



WAKE COUNTY
BOARD OF EDUCATION
CARY, NORTH CAROLINA

Annual Comprehensive **FINANCIAL REPORT**

for the fiscal year ended **June 30, 2024**

PREPARED BY THE FINANCE DEPARTMENT



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Introduction



Dr. Robert P. Taylor, *Superintendent*

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October 28, 2024

To the Members of the Wake County Board of Education and the Citizens of Wake County, North Carolina:

We are pleased to submit the annual comprehensive financial report of the Wake County Board of Education (Board) for the year ended June 30, 2024, as mandated by both local ordinances and state statutes. An independent firm of certified public accountants annually audits the Board's financial position and activity for the fiscal year. Management is responsible for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and reported in a manner that presents fairly the financial position and results of operations of the various funds of the Board. All disclosures necessary to enable the reader to understand the Board's activities have been included.

The presentation of the annual comprehensive financial report is in four sections: introductory, financial, statistical, and single audit. The introductory section, which is unaudited, includes this letter of transmittal, an organizational chart, a list of the Board's principal elected and appointed officials, and copies of the Certificates of Achievement for Excellence in Financial Reporting awarded by the Government Finance Officer Association (GFOA) and the Association of School Business Officials (ASBO) International. The financial section includes the management's discussion and analysis, government-wide financial statements, fund financial statements, and schedules, as well as the independent auditor's report on these financial statements and schedules. The statistical section, which is unaudited, includes data on financial trends, revenue capacity, and debt capacity, as well as demographic and economic information and operating information.

The management's discussion and analysis (MD&A) immediately follows the independent auditor's report and contains a narrative introduction, overview, and analysis of the basic financial statements and financial standing of the Board. This letter of transmittal complements and should be read in conjunction with the management's discussion and analysis.

The Board is required to undergo an annual single audit in conformity with the provisions of the Title 2 US Code of Federal Regulations Part 200 Uniform Administration Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), and the North Carolina Single Audit Implementation Act. Information related to this single audit, including a schedule of expenditures of federal and state awards, a report on compliance and internal control, reports on compliance with requirements applicable to each major federal and state program, and a schedule of findings and questioned costs are included in the single audit section of the annual comprehensive financial report.

The financial reporting entity includes all the funds of the Board. The members of the Board, elected by the public, corporately have decision-making authority. Although Wake County levies all taxes, the Board determines how the school system will spend the funds generated for schools. The County cannot modify the school system's budget nor is the County entitled to share in any surpluses or required to finance any deficits of the school system. For these reasons, the Board is not fiscally dependent on the County and therefore is recognized as a primary government, as defined by the Governmental Accounting Standards Board. The Board also receives funding from state and federal government sources and must comply with the concomitant requirements of those funding entities. The Board does not have any component units, nor is it a component unit of any other entity.

GOVERNMENTAL STRUCTURE, LOCAL ECONOMIC CONDITION, AND OUTLOOK

The Wake County Public School System ("WCPSS") is one comprehensive school district serving the entire county; including Raleigh, Cary, Apex, Wendell, Fuquay-Varina, Garner, Knightdale, Rolesville, Wake Forest, Holly Springs, Morrisville, Zebulon. In July 1976, the former Wake County and Raleigh City public school systems merged to create the WCPSS. For 2022-23 the school system was the largest in North Carolina and the 15th largest system in the nation. It served 159,827 students from kindergarten through 12th grade in 119 elementary schools, 38 middle schools, 31 high schools, 7 optional schools, and 3 academies. The school system has over 19,850 full-time employees and is the third largest employer in Wake County. The system has over 10,990 regular classroom teachers, not including media specialists, counselors, psychologists, etc.

At the helm of the school system are the Wake County Board of Education and the Superintendent. The Board consists of nine members, elected in districts by the public, who serve two-year terms. The Superintendent, selected by the Board, serves as chief executive officer of the system. The Board is responsible for setting policy, while the Superintendent and his administrative team are in charge of managing the operations of the school system.

A principal is responsible for administering the total school operations. The school staffing is based on pupil enrollment and consists of the appropriate instructional and support personnel to staff each school. The school principal and faculty work cooperatively with instructional specialists and central administrative staff in developing and implementing effective instructional programs.

Over 60 of the school system's 198 schools are magnet schools, which offer unique educational alternatives. All students are eligible to apply, and the network features distinct programs under the following areas: Arts Plus, Gifted and Talented, International Baccalaureate, Language Immersion/Global Studies, and STEM. The Board established the magnet network to offer a choice in instructional opportunities, maximize the use of school facilities, and help balance schools. The program has proven to be highly successful and contributes to Wake County's stature as a leader in education.

Additionally, the school system offers the following innovative programs for students: two single-gender leadership academies, seven early college programs, two application schools, and one blended learning school. The recurring publicity of Wake County as one of the most desired places to live and work in the United States, as evidenced by various publications and polls has continued to turn the spotlight on the quality of life enjoyed by Wake County citizens. While quality of life is an intangible asset, there are also many tangible attributes that we can point to in explaining the County's attractiveness.

Chartered in 1771, Wake County covers an area of 864 square miles and is the second most populous county in the state. Twelve municipalities reside in Wake County including Raleigh, the county seat and state capital. A unique mix of urban and rural areas with small towns distinguishes Wake County from other counties in the state and provides something for everyone in choosing a lifestyle. Located in the north-central section of the state on the Piedmont plateau, Wake County is approximately halfway between Washington, D. C., and Atlanta. As well as being a part of that major industrial corridor, Wake County is also convenient for the recreation of the beautiful North Carolina mountains and serene North Carolina beaches. Low rolling hills in the northwest changing gradually to level land in the southeast is the character of the County's topography. The central North Carolina climate is relatively mild with moderate winters and warm summers. The location, geography, and climate make Wake County an enjoyable place to live and work while also contributing significantly to the economic viability of the region.

The presence of state and local government employment markets, the college and university employment markets, and the Research Triangle Park research facilities stabilize the economy of the area, as well as offer substantial employment opportunities to the County's population. No major specialized industry dominates the economy of the County.

The Research Triangle Park, organized in 1959, straddles the Wake and Durham County line. It encompasses 6,800 acres of land set aside for research and research-oriented manufacturing. With the attractiveness of the Research Triangle Park and its proximity to three major research universities, it is no accident that medical and electronic industries flourish in the region.

The quantity and quality of the instructional programs of the school system are directly dependent on the funding provided and on effective management and efficient use of those funds. We recognize the important trust and responsibility we are given in the management of public resources and continue to be vigilant and trustworthy in fulfilling that responsibility. Funding for the school system is complex as a result of the various funding sources available. Budget managers apply these resources to accomplish the strategic plan of the school system while maximizing the use of taxpayer dollars. Budget managers use reverting sources of funds first so that any savings will occur in the local budget. We believe that the continuation of these financial management practices coupled with effective planning provides fiscal accountability to the public and continued improvement of programs and outcomes for our students.

MAJOR INITIATIVES

Wake County Public School System Board Priorities and Goals

In May of 2023, the Board approved the Strategic Plan 2023-28: Pathways to Excellence & Equity. The plan includes a Vision, Mission, Core Beliefs, and a set of ambitious priorities and goals.

The vision states, "All Wake County Public School System students will be prepared to reach their full potential and lead productive lives in a complex and changing world."

The Mission states, “Wake County Public School System will provide a relevant and engaging education and will graduate students who are collaborative, creative, effective communicators and critical thinkers.”

The core beliefs are:

1. Every student is uniquely capable and deserves to be challenged and engaged in relevant, rigorous, and meaningful learning each day.
2. Every student is expected to learn, grow, and succeed while we eliminate the ability to predict achievement based on socioeconomic status, race, and ethnicity.
3. Well-supported, highly effective, and dedicated principals, teachers, and staff are essential to success for all students.
4. The Board of Education, superintendent, and all staff, while sustaining best practices, will promote and support a culture of continuous improvement, risk-taking, and innovation that results in a high-performing organization focused on student achievement, well-being, and student agency.
5. The Board of Education, superintendent, and all staff value a diverse school community that is inviting, respectful, inclusive, flexible, and supportive.
6. The Wake County residents value a strong public school system and will partner to provide the support and resources to fully realize our shared vision, accomplish the mission, and sustain our core beliefs.
7. All students and staff deserve to work in optimal learning environments supported by sufficient resources, well-maintained facilities, and sustainable operational systems.

The priorities and goals are:

- Priority 1: Student Knowledge and Skills
We will prioritize students' development in critical thinking, communication, collaboration, and creativity skills, commonly called 'The Four Cs'.
And, we'll focus on foundational literacies, knowledge, and skills in the core subjects of Reading/Language Arts, Mathematics, Science, Social Studies, Fine Arts, Digital Literacy, Financial Literacy, and other content areas.

Goal 1: Graduation

By 2028, WCPSS will annually graduate 98% of students prepared to reach their full potential and lead productive lives in a complex and changing world. By 2028, WCPSS will eliminate graduation rate disparities by race, ethnicity, gender, and socio-economic status.

Goal 2: Proficiency

By 2028, 90% of WCPSS students will meet or exceed grade-level proficiency. By 2028, WCPSS will eliminate proficiency disparities by race, ethnicity, gender, and socio-economic status.

Goal 3: Growth

By 2028, 90% of WCPSS schools will exceed the state-wide average for growth and 100% of student subgroups will exceed the state-wide average growth.

- **Priority 2: Student Dispositions and Well-Being**
We will prioritize caring for students and staff as individuals and developing and maintaining positive social-emotional, behavioral, and mental health.

Goal 4: Attendance

By 2028, WCPSS will ensure 95% of all students are in attendance at least 95% of their days in membership and will eliminate disparities by race, ethnicity, gender, and socio-economic status.

Goal 5: Student Well-Being

By 2028, 90% of WCPSS students will demonstrate the social-emotional competencies of self-awareness, self-management, social awareness, relationship skills, and responsible decision-making and eliminate any disparities by race, ethnicity, gender, and socio-economic status.

- **Priority 3: Operational Effectiveness**

We will prioritize establishing structures and processes to provide timely and consistent service for every student and an inviting, safe environment for every school.

The priorities will ensure that we operate efficiently, effectively, and sustainably for all students, families and employees.

Goal 6: Parent and Family Experience

By 2028, 95% of families surveyed will indicate low barriers to engagement and a positive school climate. By 2028, WCPSS will eliminate any disparities along lines of race, ethnicity, gender, and socio-economic status.

Goal 7: Employee Experience

By 2028, X% of WCPSS employees will respond agree or strongly agree to select questions associated with employee satisfaction, engagement, and wellness and will eliminate any disparities identified along lines of race, ethnicity, role, and gender in the percent of employees responding agree or strongly agree to the same questions.

Graduation Rates

The district's four-year graduation rate increased significantly in 2024 to 91.4%, up 1.5 percentage points from 2023. This surpasses the previous highest rate of 90.8%, set in 2020. The record-high graduation rate is especially remarkable considering these students were entering 9th grade in the fall 2020, in the depths of the pandemic.

Academic Proficiency

Academic proficiency is defined as students who score a 3 or higher on state standardized tests. For the 2023-24 school year, the district's overall proficiency rate is 64.2 percent, up 0.8 percentage points from the previous year, and 1 percentage point below the pre-pandemic proficiency level of 65.2 percent.

Academic growth

In 2023-24, the percentage of schools that exceeded expected growth in academic proficiency increased 11 percentage points to 40% of WCPSS schools. The last time WCPSS schools hit this mark was in 2012-13. In total, 77 schools exceeded growth, and 88 met expected growth, meaning 85% of our schools met or exceeded expected growth.

National Board Certified Teachers

In December 2023, 109 Wake County Public School System teachers achieved National Board Certifications, and an additional 215 renewed their Board certifications by successfully completing the Maintenance of Certification process. The district ranked third in the number of new National Board Certified teachers nationally for 2023. In total, more than 3,000 teachers have achieved this distinction while working in our district. Seeking this certification is a rigorous process and takes a significant commitment of time outside the teacher's regular classroom responsibilities. The school system provides support to these candidates from initial candidacy through renewal.

FINANCIAL INFORMATION

The state primarily finances the cost of public education in North Carolina and establishes minimum programs. Local boards of county commissioners appropriate local funds, in varying amounts by district, to supplement the basic program. Local boards of education in North Carolina have no tax levying or borrowing authority and are required to maintain accounting records in a uniform format.

Governmental funds are reported using the modified accrual basis of accounting, while proprietary funds are reported using the accrual basis of accounting. Detailed explanations of both are found in the measurement focus and basis of accounting sections of the notes to the basic financial statement.

The management of the school system is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the school system are protected from loss, theft, or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with accounting principles generally accepted in the United States of America. The internal control structure provides reasonable, but not absolute, assurance in meeting these objectives. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits derived and the valuation of costs and benefits requires estimates and judgments by management.

As a recipient of federal, state, and local financial assistance, the school system is also responsible for ensuring that an adequate internal control structure is in place to ensure and document compliance with applicable laws and regulations related to these programs. This internal control structure is subject to periodic evaluation by management and the school system's internal audit department.

The North Carolina School Budget and Fiscal Control Act mandates a uniform budget format and the adoption of an annual balanced budget resolution by July 1 each year. The Board adopts budgets by fund and purpose for all governmental funds and proprietary funds. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget and funds provided by the federal, state, and local governments. The financial section reflects the final budget, as amended for the fiscal year. By resolution of the Board, the Superintendent may transfer monies from one appropriation to another within the same fund, subject to certain limitations. If such transfers require the Board's approval, they must be reported at the next subsequent meeting.

The Superintendent is authorized by the Board to transfer appropriations under the following conditions:

1. The Superintendent may not transfer any amounts between funds nor from any contingency appropriation within a fund without Board approval.
2. The Superintendent may transfer amounts between purpose codes and between functions within a purpose code. A summary of all such transfers must be reported to the Board monthly.
3. The Superintendent may transfer any amounts in state and federal projects upon prior approval of the appropriate funding agency. If such transfers require the Board's approval under other provisions, they must be reported to the Board monthly.

The Superintendent is authorized by the Board to accept appropriations into the budget under the following conditions:

1. The Superintendent may accept all state appropriations. A summary of such appropriations must be reported to the Board monthly.
2. The Superintendent may accept federal appropriations if the application for funding has been approved by the Board. A summary of such appropriations must be reported to the Board monthly.
3. The Superintendent may accept categorical program appropriations if the program has been approved by the Board. A summary of such appropriations must be reported to the Board monthly.
4. The Superintendent may accept other appropriations upon prior approval of the Board.

The school system also maintains an encumbrance accounting system as one method of maintaining budgetary control. Encumbered amounts lapse at year-end. However, WCPSS generally re-appropriates outstanding encumbrances considered to be continuing contracts as part of the following year's budget.

The school system continues to experience student growth in certain areas of the county, and this is expected to continue. Due to this growth, the Board has been engaged in an aggressive building and renovation program for many years. In November 2022 the residents of Wake County approved a bond issue of \$530 million. This bond issue will provide five new schools, seven major renovations, and life cycle replacements, technology, security, and land acquisition for new schools. The school system's oldest building was built in 1924 and the most recent building was completed in 2023.

As demonstrated by the statements and schedules included in the financial section of this report, the school system continues to meet its responsibility for sound financial management.

OTHER INFORMATION

Independent Audit

State statutes require an annual audit by independent certified public accountants. The Board selected the firm Forvis Mazars LLP. In addition to meeting the requirements outlined in state statutes, the auditor designed their audit to meet the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, and the North Carolina Single Audit Implementation Act. The auditors conducted the engagement in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Governmental Auditing Standards, issued by the Comptroller General of the United States. The auditor's report on the basic financial statements and combining individual fund statements and schedules is included in the financial section of this report.

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded the Certificate of Achievement for Excellence in Financial Reporting, and the Association of School Business Officials (ASBO) awarded the Certificate of Excellence in Financial Reporting to the Board for its annual comprehensive financial report for the year ended June 30, 2023. This was the thirty-fifth consecutive year that the Board received these prestigious awards. To be awarded these Certificates, the Board published an easily readable and efficiently organized annual comprehensive financial report. This report satisfied both accounting principles generally accepted in the United States of America and applicable legal requirements.

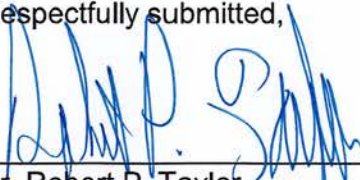
The Certificates are valid for one year only. We believe that our current annual comprehensive financial report continues to meet the requirements for the Certificates, and we are submitting it to the GFOA and ASBO to determine its eligibility for another certificate.

Acknowledgments

The efficient and dedicated services of the entire staff of the finance division were essential in the preparation of this report. We would like to express our appreciation to all members of the division who assisted and contributed to the preparation of this report and the Board's independent certified public accountants, Forvis Mazars, LLP, for their assistance. The contributions of all are invaluable and sincerely appreciated and reflect the high standards that we have set for ourselves.

We would also like to express our appreciation to the members of the Board of Education for their interest and support in planning and conducting the financial affairs of the school system in a responsible and dedicated manner.


Respectfully submitted,



Dr. Robert P. Taylor
Superintendent



David Neter
Chief Business Officer



Trisha Posey
Finance Officer



ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

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

Wake County Public School System

**for its Annual Comprehensive Financial Report
for the Fiscal Year Ended June 30, 2023.**

The district report meets the criteria established for
ASBO International's Certificate of Excellence in Financial Reporting.



A handwritten signature in black ink, reading 'Ryan S. Stechschulte'.

Ryan S. Stechschulte
President

A handwritten signature in black ink, reading 'James M. Rowan'.

James M. Rowan, CAE, SFO
CEO/Executive Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Wake County Board of Education
North Carolina**

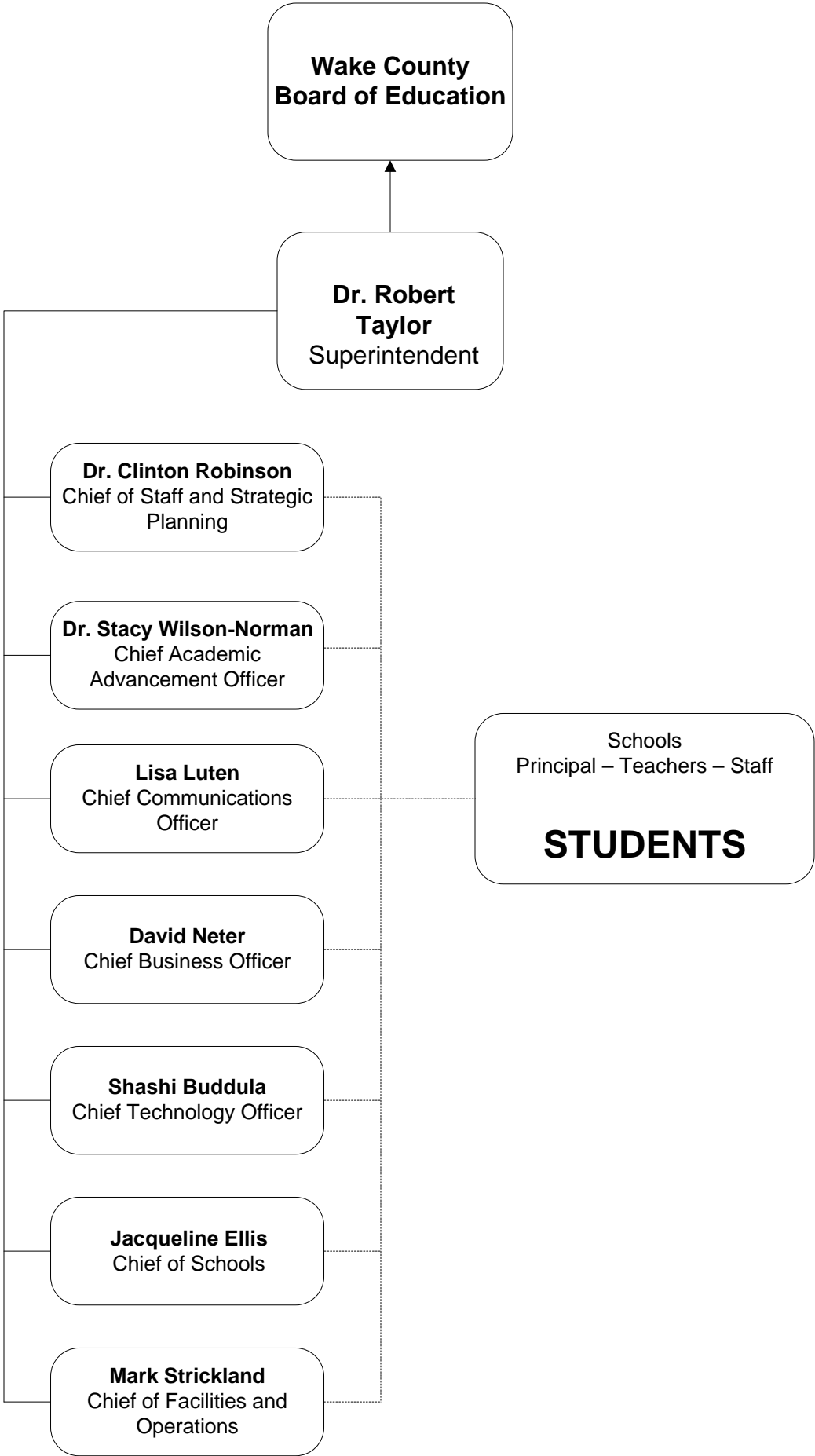
For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2023

Christopher P. Morill

Executive Director/CEO

Organizational Chart



Board of Education and Leadership Team



Chris Heagarty
Chair, District 7



Monika Johnson-Hostler
Vice Chair, District 2



Cheryl Caulfield
District 1



Dr. Wing Ng
District 3



Toshiba Rice
District 4



Lynn Edmonds
District 5



Sam Hershey
District 6



Lindsay Mahaffey
District 8



Tyler Swanson
District 9



Dr. Robert P. Taylor
Superintendent

Leadership Team Dr. Robert P. Taylor, *Superintendent*

Chief Officers

Dr. Clinton Robinson, Chief of Staff and Strategic Planning
Dr. Stacey Wilson-Norman, Chief Academic
Advancement Officer
David Neter, Chief Business Officer
Lisa Luten, Chief Communications Officer
Shashi Buddula, Chief Technology Officer
Jacqueline Ellis, Chief of Schools
Mark Strickland, Chief of Facilities and Operations Officer

Area Superintendents

Dr. Mark Savage - Eastern Wake County
Dr. Elena Ashburn - Central Wake County
Christopher McCabe - Northern Wake County
Dr. Ve-Lecia Council - Northeastern Wake County
Dr. Ashlie Thompson - Southern Wake County
Dr. Tammie Sexton - Western Wake County
Jonathan Enns - Southwestern Wake County
James Overman - Southeastern Wake County
Seydric Williams - Northwestern Wake County

Finance

Trisha Posey, Finance Officer

Assistant Superintendents

Drew Cook - Academics
Dr. AJ Muttillio - Human Resources
Vacant - Special Education Services
Michele Woodson - Student Support Services
Dr. Bradley McMillen - Data, Research, and Accountability
Dr. William Chavis - Equity Affairs
Glenn Carrozza - School Choice, Planning, and
Assignment
David Burnett - Facilities, Design and Construction



Financial Section

Independent Auditor's Report

Wake County Board of Education
Cary, North Carolina

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Wake County Board of Education, North Carolina ("Board"), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Board's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Board, as of June 30, 2024, and the respective changes in financial position, and, where applicable, cash flows thereof and the respective budgetary comparison for the General, State Public School Fund, Other Restricted, and Federal Grants funds 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 (GAAS) 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 "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are required to be independent of the 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.

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 Board's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's 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 auditor's 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 GAAS 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 GAAS 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 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 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 Management's Discussion and Analysis on pages 4 through 12 and the Teachers' and State Employees' Retirement System's Schedules of the Proportionate Share of the Net Pension Liability and Board Contributions, on pages 63 through 64, respectively, and the Retiree Health Benefit Fund's Schedules of Proportionate Share of the Net OPEB Liability and Board Contributions, on pages 65 through 66, respectively, and the Disability Income Plan of North Carolina's Schedules of the Proportionate Share of the Net OPEB Asset (Liability) and Board Contributions, on pages 67 through 68, respectively, 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 Board's basic financial statements. The individual fund statements and schedules, including the schedule of expenditures of federal and state awards as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards and the State Single Audit Implementation Act 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 individual statements and schedules and the schedule of expenditures of federal and state awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual comprehensive financial report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated October 28, 2024, on our consideration of the 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 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 Board's internal control over financial reporting and compliance.

Forvis Mazars, LLP

**Winston-Salem, North Carolina
October 28, 2024**

MANAGEMENT DISCUSSION AND ANALYSIS

WAKE COUNTY BOARD OF EDUCATION

MANAGEMENT'S DISCUSSION AND ANALYSIS

YEAR ENDED JUNE 30, 2024

This section of the Wake County Board of Education's (the "Board") financial report represents our discussion and analysis of the financial performance of the Board for the year ended June 30, 2024. This information should be read in conjunction with the audited financial statements included in this report.

Financial Highlights

- The assets and deferred outflows of resources of the Board exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$2,309,779,483.
- The Board's total net position increased \$343,747,112 primarily due to an increase in deferred outflows of resources and a decrease in deferred inflows of resources related to pensions.
- As of the close of the current fiscal year, the Board's General Fund reported a total fund balance of \$118,205,095 and the Board's governmental funds reported combined ending fund balances of \$137,312,398. Of this total, \$39,334,255 is available for spending at the government's discretion.
- The Board experienced an increase in enrollment of 1,470 students (or 0.93%) from the previous year.
- Federal and state funds related to COVID-19, totaling \$77,775,586, provided additional funding support to the Board.

