

EISNERAMPER

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA

ANNUAL FINANCIAL REPORT

YEAR ENDED JUNE 30, 2025



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INDEPENDENT AUDITORS' REPORT

The Members of the
Zachary Community School Board
Zachary, Louisiana

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Zachary Community School Board (the School Board) as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the School Board's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the School Board, as of June 30, 2025, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the School Board and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Change in Accounting Principle

As disclosed in Note 1 and Note 18 to the financial statements, the School Board adopted new accounting guidance in 2025, Governmental Accounting Standards Board (GASB) No. 101, Compensated Absences. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the School Board's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 School Board's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the School Board's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of changes in total other post-employment liability and related ratios, schedule of school board's proportionate share of the net pension liability for the retirement systems, schedule of employer contributions to the retirement systems, notes to required supplementary information, the budgetary comparison information and related notes, as listed in the table of contents be presented to supplement the basic financial statements.

Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted



of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School Board's basic financial statements. The accompanying combining and individual nonmajor fund financial statements, the schedule of board members' compensation, the schedule of compensation benefits, and other payments to the superintendent, and schedule of expenditures of federal awards and related notes, 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* (Uniform Guidance) as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the 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 combining and individual non-major fund financial statements, the schedule of board members' compensation, the schedule of compensation benefits, and other payments to the superintendent, and the schedule of expenditures of federal awards and related notes, are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 12, 2026, on our consideration of the School Board's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 School Board's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering School Board's internal control over financial reporting and compliance.



EISNERAMPER LLP
Baton Rouge, Louisiana
January 12, 2026



ZACHARY COMMUNITY SCHOOL BOARD
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2025

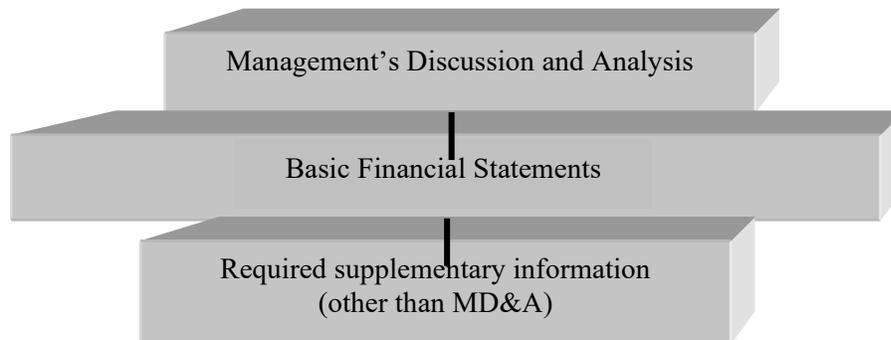
Management's Discussion and Analysis of the Zachary Community School Board's financial performance presents a narrative overview and analysis of Zachary Community School Board's financial activities for the year ended June 30, 2025. This document focuses on the current year's activities, resulting changes, and currently known facts in comparison with the prior year's information (where available).

FINANCIAL HIGHLIGHTS

- ★ The Zachary Community School Board's liabilities and deferred inflows of resources exceeded its assets and deferred outflows of resources by \$10,137,093 at the close of fiscal year 2025. The Zachary Community School Board's liabilities and deferred inflows of resources exceeded its assets and deferred outflows of resources at the close of fiscal year 2024 by \$17,353,602.
- ★ For the fiscal year 2025, revenues exceeded expenses by \$8,639,976. For the fiscal year 2024, revenues exceeded expenses by \$4,678,761.
- ★ State MFP revenues were approximately \$37.5 million for the fiscal year 2025 and \$37.1 million for the fiscal year 2024 due to an increase in the number of students.
- ★ Outstanding bonds payable was \$31,393,892 and \$38,927,287 for the years ended June 30, 2025 and 2024, respectively, which is a decrease of approximately \$7,533,395 resulting from required principal payments, including amortization of premium, being made throughout this fiscal year.
- ★ For fiscal year 2025, the School Board implemented GASB 101, Compensated Absences, which resulted in the restatement of the compensated absences balances by \$1.4 million. This implementation increased the liability and decreased beginning fund balance. The details of the restatement can be found in note 1 and note 18.

OVERVIEW OF THE FINANCIAL STATEMENTS

The following graphic illustrates the minimum requirements for Special Purpose Governments established by Governmental Accounting Standards Board Statement 34, Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments.



These financial statements consist of three sections - Management's Discussion and Analysis (this section), the basic financial statements (including the notes to the basic financial statements), and required supplementary information. **Government-wide financial statements.** The *government-wide financial statements* are designed to provide readers with a broad overview of the School Board's finances, in a manner similar to a private sector business.

ZACHARY COMMUNITY SCHOOL BOARD
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2025

The *statement of net position* presents information on all of the School Board's assets and liabilities, and deferred inflows/outflows of resources, with the differences between them reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the School Board is improving or deteriorating.

The *statement of activities* presents information showing how the School Board's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future periods. (e.g., uncollected taxes and earned but unused sick leave).

The government-wide financial statements present functions of the School Board that are principally supported by taxes and intergovernmental revenues (governmental activities). The School Board has no functions or activities which are business-like in nature, meaning that they are primarily supported by user fees and charges for services, such as a municipally-owned utility system. The governmental activities of the School Board include regular education, special education, and other educational programs, support services, administration, maintenance, student transportation, and school food services. The School Board contains no other units of government (component units), nor is it contained as a component unit of any other level of local or state government.

Fund financial statements. A *fund* is a grouping of related accounts that are used to maintain control over the resources that have been segregated for specific activities or objectives. The School Board, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. All of the funds of the School Board are categorized as governmental funds.

Governmental funds. *Governmental funds* are used to account for essentially the same functions as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near term inflows and outflows of spendable resources*, as well as on *balances of spendable resources available* at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financial requirements. Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the School Board's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities. The School Board maintains many individual governmental funds. Information is presented separately in the government fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund and the Debt Service Fund which are considered major funds. The remaining funds are combined into a single, aggregated presentation under the label of other non-major governmental, which contains all non-major funds. Individual fund data for each of these non-major funds is provided in the form of combining statements in other supplemental information of this report.

The School Board adopts annual appropriated budgets for the General Fund and Special Revenue Funds. Budgets are not adopted for Capital Projects Funds and the Debt Service Fund.

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

ZACHARY COMMUNITY SCHOOL BOARD
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2025

FINANCIAL ANALYSIS OF THE ENTITY

Condensed Statement of Net Position
June 30, 2025 and 2024

	<u>2025</u>	<u>2024</u>
Cash and cash equivalents	\$ 15,685,472	\$ 12,766,098
Investments	12,151,579	11,661,727
Receivables	3,535,384	3,634,511
Inventory	211,219	204,782
Prepaid and other assets	958,034	1,264,146
Capital assets, net	<u>101,495,412</u>	<u>104,064,180</u>
Total assets	<u>134,037,100</u>	<u>133,595,444</u>
Total deferred outflows of resources	<u>29,371,380</u>	<u>37,233,343</u>
Salaries, payroll deduction and expenses payable	4,915,230	4,861,515
Accrued interest payable	306,940	397,106
Bonds payable	31,393,892	38,927,287
Lease liability	1,339,593	840,260
SBITA liability	223,839	293,343
Compensated absences payable	6,142,631	4,517,904
Other post-employment benefit obligation	50,825,804	55,594,186
Net pension liability	<u>51,953,748</u>	<u>57,343,136</u>
Total liabilities	<u>147,101,677</u>	<u>162,774,737</u>
Total deferred inflows of resources	<u>26,443,896</u>	<u>25,407,652</u>
Net position (deficit):		
Net investment in capital assets	68,823,831	64,435,055
Restricted for:		
Debt service	1,595,396	453,557
School food service	745,876	934,489
Other purposes	2,449,699	2,475,829
Unrestricted	<u>(83,751,895)</u>	<u>(85,652,532)</u>
Total net position (deficit)	<u>\$ (10,137,093)</u>	<u>\$ (17,353,602)</u>

ZACHARY COMMUNITY SCHOOL BOARD
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2025

FINANCIAL ANALYSIS OF THE ENTITY (continued)

Investments account for approximately 9% of the total assets of the School Board for both years ended June 30, 2025 and 2024.

Capital assets, which are reported net of accumulated depreciation, account for approximately 76% and 78% of the total assets of the School Board for both years ended June 30, 2025 and 2024 respectively.

Net position invested in capital assets (capital assets minus the debt issued to acquire the assets) increased approximately 7% resulting from the purchase of additional assets during the year and right-of-use assets associated with leases and a subscription-based information technology arrangement (SBITA) capitalized in the current year. Restricted net position decreased approximately 0.4% from prior year due to the reserve in the debt service fund. Unrestricted net deficit is largely the result of the total other post-employment benefit liability of \$50,825,804 and the net pension liability of \$51,953,748 exceeding assets available to fund those liabilities. Those liabilities must be satisfied through future contributions to the plans.

Total assets increased slightly by 0.33% over the prior year due to an increase in cash offset by a decrease in capital assets.

ZACHARY COMMUNITY SCHOOL BOARD
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2025

FINANCIAL ANALYSIS OF THE ENTITY (continued)

Condensed Statement of Activities
For the Years ended June 30, 2025 and 2024

	2025	2024
Revenues		
Program revenues		
Charges for services	\$ 5,375,213	\$ 5,107,154
Operating grants	9,226,244	10,517,410
General revenues		
Property taxes	25,393,227	21,368,964
Sales taxes	13,615,060	12,267,803
Earnings on investments	1,591,100	878,975
MFP	37,522,475	37,090,518
Other	1,095,533	2,296,934
	93,818,852	89,527,758
Expenses		
Regular education	28,089,531	28,907,269
Special education	6,839,965	6,229,810
Other education	11,404,076	10,565,727
Pupil support	3,528,395	3,625,048
Instructional staff	3,555,702	4,281,581
General administrative	1,960,655	1,678,306
School administrative	4,059,181	3,923,482
Business and central services	2,750,580	3,012,090
Plant operation and maintenance	12,035,615	12,109,328
Transportation	4,980,270	4,910,645
Food service	3,450,006	3,286,234
Facilities acquisition and construction	642,645	363,966
Appropriations - charter schools	723,742	591,036
Debt service:		
Interest and bank fees	1,158,513	1,364,475
	85,178,876	84,848,997
Changes in net position	\$ 8,639,976	\$ 4,678,761

ZACHARY COMMUNITY SCHOOL BOARD
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2025

FINANCIAL ANALYSIS OF THE ENTITY (continued)

Changes in Net Position

- MFP totaling approximately \$37.5 million and \$37.1 million accounts for 40% and 41% of total revenues for the years ended June 30, 2025 and 2024, respectively. This increase is in line with the increase in enrollment.
- Property taxes totaling approximately \$25.4 million and \$21.4 million accounts for 27% and 24% of total revenues for the years ended June 30, 2025 and 2024.
- Sales taxes increased from approximately \$12.3 million in the prior year to approximately \$13.6 million for the year ended June 30, 2025. Sales tax accounts for 15% and 14% of total revenues for the years ended June 30, 2025 and 2024, respectively.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of 2025, the Zachary Community School Board had \$101,495,412 (net of accumulated depreciation and amortization of \$56,599,918) invested in a broad range of capital assets, including land, building, and equipment. (See Table below).

Capital Assets (Net of Depreciation and Amortization) as of June 30, 2025 and 2024		
	2025	2024
Land	\$ 5,308,503	\$ 5,308,503
Construction in progress	362,161	-
Buildings and improvements	92,961,172	96,121,017
Equipment, fixtures, and vehicles	1,296,343	1,473,687
Right-of-use leased assets	1,323,758	842,829
Right-of-use SBITA assets	243,475	318,144
Total	\$ 101,495,412	\$ 104,064,180

During the year ended June 30, 2025, there were additions totaling \$342,649 related to equipment purchases and deletions totaling \$901,681 related to the disposal of a large number of obsolete computers throughout the district. Construction in progress of \$362,161 related to the resurfacing of the high school track. There were also additions of right-of-use assets totaling \$832,523 as a result of new land and equipment leases in accordance with GASB 87, *Leases*.

ZACHARY COMMUNITY SCHOOL BOARD
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2025

CAPITAL ASSET AND DEBT ADMINISTRATION (continued)

Long-term debt

The total bonds outstanding for the year ended 2025 were \$31,393,892 including unamortized premiums on issuance of \$898,892. During the fiscal year 2025, \$ 7,533,395 of principal and premium payments and \$1,334,925 of interest payments were made.

VARIATIONS BETWEEN ORIGINAL AND FINAL BUDGETS

Final budgeted revenues are slightly higher than originally budgeted due to an increase in interest earnings and Medicaid reimbursements. Final budgeted expenditures were also slightly higher than originally budgeted expenditures due to one-time teacher stipends given by the State Legislature during the fiscal year.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS

The School Board's elected and appointed officials considered the following factors and indicators when setting next year's budget, rates, and fees. These factors and indicators include:

- General Fund and other funds revenues and expenditures are expected to remain consistent with the current year.

The School Board expects next year's results to be consistent with the current year.

CONTACTING THE ZACHARY COMMUNITY SCHOOL BOARD'S MANAGEMENT

This financial report is designed to provide a general overview of the School Board's finances for those with an interest in the government's financial position and operations. Questions concerning any of the information provided in this report or request for additional financial information should be addressed to John Musso, Business Manager, Zachary Community School Board, 3755 Church Street, Zachary, LA 70791.

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA
STATEMENT OF NET POSITION
JUNE 30, 2025

<u>ASSETS</u>	Governmental Activities
Cash and cash equivalents	\$ 15,685,472
Investments	12,151,579
Receivables	3,535,384
Inventory	211,219
Prepaid assets	915,490
Other assets	42,544
Capital assets, net	101,495,412
TOTAL ASSETS	134,037,100
<u>DEFERRED OUTFLOWS OF RESOURCES</u>	
Deferred outflow amounts related to bond refunding	285,743
Deferred outflow amounts related to pension liability	17,694,733
Deferred outflow amounts related to OPEB liability	11,390,904
TOTAL DEFERRED OUTFLOWS OF RESOURCES	29,371,380
<u>LIABILITIES</u>	
Salaries, payroll deduction and expenses payable	4,915,230
Accrued interest payable	306,940
Long-term liabilities	
Due within one year (bonds, leases, SBITA and compensated absences)	8,748,537
Due in more than one year (bonds, leases, SBITA and compensated absences)	30,351,418
Net pension liability	51,953,748
Other post-employment benefit obligation - Due within one year	1,341,467
Other post-employment benefit obligation - Due in more than one year	49,484,337
TOTAL LIABILITIES	147,101,677
<u>DEFERRED INFLOWS OF RESOURCES</u>	
Deferred inflow amounts related to pension liability	4,174,630
Deferred inflow amounts related to OPEB liability	22,269,266
TOTAL DEFERRED INFLOWS OF RESOURCES	26,443,896
<u>NET POSITION</u>	
Net investment in capital assets	68,823,831
Restricted for:	
Debt service	1,595,396
School food service	745,876
Other purposes	2,449,699
Unrestricted	(83,751,895)
TOTAL NET POSITION (DEFICIT)	\$ (10,137,093)

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

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2025

		Program Revenues		Net (Expense) Revenue and Changes in Net Position
Expenses	Charges for Services	Operating Grants and Contributions	Governmental Unit	
<u>Functions/Programs</u>				
Instruction:				
Regular education programs	\$ 28,089,531	\$ -	\$ 1,232,592	\$ (26,856,939)
Special education programs	6,839,965	-	540,983	(6,298,982)
Other education programs	11,404,076	4,838,890	4,337,842	(2,227,344)
Support Services:				
Pupil support services	3,528,395	-	84,049	(3,444,346)
Instructional staff services	3,555,702	-	453,031	(3,102,671)
General administration services	1,960,655	-	-	(1,960,655)
School administration services	4,059,181	-	-	(4,059,181)
Business and central services	2,750,580	-	2,669	(2,747,911)
Plant operation and maintenance	12,035,615	-	-	(12,035,615)
Transportation	4,980,270	-	82,615	(4,897,655)
Non-Instructional Services:				
Food service	3,450,006	536,323	2,492,463	(421,220)
Appropriations - charter schools	723,742	-	-	(723,742)
Facilities acquisition and construction	642,645	-	-	(642,645)
Debt Service:				
Interest and bank fees	1,158,513	-	-	(1,158,513)
Total Governmental Activities	85,178,876	5,375,213	9,226,244	(70,577,419)
Local sources				
Taxes:				
Ad valorem				25,393,227
Sales and use				13,615,060
Earnings on investments				1,591,100
Other				983,986
State sources				
Unrestricted grants-in-aid				37,522,475
Other				111,547
		Total general revenues		79,217,395
Change in Net Position				8,639,976
Net Position - July 1, 2024, as previously presented				(17,353,602)
Change in accounting principal Note 18				(1,423,467)
Net Position - July 1, 2024, (restated)				(18,777,069)
Net Position - June 30, 2025				\$ (10,137,093)

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

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA
GOVERNMENTAL FUNDS
BALANCE SHEET
FOR THE YEAR ENDED JUNE 30, 2025

	General	Debt Service	Other Non-Major Governmental	Total
<u>ASSETS</u>				
Cash and cash equivalents	\$ 10,370,577	\$ 911,901	\$ 4,402,994	\$ 15,685,472
Investments	11,191,148	960,431	-	12,151,579
Receivables	2,028,331	18,899	1,488,154	3,535,384
Due from other funds	1,723,011	-	723,904	2,446,915
Prepaid assets	915,490	-	-	915,490
Other assets	42,394	-	150	42,544
Inventory	129,559	-	81,660	211,219
	<u>\$ 26,400,510</u>	<u>\$ 1,891,231</u>	<u>\$ 6,696,862</u>	<u>\$ 34,988,603</u>
<u>LIABILITIES AND FUND BALANCES</u>				
Liabilities:				
Salaries, payroll deductions and expenses payable	\$ 4,484,334	\$ -	\$ 430,896	\$ 4,915,230
Due to other funds	1,011,503	-	1,435,412	2,446,915
	<u>5,495,837</u>	<u>-</u>	<u>1,866,308</u>	<u>7,362,145</u>
Fund balances:				
Nonspendable	1,087,443	-	81,810	1,169,253
Restricted for:				
Debt service	-	1,891,231	-	1,891,231
School food service	-	-	664,216	664,216
Other purposes	-	-	2,449,549	2,449,549
Assigned:				
Capital construction	-	-	1,634,979	1,634,979
Technology	2,200,000	-	-	2,200,000
Unassigned	17,617,230	-	-	17,617,230
	<u>20,904,673</u>	<u>1,891,231</u>	<u>4,830,554</u>	<u>27,626,458</u>
TOTAL FUND BALANCES	<u>20,904,673</u>	<u>1,891,231</u>	<u>4,830,554</u>	<u>27,626,458</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 26,400,510</u>	<u>\$ 1,891,231</u>	<u>\$ 6,696,862</u>	<u>\$ 34,988,603</u>

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

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA
RECONCILIATION OF THE GOVERNMENTAL FUNDS - BALANCE SHEET
TO THE STATEMENT OF NET POSITION
JUNE 30, 2025

