

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS

JUNE 30, 2021

	Special Revenue Funds						Debt Service Fund	Capital Projects Fund	
ASSETS	Federal Grants	Improving America's Schools Act	Special Education	School Food Service	Student Activities	Total	Sales Tax Bonds	Proposition No. 1	Total Nonmajor Governmental Funds
Cash	$ -	$ -	$ -	$ 412,136	$ 1,034,708	$ 1,446,844	$ -	$ 2,095,896	$ 3,542,740
Receivables	1,138,747	202,464	124,920	11,838	-	1,477,969	328,897	-	1,806,866
Inventory	-	-	-	86,499	-	86,499	-	-	86,499
Due From Other Funds	-	-	-	71,520	-	71,520	-	-	71,520
Restricted Asset:									
Cash and Cash Equivalents	-	-	-	-	-	-	1,588,014	-	1,588,014
Total Assets	$ 1,138,747	$ 202,464	$ 124,920	$ 581,993	$ 1,034,708	$ 3,082,832	$ 1,916,911	$ 2,095,896	$ 7,095,639
LIABILITIES AND FUND BALANCES									
Liabilities:									
Accounts, Salaries and Other Payables	$ 41,803	$ 36,121	$ 5,518	$ 824	$ -	$ 84,266	$ -	$ 7,400	$ 91,666
Due to Other Funds	872,453	166,343	119,402	-	-	1,158,198	1,677,307	9,968	2,845,473
Total Liabilities	914,256	202,464	124,920	824	-	1,242,464	1,677,307	17,368	2,937,139
Deferred Inflows of Resources:									
Deferred Inflows of Resources- Unavailable Intergovernmental Revenues	224,491	-	-	-	-	224,491	-	-	224,491
Fund Equity:									
Fund Balances - Nonspendable:									
Inventory	-	-	-	86,499	-	86,499	-	-	86,499
Restricted For:									
Capital Projects								2,043,172	2,043,172
Student Activities	-	-	-	-	1,034,708	1,034,708	-	-	1,034,708
Debt Service	-	-	-	-	-	-	-	-	-
Committed For:									
Construction Contracts	-	-	-	-	-	-	-	35,356	35,356
Assigned To:									
Capital Projects	-	-	-	-	-	-	-	-	-
School Lunch Program	-	-	-	494,670	-	494,670	-	-	494,670
Unassigned	-	-	-	-	-	-	239,604	-	239,604
Total Fund Balances	-	-	-	581,169	1,034,708	1,615,877	239,604	2,078,528	3,934,009
Total Liabilities and Fund Equity	$ 1,138,747	$ 202,464	$ 124,920	$ 581,993	$ 1,034,708	$ 3,082,832	$ 1,916,911	$ 2,095,896	$ 7,095,639

See independent auditor's report.