Overview of the Financial Statements

The audited financial statements of the Board consist of four components. They are as follows:

- *Independent Auditor's Report*
- *Management's Discussion and Analysis (required supplementary information)*
- *Basic Financial Statements*
- *Required supplemental section that presents combining and budgetary statements for non-major governmental and enterprise funds*

The *basic financial statements* include two types of statements that present different views of the Board's finances. The first are the *government-wide statements*. The government-wide statements are presented on the full accrual basis of accounting and include the statement of net position (deficit) and the statement of activities. The statement of net position (deficit) includes all of the Board's assets and liabilities and deferred inflows of resources. Assets and liabilities are classified in the order of relative liquidity for assets and due date for liabilities. This statement provides a summary of the Board's investment in assets, deferred inflows of resources, and obligations to creditors. Liquidity and financial flexibility can be evaluated using the information contained in this statement. The statement of activities summarizes the Board's revenues and expenses for the current year. A net (expense) revenue format is used to indicate to what extent each function is self-sufficient.

The second type of statements included in the basic financial statements are the *fund financial statements*, which are presented for the Board's governmental funds and proprietary funds. These statements are presented on the modified accrual basis of accounting, measuring the near term inflows and outflows of financial resources and what is available at year-end to spend in the next fiscal year. The fund financial statements focus on the Board's most significant funds. Because a different basis of accounting is used in the government-wide statements,

**WAKE COUNTY BOARD OF EDUCATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2024**

reconciliation from the governmental fund financial statements to the government-wide statements is required. The government-wide statements provide information about the Board as an economic unit, while the fund financial statements provide information on the financial resources of the Board's major funds.

Government-wide Statements

The government-wide statements report information about the Board as a whole using accounting methods similar to those used by private-sector companies. The statement of net position (deficit) includes all of the Board's assets, deferred outflows and inflows of resources, and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the Board's net position and how it has changed. Net position – the difference between the total of the Board's assets and deferred outflows and the total of liabilities and deferred inflows – is one way to measure the Board's financial health or position.

- Over time, increases or decreases in the Board's net position are an indicator of whether its financial position is improving or deteriorating.
- To assess the Board's overall health, consider additional non-financial factors such as changes in the property tax base and the condition of its school buildings and other physical assets.

The Board's activities are divided into two categories in the government-wide statements:

- Governmental activities: Most of the Board's basic services are included here, such as regular and special education, transportation, and administration. County funding and state and federal aid finance most of these activities.
- Business-type activities: The Board charges fees to help it cover the costs of certain services it provides. Child nutrition and tuition programs are included here.

The government-wide statements are shown on pages fourteen through sixteen of this report.

Fund Financial Statements

The fund financial statements provide more detailed information about the Board's funds, focusing on its most significant or "major" funds – not the Board as a whole. Funds are accounting devices the Board uses to keep track of specific sources of funding and spending on particular programs.

- Some funds are required by State law, such as the State Public School Fund.
- The Board established other funds to control and manage money for a particular purpose or to show that it is properly using certain revenues, such as in the Other Restricted Funds.

The Wake County Board of Education has two types of funds:

Governmental funds: Most of the Board's basic services are included in the governmental funds, which generally focus on two things – how cash and other assets can readily be

**WAKE COUNTY BOARD OF EDUCATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2024**

converted to cash flow in and out and the balances left at year-end that are available for spending. As a result of this focus, the governmental funds statements provide a detailed short-term view that helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the Board's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, a reconciliation following the governmental funds statements, explains the relationship (or differences) between the government-wide and the fund financial statements. The Board has several governmental funds: General Fund, State Public School Fund, Capital Outlay Fund, Other Restricted Funds, Individual Schools Fund, and State Administered Federal Grants Fund. The governmental fund statements are shown on pages seventeen through twenty-two of this report.

Proprietary funds: Services for which the Board charges a fee are generally reported in the proprietary funds. The proprietary fund statements are reported on the same full accrual basis of accounting as the government-wide statements. The Wake County Board of Education has two proprietary funds – both enterprise funds – the Child Nutrition Fund, and the Tuition Programs Fund. The proprietary fund statements are shown on pages twenty-three through twenty-six of this report.

Financial Analysis of the District as a Whole

Net position is an indicator of the fiscal health of the Board. Assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by approximately \$2.3 billion as of June 30, 2024. The largest component of net investment is the net investment in capital assets of approximately \$4.4 billion.

Following is a summary of the Statements of Net Position (Deficit) (in thousands).

**Condensed Statements of Net Position (Deficit)
June 30, 2024 and 2023**

	Governmental Activities		Business-type Activities		Total Primary Government	
	2024	2023	2024	2023	2024	2023
Current assets	\$ 301,529	\$ 243,626	\$ 45,060	\$ 43,962	\$ 346,589	\$ 287,588
Leases receivable	4,169	4,313	-	-	4,169	4,313
Capital assets	4,563,900	4,258,211	8,546	8,975	4,572,446	4,267,186
Total assets	4,869,598	4,506,150	53,606	52,937	4,923,204	4,559,087
Deferred outflows of resources	967,377	795,280	24,030	19,633	991,407	814,913
Current Liabilities	165,479	100,246	12,755	8,469	178,234	108,715
Long-term liabilities:	2,868,598	2,513,053	67,005	57,979	2,935,603	2,571,032
Total liabilities	3,034,077	2,613,299	79,760	66,448	3,113,837	2,679,747
Deferred inflows of resources	478,745	710,063	12,249	18,157	490,994	728,220
Net investment in capital assets	4,376,277	4,159,626	8,546	8,975	4,384,823	4,168,601
Restricted net position	24,411	20,625	-	-	24,411	20,625
Unrestricted net position	(2,076,535)	(2,202,184)	(22,919)	(21,010)	(2,099,454)	(2,223,194)
TOTAL NET POSITION (DEFICIT)	\$ 2,324,153	\$ 1,978,067	\$ (14,373)	\$ (12,035)	\$ 2,309,780	\$ 1,966,032

**WAKE COUNTY BOARD OF EDUCATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2024**

Following is a summary of the Statement of Net Position

Note that net position for governmental activities increased by approximately \$346 million during the year, indicating an improvement in the financial condition of the Board. The increase of net position was mainly a result of continued capital construction which was in excess of depreciation in the current fiscal year. Also note that the Board carries capital assets for which Wake County carries the offsetting debt.

The following table shows the revenues and expenses for the Board for the current and previous fiscal year (in thousands).

**Condensed Statement of Changes in Net Position (Deficit)
For the Years Ended June 30, 2024 and 2023**

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Revenues:						
Program revenues:						
Charges for services	\$ 1,815	\$ 1,859	\$ 34,554	\$ 30,242	\$ 36,369	\$ 32,101
Capital grants and contributions	1,366,030	1,306,168	1,485	2,430	1,367,515	1,308,598
Operating grants and contributions	-	-	38,715	42,945	38,715	42,945
General Revenues:						
Other revenues	1,082,720	826,404	1,743	1,192	1,084,463	827,596
Total revenues	<u>2,450,565</u>	<u>2,134,431</u>	<u>76,497</u>	<u>76,809</u>	<u>2,527,062</u>	<u>2,211,240</u>
Expenses:						
Governmental activities:						
Instructional services	1,576,279	1,343,296	-	-	1,576,279	1,343,296
System-wide support services	353,295	285,446	-	-	353,295	285,446
Ancillary services	456	1,290	-	-	456	1,290
Nonprogram charges	61,209	56,564	-	-	61,209	56,564
Interest on long-term debt	3,550	3,800	-	-	3,550	3,800
Depreciation/amortization	109,645	121,007	-	-	109,645	121,007
Business-type activities:						
Food services	-	-	69,311	63,563	69,311	63,563
Tuition programs	-	-	9,569	7,708	9,569	7,708
Total expenses	<u>2,104,434</u>	<u>1,811,403</u>	<u>78,880</u>	<u>71,271</u>	<u>2,183,314</u>	<u>1,882,674</u>
Excess (deficiency) before transfers	<u>346,131</u>	<u>323,028</u>	<u>(2,383)</u>	<u>5,538</u>	<u>343,748</u>	<u>328,566</u>
Transfers	<u>(45)</u>	<u>(45)</u>	<u>45</u>	<u>45</u>	<u>-</u>	<u>-</u>
Increase (decrease) in net position	346,086	322,983	(2,338)	5,583	343,748	328,566
Net position, beginning	<u>1,978,067</u>	<u>1,655,084</u>	<u>(12,035)</u>	<u>(17,618)</u>	<u>1,966,032</u>	<u>1,637,466</u>
Net position, ending	<u>\$ 2,324,153</u>	<u>\$ 1,978,067</u>	<u>\$ (14,373)</u>	<u>\$ (12,035)</u>	<u>\$ 2,309,780</u>	<u>\$ 1,966,032</u>

**WAKE COUNTY BOARD OF EDUCATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2024**

Total governmental activities generated revenues of \$2.45 billion while expenses in this category totaled \$2.1 billion for the year ended June 30, 2024. Comparatively, revenues were \$2.1 billion, and expenses totaled \$1.8 billion for the year ended June 30, 2023. After transfers to the business-type activities, the increase in net position stands at \$346 million at June 30, 2024, compared to \$323 million in 2023. The increase in revenues is due to the recognition of revenue for funds received from the county for capital outlays that are then amortized over their useful life, as well as the increase in deferred outflows and decrease in deferred inflows related to pension and OPEB. Instructional services expenses comprised 74.9% of total governmental-type expenses while system-wide support services made up 16.8% of those expenses for 2024. County funding comprised 43.33% of total governmental revenue for 2024. In 2023, county funding was 37.75%. Much of the remaining 56.67% of the total governmental revenue for 2024 consists of restricted state and federal money. This revenue represented 62.25% of total revenue in 2023. Business-type activities generated revenue of \$76 million and expenses of \$79 million. Net position decreased in the business-type activities by \$2.3 million after transfers from the governmental activities of \$45 thousand. The increase in net position in 2023 was \$5.5 million. The decrease of net position was mainly a result of the increase in salary, benefit and food cost, coupled with a decrease in federal funding for Child Nutrition.

Financial Analysis of the District's Funds

The focus of the Board's governmental funds is to provide information on near-term inflows, outflows, and balances of usable resources. Such information is useful in assessing the Board's financing requirements.

The general fund reported a total fund balance of \$118,205,095, a decrease of \$8,178,128 over last year. One of the underlying reasons for this decrease was the \$7.9 million decrease in funding from the federal government as COVID-19 grants are ending. The unassigned fund balance in the general fund decreased to \$39,334,255. This level of unassigned fund balance equals 1.7 percent of the total operating budget (state, local funds, grant, enterprise, and other restricted funds \$2,263,402,978). The Board assigned \$32,396,095 from fund balance to support the 2024-25 budget.

The total fund balance in the capital outlay fund decreased by \$206,217, and the restricted fund balance for capital expenditures decreased to \$2,491,255. The total fund balance decrease was due the purchase of vehicles.

The fund balance in the Other Restricted Funds increased by \$462,671 to \$3,000,470. The increase was due to the return of school PPE inventory to the warehouse.

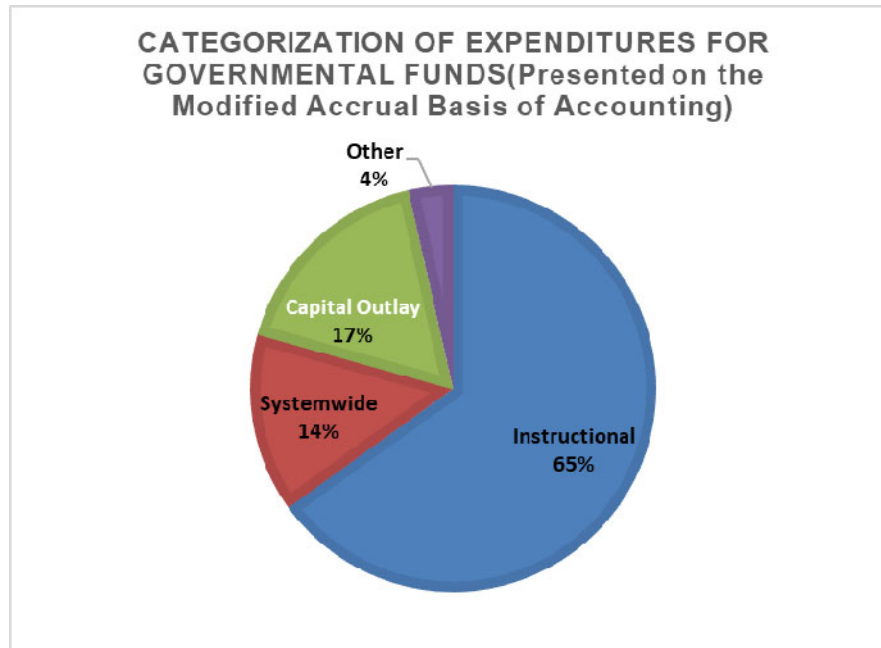
The fund balance for the State Public School Fund is zero. The Board only receives revenues from the State to equal expenditures up to the amount of their allotment.

The Board's governmental funds reported a combined fund balance of \$137,312,398, a \$7,346,074 decrease over last year. The decrease was due to the \$7.9 million decrease in funding from the federal government as COVID-19 grants are ending, requiring the system to utilize other funding sources. Total county funding to support operating and capital needs increased over the prior year by \$256 million. This was due to the increase in new construction and renovations. State funding increased approximately \$59 million as a result of salary increases ranging from 2% to 7.7%, an increase in matching retirement from 24.5% to 25.02%, and an increase in health insurance matching benefits from \$7,397 to \$7,557. Federal funding

**WAKE COUNTY BOARD OF EDUCATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2024**

decreased by approximately \$7.9 million due to the reduction of grant funds related to the pandemic.

The Board's business-type funds reflected a total decrease in net position of approximately \$2.3 million. The Child Nutrition Program reflected a decrease in net position over the last year of \$5.9 million and Tuition Programs reflected an increase in net position over last year of \$3.6 million. The decrease in Child Nutrition Program is due to increased food and salary costs. The increase in the tuition program was due to revenues exceeding multi-year school expenses.



Budgetary Highlights

Over the course of the year, the Board revised the budget on several occasions. Generally, budget amendments fall into one of three categories: 1) amendments made to adjust the estimates that are used to prepare the original budget ordinance once exact information is available; 2) amendments made to recognize new funding amounts from external sources, such as Federal and State grants; and 3) increases and decreases in appropriations that become necessary to maintain services.

Total amendments to the general fund increased revenues and other sources, as well as expenditures, by approximately \$5.8 million. This was mainly due to the appropriation of special projects from the fund balance for additional insurance costs, targeted enrollment, textbooks, work together initiative, tutoring hub, Oracle upgrade/support, recruitment advertising, employee engagement survey, transition costs for new volunteer system, and other special projects, and the receipt of the JUUL settlement and increased interest earned. Total revenues were \$673,996 greater than the final budget due to flexible benefit forfeitures and payment from administrator for prior year losses. Total expenditures for the general fund were \$39.9 million less than the final budget due to unused salaries because of continued unfilled vacancies, multi-year textbook carryover funds, and operational support savings in custodial, maintenance, and transportation services. Other financing sources final budget includes \$48.9 million of appropriated fund balance.

**WAKE COUNTY BOARD OF EDUCATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2024**

Capital Assets

The Board's investment in capital assets for its governmental and business-type activities as of June 30, 2024, totals \$4,572,225 (net of accumulated depreciation/amortization). The following is a summary of the capital assets, net of depreciation/amortization at year-end (in thousands):

Summary of Capital Assets
June 30, 2024 and 2023

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Land	\$ 241,874	\$ 235,720	\$ -	\$ -	\$ 241,874	\$ 235,720
Land improvements	7,736	8,043	-	-	7,736	8,043
Buildings	3,207,711	3,299,387	-	-	3,207,711	3,299,387
Right-to-use leased buildings	74,743	82,683	-	-	74,743	82,683
Equipment	10,786	10,799	8,375	8,768	19,161	19,567
Right-to-use leased equipment	1,661	1,814	-	-	1,661	1,814
Right-to-use subscription assets	10,873	9,593	-	-	10,873	9,593
Vehicles	18,520	15,133	171	207	18,691	15,340
Construction in progress	989,996	595,039	-	-	989,996	595,039
Total	<u>\$ 4,563,900</u>	<u>\$ 4,258,211</u>	<u>\$ 8,546</u>	<u>\$ 8,975</u>	<u>\$4,572,446</u>	<u>\$ 4,267,186</u>

More detailed information on the Board's capital assets is contained on pages 41 through 42 in the notes to the financial statements.

Debt Outstanding

During the year the Board's outstanding government-type obligations increased by \$355,545,277 and the business-type activities debt increased by \$9,026,157. The increase in the government-type and the business-type activities debt was due to the increase in net pension and OPEB liability. More detailed information on the Board's outstanding debt is contained on page 59 of the notes to the financial statements. The county holds virtually all debt issued for school capital construction.

Economic Factors

County funding is a major source of income for the Board; therefore, the County's economic outlook directly affects that of the school district.

The following factors have positively [or adversely] affected the economic outlook of Wake County.

- Wake County's unemployment rate was 3.6% at June 30, 2024. This is an increase of 0.5% from the previous year.
- The population of Wake County continues to increase. At June 30, 2024, the population was 1,190,275.
- Total property tax collections for fiscal year ended June 30, 2024, was \$1.41 trillion, a \$137 million increase from the prior fiscal year.

Requests for Information

This report is intended to provide a summary of the financial condition of the Wake County Board of Education. Questions or requests for additional information should be addressed to:

Trisha Posey, Finance Officer
Wake County Board of Education
111 Corning Road, Suite 250
Crossroads III
Cary, NC 27518

BASIC FINANCIAL STATEMENTS

WAKE COUNTY BOARD OF EDUCATION
STATEMENT OF NET POSITION (DEFICIT)
JUNE 30, 2024

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 180,331,261	\$ 38,705,231	\$ 219,036,492
Accounts receivables	2,055,145	391,685	2,446,830
Leases receivable	126,142	-	126,142
Accrued interest receivable on leases	99,369	-	99,369
Due from other governments	111,084,162	1,774,072	112,858,234
Internal balances	(79,783)	79,783	-
Inventories	7,912,873	4,108,842	12,021,715
Total current assets	301,529,169	45,059,613	346,588,782
Noncurrent assets:			
Lease receivable, non-current	4,168,693	-	4,168,693
Capital assets			
Land and construction in progress	1,231,870,138	-	1,231,870,138
Capital assets, net of accumulated depreciation/ amortization	3,332,030,291	8,545,955	3,340,576,246
Total capital assets	4,563,900,429	8,545,955	4,572,446,384
Total non-current assets	4,568,069,122	8,545,955	4,576,615,077
TOTAL ASSETS	4,869,598,291	53,605,568	4,923,203,859
DEFERRED OUTFLOWS OF RESOURCES	967,376,815	24,030,329	991,407,144
LIABILITIES			
Current liabilities:			
Salaries and benefits payable	24,271,950	3,300,498	27,572,448
Accounts payable	127,606,573	2,222,709	129,829,282
Accrued interest payable	1,376,710	-	1,376,710
Unearned revenue	12,224,019	7,232,384	19,456,403
Long-term due within one year	85,225,674	600,000	85,825,674
Long-term liabilities:			
Net pension liability	1,100,744,761	25,194,275	1,125,939,036
Net OPEB liabilities	1,538,055,528	40,264,859	1,578,320,387
Due in more than one year	144,572,078	945,635	145,517,713
TOTAL LIABILITIES	3,034,077,293	79,760,360	3,113,837,653
DEFERRED INFLOWS OF RESOURCES	478,745,030	12,248,837	490,993,867
NET POSITION (DEFICIT)			
Net investment in capital assets	4,376,276,525	8,545,955	4,384,822,480
Restricted for:			
Individual school activities	11,645,349	-	11,645,349
Special programs	69,621	-	69,621
Stabilization by state statute	9,725,248	-	9,725,248
School capital outlay	2,491,255	-	2,491,255
Restricted contributions	479,528	-	479,528
Unrestricted	(2,076,534,743)	(22,919,255)	(2,099,453,998)
TOTAL NET POSITION (DEFICIT)	\$ 2,324,152,783	\$ (14,373,300)	\$ 2,309,779,483

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

WAKE COUNTY BOARD OF EDUCATION
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2024

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
GOVERNMENTAL ACTIVITIES:				
Instructional programs				
Regular	\$ 882,309,168	\$ 1,814,789	\$ 648,463,549	\$ -
Special populations	297,314,010	-	262,086,557	-
Alternative programs and services	119,235,826	-	102,558,985	-
School leadership	122,459,932	-	116,198,927	-
Co-curricular	40,260,316	-	358,065	-
School-based support services	114,699,103	-	81,487,516	-
Systemwide support services				
Support and development	13,497,373	-	6,756,031	-
Special populations support and development	8,769,292	-	2,423,197	-
Alternative programs and services support and development	6,242,300	-	2,769,700	-
Technology support	76,255,184	-	23,291,980	-
Operational support	189,949,420	-	98,159,119	-
Financial and human resource	30,964,701	-	6,709,484	-
Accountability	2,550,765	-	442,112	-
Systemwide pupil support	9,492,852	-	2,229,389	-
Policy, leadership and public relations	15,573,560	-	4,355,058	-
Ancillary services	456,423	-	438,128	-
Nonprogram charges	61,209,068	-	7,302,641	-
Interest on long-term debt	3,549,569	-	-	-
Depreciation/amortization - unallocated *	109,645,499	-	-	-
Total governmental activities	2,104,434,361	1,814,789	1,366,030,438	-
BUSINESS-TYPE ACTIVITIES:				
Food services	69,311,764	21,813,937	38,938,780	1,484,400
Tuition programs	9,568,712	12,516,720	-	-
Total business-type activities	78,880,476	34,330,657	38,938,780	1,484,400
Total school district	\$ 2,183,314,837	\$ 36,145,446	\$ 1,404,969,218	\$ 1,484,400

(Continued)

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

WAKE COUNTY BOARD OF EDUCATION
STATEMENT OF ACTIVITIES

Functions/Programs	Net (Expenses) Revenue and Changes in Net Position		
	Governmental Activities	Business-Type Activities	Total
GOVERNMENTAL ACTIVITIES:			
Instructional programs			
Regular	\$ (232,030,830)		\$ (232,030,830)
Special populations	(35,227,453)		(35,227,453)
Alternative programs and services	(16,676,841)		(16,676,841)
School leadership	(6,261,005)		(6,261,005)
Co-curricular	(39,902,251)		(39,902,251)
School-based support services	(33,211,587)		(33,211,587)
Systemwide support services			
Support and development	(6,741,342)		(6,741,342)
Special populations support and development	(6,346,095)		(6,346,095)
Alternative programs and services support and development	(3,472,600)		(3,472,600)
Technology support	(52,963,204)		(52,963,204)
Operational support	(91,790,301)		(91,790,301)
Financial and human resource	(24,255,217)		(24,255,217)
Accountability	(2,108,653)		(2,108,653)
Systemwide pupil support	(7,263,463)		(7,263,463)
Policy, leadership and public relations	(11,218,502)		(11,218,502)
Ancillary services	(18,295)		(18,295)
Nonprogram charges	(53,906,427)		(53,906,427)
Interest on long-term debt	(3,549,569)		(3,549,569)
Depreciation/amortization - unallocated *	(109,645,499)		(109,645,499)
Total governmental activities	(736,589,134)		(736,589,134)
BUSINESS-TYPE ACTIVITIES:			
Food services		\$ (7,074,647)	(7,074,647)
Tuition programs		2,948,008	2,948,008
Total business-type activities		(4,126,639)	(4,126,639)
Total school district	(736,589,134)	(4,126,639)	(740,715,773)
GENERAL REVENUES			
Unrestricted county appropriations - operating	644,262,316	-	644,262,316
Unrestricted county appropriations - capital	417,540,186	-	417,540,186
Unrestricted state appropriations - capital	3,602,081	-	3,602,081
Investment earnings, unrestricted	8,084,502	1,691,518	9,776,020
Non-capital OPEB plan contribution	2,019,736	51,640	2,071,376
Miscellaneous, unrestricted	7,210,906	-	7,210,906
Subtotal, general revenues	1,082,719,727	1,743,158	1,084,462,885
TRANSFER	(45,000)	45,000	-
Subtotal, general revenues and transfers	1,082,674,727	1,788,158	1,084,462,885
Changes in net position (deficit)	346,085,593	(2,338,481)	343,747,112
Net position (deficit) - beginning	1,978,067,190	(12,034,819)	1,966,032,371
Net position (deficit) - ending	\$ 2,324,152,783	\$ (14,373,300)	\$ 2,309,779,483