Total Fund Balances at June 30, 2025 - Governmental Funds	\$	27,626,458
Cost of capital assets at June 30, 2025	\$	158,095,330
Less: Accumulated depreciation and amortization as of June 30, 2025:		
Buildings	(46,821,112)	
Movable property	(8,677,180)	
Right-of-use leased assets	(971,758)	
Right-of-use SBITA assets	<u>(129,868)</u>	101,495,412
Accrued interest payable		(306,940)
Long-term liabilities at June 30, 2025:		
Bonds payable	(30,495,000)	
Bond premium	(898,892)	
Compensated absences payable	(6,142,631)	
Lease liability	(1,339,593)	
SBITA liability	<u>(223,839)</u>	(39,099,955)
Deferred amounts related to bond refunding		285,743
Other post-employment benefit liabilities, deferred inflows and deferred outflows of resources		
Other post-employment benefit liability	(50,825,804)	
Deferred outflows of resources related to OPEB liability	11,390,904	
Deferred inflows of resources related to OPEB liability	<u>(22,269,266)</u>	(61,704,166)
Pension liabilities, deferred inflows and deferred outflows of resources		
Net pension liability	(51,953,748)	
Deferred pension contributions	8,044,039	
Deferred outflow of resources - related to net pension liability	9,650,694	
Deferred amounts related to pension liability	<u>(4,174,630)</u>	<u>(38,433,645)</u>
Total Net Position at June 30, 2025 - Governmental Activities	\$	<u>(10,137,093)</u>

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

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2025

	General	Debt Service	Other Non-Major Governmental	Total
<u>REVENUES</u>				
Local sources:				
Taxes:				
Ad valorem	\$ 15,890,854	\$ 9,502,373	\$ -	\$ 25,393,227
Sales and use	13,615,060	-	-	13,615,060
Food sales	-	-	536,323	536,323
Earnings (Loss) on investments	1,195,032	382,722	13,346	1,591,100
Extended day program tuition	387,369	-	397,825	785,194
Student activities	-	-	4,053,696	4,053,696
Other	970,292	13,694	-	983,986
State sources:				
Unrestricted grants-in-aid	37,483,200	-	39,275	37,522,475
Restricted grants-in-aid	1,535,070	-	1,397,632	2,932,702
Other	111,547	-	-	111,547
Federal sources:				
Restricted grants-in-aid - direct	77,319	-	-	77,319
Restricted grants-in-aid - subgrants	16,128	-	5,924,966	5,941,094
Commodities - United States Department of Agriculture	-	-	275,128	275,128
TOTAL REVENUES	<u>71,281,871</u>	<u>9,898,789</u>	<u>12,638,191</u>	<u>93,818,851</u>
<u>EXPENDITURES</u>				
Current:				
Instruction:				
Regular education programs	27,192,030	-	1,715,788	28,907,818
Special education programs	6,287,117	-	753,057	7,040,174
Other education programs	5,498,584	-	6,038,346	11,536,930
Support services:				
Pupil support services	3,531,770	-	116,998	3,648,768
Instructional staff services	3,063,174	-	630,627	3,693,801
General administration services	1,705,746	266,725	-	1,972,471
School administration services	4,219,010	-	-	4,219,010
Business and central services	2,710,963	-	3,715	2,714,678
Plant operation and maintenance	8,782,334	-	-	8,782,334
Transportation	4,783,545	-	115,001	4,898,546
Non-Instructional services:				
Food service	211,444	-	3,301,398	3,512,842
Appropriations - charter schools	723,742	-	-	723,742
Facility acquisition and construction	-	-	1,004,806	1,004,806
Debt service:				
Principal retirement	287,490	7,236,328	115,204	7,639,022
Interest and bank charges	49,322	1,339,905	10,496	1,399,723
TOTAL EXPENDITURES	<u>69,046,271</u>	<u>8,842,958</u>	<u>13,805,436</u>	<u>91,694,665</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>2,235,600</u>	<u>1,055,831</u>	<u>(1,167,245)</u>	<u>2,124,186</u>

(continued)

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2025

	<u>General</u>	<u>Debt Service</u>	<u>Other Non-major Governmental</u>	<u>Total</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Operating transfers in	\$ 265,844	\$ -	\$ 1,500,000	\$ 1,765,844
Operating transfers out	(1,587,840)	-	(178,004)	(1,765,844)
Proceeds from leases	832,523	-	-	832,523
TOTAL OTHER FINANCING SOURCES (USES)	<u>(489,473)</u>	<u>-</u>	<u>1,321,996</u>	<u>832,523</u>
<u>NET CHANGES IN FUND BALANCE</u>	1,746,127	1,055,831	154,751	2,956,709
Fund balances, Beginning of year	<u>19,158,546</u>	<u>835,400</u>	<u>4,675,803</u>	<u>24,669,749</u>
FUND BALANCES, JUNE 30, 2025	<u>\$ 20,904,673</u>	<u>\$ 1,891,231</u>	<u>\$ 4,830,554</u>	<u>\$ 27,626,458</u> (concluded)

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

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA
RECONCILIATION OF THE GOVERNMENTAL FUNDS -
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2025

Total Net Changes in Fund Balance - Governmental Funds	\$ 2,956,709
Capital Assets:	
Capital outlay capitalized	\$ 1,537,333
Depreciation and amortization expense for year ended June 30, 2025	(4,104,823)
Loss on disposal of capital assets	(1,278)
	(2,570,046)
Change in accrued interest payable	90,165
Amortization of deferred loss on refundings	(146,022)
Long Term Debt:	
Principal portion of debt service payments	7,236,328
Amortization of bond premium	297,067
	7,533,395
Leases:	
Lease principal	333,190
Proceeds from new leases during the year	(832,523)
	(499,333)
Subscriptions:	
Subscription principal	69,504
Change in compensated absences payable	(201,260)
Net change in pension liability and deferred inflows/outflows of resources	2,135,855
Net change in post-employment benefit obligation and deferred inflows/outflows of resources	(728,991)
	1,205,604
Change in Net Position - Governmental Activities	\$ 8,639,976

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

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA

NOTES TO THE BASIC FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

a. Reporting Entity

Effective July 1, 2003, the Zachary Community School Board (the School Board) seceded from the East Baton Rouge Parish School System (EBRPSS) and formed its own school district. The School Board was created in accordance with Louisiana Revised Statute (LSA-R.S.) 17:64 for the purpose of providing public education for the residents of the Zachary Community. The School Board is authorized by LSA-R.S. 17:81 to establish policies and regulations for its own government consistent with the laws of the State of Louisiana and the regulations of the Louisiana Board of Elementary and Secondary Education. The School Board is authorized to establish public schools as it deems necessary, to provide adequate school facilities for the children of the district, to determine the number of teachers to be employed, and to determine local supplement to their salaries. The School Board is currently comprised of 9 members who are elected for a term of four years.

The School Board operates eight schools within the community with a total enrollment of approximately 5,600 pupils. In conjunction with the regular educational programs, some of these schools offer special education and/or adult education programs. Additionally, the School Board provides transportation and school food services for the students.

The Governmental Accounting Standards Board (GASB) *Codification of Governmental Accounting and Financial Reporting Standards* establishes criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under GASB Criteria, the School Board is considered a *primary government*, since it is a special purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments. Fiscally independent means that the School Board may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges, and issue bonded debt. The School Board also has no *component units*, defined by GASB as other legally separate organizations for which the elected School Board members are financially accountable. There are no other primary governments with which the School Board has a significant relationship. Certain units of local government, over which the School Board exercises no oversight responsibility, such as the parish government, other independently elected city officials, and municipalities within the city, are excluded from the financial statements. These units of government are considered separate reporting entities and issue financial statements separate from that of the School Board. The School Board is not a component unit of any other entity.

b. Fund Accounting

The financial transactions of the School Board are recorded in individual funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate.

Revenues are accounted for in these individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The funds presented in the financial statements are described as follows:

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA

NOTES TO THE BASIC FINANCIAL STATEMENTS

1. **Summary of Significant Accounting Policies** (continued)

b. **Fund Accounting** (continued)

Governmental Fund Types:

Governmental funds are those through which most governmental functions of the School Board are financed. The acquisition, use and balances of the School Board's expendable financial resources and the related liabilities are accounted for through governmental funds. The measurement focus is upon determination of changes in financial position rather than upon net income determination. The following are the School Board's governmental fund types:

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

Special Revenue Funds - Special Revenue Funds account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. These funds account for the revenues and expenditures related to federal and state grant and entitlement programs established for various educational objectives.

Capital Projects Fund - The Capital Projects Fund was established to account for capital improvements, including construction of new facilities and renovations.

Debt Service Fund - The Debt Service Fund, established to meet requirements of bond ordinances, is used to account for the accumulation of resources for and the payment of general long-term debt principal, interest, and related costs.

The School Board reports the following governmental funds as major funds: the General Fund and the Debt Service Fund.

c. **Basis of Accounting**

The School Board's basic financial statements consist of the government-wide statements on all of the non-fiduciary funds activities and fund financial statements (individual major fund, combined non-major fund and fiduciary fund). The statements are prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units and promulgated by the GASB *Codification of Accounting and Financial Reporting Standards*.

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 Board.

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA

NOTES TO THE BASIC FINANCIAL STATEMENTS

1. **Summary of Significant Accounting Policies** (continued)

d. **Measurement Focus/Basis of Accounting** (continued)

Government-Wide Financial Statements (GWFS) continued

The GWFS were prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability has been incurred, regardless of the timing of the related cash flows. Sales taxes are recognized when the underlying sales transactions occur, and property taxes are recognized when a legally enforceable claim arises. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Program Revenues

Program revenues included in the Statement of Activities are derived directly from parties outside of the School Board's taxpayers or citizenry, as a whole; program revenues reduce the cost of the function to be financed from the School Board's general revenues. Charges for services are primarily derived from cafeteria sales and miscellaneous student activity fees.

Expenses and Allocation of Indirect Expenses

The School Board reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable by function. Indirect expenses of other functions are not allocated to those functions but are reported separately in the Statement of Activities. Depreciation and amortization expense which can be specifically identified by function is included in the direct expenses of each function. Depreciation on the buildings is assigned to the plant operation and maintenance function due to the fact that school buildings serve multiple purposes. Interest on long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

Fund Financial Statements

Governmental Funds

The accounting and financial reporting treatments applied to a fund are determined by its measurement focus. All 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 these funds present increases (i.e., revenues and other financial sources) and decreases (i.e., expenditures and other financing uses) in current net position.

Governmental Funds are accounted for on the modified accrual basis of accounting. Under this basis of accounting, revenues are recognized in the accounting period in which they become susceptible to accrual - that is, when they become measurable and available to pay current period liabilities. Such revenue items are ad valorem taxes, sales taxes and state and federal entitlements. Sales and use taxes and ad valorem taxes are considered "available" when expected to be collected within the next two months. Revenue from state and federal grants are recorded when the reimbursable expenditures have been incurred.

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA

NOTES TO THE BASIC FINANCIAL STATEMENTS

1. **Summary of Significant Accounting Policies** (continued)

d. **Measurement Focus/Basis of Accounting** (continued)

Fund Financial Statements (continued)

Governmental Funds (continued)

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Costs of accumulated unpaid vacation, sick leave, and other employee benefit amounts are reported in the period due and payable rather than the period earned by employees, and general long-term obligations principal and interest payments are recognized only when due.

e. **Budget and Budgetary Accounting**

The proposed budgets for fiscal year 2025 were completed and made available for public inspection at the School Board office. A public hearing was held for suggestions and comments from taxpayers. The proposed fiscal year 2025 budgets were formally adopted by the School Board after the public hearing. The budgets, which included proposed expenditures and the means of financing them, for the General and Special Revenue Funds were published in the official journal fifteen days prior to the public hearings.

The budgets for the General and Special Revenue Funds were prepared on the modified accrual basis of accounting. Formal budgetary integration is used during the year as a management control device. Any part of appropriations which is not expensed is reappropriated in the next year. Current year transactions which are directly related to prior year's budget are reappropriated in the current year.

The School Board is authorized to transfer amounts between line items within any fund. When actual revenues within a fund are failing to meet estimated annual budgeted revenues by five percent or more, and/or actual expenditures within a fund are exceeding estimated budgeted expenditures by five percent or more, a budget amendment to reflect such changes is adopted by the School Board in an open meeting. Budgeted amounts included in the basic financial statements include the original adopted budget and all subsequent amendments.

f. **Cash, Cash Equivalents, and Investments**

Under state law, the School Board 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. The School Board may invest in United States bonds, notes, bills, or certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana.

Cash and cash equivalents include cash on hand, cash on deposit, certificates of deposit and money market accounts. These deposits are stated at cost, which approximates fair value. Under state law, the resulting bank balances of these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The estimated fair value of the pledged securities plus the federal deposit insurance must at all times equal or exceed the amount on deposit with the fiscal agent.

The Board has reported their investments at fair value at June 30, 2025. Fair value was determined by obtaining quoted year-end market prices.

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA

NOTES TO THE BASIC FINANCIAL STATEMENTS

1. **Summary of Significant Accounting Policies** (continued)

g. **Federal Grants and Other Receivables**

Federal grants receivable consists of receivables for reimbursement of expenditures under various federal programs and grants. These amounts are expected to be collected within the next twelve months. Other receivables relate to sales tax collections which are anticipated to be collected within 60 days of the fiscal year end.

h. **Inventory and Prepaid Assets**

Inventory of the School Lunch Special Revenue Fund consists of food purchased by the School Board and commodities granted by the United States Department of Agriculture through the Louisiana Department of Education. The commodities are recorded as revenues and expenses when consumed. All inventory items purchased are valued at the lower of cost (first-in, first-out) or market, and donated commodities are assigned values based on information provided by the United States Department of Agriculture. Prepaid assets include prepaid insurance and worker's compensation premiums.

i. **Capital Assets**

Capital assets are capitalized at historical cost or estimated historical cost for assets where the actual historical cost is not available. Donated assets are recorded as capital assets at their estimated acquisition value at the date of the donation. The system for the accumulation of fixed asset cost data does not provide the means for determining the percentage of assets valued at actual cost and those valued at estimated cost.

Capital assets are recorded in the GWFS but are not recorded in the FFS. All capital assets, (including amortization of lease assets and subscription-based information technology arrangements (SBITAs)), other than land, 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 Board, no salvage value is taken into consideration for depreciation purposes. Useful lives are approximately 40 years for buildings and improvements and 3 to 20 years for equipment, fixtures and vehicles. Estimated lives also apply to lease assets and SBITAs, which are amortized over the term using the straight-line method. The School Board does not possess any material amounts of infrastructure capital assets, such as sidewalks and parking lots. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

j. **Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The School Board has three types of items that qualify for reporting in this category. It has deferred charges on refunding reported in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The \$285,743 balance of deferred outflows of resources related to

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA

NOTES TO THE BASIC FINANCIAL STATEMENTS

1. **Summary of Significant Accounting Policies** (continued)

j. **Deferred Outflows/Inflows of Resources** (continued)

bond refunding will be recognized as interest expense over the remaining life of the bonds. The School Board also has deferred outflows of resources related to the net pension liability of \$17,694,733 and deferred outflows of resources related to the other post-employment benefit liability of \$11,390,904. See Note 8 for additional information on deferred outflows of resources related to defined benefit pension plans and Note 9 for additional information on deferred outflows of resources related to the other post-employment benefit liability.

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenues) until that time. The School Board has two items that qualify for reporting in this category related to the net pension liability in the amount of \$4,174,630 and the other post-employment benefit liability in the amount of \$22,269,266. See Note 8 and Note 9, respectively, for additional information on deferred inflows of resources related to defined benefit pension plans and other post-employment benefits.

k. **Compensated Absences**

GASB Statement No. 101, *Compensated Absences*, requires governments to accrue a liability for compensated absences leave that has not been used if all of the following are true (1) The leave attributable to services already rendered; (2) The leave accumulates; and (3) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through non-cash means.

The School Board has recorded the following liabilities, including the salary-related benefits associated with the payment of compensated absences as of June 30, 2025:

- Sick leave that is expected to be used based on average of hours taken from what is earned over three year average multiplied by current year pay rates
- Vacation leave based on maximum vested amount multiplied by current year pay rates
- Sabbatical Leave and Extended sick leave is considered immaterial to the statements

In the Government Wide Financial Statements, the total compensated absences liability is recorded as an expense and a long-term obligation and allocated on a functional basis.

All 12-month employees earn from 10 to 20 days of vacation leave each year, depending on length of service with the School Board. Vacation leave may be accumulated up to 50 days. The School Board will pay up to 50 days of unused vacation upon separation. The remaining balance is forfeited.

All School Board employees earn 10 to 12 days of sick leave each year depending on the number of months employed within a year. Sick leave may be accumulated without limitation. Upon death or retirement, a maximum of 25 days of unused sick leave is paid to the employee or designated heir at the employee's current rate of pay. Under the Louisiana Teacher's Retirement System, the unused sick leave is used in the retirement benefit computation as earned service. Under the Louisiana School Employees Retirement System, all unpaid sick leave, which excludes the 25 days paid, is used in the retirement benefit computation as earned service.

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA

NOTES TO THE BASIC FINANCIAL STATEMENTS

1. **Summary of Significant Accounting Policies** (continued)

k. **Compensated Absences** (continued)

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. Leave may be granted for rest and recuperation and professional and cultural improvement.

The cost of compensated absence privileges is recognized as a current year expenditure in the General Fund when leave is actually taken, or when employees or their heirs are paid for accrued leave upon retirement or death, while the cost of leave privileges not requiring current resources is recorded as compensated absences payable of \$6,142,632 in the Government-wide financial statements.

l. **Leases and SBITA**

The School Board enters into noncancellable lease agreements and records them in accordance with GASB Statement No. 87, *Leases*. The School Board also enters into non-cancellable subscriptions for information technology and records them in accordance with GASB Statement No. 96 *Subscription-Based Information Technology Arrangements (SBITA)*.

Lessee Leases and Subscription-Based Information Technology Arrangements (SBITA)

The School Board recognizes a liability and intangible right-to-use asset in the financial statements for leased property and subscription-based IT arrangements (SBITA) for contracts with an initial individual value that is material to the financial statements and with periods greater than one year. At the commencement of a lease or contract, the School Board initially measures the liability at the present value of payments expected to be made during the lease or contract term. Subsequently, the liability is reduced by the principal portion of payments made. The right-to-use asset is initially measured as the initial amount of the lease or SBITA liability, adjusted for payments made at or before the commencement date, plus certain initial direct costs. Outlays during the initial implementation stage of the SBITA development are also capitalized as SBITA right-to-use assets. Subsequently, the asset is amortized on a straight-line basis over the term of the agreement. Key estimates and judgments related to leases and SBITAs include (1) the discount rate used to present value the expected payment, (2) contract term, and (3) payments.

- The School Board uses the interest rate charged by the lessor or SBITA vendor as the discount rate. When the interest rate charged by the lessor or SBITA vendor is not provided, the School Board uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease terms include the noncancellable period of the lease and optional renewal periods. Lease payments included in the measurement of the lease liability are composed of fixed payments through the noncancellable term of the lease and renewal periods that management considers reasonably certain to be exercised.