Schedule 7

CENTRAL COMMUNITY SCHOOL SYSTEM

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2021

	Special Revenue Funds						Debt Service Fund	Capital Projects Fund	Total Nonmajor Governmental Funds
	Federal Grants	Improving America's Schools Act	Special Education	School Food Service	Student Activities	Total	Sales Tax Bonds	Proposition No. 1	
Revenues:									
Local Sources:									
Taxes:									
Sales and Use	$ -	$ -	$ -	$ -	$ -	$ -	$ 2,323,245	$ -	$ 2,323,245
Food Services	-	-	-	49,727	-	49,727	-	-	49,727
Student Activities	-	-	-	-	1,176,564	1,176,564	-	-	1,176,564
State Sources:									
Unrestricted Grants-in-Aid	-	-	-	150,000	-	150,000	-	-	150,000
Restricted Grants-in-Aid	-	-	-	-	-	-	-	1,000,000	1,000,000
Federal Sources:									
Unrestricted - Indirect Cost Recoveries	130,607	29,228	28,879	-	-	188,714	-	-	188,714
Restricted Grants-in-Aid - Subgrants	1,774,359	895,280	896,212	2,885,913	-	6,451,764	-	-	6,451,764
Other-Commodities	-	-	-	211,438	-	211,438	-	-	211,438
Total Revenues	1,904,966	924,508	925,091	3,297,078	1,176,564	8,228,207	2,323,245	1,000,000	11,551,452
Expenditures:									
Instruction:									
Regular Programs	1,323,574	-	-	-	179,014	1,502,588	-	-	1,502,588
Special Education Programs	-	-	418,366	-	-	418,366	-	-	418,366
Other Programs	269,818	21,846	-	-	759,923	1,051,587	-	-	1,051,587
Special Programs	-	309,488	-	-	-	309,488	-	-	309,488
Support Services:									
Pupil Support	10,629	198	353,681	-	-	364,508	-	-	364,508
Instructional Staff Support	50,915	417,202	83,468	-	-	551,585	-	-	551,585
General Administration	-	-	-	-	-	-	22,835	-	22,835
School Administration	3,515	-	-	-	128,791	132,306	-	-	132,306
Plant Services	1,400	-	-	-	-	1,400	-	258,669	260,069
Central Services	17,549	146,546	40,697	-	-	204,792	-	-	204,792
Non-Instructional Services:									
Food Services	-	-	-	3,094,927	-	3,094,927	-	-	3,094,927
Capital Outlay	-	-	-	-	-	-	-	1,725,028	1,725,028
Debt Service:									
Principal Retirement	-	-	-	-	-	-	995,000	-	995,000
Interest and Bank Charges	-	-	-	-	-	-	513,659	-	513,659
Total Expenditures	1,677,400	895,280	896,212	3,094,927	1,067,728	7,631,547	1,531,494	1,983,697	11,146,738

(CONTINUED)

Schedule 7
(Continued)

CENTRAL COMMUNITY SCHOOL SYSTEM

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES (CONTINUED)

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2021

	Special Revenue Funds						Debt Service Fund	Capital Projects Fund	Total Nonmajor Governmental Funds
	Federal Grants	Improving America's Schools Act	Special Education	School Food Service	Student Activities	Total	Sales Tax Bonds	Proposition No. 1	
Excess (Deficiency) of Revenues Over Expenditures	227,566	29,228	28,879	202,151	108,836	596,660	791,751	(983,697)	404,714
Other Financing Sources (Uses):									
Transfers In	-	-	-	-	-	-	-	925,787	925,787
Transfers Out	(130,607)	(29,228)	(28,879)	-	-	(188,714)	(500,000)	-	(688,714)
Total Other Financing Sources (Uses)	(130,607)	(29,228)	(28,879)	-	-	(188,714)	(500,000)	925,787	237,073
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	96,959	-	-	202,151	108,836	407,946	291,751	(57,910)	641,787
Fund Balances (Deficit) at Beginning of Year	(96,959)	-	-	379,018	-	282,059	(52,147)	2,136,438	2,366,350
Prior Period Adjustment - Adoption of GASB 84	-	-	-	-	925,872	925,872	-	-	925,872
Fund Balances (Deficit) at Beginning of Year, Restated	(96,959)	-	-	379,018	925,872	1,207,931	(52,147)	2,136,438	3,292,222
Fund Balances at End of Year	$ -	$ -	$ -	$ 581,169	$ 1,034,708	$ 1,615,877	$ 239,604	$ 2,078,528	$ 3,934,009

See independent auditor's report.

CENTRAL COMMUNITY SCHOOL SYSTEM

SPECIAL REVENUE FUND - FEDERAL GRANTS FUND

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2021

	Original Budget	Final Budget	Actual	Variance with Budget
Revenues:				
Federal Sources:				
Federal Grants	$ 830,974	$ 2,647,194	$ 1,904,966	$ (742,228)
Total Revenues	830,974	2,647,194	1,904,966	(742,228)
Expenditures:				
Instruction:				
Regular Programs	494,099	1,562,713	1,323,574	239,139
Vocational Programs	22,770	-	-	-
Other Programs	212,106	780,505	269,818	510,687
Support Services:				
Pupil Support	-	9,722	10,629	(907)
Instructional Staff Support	41,848	69,463	50,915	18,548
School Administration	-	-	3,515	(3,515)
Plant Services	-	1,400	1,400	-
Central Services	10,200	19,000	17,549	1,451
Total Expenditures	781,023	2,442,803	1,677,400	765,403
Excess of Revenues Over Expenditures	49,951	204,391	227,566	23,175
Other Financing Sources (Uses):				
Transfers In	-	-	-	-
Transfers Out	(49,951)	(204,391)	(130,607)	73,784
Total Other Financing Sources (Uses)	(49,951)	(204,391)	(130,607)	73,784
Excess (Deficiency) of Revenues and Other Sources Over (Under) Expenditures and Other Uses	-	-	96,959	96,959
Fund Balance (Deficit) at Beginning of Year	(96,959)	(96,959)	(96,959)	-
Fund Balance (Deficit) at End of Year	$ (96,959)	(96,959)	$ -	$ 96,959

The notes to the financial statements are an integral part of this statement.