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

WAKE COUNTY BOARD OF EDUCATION
BALANCE SHEET
JUNE 30, 2024

	Major Funds					
	General Fund	State Public School Fund	Capital Outlay Fund	Other Restricted Funds	Non-Major Funds	Total Governmental Funds
ASSETS						
Cash and cash equivalents	\$ 137,275,084	\$ 10,957,369	\$ 3,385,904	\$ 15,367,148	\$ 13,345,756	\$ 180,331,261
Due from other governments	1,795,070	14,979,989	91,771,140	458,243	2,079,720	111,084,162
Accounts receivable	1,730,138	-	-	325,007	-	2,055,145
Due from other funds	279,762	2,070	1,445,357	2,242	4,288	1,733,719
Lease receivable	-	-	4,294,835	-	-	4,294,835
Inventories	4,982,024	-	-	2,930,849	-	7,912,873
Total assets	<u>\$ 146,062,078</u>	<u>\$ 25,939,428</u>	<u>\$ 100,897,236</u>	<u>\$ 19,083,489</u>	<u>\$ 15,429,764</u>	<u>\$ 307,411,995</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES						
Liabilities						
Salaries and benefits payable	\$ 7,905,092	\$ 14,978,668	\$ -	\$ 134,067	\$ 1,254,123	\$ 24,271,950
Accounts payable	19,834,587	10,944,711	92,210,168	2,166,860	2,450,247	127,606,573
Due to other funds	117,304	16,049	42,031	1,558,073	80,045	1,813,502
Unearned revenue	-	-	-	12,224,019	-	12,224,019
Total liabilities	<u>27,856,983</u>	<u>25,939,428</u>	<u>92,252,199</u>	<u>16,083,019</u>	<u>3,784,415</u>	<u>165,916,044</u>
Deferred inflows of resources	<u>-</u>	<u>-</u>	<u>4,183,553</u>	<u>-</u>	<u>-</u>	<u>4,183,553</u>
Fund balances						
Nonspendable						
Inventories	4,982,024	-	-	2,930,849	-	7,912,873
Restricted						
Stabilization by state statute	9,284,010	-	441,238	-	-	9,725,248
Capital expenditures	-	-	2,491,255	-	-	2,491,255
Individual schools	-	-	-	-	11,645,349	11,645,349
Special programs	-	-	-	69,621	-	69,621
Restricted contributions for capital expenditures	-	-	479,528	-	-	479,528
Assigned						
Special projects	11,307,101	-	1,049,463	-	-	12,356,564
Insurance	15,583,039	-	-	-	-	15,583,039
Potential unfunded pension liability	4,318,571	-	-	-	-	4,318,571
Flexible Benefits	1,000,000	-	-	-	-	1,000,000
Subsequent years expenditures	32,396,095	-	-	-	-	32,396,095
Unassigned	39,334,255	-	-	-	-	39,334,255
Total fund balances	<u>118,205,095</u>	<u>-</u>	<u>4,461,484</u>	<u>3,000,470</u>	<u>11,645,349</u>	<u>137,312,398</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 146,062,078</u>	<u>\$ 25,939,428</u>	<u>\$ 100,897,236</u>	<u>\$ 19,083,489</u>	<u>\$ 15,429,764</u>	

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in governmental funds	4,563,900,429
Deferred outflows of resources related to pensions	637,310,179
Deferred outflows of resources related to OPEB	330,066,636
Deferred inflows of resources related to pensions	(18,217,415)
Deferred inflows of resources related to OPEB	(456,344,062)
Accrued interest receivable	99,369
Long-term liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the funds. Long-term liabilities at year-end consist of:	
Workers' compensation self-insurance	(10,468,847)
Compensated absences (vacation)	(117,916,908)
Net pension liability	(1,100,744,761)
Net OPEB liability	(1,538,055,528)
Accrued interest liability	(1,376,710)
Lease liability	(83,473,223)
Subscription liability	(8,800,784)
Installment purchase	(9,137,990)
Total net position - governmental activities	<u>\$ 2,324,152,783</u>

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

WAKE COUNTY BOARD OF EDUCATION
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2024

	Major Funds					Total Governmental Funds
	General Fund	State Public School Fund	Capital Outlay Fund	Other Restricted Funds	Non-Major Funds	
REVENUES:						
County	\$ 643,317,101	\$ -	\$ 417,540,186	\$ 945,215	\$ -	\$ 1,061,802,502
State	-	1,162,052,972	3,602,081	5,613	-	1,165,660,666
Federal	-	-	-	8,365,256	156,154,969	164,520,225
Other local	13,281,578	-	1,133,945	26,774,265	17,341,593	58,531,381
Total revenues	<u>656,598,679</u>	<u>1,162,052,972</u>	<u>422,276,212</u>	<u>36,090,349</u>	<u>173,496,562</u>	<u>2,450,514,774</u>
EXPENDITURES:						
Current operations:						
Instructional services						
Regular instruction	251,316,460	619,938,862	-	6,386,643	20,536,661	898,178,626
Special populations	43,462,780	222,976,768	-	5,982,328	32,314,320	304,736,196
Alternative programs and services	21,144,630	36,550,149	-	2,895,882	61,476,857	122,067,518
School leadership	25,878,957	98,546,699	-	265,057	150,193	124,840,906
Co-curricular	24,538,216	56,541	-	46,485	15,898,672	40,539,914
School-based support	35,315,962	66,450,911	-	2,487,798	13,848,403	118,103,074
Systemwide support services						
Support and development	7,597,992	1,103,753	-	2,586,665	2,846,621	14,135,031
Special populations support and development	6,938,437	1,168,470	-	391,580	839,109	9,337,596
Alternative programs and services support and development	3,667,388	425,515	-	484,521	1,790,906	6,368,330
Technology support	22,483,094	3,880,208	-	2,376,045	16,602,982	45,342,329
Connectivity support	-	-	-	-	-	-
Operational support	103,912,658	100,637,220	-	11,269,341	1,615,665	217,434,884
Financial and human resource	23,645,314	6,069,962	-	191,738	526,476	30,433,490
Accountability	2,193,849	439,564	-	-	-	2,633,413
Systemwide pupil support	7,033,342	591,683	-	492,027	1,106,471	9,223,523
Policy, leadership, and public relations	11,334,755	4,307,259	-	-	-	15,642,014
Ancillary services	5,257	-	-	427,967	10,161	443,385
Non-program charges	64,447,034	-	-	180,008	3,767,864	68,394,906
Debt service:						
Principal	8,476,997	882,680	3,658,030	304,284	1,333,150	14,655,141
Interest	3,141,738	118,466	18,808	344,122	52,734	3,675,868
Capital outlay:						
Land, buildings, and other	-	-	416,823,279	-	-	416,823,279
Equipment	-	-	7,054,031	-	-	7,054,031
Total expenditures	<u>666,534,860</u>	<u>1,164,144,710</u>	<u>427,554,148</u>	<u>37,112,491</u>	<u>174,717,245</u>	<u>2,470,063,454</u>
Deficiency of revenues over expenditures	<u>(9,936,181)</u>	<u>(2,091,738)</u>	<u>(5,277,936)</u>	<u>(1,022,142)</u>	<u>(1,220,683)</u>	<u>(19,548,680)</u>
OTHER FINANCING SOURCES (USES):						
Installment purchase obligations issued	-	-	4,854,186	-	-	4,854,186
Lease/subscription liability issued	1,616,046	2,136,738	-	238,362	2,517,020	6,508,166
Sale of school property	-	-	217,533	-	-	217,533
Transfers in	-	-	-	720,737	-	720,737
Transfers out	-	(45,000)	-	-	(720,737)	(765,737)
Total other financing sources	<u>1,616,046</u>	<u>2,091,738</u>	<u>5,071,719</u>	<u>959,099</u>	<u>1,796,283</u>	<u>11,534,885</u>
Net change in fund balance	<u>(8,320,135)</u>	<u>-</u>	<u>(206,217)</u>	<u>(63,043)</u>	<u>575,600</u>	<u>(8,013,795)</u>
Fund balances, beginning of year	126,383,223	-	4,667,701	2,537,799	11,069,749	144,658,472
Increase in reserve for inventories	142,007	-	-	525,714	-	667,721
Fund balances, end of year	<u>\$ 118,205,095</u>	<u>\$ -</u>	<u>\$ 4,461,484</u>	<u>\$ 3,000,470</u>	<u>\$ 11,645,349</u>	<u>\$ 137,312,398</u>

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

WAKE COUNTY BOARD OF EDUCATION**RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE WITH THE GOVERNMENTAL-WIDE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2024**

Total net change in fund balances - governmental funds.	\$ (8,013,795)
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as a depreciation expense. This is the amount by which capital outlays exceeded depreciation/amortization in the current period.	305,768,449
Contributions to the pension plan in the current fiscal year are not included on the Statement of Activities.	202,762,304
Contributions to the OPEB plan in the current fiscal year are not included on the Statement of Activities.	83,333,639
The issuance of long-term debt provides current financial resources to governmental funds while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction has any effect on net position. This amount is the net effect of these differences in the treatment of long-term debt and related items.	
Direct placement installment purchase	(820,300)
Lease	5,743,354
Subscription liability	(1,807,027)
Increase in accrued interest payable	106,207
Proceeds from disposal of capital assets are recorded as revenues on the fund statements but not shown in the statement of activities	(217,533)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds:	
Pension expense	(275,048,985)
Compensated absences	(9,055,519)
Gain on disposal of assets	138,465
Some revenues reported in the statement of activities do not provide current resources are not recorded as revenues in the fund statements.	
Net OPEB Benefit	38,931,075
Non-capital OPEB plan contribution	2,019,736
Decrease in interest revenue on lease receivable	(1,954)
The estimated reserve for workers' compensation self-insurance is recorded as a long-term obligation in the government-wide statements.	1,579,756
Adjustment due to the use of the consumption method of recording inventory in the government-wide statements.	<u>667,721</u>
Change in net position of governmental activities.	<u>\$ 346,085,593</u>

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

WAKE COUNTY BOARD OF EDUCATION

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL GENERAL FUND AND ANNUALLY BUDGETED MAJOR SPECIAL REVENUE FUNDS YEAR ENDED JUNE 30, 2024

	General Fund			
	Original Budget	Final Budget	Actual	Variance
REVENUES:				
County	\$ 643,317,101	\$ 643,317,101	\$ 643,317,101	\$ -
State	-	-	-	-
Federal	-	-	-	-
Other local	9,644,253	13,328,386	13,281,578	(46,808)
Total revenues	652,961,354	656,645,487	656,598,679	(46,808)
EXPENDITURES:				
Current operations				
Instructional services				
Regular instruction	259,017,251	260,974,094	251,316,460	9,657,634
Special populations	50,458,194	44,826,491	43,462,780	1,363,711
Alternative programs and services	22,634,525	22,484,121	21,144,630	1,339,491
School leadership	26,535,293	26,344,525	25,878,957	465,568
Co-curricular	25,337,513	24,981,954	24,538,216	443,738
School-based support services	40,152,094	36,996,546	35,315,962	1,680,584
Systemwide support services				
Support and development	7,317,030	8,005,301	7,597,992	407,309
Special populations support and development	7,334,835	7,275,358	6,938,437	336,921
Alternative programs and services support and development	3,826,311	3,707,905	3,667,388	40,517
Technology support	24,978,561	23,690,076	22,483,094	1,206,982
Operational support	123,716,421	118,352,552	103,912,658	14,439,894
Financial and human resource	26,097,043	26,541,439	23,645,314	2,896,125
Accountability	2,414,640	2,380,047	2,193,849	186,198
Systemwide pupil support	7,092,016	7,174,181	7,033,342	140,839
Policy, leadership and public relations	11,920,210	12,053,013	11,334,755	718,258
Ancillary services	220,512	224,726	5,257	219,469
Non-program charges	61,641,116	64,586,980	64,447,034	139,946
Unbudgeted funds	6,000	4,924,197	-	4,924,197
Debt service	642,497	11,618,735	11,618,735	-
Total expenditures	701,342,062	707,142,241	666,534,860	40,607,381
Deficiency of revenues over expenditures	(48,380,708)	(50,496,754)	(9,936,181)	40,560,573
OTHER FINANCING SOURCES (USES):				
Appropriated fund balance	48,380,708	48,880,708	-	(48,880,708)
Lease/subscription liability issued	-	1,616,046	1,616,046	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	48,380,708	50,496,754	1,616,046	(48,880,708)
Net change in fund balance	\$ -	\$ -	(8,320,135)	\$ (8,320,135)
Fund balances, beginning of year			126,383,223	
Increase in reserve for inventories			142,007	
Fund balances, end of year			\$ 118,205,095	

(Continued)

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

WAKE COUNTY BOARD OF EDUCATION

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL GENERAL FUND AND ANNUALLY BUDGETED MAJOR SPECIAL REVENUE FUNDS YEAR ENDED JUNE 30, 2024

	State Public School Fund			
	Original Budget	Final Budget	Actual	Variance
REVENUES:				
County	\$ -	\$ -	\$ -	\$ -
State	1,148,180,133	1,173,847,696	1,162,052,972	(11,794,724)
Federal	-	-	-	-
Other local	-	-	-	-
Total revenues	<u>1,148,180,133</u>	<u>1,173,847,696</u>	<u>1,162,052,972</u>	<u>(11,794,724)</u>
EXPENDITURES:				
Current operations				
Instructional services				
Regular instruction	620,851,595	628,716,613	619,938,862	8,777,751
Special populations	217,018,417	223,049,468	222,976,768	72,700
Alternative programs and services	35,440,826	36,585,105	36,550,149	34,956
School leadership	98,850,777	98,739,108	98,546,699	192,409
Co-curricular	31,657	56,541	56,541	-
School-based support services	60,411,696	66,811,516	66,450,911	360,605
Systemwide support services				
Support and development	1,302,351	1,145,590	1,103,753	41,837
Special populations support and development	1,084,361	1,168,470	1,168,470	-
Alternative programs and services support and development	385,110	425,515	425,515	-
Technology support	1,161,568	5,986,247	3,880,208	2,106,039
Operational support	100,071,248	100,843,882	100,637,220	206,662
Financial and human resource	6,295,421	6,069,962	6,069,962	-
Accountability	396,851	440,720	439,564	1,156
Systemwide pupil support	641,087	592,292	591,683	609
Policy, leadership and public relations	4,237,168	4,307,259	4,307,259	-
Ancillary services	-	-	-	-
Non-program charges	-	-	-	-
Unbudgeted funds	-	-	-	-
Debt service	-	1,001,146	1,001,146	-
Total expenditures	<u>1,148,180,133</u>	<u>1,175,939,434</u>	<u>1,164,144,710</u>	<u>11,794,724</u>
Deficiency of revenues over expenditures	<u>-</u>	<u>(2,091,738)</u>	<u>(2,091,738)</u>	<u>-</u>
OTHER FINANCING SOURCES (USES):				
Appropriated fund balance	-	-	-	-
Lease/subscription liability issued	-	2,136,738	2,136,738	-
Transfers in	-	-	-	-
Transfers out	-	(45,000)	(45,000)	-
Total other financing sources (uses)	<u>-</u>	<u>2,091,738</u>	<u>2,091,738</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Fund balances, beginning of year			-	
Increase in reserve for inventories			-	
Fund balances, end of year			<u>\$ -</u>	

(Continued)

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

WAKE COUNTY BOARD OF EDUCATION

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL GENERAL FUND AND ANNUALLY BUDGETED MAJOR SPECIAL REVENUE FUNDS YEAR ENDED JUNE 30, 2024

	Other Restricted Funds			
	Original Budget	Final Budget	Actual	Variance
REVENUES:				
County	\$ 945,215	\$ 945,215	\$ 945,215	\$ -
State	2,436	138,197	5,613	(132,584)
Federal	41,819,532	25,729,718	8,365,256	(17,364,462)
Other local	19,173,409	40,437,801	26,774,265	(13,663,536)
Total revenues	61,940,592	67,250,931	36,090,349	(31,160,582)
EXPENDITURES:				
Current operations				
Instructional services				
Regular instruction	12,188,518	12,335,488	6,386,643	5,948,845
Special populations	9,628,863	9,882,505	5,982,328	3,900,177
Alternative programs and services	3,804,126	4,487,575	2,895,882	1,591,693
School leadership	290,636	316,044	265,057	50,987
Co-curricular	7,754	54,155	46,485	7,670
School-based support services	3,953,889	5,031,131	2,487,798	2,543,333
Systemwide support services				
Support and development	6,760,498	7,039,149	2,586,665	4,452,484
Special populations support and development	619,092	615,643	391,580	224,063
Alternative programs and services support and development	580,759	591,830	484,521	107,309
Technology support	748,804	2,376,045	2,376,045	-
Operational support	11,896,713	11,302,924	11,269,341	33,583
Financial and human resource	353,980	443,880	191,738	252,142
Accountability	-	1,500	-	1,500
Systemwide pupil support	1,488,679	1,332,654	492,027	840,627
Policy, leadership and public relations	-	2,500	-	2,500
Ancillary services	329,357	625,274	427,967	197,307
Non-program charges	295,023	375,964	180,008	195,956
Unbudgeted funds	8,993,901	10,747,363	-	10,747,363
Debt service	-	648,406	648,406	-
Total expenditures	61,940,592	68,210,030	37,112,491	31,097,539
Deficiency of revenues over expenditures	-	(959,099)	(1,022,142)	(63,043)
OTHER FINANCING SOURCES (USES):				
Appropriated fund balance	-	-	-	-
Lease/subscription liability issued	-	238,362	238,362	-
Transfers in	-	720,737	720,737	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	959,099	959,099	-
Net change in fund balance	\$ -	\$ -	(63,043)	\$ -
Fund balances, beginning of year			2,537,799	
Increase in reserve for inventories			525,714	
Fund balances, end of year			\$ 3,000,470	

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

WAKE COUNTY BOARD OF EDUCATION
STATEMENT OF NET POSITION(DEFICIT)
ENTERPRISE FUNDS
JUNE 30, 2024

	Major Fund Child Nutrition Program	Major Fund Tuition Programs	Total
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 21,240,548	\$ 17,464,683	\$ 38,705,231
Due from other governments	1,721,327	52,745	1,774,072
Accounts receivable	384,906	6,779	391,685
Due from other funds	4,864	75,023	79,887
Inventory	4,108,842	-	4,108,842
Total current assets	27,460,487	17,599,230	45,059,717
Noncurrent assets:			
Capital assets, net of accumulated depreciation/amortization	8,099,161	446,794	8,545,955
Total assets	35,559,648	18,046,024	53,605,672
DEFERRED OUTFLOWS OF RESOURCES	19,503,832	4,526,497	24,030,329
LIABILITIES			
Current liabilities:			
Salaries and benefits payable	3,271,956	28,542	3,300,498
Accounts payable	980,794	1,241,915	2,222,709
Due to other funds	98	6	104
Unearned revenue	6,631,405	600,979	7,232,384
Current portion of long-term obligations	592,260	7,740	600,000
Total current liabilities	11,476,513	1,879,182	13,355,695
Noncurrent liabilities:			
Net pension liability	20,098,803	5,095,472	25,194,275
Net OPEB liability	30,830,632	9,434,227	40,264,859
Compensated absences	818,027	127,608	945,635
Total noncurrent liabilities	51,747,462	14,657,307	66,404,769
Total liabilities	63,223,975	16,536,489	79,760,464
DEFERRED INFLOWS OF RESOURCES	8,847,513	3,401,324	12,248,837
NET POSITION (DEFICIT)			
Net investment in capital assets	8,099,161	446,794	8,545,955
Unrestricted	(25,107,169)	2,187,914	(22,919,255)
Total net position (deficit)	\$ (17,008,008)	\$ 2,634,708	\$ (14,373,300)

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

WAKE COUNTY BOARD OF EDUCATION**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION (DEFICIT)****ENTERPRISE FUND****YEAR ENDED JUNE 30, 2024**

	Major Fund Child Nutrition Program	Major Fund Tuition Programs	Total
OPERATING REVENUES			
Food sales	\$ 21,813,937	\$ -	\$ 21,813,937
Participant fees	-	12,516,720	12,516,720
Total operating revenues	21,813,937	12,516,720	34,330,657
OPERATING EXPENSES:			
Salaries	25,043,821	5,094,618	30,138,439
Food	19,850,564	-	19,850,564
Supplies	1,929,966	968,066	2,898,032
Purchased services	806,174	1,178,098	1,984,272
Employee benefits	12,528,628	1,454,220	13,982,848
Donated commodities	4,802,778	-	4,802,778
Indirect costs	2,905,016	827,499	3,732,515
Depreciation/Amortization	1,444,817	46,211	1,491,028
TOTAL OPERATING EXPENSES	69,311,764	9,568,712	78,880,476
Operating income (loss)	(47,497,827)	2,948,008	(44,549,819)
NON-OPERATING REVENUES (EXPENSES):			
Federal regular USDA grants	33,996,856	-	33,996,856
USDA grants - summer feeding program	451,995	-	451,995
USDA grants - fresh fruit & vegetable program	152,446	-	152,446
Federal commodities	4,802,778	-	4,802,778
NCDPI reduced-price breakfast	223,685	-	223,685
Interest	998,677	692,841	1,691,518
Non-capital OPEB plan contribution	43,437	8,203	51,640
Loss on sale of capital assets	(53,059)	-	(53,059)
Total non-operating revenues	40,616,815	701,044	41,317,859
Income (loss) before contributions and transfers	(6,881,012)	3,649,052	(3,231,960)
Local donations and grants	848,479	-	848,479
Transfers from other funds	45,000	-	45,000
	893,479	-	893,479
Change in net position (deficit)	(5,987,533)	3,649,052	(2,338,481)
Total net deficit, beginning	(11,020,475)	(1,014,344)	(12,034,819)
Total net position (deficit), ending	\$ (17,008,008)	\$ 2,634,708	\$ (14,373,300)

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

WAKE COUNTY BOARD OF EDUCATION
STATEMENT OF CASH FLOWS
ENTERPRISE FUNDS
YEAR ENDED JUNE 30, 2024

	Major Fund Child Nutrition Program	Major Fund Tuition Programs	Total
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash received from customers	\$ 25,706,723	\$ 12,617,859	\$ 38,324,582
Cash paid for goods and services	(38,686,753)	(6,734,489)	(45,421,242)
Cash paid to employees for services	(24,234,937)	(1,935,120)	(26,170,057)
Other cash payments	(2,909,814)	(780,805)	(3,690,619)
Net cash provided (used) by operating activities	(40,124,781)	3,167,445	(36,957,336)
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:			
Federal regular USDA grants	34,143,910	-	34,143,910
USDA grants - summer feeding program	451,995	-	451,995
USDA grants - fresh fruit & vegetable program	152,446	-	152,446
NCDPI grant	223,685	-	223,685
Local donations and grants	212,558	-	212,558
Net cash provided by non-capital financing activities	35,184,594	-	35,184,594
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Purchase of equipment	(406,575)	(72,408)	(478,983)
Proceeds from sale of equipment	324	-	324
Net cash used for capital and related financing activities	(406,251)	(72,408)	(478,659)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Interest income	998,677	692,841	1,691,518
Net increase (decrease) in cash and cash equivalents	(4,347,761)	3,787,878	(559,883)
Cash and cash equivalents, beginning of year	25,588,309	13,676,805	39,265,114
Cash and cash equivalents, end of year	\$ 21,240,548	\$ 17,464,683	\$ 38,705,231
Reconciliation of operating income (loss) to net cash provided (used) by operating activities			
Operating income (loss)	\$ (47,497,827)	\$ 2,948,008	\$ (44,549,819)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities			
Depreciation/amortization	1,444,817	46,211	1,491,028
Donated commodities	4,802,778	-	4,802,778
Salaries paid by special revenue funds	45,000	-	45,000
Non-capital OPEB plan contribution	43,437	8,203	51,640
Decrease in accounts receivable	(184,473)	(6,779)	(191,252)
(Increase) decrease in due from other funds	(3,027)	46,688	43,661
Decrease in due from other governments	-	72,722	72,722
Increase in inventories	(1,728,460)	-	(1,728,460)
Increase in net pension liability	2,965,095	559,933	3,525,028

(Continued)

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

WAKE COUNTY BOARD OF EDUCATION
STATEMENT OF CASH FLOWS
ENTERPRISE FUNDS
YEAR ENDED JUNE 30, 2024

	Major Fund Child Nutrition Program	Major Fund Tuition Programs	Total
Increase in net OPEB liability	\$ 4,587,553	\$ 866,319	\$ 5,453,872
Increase in deferred outflows	(3,698,615)	(698,451)	(4,397,066)
Decrease in deferred inflows	(4,969,770)	(938,497)	(5,908,267)
Increase (decrease) in accounts payable and accrued liabilities	(39,870)	213,721	173,851
Increase (decrease) in due to other funds	(1,771)	6	(1,765)
Increase in unearned revenue	4,077,259	35,196	4,112,455
Increase in compensated absence liability	33,092	14,165	47,257
Total adjustments	7,373,045	219,437	7,592,482
Net cash provided (used) by operating activities	\$ (40,124,782)	\$ 3,167,445	\$ (36,957,337)

NONCASH OPERATING AND NONCAPITAL FINANCING ACTIVITIES:

The School Food Service Fund received donated commodities with a value of \$4,802,778 during the fiscal year.

During the fiscal year, capital assets of \$635,921 were contributed to the School Food Service Fund.

The receipt of these items are reflected as a nonoperating revenue on the Statement of Revenue, Expenses and Changes in Fund Net Position (Deficit) - Enterprise Funds

The General Fund paid salaries and benefits of \$45,000 to personnel of the School Food Service Fund during the year. The payment is reflected by a transfer in and an operating expense on the Statement of Revenue, Expenses and Changes in Fund Net Position (Deficit) - Enterprise Funds.

During the fiscal year, the State Health Plan transferred assets to the Retiree Health Benefit Fund as a result of cost savings to the State Health Plan. In accordance with GASB 75, the School Food Service Fund recorded \$43,437 and the Tuition Fund recorded \$8,203 as a nonoperating revenue on the Statement of Revenue, Expenses and Changes in Fund Net Position (Deficit) - Enterprise Funds as a result of this transfer.