The School Board monitors changes in circumstances that would require a remeasurement of its lease or SBITA and will remeasure the asset and liability if certain changes occur that are expected to significantly affect the amount of the liability.

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA

NOTES TO THE BASIC FINANCIAL STATEMENTS

1. **Summary of Significant Accounting Policies** (continued)

l. Leases and SBITA (continued)

Lessee Leases and Subscription-Based Information Technology Arrangements (SBITA) (continued)

Lease and SBITA right-to-use assets are reported with capital assets and lease/SBITA liabilities are reported with long-term debt on the statement of net position.

m. Estimates

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

n. Sales, Use and Property Taxes

The voters of the Zachary Community School District authorized the School Board to levy a two percent system wide sales and use tax. A one percent Zachary Community School Board Sales and Use Tax approved on April 7, 2001, is to be used for the purpose of acquiring, constructing, improving, maintaining and operating public elementary and secondary schools, including school related buildings, equipment and facilities with the geographic boundaries of the Zachary Community School Board, subject to funding into bonds in the manner provided by Sub-Part F, Part III, Chapter 4, Title 39 of the Louisiana Revised Statutes of 1950.

A one percent Zachary Community Educational Facilities Improvement District Sales and Use Tax approved on April 7, 2001, is to be used to pay the costs of acquiring, constructing, improving, maintaining, and operating the public elementary and secondary schools and school related buildings, equipment and facilities, within and for the Zachary Community School Board, and paying salaries and benefits of School Board personnel.

Ad valorem (property) taxes are collected by the East Baton Rouge Parish Sheriff's Office and remitted to the School Board on a monthly basis. Ad valorem taxes are assessed and levied on a calendar year basis by the East Baton Rouge Parish Assessor's Office, based on the assessed value on January 1 of the assessment year. However, before taxes can be levied, the tax rolls must be submitted to the State Tax Commission for approval. Taxes are due and payable by November 15. An enforceable lien attaches on the property as of November 15. As of December 31, taxes become delinquent and interest and penalty accrue. Taxes are generally collected in January, February and March of the fiscal year.

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA

NOTES TO THE BASIC FINANCIAL STATEMENTS

1. **Summary of Significant Accounting Policies** (continued)

o. **Expenditures/Expenses**

In the government-wide financial statements, expenses are classified by function.

In the fund financial statements, expenditures are classified as follows:

Governmental Funds - By Character:	Current (further classified by function)
	Capital Outlay
	Debt Service

In the fund financial statements, governmental funds report expenditures of current financial resources.

p. **Interfund Transactions**

During the course of normal operations, the School Board has numerous transactions between funds, including expenditures and transfers of resources to provide services, construct assets and service debt. The accompanying fund financial statements generally reflect such transactions as operating transfers.

q. **Restricted Net Position**

Government-Wide Statements

Equity is classified as net position and displayed in three components:

1. *Net invested in capital assets* - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced generally by the outstanding balances of any bonds, mortgages, notes, deferred charged on refunding, or other borrowings accounts payable associated with the capital assets, and unspent debt proceeds that are attributable to the acquisition, construction, or improvement of those assets.
2. Restricted net position - Consists of net position with constraints placed on the use either by:
 - a. External groups such as creditors, grantors, contributors, or laws or regulations of other governments, or
 - b. Law through constitutional provisions or enabling legislation.
3. Unrestricted net position - All other net positions that do not meet the definition of "restricted" or "invested in capital assets, net of related debt."

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA

NOTES TO THE BASIC FINANCIAL STATEMENTS

1. **Summary of Significant Accounting Policies** (continued)

r. **Fund Equity of Fund Financial Statements**

Accounting standards require governmental fund balances to be reported in as many as five classifications as listed below:

Nonspendable – represents amounts that are not expected to be converted to cash because they are either not in spendable form or legally or contractually required to be maintained intact.

Restricted – represents balances where constraints have been established by parties outside the School Board or imposed by law through constitutional provisions or enabling legislation.

Committed – represents balances that can only be used for specific purposes pursuant to constraints imposed by formal action of the School Board’s highest level of decision-making authority.

Assigned – represents balances that are constrained by the School Board’s intent to be used for specific purposes but are not restricted nor committed.

Unassigned – represents balances that have not been assigned to other funds and that have not been restricted, committed, or assigned to specific purposes within the general fund.

When expenditures are incurred for the purposes for which both restricted and unrestricted amounts are available, the School Board reduces restricted amounts first, followed by unrestricted amounts. When expenditures are incurred for purposes for which committed, assigned, and unassigned amounts are available, the School Board reduces committed amounts first, followed by assigned amounts and then unassigned amounts.

s. **Debt Refundings**

Debt refundings are accounted for in accordance with government accounting standards which requires accounting for gains and losses that result from debt refundings to be deferred and amortized over the life of the new debt or the retired debt, whichever is the shorter period. The deferred refunding amounts are classified as either a deferred inflow or outflow in the financial statements.

t. **Pension Plans**

The School Board is a participating employer in three defined benefit pension plans (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, and pension expense, information about the fiduciary net position of each of the plans, and additions to/deductions from each plans’ fiduciary net position have been determined on the same basis as they are reported by each of 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 have been reported at fair value within each plan.

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA

NOTES TO THE BASIC FINANCIAL STATEMENTS

1. **Summary of Significant Accounting Policies** (continued)

u. **Current Year Adoption of New Accounting Standard**

The Governmental Accounting Standards Board issued GASB Statement 101, *Compensated Absences*. This Statement requires governments to accrue a liability for compensated absences leave that has not been used if all of the following are true (1) The leave attributable to services already rendered; (2) The leave accumulates; and (3) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through non-cash means. See Note 18 for the disclosure of the impact to net position due to the implementation of GASB 101.

2. **Ad Valorem Taxes**

The following is a summary of authorized and levied ad valorem taxes collected during the fiscal year ended June 30, 2025:

	<u>Authorized Millage</u>	<u>Levied Millage</u>
Constitutional	5.00	5.00
Special	38.20	38.20
Bond and Interest	27.00	27.00

3. **Cash and Investments**

Deposits:

Custodial credit risk is the risk that in the event of a financial institution failure, the School Board's deposits may not be returned to them. To mitigate this risk, state law requires deposits to be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent financial institution. As of June 30, 2025, the bank balance of \$16,368,257 was not exposed to custodial credit risk.

Securities that may be pledged as collateral consist of obligations of the U.S. Government and its agencies, obligations of the State of Louisiana and its municipalities and school districts.

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA

NOTES TO THE BASIC FINANCIAL STATEMENTS

3. **Cash and Investments** (continued)

Investments:

As of June 30, 2025, the Board had the following investments and maturities:

Investment Type	INVESTMENT MATURITIES (IN YEARS)			
	Fair Value	1-5	6-10	More than 10
General Fund				
U.S. Government Agencies	\$ 11,191,148	\$ 880,130	\$ 5,484,021	\$ 4,826,997
Debt Service Fund				
U.S. Government Agencies	960,431	-	-	960,431
Total Investments	\$ 12,151,579	\$ 880,130	\$ 5,484,021	\$ 5,787,428

The School Board 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 School Board has the following recurring fair value measurements as of June 30, 2025:

Level 2 inputs – U.S. government agency securities, and municipal securities totaling \$12,151,579 are valued using a market-based approach comprised of a combination of directly observable quoted prices and a matrix pricing technique that relies on the securities’ relationship to other benchmark quoted securities.

Interest Rate Risk - Interest rate risk is the risk applicable to debt instruments with fair values that are sensitive to changes in interest rates. One indicator of the measure of interest rate risk is the dispersion of maturity dates of debt instruments. The School Board’s investment policy does not limit investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk - Under Louisiana R.S. 33:2955, as amended, the School Board may invest in obligations of the U.S. Treasury, U.S. Agencies and instrumentalities, repurchase agreements, certificates of deposits, Louisiana Asset Management Pool (LAMP), and other investments as provided in the statute. The Board’s investment policy does not further limit its investment choices. As of June 30, 2025, the Board’s investment in U.S. Government Agencies was rated Aaa by Moody’s Investors Service and AA+ by Standard & Poor’s.

Concentration of Credit Risk - The School Board’s investment policy does not limit the amount the School Board may invest in any one issuer. More than 5 percent of the Board’s investments are in Federal Home Loan Bank and Federal Farm Credit Bank. These investments are 82%, and 18%, respectively.

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA

NOTES TO THE BASIC FINANCIAL STATEMENTS

4. **Due From/To Other Funds**

The School Board’s consolidated cash account holds the cash of all funds. As a result, negative cash balances occur in certain funds and are in essence “financed” by the General Fund. Positive book cash balances are displayed on the Governmental Funds balance sheet as “cash and cash equivalents,” while negative cash balances are included in “Due to other Funds” on the Governmental Funds balance sheet. Individual balances due to/from other funds at June 30, 2025, which represent short-term loans, are as follows:

Fund	Due from other funds	Due to other funds
General Fund	\$ 1,718,797	\$ 728,118
Non-Major Funds	728,118	1,718,797
Total	\$ 2,446,915	\$ 2,446,915

5. **Interfund Transfers**

Interfund transfers for the year ended June 30, 2025, were as follows:

Fund	Transfer in	Transfer Out
General Fund	\$ 178,004	\$ 1,587,840
Non-Major Funds	1,587,840	178,004
Total	\$ 1,765,844	\$ 1,765,844

The purposes of interfund transfers generally are: (1) to transfer indirect cost reimbursements to the general fund from the special revenue funds, and (2) to transfer supplemental local funds for program operations from the general fund to other programs.

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA

NOTES TO THE BASIC FINANCIAL STATEMENTS

6. Capital Assets

Capital assets and depreciation and amortization activity as of and for the year ended June 30, 2025 is as follows:

	Land	Buildings and Improvements	Equipment, Fixtures & Vehicles	Right-of-use Leased Assets	Right-of-use SBITA Assets	Construction in Progress	Total
<u>Cost:</u>							
at June 30, 2024	\$ 5,308,503	\$ 139,782,284	\$ 10,532,555	\$ 1,462,993	\$ 373,343	\$ -	\$ 157,459,678
Reclass CIP	-	-	-	-	-	-	-
Additions	-	-	342,649	832,523	-	362,161	1,537,333
Deletions	-	-	(901,681)	-	-	-	(901,681)
at June 30, 2025	<u>5,308,503</u>	<u>139,782,284</u>	<u>9,973,523</u>	<u>2,295,516</u>	<u>373,343</u>	<u>362,161</u>	<u>158,095,330</u>
<u>Accumulation depreciation and amortization:</u>							
at June 30, 2024	-	43,661,267	9,058,868	620,164	55,199	-	53,395,498
Additions	-	3,159,845	518,715	351,594	74,669	-	4,104,823
Deletions	-	-	(900,403)	-	-	-	(900,403)
at June 30, 2025	<u>-</u>	<u>46,821,112</u>	<u>8,677,180</u>	<u>971,758</u>	<u>129,868</u>	<u>-</u>	<u>56,599,918</u>
Total	<u>\$ 5,308,503</u>	<u>\$ 92,961,172</u>	<u>\$ 1,296,343</u>	<u>\$ 1,323,758</u>	<u>\$ 243,475</u>	<u>\$ 362,161</u>	<u>\$ 101,495,412</u>

Depreciation and amortization expense of \$4,104,823 for the year ended June 30, 2025 was charged to the following governmental functions:

Regular Education	\$ 367,348
Special Education	22,192
Other Educational Programs	142,515
Pupil Support Services	1,683
Instructional Staff Services	457
General Administrative Services	8,704
Business and Central Services	120,798
Plant Operation and Maintenance	3,340,431
Student Transportation	81,753
Food Service	18,942
	<u>\$ 4,104,823</u>

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA

NOTES TO THE BASIC FINANCIAL STATEMENTS

7. Long-term Debt

The following is a summary of the changes in general long-term debt and compensated absences for the year ended June 30, 2025:

	Balance June 30, 2024, as restated	Additions	Deletions	Balance June 30, 2025	Amount Due Within One Year
General Obligation Bonds	\$ 37,350,000	\$ -	\$ 6,855,000	\$ 30,495,000	\$ 6,370,000
Premium on Bonds	1,195,959	-	297,067	898,892	297,067
QSCB	381,328	-	381,328	-	-
Lease Liability	840,260	832,523	333,190	1,339,593	254,273
Subscription Liability	293,343	-	69,504	223,839	72,013
Compensated Absences	5,941,371	201,260	-	6,142,631	1,755,184
Total	\$ 46,002,261	\$ 1,033,783	\$ 7,936,089	\$ 39,099,955	\$ 8,748,537

*-The change in compensated absences above is a net change for the year.

A schedule of the individual issues outstanding as of June 30, 2025 is as follows:

Bond Issue	Original Issue	Interest Rate	Final Payment Due	Interest to Maturity	Principal Outstanding
Series 2013 ¹	March 26, 2013	4.000%	March 1, 2033	\$ 771,350	\$ 5,475,000
Series 2015 ¹	June 16, 2015	2.000%	March 1, 2026	18,200	520,000
Series 2016 ¹	May 4, 2016	3.000%	March 1, 2027	205,500	3,240,000
Series 2017 ¹	July 6, 2017	2.000%	March 1, 2028	412,000	4,020,000
Series 2019 ¹	December 3, 2019	3.000%	March 1, 2029	387,450	4,210,000
Series 2019A ¹	December 3, 2019	2.950%	March 1, 2030	608,920	5,970,000
Series 2021A ¹	July 21, 2021	2.150%	March 1, 2031	567,985	7,060,000
Total General Obligation Bonds				\$ 2,971,405	\$ 30,495,000

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA

NOTES TO THE BASIC FINANCIAL STATEMENTS

7. **Long-term Debt** (continued)

All principal and interest requirements are funded by an ad valorem tax levy on taxable property within the parish. The School Board accumulates the tax proceeds in the Debt Service Fund. At June 30, 2025, the School Board has accumulated \$1,891,231 in the debt service fund for future debt service requirements.

¹ These bonds were offered for public sale that are subject to the following events of default, termination events, and acceleration clauses:

- *Events of default with finance-related consequences* – These bonds will be in default for failure of payment of principal and interest when due, non-performance or observance of covenants, agreements, or conditions in Bond Resolution or supplemental resolution continuing for more than 45 days after written notice of non-performance or observance, and filing petition or seeking relief under Federal or State bankruptcy law. The School Board has the authority to assess and collect property taxes that will be used to repay this debt.
- *Termination events with finance related consequences* – Events that will result in finance related consequences include bonds being callable early and insufficient taxes levied and collected to meet debt service requirements on all bonds outstanding.
- *Subjective acceleration clauses* – The School Board may refund early with refunding certificates or bonds, and the School Board may defease bonds.

² This bond is a direct placement bond that is subject to the following events of default, termination events, and acceleration clauses:

- *Events of default with finance-related consequences* – These bonds will be in default for failure of payment of principal and interest when due. The School Board has the authority to assess and collect property taxes that will be used to repay this debt.
- *Termination events with finance related consequences* – Events that will result in finance related consequences include bonds being callable early. The School Board is obligated to annually budget a sufficient amount to pay principal and interest to meet annual debt service requirements.
- *Subjective acceleration clauses* – The School Board may refund early with refunding certificates or bonds, and the School Board may defease bonds.

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA

NOTES TO THE BASIC FINANCIAL STATEMENTS

7. **Long-term Debt** (continued)

As of June 30, 2025, \$146,022 of the deferred amount on refunding was amortized, resulting in a deferred amount on refunding of \$285,743 on the statement of net position as of June 30, 2025.

The principal and interest payments for the general obligation bonds, including the bond premium amortization, are as follows:

Year Ending June 30	Principal Payments	Interest Payments	Total
2026	\$ 6,667,067	\$ 897,820	\$ 7,564,887
2027	6,189,157	720,260	6,909,417
2028	4,644,157	508,810	5,152,967
2029	4,774,157	375,860	5,150,017
2030	3,722,311	237,980	3,960,291
2031-2033	5,397,043	230,675	5,627,718
Total	<u>\$ 31,393,892</u>	<u>\$ 2,971,405</u>	<u>\$ 34,365,297</u>

In accordance with Louisiana Revised Statute 39:562, the School Board is legally restricted from incurring long-term bonded debt in excess of 50 percent of the total assessed value of taxable property. At June 30, 2025, the total assessed value of taxable property for the school district was \$354,779,747, which would result in a \$177,389,873 long-term bonded debt limit.

8. **Defined Benefit Pension Plans**

The Zachary Community School Board is a participating employer in several cost-sharing defined benefit pension plans. These plans are administered by three public employee retirement systems, the Teachers' Retirement System of Louisiana (TRSL), the Louisiana School Employees' Retirement System (LSERS) and the Louisiana State Employees' Retirement System (LASERS). Article X, Section 29(F) of the Louisiana Constitution of 1974 assigns the authority to establish and amend benefit provisions of these plans to the State Legislature. Each system is administered by a separate board of trustees and all Systems are component units of the State of Louisiana.

Each of the Systems issues an annual publicly available financial report that includes financial statements and required supplementary information for the system. These reports may be obtained by writing, calling or downloading the reports as follows:

TRSL:
8401 United Plaza Blvd.
P. O. Box 94123
Baton Rouge, Louisiana 70804-9123
(225) 925-6446
www.trsl.org

LSERS:
8660 United Plaza Blvd.
Baton Rouge, LA 70804
(225) 925-6484
www.lsers.net

LASERS
8401 United Plaza Blvd.
P. O. Box 44213
Baton Rouge, Louisiana 70804-4213
(225) 925-0185
www.lasersonline.org

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA

NOTES TO THE BASIC FINANCIAL STATEMENTS

8. **Defined Benefit Pension Plans** (continued)

Plan Descriptions:

Teachers' Retirement System of Louisiana (TRSL) is the administrator of a cost-sharing defined benefit pension plan. The plan provides retirement, disability, and survivor benefits to employees who meet the legal definition of a “teacher” as provided for in LRS 11:701. Eligibility for retirement benefits and the calculation of retirement benefits are provided for in LRS 11:761.

Louisiana State Employees' Retirement System (LASERS) administers a cost-sharing defined benefit pension plan to provide retirement, disability, and survivor benefits to eligible state employees and their beneficiaries as defined in LRS 11:411-414. The age and years of creditable service required in order for a member to receive retirement benefits are established by LRS 11:441 and vary depending on the member’s hire date, employer and job classification.

Louisiana School Employees' Retirement System (LSERS) is the administrator of a cost-sharing defined benefit pension plan. The plan provides retirement, disability, and survivor benefits to school employees as defined in LRS 11:1002. Eligibility for retirement benefits and the computation of retirement benefits are provided for in LRS 11:1141.