Schedule 8-2

CENTRAL COMMUNITY SCHOOL SYSTEM

SPECIAL REVENUE FUND - IMPROVING AMERICA'S SCHOOLS ACT FUND

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2021

	Original Budget	Final Budget	Actual	Variance with Budget
Revenues:				
Federal Sources:				
Federal Grants	$ 969,397	$ 1,118,429	$ 924,508	$ (193,921)
Total Revenues	969,397	1,118,429	924,508	(193,921)
Expenditures:				
Instruction:				
Other Programs	12,838	3,360	21,846	(18,486)
Special Programs	255,206	347,146	309,488	37,658
Support Services:				
Pupil Support	9,058	10,733	198	10,535
Instructional Staff Support	434,654	523,196	417,202	105,994
Central Services	217,436	197,678	146,546	51,132
Total Expenditures	929,192	1,082,113	895,280	186,833
Excess of Revenues Over Expenditures	40,205	36,316	29,228	(7,088)
Other Financing Sources (Uses):				
Transfers Out	(40,205)	(36,316)	(29,228)	7,088
Total Other Financing Sources (Uses)	(40,205)	(36,316)	(29,228)	7,088
Excess of Revenues and Other Sources Over Expenditures and Other Uses	-	-	-	-
Fund Balance at Beginning of Year	-	-	-	-
Fund Balance at End of Year	$ -	$ -	$ -	$ -

See independent auditor's report.

CENTRAL COMMUNITY SCHOOL SYSTEM

SPECIAL REVENUE FUND - PUBLIC LAW 94-142 - SPECIAL EDUCATION FUND

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2021

	Original Budget	Final Budget	Actual	Variance with Budget
Revenues:				
Federal Sources:				
Federal Grants	$ 1,055,280	$ 1,257,559	$ 925,091	$ (332,468)
Total Revenues	1,055,280	1,257,559	925,091	(332,468)
Expenditures:				
Instruction:				
Special Education Programs	378,601	558,454	418,366	140,088
Support Services:				
Pupil Support	439,180	465,178	353,681	111,497
Instructional Staff Support	154,425	116,125	83,468	32,657
Central Services	35,000	60,000	40,697	19,303
Total Expenditures	1,007,206	1,199,757	896,212	303,545
Excess of Revenues Over Expenditures	48,074	57,802	28,879	(28,923)
Other Financing Sources (Uses):				
Transfers Out	(48,074)	(57,802)	(28,879)	28,923
Total Other Financing Sources (Uses)	(48,074)	(57,802)	(28,879)	28,923
Excess of Revenues and Other Sources Over Expenditures and Other Uses	-	-	-	-
Fund Balance at Beginning of Year	-	-	-	-
Fund Balance at End of Year	$ -	$ -	$ -	$ -

See independent auditor's report.

CENTRAL COMMUNITY SCHOOL SYSTEM

SCHOOL FOOD SERVICE FUND

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2021

	Original Budget	Final Budget	Actual	Variance with Budget
Revenues:				
Local Sources:				
Food Services	$ 7,800	$ 30,600	$ 49,727	$ 19,127
State Sources:				
Unrestricted Grants in Aid	150,000	150,000	150,000	-
Federal Sources:				
Federal Grants	2,161,978	2,400,000	2,885,913	485,913
Other-Commodities	186,873	186,873	211,438	24,565
Total Revenues	2,506,651	2,767,473	3,297,078	529,605
Expenditures:				
Support Services:				
Plant Services	200	125	-	125
Non-Instructional Services:				
Food Services	2,966,556	2,822,825	3,094,927	(272,102)
Total Expenditures	2,966,756	2,822,950	3,094,927	(271,977)
Excess (Deficiency) of Revenues Over Expenditures	(460,105)	(55,477)	202,151	257,628
Fund Balance at Beginning of Year	379,018	379,018	379,018	-
Fund Balance at End of Year	$ (81,087)	$ 323,541	$ 581,169	$ 257,628

See independent auditor's report.