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

NOTES TO THE FINANCIAL STATEMENTS

WAKE COUNTY BOARD OF EDUCATION
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024

I. Summary of Significant Accounting Policies

The accounting policies of The Wake County Board of Education conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governments. The following is a summary of the more significant accounting policies:

A. Reporting Entity

The Wake County Board of Education (Board) is a Local Education Agency empowered by State law [Chapter 115C of the North Carolina General Statutes] with the responsibility to oversee and control all activities related to public school education in Wake County, North Carolina. Although Wake County levies all taxes, the Board determines how the school system will spend the funds generated for schools. The Board receives state, local, and federal government funding and must adhere to the legal requirements of each funding entity.

B. Basis of Presentation

Government-wide Statements: The statement of net position (deficit) and the statement of activities display information about the Board. These statements include the financial activities of the overall government. Eliminations have been made to minimize the effect of internal activities upon revenues and expenses. Interfund services provided and used are not eliminated in the process of consolidation. These statements distinguish between the *governmental* and the *business-type activities* of the Board. Governmental activities generally are financed through intergovernmental revenues and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The statement of activities presents a comparison between direct expenses and program revenues for the different business-type activities of the Board and for each function of the Board's governmental activities. Direct expenses are those that are specifically associated with a program or function, and, therefore, are clearly identifiable to a particular function. Indirect expense allocations that have been made in the funds have been reversed for the statement of activities. Program revenues include: (a) fees and charges paid by the recipients of goods or services offered by the programs, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues.

Fund Financial Statements: The fund financial statements provide information about the Board's funds. Separate statements for each fund category – *governmental and proprietary* – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as non-major funds.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and surrenders essentially equal values. Non-operating revenues, such as subsidies and investment earnings, result from non-exchange transactions or ancillary activities. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, indirect costs, and depreciation/amortization on capital assets. All expenses not meeting this definition are reported as non-operating expenses.

WAKE COUNTY BOARD OF EDUCATION
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024

The Board reports the following major governmental funds:

General Fund. The General Fund is the general operating fund of the Board. The General Fund accounts for all financial resources except those that are required to be accounted for in another fund. This fund is the "Local Current Expense Fund," which is mandated by State law [G.S. 115C-426].

State Public School Fund. The State Public School Fund includes appropriations from the Department of Public Instruction for the current operating expenditures of the public school system.

Capital Outlay Fund. The Capital Outlay Fund accounts for financial resources used for the acquisition and construction of major capital facilities (other than those financed by proprietary funds and trust funds) and is reported as a capital outlay fund. It is mandated by State law [G.S. 115C-426]. Capital projects are funded by Wake County appropriations, proceeds of Wake County bonds issued for public school construction, and lottery proceeds, as well as certain State assistance.

Other Restricted Funds. The Other Restricted Funds is used to account for revenues from reimbursements and grant monies received directly from the grantors.

The Board reports the following major enterprise funds:

Child Nutrition Fund. The Child Nutrition Fund accounts for the food service program within the school system.

Tuition Programs Fund. The Tuition Programs Fund accounts for before and after school and other tuition-based programs within the school system.

C. Measurement Focus and Basis of Accounting

Government-wide and Proprietary Fund Financial Statements. The government-wide and proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned, and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows occur. Non-exchange transactions, in which the Board gives (or receives) value without directly receiving (or giving) equal value in exchange, include grants and donations. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental Fund Financial Statements. Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The Board considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. These could include federal, state, and county grants as well as some charges for services. Expenditures are recorded when the related fund liability is incurred, except for claims, judgments and compensated absences which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Acquisitions under leases are reported as other financing sources.

Under the terms of grant agreements, the Board funds certain programs using a combination of specific cost-reimbursement grants and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net position available to finance the program. It is the Board's policy to first apply cost-reimbursement grant resources to such programs followed by general revenues.

WAKE COUNTY BOARD OF EDUCATION
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024

D. Budgetary Data

The Board's budgets are adopted as required by the North Carolina General Statutes. Annual budgets are adopted for all funds (except for the individual schools special revenue funds) as required by the North Carolina General Statutes. Per State law, no budget is for individual school funds. All appropriations lapse at the fiscal year-end. Budgets are adopted on the modified accrual basis of accounting.

The appropriations in the various funds are formally budgeted and controlled at the functional level. Expenditures may not legally exceed appropriations at the functional level for all of the Board's budgeted funds. Subject to the provisions of the statutes, the Board may amend the budget resolution at any time after its adoption. State law also requires that transfers to or from the capital outlay fund be approved by the Board and the Board of County Commissioners. By resolution of the Board, the Superintendent may transfer monies from one appropriation to another within the same fund, subject to certain limitations described below. If such transfers require the Board's approval, they must be reported at the next subsequent meeting.

The Superintendent is authorized by the Board to transfer appropriations under the following conditions:

1. The Superintendent may not transfer any amounts between funds nor from any contingency appropriation within a fund without Board approval.
2. The Superintendent may transfer amounts between purpose codes and between functions within a purpose code. A summary of all such transfers must be reported to the Board monthly.
3. The Superintendent may transfer any amounts in state and federal projects upon prior approval of the appropriate funding agency. If such transfers require the Board's approval under other provisions, they must be reported to the Board monthly.

The Superintendent is authorized by the Board to accept appropriations into the budget under the following conditions:

1. The Superintendent may accept all state appropriations. A summary of such appropriations must be reported to the Board monthly.
2. The Superintendent may accept federal appropriations if the application for funding has been approved by the Board. A summary of such appropriations must be reported to the Board monthly.
3. The Superintendent may accept categorical program appropriations if the program has been approved by the Board. A summary of such appropriations must be reported to the Board monthly.
4. The Superintendent may accept other appropriations upon prior approval of the Board.

During the fiscal year, there were budget amendments totaling \$63,888,231 approved by the Board as follows:

General fund	\$ 5,800,179
State public school fund	27,804,301
Other restricted funds	6,269,438
State administered federal grant fund	2,210,821
Capital outlay fund	8,517,055
Enterprise fund	13,286,437
	<u>\$ 63,888,231</u>

WAKE COUNTY BOARD OF EDUCATION
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024

E. Assets, Liabilities, Deferred Inflows, and Net Position/Fund Balance

1. Deposits and Investments

All deposits of the Board are made in board-designated official depositories and are secured as required by State law [G.S. 115C-444]. The Board may designate, as an official depository, any bank or savings association whose principal office is located in North Carolina. Also, the Board may establish time-deposit accounts such as NOW and SuperNOW accounts, money market accounts, and certificates of deposit. The Board also has money credited in its name with the State Treasurer and may issue State warrants against these funds.

State law [G.S. 115C-443] authorizes the Board to invest in obligations of the United States or obligations fully guaranteed both as to principal and interest by the United States; obligations of the State of North Carolina; bonds and notes of any North Carolina local government or public authority; obligations of certain non-guaranteed federal agencies; certain high-quality issues of commercial paper and bankers' acceptances. The North Carolina Capital Management Trust (NCCMT) government portfolio is a SEC-registered money market mutual fund that is certified by the Local Government Commission under the provisions of G.S. 159-30(c)(8) and the North Carolina Administrative Code. The government portfolio is a 2a-7 fund that invests in treasuries, government agencies, and repurchase agreements collateralized by treasuries. It is rated Aam b S&P and AAAMf by Moody's investor Services and reported at fair value.

The North Carolina State Treasurer's Short Term Investment Fund (STIF) is managed by the staff of the Department of State Treasurer and operated in accordance with state laws and regulations. It is not registered with the SEC. It consists of an internal portion and an external portion in which the Board participates. Investments are restricted to those enumerated in G.S. 147-69.1.

The Board's investments are reported at amortized cost or at fair value as determined by either quoted market prices or a matrix pricing model. Bank deposits and the NCCMT are measured at amortized cost, which is the NCCMT's share price. Ownership interest of the STIF is determined on a fair market valuation basis as of fiscal year end in accordance with the STIF operating procedures. STIF investments are measured at fair value by the custodian using Level 2 inputs. The STIF is valued at \$1 per share. The STIF portfolio is unrated and had a weighted average maturity at June 30, 2024 of 1.4 years. Under the authority of G.S. 147-69.3, no unrealized gains or losses of the STIF are distributed to participants of the fund. Money market investments that have a remaining maturity at the time of purchase of one year or less are reported at amortized cost.

2. Cash and Cash Equivalents

The Board pools money from several funds to facilitate disbursement and investment and to maximize investment income. All cash and investments with original maturities of three months or less are considered cash and cash equivalents.

WAKE COUNTY BOARD OF EDUCATION
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024

3. Lease Receivable

At lease commencement, the Board's lease receivable is measured at the present value of lease payments expected to be received during the lease terms. A deferred inflow of resources is recorded for the leases. The deferred inflow of resources is recorded at the initiation of the leases in an amount equal to the initial recording of the lease receivable. The deferred inflow of resources is amortized on a straight-line basis over the term of the leases.

The Board monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

4. Inventories

The inventories of the Board are valued at cost, and the Board uses the first-in, first-out (FIFO) flow assumption in determining cost. The inventories of the Board's General Fund and Other Restricted Fund consist of expendable materials and supplies, which are recorded as expenditures when purchased. The General Fund and Other Restricted Fund inventories do not reflect current appropriable resources, and, thus, an equivalent portion is reported as nonspendable fund balance. Proprietary Fund inventories consist of food and supplies and are recorded as expenses when consumed.

5. Capital Assets

Donated assets received prior to July 1, 2015 are recorded at their estimated fair value at the date of donation or forfeiture. Donated capital assets received after July 1, 2015 are recorded at acquisition value. All other assets are recorded at original cost. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets. Certain items acquired before July 1, 1989, are recorded at an estimated original historical cost. The total of these estimates is not considered large enough that any errors would be material when capital assets are considered as a whole.

It is the policy of the Board to capitalize all capital assets costing more than \$5,000 with an estimated useful life of two or more years and all intangibles costing more than \$50,000. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Wake County holds title to certain properties which are reflected as capital assets in the financial statements of the Board. The properties have been deeded to the County to permit installment-purchase financing of acquisition and construction costs and to permit the County to receive refunds of sales tax paid for construction costs. Agreements between the County and the Board provide the schools full use of the facilities, full responsibility for maintenance of the facilities, and also provides that the County will convey title of the property back to the Board once all restrictions of the financing agreements and all sales tax reimbursement requirements have been met.

WAKE COUNTY BOARD OF EDUCATION
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

	Governmental Activities And Tuition Programs	Child Nutrition Program
	Years	Years
Buildings	30 to 50	
Kitchen and landscape equipment	15	12
Furniture	20	20
All other equipment	10	10
Vehicles	8	5
Computer equipment	5	6
Land improvement	20	

Land and construction in progress are not depreciated. Right to use lease and subscription assets are amortized on a straight-line basis over the shorter of the lease/subscription term and the useful life of the underlying asset.

Depreciation/amortization for buildings and equipment that serve multiple purposes cannot be allocated ratably and is, therefore, reported as “unallocated depreciation/amortization” on the Statement of Activities.

6. Deferred Outflows and Inflows of Resources

In addition to assets, the statement of net position (deficit) will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period and as such, will not be recognized as an expense or expenditure until then. The Board has two items that meet this criterion – a pension and OPEB related deferral and contributions made to the plans subsequent to the measurement date. The statement of net position (deficit) also reports a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period and as such, will not be recognized as revenue until then. The Board has two items that meet this criterion – leases and pension and OPEB related deferrals.

7. Long-term Obligations

In the government-wide financial statements, long-term debt, lease liabilities, subscription liabilities and other long-term obligations are reported as liabilities in the applicable governmental activities.

8. Compensated Absences

The Board follows the State's policy for vacation and sick leave. Employees may accumulate up to 30 days earned vacation leave with such leave being fully vested when earned. For the Board, the current portion of the accumulated vacation pay is not considered to be material. The Board's liability for accumulated earned vacation and the salary-related payments as of June 30, 2024, are recorded in the government-wide and proprietary fund financial statements on a LIFO basis. An estimate of the current portion of compensated absences has been made based on prior years' records.

WAKE COUNTY BOARD OF EDUCATION
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024

The Board's sick leave policy provides for an unlimited accumulation of earned sick leave. Sick leave does not vest, but any unused sick leave accumulated at the time of retirement may be used in the determination of length of service for retirement benefit purposes. Since the Board has no obligation for accumulated sick leave until it is actually taken, no accrual for sick leave has been made.

9. Net Position/Fund Balances

Net position in the government-wide and proprietary fund financial statements is classified as net investment in capital assets, net of related debt; restricted; and unrestricted. Restricted net position represents constraints on resources that are either externally imposed by creditors, grantors, contributors; or the laws or regulations of other governments; or imposed by law through state statute.

The Fund Balance in the governmental fund financial statements is composed of five classifications designed to disclose the hierarchy of constraints placed on how fund balance can be spent.

The governmental fund types classify fund balance as follows:

Nonspendable fund balance – This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Inventories – the portion of fund balance that is not an available resource because it represents the year-end balance of ending inventories which are not spendable resources.

Restricted fund balance – This classification includes amounts that are restricted to specific purposes externally imposed by creditors or imposed by law.

Restricted for stabilization by state statute – the portion of fund balance that is restricted by State Statute [G.S. 115C-425(a)]. This consists primarily of outstanding encumbrances and receivables.

Restricted for school capital outlay – the portion of fund balance that can only be used for School Capital Outlay. [G.S. 159-18 through 22]

Restricted for special programs – the revenue sources that can only be used for the specific program designated.

Restricted for individual schools – the revenue sources restricted for expenditures for various clubs and organizations, athletic events, and various fundraising activities for which they were collected.

Restricted contributions – the revenue sources that are restricted by the contributor for specific purposes.

WAKE COUNTY BOARD OF EDUCATION
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024

Committed fund balance – the portion of fund balance that can only be used for a specific purpose imposed by a majority vote (by quorum) of Board of Education’s governing body the highest level of decision-making authority, and in certain instances, approval by the County’s governing body is also required. Any changes or removal of a specific purpose requires a majority action by the governing bodies that approved the original action. As of June 30, 2024, the Board does not have any committed fund balances.

Assigned fund balance – the portion of fund balance that the Wake County Board of Education intends to use for specific purposes.

Subsequent year’s expenditures – the portion of fund balance that is appropriated in the next year’s budget that is not already classified in restricted or committed. The Board approves the appropriation.

Insurance – the portion of fund balance that is assigned for claims in the self-insured workers’ compensation and dental plans as well as for excess claims. Balances are assigned by management and approved by the Board.

Special projects – the portion of fund balance that is assigned for special projects that continue into the next fiscal year. Balances are assigned by management and approved by the Board.

Flexible benefits – the portion of fund balance that is assigned from prior year’s forfeitures to offset potential losses in future years. Balances are assigned by management and approved by the Board.

Potential unfunded pension liability – the portion of fund balance that is assigned for potential liability from the Teachers and State Employees Retirement System for pension spiking. Balances are assigned by management and approved by the Board.

Unassigned fund balance – the portion of fund balance that has not been restricted, committed, or assigned to specific purposes or other funds. The general fund is the only fund that reports a positive unassigned fund balance amount. In other governmental funds it is not appropriate to report a positive unassigned fund balance amount. However, in governmental funds other than the general fund, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund.

The Superintendent will use resources in the following hierarchy: federal funds, state funds, local non-board of education funds, board of education funds. For purposes of fund balance classification, expenditures are to be spent from the restricted fund balance first, followed, in-order, by the committed fund balance, the assigned fund balance, and lastly, by the unassigned fund balance. The Superintendent has the authority to deviate from this, if it is in the best interest of the Board of Education.

WAKE COUNTY BOARD OF EDUCATION
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024

10. Reconciliation of Government-wide and Fund Financial Statements

A. Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net position (deficit).

The governmental fund balance sheet includes a reconciliation between total fund balance of the governmental funds and net position of the governmental activities as reported in the government-wide statement of net position (deficit). The net adjustment of \$2,186,840,385 consists of the following elements:

Description	Amount
Capital assets used in governmental activities are not financial resources and are, therefore, not reported in the funds	\$ 6,242,025,260
Less accumulated depreciation/amortization	(1,678,124,831)
Net capital assets	<u>4,563,900,429</u>
Accrued interest receivable	99,369
Pension-related deferred outflows of resources	637,310,179
OPEB related deferred outflows of resources	330,066,636
Liabilities that, because they are not due and payable in the current period, do not require current resources to pay and are, therefore, not recorded in the fund statements:	
Workers' compensation self-insurance	(10,468,847)
Compensated absences	(117,916,908)
Installment purchase	(9,137,990)
Net pension liability	(1,100,744,761)
Net OPEB liability	(1,538,055,528)
Leases	(83,473,223)
Subscription liability	(8,800,784)
Accrued interest	(1,376,710)
Deferred inflows of resources related to pension	(18,217,415)
Deferred inflows of resources related to OPEB	<u>(456,344,062)</u>
Total adjustments	<u>\$ 2,186,840,385</u>

WAKE COUNTY BOARD OF EDUCATION
NOTES TO THE BASIC FINANCIAL STATEMENTS
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B. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balance and the government-wide statement of activities.

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances – total governmental funds and changes in net position of governmental activities as reported in the government-wide statement of activities. The total adjustment of \$354,009,388 consists of the following elements:

Description	Amount
Capital outlay expenditures recorded in the fund statements but capitalized as assets in the statement of activities.	\$ 430,874,214
Depreciation/amortization expense (the allocation of those assets over their useful lives) that is recorded on the statement of activities, but not in the fund statements.	(125,105,765)
New debt issued during the year is recorded as a source of funds on the fund statements; it has no effect on the statement of activities - it affects only the government-wide statement of net position	(11,362,352)
Principal payments on debt owed are recorded as a use of funds on the fund statements but, again, affect only the statement of net position in the government-wide statements.	14,478,379
Increase in accrued interest payable for debt owed	106,207
Contributions to the pension plan in the current fiscal year are not included on the Statement of Activities.	202,762,304
Contributions to the OPEB plans in the current fiscal year are not included on the Statement of Activities.	83,333,639
Expenses reported in the statement of activities that do not require the use of current resources to pay are not recorded as expenditures in the fund statements.	
Pension expense	(275,048,985)
Loss on disposal of assets	138,465
Compensated absences are accrued in the government-wide statements but not in the fund statements because they do not use current resources	(9,055,519)
Revenues reported in the statement of activities that do not provide current resources are not recorded as revenues in the fund statements.	
Adjustment due to the use of the consumption method of recording inventory in the government-wide statements.	667,721
OPEB benefit	38,931,075
Proceeds from disposal of capital assets	(217,533)
Non-capital OPEB plan contribution	2,019,736
Interest revenue	(1,954)
Estimated reserve for workers' compensation self-insurance recorded as a long-term obligation in the government-wide statements.	1,579,756
Total adjustments	<u>\$ 354,099,388</u>

WAKE COUNTY BOARD OF EDUCATION
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11. Defined Benefit Pension Plan and OPEB Plans

For purposes of measuring the net pension asset, deferred outflows of resources and deferred inflows of resources related to pensions and pension expense, information about the fiduciary net position of the Teachers' and State Employees' Retirement System (TSERS), the Retiree Health Benefit Fund (RHBF), and the Disability Income Plan of NC (DIPNC) and additions to/deductions from TSERS, RHBF, and DIPNC's fiduciary net position have been determined on the same basis as they are reported by TSERS, RHBF, and DIPNC. For this purpose, plan member contributions are recognized in the period in which the contributions are due. The Board's employer contributions are recognized when due, and the Board has a legal requirement to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of TSERS, RHBF, and DIPNC. Investments are reported at fair value.

II. Detail Notes on All Funds

A. Assets

1. Deposits

All of the Board's deposits are either insured or collateralized by using one of two methods. Under the Dedicated Method, all deposits exceeding the federal depository insurance coverage level are collateralized with securities held by the Board's agents in the unit's name. Under the Pooling Method, which is a collateral pool, all uninsured deposits are collateralized with securities held by the State Treasurer's agent in the name of the State Treasurer. Since the State Treasurer is acting in a fiduciary capacity for the Board, these deposits are considered to be held by the agent in the entity's name. The amount of the pledged collateral is based on an approved averaging method for non-interest-bearing deposits and the actual current balance for interest-bearing deposits. Depositories using the Pooling Method report to the State Treasurer the adequacy of their pooled collateral covering uninsured deposits. The State Treasurer does not confirm this information with the Board or with the escrow agent. Due to the inability to measure the exact amount of collateral pledged for the Board under the Pooling Method, the potential exists for under-collateralization, and this risk may increase in periods of high cash flows. However, the State Treasurer of North Carolina enforces strict standards of financial stability for each depository that collateralizes public deposits under the Pooling Method. The Board has no policy regarding custodial credit risk for deposits.

At June 30, 2024, the Board's deposits with banks had a carrying amount of \$48,463,657 and with the State Treasurer of \$12,262,615. The bank balances with financial institutions and the State Treasurer were \$52,645,038 and \$13,509,111, respectively. Of these balances, \$308,003 was covered by federal depository insurance and \$65,846,146 was covered by collateral held by authorized escrow agents in the name of the State Treasurer.

WAKE COUNTY BOARD OF EDUCATION
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2. Investments

At June 30, 2024, the Board had \$155,428,851 invested with the North Carolina Capital Management Trust's Government Portfolio which carried a credit rating of AAAm by Standard and Poor's. There was \$2,881,369 invested with the State Treasurer in the Short Term Investment Fund (STIF). The STIF is unrated and had a weighted average maturity of 1.4 years at June 30, 2024. The board has no policy for managing interest rate risk or credit risk.

Interest Rate Risk. The Board does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The Department of State Treasurer Short Term Investment Fund (STIF) has a weighted average maturity of 1.4 years as of June 30, 2024.

Credit Risk. The Board's investments in the NC Capital Management Trust Government Portfolio carried a credit rating of AAAm by Standard and Poor's and AAAmf by Moody's Investor Service as of June 30, 2024. The STIF is unrated and is authorized under NC General Statute 147-69.1. The State Treasurer's STIF is invested in highly-liquid fixed income securities consisting primarily of short-to-intermediate treasuries and agencies and money market instruments. The Board has no policy on credit risk.

Concentration of Credit Risk. The Board places no limit on the amount the Board may invest in any one issuer. More than five percent of the Board's investments are in the State Treasurer's STIF (2% of total investments) and NC Capital Management Trust (98% of total investments).

3. Accounts Receivable

Receivables at the government-wide level at June 30, 2024, were as follows:

	Due from other funds (internal balances)	Due from other governments	Lease	Other	Total
Governmental activities:					
General Fund	\$ 279,762	\$ 1,795,070	\$ -	\$1,730,138	\$ 3,804,970
Other governmental activities	1,453,957	109,289,092	4,294,835	325,007	115,362,891
Total	<u>\$ 1,733,719</u>	<u>\$111,084,162</u>	<u>\$ 4,294,835</u>	<u>\$2,055,145</u>	<u>\$ 119,167,861</u>
Business-type activities					
Child Nutrition Program	\$ 4,864	\$ 1,721,327	\$ -	\$ 384,906	\$ 2,111,097
Tuition Programs	75,023	52,745	-	6,779	134,547
Total	<u>\$ 79,887</u>	<u>\$ 1,774,072</u>	<u>\$ -</u>	<u>\$ 391,685</u>	<u>\$ 2,245,644</u>

Internal balances consist of the transfer of tuition payments receipted at the school level, allocation of printing and mailroom costs, catering fees, and other cost allocations.

WAKE COUNTY BOARD OF EDUCATION
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Due from other governments consists of the following:

Governmental activities:

General Fund	\$ 1,786,444	Sales tax refund from state
	<u>8,626</u>	Miscellaneous revenue from municipalities
	<u>1,795,070</u>	
State Public School Fund	<u>14,979,989</u>	Operating funds from DPI
Capital Outlay Fund	91,684,961	County funds from county appropriations
	60,102	Surplus sales from state
	<u>26,077</u>	Sales tax refund from state
	<u>91,771,140</u>	
State Administered Federal Grants Fund	<u>1,976,319</u>	Federal grant funds
Individual Schools Fund	<u>103,401</u>	Sales tax refund from state
Other restricted fund	392,070	Federal grant funds
	<u>66,173</u>	Sales tax refund from state
	<u>458,243</u>	
	<u>\$ 111,084,162</u>	

Business-type activities:

Child Nutrition Program	\$ <u>1,721,327</u>	USDA Reimbursement from state
Tuition Programs	50,850	Sales tax refund from state
	<u>1,895</u>	Miscellaneous revenue from municipalities
	<u>52,745</u>	
	<u>\$ 1,774,072</u>	

All receivables are expected to be collected within the next fiscal year.