A brief summary of eligibility and benefits of the plans are provided in the following table:

	TRSL	LSERS	LASERS
Final average salary	Highest 36 or 60 months ¹	Highest 36 or 60 months ¹	Highest 36 or 60 months ¹
Years of service required and/or age eligible for benefits	30 years any age ⁵ 25 years age 55 20 years any age ² 5 years age 60 5 years age 62 ⁷	30 years any age 25 years age 55 20 years any age ² 5-10 years age 60 ⁶ 5 years age 62 ⁷	30 years any age 25 years age 55 20 years any age ² 5-10 years age 60 ⁶ 5 years age 62 ⁷
Benefit percent per years of service	2% to 3.0% ⁴	2.5% to 3.33% ⁴	2.5% to 3.5% ³

¹ Employees hired after a certain date use the revised benefit calculation based on the highest 60 months of service

² With actuarial reduced benefits

³ Members in regular plan 2.5%, hazardous duty plan 3.33%, and judges 3.5%

⁴ Benefit percent varies depending on when hired

⁵ For school food service workers, hired on or before 6-30-15, 30 years at age 55

⁶ Five to ten years of creditable service at age 60 depending upon the plan or when hired

⁷ Hired on or after 7/1/15, age eligibility is 5 years at age 62

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA

NOTES TO THE BASIC FINANCIAL STATEMENTS

8. **Defined Benefit Pension Plans** (continued)

Cost of Living Adjustments

The pension plans in which the School Board participates have the authority to grant cost-of-living adjustments (COLAs) on an ad hoc basis. COLAs may be granted to these systems, (TRSL LSERS, and LASERS) if approved with a two-thirds vote of both houses of the Legislature, provided the plan meets certain statutory criteria related to funded status and interest earnings.

Contributions

Article X, Section 29(E)(2)(a) of the Louisiana Constitution of 1974 assigns the Legislature the authority to determine employee contributions. Employer contributions are actuarially determined using statutorily established methods on an annual basis and are constitutionally required to cover the employer’s portion of the normal cost and provide for the amortization of the unfunded accrued liability. Employer contributions are adopted by the Legislature annually upon recommendation of the Public Retirement Systems’ Actuarial Committee. 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.

Contributions to the plans are required and determined by State statute (which may be amended) and are expressed as a percentage of covered payroll. The contribution rates in effect for the year ended June 30, 2025, for the School Board and covered employees were as follows:

	School Board	Employees
Teachers' Retirement System:		
Regular Plan	21.51%	8.00%
School Employees' Retirement System	25.80%	7.50%- 8.00%
State Employees’ Retirement System	34.74%	7.50% - 8.00%

The contributions made to the Systems for the past three fiscal years, which equaled the required contributions for each of these years, were as follows:

	2025	2024	2023
Teachers' Retirement System:			
Regular Plan	\$ 7,699,383	\$ 8,544,466	\$ 8,476,663
School Employees' Retirement System	285,654	331,720	328,915
State Employees’ Retirement System	59,002	43,725	31,039

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA

NOTES TO THE BASIC FINANCIAL STATEMENTS

8. **Defined Benefit Pension Plans** (continued)

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

The following schedule lists the School Board’s proportionate share of the Net Pension Liability allocated by each of the pension plans based on the June 30, 2024 measurement date. The School Board uses this measurement to record its Net Pension Liability and associated amounts as of June 30, 2025 in accordance with GASB Statement 68. The schedule also includes the proportionate share allocation rate used at June 30, 2025 along with the change compared to the June 30, 2024 rate. The School Board’s proportion of the Net Pension Liability was based on a projection of the Agency’s long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined.

	Net Pension Liability at June 30, 2024	Rate at June 30, 2024	Increase (Decrease) to June 30, 2024 Rate
Teachers' Retirement System	\$ 50,097,538	0.5803%	-0.0289%
School Employees' Retirement System	1,624,107	0.3202%	-0.0258%
State Employees' Retirement System	232,103	0.0043%	0.0015%
	<u>\$ 51,953,748</u>		

The following schedule list each pension plan’s recognized pension expense to the School Board for the year ended June 30, 2025:

	Total
Teachers' Retirement System	\$ 5,799,780
School Employees' Retirement System	(4,181)
State Employees' Retirement System	115,150
	<u>\$ 5,910,749</u>

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA

NOTES TO THE BASIC FINANCIAL STATEMENTS

8. **Defined Benefit Pension Plans** (continued)

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

At June 30, 2025, the School Board reported deferred outflows of resources and deferred inflows of resources related to each pension plan and total from the following sources:

Deferred Outflows:

	<u>TRSL</u>	<u>LSERS</u>	<u>LASERS</u>	<u>Total</u>
Changes of assumptions	\$ 1,340,969	\$ -	\$ 1,622	\$ 1,342,591
Difference between expected and actual experience	2,843,452	39,464	-	2,882,916
Net difference between projected and actual earnings on pension plan investments	3,805,826	-	-	3,805,826
Changes in proportion	1,238,678	-	48,567	1,287,245
Difference between contributions and proportionate share of contributions	330,873	-	1,243	332,116
Employer contributions subsequent to the measurement date	7,699,383	285,654	59,002	8,044,039
Total	<u>\$ 17,259,181</u>	<u>\$ 325,118</u>	<u>\$ 110,434</u>	<u>\$ 17,694,733</u>

Deferred Inflows:

	<u>TRSL</u>	<u>LSERS</u>	<u>LASERS</u>	<u>Total</u>
Changes of assumptions	\$ (1,282,749)	\$ (69,404)	\$ -	\$ (1,352,153)
Difference between expected and actual experience	-	-	(1,027)	(1,027)
Net difference between projected and actual earnings on pension plan investments	-	(154,948)	(27,673)	(182,621)
Changes in proportion	(2,291,999)	(107,641)	-	(2,399,640)
Difference between contributions and proportionate share of contributions	(238,062)	(1,127)	-	(239,189)
Total	<u>\$ (3,812,810)</u>	<u>\$ (333,120)</u>	<u>\$ (28,700)</u>	<u>\$ (4,174,630)</u>

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA

NOTES TO THE BASIC FINANCIAL STATEMENTS

8. **Defined Benefit Pension Plans** (continued)

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

The School Board reported a total of \$8,044,039 as deferred outflow of resources related to pension contributions made subsequent to the measurement period of June 30, 2024 which will be recognized as a reduction in Net Pension Liability in the year ended June 30, 2026. The following schedule lists the pension contributions made subsequent to the measurement period for each pension plan:

	Subsequent Contributions
Teachers' Retirement System	\$ 7,699,383
School Employees' Retirement System (LSERS)	285,654
State Employees' Retirement System (LASERS)	59,002
	\$ 8,044,039

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	TRSL	LSERS	LASERS	Total
2025	\$ (512,760)	\$ (228,659)	\$ 33,169	\$ (708,250)
2026	5,739,286	478	7,150	5,746,914
2027	564,733	(36,175)	(10,666)	517,892
2028	(44,271)	(29,300)	(6,921)	(80,492)
	\$ 5,746,988	\$ (293,656)	\$ 22,732	\$ 5,476,064

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA

NOTES TO THE BASIC FINANCIAL STATEMENTS

8. **Defined Benefit Pension Plans** (continued)

Actuarial Assumptions

A summary of the actuarial methods and assumptions used in determining the total pension liability for each pension plan are as follows:

	<u>TRSL</u>	<u>LSERS</u>	<u>LASERS</u>
Valuation Date	June 30, 2024	June 30, 2024	June 30, 2024
Actuarial Cost Method	Entry Age Normal	Entry Age Normal	Entry Age Normal
Actuarial Assumptions:			
Expected Remaining Service Lives	5 years	3 years	2 years
Investment Rate of Return	7.25% net of investment expenses*	6.80% net of plan investment expenses	7.25% per annum, net of investment expenses*
Inflation Rate	2.4% per annum	2.5% per annum	2.4% per annum
Mortality	Active members – Pub2010T-Below Median Employee (amount weighted) tables for males and females, adjusted by 0.965 for males and by 0.942 for females. Non-Disabled retiree/inactive members – Pub2010T-Below Median Retiree (amount weighted) tables for males and females, adjusted by 1.173 for males and by 1.258 for females. Disability retiree mortality – Pub2010T-Disability (amount weighted) tables for males and females, adjusted by factors of 1.043 for males and by 1.092 for females. Contingent survivor mortality -- Pub2010T-Below Median -- Contingent Survivor (amount weighted) tables for males and females, adjusted by factors of 1.079 for males and by 0.919 for females. These base tables are adj. from 2010 to 2019 with continued future mortality imp. using MP-2021 imp. table on a fully generational basis.	Mortality rates based on the Pub-2010 Median Healthy Retiree Tables, Pub-2010 General Below Median Sex Distinct Employee Table, Pub-2010 Non-Safety Disabled Retiree Sex Distinct Table.	Non-disabled members - The PubG-2010 Healthy Retiree on a fully generational basis by Mortality Improvement Scale MP-2021. Disabled members - Mortality rates based on the RP-2000 Disabled Retiree Mortality Table, with no projection for mortality improvement.
Termination, Disability, and Retirement	Termination, disability, and retirement assumptions were projected based on a 5-year (2018-2022) experience study of the System’s members.		Termination, disability, and retirement assumptions were projected based on a five-year (2020-2024) experience study of the System’s members.

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA

NOTES TO THE BASIC FINANCIAL STATEMENTS

8. **Defined Benefit Pension Plans** (continued)

Actuarial Assumptions (continued)

	TRSL	LSERS	LASERS																		
Salary Increases	2.41% - 4.85% varies depending on duration of service	3.75% based on the 2023 experience study (for the period 2018-2022) of the System's members	Salary increases were projected based on a 2019-2023 experience study of the System's members. The salary increase ranges for specific types of members are:																		
			<table border="0" style="margin: auto; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center; border-bottom: 1px solid black;">Member Type</th> <th style="text-align: center; border-bottom: 1px solid black;">Lower Range</th> <th style="text-align: center; border-bottom: 1px solid black;">Upper Range</th> </tr> </thead> <tbody> <tr> <td style="text-align: left;">Regular</td> <td style="text-align: center;">3.0%</td> <td style="text-align: center;">14.0%</td> </tr> <tr> <td style="text-align: left;">Judges</td> <td style="text-align: center;">2.4%</td> <td style="text-align: center;">4.8%</td> </tr> <tr> <td style="text-align: left;">Corrections</td> <td style="text-align: center;">4.4%</td> <td style="text-align: center;">15.3%</td> </tr> <tr> <td style="text-align: left;">Hazardous Duty</td> <td style="text-align: center;">4.4%</td> <td style="text-align: center;">15.3%</td> </tr> <tr> <td style="text-align: left;">Wildlife</td> <td style="text-align: center;">4.4%</td> <td style="text-align: center;">15.3%</td> </tr> </tbody> </table>	Member Type	Lower Range	Upper Range	Regular	3.0%	14.0%	Judges	2.4%	4.8%	Corrections	4.4%	15.3%	Hazardous Duty	4.4%	15.3%	Wildlife	4.4%	15.3%
Member Type	Lower Range	Upper Range																			
Regular	3.0%	14.0%																			
Judges	2.4%	4.8%																			
Corrections	4.4%	15.3%																			
Hazardous Duty	4.4%	15.3%																			
Wildlife	4.4%	15.3%																			
Cost of Living Adjustments	None.	Not substantively automatic. The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost of living increases. The present value and accrued liabilities include future COLA, though not yet authorized by the legislature by including the recognition of the existing balance in the Experience Account together with the present value of future contributions to the account up to the maximum permissible value of the account based upon current amount limitations.	The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost of living increases. The projected benefit payments do not include provisions for potential future increases not yet authorized by the Board of Trustees as they were deemed not to be substantively automatic.																		

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA

NOTES TO THE BASIC FINANCIAL STATEMENTS

8. Defined Benefit Pension Plans (continued)

The following schedule list the methods used by each of the retirement systems in determining the long term rate of return on pension plan investments:

TRSL	LSERS	LASERS
<p>The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.4% and an adjustment for the effect of rebalancing/diversification. The resulting long-term geometric nominal expected rate of return was 8.68% for 2024.</p>	<p>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, of 2.50%. The resulting long-term arithmetic nominal expected return is 8.44%.</p>	<p>The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.4% and an adjustment for the effect of rebalancing/diversification. The resulting expected long-term nominal rate of return is 8.15% for 2024.</p>

The following table provides a summary of the best estimates of arithmetic/geometric real rates of return for each major asset class included in each of the Retirement Systems target asset allocations as of June 30, 2025:

Asset Class	Target Allocation			Long-Term Expected Real Rate of Return		
	TRSL	LSERS	LASERS	TRSL	LSERS	LASERS
Cash	-	-	-	-	-	0.76%
Domestic equity	22.50%	-	34.00%	4.55%	-	4.29%
International equity	11.50%	-	17.00%	4.29%	-	5.22%
Equity	-	39.00%	-	-	2.66%	-
Domestic fixed income	8.00%	-	3.00%	2.79%	-	2.04%
International fixed income	6.00%	-	19.00%	1.66%	-	5.24%
Fixed income	-	26.00%	-	-	0.97%	-
Alternatives	-	23.00%	27.00%	-	1.81%	8.19%
Alternative - private equity	37.00%	-	-	8.24%	-	-
Alternative - other equity	15.00%	-	-	4.51%	-	-
Real estate	-	12.00%	-	-	0.60%	-
Total	100.00%	100.00%	100.00%			

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA

NOTES TO THE BASIC FINANCIAL STATEMENTS

8. **Defined Benefit Pension Plans** (continued)

Discount Rate

The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that sponsor contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, each of the pension plan's fiduciary net positions was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate used to measure the total pension liability for TRSL, LSERS and LASERS was 7.25%, 6.80% and 7.25%, respectively for the year ended June 30, 2025. The discount rates for TRSL, LSERS and LASERS remained the same since the prior measurement date.

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

The following table presents the School Board's proportionate share of the Net Pension Liability (NPL) using the discount rate of each Retirement System as well as what the School Board's proportionate share of the NPL would be if it were calculated using a discount rate that is one percentage-point lower or one percentage-point higher than the current rate used by each of the Retirement Systems:

	<u>1.0% Decrease</u>	<u>Current Discount Rate</u>	<u>1.0% Increase</u>
TRSL			
Rates	6.25%	7.25%	8.25%
Share of NPL	\$ 72,602,491	\$ 50,097,538	\$ 31,176,669
LSERS			
Rates	5.80%	6.80%	7.80%
Share of NPL	\$ 2,471,895	\$ 1,624,107	\$ 897,443
LASERS			
Rates	6.25%	7.25%	8.25%
Share of NPL	\$ 320,528	\$ 232,103	\$ 156,962

Payables to the Pension Plan

The School Board recorded accrued liabilities to each of the Retirement Systems for the year ended June 30, 2025 mainly due to the accrual for payroll at the end of each of the fiscal years. The amounts due are included in liabilities under the amounts reported as accounts, salaries and other payables. The balance due to each for the retirement systems at June 30, 2025 is as follows:

TRSL	\$ 1,562,651
LSERS	28,369
LASERS	19,034
	<u>\$ 1,610,054</u>

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA

NOTES TO THE BASIC FINANCIAL STATEMENTS

9. **Postemployment Health Care and Life Insurance Benefits**

General Information about the OPEB Plan

Plan description – The Zachary Community School Board (the School Board) provides certain continuing health care and life insurance benefits for its retired employees. The Zachary Community School Board’s OPEB Plan (the OPEB Plan) is a single-employer defined benefit OPEB plan administered by the School Board. The authority to establish and/or amend the obligation of the employer, employees and retirees rests with the School Board. No assets are accumulated in a trust that meets the criteria in Governmental Accounting Standards Board (GASB).

Benefits Provided – Medical benefits are provided to employees upon actual retirement. Most employees are covered by the Teachers' Retirement System of Louisiana (TRSL), whose retirement eligibility provisions as follows: 30 years of service at any age; age 55 and 25 years of service; or, age 60 and 5 years of service. Employees who first become a member of the retirement system on and after January 1, 2011 must be at least age 60 to receive an unreduced retirement benefit and we have therefore assumed that these employees will not retire until age 60.

Life insurance coverage in varying amounts are provided to retirees based on a rate which is blended for active and retired. The employer pays 100% of the “cost” of the retiree life insurance based on that blended rate.

Employees covered by benefit terms – At June 30, 2025, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	177
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	<u>477</u>
	<u>654</u>

Participation – Employees who receive active benefits are assumed to also receive retiree benefits. It is also assumed that the same percentage of employees with spouse coverage would also have spouse coverage as retirees. It is also assumed that 10% of future retirees will decline coverage.

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA

NOTES TO THE BASIC FINANCIAL STATEMENTS

9. **Postemployment Health Care and Life Insurance Benefits** (continued)

Total OPEB Liability

The School Board's total OPEB liability of \$50,825,804 was measured as of June 30, 2025, and was determined by an actuarial valuation as of July 1, 2023.

Actuarial Assumptions and other inputs – The total OPEB liability in the June 30, 2025 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.5%
Salary increases	3.0%, including inflation
Prior Discount rate	3.93% annually
Discount rate	5.20% annually
Healthcare cost trend rates	5.5% annually for ten years. 4.5% thereafter
Mortality	SOA RP-2000 Table

The discount rate was based on the Bond Buyers' 20 Year General Obligation municipal bond index as of June 30, 2025 the end of the applicable measurement period.

The actuarial assumptions used in the June 30, 2025 valuation were based on the results of ongoing evaluations of the assumptions from July 1, 2009 to June 30, 2025.

Changes in the Total OPEB Liability

Balance at June 30, 2024	\$ 55,594,186
Changes for the year:	
Service cost	1,296,542
Interest	2,159,866
Differences between expected and actual experience	1,142,599
Changes in assumptions	(8,095,856)
Benefit payments	(1,271,533)
Net changes	<u>(4,768,382)</u>
Balance at June 30, 2025	<u>\$ 50,825,804</u>

The amount of total OPEB liability estimated to be due and payable within one year is \$1,341,467.

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA

NOTES TO THE BASIC FINANCIAL STATEMENTS

9. **Postemployment Health Care and Life Insurance Benefits** (continued)

Changes in the Total OPEB Liability (continued)

Sensitivity of the total OPEB liability to changes in the discount rate – The following presents the total OPEB liability of the School Board, as well as what the School Board’s total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (4.20%) or 1-percentage-point higher (6.20%) than the current discount rate:

	1.0% Decrease (4.20%)	Current Discount Rate (5.20%)	1.0% Increase (6.20%)
Total OPEB liability	\$ 61,658,646	\$ 50,825,804	\$ 42,446,179

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates – The following presents the total OPEB liability of the School Board, as well as what the School Board’s total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare trend rates:

	1.0% Decrease	Current Trend	1.0% Increase
Total OPEB liability	\$ 43,399,319	\$ 50,825,804	\$ 60,495,202

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

For the year ended June 30, 2025, the School Board recognized OPEB expense of \$2,000,516. At June 30, 2025, the School Board reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 9,170,365	\$ (10,512,228)
Changes in assumptions	2,220,549	(11,757,038)
Total	\$ 11,390,914	\$ (22,269,266)

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

	Years ending June 30:
2026	\$ (4,708,138)
2027	(5,422,004)
2028	269,013
2029	347,586
2030	(1,227,525)
Thereafter	(137,284)
Total	\$ (10,878,352)

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA

NOTES TO THE BASIC FINANCIAL STATEMENTS

10. **Litigation and Claims**

Litigation: The School Board is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the School Board's attorney, the resolution of these matters will not have a material adverse effect on the financial condition of the School Board.