Schedule 9

CENTRAL COMMUNITY SCHOOL SYSTEM

SCHEDULE OF COMPENSATION PAID TO BOARD MEMBERS

FOR THE YEAR ENDED JUNE 30, 2021

Dr. James W. Gardner, President	$	8,500
Dr. Keith Holmes, Vice President		7,800
Roxanne Atkinson, President		8,300
Dr. David Walker		7,800
Ruby W. Foil		7,800
Sharon Watts Browning		7,800
Phillip Graham		3,900
Total	$	51,900

Term of Current Board Expires December 31, 2022.

See independent auditor's report.

CENTRAL COMMUNITY SCHOOL SYSTEM

SCHEDULE OF COMPENSATION, BENEFITS, AND OTHER PAYMENTS TO AGENCY HEAD

FOR THE YEAR ENDED JUNE 30, 2021

In accordance with Louisiana Revised Statute 24:513A, the following is a Schedule of Compensation and Benefits received by the Superintendent, who was the acting agency head, for the year ended June 30, 2021:

	Dr. Jason Fountain
Salary	$ 148,280
Conference Travel	143
Membership Dues	525
Registration Fees	1,644
Housing, Car, & Phone Allowance	14,400
Total	$ 164,992

Schedule 11

CENTRAL COMMUNITY SCHOOL SYSTEM

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEAR ENDED JUNE 30, 2021

Federal Grantor/Pass - Through Grantor/Assistance Listing Program	Assistance Listing Number	Agency or Pass-Through Number	Passed-through to Subrecipients	Federal Expenditures
United States Department of Agriculture				
Passed Through Louisiana Department of Agriculture and Forestry:				
National School Lunch Program [1]	10.555	N/A	$ -	$ 211,438
Passed Through Louisiana Department of Education:				
Summer Food Service Program [1]	10.559	N/A	-	2,877,883
National Breakfast Program [1]	10.553	N/A	-	8,030
Total United States Department of Agriculture			-	3,097,351
United States Department of Education				
Passed Through Louisiana Department of Education:				
Title I - Grants to Local Educational Agencies	84.010A	28-19-T1-69	6,522	673,761
Title II - Teacher and Principal Training and Recruiting	84.367A	28-19-50-69	18,824	197,315
Title III - English Language Acquisition	84.365A	28-19-60-69	-	9,046
Individuals with Disabilities Educational Act Special Education IDEA [2]	84.027A	28-19-B1-69	19,600	918,961
IDEA - Preschool [2]	84.173A	28-19-P1-69	-	6,130
Vocational Education - (Carl Perkins)	84.048A	28-19-02-69	-	52,420
Title IV - Student Support and Academic Enrichment Program	84.424A	28-19-71-69	9,207	44,386
COVID-19 - Real-Time Early Access to Literacy - [3]	84.425	28-21-REL2-69	-	8,664
COVID-19 - Governor's Emergency Education Relief Fund [3]	84.425C	28-20-GERF-69	772	82,955
COVID-19 - Elementary and Secondary School Emergency Relief Fund [3]	84.425D	28-20-ESRI-69	15,987	1,513,389
COVID-19 - American Rescue Plan - Elementary and Secondary School Emergency Relief [3]	84.425U	28-21-ESEB-69	-	19,783
Striving Readers/Comprehensive Literacy	84.371C	28-18-SR06-69	-	59,681
Total United States Department of Education			70,912	3,586,491

(CONTINUED)

Schedule 11
(Continued)

CENTRAL COMMUNITY SCHOOL SYSTEM

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEAR ENDED JUNE 30, 2021

Federal Grantor/Pass - Through Grantor/Assistance Listing Program	Assistance Listing Number	Agency or Pass-Through Number	Passed-through to Subrecipients	Federal Expenditures
United States Department of Defense				
Reserve Officers' Training Corps	None	N/A	-	60,497
Total United States Department of Defense			-	60,497
Total Expenditures of Federal Awards			$ 70,912	$ 6,744,339

[1] Total Child Nutrition Cluster: $3,097,351
[2] Total Special Education Cluster (IDEA): $925,091
[3] Total Education Stabilization Fund Cluster: $1,624,791

See accompanying notes to the Schedule of Expenditures of Federal Awards.