WAKE COUNTY BOARD OF EDUCATION
NOTES TO THE BASIC FINANCIAL STATEMENTS
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4. Capital Assets

Capital asset activity for the year ended June 30, 2024 was:

	Beginning Balances	Increases	Transfers	Retirements	Ending Balances
Capital assets not being depreciated/amortized:					
Land	\$ 235,719,847	\$ 6,154,333	\$ -	\$ -	\$ 241,874,180
Construction in progress	595,039,141	407,580,931	(12,624,114)	-	989,995,958
Total capital assets not being depreciated/amortized	830,758,988	413,735,264	(12,624,114)	-	1,231,870,138
Capital assets being depreciated/amortized:					
Land improvements	14,286,378	372,141	-	(49,028)	14,609,491
Buildings	4,648,623,789	-	12,624,114	-	4,661,247,903
Right-to-use leased buildings	99,141,523	357,587	-	(170,688)	99,328,422
Equipment	102,497,704	2,927,636	-	(68,354)	105,356,986
Right-to-use leased equipment	4,130,800	1,157,241	-	(713,245)	4,574,796
Right-to-use subscription assets	13,155,991	4,993,339	-	-	18,149,330
Vehicles and motor equipment	100,870,236	7,331,006	-	(1,313,048)	106,888,194
Total capital assets being depreciated/amortized	4,982,706,421	17,138,950	12,624,114	(2,314,363)	5,010,155,122
Less accumulated depreciation/amortization for:					
Land improvements	6,243,424	668,518	-	(38,813)	6,873,129
Buildings	1,349,236,655	104,300,487	-	-	1,453,537,142
Right-to-use leased buildings	16,458,558	8,297,832	-	(170,688)	24,585,702
Equipment	91,698,424	2,903,216	-	(30,661)	94,570,979
Right-to-use leased equipment	2,316,565	1,310,848	-	(713,245)	2,914,168
Right-to-use subscription assets	3,563,186	3,713,195	-	-	7,276,381
Vehicles and motor equipment	85,737,549	3,911,669	-	(1,281,888)	88,367,330
Total accumulated depreciation/amortization	1,555,254,361	\$ 125,105,765	\$ -	\$ (2,235,295)	1,678,124,831
Total capital assets being depreciated/amortized, net	3,427,452,060				3,332,030,291
Governmental activity capital assets, net	\$ 4,258,211,048				\$ 4,563,900,429

Depreciation/amortization was charged to governmental functions as follows:

Unallocated depreciation/amortization	\$ 109,645,499
Operational support services	15,460,266
Total	<u>\$ 125,105,765</u>

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Business-type Activities:	Beginning Balances	Increases	Retirements	Ending Balances
Child nutrition program activities				
Capital assets being depreciated/ amortized:				
Equipment	\$ 30,132,942	\$ 1,005,596	\$ (232,733)	\$ 30,905,805
Right-to-use leased equipment	6,664	-	(6,664)	-
Vehicles	1,159,385	36,900	-	1,196,285
Total capital assets being depreciated/ amortized	31,298,991	1,042,496	(239,397)	32,102,090
Less accumulated depreciation/amortization for:				
Equipment	21,785,825	1,371,409	(179,350)	22,977,884
Right-to-use leased equipment	6,664	-	(6,664)	-
Vehicles	951,637	73,408	-	1,025,045
Total accumulated depreciation/ amortization	22,744,126	1,444,817	(186,014)	24,002,929
Child nutrition program capital assets, net	8,554,865			8,099,161
Tuition program activities:				
Capital assets being depreciated:				
Equipment	972,808	72,408	-	1,045,216
Vehicles	81,812	-	-	81,812
Total capital assets being depreciated	1,054,620	72,408	-	1,127,028
Less accumulated depreciation for:				
Equipment	552,211	46,211	-	598,422
Vehicles	81,812	-	-	81,812
Total accumulated depreciation	634,023	\$ 46,211	\$ -	680,234
Tuition program capital assets, net	420,597			446,794
Business-type activities capital assets, net	\$ 8,975,462			\$ 8,545,955

5. Construction Commitments

The Board has active construction projects as of June 30, 2024. At year-end, the Board's commitments with contractors for school construction totaled approximately \$484,638,506. These commitments will be funded by future revenues from Wake County.

6. Leases Receivable

The Board has recorded a lease receivable for several leases for Cell Tower and Billboard space. The agreements have effective dates ranging from December 1996 to January 2022 and range in term from three to forty years. The lease receivable is measured as the present value of the future minimum rent payments expected to be received during the lease term at a discount rate of 3.5%, which is the Board's estimated incremental borrowing rate at the date the leases were measured.

WAKE COUNTY BOARD OF EDUCATION
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There are no variable payment components of these leases. Lease revenue totaling \$231,983 and interest revenue totaling \$151,609 have been recognized for the year ended June 30, 2024.

Future minimum lease receipts as of June 30, 2024, were as follows:

Year ending June 30	Lease Receipts	Interest Receipts	Total
2025	\$ 126,142	\$ 148,736	\$ 274,878
2026	135,519	145,790	281,309
2027	94,788	142,556	237,344
2028	103,611	139,142	242,753
2029	112,913	135,412	248,325
2030-2034	722,413	608,813	1,331,226
2035-2039	1,040,464	457,373	1,497,837
2040-2044	1,141,973	263,847	1,405,820
2045-2047	817,012	50,770	867,782
Total	<u>\$ 4,294,835</u>	<u>\$ 2,092,439</u>	<u>\$ 6,387,274</u>

B. Liabilities

1. Pension Plan Obligations and Other Post-employment Obligations

a. Teachers' and State Employees' Retirement System

Plan Description. The Board is a participating employer in the statewide Teachers' and State Employees' Retirement System (TSERS), a cost-sharing multiple-employer defined benefit pension plan administered by the State of North Carolina. TSERS membership is comprised of employees of the State (state agencies and institutions), universities, community colleges, and certain proprietary component units, along with the employees of Local Education Agencies and charter schools. Article 1 of G.S. Chapter 135 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. Management of the plan is vested in the TSERS Board of Trustees, which consists of 13 members – nine appointed by the Governor, one appointed by the state Senate, one appointed by the state House of Representatives, and the State Treasurer and State Superintendent, who serve as ex-officio members. The Teachers' and State Employees' Retirement System is included in the Annual Comprehensive Financial Report (ACFR) for the State of North Carolina. The ACFR includes financial statements and required supplementary information for TSERS. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, by calling (919) 981-5454, or at www.osc.nc.gov.

Benefits Provided. TSERS provides retirement and survivor benefits. Retirement benefits are determined as 1.82 percent of the member's average final compensation times the member's years of creditable service. A member's average final compensation is calculated as the average of a member's four highest consecutive years of compensation. General employee plan members are eligible to retire with full retirement benefits at age 65 with five years of creditable service (or 10 years of creditable service for members joining TSERS on or after August 1, 2011), at age 60 with 25 years of creditable service, or at any age with 30 years of creditable service. General employee plan members are eligible to retire with partial retirement benefits at age 50 with 20 years of

WAKE COUNTY BOARD OF EDUCATION
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creditable service or at age 60 with five years of creditable service (or 10 years of creditable service for members joining TSERS on or after August 1, 2011). Survivor benefits are available to eligible beneficiaries of members who die while in active service or within 180 days of their last day of service and who have either completed 20 years of creditable service, regardless of age, or have completed five years of service and have reached age 60 (10 years for members joining on or after August 1, 2011). Eligible beneficiaries may elect to receive a monthly Survivor's Alternate Benefit for life or a return of the member's contributions. The plan does not provide for automatic post-retirement benefit increases. Increases are contingent upon actuarial gains of the plan.

TSERS plan members who are LEOs are eligible to retire with full retirement benefits at age 55 with five years of creditable service as an officer or at any age with 30 years of creditable service. LEO plan members are eligible to retire with partial retirement benefits at age 50 with 15 years of creditable service as an officer. Survivor benefits are available to eligible beneficiaries of LEO members who die while in active service or within 180 days of their last day of service and who also have either completed 20 years of creditable service regardless of age, or have completed 15 years of service as a LEO and have reached age 50, or have completed five years of creditable service as a LEO and have reached age 55, or have completed 15 years of creditable service as a LEO if killed in the line of duty. Eligible beneficiaries may elect to receive a monthly Survivor's Alternate Benefit for life or a return of the member's contributions.

Contributions. Contribution provisions are established by General Statute 135-8 and may be amended only by the North Carolina General Assembly. Board employees are required to contribute 6 percent of their compensation. Employer contributions are actuarially determined and set annually by the TSERS Board of Trustees. The Board's contractually-required contribution rate was 17.64 percent of covered payroll from July 1, 2023 to June 30, 2024. These actuarially determined contribution rates were determined as an amount that, when combined with employee contributions, are expected to finance the costs of benefits earned during the year. Contributions to the pension plan from the Board were \$207,943,394 for the year ended June 30, 2024.

Refunds of Contributions. Board employees who have terminated service as a contributing member of TSERS, may file an application for a refund of their contributions. By state law, refunds to members with at least five years of service include 4 percent interest. State law requires a 60-day waiting period after service termination before the refund may be paid. The acceptance of a refund payment cancels the individual's right to employer contributions or any other benefit provided by TSERS.

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

At June 30, 2024, the Board reported a liability of \$1,125,939,036 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023. The total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2022. The total pension liability was then rolled forward to the measurement date of June 30, 2023, utilizing update procedures incorporating the actuarial assumptions. The Board's proportion of the net pension liability was based on a projection of the Board's long-term share of future payroll covered by the pension plan, relative to the projected future payroll covered by the pension plan of all participating TSERS employers, actuarially determined. At June 30, 2024, and at June 30, 2023, the Board's proportion was 6.7535% and 6.6334%, respectively.

WAKE COUNTY BOARD OF EDUCATION
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For the year ended June 30, 2024, the Board recognized pension expense of \$275,048,986. At June 30, 2024, the Board reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 91,790,666	\$ 8,310,225
Changes of assumptions	39,541,490	-
Net difference between projected and actual earnings on pension plan investments	313,573,936	-
Changes in proportion and differences between Board contributions and proportionate share of contributions	-	10,214,926
Board contributions subsequent to the measurement date	207,943,394	-
Total	<u>\$ 652,849,486</u>	<u>\$ 18,525,151</u>

A total of \$207,943,394 reported as deferred outflows of resources related to pensions resulting from Board contributions subsequent to the measurement date will be recognized as a decrease of the net pension liability in the year ended June 30, 2024. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2025	\$ 135,824,453
2026	75,535,647
2027	201,625,922
2028	13,394,919
	<u>\$ 426,380,941</u>

Actuarial Assumptions. The total pension liability in the December 31, 2022, actuarial valuation was determined using the following actuarial assumptions applied to all periods included in the measurement:

Inflation	2.5 percent
Salary increases	3.25 to 8.05 percent, including inflation and productivity factor
Investment rate of return	6.5 percent, net of pension plan investment expense, including inflation

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The plan currently uses mortality tables that vary by age, gender, employee group (i.e., general, law enforcement officer), and health status (i.e., disabled and healthy). Current mortality rates are based both on published tables and on studies that cover significant portions of the U.S. population. The healthy mortality rates also contain a provision to reflect future mortality improvements.

The assumptions used in the December 31, 2022, actuarial valuation are based on the experience study prepared as of December 31, 2019 and adopted by the Board of Trustees on January 28, 2021. Future ad hoc COLA amounts are not considered to be substantively automatic and are therefore not included in the measurement.

The projected long-term investment returns and inflation assumptions are developed through review of current and historical capital markets data, sell-side investment research, consultant whitepapers, and historical performance of investment strategies. Fixed income return projections reflect current yields across the U.S. Treasury yield curve and market expectations of forward yields projected and interpolated for multiple tenors and over multiple-year horizons. Global public equity return projections are established through analysis of the equity risk premium and the fixed income return projections. Other asset categories and strategies return projections reflect the foregoing and historical data analysis. These projections 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. The target allocation and best estimates of arithmetic real rates of return for each major asset class as of June 30, 2023, are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Fixed Income	33%	2.4%
Global Equity	38%	6.9%
Real Estate	8%	6.0%
Alternatives	8%	8.6%
Opportunistic Fixed Income	7%	5.3%
Inflation Sensitive	6%	4.3%
Total	<u>100.0%</u>	

The information above is based on 30-year expectations developed with the consulting actuary for the 2021 asset liability and investment policy study for the North Carolina Retirement Systems, including TSERS. The long-term nominal rates of return underlying the real rates of return are arithmetic annualized figures. The real rates of return are calculated from nominal rates by multiplicatively subtracting a long-term inflation assumption of 2.38 percent. All rates of return and inflation are annualized.

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Discount rate. The discount rate used to measure the total pension liability was 6.5 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and that contributions from employers will be made at statutorily-required rates, actuarially determined. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of the current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Board's proportionate share of the net pension asset to changes in the discount rate. The following presents the Board's proportionate share of the net pension liability calculated using the discount rate of 6.5 percent, as well as what the Board's proportionate share of the net pension asset or net pension liability would be if it were calculated using a discount rate that is one percentage point lower (5.5 percent) or one percentage point higher (7.5 percent) than the current rate:

	1% Decrease (5.50%)	Current Discount Rate	1% Increase (7.50%)
Board's proportionate share of the net pension liability	1,932,973,483	1,125,939,036	460,161,799

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued ACFR for the State of North Carolina.

b. Other Post-employment Benefits

1. Healthcare Benefits

Plan description. The Retiree Health Benefit Fund (RHBF) has been established as a fund to provide health benefits to retired and disabled employees and their applicable beneficiaries. RHBF is established by General Statute 135, Article 1. It is a cost-sharing, multiple-employer, defined benefit healthcare plan, exclusively for the benefit of former employees of the State, the University of North Carolina System, and community colleges. In addition, LEAs, charter schools, and some select local governments also participate.

Management of the plan is vested in the State Health Plan Board of Trustees, which consists of 13 members – eight appointed by the Governor, one appointed by the State Senate, one appointed by the State House of Representatives, and the State Treasurer the State Superintendent and the Director of the Office of State Human Resources who serve as ex-officio members. RHBF is supported by a percent of payroll contribution from participating employing units. Each year the percentage is set in legislation, as are the maximum per retiree contributions from RHBF to the State Health Plan. The State Treasurer, with the approval of the State Health Plan Board of Trustees, then sets the employer contributions (subject to the legislative cap) and the premiums to be paid by retirees, as well as the health benefits to be provided through the State Health Plan.

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The financial statements and other required disclosures for the plan are presented in the State of North Carolina's ACFR, which can be found at <https://www.osc.nc.gov/public-information/reports>.

Benefits provided. Plan benefits received by retired employees and disabled employees from RHBF are OPEB. The healthcare benefits for retired and disabled employees who are not eligible for Medicare are the same as for active employees. The plan options change when former employees become eligible for Medicare. Medicare retirees have the option of selecting one of two fully-insured Medicare Advantage/Prescription Drug Plan (MA-PDP) options of the self-funded Traditional 70/30 preferred Provider Organization plan option that is also offered to non-Medicare members. If the Traditional 70/30 Plan is selected by a Medicare retiree, the self-funded State Health Plan coverage is secondary to Medicare.

Those former employees who are eligible to receive medical benefits from RHBF are long-term disability beneficiaries of the Disability Income Plan of North Carolina (DIPNC) and retirees of the TSERS, the Consolidated Judicial Retirement System (CJRS), the Legislative Retirement System (LRS), the University Employees' Optional Retirement Program (ORP), and a small number of local governments, with five or more years of contributory membership service in their retirement system prior to disability or retirement, with the following exceptions: for employees first hired on or after October 1, 2006, and members of the General Assembly first taking office on or after February 1, 2007, future coverage as retired employees and retired members of the General Assembly is subject to the requirement that the future retiree have 20 or more years of retirement service credit in order to receive coverage on a noncontributory basis. Employees first hired on or after October 1, 2006 and members of the General Assembly first taking office on or after February 1, 2007 with 10 but less than 20 years of retirement service credit are eligible for coverage on a partially contributory basis. For such future retirees, the State will pay 50% of the State Health Plan's noncontributory premium.

Section 35.21 (c) and (d) of Session Law 2018-57 repeals retiree medical benefits for employees first hired January 1, 2021. The new legislation amends Article 3B of Chapter 135 of the General Statutes to require that retirees must earn contributory retirement service in TSERS (or in an allowed local system unit), CJRS, or LRS prior to January 1, 2021, and not withdraw that service, in order to be eligible for retiree medical benefits under the amended law. Consequently, members first hired on and after January 1, 2021 will not be eligible to receive retiree medical benefits.

RHBF's benefit and contribution provisions are established by Chapter 135-7, Article 1 and Chapter 135, Article 3B of the General Statutes and may be amended only by the North Carolina General Assembly. RHBF does not provide for automatic post-retirement benefit increases.

Contributions. By General Statute, accumulated contributions from employers to RHBF and any earnings on those contributions shall be used to provide health benefits to retired and disabled employees and their applicable beneficiaries. By statute, contributions to RHBF are irrevocable. Also by law, fund assets are dedicated to providing benefits to retired and disabled employees and their applicable beneficiaries and are not subject to the claims of creditors of the employers making contributions to RHBF. However, RHBF assets may be used for reasonable expenses to administer the RHBF, including costs to conduct required actuarial valuations of state—supported retired employees' health benefits. Contribution rates

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to RHBF, which are intended to finance benefits and administrative expenses on a pay-as-you-go basis are determined by the General Assembly in the Appropriations Bill. For the current fiscal year, the Board contributed 7.14% of covered payroll which amounted to \$84,167,564. During the year ended June 30, 2020, the North Carolina State Health Plan ("SHP") contributed \$475.2 million to the RHBF. In accordance with GASB 75, the Board recognized revenue of \$2,071,376 as a result of this non-employer contribution.

At June 30, 2024, Board reported a liability of \$1,576,750,053 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2023, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2022. The Board's proportion of the net OPEB liability was based on a projection of the Board's present value of future salary, actuarially determined. At June 30, 2024, and at June 30, 2023, the Board's proportion was 5.9171% and 5.7179%, respectively.

\$84,164,564 reported as deferred outflows of resources related to OPEB resulting from Board contributions subsequent to the measurement date will be recognized as a decrease of the net OPEB liability in the year ending June 30, 2024. Other amounts reported as deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended June 30:

2025	\$	95,543,091
2026		107,326,209
2027		53,076,882
2028		(38,558,980)
	\$	<u>217,387,202</u>

Actuarial assumptions. Common actuarial assumptions for both OPEB plans follow individual note disclosures for each OPEB plan.

Inflation	2.50%
Salary increases based on service	3.25 to 8.05 percent, including inflation and productivity factor
Investment rate of Return	6.50%
<u>Healthcare cost trend rates:</u>	
Medical	5.00 - 6.50%
Prescription drug	5.00 - 10.00%
Administrative costs	3.00%
Post-Retirement Mortality Rates	Pub-2010 Health Annuitant Mortality Table for males and females, adjusted for classification for some Participants, further adjusted with scaling factors varying by participant group, and projected for mortality improvement using Scale MP-2019

Discount Rate: The discount rate used to measure the total OPEB liability for the RHBF was 3.65% at June 30, 2023 and 2.16% at June 30, 2022, respectively. The projection of cash flow used to determine the discount rate assumed that contributions from employers would be made at the current statutorily determined contribution rate. Based on those assumptions, the plan's fiduciary net position was not projected to be available to make all projected future benefit payments to the current plan members. As a result, a municipal

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bond rate of 3.65% was used as the discount rate used to measure the total OPEB liability. This rate is based on the Bond Buyer 20-year General Obligation Index as of June 30, 2023.

Sensitivity of the Board's proportionate share of the net OPEB liability to changes in the discount rate. The following presents the Board's proportionate share of the net OPEB liability, as well as what the District's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.65 percent) or 1-percentage point higher (4.65 percent) than the current discount rate:

	1% Decrease (2.65%)	Discount Rate (3.65%)	1% Increase (4.65%)
Net OPEB Liability	\$ 1,860,076,093	\$ 1,576,756,053	\$ 1,345,998,815

Sensitivity of the Board's proportionate share of the net OPEB liability to changes in the healthcare trend rates. The following presents the Board's proportionate share of the net OPEB liability, as well as what the District's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage point higher than the current discount rate:

	Current Trend Rates (6.5% Medical, 7.25% Rx, 3.0% Administrative)		
	1% Decrease in Trend Rates	1% Increase in Trend Rates	
Net OPEB Liability	\$ 1,301,748,085	\$ 1,576,756,053	\$ 1,931,358,102

OPEB plan fiduciary net position. Detailed information about the OPEB plan's fiduciary net position is available in the separately issued ACFR for the State of North Carolina.

2. Disability Benefits

Plan description. Short-term and long-term disability benefits are provided through the Disability Income Plan of North Carolina (DIPNC), a cost-sharing, multiple-employer defined benefit plan, to the eligible members of TSERS which includes employees of the State, the University of North Carolina System, community colleges, certain Local Education Agencies, and ORP.

Management of the plan is vested in the State Health Plan Board of Trustees, which consists of 13 members – eight appointed by the Governor, one appointed by the State Senate, one appointed by the State House of Representatives, and the State Treasurer the State Superintendent and the Director of the Office of State Human Resources who serve as ex-officio members. Management of the plan is vested in the State Health Plan Board of Trustees, which consists of 13 members – eight appointed by the Governor, one appointed by the State Senate, one appointed by the State House of Representatives, and the State Treasurer the State Superintendent and the Director of the Office of State Human Resources who serve as ex-officio members.

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The financial statements and other required disclosures for the plan are presented in the State of North Carolina's ACFR, which can be found at <https://www.osc.nc.gov/public-information/reports>.

Benefits Provided. Long-term disability benefits are payable as an OPEB from DIPNC after the conclusion of the short-term disability period or after salary continuation payments cease, whichever is later, for as long as an employee is disabled. An employee is eligible to receive long-term disability benefits provide the following requirements are met: (1) the employee has five or more years of contributing membership service in TSERS or ORP, earned within 96 months prior to the end of the short-term disability period or cessation of salary continuation payments, whichever is later; (2) the employee must make application to receive long-term benefits within 180 days after the conclusion of the short-term disability period or after salary continuation payments cease or after monthly payments for Workers' Compensation cease (excluding monthly payments for permanent partial benefits), whichever is later; (3) the employee must be certified by the Medical Board to be mentally or physically disabled for the further performance of his/her usual occupation; (4) the disability must have been continuous, likely to be permanent, and incurred at the time of active employment; (5) the employee must not be eligible to receive an unreduced retirement benefit from TSERS after (1) reaching the age of 65 and completing 5 years of membership service, or (2) reaching the age of 60 and completing 25 years of creditable service, or (3) completing 30 years of service at any age.

For employees who had five or more years of membership service as of July 31, 2007, during the first 36 months of the long-term disability period, the monthly long-term disability benefit is equal to 65% of one-twelfth of an employee's annual base rate of compensation last payable to the participant or beneficiary prior to the beginning of the short-term disability period, plus the like percentage of one-twelfth of the annual longevity payment and local supplements to which the participant or beneficiary would be eligible. The monthly benefits are subject to a maximum of \$3,900 per month reduced by any primary Social Security disability benefits and by monthly payments for Workers' Compensation to which the participant or beneficiary may be entitled, but the benefits payable shall be no less than \$10 a month. After the first 36 months of the long-term disability, the long-term benefit is calculated in the same manner as described above except the monthly benefit is reduced by an amount equal to a monthly primary Social Security disability benefit to which the participant or beneficiary might be entitled had Social Security disability benefits been awarded. When an employee qualifies for an unreduced service retirement allowance from the TSERS, the benefits payable from DIPNC will cease, and the employee will commence retirement under the Teachers' and State Employees' Retirement System or the University Employees' Optional Retirement Program.

For employees who had less than five years of membership service as of July 31, 2007 and meet the requirements for long-term disability on or after August 1, 2007, during the first 36 months of the long-term disability period, the monthly long-term benefit shall be reduced by an amount equal to the monthly primary Social Security retirement benefit to which the employee might be entitled should the employee become age 62 during the first 36 months. This reduction becomes effective as of the first day of the month following the month of initial entitlement to Social Security benefits. After the first 36 months of the long-term disability, no further benefits are payable under the terms of this section unless the employee has been approved and is in receipt of primary Social Security disability benefits.

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Contributions. Benefit and contribution provisions are established by Chapter 135, Article 6, of the General Statutes and may be amended only by the North Carolina General Assembly. The plan does not provide for automatic post-retirement benefit increases. Disability income benefits are funded by actuarially determined employer contributions that are established in the Appropriations Bill by the General Assembly and coincide with the State fiscal year. For the fiscal year ended June 30, 2024, employers made a statutory contribution of 0.11% of covered payroll which was equal to the actuarially required contribution. Board contributions to the plan were \$1,296,699 for the year ended June 30, 2024.

The contributions cannot be separated between the amounts that relate to other postemployment benefits and employment benefits for active employees. Those individuals who are receiving extended short-term disability benefit payments cannot be separated from the number of members currently eligible to receive disability benefits as an other postemployment benefit.

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

At June 30, 2024, Board reported liability of \$1,570,334 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2023, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2022. The total OPEB liability was then rolled forward to the measurement date of June 30, 2023 utilizing update procedures incorporating the actuarial assumptions. The Board's proportion of the net OPEB asset/liability was based on a projection of the Board's present value of future salary, actuarially determined. At June 30, 2024 and at June 30, 2023, the Board's proportion was 5.9044% and 5.8306%, respectively.

\$1,296,699 reported as deferred outflows of resources related to OPEB resulting from Board contributions subsequent to the measurement date will be recognized as an increase of the net OPEB asset in the year ending June 30, 2024. Other amounts reported as deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended June 30:		
2025	\$	687,448
2026		422,106
2027		683,496
2028		226,144
2029		102,219
Thereafter		74,021
	\$	<u>2,195,434</u>

Actuarial assumptions. Common actuarial assumptions for both OPEB plans follow individual note disclosures for each OPEB plan.

Inflation	2.50%
Salary increases	3.25-8.05%, include 3.25% inflation and productivity factor
Investment rate of return	3.00%, net of OPEB plan expense, including inflation

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Sensitivity of the Board's proportionate share of the net OPEB liability to changes in the discount rate. The following presents the Board's proportionate share of the net OPEB liability, as well as what the District's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.0 percent) or 1-percentage point higher (4.0 percent) than the current discount rate:

	1% Decrease (2.0%)	Discount Rate (3.0%)	1% Increase (4.0%)
Net OPEB Asset	\$ 1,887,755	\$ 1,570,334	\$ 1,247,127

Common actuarial assumptions for both OPEB plans. The net OPEB liability was determined by an actuarial valuation performed as of June 30, 2023 using the following actuarial assumptions, applied to all periods in the measurement, unless otherwise specified. The net OPEB asset was determined by an actuarial valuation performed as of December 31, 2022 using the following actuarial assumptions, applied to all periods in the measurement, unless otherwise specified. The total OPEB liability/asset was calculated through the use of update procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2023. The update procedures incorporated the actuarial assumptions used in the valuation. The entry age normal cost method was utilized.