Grant Disallowances: The School Board participates in a number of state and federally assisted grant programs. The programs are subject to audits under the single audit approach as well as audits conducted by the Louisiana and U.S. Department of Education. Such audits could lead to requests for reimbursement by the grantor agency for expenditures disallowed under the terms of the grants.

11. **Receivables**

Receivables as of June 30, 2025 for the School Board were as follows:

	General Fund	Debt Service Fund	Non-major Governmental Funds	Total
Sales taxes	\$ 2,019,466	\$ 17,753	\$ -	\$ 2,037,219
Due from other governments	-	-	1,488,154	1,488,154
Other	8,865	1,146	-	10,011
Gross receivables	<u>\$ 2,028,331</u>	<u>\$ 18,899</u>	<u>\$ 1,488,154</u>	<u>\$ 3,535,384</u>

At June 30, 2025, all accounts were considered collectible; therefore, no allowance for uncollectible accounts has been established.

12. **Disaggregation of Accounts Payable and Accrued Liabilities**

Accounts, salaries and other payables as of June 30, 2025, were as follows:

Vendors	\$ 460,371
Salaries and benefits	<u>4,454,859</u>
Total governmental funds	<u>\$ 4,915,230</u>

13. **Leases**

The School Board leases various land and equipment used for a variety of purposes and uses including athletics, copiers, and vehicles. These leases range in terms from 3 to 10 years, with various renewal options available, and payment terms vary in both frequency and amounts. In the prior year, a liability was recorded for the present value of lease payments over the lease term for each agreement.

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA

NOTES TO THE BASIC FINANCIAL STATEMENTS

13. **Leases** (continued)

As of June 30, 2025 the combined value of the lease liabilities was \$1,339,594. In determining the present values, discount rates of 2.184% to 5.95% were applied, depending on the duration of the lease agreement and other factors. The recorded value of the right-to-use assets as of the end of the current fiscal year was \$2,295,516 and accumulated amortization of these assets were \$971,758. The future principal and interest lease payments as of June 30, 2025, are as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	254,273	45,680	299,953
2027	265,154	37,199	302,353
2028	228,235	28,417	256,652
2029	235,968	20,685	256,653
2030	126,843	13,641	140,484
2031-2035	229,120	18,079	247,199
Total	<u>\$ 1,339,593</u>	<u>\$ 163,701</u>	<u>\$ 1,503,294</u>

The lease agreements have non-appropriation exculpatory clauses that allow lease cancellation if the School Board does not make an appropriation for its continuation during any future fiscal period. However, such clauses were disregarded in determining the term of the lease for the purpose of measuring the lease assets and liabilities.

The following is a schedule of the recorded amounts and accumulated amortization of leased assets by underlying asset class:

	<u>Recorded amount</u>	<u>Accumulated amortization</u>	<u>Net right-to-use asset</u>	<u>2025 Amortization</u>
<u>Right to use assets:</u>				
Land	\$ 643,477	\$ 128,695	\$ 514,782	\$ 64,348
Equipment	1,652,039	843,063	808,976	287,246
	<u>\$ 2,295,516</u>	<u>\$ 971,758</u>	<u>\$ 1,323,758</u>	<u>\$ 351,594</u>

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA

NOTES TO THE BASIC FINANCIAL STATEMENTS

14. **Subscription-Based Information Technology Arrangements**

In October 2023, the School Board entered into a subscription-based information technology arrangement (SBITA) for software to improve school safety.

Pursuant to GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, the School Board has recorded a right-to-use capital asset and a liability for future payments. The total of the School Board's subscription assets is recorded at a cost of \$373,343, less accumulated amortization of \$129,868, for a net SBITA asset of \$243,475 at June 30, 2025. The liability associated with these SBITA's, recorded at present value using a discount rate of 3.511%, is \$223,839 as of June 30, 2025. The future subscription payments to be made as payment of the liability are scheduled to occur as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 72,013	\$ 6,109	\$ 78,122
2027	74,583	3,473	78,056
2028	77,243	742	77,985
Total	<u>\$ 223,839</u>	<u>\$ 10,324</u>	<u>\$ 234,163</u>

15. **Tax Abatement**

The Louisiana Industrial Ad Valorem Tax Exemption program (Louisiana Administrative Code, Title 13, Chapter 5) is a state incentive program which abates, up to ten years, local ad valorem taxes on a manufacturer's new investment and annual capitalized additions related to the manufacturing site. Applications to exempt qualified property for five years are approved by the Board of Commerce and Industry. The exemption may be renewed for an additional five years. For the fiscal year ending June 30, 2025, \$3,556,026 in Zachary Community School Board ad valorem tax revenues were abated by the State of Louisiana through the Louisiana Industrial Ad Valorem Tax Exemption program.

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA

NOTES TO THE BASIC FINANCIAL STATEMENTS

16. **Appropriations to Charter Schools**

State MFP funding was appropriated to Type 2 Charter Schools during the year ended June 30, 2025 as follows:

	<u>General Fund</u>
Type 2 Charter Schools	
Madison Prep	\$ 21,049
Louisiana Key Academy	78,182
GEO Prep Mid-City	12,028
Impact Charter	21,306
Advantage Charter Academy	66,154
Iberville Charter Academy	6,014
Lafayette Renaissance	9,021
GEO Prep Academy	30,070
Collegiate Academy	12,028
GEO Next Generation High	12,028
GEO Prep Baker	21,049
Discovery Oschner Baton Rouge	12,028
Kenilworth Science and Technology Academy	6,014
Rebirth Blended Learning Academy	5,413
Louisiana Virtual Charter Academy	119,078
University View Academy	<u>292,280</u>
Total	<u>\$ 723,742</u>

17. **Future Accounting Changes**

Following is a summary of accounting standards adopted by the Governmental Accounting Standards Board (GASB) that are scheduled to be implemented in the future that may affect the School Board's financial report:

The Governmental Accounting Standards Board issued GASB Statement No. 103, *Financial Reporting Model Improvements*. This statement establishes new accounting and financial reporting requirements - or modifies existing requirements - related to the following: (a) Management's discussion and analysis (MD&A), (b) Unusual or infrequent items, (c) Presentation of the Proprietary fund statement of revenues, expenses, and changes in fund net position, (d) Information about major component units in basic financial statements, (e) Budgetary comparison information and (f) Financial trends information in the statistical section. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025. The School Board will implement for the fiscal year June 30, 2026.

The Governmental Accounting Standards Board issued GASB Statement 104, *Disclosure of Certain Capital Assets*. This statement, requires certain types of capital assets to be disclosed separately in the capital assets note disclosures required by GASB Statement 34, including leases and subscription-based information technology arrangements. This Statement also requires additional disclosures for capital assets held for sale. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025. The School Board will implement for the fiscal year June 30, 2026.

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA

NOTES TO THE BASIC FINANCIAL STATEMENTS

17. **Future Accounting Changes** (continued)

GASB Statement No. 105, issued in December 2025, significantly updates guidance for *Subsequent Events*, defining them as events after year-end but before financial statements are issued, clarifying recognized vs. nonrecognized events, and requiring disclosure of the date events were evaluated, aiming to improve consistency and user understanding. It supersedes older rules (like parts of Statement 56), modifies other GASB pronouncements, and is effective for fiscal years starting after June 15, 2026

18. **Adoption of New Accounting Standard**

The School Board adopted GASB Statement No. 101, *Compensated Absences*. The unified recognition and measurement model in this standard results in a liability for compensated absences that more appropriately reflects when a government incurs an obligation. In addition, the model can be applied consistently to any type of compensated absence and will eliminate potential comparability issues between governments that offer different types of leave.

The effects of the restatements to the June 30, 2024 net position are as follows:

Governmentwide (Governmental Activities)

Net position as previously reported, June 30, 2024	\$ (17,353,602)
Change in accounting principle	<u>(1,423,467)</u>
Net position as previously reported, June 30, 2025	<u>\$ (18,777,069)</u>

There was no impact to fund balances of the School Board's governmental funds.

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA
SCHEDULE OF CHANGES IN TOTAL OTHER POST-EMPLOYMENT LIABILITY AND RELATED RATIOS
FOR THE YEAR ENDED JUNE 30, 2025

Financial Statement reporting date	6/30/2025	6/30/2024	6/30/2023	6/30/2022	6/30/2021	6/30/2020	6/30/2019	6/30/2018
Measurement date	6/30/2025	6/30/2024	6/30/2023	6/30/2022	6/30/2021	6/30/2020	6/30/2019	6/30/2018
	2025	2024	2023	2022	2021	2020	2019	2018
Service cost	\$ 1,296,542	\$ 983,920	\$ 1,057,421	\$ 2,097,987	\$ 1,775,212	\$ 2,144,203	\$ 2,985,555	\$ 2,926,982
Interest	2,159,866	1,610,790	1,526,961	1,614,939	1,512,389	1,618,868	1,560,649	1,574,668
Differences between expected and actual experience	1,142,599	11,202,530	71,523	(26,546,507)	(416,028)	6,355,664	1,428,157	(3,415,822)
Changes of assumptions	(8,095,856)	(1,751,860)	(542,958)	(7,599,592)	4,699,223	13,157,815	2,874,683	(2,224,094)
Benefit payments	(1,271,533)	(1,164,836)	(1,067,587)	(1,328,480)	(1,149,495)	(1,042,580)	(908,447)	(1,085,828)
Net change in total OPEB liability	(4,768,382)	10,880,544	1,045,360	(31,761,653)	6,421,301	22,233,970	7,940,597	(2,224,094)
Total OPEB liability - beginning	55,594,186	44,713,642	43,668,282	75,429,935	69,008,634	46,774,664	38,834,067	41,058,161
Total OPEB liability - ending	\$ 50,825,804	\$ 55,594,186	\$ 44,713,642	\$ 43,668,282	\$ 75,429,935	\$ 69,008,634	\$ 46,774,664	\$ 38,834,067
Covered payroll	\$ 28,879,586	\$ 27,768,833	\$ 28,570,902	\$ 27,738,739	\$ 30,110,804	\$ 28,952,696	\$ 30,864,587	\$ 29,965,618
Net OPEB liability as a percentage of covered payroll	175.99%	200.20%	156.50%	157.43%	250.51%	238.35%	151.55%	129.60%

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

There are no assets accumulated in a trust that meet the criteria of paragraph 4 of GASB 75 for this OPEB plan.

See the accompanying notes to the required supplementary information.

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA
SCHEDULE OF SCHOOL BOARD'S PROPORTIONATE SHARE OF THE NET PENSION
LIABILITY FOR THE RETIREMENT SYSTEMS
FOR THE YEAR ENDED JUNE 30, 2025(*)

Pension Plan	Year	Employer's Proportion of the Net Pension Liability (Asset)	Employer's Proportionate Share of the Net Pension Liability (Asset)	Covered Payroll	Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
TRSL						
	2025	0.5803%	\$ 50,097,538	\$ 35,176,608	142.4172%	76.01%
	2024	0.6092%	55,063,969	33,313,631	165.2896%	74.30%
	2023	0.5865%	55,992,771	30,051,255	186.3242%	72.40%
	2022	0.6003%	32,049,926	29,257,396	109.5447%	83.85%
	2021	0.5943%	66,110,048	28,042,875	235.7463%	65.60%
	2020	0.5751%	57,078,845	27,514,798	207.4478%	68.60%
	2019	0.5834%	57,333,818	26,576,879	215.7282%	68.20%
	2018	0.6028%	61,796,162	26,250,883	235.4060%	65.60%
	2017	0.5748%	67,460,679	26,154,838	257.9281%	59.90%
	2016	0.5925%	63,704,340	27,615,971	230.6793%	62.50%
LSERS						
	2025	0.3202%	\$ 1,624,107	\$ 1,205,121	134.7671%	82.06%
	2024	0.3460%	2,093,288	1,217,029	171.9998%	78.48%
	2023	0.3253%	2,163,429	1,089,283	198.6104%	76.31%
	2022	0.4042%	1,921,431	1,245,902	154.2201%	82.51%
	2021	0.3755%	3,017,190	1,128,656	267.3259%	69.67%
	2020	0.3800%	2,660,270	1,113,819	235.7025%	73.49%
	2019	0.3467%	2,316,651	981,888	235.9384%	74.44%
	2018	0.3391%	2,170,101	989,185	219.3827%	75.03%
	2017	0.3193%	2,408,948	915,161	263.2267%	70.09%
	2016	0.3174%	2,012,592	976,608	206.0798%	74.49%
LASERS						
	2025	0.0043%	\$ 232,103	\$ 106,087	218.7855%	74.59%
	2024	0.0028%	185,879	76,814	241.9858%	68.40%
	2023	0.1637%	123,753	66,139	187.1105%	63.70%
	2022	0.0032%	174,036	66,839	260.3809%	72.78%
	2021	0.0031%	257,631	65,339	394.2990%	58.00%
	2020	0.0032%	234,373	64,339	364.2783%	62.90%
	2019	0.0035%	236,924	66,272	357.5024%	64.30%
	2018	0.0032%	223,553	70,057	319.1016%	62.50%
	2017	0.0032%	247,355	61,382	402.9764%	57.70%
	2016	0.0035%	240,433	67,652	355.3967%	62.70%

(*) The amounts presented have a measurement date of the previous fiscal year end.

The three Retirement Systems reported in this schedule are as follows:

TRSL = Teachers' Retirement System of Louisiana

LSERS = Louisiana School Employees' Retirement System

LASERS = Louisiana State Employees' Retirement System

See the accompanying notes to the required supplementary information.

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA
SCHEDULE OF EMPLOYER CONTRIBUTIONS TO THE RETIREMENT SYSTEMS
FOR THE YEAR ENDED JUNE 30, 2025

Pension Plan	Year	Contractually Required Contribution ¹	Contributions in Relation to Contractually Required Contributions ²	Contribution Deficiency (Excess)	Covered Payroll ³	Contributions as a % of Covered Payroll
TRSL						
	2025	\$ 7,699,383	\$ 7,699,383	\$ -	\$ 35,548,580	21.6588%
	2024	7,980,569	7,980,569	-	35,176,608	22.6871%
	2023	8,476,663	8,476,663	-	33,313,631	21.9666%
	2022	7,308,742	7,308,742	-	30,051,255	24.3209%
	2021	7,274,804	7,274,804	-	29,257,396	24.8648%
	2020	6,871,485	6,871,485	-	28,042,875	24.5035%
	2019	6,957,488	6,957,488	-	27,514,798	25.2863%
	2018	6,920,140	6,920,140	-	26,576,879	26.0382%
	2017	6,912,649	6,912,649	-	26,250,883	26.3330%
	2016	7,108,189	7,108,189	-	26,154,838	27.1773%
LSERS						
	2025	\$ 285,654	\$ 285,654	\$ -	\$ 1,117,027	25.5727%
	2024	331,085	331,085	-	1,205,121	27.4732%
	2023	328,915	328,915	-	1,217,029	24.7554%
	2022	356,801	356,801	-	1,089,283	32.7556%
	2021	330,190	330,190	-	1,245,902	26.5021%
	2020	309,561	309,561	-	1,128,656	27.4274%
	2019	276,042	276,042	-	1,113,819	24.7834%
	2018	274,823	274,823	-	981,888	27.9892%
	2017	265,024	265,024	-	989,185	26.7922%
	2016	273,963	273,963	-	915,161	29.9360%
LASERS						
	2025	\$ 59,002	\$ 59,002	\$ -	\$ 170,793	34.5459%
	2024	26,033	26,033	-	106,087	24.5393%
	2023	31,039	31,039	-	76,814	18.3131%
	2022	26,401	26,401	-	66,139	39.9174%
	2021	26,201	26,201	-	66,839	39.2002%
	2020	26,186	26,186	-	65,339	40.0771%
	2019	25,477	25,477	-	64,339	39.5981%
	2018	23,355	23,355	-	66,272	35.2411%
	2017	22,490	22,490	-	70,057	32.1024%
	2016	22,834	22,834	-	61,382	37.1998%

For reference only:

¹ Employer contribution rate multiplied by covered employee payroll

² Actual employer contributions remitted to Retirement Systems

³ Covered employee payroll amount for the fiscal year ended June 30

The three Retirement Systems reported in this schedule are as follows:

TRSL = Teachers' Retirement System of Louisiana

LSERS = Louisiana School Employees' Retirement System

LASERS = Louisiana State Employees' Retirement System

See the accompanying notes to the required supplementary information.

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2025

1. **Changes in Benefit Terms and Assumptions Related to Defined Pension Plans**

Changes of Benefit Terms include:

Following is a listing of changes in benefit terms, as applicable, for the three pension plans for the years presented.

Teachers Retirement System of Louisiana and Louisiana State Employees' Retirement System

2016 - Act 93 of the 2016 provides for a 1.5% permanent benefit increase on the first \$60,000 of a recipient's benefit for eligible members effective 7/1/16 for those retired on or before 6/30/15 who are at least the age of 60.

Louisiana School Employees Retirement System

2016 - Act 93 of the 2016 provides for an up to 2.0% COLA on the first \$60,000 of a recipient's benefit for eligible members effective 7/1/16.

Louisiana State Employees' Retirement System

2016 - The Harbor Police Retirement System transferred into LASERS in 2016 that resulted in a change in benefit terms.

Changes of Assumptions

The following discount rate changes were made to the pension plan as identified in the following table:

Discount Rate:

<u>Year</u>	<u>Rate</u>	<u>Change</u>	<u>Year</u>	<u>Rate</u>	<u>Change</u>
TRSL			LSERS		
2025	7.250%	-	2025	6.800%	-
2024	7.250%	-	2024	6.800%	-
2023	7.250%	-	2023	6.800%	-
2022	7.250%	-0.150%	2022	6.800%	-0.100%
2021	7.400%	-0.050%	2021	6.900%	-0.100%
2020	7.450%	-0.100%	2020	7.000%	-
2019	7.550%	-0.100%	2019	7.000%	-0.063%
2018	7.650%	-0.050%	2018	7.0625%	-0.062%
2017	7.700%	-0.050%	2017	7.125%	0.125%
2016	7.750%	-	2016	7.000%	-0.250%
2015	7.750%		2015	7.250%	

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2025

1. **Changes in Benefit Terms and Assumptions Related to Defined Pension Plans** (continued)

Changes in Assumptions (continued)

Discount Rate:

<u>Year</u>	<u>Rate</u>	<u>Change</u>
LASERS		
2023-2025	No change	-
2022	7.250%	-0.150%
2021	7.400%	-0.150%
2020	7.550%	-0.050%
2019	7.600%	-0.050%
2018	7.650%	-0.050%
2017	7.700%	-0.050%
2016	7.750%	-
2015	7.750%	

The following inflation rate changes were made to the pension plans identified in the following table:

Inflation Rate:

<u>Year</u>	<u>Rate</u>	<u>Change</u>
TRSL		
2025	2.400%	-
2024	2.400%	0.100%
2023	2.300%	-
2022	2.300%	
LSERS		
2020-2025	No change	-
2019	2.500%	-0.125%
2018	2.500%	-
2017	2.625%	0.125%
2016	2.625%	
LASERS		
2025	2.400%	0.100%
2024	2.300%	-
2023	2.300%	-
2022	2.300%	-
2021	2.300%	-0.200%
2020	2.500%	-0.250%
2019	2.750%	-
2018	2.750%	-0.250%
2017	3.000%	

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2025

1. **Changes in Benefit Terms and Assumptions Related to Defined Pension Plans (continued)**

The following changes to projected salary increases were made to the pension plans identified in the following:

Salary Increases:

<u>Year</u>	<u>Range</u>
TRSL	
2020	2.41% to 4.85%
2024	2.41% to 4.90%
2021-2023	No change.
2020	3.10% to 4.60%
2019	3.30% to 4.80%
2018	3.30% to 4.80%
2017	3.50% to 10.0%

<u>Year</u>	<u>Range</u>
LASERS	
2025	2.40% to 15.3% for various member types
2021-2024	No change.
2020	2.60% to 13.80% for various member types
2019	2.80% to 14.30% for various member types
2018	2.80% to 14.30% for various member types
2017	2.80% to 14.30% for various member types
2016	3.00% to 14.50% for various member types

Salary Increases:

<u>Year</u>	<u>Range</u>
LSERS	
2025	3.75%
2024	3.75%
2021-2023	No change.
2020	3.25%
2019	3.25%
2018	3.075% to 5.375% to 3.25%
2017	3.075% to 5.375%
2016	3.200% to 5.500%

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2025

2. Changes in Benefit Terms and Assumptions Related to the Other Post Employment Liability

Changes of Benefit Terms:

There were no changes in benefit terms for the year ended June 30, 2025.