CENTRAL COMMUNITY SCHOOL SYSTEM

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEAR ENDED JUNE 30, 2021

Note A - Significant Accounting Policies

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the Central Community School System and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.*

Note B - Food Distribution Program

Nonmonetary assistance is reported in the schedule at the fair market value of the commodities received and disbursed. At June 30, 2021, the Central Community School System had food commodities totaling $19,967 in inventory.

Note C - Indirect Cost Rate Election

The School System did not elect to use the 10% de minimis indirect cost rate during the year ended June 30, 2021.

Note D - Reconciliation of Federal Expenditures

Federal Assistance expended as reported on the Schedule of Expenditures of Federal Awards	$6,744,339
Add: revenue received in current year of prior year federal expenditures	168,074
Federal grant revenues	$6,912,413
Revenues from Federal Sources as reported on:	
Statement E - All Governmental Fund Types - Statement of Revenues, Expenditures and Changes in Fund Balance	$6,912,413

See independent auditor's report.

INDEPENDENT AUDITOR'S 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*

HTB Hannis T. Bourgeois
CPAs + Business Advisors

2322 Tremont Drive ● Baton Rouge, LA 70809
1254 Del Este Avenue, Suite 1101 ● Denham Springs, LA 70726
Phone: 225.928.4770 ● Fax: 225.926.0945
650 Poydras Street, Suite 1200 ● New Orleans, LA 70130
Phone: 504.274.0200 ● Fax: 504.274.0201
www.htbcpa.com

INDEPENDENT AUDITOR'S 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*

To the Members of the Board of the
Central Community School System
Central, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, the budgetary comparison statement of the general fund, the fiduciary fund statement and the aggregate remaining fund information of the Central Community School System ("School System"), Central, Louisiana, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Central Community School System's basic financial statements, and have issued our report thereon dated March 14, 2022.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the School System's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matter that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and questioned costs as item 2021-01.

The Central Community School System's Response to Finding

The School System's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The School System's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion or any assurance on them.

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; however, under Louisiana Revised Statue 24:513, this report is distributed by the Legislative Auditor as a public document.

Respectfully submitted,

Harris T. Bourgeois, LLP

Denham Springs, Louisiana
March 14, 2022

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

HTB Hannis T. Bourgeois
CPAs + Business Advisors

2322 Tremont Drive ● Baton Rouge, LA 70809
1254 Del Este Avenue, Suite 1101 ● Denham Springs, LA 70726
Phone: 225.928.4770 ● Fax: 225.926.0945
650 Poydras Street, Suite 1200 ● New Orleans, LA 70130
Phone: 504.274.0200 ● Fax: 504.274.0201
www.htbcpa.com

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Members of the Board of the
Central Community School System
Central, Louisiana

Report on Compliance for Each Major Federal Program

We have audited Central Community School System's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Central Community School System's ("the School System") major federal programs for the year ended June 30, 2021. Central Community School System's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

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

Opinion on Each Major Federal Program

In our opinion, the Central Community School System 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.

Report on Internal Control Over Compliance

Management of the School System is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the School System's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the School System'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 combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

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; however, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Respectfully submitted,

Harris T. Bourgeois, LLP

Denham Springs, Louisiana
March 14, 2022

CENTRAL COMMUNITY SCHOOL SYSTEM

SUMMARY SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE YEAR ENDED JUNE 30, 2021

A. As required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), the following is a summary of the results of our audit:

Financial Statements

Type of auditor's report issued: unmodified

Internal control over financial reporting:

• Material weaknesses identified?	_____	Yes	x	No
• Significant deficiencies identified?	_____	Yes	x	None Reported
Noncompliance material to financial statements noted?	_____	Yes	x	No

Federal Awards

Internal control over major programs:

• Material weaknesses identified?	_____	Yes	x	No
• Significant deficiencies identified?	_____	Yes	x	None Reported