The plan currently uses mortality tables that vary by age, gender, employee group (i.e. teacher, general, law enforcement officer), and health status (i.e. disabled and healthy). The current mortality rates are based on published tables and based on studies that cover significant portions of the U.S. population. The mortality rates also contain a provision to reflect future mortality improvements.

The actuarial assumptions used in the December 31, 2022 valuations were generally based on the results of an actuarial experience study prepared as of December 31, 2019, as amended for updates to certain assumptions (such as medical claims and medical trend rate assumptions) implemented based on annual reviews that have occurred since that experience study.

DIPNC is primarily invested in the Bond Index Investment Pool as of June 30, 2023. The long-term expected rate of return was determined based on the combination of expected future real rates of return and expected inflation. The long-term expected real rate of return for the Bond Index Investment Pool as of June 30, 2023 is 3%.

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Total OPEB Expense, OPEB Liabilities, and Deferred Outflows and Inflows of Resources of Related to OPEB

Following is information related to the proportionate share and OPEB expense (benefit):

	Retiree Health Benefit Fund	Disability Income Plan of NC	Total
OPEB expense (benefit)	\$ (42,036,649)	\$ 2,110,208	\$ (39,926,441)
OPEB liability	1,576,750,053	1,570,334	1,578,320,387
Proportionate share of the OPEB liability	5.9171%	5.9044%	
Deferred Outflows of Resources			
Differences between expected and actual experience	\$ 17,363,104	\$ 1,376,196	\$ 18,739,300
infla	170,810,029	114,427	170,924,456
Net difference between projected and actual earnings on plan investments	12,595,889	2,051,070	14,646,959
Changes in proportion and differences between Board contributions and proportionate share of contributions	48,776,964	5,716	48,782,680
Board contributions subsequent to the measurement date	84,167,564	1,296,699	85,464,263
Total Deferred Outflows of Resources	<u>\$ 333,713,550</u>	<u>\$ 4,844,108</u>	<u>\$ 338,557,658</u>
Deferred Inflows of Resources			
Differences between expected and actual experience	\$ 1,544,898	\$ 869,779	\$ 2,414,677
Changes of assumptions	420,664,189	268,060	420,932,249
Net difference between projected and actual earnings on plan investments	-	-	-
Changes in proportion and differences between Board contributions and proportionate share of contributions	44,724,101	214,136	44,938,237
Total Deferred Inflows of Resources	<u>\$ 466,933,188</u>	<u>\$ 1,351,975</u>	<u>\$ 468,285,163</u>

2. Accounts Payable

Accounts payables as of June 30, 2024, are as follows:

	Vendors	Salaries and benefits	Due to other funds (internal balances)
Governmental Activities			
General	\$ 19,834,587	\$ 7,905,092	\$ 117,304
Other Governmental	107,771,986	16,366,858	1,696,198
Total Governmental activities	<u>\$ 127,606,573</u>	<u>\$ 24,271,950</u>	<u>\$ 1,813,502</u>
Business-type Activities			
Child Nutrition Program	\$ 980,794	\$ 3,271,956	\$ 98
Tuition Programs	1,241,915	28,542	6
Total Business-type activities	<u>\$ 2,222,709</u>	<u>\$ 3,300,498</u>	<u>\$ 104</u>

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3. Unearned Revenues

The balance in unearned revenues at year-end is composed of the following:

Governmental activities: Grants not yet earned (Other Restricted Funds)	\$12,224,019
Business-type activities:	
Grant not yet earned (Child Nutrition Program)	\$ 3,735,175
Prepayments of meals (Child Nutrition Program)	<u>2,896,230</u>
	\$ 6,631,405
Prepayments of community use fees (Tuition Programs)	<u>600,979</u>
	<u>\$ 7,232,384</u>

4. Deferred Outflows and Inflows of Resources

The balance in deferred outflows and inflows of resources at year-end is composed of the following:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Change in proportion and difference between employer contributions and proportionate share of contributions	\$ 48,782,680	\$ 55,153,163
Changes in assumptions	210,465,946	420,932,249
Board contributions subsequent to the measurement date	293,407,657	-
Difference between projected and actual earnings on plan investments	328,220,895	-
Difference between expected and actual experience	110,529,966	10,724,902
Leases (Capital Outlay Fund)	-	<u>4,183,553</u>
Totals	<u>\$ 991,407,144</u>	<u>\$ 490,993,867</u>

5. Risk Management

The Board is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Through private insurance industry, the Board maintains general liability and errors and omissions coverage of \$1 million per each wrongful act. The Board has an annual aggregate limit for general liability of \$3,000,000. In addition, the Board carries commercial umbrella for an additional \$4,000,000 of liability coverage. Effective August 1, 2002, the Board was approved as a qualified self-insurer for workers' compensation coverage up to statutory limits for employees to the extent they are paid from federal, local, and enterprise funds with a self-insured specific retention of \$850,000; an aggregate limit of \$2,000,000; and an employer's liability limit of \$1,000,000. The State of North Carolina provides workers' compensation for employees to the extent they are paid from State Public School Funds. The Board also purchases commercial property insurance, insuring tangible property assets of the Board. The property insurer provides coverage for a total of \$350,000,000 in catastrophic limits, with a total insured value of 6.3 billion.

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The Board also participates in the Teachers' and State Employees' Comprehensive Major Medical Plan, a self-funded risk financing pool of the State administered by Blue Cross and Blue Shield of North Carolina. Through the Plan, permanent full-time employees of the Board are eligible to receive health care benefits up to a \$5 million lifetime limit. The Board pays the full cost of coverage for employees enrolled in the Comprehensive Major Medical Plan.

The Board carries commercial coverage for all other risks of loss. There have been no significant reductions in insurance coverage in the prior year, and claims have not exceeded coverage in any of the past three fiscal years. The amount of Public Officials Dishonesty Bond on the finance officer is \$250,000. The amount of Public Employee Dishonesty Bond on budget managers and bookkeepers is \$100,000.

A summary of changes in the self-insured workers' compensation claims for fiscal years 2024 and 2022 are as follows:

	2024	2023
Estimated claims payable, beginning of year	\$ 12,048,603	\$ 11,008,158
Current year claims and changes in estimates	3,955,541	3,912,830
Claim payments	<u>(5,535,297)</u>	<u>(2,872,385)</u>
Estimated claims payable, end of year	<u>\$ 10,468,847</u>	<u>\$ 12,048,603</u>

Estimated claims payable are determined through an independent actuarial loss reserve analysis.

6. Contingent Liabilities

At June 30, 2024, the Board was a defendant to various lawsuits. In the opinion of the Board's management and the Board's attorney, the ultimate effect of these legal matters will not have a material adverse effect on the Board's financial position.

7. Long-Term Obligations

a. Leases

The Board has entered into numerous agreements to lease building space, copy equipment and postage meters. The lease agreements qualify as other than short-term leases under GASB 87 and, therefore, have been recorded at the present value of the future minimum lease payments as of the date of their inception.

The agreements to lease copy equipment and postage meters have effective dates ranging from October 2018 to December 2023. The agreements range in term from two to five years and there are no variable payment components of the leases.

The agreements to lease buildings have effective dates ranging from March 2007 to August 2023. The agreements range in term from two to twenty-one years and there are no variable payment components of the leases. The lease liability for the agreements to lease buildings is measured at a discount rate of 5.6%, which is the Board's estimated incremental borrowing rate at the date the leases were measured. Certain lease agreements for buildings have options to extend the lease. The Board has assessed these options and determined that they are not reasonably certain that the options will be exercised and, as such, have excluded them from the lease term.

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The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2024, were as follows.

Year ending June 30	Principal Payments	Interest Payments	Total
2025	\$ 7,348,395	\$ 2,933,793	\$ 10,282,188
2026	5,996,483	2,647,535	8,644,018
2027	6,703,078	2,405,984	9,109,062
2028	7,168,937	2,157,026	9,325,963
2029	7,365,099	1,894,248	9,259,347
2030-2034	41,573,782	5,211,113	46,784,895
2035-2039	3,678,182	993,957	4,672,139
2040-2044	3,639,267	402,966	4,042,233
Total	<u>\$ 83,473,223</u>	<u>\$ 18,646,622</u>	<u>\$ 102,119,845</u>

b. Subscription-Based Information Technology Arrangements

The Board has entered into numerous subscription-based information technology arrangements for various software. The arrangements qualify as other than short-term arrangements under GASB 96 and, therefore, have been recorded at the present value of the future minimum agreement payments as of the date of their inception.

The arrangements have effective dates ranging from January 2016 to January 2024. The arrangements range in term from two to five years and there are no variable payment components of the arrangements.

The future minimum subscription-based information technology arrangements obligations and the net present value of these minimum subscription payments as of June 30, 2024, were as follows.

Year ending June 30	Principal Payments	Interest Payments	Total
2025	\$ 4,184,937	\$ 485,540	\$ 4,670,477
2026	2,741,346	249,013	2,990,359
2027	1,874,501	95,458	1,969,959
Total	<u>\$ 8,800,784</u>	<u>\$ 830,011</u>	<u>\$ 9,630,795</u>

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c. Installment Purchase

The Board is authorized by State law [G.S.115C-47(28a)] to enter into installment purchase contracts to finance energy conservation measures that will reduce its operating costs. In October 2018, the Board entered into a direct placement contract to reduce the energy costs associated with several schools. The property is pledged as collateral for the debt while the debt is outstanding. The financing contract requires principal payments for fifteen years beginning in the fiscal year 2021 with interest rate of 3.545 percent.

The Board is authorized to finance the purchase of school buses under G.S. 115C-528(a). Session law 2003-284, Section 7.25, authorizes the State Board of Education to allot monies for the payments for financing contracts entered into pursuant to G.S. 115C-528. In fiscal year 2021, the Board entered into a direct placement installment purchase contract to finance the purchase of 39 buses through a special third-party financing arrangement offered by Banc of America Public Capital Corp. The buses are pledged as collateral for the debt while the debt is outstanding. The financing contract only required principal payments of \$841,060 for the year ending June 30, 2021, \$981,033 for the year ending June 30, 2022, and \$911,046 for the years ending June 30, 2023 and 2024. In fiscal year 2022, the Board entered into a direct placement installment purchase contract to finance the purchase of 20 buses through a special third-party financing arrangement offered by Banc of America Public Capital Corp. The buses are pledged as collateral for the debt while the debt is outstanding. The financing contract only required principal payment of \$1,026,800 for the year ending June 30, 2023 and payments of \$513,400 for the years ending June 30, 2024 and 2025. In fiscal year 2023, the Board entered into a direct placement installment purchase contract to finance the purchase of 9 buses through a special third-party financing arrangement offered by Banc of America Public Capital Corp. The buses are pledged as collateral for the debt while the debt is outstanding. The financing contract only required principal payment of \$436,488 for the year ending June 30, 2023 and payments of \$218,247 for the years ending June 30, 2024 and 2025. In fiscal year 2024, the Board entered into direct placement installment purchase contracts to finance the purchase of 36 buses through a special third-party financing arrangement offered by Banc of America Public Capital Corp. The buses are pledged as collateral for the debt while the debt is outstanding. The financing contract only required principal payment of \$1,959,388 for the year ending June 30, 2024, payments of \$1,205,356 for the years ending June 30, 2025 and 2026, and payments of \$484,088 for the year ending June 30, 2027.

The future minimum payments of the installment purchases as of June 30, 2024, including \$1,222,433 of interest are as follows:

Year Ending June 30,	Governmental Activities	
	Principal	Interest
2025	2,383,266	195,384
2026	1,649,949	179,564
2027	943,539	163,803
2028	474,813	147,516
2029	490,690	130,684
2030-2034	2,622,119	385,147
2035	573,614	20,335
	<u>\$ 9,137,990</u>	<u>\$ 1,222,433</u>

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d. Long-Term Obligation Activity

The following is a summary of changes in the Board's long-term obligations for the fiscal year ended June 30, 2024:

	Beginning Balance	Increases	Decreases	Ending Balance	Due within One Year
Governmental activities:					
Worker's compensation	\$ 12,048,603	\$ 3,955,541	\$ 5,535,297	\$ 10,468,847	\$ 6,309,076
Direct placement installment purchase	8,317,690	4,854,186	4,033,886	9,137,990	2,383,266
Lease liability	89,216,577	1,514,828	7,258,182	83,473,223	7,348,395
Subscription liability	6,993,757	4,993,338	3,186,311	8,800,784	4,184,937
Net pension liability	962,872,798	137,871,963	-	1,100,744,761	-
Net OPEB liability	1,324,741,950	213,313,578	-	1,538,055,528	-
Compensated absences	108,861,389	697,907,788	688,852,269	117,916,908	65,000,000
Total	<u>\$ 2,513,052,764</u>	<u>\$ 1,064,411,222</u>	<u>\$ 708,865,945</u>	<u>\$ 2,868,598,041</u>	<u>\$ 85,225,674</u>
Business-type activities:					
Net pension liability	\$ 21,669,247	\$ 3,525,028	\$ -	\$ 25,194,275	\$ -
Net OPEB liability	34,810,987	5,453,872	-	40,264,859	-
Compensated absences	1,498,378	9,049,581	9,002,324	1,545,635	600,000
Total	<u>\$ 57,978,612</u>	<u>\$ 18,028,481</u>	<u>\$ 9,002,324</u>	<u>\$ 67,004,769</u>	<u>\$ 600,000</u>

Compensated absences and workers' compensation are typically liquidated by the general and other governmental funds. Pension and OPEB are liquidated through contributions from all funds. Compensated absences are accounted for on a LIFO basis, assuming that employees are taking leave time as it is earned.

WAKE COUNTY BOARD OF EDUCATION
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024

C. Interfund Balances and Activity

The composition of interfund balances as of June 30, 2024, is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	State Public School Fund	\$ 16,049
General Fund	Capital Outlay Fund	42,031
General Fund	Individual Schools Fund	3,515
General Fund	Other Restricted Funds	218,063
General Fund	Child Nutrition Program	98
General Fund	Tuition Program	6
State Public School Fund	General Fund	2,070
State Administered Federal Grant Fund	General Fund	1,679
State Administered Federal Grant Fund	Individual Schools Fund	1,120
Capital Outlay Fund	General Fund	105,347
Capital Outlay Fund	Other Restricted Funds	1,340,010
Individual Schools Fund	General Fund	1,489
Other Restricted Funds	General Fund	2,242
Child Nutrition Program	General Fund	3,836
Child Nutrition Program	Individual Schools Fund	1,028
Tuition Program	General Fund	641
Tuition Program	Individual Schools Fund	74,382
		<u>\$ 1,813,606</u>

Most interfund balances are due to allocation of utility costs, printing costs or mailroom costs. The Individual Schools Fund owes \$74,382 to the Tuition Program for tuition payments that are initially deposited into the Individual Schools Fund at the school level and then moved monthly to the Tuition Program. The Other Restricted Funds owes \$1,340,010 to the Capital Outlay Fund to utilize one time funding for capital technology infrastructure.

The following is a summary of Transfers for the year ended June 30, 2024:

<u>Transfers From:</u>	<u>Transfers To:</u>	
	<u>Other Restricted Funds</u>	<u>Child Nutrition Fund</u>
State Public School Fund	\$ -	\$ 45,000
Individual Schools Fund	720,737	-
	<u>\$ 720,737</u>	<u>\$ 45,000</u>

During the year, as required by the state, the General Fund transferred \$45,000 to the Child Nutrition Program for salaries. The Individual School Fund transferred \$720,737 to the Other Restricted Funds to fund the costs of additional positions in the schools.

WAKE COUNTY BOARD OF EDUCATION
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024

D. Fund Balance

The Board uses resources in the following hierarchy: federal funds, state funds, local non-board of education funds, board of education funds. For purposes of fund balance classification, expenditures are to be spent from the restricted fund balance first, followed in order by the committed fund balance, the assigned fund balance, and lastly the unassigned fund balance. The Superintendent has the authority to deviate from this policy if it is in the best interest of the Board of Education.

The following schedule provides management and citizens with information on the portion of General Fund balance that is available for appropriation:

Total fund balance - General Fund	\$ 118,205,095
Less:	
Inventories	4,982,024
Stabilization by State Statute	9,284,010
Special projects	
Targeted enrollment	8,000,000
JUUL Settlement	2,696,807
Other special projects	610,294
Insurance	15,583,039
Flexible benefit plan	1,000,000
Potential underfunded pension liability	4,318,571
Appropriated fund balance in 2024 budget	<u>32,396,095</u>
Remaining fund balance	<u>\$ 39,334,255</u>

Encumbrances are amounts needed to pay any commitments related to purchase orders and contracts that remain unperformed at year-end. Encumbrance balances at year-end were:

General Fund	\$ 5,479,040
Capital Outlay Fund	411,238

III. Summary Disclosure of Significant Contingencies

Federal and State Assisted Programs

The Board has received proceeds from several federal and state grants. Periodic audits of these grants are required, and certain costs may be questioned as not being appropriate expenditures under the grant agreements. Such audits could result in the refund of grant monies to the grantor agencies. Management believes that any required refunds will be immaterial. No provision has been made in the accompanying financial statements for the refund of grant monies.

Subsequent Events

The Board has evaluated subsequent events through October 28, 2024, in connection with the preparation of these financial statements. This is the date the financial statements were available to be issued.

REQUIRED SUPPLEMENTAL FINANCIAL DATA

This section contains additional information required by generally accepted accounting principles

- Schedule of the Board's Proportionate Share of Net Pension Liability - Teachers' and State Employees' Retirement System
- Schedule of Board Contributions - Teachers' and State Employees' Retirement System
- Schedule of the Board's Proportionate Share of Net OPEB Liability – Retiree Health Benefit Fund
- Schedule of Board Contributions – Retiree Health Benefit Fund
- Schedule of the Board's Proportionate Share of Net OPEB Asset (Liability) – Disability Income Plan of North Carolina
- Schedule of Board Contributions – Disability Income Plan of North Carolina

WAKE COUNTY BOARD OF EDUCATION
SCHEDULE OF THE BOARD'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
TEACHERS' AND STATE EMPLOYEES' RETIREMENT SYSTEM
LAST TEN FISCAL YEARS

Year	Board's portion of the net pension liability	Board's proportionate share of the net pension liability	Board's covered payroll	Board's proportionate share of the net pension liability as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2024	6.7535%	\$ 1,125,939,036	\$ 1,110,479,181	101%	82.97%
2023	6.6334%	984,542,045	1,054,201,389	93%	84.14%
2022	6.6707%	312,359,922	984,477,723	32%	94.86%
2021	6.7022%	809,760,809	985,571,902	82%	92.01%
2020	6.6654%	691,000,187	956,695,716	72%	91.89%
2019	6.6364%	660,723,896	908,398,166	73%	89.51%
2018	6.5650%	520,899,223	874,819,518	60%	87.32%
2017	6.4350%	591,446,650	839,696,815	70%	94.64%
2016	6.1602%	227,014,746	800,662,003	28%	98.24%
2015	5.9756%	70,058,926	750,539,861	9%	90.60%

WAKE COUNTY BOARD OF EDUCATION
SCHEDULE OF BOARD CONTRIBUTIONS
TEACHERS' AND STATE EMPLOYEES' RETIREMENT SYSTEM
LAST TEN FISCAL YEARS

Year	Contractually required contribution	Contributions in relation to the contractually required contribution	Contribution deficiency (excess)	Board's covered payroll	Contributions as a percentage of covered payroll
2024	\$ 207,943,394	\$ 207,943,394	\$ -	\$ 1,178,817,424	17.64%
2023	193,001,282	193,001,282	-	1,110,479,181	17.38%
2022	173,715,838	173,715,838	-	1,054,201,389	16.48%
2021	145,505,808	145,505,808	-	984,477,723	14.78%
2020	127,828,676	127,828,676	-	985,571,902	12.97%
2019	117,577,904	117,577,904	-	956,695,716	12.29%
2018	97,925,324	97,925,324	-	908,398,166	10.78%
2017	87,306,988	87,306,988	-	874,819,518	9.98%
2016	76,832,259	76,832,259	-	839,696,815	9.15%
2015	73,180,297	73,180,297	-	800,662,003	9.14%

WAKE COUNTY BOARD OF EDUCATION
SCHEDULE OF THE BOARD'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
RETIREE HEALTH BENEFIT FUND
LAST EIGHT FISCAL YEARS

Years	Board's portion of the net OPEB liability	Board's proportionate share of the net OPEB liability	Board's covered payroll	Board's proportionate share of the net OPEB liability as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total OPEB liability
2024	5.9171%	\$ 1,576,750,053	\$ 1,110,479,181	142%	10.73%
2023	5.7179%	1,357,818,450	1,054,201,389	129%	10.58%
2022	5.8509%	1,808,842,283	984,477,723	184%	7.72%
2021	5.8837%	1,632,187,418	985,571,902	166%	4.40%
2020	5.8655%	1,855,820,546	956,695,716	194%	3.52%
2019	5.9287%	1,688,971,690	908,398,166	186%	3.52%
2018	6.0130%	1,971,459,509	874,819,518	225%	2.41%
2017	5.6205%	2,445,108,788	839,696,815	291%	2.41%

* The amounts presented for each fiscal year were determined as of the prior fiscal year ending June 30.

This schedule is intended to show information for ten years, additional years' information will be displayed as it becomes available.

**WAKE COUNTY BOARD OF EDUCATION
SCHEDULE OF THE BOARD'S CONTRIBUTIONS
RETIREE HEALTH BENEFIT FUND
LAST TEN FISCAL YEARS**

Year	Contractually required contribution	Contributions in relation to the contractually required contribution	Contribution deficiency (excess)	Board's covered payroll	Contributions as a percentage of covered payroll
2024	\$ 84,167,564	\$ 84,167,564	\$ -	\$ 1,178,817,424	7.14%
2023	76,512,016	76,512,016	-	\$ 1,110,479,181	6.89%
2022	66,042,659	66,042,659	-	1,054,201,389	6.26%
2021	65,763,112	65,763,112	-	984,477,723	6.68%
2020	63,766,502	63,766,502	-	985,571,902	6.47%
2019	59,984,821	59,984,821	-	956,695,716	6.27%
2018	54,958,089	54,958,089	-	908,398,166	6.05%
2017	50,856,815	50,856,815	-	874,819,518	5.81%
2016	47,023,022	47,023,022	-	839,696,815	5.60%
2015	43,956,244	43,956,244	-	800,662,003	5.49%

WAKE COUNTY BOARD OF EDUCATION
SCHEDULE OF THE BOARD'S PROPORTIONATE SHARE OF THE NET OPEB ASSET(LIABILITY)
DISABILITY INCOME PLAN OF NORTH CAROLINA
LAST EIGHT FISCAL YEARS

Years	Board's portion of the net OPEB asset (liability)	Board's proportionate share of the net OPEB asset (liability)	Board's covered payroll	Board's proportionate share of the net OPEB asset (liability) as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total OPEB asset (liability)
2024	5.90440%	\$ (1,570,334)	\$ 1,110,479,181	-0.1414%	90.61%
2023	5.83060%	(1,734,487)	1,054,201,389	-0.1645%	90.34%
2022	5.92238%	967,363	984,477,723	0.0983%	105.18%
2021	5.90352%	2,904,179	985,571,902	0.2947%	116.47%
2020	5.92210%	2,555,383	956,695,716	0.2671%	116.37%
2019	5.92019%	1,798,317	908,398,166	0.1980%	116.23%
2018	5.84695%	3,573,656	874,819,518	0.4085%	116.06%
2017	5.79204%	3,596,857	839,696,815	0.4284%	117.06%

* The amounts presented for each fiscal year were determined as of the prior fiscal year ending June 30.

This schedule is intended to show information for ten years, additional years' information will be displayed as it becomes available.

**WAKE COUNTY BOARD OF EDUCATION
SCHEDULE OF THE BOARD'S CONTRIBUTIONS
DISABILITY INCOME PLAN OF NORTH CAROLINA
LAST TEN FISCAL YEARS**

Year	Contractually required contribution	Contributions in relation to the contractually required contribution	Contribution deficiency (excess)	Board's covered payroll	Contributions as a percentage of covered payroll
2024	\$ 1,296,699	\$ 1,296,699	\$ -	\$ 1,178,817,424	0.11%
2023	1,110,479	1,110,479	-	1,110,479,181	0.10%
2022	948,781	948,781	-	1,054,201,389	0.09%
2021	886,030	886,030	-	984,477,723	0.09%
2020	985,572	985,572	-	985,571,902	0.10%
2019	1,339,374	1,339,374	-	956,695,716	0.14%
2018	1,271,757	1,271,757	-	908,398,166	0.14%
2017	3,324,314	3,324,314	-	874,819,518	0.38%
2016	3,442,757	3,442,757	-	839,696,815	0.41%
2015	3,282,714	3,282,714	-	800,662,003	0.41%

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

Major Governmental Funds

General Fund
State Public School Fund
Capital Outlay Fund
Other Restricted Funds

Non-Major Governmental Funds

State Administered Federal Grants Fund

This fund is used to account for the federal grant monies administered through the State Department of Public Instruction

Individual School Fund

This fund includes revenues and expenditures of the activity funds of the individual schools. The primary revenue sources include funds held on behalf of various clubs and organizations, receipts from athletic events, and proceeds from various fundraising activities. The primary expenditures for this fund include athletic teams, club programs, activity buses and instructional needs. The Individual School Fund is reported as a special revenue fund.