Changes of Assumptions:

The following changes in the discount rate for each year are as follows:

6/30/2024	3.93%	0.280%
6/30/2023	3.65%	0.110%
6/30/2022	3.54%	1.380%
6/30/2021	2.160%	-0.050%
6/30/2020	2.210%	-1.290%
6/30/2019	3.500%	-0.120%
6/30/2018	3.620%	0.000%
6/30/2017	3.620%	

The following changes were made to the mortality table used as follows:

6/30/2024	Pub T2010
6/30/2023	RP-2000

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
YEAR ENDED JUNE 30, 2025

	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<u>REVENUES</u>				
Local sources:				
Taxes:				
Ad valorem taxes	\$ 13,980,000	\$ 15,806,500	\$ 15,890,854	\$ 84,354
Sales and use tax	12,035,000	13,235,000	13,615,060	380,060
Earnings (Loss) on investments	300,000	1,137,000	1,195,032	58,032
Extended Day Program tuition	350,000	350,000	387,369	37,369
Other	1,661,000	661,000	970,292	309,292
State sources:				
Unrestricted grants-in-aid, MFP	37,762,248	39,183,215	37,483,200	(1,700,015)
Restricted grants-in-aid	-	-	1,535,070	1,535,070
Other	103,000	103,000	111,547	8,547
Federal sources:				
Restricted grants-in-aid - direct	65,000	65,000	77,319	12,319
Restricted grants-in-aid - subgrants	-	-	16,128	16,128
TOTAL REVENUES	<u>66,256,248</u>	<u>70,540,715</u>	<u>71,281,871</u>	<u>741,156</u>
<u>EXPENDITURES</u>				
Current:				
Instruction:				
Regular education programs	25,496,314	26,733,757	27,192,030	(458,273)
Special education programs	6,165,526	6,431,195	6,287,117	144,078
Other education programs	4,152,407	4,361,725	5,498,584	(1,136,859)
Support services:				
Pupil support services	3,496,238	3,596,704	3,531,770	64,934
Instructional staff services	2,672,321	3,032,263	3,063,174	(30,911)
General administration services	1,467,331	1,480,740	1,705,746	(225,006)
School administration services	4,021,828	4,209,284	4,219,010	(9,726)
Business and central services	4,174,810	4,211,371	2,710,963	1,500,408
Plant operation and maintenance	8,740,414	8,992,587	8,782,334	210,253
Transportation	5,209,850	5,209,850	4,783,545	426,305
Non-Instructional services:				
Food service	111,122	145,314	211,444	(66,130)
Appropriations - charter schools	613,087	613,087	723,742	(110,655)
Debt service:				
Debt principal - leases	-	-	287,490	(287,490)
Debt interest - leases	-	-	49,322	(49,322)
TOTAL EXPENDITURES	<u>66,321,248</u>	<u>69,017,877</u>	<u>69,046,271</u>	<u>(28,394)</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(65,000)</u>	<u>1,522,838</u>	<u>2,235,600</u>	<u>712,762</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Operating transfers in	100,000	100,000	265,844	165,844
Operating transfers out	(35,000)	(1,587,840)	(1,587,840)	-
Proceeds from leases	-	-	832,523	832,523
TOTAL OTHER FINANCING SOURCES (USES)	<u>65,000</u>	<u>(1,487,840)</u>	<u>(489,473)</u>	<u>998,367</u>
Net Change in Fund Balance	-	34,998	1,746,127	1,711,129
FUND BALANCE, JUNE 30, 2024	17,568,555	19,158,546	19,158,546	-
FUND BALANCE, JUNE 30, 2025	<u>\$ 17,568,555</u>	<u>\$ 19,193,544</u>	<u>\$ 20,904,673</u>	<u>\$ 1,711,129</u>

The accompanying notes to the budgetary comparison schedule are an integral part of this statement.

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA

NOTES TO BUDGETARY COMPARISON SCHEDULES
MAJOR FUND DESCRIPTIONS

Budgetary comparison schedules are reported for the following General and Special Revenue Funds:

GENERAL FUND

The General Fund accounts for all financial transactions except those required to be accounted for in another fund.

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA

NOTES TO BUDGETARY COMPARISON SCHEDULES

BUDGETS

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

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

Each year prior to September, the Superintendent submits to the Board proposed annual budgets for the general fund and special revenue funds. Public hearings are conducted, prior to the Board's approval, to obtain taxpayer comments. The operating budgets include proposed expenditures and the means of financing them.

Appropriations (unexpended budget balances) lapse at year-end.

Formal Budget integration (within the accounting records) is employed as a management control device. All budgets are controlled at the function level. Budget amounts included in the accompanying financial statements consist of those presented in the original budget adopted by the Board and as amended by the Board.

Encumbrances. Encumbrance accounting, under which purchase orders are recorded in order to reserve that portion of the applicable appropriation, is not employed.

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

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA

NON-MAJOR FUND DESCRIPTIONS

Special Revenue Funds:

Title I

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 materials, equipment and parental involvement.

Special Education

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

Preschool Grant is a federally-funded program designed to provide special education and related services and to develop a statewide comprehensive delivery system for children with disabilities from birth to five years of age.

Believe and Include is a federally funded program designed to assist states in developing innovative programs that help students with disabilities achieve proficiency of the more rigorous Common Core Standards.

Title II

Title II increases student academic achievement through strategies such as improving teacher and principal quality and increasing the number of highly qualified teachers in the classroom and highly qualified principals and assistant principals in schools. The program also holds local educational agencies and schools accountable for improvements in student academic achievement.

Vocational Education (Voc Ed)

Vocational Education is a federally-funded program restricted to expenditures for salaries, supplies, and equipment to be used in vocational education programs.

State Grants

The State Grants Fund is used to account for special grants received from various departments of the State of Louisiana.

Exxon

Grants received from Exxon Mobil Corporation to be used for purchase of materials, supplies, and professional services in support of education of students.

TANF

Starting Points/Early Childhood Development provides full day, before and after school preschool instruction and care for at-risk four-year old students.

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA

NON-MAJOR FUND DESCRIPTIONS

Special Revenue Funds: (continued)

School Food Service

The School Food Service Fund includes lunch and breakfast and is used to account for the operations of the school food service programs in the parish School Board during the regular school term. The basic goals of the school food service programs are to serve nutritionally adequate, attractive and moderately priced meals, to help children grow socially and emotionally, to extend educational influences to the homes of school children, and to provide learning experiences that will improve children's eating habits with the ultimate goal of physically fit adults.

Donations

The Donations fund is used to account for funds donated to the Zachary Community School Board by individuals or businesses to be used as deemed necessary to assist students and schools.

Extended Day Tuition

The Extended Day Fund is used to record revenue from parents for before and after care for elementary students and to record the associated expenditures.

Title IV

The Every Student Succeeds Act (ESSA) was signed into law in December 2015. It reauthorized the Elementary and Secondary Education Act of 1965 (ESEA). Newly authorized under subpart 1 of Title IV, Part A of the ESEA is the Student Support and Academic Enrichment (SSAE) program. The SSAE program is intended to improve students' academic achievement by increasing the capacity of State educational agencies (SEAs), local educational agencies (LEAs), and local communities to provide all students with access to a well-rounded education; improve school conditions for student learning; and improve the use of technology to improve the academic achievement and digital literacy of all students.

ESSERF FUND

Through the Coronavirus Aid, Relief, and Economic Security Act, also known as the CARES Act, the Elementary and Secondary School Emergency Relief Fund (ESSER Fund), is federally awarded by the Department of Education to State educational agencies for the purpose of providing local educational agencies, including charter schools, with emergency relief funds to address the impact that Novel Coronavirus Disease 2019 (COVID-19) has had, and continues to have on elementary and secondary schools across the nation.

Coronavirus Response and Relief Supplemental Appropriations Act, 2021 (CRRSA), was signed into law on December 27, 2020, and provides an additional \$54.3 billion for the Elementary and Secondary School Emergency Relief Fund (ESSER II Fund). Additionally, the American Rescue Plan Elementary and Secondary School Emergency Relief (ARP ESSER) Fund under the American Rescue Plan (ARP) Act of 2021, Public Law 117-2, enacted on March 11, 2021. The program was closed as of June 30, 2025.

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA

NON-MAJOR FUND DESCRIPTIONS

Special Revenue Funds: (continued)

ESSERF FUND (continued)

These Federal emergency resources are available for a wide range of activities to address diverse needs arising from or exacerbated by the COVID-19 pandemic, or to emerge stronger post-pandemic, including responding to students' social, emotional, mental health, and academic needs and continuing to provide educational services as States, LEAs, and schools respond to and recover from the pandemic. Some uses of these funds may be directly focused on health and safety such as improving ventilation and implementing prevention strategies that are, to the extent practicable, consistent with the Centers for Disease Control and Prevention (CDC) guidance. Other allowable uses may be focused on meeting the social, emotional, mental health, and academic needs of students. That could be through preventing teacher layoffs; providing accelerated learning opportunities; implementing rigorous curricula; funding additional school counselors, school nurses, and school psychologists; increasing the number of full-service community schools; conducting any activities allowed under a number of Federal education programs.

Technology Literacy Challenge (Title III)

Title III is a provision of the federally legislated Goals 2001: Educate America Act. The funds provide instructional and technical training for classroom teachers.

Striving Readers Comprehensive Literacy State Development

The Striving Readers Fund is used to increase literacy achievement for all students in federal systems, birth through grade 12. The funds are used to create sustainable systems that support implementation of Common Core State Standards and focus on: (1) School Leader and Teacher Learning Targets; (2) Assessment and Curriculum; (3) School and Teacher Collaboration; and (4) Compass Observation and Feedback.

School Activity

School Activity Funds were created by R.S. 17:414.3, which mandates that every public-school principal to maintain a school fund for the management of any money that accrues to benefit the school and its students. These funds account for the transactions of the student activity accounts maintained at the respective schools.

Childcare & Development Block Grant

The purpose of the Childcare & Development Block Grant is to provide for the department to coordinate the Louisiana Early Childhood Care and Education Network by designating, through a competitive process, a Lead Agency for each community to conduct administrative functions and coordinate essential activities. The Lead Agency also serves as fiscal agent. Lead Agencies must: 1. Conduct administrative functions for the community network; 2. Coordinate CLASS observations by assuring that accurate observations are conducted for all Infant, Toddler, and PreK classrooms and that feedback is provided to all participating programs; and 3. Coordinate birth-to-age-five enrollment for publicly-funded programs and the state funding application for the Community Network.

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA

NON-MAJOR FUND DESCRIPTIONS

Special Revenue Funds: (continued)

Steve Carter Literacy Tutoring Grant

The purpose of the Steve Carter Literacy Tutoring Grant provides vouchers to eligible Kindergarten through fifth grade public school students. The vouchers can be used to purchase high-quality literacy tutoring.

CCAP B-3 Seats Pilot Program Grant

The CCAP B-3 Seats Pilot program aims to ensure high-quality care and education for children who did not previously attend child care *or* to continue care for eligible children who participated in the pilot in a previous year. Network Lead Agencies determine which sites will be partners and receive allocated seats.

Accelerate High Dosage Tutoring

High Dosage Tutoring (HDT) is a research- based instructional model that explicitly address students; unfinished learning from core instruction and leverages extra time to prepare students for grade-level content in math and reading.

Capital Projects Fund:

The Capital Projects Fund was established to account for capital improvements, including construction of new facilities and renovations.

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA

NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
FOR THE YEAR ENDED JUNE 30, 2025

Special Revenue Fund

	Title I	Special Education	Title II	Voc Ed	State Grants	Exxon	TANF
<u>Assets</u>							
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 246	\$ -
Receivables	381,259	477,698	100,935	82,498	33,839	-	13,950
Due from other funds	-	-	-	-	206,620	-	-
Other assets	-	-	-	-	-	-	-
Inventory	-	-	-	-	-	-	-
 Total assets	 \$ 381,259	 \$ 477,698	 \$ 100,935	 \$ 82,498	 \$ 240,459	 \$ 246	 \$ 13,950
<u>Liabilities and Fund Balance</u>							
Liabilities:							
Salaries, payroll deductions, and expenses payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	381,259	477,698	100,935	82,498	-	-	13,950
 Total liabilities	 381,259	 477,698	 100,935	 82,498	 -	 -	 13,950
Fund balance:							
Nonspendable	-	-	-	-	-	-	-
Restricted for:							
School Food Service	-	-	-	-	-	-	-
Other purposes	-	-	-	-	240,459	246	-
Assigned:							
Capital Construction	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-
 Total fund balance	 -	 -	 -	 -	 240,459	 246	 -
 Total liabilities and fund balance	 \$ 381,259	 \$ 477,698	 \$ 100,935	 \$ 82,498	 \$ 240,459	 \$ 246	 \$ 13,950

(continued)

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA

NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
FOR THE YEAR ENDED JUNE 30, 2025

Special Revenue Fund

<u>Assets</u>	School Food Service	Donations	Extended Day Tuition	Title IV	ESSERF	Title III	Comprehensive Literacy State Development
Cash and cash equivalents	\$ 455,419	\$ 7,308	\$ -	\$ -	\$ -	\$ -	\$ -
Receivables	18,903	-	-	1,638	-	12,291	342,958
Due from other funds	299,216	-	-	-	-	-	-
Other assets	-	150	-	-	-	-	-
Inventory	81,660	-	-	-	-	-	-
Total assets	\$ 855,198	\$ 7,458	\$ -	\$ 1,638	\$ -	\$ 12,291	\$ 342,958
 <u>Liabilities and Fund Balance</u>							
Liabilities:							
Salaries, payroll deductions, and expenses payable	\$ 109,322	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	1,638	-	12,291	342,958
Total liabilities	109,322	-	-	1,638	-	12,291	342,958
 Fund balance:							
Nonspendable	81,660	150	-	-	-	-	-
Restricted for:							
School Food Service	664,216	-	-	-	-	-	-
Other purposes	-	7,308	-	-	-	-	-
Assigned:							
Capital Construction	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-
Total fund balance	745,876	7,458	-	-	-	-	-
Total liabilities and fund balance	\$ 855,198	\$ 7,458	\$ -	\$ 1,638	\$ -	\$ 12,291	\$ 342,958

(continued)

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA

NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
FOR THE YEAR ENDED JUNE 30, 2025

Special Revenue Fund

<u>Assets</u>	School Activity	Childcare & Development Block Grant	Steve Carter Literacy Tutoring	CCAP B-3 Seats Program	Accelerate High Dosage Tutoring	Total Special Revenue Fund	Capital Projects Fund	Total Non- Major Governmental Funds
Cash and cash equivalents	\$ 2,214,117	\$ -	\$ -	\$ -	\$ -	\$ 2,677,090	\$ 1,725,904	\$ 4,402,994
Receivables	-	22,185	-	-	-	1,488,154	-	1,488,154
Due from other funds	-	-	3,785	214,283	-	723,904	-	723,904
Other assets	-	-	-	-	-	150	-	150
Inventory	-	-	-	-	-	81,660	-	81,660
Total assets	\$ 2,214,117	\$ 22,185	\$ 3,785	\$ 214,283	\$ -	\$ 4,970,958	\$ 1,725,904	\$ 6,696,862
<u>Liabilities and Fund Balance</u>								
Liabilities:								
Salaries, payroll deductions, and expenses payable	\$ 16,366	\$ -	\$ -	\$ 214,283	\$ -	\$ 339,971	\$ 90,925	\$ 430,896
Due to other funds	-	22,185	-	-	-	1,435,412	-	1,435,412
Total liabilities	16,366	22,185	-	214,283	-	1,775,383	90,925	1,866,308
Fund balance:								
Nonspendable	-	-	-	-	-	81,810	-	81,810
Restricted for:								
School Food Service	-	-	-	-	-	664,216	-	664,216
Other purposes	2,197,751	-	3,785	-	-	2,449,549	-	2,449,549
Assigned:								
Capital Construction	-	-	-	-	-	-	1,634,979	1,634,979
Unassigned	-	-	-	-	-	-	-	-
Total fund balance	2,197,751	-	3,785	-	-	3,195,575	1,634,979	4,830,554
Total liabilities and fund balance	\$ 2,214,117	\$ 22,185	\$ 3,785	\$ 214,283	\$ -	\$ 4,970,958	\$ 1,725,904	\$ 6,696,862

(concluded)

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA

NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2025

	Special Revenue Fund						
	Title I	Special Education	Title II	Voc Ed	State Grants	Exxon	TANF
<u>Revenues</u>							
Local sources:							
Food sales	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Earnings on investments	-	-	-	-	-	-	-
Extended day program tuition	-	-	-	-	-	-	-
Student activities	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
State sources:							
Unrestricted grants-in-aid	-	-	-	-	-	-	-
Restricted grants-in-aid	-	-	-	-	206,314	-	569,718
Federal sources:							
Restricted grants-in-aid - subgrants	848,376	1,440,181	268,139	89,298	-	-	-
Commodities - United States Department of Agriculture	-	-	-	-	-	-	-
Total revenues	848,376	1,440,181	268,139	89,298	206,314	-	569,718
<u>Expenditures</u>							
Current:							
Instruction:							
Regular education programs	517,895	-	221,418	-	-	-	-
Special education programs	-	739,602	-	-	2,552	-	-
Other education programs	263,055	11,230	-	89,298	114,645	-	569,718
Support services:							
Pupil support services	25,397	91,315	-	-	-	-	-
Instructional staff services	1,587	429,234	46,721	-	32,532	-	-
School administration	-	-	-	-	-	-	-
Business and central services	-	3,715	-	-	-	-	-
Plant operation and maintenance	-	-	-	-	-	-	-
Transportation	-	99,010	-	-	15,991	-	-
Non-Instructional Services:							
School food service	-	-	-	-	-	-	-
Facility acquisition and construction	-	-	-	-	-	-	-
Debt service:							
Principal retirement	-	-	-	-	-	-	-
Interest and bank charges	-	-	-	-	-	-	-
Total expenditures	807,934	1,374,106	268,139	89,298	165,720	-	569,718
Excess (deficiency) of revenues over expenditures	40,442	66,075	-	-	40,594	-	-
Other financing uses							
Operating transfers in	-	-	-	-	-	-	-
Operating transfers out	(40,442)	(66,075)	-	-	-	-	-
Proceeds from leases	-	-	-	-	-	-	-
Proceeds from subscriptions	-	-	-	-	-	-	-
Total other sources (uses)	(40,442)	(66,075)	-	-	-	-	-
Net changes in fund balances	-	-	-	-	40,594	-	-
Fund balance at beginning of year	-	-	-	-	199,865	246	-
Fund balance at end of year	\$ -	\$ -	\$ -	\$ -	\$ 240,459	\$ 246	\$ -