Type of auditor's report issued on compliance for major programs: unmodified

Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance?	_____	Yes	x	No

Federal Grantor/ Pass - Through Grantor/ Assistance Listing	Assistance Listing Number
United States Department of Education	
Passed Through Louisiana Department of Education:	
COVID-19 – Real-Time Early Access to Literacy [3]	84.425B
COVID-19 – Governor's Emergency Education Relief Fund [3]	84.425C
COVID-19 – Elementary and Secondary School Emergency Relief Fund [3]	84.425D
COVID-19 – American Rescue Plan – Elementary and Secondary School Emergency Relief [3]	84.425U

- The threshold for distinguishing Types A and B programs was $750,000.
- The School System was determined to be a low-risk auditee.

[3] Education Stabilization Fund Cluster

B. Findings - Internal Control Over Financial Reporting

None

C. Findings - Compliance

Finding 2021-01 Unfavorable Budget Variance > 5% of Amended Budget

Criteria:

The School System is required to follow the requirements of the Louisiana Local Government Budget Act at LSA R.S. 39:1301 through 39:1315.

Condition:

State law requires that budgets be amended when actual revenues are less than budgeted revenues or actual expenditures exceed budgeted expenditures and other financing uses by 5% or more. An unfavorable budget variance for Actual Expenditures compared to Final Budgeted Expenditures in the Special Revenue Fund – School Food Service Fund exceeded the 5% variance required by state law.

Cause:

The School System's amended Final Budgeted Expenditures were not adjusted enough to reduce the budget variance below the 5% variance as required by state law.

Effect:

Because the School System's amended Final Budgeted Expenditures were not adjusted enough to reduce the budget variance below the 5% variance as required by state law, the budget variance for Actual Expenditures compared to Final Budgeted Expenditures created an unfavorable budget variance that exceeded the 5% variance required by state law.

Recommendation:

We recommend the School System implement procedures to monitor actual revenue and expenditures more closely and make appropriate budget amendments to comply with the law requiring the budget to actual variance be within 5%.

Management's Response:

During 2021, management developed some measures to improve procedures in place to ensure budget variances are monitored closely and appropriate budget amendments are made in accordance with state law. However, due to COVID-19 issues with potential learning loss, decisions were made late in the fiscal year to expand summer school to all campuses significantly increasing the needs to expand the Child Nutrition program during that time. Due to these timing restrictions, a budget revision was not able to be completed prior to year-end.

CENTRAL COMMUNITY SCHOOL SYSTEM

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FOR THE YEAR ENDED JUNE 30, 2021

A. Findings - Internal Control Over Financial Reporting

None

B. Findings - Compliance

Finding 2020-01 Unfavorable Budget Variance > 5% of Amended Budget

Criteria:

The School System is required to follow the requirements of the Louisiana Local Government Budget Act at LSA R.S. 39:1301 through 39:1315.

Condition:

State law requires that budgets be amended when actual revenues are less than budgeted revenues or actual expenditures exceed budgeted expenditures and other financing uses by 5% or more. An unfavorable budget variance for Actual Expenditures compared to Final Budgeted Expenditures in the Special Revenue Fund – School Food Service Fund exceeded the 5% variance required by state law.

Cause:

The School System's amended Final Budgeted Expenditures were not adjusted enough to reduce the budget variance below the 5% variance as required by state law.

Effect:

Because the School System's amended Final Budgeted Expenditures were not adjusted enough to reduce the budget variance below the 5% variance as required by state law, the budget variance for Actual Expenditures compared to Final Budgeted Expenditures created an unfavorable budget variance that exceeded the 5% variance required by state law.

Recommendation:

We recommended the School System implement procedures to monitor actual revenue and expenditures more closely and make appropriate budget amendments to comply with the law requiring the budget to actual variance be within 5%.

Management's Response:

During 2021, management developed some measures to improve procedures in place to ensure budget variances are monitored closely and appropriate budget amendments are made in accordance with state law. However, due to COVID-19 issues with potential learning loss, decisions were made late in the fiscal year to expand summer school to all campuses significantly increasing the needs to expand the Child Nutrition program during that time. Due to these timing restrictions, a budget revision was not able to be completed prior to year-end.

Corrective Action:

Finding 2020-01 was not resolved in 2021 as described in finding 2021-01.