Major Enterprise Funds

Child Nutrition Fund
Tuition Programs Fund

WAKE COUNTY BOARD OF EDUCATION
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
JUNE 30, 2024

	State Administered Federal Grants	Individual School Fund	Total
ASSETS			
Cash	\$ 1,305,246	\$ 12,040,510	\$ 13,345,756
Due from other governments	1,976,319	103,401	2,079,720
Due from other funds	<u>2,799</u>	<u>1,489</u>	<u>4,288</u>
Total assets	<u>\$ 3,284,364</u>	<u>\$ 12,145,400</u>	<u>\$ 15,429,764</u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Salaries and benefits payable	\$ 1,254,123	\$ -	\$ 1,254,123
Accounts payable	2,030,241	420,006	2,450,247
Due to other funds	<u>-</u>	<u>80,045</u>	<u>80,045</u>
Total liabilities	<u>3,284,364</u>	<u>500,051</u>	<u>3,784,415</u>
Fund balances	<u>-</u>	<u>11,645,349</u>	<u>11,645,349</u>
Total liabilities and fund balances	<u>\$ 3,284,364</u>	<u>\$ 12,145,400</u>	<u>\$ 15,429,764</u>

WAKE COUNTY BOARD OF EDUCATION
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2024

	State Administered Federal Grants	Individual School Fund	Total
REVENUES:			
Federal	\$ 156,154,969	\$ -	\$ 156,154,969
Other	-	17,341,593	17,341,593
Total revenues	<u>156,154,969</u>	<u>17,341,593</u>	<u>173,496,562</u>
EXPENDITURES:			
Instructional services			
Regular instructional	20,536,661	-	20,536,661
Special populations	32,314,320	-	32,314,320
Alternative programs	61,476,857	-	61,476,857
School leadership	150,193	-	150,193
Co-curricular	-	15,898,672	15,898,672
School-based support	13,848,403	-	13,848,403
Systemwide support services			
Support and development	2,846,621	-	2,846,621
Special populations support and development	839,109	-	839,109
Alternative programs and services support and development	1,790,906	-	1,790,906
Technology support	16,602,982	-	16,602,982
Operational support	1,615,665	-	1,615,665
Financial and human resources	526,476	-	526,476
Systemwide pupil support	1,106,471	-	1,106,471
Ancillary services	10,161	-	10,161
Non-program charges	3,767,864	-	3,767,864
Debt service			
Principal	1,202,742	130,408	1,333,150
Interest	<u>36,558</u>	<u>16,176</u>	<u>52,734</u>
Total expenditures	<u>158,671,989</u>	<u>16,045,256</u>	<u>174,717,245</u>
Excess (deficiency) of revenues over expenditures before other financing sources	<u>(2,517,020)</u>	<u>1,296,337</u>	<u>(1,220,683)</u>
OTHER FINANCING SOURCES (USES):			
Lease liabilities issued	2,517,020	-	2,517,020
Transfers out	-	(720,737)	(720,737)
Total other financing sources (uses)	<u>2,517,020</u>	<u>(720,737)</u>	<u>1,796,283</u>
Net change in fund balance	-	575,600	575,600
Fund balances, beginning of year	-	11,069,749	11,069,749
Fund balances, end of year	<u>\$ -</u>	<u>\$ 11,645,349</u>	<u>\$ 11,645,349</u>

WAKE COUNTY BOARD OF EDUCATION**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND****YEAR ENDED JUNE 30, 2024****(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2023)**

	2024			2023
	Budget	Actual	Variance	Actual
REVENUES:				
Wake County:				
County appropriation	\$ 643,317,101	\$ 643,317,101	\$ -	\$ 593,317,101
Other:				
Fines and forfeitures	5,635,449	5,594,187	(41,262)	3,495,281
Interest	7,645,449	7,658,310	12,861	3,745,390
Tuition and fees	47,488	23,586	(23,902)	28,538
Other local	-	5,495	5,495	262,467
Total	13,328,386	13,281,578	(46,808)	7,531,676
Total revenues	656,645,487	656,598,679	(46,808)	600,848,777
EXPENDITURES:				
Regular instructional services				
Regular curricular		206,284,350		182,516,163
CTE curricular		11,035,700		9,603,436
Program enhancement teachers		33,996,410		33,293,622
	260,974,094	251,316,460	9,657,634	225,413,221
Special populations services				
Children with disabilities curricular		28,384,982		27,202,255
Special population CTE curricular		436,074		411,456
Pre-K children with disabilities curricular		3,143,433		3,872,041
Speech and language pathology		3,895,570		3,491,755
Audiology		464,418		413,188
Academically/intellectually gifted curricular		2,823,563		2,860,642
Limited english proficiency		4,314,740		3,595,909
	44,826,491	43,462,780	1,363,711	41,847,246
Alternative programs and services				
Alternative instructional K-12		2,546,647		2,432,332
Attendance and social work		5,862,031		4,745,196
Remedial and supplemental K-12		10,063,288		9,673,297
Pre-K readiness/remedial and supplemental		2,671,905		1,913,355
Extended day/year instructional		759		-
	22,484,121	21,144,630	1,339,491	18,764,180
School leadership services				
School leadership		9,865,910		8,973,363
School principal		5,714,191		6,648,195
School assistant principal		10,298,856		9,166,610
	26,344,525	25,878,957	465,568	24,788,168

(Continued)

WAKE COUNTY BOARD OF EDUCATION**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND****YEAR ENDED JUNE 30, 2024****(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2023)**

	2024			2023
	Budget	Actual	Variance	Actual
Co-Curricular	\$ 24,981,954	\$ 24,538,216	\$ 443,738	\$ 23,370,873
School-based support services				
Educational media		8,890,514		8,352,332
Student accounting		2,229,155		2,573,457
Guidance		16,170,794		16,626,552
Health		1,616,686		1,238,691
Safety and security		5,038,021		4,425,637
Instructional technology		852,018		795,607
Staff development unallocated		401,497		368,547
Parent involvement		117,277		181,173
	36,996,546	35,315,962	1,680,584	34,561,996
Support and development services				
Regular curricular support and development		7,044,545		5,806,380
CTE curricular support and development		553,447		469,902
	8,005,301	7,597,992	407,309	6,276,282
Special population support and development services	7,275,358	6,938,437	336,921	7,370,570
Alternative programs and services support and development services	3,707,905	3,667,388	40,517	3,218,971
Technology support services	23,690,076	22,483,094	1,206,982	18,443,216
Operational support services				
Communication		355,951		85,202
Printing and copying		138,729		-
Public utility and energy		31,443,004		17,554,973
Custodial/housekeeping		18,683,495		14,159,244
Transportation		16,864,797		18,947,254
Warehouse and delivery		482,309		293,999
Facilities planning, acquisition and construction		722,660		923,368
Maintenance		35,221,713		32,728,737
	118,352,552	103,912,658	14,439,894	84,692,777
Financial and human resource services				
Financial		13,829,006		12,390,873
Human resource		9,816,308		8,057,258
	26,541,439	23,645,314	2,896,125	20,448,131
Accountability services				
Student testing		1,182,754		989,997
Planning, research development and program evaluation		1,011,095		977,445
	2,380,047	2,193,849	186,198	1,967,442

(Continued)

WAKE COUNTY BOARD OF EDUCATION**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND****YEAR ENDED JUNE 30, 2024****(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2023)**

	2024			2023
	Budget	Actual	Variance	Actual
Systemwide pupil support services				
Educational media support	\$ -	\$ 971,762	\$ -	\$ 635,177
Student accounting support		3,144,948		2,276,246
Guidance support		584,288		687,890
Health support		371,539		337,718
Safety and security support		1,590,884		1,316,302
Instructional technology support		369,921		282,553
	<u>7,174,181</u>	<u>7,033,342</u>	<u>140,839</u>	<u>5,535,886</u>
Policy, leadership and public relations services				
Board of education		507,614		338,882
Legal		1,417,480		1,369,867
Audit		554,590		504,174
Leadership		5,830,903		5,545,765
Public relations and marketing		3,024,168		2,224,700
	<u>12,053,013</u>	<u>11,334,755</u>	<u>718,258</u>	<u>9,983,388</u>
Ancillary services				
Community		429		1,467
Aftercare		554		123,917
Nutrition		4,274		8,222
	<u>224,726</u>	<u>5,257</u>	<u>219,469</u>	<u>133,606</u>
Non-program charges				
Payments to charter schools	<u>64,586,980</u>	<u>64,447,034</u>	<u>139,946</u>	<u>57,603,013</u>
Unbudgeted funds	<u>4,924,197</u>	<u>-</u>	<u>4,924,197</u>	<u>-</u>
Debt service				
Principal		8,476,997		10,658,084
Interest		3,141,738		1,019,738
	<u>11,618,735</u>	<u>11,618,735</u>	<u>-</u>	<u>11,677,822</u>
Total expenditures	<u>707,142,241</u>	<u>666,534,860</u>	<u>40,607,381</u>	<u>596,096,788</u>
Excess (deficiency) of revenues over expenditures before other financing sources (uses)	<u>(50,496,754)</u>	<u>(9,936,181)</u>	<u>40,560,573</u>	<u>4,751,989</u>
OTHER FINANCING SOURCES (USES):				
Appropriated fund balance	48,880,708	-	(48,880,708)	-
Lease/subscription-based information technology arrangement issued	<u>1,616,046</u>	<u>1,616,046</u>	<u>-</u>	<u>4,552,952</u>
Total other financing sources (uses)	<u>50,496,754</u>	<u>1,616,046</u>	<u>(48,880,708)</u>	<u>4,552,952</u>
Net change in fund balance	<u>\$ -</u>	<u>(8,320,135)</u>	<u>\$ (8,320,135)</u>	<u>9,304,941</u>
Fund balance, beginning of year		126,383,223		117,054,174
Increase in reserve for inventories		<u>142,007</u>		<u>24,108</u>
Fund balance, end of year		<u>\$ 118,205,095</u>		<u>\$ 126,383,223</u>

WAKE COUNTY BOARD OF EDUCATION**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
STATE PUBLIC SCHOOL FUND****YEAR ENDED JUNE 30, 2024****(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2023)**

	2024			2023
	Budget	Actual	Variance	Actual
REVENUES:				
State: other	\$ 1,173,847,696	\$ 1,162,052,972	\$ (11,794,724)	\$ 1,103,527,263
Total revenues	<u>1,173,847,696</u>	<u>1,162,052,972</u>	<u>(11,794,724)</u>	<u>1,103,527,263</u>
EXPENDITURES:				
Regular instructional services				
Regular curricular		467,211,940		448,817,101
CTE curricular		59,513,477		57,511,229
Program enhancement		93,213,445		87,735,385
	<u>628,716,613</u>	<u>619,938,862</u>	<u>8,777,751</u>	<u>594,063,715</u>
Special populations services				
Children with disabilities curricular		151,429,326		141,473,910
Special population CTE curricular		2,282,404		2,127,075
Pre-K children with disabilities curricular		21,429,645		19,354,616
Speech and language pathology		16,396,812		15,850,286
Audiology		1,382,764		1,323,013
Academically/intellectually gifted curricular		11,803,917		10,832,612
Limited english proficiency		18,251,900		16,750,955
	<u>223,049,468</u>	<u>222,976,768</u>	<u>72,700</u>	<u>207,712,467</u>
Alternative programs and services				
Alternative instructional K-12		8,300,699		7,615,918
Attendance and social work		5,836,240		5,911,653
Remedial and supplemental K-12		22,121,993		19,772,590
Pre-K readiness/remedial and supplemental		5,247		2,717
Extended day/year instructional		285,970		218,555
	<u>36,585,105</u>	<u>36,550,149</u>	<u>34,956</u>	<u>33,521,433</u>
School leadership services				
School leadership		27,059,552		26,488,734
School principal		26,892,227		24,581,219
School assistant principal		44,594,920		41,597,702
	<u>98,739,108</u>	<u>98,546,699</u>	<u>192,409</u>	<u>92,667,655</u>
Co-Curricular	<u>56,541</u>	<u>56,541</u>	<u>-</u>	<u>60,737</u>

(Continued)

WAKE COUNTY BOARD OF EDUCATION**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
STATE PUBLIC SCHOOL FUND****YEAR ENDED JUNE 30, 2024****(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2023)**

	2024			2023
	Budget	Actual	Variance	Actual
School-based support services				
Educational media	\$ -	\$ 13,285,634	\$ -	\$ 12,763,049
Student accounting		12,063,794		10,990,360
Guidance		31,056,728		27,360,755
Health		8,783,170		8,216,802
Safety and security		111,140		692,906
Instructional technology		1,086,955		943,784
Parent involvement		63,490		7,801
	<u>66,811,516</u>	<u>66,450,911</u>	<u>360,605</u>	<u>60,975,457</u>
Support and development services				
Regular curricular support and development		920,899		1,436,291
CTE curricular support and development		182,854		221,461
	<u>1,145,590</u>	<u>1,103,753</u>	<u>41,837</u>	<u>1,657,752</u>
Special population support and development services	<u>1,168,470</u>	<u>1,168,470</u>	<u>-</u>	<u>695,730</u>
Alternative programs and services support and development services	<u>425,515</u>	<u>425,515</u>	<u>-</u>	<u>471,376</u>
Technology support services	<u>5,986,247</u>	<u>3,880,208</u>	<u>2,106,039</u>	<u>5,162,447</u>
Operational support services				
Custodial/housekeeping		25,107,910		23,681,362
Transportation		74,841,383		69,122,922
Warehouse and delivery		118,961		111,049
Facilities planning, acquisition and construction		-		6,845
Maintenance		568,966		538,941
	<u>100,843,882</u>	<u>100,637,220</u>	<u>206,662</u>	<u>93,461,119</u>
Financial and human resource services				
Financial		4,051,491		3,832,318
Human resource		2,018,471		1,963,716
	<u>6,069,962</u>	<u>6,069,962</u>	<u>-</u>	<u>5,796,034</u>
Accountability services				
Student testing		181,421		236,622
Planning, research development and program evaluation		258,143		179,137
	<u>440,720</u>	<u>439,564</u>	<u>1,156</u>	<u>415,759</u>

(Continued)

WAKE COUNTY BOARD OF EDUCATION**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
STATE PUBLIC SCHOOL FUND****YEAR ENDED JUNE 30, 2024****(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2023)**

	2024			2023
	Budget	Actual	Variance	Actual
Systemwide pupil support services				
Student accounting support	\$ -	\$ 378,542	-	\$ 357,710
Guidance support		156,739		-
Safety and security support		56,402		164,310
Instructional technology support		-		206,550
	<u>592,292</u>	<u>591,683</u>	<u>609</u>	<u>728,570</u>
Policy, leadership and public relations services				
Audit		-		107,401
Leadership		4,113,149		3,113,662
Public relations and marketing		194,110		327,795
	<u>4,307,259</u>	<u>4,307,259</u>	<u>-</u>	<u>3,548,858</u>
Debt service:				
Principal		882,680	-	2,926,828
Principal		118,466		-
Debt service	<u>1,001,146</u>	<u>1,001,146</u>	<u>-</u>	<u>2,926,828</u>
Total expenditures	<u>1,175,939,434</u>	<u>1,164,144,710</u>	<u>11,794,724</u>	<u>1,103,865,937</u>
Deficiency of revenues over expenditures before other financing sources (uses)	<u>(2,091,738)</u>	<u>(2,091,738)</u>	<u>-</u>	<u>(338,674)</u>
OTHER FINANCING SOURCES (USES):				
Lease/subscription-based information technology arrangement issued	2,136,738	2,136,738	-	383,674
Transfers out	<u>(45,000)</u>	<u>(45,000)</u>	<u>-</u>	<u>(45,000)</u>
Total other financing sources (uses)	<u>2,091,738</u>	<u>2,091,738</u>	<u>-</u>	<u>338,674</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

WAKE COUNTY BOARD OF EDUCATION**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
CAPITAL OUTLAY FUND****YEAR ENDED JUNE 30, 2024****(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2023)**

	2024			2023
	Budget	Actual	Variance	Actual
REVENUES:				
Wake County:				
Capital improvements fund	\$ 1,184,872,414	\$ 417,540,186	\$ (767,332,228)	\$ 211,503,151
	<u>1,184,872,414</u>	<u>417,540,186</u>	<u>(767,332,228)</u>	<u>211,503,151</u>
State				
State capital infrastructure fund	459,817	-	(459,817)	-
LEA financed purchase of school buses	3,602,081	3,602,081	-	3,041,024
	<u>4,061,898</u>	<u>3,602,081</u>	<u>(459,817)</u>	<u>3,041,024</u>
Other:				
Interest	154,626	146,561	(8,065)	69,048
Other local	255,000	987,384	732,384	707,212
	<u>409,626</u>	<u>1,133,945</u>	<u>724,319</u>	<u>776,260</u>
Total revenues	<u>1,189,343,938</u>	<u>422,276,212</u>	<u>(767,067,726)</u>	<u>215,320,435</u>
EXPENDITURES:				
Land and buildings:				
Land: Purchase of new sites	30,969,725	6,216,064	24,753,661	7,064,156
Buildings:				
General contracts		18,857,557		20,151,060
Heating contracts		12,744,882		14,651,962
Electrical contracts		2,762,368		591,352
Architect fees		11,261,124		12,876,838
Construction management contracts		302,838,010		92,279,116
Equipment contracts		40,836,506		44,131,594
Improvements to new sites		2,092,768		1,361,398
Improvements to existing sites		239,446		10,538
Miscellaneous contracts		18,744,930		16,070,948
	<u>1,145,844,290</u>	<u>410,377,591</u>	<u>735,466,699</u>	<u>202,124,806</u>
Other:				
Library books	4,996,198	229,624	4,766,574	597,780
	<u>1,181,810,213</u>	<u>416,823,279</u>	<u>764,986,934</u>	<u>209,786,742</u>
Equipment:	<u>638,173</u>	<u>228,766</u>	<u>409,407</u>	<u>219,821</u>

(Continued)

WAKE COUNTY BOARD OF EDUCATION**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
CAPITAL OUTLAY FUND****YEAR ENDED JUNE 30, 2024****(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2023)**

	2024			2023
	Budget	Actual	Variance	Actual
Vehicles:				
Administration	\$ -	\$ 1,916,623	\$ -	\$ 141,078
Transportation		<u>4,908,642</u>		<u>2,636,449</u>
	<u>10,997,975</u>	<u>6,825,265</u>	<u>4,172,710</u>	<u>2,777,527</u>
Debt service:				
Principal		3,658,030		3,262,084
Interest		<u>18,808</u>		<u>122,818</u>
	<u>3,676,837</u>	<u>3,676,838</u>	<u>-</u>	<u>3,384,902</u>
Total expenditures	<u>1,197,123,198</u>	<u>427,554,148</u>	<u>769,569,051</u>	<u>216,168,992</u>
Deficiency of revenues over expenditures before other financing sources	<u>(7,779,260)</u>	<u>(5,277,936)</u>	<u>2,501,324</u>	<u>(848,557)</u>
OTHER FINANCING SOURCES:				
Installment purchase obligations issued	4,854,186	4,854,186	-	872,982
Lease/subscription-based information technology arrangement issued	-	-	-	317,218
Appropriated fund balance	2,764,285	-	(2,764,285)	-
Sale of school property	<u>160,789</u>	<u>217,533</u>	<u>56,744.0000</u>	<u>240,503</u>
Total other financing sources	<u>7,779,260</u>	<u>5,071,719</u>	<u>(2,764,285)</u>	<u>1,430,703</u>
Net change in fund balance	<u>\$ -</u>	<u>(206,217)</u>	<u>\$ (262,961)</u>	582,146
Fund balance, beginning of year		<u>4,667,701</u>		<u>4,085,555</u>
Fund balance, end of year		<u>\$ 4,461,484</u>		<u>\$ 4,667,701</u>

WAKE COUNTY BOARD OF EDUCATION**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
OTHER RESTRICTED FUNDS****YEAR ENDED JUNE 30, 2024****(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2023)**

	2024			2023
	Budget	Actual	Variance	Actual
REVENUES:				
State: Other	\$ 138,197	\$ 5,613	\$ (132,584)	\$ 4,509
Wake County:				
County appropriation	945,215	945,215	-	935,944
Federal:				
ROTC	537,471	551,145	13,674	566,484
Magnet Schools Project Elevate	6,874,489	1,112,808	(5,761,681)	1,864,537
Project Nexus	4,463,277	2,526,467	(1,936,810)	2,654,508
Magnet Schools Project Nexus	7,817,519	2,963,214	(4,854,305)	2,071,205
Other federal	6,036,962	1,211,622	(4,825,340)	698,179
Total	25,729,718	8,365,256	(17,364,462)	7,854,913
Other local:				
Medicaid	19,415,872	9,715,436	(9,700,436)	8,632,863
Indirect cost	7,680,387	7,680,387	-	7,758,448
E-Rate	3,259,495	3,259,495	-	2,427,134
Other restricted local	9,830,631	5,839,316	(3,991,315)	5,152,397
Interest	251,416	279,631	28,215	140,186
Total	40,437,801	26,774,265	(13,663,536)	24,111,028
Total revenues	67,250,931	36,090,349	(31,160,582)	32,906,394
EXPENDITURES:				
Regular instructional services				
Regular curricular		5,194,104		3,654,916
CTE curricular		55,870		127,470
Program enhancement teachers		1,136,669		1,056,981
	12,335,488	6,386,643	5,948,845	4,839,367
Special populations services				
Children with disabilities curricular		4,399,264		2,572,174
Pre-K children with disabilities curricular		1,253,251		1,071,148
Speech and language pathology		223,927		1,252,264
Audiology		105,353		49,768
Academically/intellectually gifted curricular		14		41,775
Limited english proficiency		519		-
	9,882,505	5,982,328	3,900,177	4,987,129

(Continued)

WAKE COUNTY BOARD OF EDUCATION**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
OTHER RESTRICTED FUNDS****YEAR ENDED JUNE 30, 2024****(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2023)**

	2024			2023
	Budget	Actual	Variance	Actual
Alternative programs and services				
Alternative instructional K-12	\$ -	\$ 19,800	\$ -	\$ 66,000
Attendance and social work		131,771		623,157
Remedial and supplemental K-12		329,640		389,944
Pre-K readiness/remedial and supplemental		2,395,881		2,142,322
Extended day/year instructional		18,790		-
	<u>4,487,575</u>	<u>2,895,882</u>	<u>1,591,693</u>	<u>3,221,423</u>
School leadership services				
School leadership		14,284		3,500
School assistant principal		250,773		39,850
	<u>316,044</u>	<u>265,057</u>	<u>50,987</u>	<u>43,350</u>
Co-Curricular services	<u>54,155</u>	<u>46,485</u>	<u>7,670</u>	<u>17,246</u>
School-based support services				
Educational media		461,253		329,968
Student accounting		(2,247)		193,761
Guidance		1,310,481		1,192,358
Health		570,173		1,832,572
Safety and security		46,289		9,497
Instructional technology		-		59,427
Staff development unallocated		40,642		65,419
Parent involvement		61,207		47,780
	<u>5,031,131</u>	<u>2,487,798</u>	<u>2,543,333</u>	<u>3,730,782</u>
Support and development services				
Regular curricular support and development	<u>7,039,149</u>	<u>2,586,665</u>	<u>4,452,484</u>	<u>1,580,044</u>
Special population support and development services	<u>615,643</u>	<u>391,580</u>	<u>224,063</u>	<u>368,557</u>
Alternative programs and services support and development services	<u>591,830</u>	<u>484,521</u>	<u>107,309</u>	<u>597,409</u>
Technology support services	<u>2,376,045</u>	<u>2,376,045</u>	<u>-</u>	<u>1,269,694</u>
Operational support services				
Communication		883,449		1,157,096
Public utility and energy		9,770,649		9,831,207
Custodial/housekeeping		-		12,871
Transportation		188,060		4,177
Facilities planning, acquisition and construction		427,183		-
	<u>11,302,924</u>	<u>11,269,341</u>	<u>33,583</u>	<u>11,005,351</u>

(Continued)

WAKE COUNTY BOARD OF EDUCATION**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
OTHER RESTRICTED FUNDS****YEAR ENDED JUNE 30, 2024****(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2023)**

	2024			2023
	Budget	Actual	Variance	Actual
Human resource	\$ 443,880	\$ 191,738	\$ 252,142	\$ 189,656
Accountability services				
Planning, research development and program evaluation	1,500	-	1,500	-
Systemwide pupil support services				
Guidance support		267,668		266,320
Health support		224,359		363,208
	1,332,654	492,027	840,627	629,528
Policy, leadership and public relations services				
Leadership	2,500	-	2,500	1,081
Ancillary services				
Community		23,132		-
Nutrition		404,835		82,212
	625,274	427,967	197,307	82,212
Nonprogram charges				
Indirect cost	375,964	180,008	195,956	142,409
Unbudgeted funds	10,747,363	-	10,747,363	-
Debt service				
Principal		304,284		632,749
Interest		344,122		396,393
	648,406	648,406	-	1,029,142
Total expenditures	68,210,030	37,112,491	31,097,539	33,734,380
Deficiency of revenues over expenditures before other financing sources	(959,099)	(1,022,142)	(63,043)	(827,986)
OTHER FINANCING SOURCES:				
Lease/subscription-based information technology arrangement issued	238,362	238,362	-	190,564
Transfers in	720,737	720,737	-	718,976
Total other financing sources	959,099	959,099	-	909,540
Net change in fund balance	\$ -	(63,043)	\$ (63,043)	81,554
Fund balance, beginning of year		2,537,799		3,119,429
Decrease in reserve for inventories		525,714		(663,184)
Fund balance, end of year		\$ 3,000,470		\$ 2,537,799