(continued)

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA

NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2025

	Special Revenue Fund						
	School Food Service	Donations	Extended Day Tuition	Title IV	ESSERF	Title III	Comprehensive Literacy State Development
<u>Revenues</u>							
Local sources:							
Food sales	\$ 536,323	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Earnings on investments	13,346	-	-	-	-	-	-
Extended day program tuition	-	-	397,825	-	-	-	-
Student activities	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
State sources:							
Unrestricted grants-in-aid	39,275	-	-	-	-	-	-
Restricted grants-in-aid	31,378	-	-	-	-	-	-
Federal sources:							
Restricted grants-in-aid - subgrants	2,217,335	-	-	41,105	352,624	12,337	625,100
Commodities - United States Department of Agriculture	275,128	-	-	-	-	-	-
Total revenues	<u>3,112,785</u>	<u>-</u>	<u>397,825</u>	<u>41,105</u>	<u>352,624</u>	<u>12,337</u>	<u>625,100</u>
<u>Expenditures</u>							
Current:							
Instruction:							
Regular education programs	-	-	-	-	212,521	896	580,619
Special education programs	-	-	-	-	-	10,903	-
Other education programs	-	-	398,835	41,105	-	-	-
Support services:							
Pupil support services	-	-	-	-	286	-	-
Instructional staff services	-	-	-	-	102,963	-	17,590
School administration	-	-	-	-	-	-	-
Business and central services	-	-	-	-	-	-	-
Plant operation and maintenance	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-
Non-Instructional Services:							
School food service	3,301,398	-	-	-	-	-	-
Facility acquisition and construction	-	-	-	-	-	-	-
Debt service:							
Principal retirement	-	-	-	-	-	-	-
Interest and bank charges	-	-	-	-	-	-	-
Total expenditures	<u>3,301,398</u>	<u>-</u>	<u>398,835</u>	<u>41,105</u>	<u>315,770</u>	<u>11,799</u>	<u>598,209</u>
Excess (deficiency) of revenues over expenditures	<u>(188,613)</u>	<u>-</u>	<u>(1,010)</u>	<u>-</u>	<u>36,854</u>	<u>538</u>	<u>26,891</u>
Other financing uses							
Operating transfers in	-	-	-	-	-	-	-
Operating transfers out	-	-	-	-	(36,854)	(538)	(26,891)
Proceeds from leases	-	-	-	-	-	-	-
Proceeds from subscriptions	-	-	-	-	-	-	-
Total other sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(36,854)</u>	<u>(538)</u>	<u>(26,891)</u>
Net changes in fund balances	(188,613)	-	(1,010)	-	-	-	-
Fund balance at beginning of year	934,489	7,458	1,010	-	-	-	-
Fund balance at end of year	<u>\$ 745,876</u>	<u>\$ 7,458</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(continued)

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA

NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2025

Special Revenue Fund

	School Activity	Childcare & Development Block Grant	Steve Carter Literacy Tutoring	CCAP B-3 Seats Program	Accelerate High Dosage Tutoring	Total Special Revenue Fund	Capital Projects Fund	Total Non-Major Governmental Funds
<u>Revenues</u>								
Local sources:								
Food sales	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 536,323	\$ -	\$ 536,323
Earnings on investments	-	-	-	-	-	13,346	-	13,346
Extended day program tuition	-	-	-	-	-	397,825	-	397,825
Student activities	4,053,696	-	-	-	-	4,053,696	-	4,053,696
Other	-	-	-	-	-	-	-	-
State sources:								
Unrestricted grants-in-aid	-	-	-	-	-	39,275	-	39,275
Restricted grants-in-aid	-	-	205	407,578	182,439	1,397,632	-	1,397,632
Federal sources:								
Restricted grants-in-aid - subgrants	-	30,471	-	-	-	5,924,966	-	5,924,966
Commodities - United States Department of Agriculture	-	-	-	-	-	275,128	-	275,128
Total revenues	4,053,696	30,471	205	407,578	182,439	12,638,191	-	12,638,191
<u>Expenditures</u>								
Current:								
Instruction:								
Regular education programs	-	-	-	-	182,439	1,715,788	-	1,715,788
Special education programs	-	-	-	-	-	753,057	-	753,057
Other education programs	3,963,156	30,471	-	556,833	-	6,038,346	-	6,038,346
Support services:								
Pupil support services	-	-	-	-	-	116,998	-	116,998
Instructional staff services	-	-	-	-	-	630,627	-	630,627
School administration	-	-	-	-	-	-	-	-
Business and central services	-	-	-	-	-	3,715	-	3,715
Plant operation and maintenance	-	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	115,001	-	115,001
Non-Instructional Services:								
School food service	-	-	-	-	-	3,301,398	-	3,301,398
Facility acquisition and construction	-	-	-	-	-	-	1,004,806	1,004,806
Debt service:								
Principal retirement	-	-	-	-	-	-	115,204	115,204
Interest and bank charges	-	-	-	-	-	-	10,496	10,496
Total expenditures	3,963,156	30,471	-	556,833	182,439	12,674,930	1,130,506	13,805,436
Excess (deficiency) of revenues over expenditures	90,540	-	205	(149,255)	-	(36,739)	(1,130,506)	(1,167,245)
Other financing uses								
Operating transfers in	-	-	-	-	-	-	1,500,000	1,500,000
Operating transfers out	-	-	-	(7,204)	-	(178,004)	-	(178,004)
Proceeds from leases	-	-	-	-	-	-	-	-
Proceeds from subscriptions	-	-	-	-	-	-	-	-
Total other sources (uses)	-	-	-	(7,204)	-	(178,004)	1,500,000	1,321,996
Net changes in fund balances	90,540	-	205	(156,459)	-	(214,743)	369,494	154,751
Fund balance at beginning of year	2,107,211	-	3,580	156,459	-	3,410,318	1,265,485	4,675,803
Fund balance at end of year	\$ 2,197,751	\$ -	\$ 3,785	\$ -	\$ -	\$ 3,195,575	\$ 1,634,979	\$ 4,830,554

(concluded)

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA

SCHEDULE OF BOARD MEMBERS' COMPENSATION

FOR THE YEAR ENDED JUNE 30, 2025

Gaynell Young	\$	6,425
Tracey Taylor-Jerrell		2,400
Ryan Talbot		9,600
Marty Hughes		9,600
Kenneth Mackie		9,500
Laura Freeman		9,600
Elicia Lathon		9,600
Andrew Gaines		9,600
Crystal London		9,600
David Dayton		9,600
Total	\$	<u><u>85,525</u></u>

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA

SCHEDULE OF COMPENSATION, BENEFITS, AND OTHER PAYMENTS TO THE
SUPERINTENDENT

Superintendent:

Benjamin Necaize

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 164,460
Benefits:	
Group Insurance – Employer Portion	12,137
Retirement – Employer Portion	40,698
Medicare – Employer Portion	2,339
Life Insurance – Employer Portion	334
Car Allowance	8,400
Other	34
Electronic Device Allowance	<u>1,200</u>
	<u>\$ 229,602</u>

**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**

Board Members
Zachary Community School Board
Zachary, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Zachary Community School Board (the School Board), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the School Board’s basic financial statements, and have issued our report thereon dated January 12, 2026.

Report on Internal Control over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of This Report

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

EisnerAmper LLP

EISNERAMPER LLP
Baton Rouge, Louisiana
January 12, 2026

EISNERAMPER
LLP



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

Board Members
Zachary Community School Board
Zachary, Louisiana

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Zachary Community School Board's (the School Board) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the School Board's major federal programs for the year ended June 30, 2025. The School Board's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the School Board complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2025.

Basis for Opinion on Each Major Federal Program

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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the School Board and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the School Board's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the School Board's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the School Board's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the School Board's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the School Board's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the School Board's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 the School Board's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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.

EisnerAmper LLP

EISNERAMPER LLP
Baton Rouge, Louisiana
January 12, 2026



ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2025

<u>Federal Grantor/ Pass-Through Grantor/ Program Name</u>	<u>Grantor Project Number</u>	<u>Assistance Listing Number</u>	<u>Expenditures 2024</u>
<u>UNITED STATES DEPARTMENT OF AGRICULTURE</u>			
Passed through Louisiana Department of			
Agriculture and Forestry - Food Distribution	LDE/103-63	10.555 ¹	\$ 275,128
Local Food for Schools Grant	LDAF	10.185	39,084
Passed through Louisiana Department of Education:			
National School Lunch Program	LDE/103-63	10.555 ¹	1,594,900
National School Breakfast Program	LDE/103-63	10.553 ¹	569,701
Child Nutrition Equipment Grants	LDE	10.579	13,650
Subtotal			<u>2,492,463</u>
<u>UNITED STATES DEPARTMENT OF EDUCATION</u>			
Passed through Louisiana Department of Education:			
Title I - Grants to Local Educational Agencies	28-23-T1-67	84.010A	848,376
Special Education, IDEA	28-23-B1-67	84.027A ²	1,414,614
IDEA - Preschool	28-23-P1-67	84.173A ²	25,567
Vocational Education (Carl Perkins)	28-23-02-67	84.048A	89,298
Title II - Part A, Teacher & Principal Training & Recruiting	28-23-50-67	84.367A	268,139
Title IV - Student Support and Academic Enrichment	28-23-71-67	84.424A	41,105
Title III - English Language Acquisition State Grant	28-25-60-67	84.365A	2,194
Title III - Immigrant	28-24-S3-67	84.365A	10,143
COVID-19 ESSERF III Formula	28-21-ES3F-67	84.425U	263,192
COVID-19 ESSERF III Incentive	28-21-ES3I-67	84.425U	86,457
COVID-19 Homeless ARP	28-22-HARP-67	84.425W	2,975
CLSD UIN B-5	28-21-CLUB-67	84.371C	75,000
CLSD UIN K-5	28-21-CLUK-67	84.371C	250,000
CLSD UIN 6-8	28-21-CLU6-67	84.371C	160,000
CLSD UIN 9-12	28-21-CLU9-67	84.371C	140,100
Stronger Connections	28-23-BSCA-67	84.424F	16,128
Subtotal			<u>3,693,288</u>
<u>UNITED STATES DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>			
Passed through Louisiana Department of Education:			
Early Childhood Network Lead Agencies - CCDF	28-23-COLC-67	93.596 ³	30,471
<u>UNITED STATES DEPARTMENT OF DEFENSE</u>			
ROTC - Navy Junior Reserve Officers Training Program - (Direct Funding)	n/a	12.U01	<u>77,319</u>
Total Expenditures			\$ <u><u>6,293,541</u></u>

¹ Child nutrition cluster = \$2,439,729

² Special education cluster (IDEA) = \$1,440,181

³ CCDF Cluster = \$30,471

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

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2025

NOTE A – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Zachary Community School Board and is presented on the modified 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* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

NOTE B – NONMONETARY ASSISTANCE

Nonmonetary assistance is reported in the schedule at the fair market value of the commodities received and disbursed. The School Board received \$275,128 of commodities during the year ended June 30, 2025. At June 30, 2025, the School Board had food commodities totaling \$30,573 in inventory.

NOTE C – RECONCILIATION TO FINANCIAL STATEMENTS

Total Federal Award Expenditures per schedule	\$ <u>6,293,541</u>
Total federal revenue per the Statement of Revenues, Expenditures and Changes in Fund Balance for the year ended June 30, 2025 are reported in the revenue accounts as follows:	
Restricted grants-in-aid-direct	\$ 77,319
Restricted grants-in-aid-sub grants	5,941,094
Commodities	<u>275,128</u>
	\$ <u>6,293,541</u>

NOTE D – DE MINIMUS COST RATE

During the year ended June 30, 2025, the School Board did not elect to use the de minimus cost rate as covered in §200.414 of the Uniform Guidance.

NOTE E – AMOUNTS PASSED THROUGH TO SUBRECIPIENTS

During the year ended June 30, 2025, the School Board did not pass through any federal funding to subrecipients.

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2025

A. SUMMARY OF AUDIT RESULTS

Financial Statements

Type of auditors' report issued: Unmodified

- Material weakness(es) identified? _____yes x no
- Significant deficiencies identified that are not considered to be material weaknesses? _____yes x none reported

Noncompliance material to financial statements noted? _____ yes x no

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? _____ yes x no
- Significant deficiencies identified that are not considered to be material weaknesses? _____ yes x none reported

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

Any audit findings disclosed that are required to be reported in accordance with 2 CFR §200.516(a)? _____ yes x no

Identification of major programs:

Assistance Listing Name of Federal Program or Cluster

84.010A Title I
84.371C Comprehensive Literacy State Development (CLSD)

Child Nutrition Cluster

10.555 National School Lunch Program
10.553 National School Breakfast Program

The threshold for distinguishing types A & B programs was program expenditures exceeding \$750,000.

- Zachary Community School Board was determined not to be a low-risk auditee.

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2025

B. FINDINGS – FINANCIAL STATEMENT AUDIT

None.

C. FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS AUDIT

None.

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

A. FINDINGS – FINANCIAL STATEMENT AUDIT

2024-001 Internal Controls over Nonstandard Journal Entries

<i>Criteria:</i>	An effective system of internal control should include procedures over the review and approval of all journal entries to ensure accuracy and proper accounting treatment in accordance with generally accepted accounting principles. The School Board’s management is responsible for an accurate accounting system.
<i>Condition:</i>	During our audit, we noted certain nonstandard journal entries did not include adequate documentation of the purpose or the approval by an individual other than the preparer.
<i>Cause:</i>	The School Board does not have a written policy for the approval of nonstandard journal entries. It was also noted that the accounting software allows a user to edit and delete journal entries after the entry is posted.
<i>Effect:</i>	Adjusting entries were needed to correctly state the account balances for fund balance, payroll tax withholdings and accruals, and other miscellaneous revenue.
<i>Recommendation:</i>	We recommend the School Board establish and implement a written policy and procedure to ensure that nonstandard journal entries are properly recorded in accordance with generally accepted accounting principles and there is someone reviewing and initialing the journal entries other than the individual who is preparing those entries. We also recommend that management, along with IT, review the accounting software parameters regarding posting and editing journal entries.

View of Responsible Officials: The School District will implement a policy and procedures for making nonstandard journal entries and include proper documentation for the purpose of such entries. The School District will no longer use the proprietary functions of the software that will allow the user to edit or delete entries from the system.

Current Status: Resolved

B. FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS AUDIT

None.

EISNERAMPER

**ZACHARY COMMUNITY SCHOOL
BOARD**

**REPORTS ON AGREED-UPON
PROCEDURES**

FOR THE YEAR ENDED JUNE 30, 2025



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

To: Board of the Zachary Community School Board and the Louisiana Legislative Auditor

We have performed the procedures enumerated in Schedule A on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA) Statewide Agreed-Upon Procedures (SAUPs) of the Zachary Community School Board for the fiscal period July 1, 2024, through June 30, 2025. Zachary Community School Board's management is responsible for those C/C areas identified in the SAUPs.

The Zachary Community School Board has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of performing specified procedures on the C/C areas identified in the LLA's SAUPs for the fiscal period July 1, 2024, through June 30, 2025. Additionally, the LLA has agreed to and acknowledged that the procedures performed are appropriate for its 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 we performed, and the associated findings are summarized in the attached Schedule A, which is an integral part of this report.

We were engaged by Zachary Community School Board to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the AICPA and the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs of the Zachary Community School Board for the fiscal period July 1, 2024, through June 30, 2025. 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 Zachary Community School Board and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

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



EISNERAMPER LLP
Baton Rouge, Louisiana
January 12, 2026

Zachary Community School Board
AGREED-UPON PROCEDURES PERFORMED AND ASSOCIATED FINDINGS
June 30, 2025

Schedule A

The procedures performed and the results thereof are set forth below. The procedure is stated first, followed by the results of the procedure presented in italics. If the item being subjected to the procedures is positively identified or present, then the results will read *“no exception noted”* or for step 13 *“we performed the procedure and discussed the results with management”*. If not, then a description of the exception ensues.

1) Written Policies and Procedures

A. Obtain and inspect the entity’s written policies and procedures and observe whether they address each of the following categories and subcategories (if applicable to public funds and the entity’s operations):

i. **Budgeting**, including preparing, adopting, monitoring, and amending the budget.

No exception noted.

ii. **Purchasing**, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the Public Bid Law; and (5) documentation required to be maintained for all bids and price quotes.

No exception noted.

iii. **Disbursements**, including processing, reviewing, and approving

No exception noted.

iv. **Receipts/Collections**, including receiving, recording, and preparing deposits. Also, policies and procedures should include management’s actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g., periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).

No exception noted.

v. **Payroll/Personnel**, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee rates of pay or approval and maintenance of pay rate schedules.

No exception noted.

vi. **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.

The School Board does have a written policy for contracting for (1) types of services requiring written contracts and (4) approval process. The School Board does not have a written policy for (2) standard terms and conditions, (3) legal review and (5) monitoring process.

Zachary Community School Board
AGREED-UPON PROCEDURES PERFORMED AND ASSOCIATED FINDINGS
June 30, 2025

Schedule A

- vii. **Travel and Expense Reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.

No exception noted.

- viii. **Credit Cards (and debit cards, fuel cards, purchase cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).

The School Board does not have a written policy for its credit cards, purchase cards, or fuel cards.

- ix. **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.

The School Board has a written policy for ethics; however, the policy does not specifically address a system to monitor possible ethics violations according to attribute (3) above or a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the ethics policy according to attribute (4) above. The policy included attribute (1) the prohibitions as defined in Louisiana R.S. 42:1111-1121 and attribute (2) the actions to be taken if an ethics violation takes place according to attribute.

- x. **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

The School Board has a written policy for Debt Service; however, the policy does not specifically address attribute (3) debt reserve requirements. The policy included attribute (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, and (4) debt service requirements.

- xi. **Information Technology Disaster Recovery/Business Continuity**, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.

No exception noted.

- xii. **Prevention of Sexual Harassment**, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

No exception noted.

2) Board or Finance Committee

A. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:

- i. Observe whether the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.

There were no board minutes in January 2025. There were no exceptions noted for the other 11 months.

- ii. For those entities reporting on the governmental accounting model, observe whether the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual comparisons, at a minimum, on all proprietary funds, and semi-annual budget-to-actual comparisons, at a minimum, on all special revenue funds. *Alternatively, for those entities reporting on the not-for-profit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.*

For the January 2025 meeting, there was no reference in the minutes to budget-to-actual comparison. There were no exceptions noted for all other months of the fiscal year.

- iii. For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.

No exception noted.

- iv. Observe whether the board/finance committee received written updates of the progress of resolving audit finding(s), according to management's corrective action plan at each meeting until the findings are considered fully resolved.

No exception noted.

3) Bank Reconciliations

A. Obtain a listing of entity bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:

A listing of bank accounts was provided and included a total of 11 bank accounts. Management identified the entity's main operating account. No exceptions were noted as a result of performing this procedure.

From the listing provided, we selected 5 bank accounts (1 main operating and 4 randomly) and obtained the bank reconciliations for the month ending March 31, 2024, resulting in 5 bank reconciliations obtained and subjected to the below procedures.

Zachary Community School Board
AGREED-UPON PROCEDURES PERFORMED AND ASSOCIATED FINDINGS
June 30, 2025

Schedule A

- i. Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated, electronically logged);

No exception noted.

- ii. Bank reconciliations include written evidence that a member of management or a board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation within 1 month of the date the reconciliation was prepared (e.g., initialed and dated, electronically logged); and

For 2 of 5 bank reconciliations tested, there is evidence of review; however, there was no evidence of the date of the review. No exceptions noted for the other 3 bank reconciliations tested.

- iii. Management has documentation reflecting it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

For 1 of 5 bank reconciliations tested, there were outstanding reconciling items greater than 12 months; however, there was no documentation noted regarding research or resolution of those items. No exceptions noted for the other 4 bank reconciliations tested.

4) Collections (excluding electronic funds transfers)

- A. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).

A listing of deposit sites was provided and included a total of 14 deposit sites. No exceptions were noted as a result of performing this procedure.

From the listing provided, we randomly selected 5 deposit sites and performed the procedures below.

- B. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (e.g. 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if there are no written policies or procedures, then inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:

A listing of collection locations for each deposit site selected in procedure #4A was provided and included a total of 5 collection locations. No exceptions were noted as a result of performing this procedure.

From each of the listings provided, we randomly selected one collection location for each deposit site. Review of the Entity's written policies and procedures or inquiry with employee(s) regarding job duties was performed in order to perform the procedures below.

- i. Employees responsible for cash collections do not share cash drawers/registers;

No exception noted.

Zachary Community School Board
AGREED-UPON PROCEDURES PERFORMED AND ASSOCIATED FINDINGS
June 30, 2025

Schedule A

- ii. Each employee responsible for collecting cash is not also responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g. pre-numbered receipts) to the deposit;

No exception noted.

- iii. Each employee responsible for collecting cash is not also responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit; and

No exception noted.

- iv. The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or custodial fund additions, is (are) not also responsible for collecting cash, unless another employee verifies the reconciliation.

No exception noted.

- C. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe that the bond or insurance policy for theft was in force during the fiscal period.

No exception noted.

- D. Randomly select two deposit dates for each of the 5 bank accounts selected for Bank Reconciliations procedure #3A (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *Alternatively, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and:

We randomly selected 2 deposit dates for each of the 5 bank accounts selected in procedure #3A. We obtained supporting documentation for each of the 10 deposits and performed the procedures below.

- i. Observe that receipts are sequentially pre-numbered.

No exception noted.

- ii. Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.

No exception noted.

- iii. Trace the deposit slip total to the actual deposit per the bank statement.

No exception noted.

Zachary Community School Board
AGREED-UPON PROCEDURES PERFORMED AND ASSOCIATED FINDINGS
June 30, 2025

Schedule A

- iv. Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).

No exception noted.

- v. Trace the actual deposit per the bank statement to the general ledger.

No exception noted.

5) Non-payroll Disbursements (excluding card purchases, travel reimbursements, and petty cash purchases)

- A. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).

The listing of locations that process payments for the fiscal period was provided. No exceptions were noted as a result of performing this procedure.

From the listing provided, we randomly selected 5 locations and performed the procedures below.

- B. For each location selected under #5A above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, then inquire of employees about their job duties), and observe that job duties are properly segregated such that:

The listing of employees involved with non-payroll purchasing and payment functions for each payment processing location selected in procedure #5A was provided. No exceptions were noted as a result of performing this procedure.

Review of the Entity's written policies and procedures or inquiry with employee(s) regarding job duties was performed in order to perform the procedures below.

- i. At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order or making the purchase;

No exception noted.

- ii. At least two employees are involved in processing and approving payments to vendors;

No exception noted.

- iii. The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files;

No exception noted.

Zachary Community School Board
AGREED-UPON PROCEDURES PERFORMED AND ASSOCIATED FINDINGS
June 30, 2025

Schedule A

- iv. Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments; and

No exceptions noted.

- v. Only employees/officials authorized to sign checks approve the electronic disbursement (release) of funds, whether through automated clearinghouse (ACH), electronic funds transfer (EFT), wire transfer, or some other electronic means.

No exceptions noted.

- C. For each location selected under #5A above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction and

A listing of non-payroll disbursements for each payment processing location selected in procedures #5A was provided related to the reporting period. No exceptions were noted as a result of performing this procedure.

From each of the listings provided, we randomly selected 5 disbursements and performed the procedures below.

- i. Observe whether the disbursement, whether by paper or electronic means, matched the related original itemized invoice, and that supporting documentation indicates that deliverables included on the invoice were received by the entity, and

No exceptions noted.

- ii. Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under procedure #5B above, as applicable.

For all 5 locations tested, the payment processor is also responsible for mailing the checks.

- D. Using the entity's main operating account and the month selected in Bank Reconciliations procedure #3A, randomly select 5 non-payroll-related electronic disbursements (or all electronic disbursements if less than 5) and observe that each electronic disbursement was (a) approved by only those persons authorized to disburse funds (e.g., sign checks) per the entity's policy, and (b) approved by the required number of authorized signers per the entity's policy. Note: If no electronic payments were made from the main operating account during the month selected the practitioner should select an alternative month and/or account for testing that does include electronic disbursements.

No exception noted.

6) Credit Cards/Debit Cards/Fuel Cards/Purchase Cards (Cards)

- A. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and purchase cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.

A listing of cards was provided. No exceptions were noted as a result of performing this procedure.

- B. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement). Obtain supporting documentation, and

From the listing provided, we randomly selected 5 credit cards used in the fiscal period. We randomly selected one monthly statement for each of the 5 cards selected and performed the procedures noted below.

- i. Observe whether there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) were reviewed and approved, in writing (or electronically approved) by someone other than the authorized card holder (those instances requiring such approval that may constrain the legal authority of certain public officials, such as the mayor of a Lawrason Act municipality, should not be reported; and

No exception noted.

- ii. Observe that finance charges and late fees were not assessed on the selected statements.

No exception noted.

- C. Using the monthly statements or combined statements selected under procedure #6B above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (e.g., each card should have 10 transactions subject to inspection). For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and observe whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

No exceptions noted.

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

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

- A. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements and obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:
- i. If reimbursed using a per diem, observe that the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov);
 - ii. If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased;
 - iii. Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by "Written Policies and Procedures", procedure #1A(vii); and
 - iv. Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

8) Contracts

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

- A. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *Alternatively, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and
- i. Observe whether the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law;
 - ii. Observe whether the contract was approved by the governing body/board, if required by policy or law (e.g. Lawrason Act, Home Rule Charter);
 - iii. If the contract was amended (e.g., change order), observe that the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment, the documented approval); and
 - iv. Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.

9) Payroll and Personnel

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

- A. Obtain a listing of employees/elected officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees/officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.
- B. Randomly select one pay period during the fiscal period. For the 5 employees/officials selected under procedure #9A above, obtain attendance records and leave documentation for the pay period, and
 - i. Observe that all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory);
 - ii. Observe whether supervisors approved the attendance and leave of the selected employees or officials;
 - iii. Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records; and
 - iv. Observe the rate paid to the employees or officials agrees to the authorized salary/pay rate found within the personnel file.
- C. Obtain a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees or officials and obtain related documentation of the hours and pay rates used in management's termination payment calculations and the entity's policy on termination payments. Agree the hours to the employee's or official's cumulative leave records, agree the pay rates to the employee's or official's authorized pay rates in the employee's or official's personnel files, and agree the termination payment to entity policy.
- D. Obtain management's representation that employer and employee portions of third-party payroll related amounts (e.g., payroll taxes, retirement contributions, health insurance premiums, garnishments, workers' compensation premiums, etc.) have been paid, and any associated forms have been filed, by required deadlines.

10) Ethics

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

- A. Using the 5 randomly selected employees/officials from procedure "Payroll and Personnel" procedure #9A, above obtain ethics documentation from management, and
 - i. Observe whether the documentation demonstrates that each employee/official completed one hour of ethics training during the calendar year as required by R.S. 42:1170; and
 - ii. Observe whether the entity maintains documentation which demonstrates that each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.
- B. Inquire and/or observe whether the agency has appointed an ethics designee as required by R.S. 42:1170.

11) Debt Service

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

- A. Obtain a listing of bonds/notes issued during the fiscal period and management's representation that the listing is complete. Select all bonds/notes on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each bond/note issued as required by Article VII, Section 8 of the Louisiana Constitution.
- B. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants (including contingency funds, short-lived asset funds, or other funds required by the debt covenants).

12) Fraud Notice

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

- A. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled as required by R.S. 24:523.
- B. Observe that the entity has posted on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

13) Information Technology Disaster Recovery/Business Continuity

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

- A. Perform the following procedures, **verbally discuss the results with management, and report "We performed the procedure and discussed the results with management."**
 - i. Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if there is no written documentation, then inquire of personnel responsible for backing up critical data) and observe evidence that such backup (a) occurred within the past week, (b) was not stored on the government's local server or network, and (c) was encrypted.
 - ii. Obtain and inspect the entity's most recent documentation that it has tested/verified that its backups can be restored (if there is no written documentation, then inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.
 - iii. Obtain a listing of the entity's computers currently in use and their related locations, and management's representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.

Zachary Community School Board
AGREED-UPON PROCEDURES PERFORMED AND ASSOCIATED FINDINGS
June 30, 2025

Schedule A

- B. Randomly select 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees obtained in Payroll and Personnel procedure #9C. Observe evidenced that the selected terminated employees have been removed or disabled from the network.
- C. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A, obtain cybersecurity training documentation from management, and observe that the documentation demonstrates that the following employees/officials with access to the agency's information technology assets have completed cybersecurity training as required by R.S. 42:1267. The requirements are as follows:
- Hired before June 9, 2020 - completed the training; and
 - Hired on or after June 9, 2020 - completed the training within 30 days of initial service or employment.

14) Prevention of Sexual Harassment

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

- A. Using the 5 randomly selected employees/officials from "Payroll and Personnel" procedure #9A, obtain sexual harassment training documentation from management, and observe that the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year as required by R.S. 42:343.
- B. Observe that the entity has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the entity's premises if the entity does not have a website).
- C. Obtain the entity's annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe that the report includes the applicable requirements of R.S. 42:344:
- i. Number and percentage of public servants in the agency who have completed the training requirements;
 - ii. Number of sexual harassment complaints received by the agency;
 - iii. Number of complaints which resulted in a finding that sexual harassment occurred;
 - iv. Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
 - v. Amount of time it took to resolve each complaint.



Responses to Statewide Agreed Upon Procedures 2024-25:

1) Written Policies and Procedures

The School District has well established policies and procedures, the staff will make efforts to convey those practices in written format for the following functions:

vi. Contracting – Process for legal review including standard terms and conditions, legal review, and monitoring process.

viii. Credit Cards/P cards/Fuel Cards – While all cards follow our current purchasing policies and procedures, the School District will separate out its Credit Card procedures to address how cards are used for allowable business uses and documentation requirements.

ix. Ethics - While each employee complies with the required annual Louisiana Ethics Training and receives a monitored certificate of completion, the School District will convey a process in writing.

x. Debt Service – The current debt service policy will more specifically address the debt service reserve requirements.

2) Board or Finance Committee

ii. The Board did remove the Resource meeting from its regular meeting schedule and held an additional Committee of the Whole meeting for the School Board to review the annual budget for the school district. Staff will ensure that monthly meetings will occur this year.

3) Bank Reconciliations

ii. Staff will monitor bank statements for proper documentation of review by appropriate school officials. This was reviewed with School Secretaries at our December 11, 2025 Meeting.

iii. Met with staff to go over processing procedures for outstanding checks. All outstanding checks were being researched, and letters were sent out to vendors. All outstanding checks have either been voided and reissued to vendors or sent to unclaimed property as of December 11, 2025.

John P. Musso

John P. Musso
Business Manager

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

To the Members of the
Zachary Community School Board,
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 the Zachary Community School Board for the fiscal year ended June 30, 2025. Management of the Zachary Community School Board is responsible for its performance and statistical data.

The Zachary Community School Board has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of performing the specified procedures on the performance and statistical data accompanying the annual financial statements and report our findings to assist the specified parties in its compliance with Louisiana Revised Statute 24:514 I. The Louisiana Legislative Auditor (“LLA”) and the Louisiana Department of Education (“LDOE”) 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 1)**

1. We selected a sample of 25 transactions, reviewed supporting documentation, and observed that the sampled expenditures/revenues are classified within the below category corresponding to the type of expenditure/revenue identified on the supporting documentation:
 - 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 exceptions noted.

Class Size Characteristics (Schedule 2)

2. We obtained a list of classes by school, school type, and class size as reported on the schedule. We then traced the number of students per class for a sample of 10 classes to the October 1 roll books for those classes and observed that the number of students per class agreed with its classification on the schedule.

Class Size Characteristics (Schedule 2) (continued)

Of the 10 classes selected, we noted the three classes had a difference of one student between the roll book counts and the number reported in Schedule 2. No exceptions noted for the other 7 classes selected.

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 obtained management's representation that the data/listing was complete. We then selected a sample of 25 individuals, obtained each individual's personnel file, and observed that each individual's education level and experience as documented in the personnel file agrees to the classification on the PEP data or equivalent listing prepared by management.

No exceptions 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, obtained each individual's personnel file, and observed that each individual's salary, extra compensation, and full-time equivalents as documented in the personnel file supports the information on the PEP data (or equivalent listing prepared by management).

No exceptions noted.

We were engaged by the Zachary Community School Board to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the AICPA, and the standards applicable to attestation engagements contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the performance and statistical data of Zachary Community School Board for the fiscal year ended June 30, 2025. 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 Zachary Community School Board and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.



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

EisnerAmper LLP

EISNERAMPER LLP
Baton Rouge, Louisiana
January 12, 2026

EISNERAMPER
LLP



ZACHARY COMMUNITY SCHOOL BOARD

PERFORMANCE MEASUREMENT DATA

ZACHARY COMMUNITY SCHOOL BOARD
ZACHARY, LOUISIANA

Schedules Required by State Law (R.S. 24:514 - Performance Measurement Data)
As of and for the Year Ended June 30, 2025

Schedule 1 – 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 in real property, 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 2 (Formerly Schedule 6) 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.

ZACHARY COMMUNITY SCHOOL BOARD
Zachary, Louisiana

General Fund Instructional and Support Expenditures
and Certain Local Revenue Sources
For the Year Ended June 30, 2025

General Fund Instructional and Equipment Expenditures

General Fund Instructional Expenditures:

Teacher and Student Interaction Activities:

Classroom Teacher Salaries	\$ 24,214,764	
Other Instructional Staff Activities	1,363,277	
Instructional Staff Employee Benefits	11,551,489	
Purchased Professional and Technical Services	1,859,396	
Instructional Materials and Supplies	622,386	
Instructional Equipment	144,849	
Total Teacher and Student Interaction Activities		39,756,160

Other Instructional Activities 69,467

Pupil Support Services	3,531,770	
Less: Equipment for Pupil Support Services	1,400	
Net Pupil Support Services		3,530,370

Instructional Staff Services	3,063,174	
Less: Equipment for Instructional Staff Services	-	
Net Instructional Staff Services		3,063,174

School Administration	4,219,010	
Less: Equipment for School Administration	-	
Net School Administration		4,219,010

Total General Fund Instructional Expenditures (Total of Column B) 50,638,181

Total General Fund Equipment Expenditures (Object 730; Function Series 1000-4000) \$ 184,477

Certain Local Revenue Sources

Local Taxation Revenue:

Constitutional Ad Valorem Taxes	\$ 1,759,861	
Renewable Ad Valorem Tax	13,445,221	
Debt Service Ad Valorem Tax	9,502,373	
Up to 1% of Collections by the Sheriff on Taxes Other than School Taxes	605,645	
Sales and Use Taxes	13,568,023	
Total Local Taxation Revenue		38,881,123

Local Earnings on Investment in Real Property:

Earnings from 16th Section Property	-	
Earnings from Other Real Property	-	
Total Local Earnings on Investment in Real Property		-

State Revenue in Lieu of Taxes:

Revenue Sharing - Constitutional Tax	111,547	
Revenue Sharing - Other Taxes	-	
Revenue Sharing - Excess Portion	-	
Other Revenue in Lieu of Taxes	-	
Total State Revenue in Lieu of Taxes		111,547

Nonpublic Textbook Revenue \$ -

Nonpublic Transportation Revenue -

ZACHARY COMMUNITY SCHOOL BOARD
Zachary, Louisiana

Class Size Characteristics
As of June 30, 2025

School Type	Class Size Range							
	1 - 20		21 - 26		27 - 33		34+	
	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Elementary	55%	486	43%	381	2%	19	0%	-
Elementary Activity Classes	49%	74	39%	59	12%	18	1%	1
Middle/Jr. High	41%	110	39%	105	18%	49	2%	4
Middle/Jr. High Activity Classes	48%	20	7%	3	29%	12	17%	7
High	50%	303	27%	165	20%	122	3%	16
High Activity Classes	91%	161	6%	10	1%	2	2%	4
Combination	0%	-	0%	-	0%	-	0%	-
Combination Activity Classes	0%	-	0%	-	0%	-	0%	-
Other	0%	-	0%	-	100%	1	0%	-
Other Activity Classes	0%	-	0%	-	0%	-	0%	-

Note: 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.



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Corrective Action plan

Class Size Characteristics (Schedule 2)

JPAMS data is real time data. An upload to LDOE for class records can be uploaded to LDOE from August 2024 to January 2025 with the as of date of October 1, 2024. When the file is created, it depends on the date that determines the number of students in the class. For example, if I upload on September 5, with an, as of date of October 1, the class count may be 22 students. On September 10th, the class count could be 28, if students are added or deleted between the 5th and the 10th in the student software system. Therefore, the records are not static. They can change daily or weekly. You would have to capture the data on the exact day of the count per roll book, which is not feasible for DOE, because they want the count at different times. However, you can see how this timing difference is difficult to observe on a day-to-day comparison. It is difficult to understand just by printing rolls and sending the data to you with an explanation.

John P. Musso

John P Musso
Business Manager