WAKE COUNTY BOARD OF EDUCATION**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
STATE ADMINISTERED FEDERAL GRANTS FUND****YEAR ENDED JUNE 30, 2024****(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2023)**

	2024			2023
	Budget	Actual	Variance	Actual
REVENUES:				
Federal:				
Special education	\$ 68,269,763	\$ 37,045,783	\$ (31,223,980)	\$ 27,683,154
Elementary and secondary school emergency relief fund	92,115,573	77,693,243	(14,422,330)	99,788,713
Title I	35,180,520	29,521,676	(5,658,844)	26,564,864
Governor's emergency education relief	-	-	-	256,801
Career technical education	2,167,152	2,103,083	(64,069)	1,841,893
Improving teacher quality	7,967,364	5,639,003	(2,328,361)	4,392,118
English language acquisition	2,804,895	2,017,732	(787,163)	2,005,309
Student support and academic enrichment	3,775,038	2,044,454	(1,730,584)	1,861,896
Other federal	652,133	89,995	(562,138)	168,038
Total revenues	212,932,438	156,154,969	(56,777,469)	164,562,786
EXPENDITURES:				
Regular instructional services				
Regular curricular		15,924,014		23,968,259
CTE curricular		3,543,368		2,708,132
Program enhancement teachers		1,069,279		1,804,686
	23,395,080	20,536,661	2,858,419	28,481,077
Special populations services				
Children with disabilities curricular		28,339,907		31,101,050
Special population CTE curricular		60		33,318
Pre-K children with disabilities curricular		1,432,242		1,302,626
Speech and language pathology		627,921		507,556
Audiology		874		18,174
Academically/intellectually gifted curricular		-		192,764
Limited english proficiency		1,913,316		2,148,252
	39,768,466	32,314,320	7,454,146	35,303,740
Alternative programs and services				
Alternative instructional K-12		890,474		1,258,437
Attendance and social work		3,369,203		2,326,404
Remedial and supplemental K-12		45,725,808		44,819,565
Pre-K readiness/remedial and supplemental		8,618,772		8,188,819
Extended day/year instructional		2,872,600		1,688,263
	72,286,576	61,476,857	10,809,719	58,281,488

(Continued)

WAKE COUNTY BOARD OF EDUCATION**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL****STATE ADMINISTERED FEDERAL GRANTS FUND****YEAR ENDED JUNE 30, 2024****(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2023)**

	2024			2023
	Budget	Actual	Variance	Actual
School leadership services				
School leadership	\$ -	\$ 71,969	\$ -	\$ 779,388
School principal		64,002		343,412
School assistant principal		14,222		587,467
	<u>379,659</u>	<u>150,193</u>	<u>229,466</u>	<u>1,710,267</u>
School-based support services				
Educational media		7,139		299,336
Student accounting		322,440		732,880
Guidance		7,279,843		7,312,323
Health		831,624		122,793
Safety and security		260,000		272,350
Instructional technology		3,242,532		2,472,835
Staff development unallocated		1,106,426		880,801
Parent involvement		798,399		706,116
	<u>18,571,795</u>	<u>13,848,403</u>	<u>4,723,392</u>	<u>12,799,434</u>
Support and development services				
Regular curricular support and development		2,846,621		2,474,959
CTE curricular support and development		-		8,037
Regular curricular support and development	<u>3,565,645</u>	<u>2,846,621</u>	<u>719,024</u>	<u>2,482,996</u>
Special population support and development services	<u>1,007,082</u>	<u>839,109</u>	<u>167,973</u>	<u>874,339</u>
Alternative programs and services support and development services	<u>1,913,747</u>	<u>1,790,906</u>	<u>122,841</u>	<u>1,677,741</u>
Technology support services	<u>16,699,813</u>	<u>16,602,982</u>	<u>96,831</u>	<u>1,169,088</u>
Operational support services				
Printing and copying		-		5,372
Public utility and energy		-		5,500,000
Custodial/housekeeping		40,420		3,998,605
Transportation		635,123		1,394,525
Warehouse and delivery		-		2,685
Facilities planning, acquisition and construction		-		46,988
Maintenance		940,122		4,152,751
	<u>2,558,670</u>	<u>1,615,665</u>	<u>943,005</u>	<u>15,100,926</u>
Financial and human resource services				
Financial		81,920		261,093
Human resource		444,556		577,507
	<u>643,947</u>	<u>526,476</u>	<u>117,471</u>	<u>838,600</u>

(Continued)

WAKE COUNTY BOARD OF EDUCATION**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
STATE ADMINISTERED FEDERAL GRANTS FUND****YEAR ENDED JUNE 30, 2024****(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2023)**

	2024			2023
	Budget	Actual	Variance	Actual
Accountability services				
Student testing	\$ -	\$ -	\$ -	\$ 12,086
Planning, research development and program evaluation		-		13,428
	-	-	-	25,514
Systemwide pupil support services				
Educational media support		(613)		125,242
Student accounting support		-		30,868
Guidance support		861,889		397,270
Health support		245,195		104,817
Safety and security support		-		14,778
Instructional technology support		-		5,277
	1,138,264	1,106,471	31,793	678,252
Policy, leadership and public relations services				
Audit		-		5,371
Leadership		-		65,143
Public relations and marketing		-		17,453
	-	-	-	87,967
Ancillary services				
Community		-		14,757
Nutrition		10,161		1,029,100
	41,774	10,161	31,613	1,043,857
Non-program charges: Indirect cost	4,297,493	3,767,864	529,629	4,030,375
Unbudgeted funds	27,942,147	-	27,942,147	-
Debt service				
Principal		1,202,742		969,152
Interest		36,558		1,027
	1,239,300	1,239,300	-	970,179
Total expenditures	215,449,458	158,671,989	56,777,469	165,555,840
Deficiency of revenues over expenditures before other financing sources	(2,517,020)	(2,517,020)	-	(993,054)
OTHER FINANCING SOURCES:				
Lease/subscription-based information technology arrangement issued	2,517,020	2,517,020	-	993,054
Total other financing sources	2,517,020	2,517,020	-	993,054
Net change in fund balance	-	-	-	-
Fund balance, beginning of year	-	-	-	-
Fund balance, end of year	\$ -	\$ -	\$ -	\$ -

WAKE COUNTY BOARD OF EDUCATION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
INDIVIDUAL SCHOOLS FUND
YEAR ENDED JUNE 30, 2024

	Fund Balance 6/30/2023	Revenues	Expenditures and Transfers	Fund Balance 6/30/2024
HIGH SCHOOLS:				
Apex	\$ 473,433	\$ 391,083	\$ 423,283	\$ 441,233
Apex Friendship	265,118	604,250	467,480	401,888
Athens Drive	240,728	315,250	273,289	282,689
Broughton	219,836	316,611	352,758	183,689
Cary	244,089	249,132	240,728	252,493
East Wake	156,582	174,614	146,144	185,052
Enloe	230,199	501,780	508,844	223,135
Fuquay-Varina	196,782	239,546	262,512	173,816
Garner	141,036	249,026	232,091	157,971
Green Hope	233,685	410,926	438,199	206,412
Green Level	79,181	405,701	391,549	93,333
Heritage	162,800	281,262	246,053	198,009
Holly Springs	291,182	344,925	343,613	292,494
Knightdale	204,293	175,744	249,115	130,922
Leesville Road	343,485	367,377	365,519	345,343
Middle Creek	326,665	270,170	268,561	328,274
Millbrook	358,432	387,575	297,322	448,685
North Wake College and Career	28,350	60,912	48,485	40,777
Panther Creek	197,940	616,094	634,839	179,195
Rolesville	275,975	296,924	298,886	274,013
Sanderson	183,829	273,277	256,451	200,655
South Garner	64,455	190,067	183,992	70,530
Southeast Raleigh	75,833	139,069	179,047	35,855
Vernon Malone College and Career	27,875	39,326	35,114	32,087
Wake STEM Early College	24,495	15,488	19,380	20,603
Wake Early College of Health and Sciences	49,539	38,718	33,607	54,650
Wake Early College of Information and Biotechnologies	697	5,061	2,283	3,475
Wake Forest	192,483	347,159	288,480	251,162
Wakefield	173,860	347,685	325,957	195,588
Willow Spring	50,443	250,588	210,737	90,294
	<u>5,513,300</u>	<u>8,305,340</u>	<u>8,024,318</u>	<u>5,794,322</u>
MIDDLE SCHOOLS:				
Alston Ridge	37,388	187,243	197,849	26,782
Apex	89,278	148,407	179,214	58,471
Apex Friendship	64,264	436,745	433,086	67,923
Carnage	43,026	93,388	91,500	44,914
Carroll	35,132	41,485	48,949	27,668
Centennial Campus	27,335	3,682	5,844	25,173
Oberlin	63,025	209,695	193,441	79,279
Davis Drive	59,435	111,631	118,339	52,727
Dillard Drive	40,095	123,701	124,105	39,691
Durant Road	38,521	46,595	42,584	42,532

(Continued)

WAKE COUNTY BOARD OF EDUCATION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
INDIVIDUAL SCHOOLS FUND
YEAR ENDED JUNE 30, 2024

	Fund Balance 6/30/2023	Revenues	Expenditures and Transfers	Fund Balance 6/30/2024
East Cary	\$ 52,544	\$ 95,033	\$ 88,749	\$ 58,828
East Garner	115,112	66,954	77,754	104,312
East Millbrook	38,892	31,987	36,186	34,693
Neuse River	25,187	42,124	47,997	19,314
Fuquay-Varina	144,330	170,688	162,101	152,917
Herbert Akins Road	18,065	135,573	113,041	40,597
Heritage	57,490	69,566	59,561	67,495
Holly Grove	148,027	210,749	216,560	142,216
Holly Ridge	84,009	132,510	130,725	85,794
Leesville Road	103,104	121,268	154,745	69,627
Ligon	84,085	65,232	49,920	99,397
Lufkin Road	58,961	52,286	53,813	57,434
Martin	71,873	88,752	79,685	80,940
Mills Park	66,316	323,058	324,447	64,927
Moore Square	22,952	140,790	142,807	20,935
North Garner	35,598	39,368	37,217	37,749
Pine Hollow	114,425	133,104	142,432	105,097
Reedy Creek	64,830	39,327	37,145	67,012
River Bend	44,022	87,532	92,918	38,636
Rolesville	56,607	68,755	77,373	47,989
Salem	47,966	126,192	113,099	61,059
Wake Forest	71,674	30,539	31,405	70,808
Wakefield	54,633	71,794	67,539	58,888
Wendell	52,453	91,100	81,368	62,185
West Cary	39,896	157,958	151,997	45,857
West Lake	50,535	27,167	13,664	64,038
West Millbrook	57,666	157,120	151,524	63,262
Zebulon	29,371	36,899	36,695	29,575
	<u>2,308,122</u>	<u>4,215,997</u>	<u>4,207,378</u>	<u>2,316,741</u>
ELEMENTARY SCHOOLS:				
Abbotts Creek	21,651	65,468	62,093	25,026
Adams	16,690	31,322	30,445	17,567
Alston Ridge	29,681	52,055	52,122	29,614
Apex	26,600	58,217	56,421	28,396
Apex Friendship	409	34,393	25,241	9,561
Aversboro	27,702	15,992	11,811	31,883
Baileywick Road	28,792	10,082	17,907	20,967
Ballentine	21,212	29,220	26,443	23,989
Banks Road	4,345	24,495	24,631	4,209
Barton Pond	4,655	47,305	39,307	12,653
Barwell Road	8,507	24,287	26,944	5,850
Baucom	58,336	27,504	23,246	62,594

(Continued)

WAKE COUNTY BOARD OF EDUCATION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
INDIVIDUAL SCHOOLS FUND
YEAR ENDED JUNE 30, 2024

	Fund Balance 6/30/2023	Revenues	Expenditures and Transfers	Fund Balance 6/30/2024
Beaverdam	\$ 9,059	\$ 16,938	\$ 13,830	\$ 12,167
Brassfield	38,388	32,698	36,176	34,910
Brentwood	16,580	12,034	12,451	16,163
Briarcliff	24,695	25,038	35,827	13,906
Brier Creek	13,753	39,805	43,718	9,840
Brooks	97,250	121,677	90,025	128,902
Bryan Road	14,177	54,931	53,951	15,157
Buckhorn Creek	13,614	36,066	36,565	13,115
Bugg	11,241	5,097	6,050	10,288
Carpenter	11,272	23,573	21,500	13,345
Carver	16,641	13,490	17,259	12,872
Cary	34,060	16,445	20,274	30,231
Cedar Fork	13,267	39,897	36,000	17,164
Combs	23,016	57,027	50,142	29,901
Conn	7,680	14,433	13,117	8,996
Creech Road	14,989	12,253	14,622	12,620
Davis Drive	13,676	77,963	77,902	13,737
Dillard Drive	18,969	21,523	22,520	17,972
Douglas	26,617	31,570	36,627	21,560
Durant Road	14,740	46,729	44,910	16,559
East Garner	54,243	25,649	27,716	52,176
Farmington Woods	22,605	41,773	43,810	20,568
Forest Pines Drive	9,297	24,821	19,647	14,471
Forestville Road	12,910	21,057	23,967	10,000
Fox Road	13,435	15,503	14,744	14,194
Fuller	14,660	19,431	18,276	15,815
Fuquay-Varina	21,667	20,131	32,607	9,191
Green	26,413	11,967	14,341	24,039
Green Hope	14,172	29,335	31,665	11,842
Harris Creek	60,487	29,158	61,087	28,558
Herbert Akins Road	54,741	108,042	47,311	115,472
Heritage	4,900	17,205	14,831	7,274
Highcroft Drive	9,339	63,120	65,020	7,439
Hodge Road	6,611	22,060	18,949	9,722
Holly Grove	46,939	71,344	76,458	41,825
Holly Ridge	28,875	58,966	37,431	50,410
Holly Springs	20,523	43,426	48,046	15,903
Hortons Creek	23,563	39,594	46,166	16,991
Hunter	76,491	111,765	30,649	157,607
Jeffreys Grove	44,125	25,033	44,270	24,888
Jones Dairy	16,119	12,331	14,093	14,357
Joyner	59,505	63,241	42,202	80,544
Kingswood	27,079	29,587	22,058	34,608
Knightdale	17,630	12,243	12,572	17,301
Lacy	387,423	24,860	28,457	383,826
Lake Myra	17,296	20,944	25,678	12,562

(Continued)

WAKE COUNTY BOARD OF EDUCATION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
INDIVIDUAL SCHOOLS FUND
YEAR ENDED JUNE 30, 2024

	Fund Balance 6/30/2023	Revenues	Expenditures and Transfers	Fund Balance 6/30/2024
Laurel Park	\$ 25,498	\$ 37,350	\$ 46,296	\$ 16,552
Lead Mine	22,948	21,921	19,422	25,447
Leesville Road	13,209	60,784	63,290	10,703
Lincoln Heights	28,470	35,089	30,112	33,447
Lockhart	5,746	17,609	17,713	5,642
Lynn Road	11,284	13,913	19,747	5,450
Middle Creek	17,207	32,806	35,917	14,096
Millbrook	20,382	11,103	11,480	20,005
Mills Park	3,723	55,891	56,390	3,224
Morrisville	14,575	37,252	30,936	20,891
North Forest Pines	27,982	17,650	18,776	26,856
North Ridge	17,752	74,907	84,158	8,501
Northwoods	14,111	24,393	27,189	11,315
Oak Grove	20,246	51,543	53,390	18,399
Oakview	78,301	74,516	125,171	27,646
Olds	30,332	16,671	26,919	20,084
Olive Chapel	58,385	116,419	130,968	43,836
Partnership	13,224	39,868	40,663	12,429
Parkside	14,563	22,225	24,436	12,352
Penny Road	29,094	41,224	54,954	15,364
Pleasant Grove	21,041	17,217	19,473	18,785
Pleasant Union	18,214	51,097	46,332	22,979
Poe	10,508	23,199	23,394	10,313
Powell	12,380	16,283	27,093	1,570
Rand Road	9,393	45,992	43,372	12,013
Reedy Creek	18,928	17,763	22,507	14,184
Richland Creek	16,370	16,598	17,135	15,833
River Bend	33,798	13,145	19,217	27,726
Rogers Lane	15,143	21,618	14,940	21,821
Rolesville	12,185	15,761	18,276	9,670
Root	9,663	530,301	255,282	284,682
Salem	35,673	41,032	33,159	43,546
Sanford Creek	78,218	37,292	42,369	73,141
Scotts Ridge	53,495	57,799	56,620	54,674
Smith	12,435	11,048	12,373	11,110
South Lakes	9,031	20,583	18,735	10,879
Southeast Raleigh	10,605	12,023	10,596	12,032
Stough	15,570	46,436	46,904	15,102
Swift Creek	8,911	6,907	6,011	9,807
Sycamore Creek	72,576	96,147	89,662	79,061
Timber Drive	12,865	16,668	17,805	11,728
Turner Creek	23,807	39,933	54,129	9,611
Underwood	14,404	32,540	12,933	34,011
Vance	19,211	16,891	15,483	20,619
Vandora Springs	10,623	24,451	29,868	5,206
Wake Forest	32,533	10,314	13,215	29,632

(Continued)

WAKE COUNTY BOARD OF EDUCATION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
INDIVIDUAL SCHOOLS FUND
YEAR ENDED JUNE 30, 2024

	Fund Balance 6/30/2023	Revenues	Expenditures and Transfers	Fund Balance 6/30/2024
Wakefield	\$ 20,567	\$ 21,705	\$ 28,462	\$ 13,810
Wakelon	18,083	31,337	24,357	25,063
Walnut Creek	12,342	16,999	18,947	10,394
Washington	26,567	46,225	45,722	27,070
Weatherstone	19,816	61,665	68,821	12,660
Wendell	27,984	27,729	24,882	30,831
West Lake	18,182	43,124	49,870	11,436
White Oak	22,001	52,905	51,141	23,765
Wilburn	26,927	14,694	17,599	24,022
Wildwood Forest	5,538	9,427	4,434	10,531
Wiley	28,246	47,848	42,098	33,996
Willow Springs	14,773	37,468	40,851	11,390
Yates Mill	10,782	17,262	22,563	5,481
York	8,020	16,622	13,369	11,273
Zebulon	24,682	12,961	15,706	21,937
	<u>3,112,434</u>	<u>4,582,256</u>	<u>4,295,760</u>	<u>3,398,930</u>
ACADEMIES:				
Hilburn	15,802	85,137	80,797	20,142
Wake Young Men's Leadership	14,615	58,897	57,329	16,183
Wake Young Women's Leadership	37,171	72,306	70,293	39,184
	<u>67,588</u>	<u>216,340</u>	<u>208,419</u>	<u>75,509</u>
OTHER:				
Connections Academy	1,287	668	-	1,955
Crossroads Flex	15,160	10,765	10,214	15,711
Longview School	17,459	1,543	10,285	8,717
Mount Vernon	21,958	1,895	2,162	21,691
Phillips High School	5,523	5,708	6,050	5,181
River Oaks	6,918	1,081	1,407	6,592
	<u>68,305</u>	<u>21,660</u>	<u>30,118</u>	<u>59,847</u>
Total	<u>\$ 11,069,749</u>	<u>\$ 17,341,593</u>	<u>\$ 16,765,993</u>	<u>\$ 11,645,349</u>

WAKE COUNTY BOARD OF EDUCATION
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (Non-GAAP)
ENTERPRISE FUND - CHILD NUTRITION PROGRAM
YEAR ENDED JUNE 30, 2024
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2023)

	2024			2023
	Budget	Actual	Variance	Actual
REVENUES:				
Federal:				
Regular USDA grants	\$ 43,118,641	\$ 33,996,856	\$ (9,121,785)	\$ 37,703,209
USDA grants - fresh fruit & vegetable program	164,815	152,446	(12,369)	102,067
USDA grants - summer feeding program	700,000	451,995	(248,005)	483,720
USDA grants - commodities used	-	4,802,778	4,802,778	4,438,900
	<u>43,983,456</u>	<u>39,404,075</u>	<u>(4,579,381)</u>	<u>42,727,896</u>
State	<u>213,937</u>	<u>223,685</u>	<u>9,748</u>	<u>59,232</u>
Other:				
Food sales	28,469,017	21,813,937	(6,655,080)	19,185,631
Interest	916,229	998,677	82,448	622,510
Local donations or grants	<u>259,246</u>	<u>848,479</u>	<u>589,233</u>	<u>2,615,100</u>
	<u>29,644,492</u>	<u>23,661,093</u>	<u>(5,983,399)</u>	<u>22,423,241</u>
Total revenues	<u>73,841,885</u>	<u>63,288,853</u>	<u>(10,553,032)</u>	<u>65,210,369</u>
EXPENDITURES:				
Salaries		25,023,193		24,565,629
Employee benefits		13,631,901		13,523,216
Food		19,850,564		17,639,268
Supplies		1,929,966		3,536,973
Purchased services		806,174		708,734
Donated commodities		4,802,778		4,438,900
Indirect cost		2,905,016		2,840,817
Equipment purchases		406,575		259,264
Debt service - principal		-		3,052
Total expenditures	<u>73,886,885</u>	<u>69,356,167</u>	<u>4,530,718</u>	<u>67,515,853</u>
Deficiency of revenues over expenditures	<u>(45,000)</u>	<u>(6,067,314)</u>	<u>(6,022,314)</u>	<u>(2,305,484)</u>
OTHER FINANCING SOURCES:				
Transfer in	<u>45,000</u>	<u>45,000</u>	<u>-</u>	<u>45,000</u>
Deficiency of revenues and other financing sources over expenditures - budgetary (non-GAAP) basis	<u>\$ -</u>	<u>\$ (6,022,314)</u>	<u>\$ (6,022,314)</u>	<u>\$ (2,260,484)</u>

(Continued)

WAKE COUNTY BOARD OF EDUCATION
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (Non-GAAP)
ENTERPRISE FUND - CHILD NUTRITION PROGRAM
YEAR ENDED JUNE 30, 2024
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2023)

	2024			2023
	Budget	Actual	Variance	Actual
Reconciliation from budgetary (non-GAAP) basis to GAAP:				
Equipment purchases, net of contributions		406,575		259,264
Depreciation/amortization		(1,444,817)		(1,171,930)
Debt service principal		-		3,052
Gain (loss) on sale of capital assets		(53,059)		(28,056)
Non-capital OPEB plan contribution		43,437		227,272
Net OPEB asset		-		(12,519)
Net pension liability		(2,965,095)		(14,801,451)
Net OPEB liability		(4,587,553)		9,884,570
Deferred outflows		3,698,615		14,001,184
Deferred inflows		4,969,770		(3,983,218)
Increase in accrued vacation pay		<u>(33,092)</u>		<u>(226,466)</u>
Change in net deficit		<u>\$ (5,987,533)</u>		<u>\$ 1,891,218</u>

Note: Revenues and expenditures related to donated services and commodities are excluded from the above revenues and expenditures compared to budget.

WAKE COUNTY BOARD OF EDUCATION
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (Non-GAAP)
ENTERPRISE FUND - TUITION PROGRAMS
YEAR ENDED JUNE 30, 2024
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2023)

	2024			2023
	Budget	Actual	Variance	Actual
REVENUES:				
Other:				
Participant fees	\$ 22,101,870	\$ 12,516,720	\$ (9,585,150)	\$ 11,056,264
Local donations or grants	-	-	-	1,000
Interest	628,060	692,841	64,781	303,457
Total revenues	22,729,930	13,209,561	(9,520,369)	11,360,721
EXPENDITURES:				
Salaries		5,083,769		4,518,838
Employee benefits		1,661,600		1,483,641
Supplies		968,066		973,198
Purchased services		1,178,098		790,500
Indirect costs paid		827,499		745,016
Equipment purchases		72,408		115,331
Total expenditures	22,729,930	9,791,440	12,938,490	8,626,524
Excess of revenues over expenditures - budgetary (non-GAAP) basis	\$ -	3,418,121	\$ 3,418,121	2,734,197
Reconciliation from budgetary (non-GAAP) basis to GAAP				
Equipment purchases, net of contributions		72,408		115,331
Depreciation		(46,211)		(43,766)
Non-capital OPEB plan contribution		8,203		38,395
Net OPEB asset		-		(8,341)
Net pension liability		(559,933)		(2,500,517)
Net OPEB liability		(866,319)		1,676,098
Deferred outflows		698,451		2,365,323
Deferred inflows		938,497		(672,914)
Decrease (increase) in accrued vacation pay		(14,165)		(12,402)
Change in net deficit		\$ 3,649,052		\$ 3,691,404



Statistical Section

Statistical Section

This section of the Board's Annual Comprehensive Financial Report presents detailed information for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the Board's overall financial position.

Contents:

Financial Trends

These schedules contain trend information to help the reader understand how the Board's financial position has changed over time.

Revenue Capacity

Since the Board's revenues are primarily provided by Wake County, these schedules contain information to help the reader access Wake County's major revenue sources.

Debt Capacity

Since the Board's construction funding is primarily provided by Wake County, these schedules present information to help the reader assess the affordability of Wake County's current levels of outstanding debt and their ability to issue additional debt in the future.

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the Board's financial activities take place.

Operating Information

These schedules contain staffing, key operating statistics comparisons and capital asset data to help the reader understand how the information in the Board's financial report related to the services the Board provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports and budget documents for the relevant year.

WAKE COUNTY BOARD OF EDUCATION
NET POSITION (DEFICIT) BY COMPONENT
LAST TEN FISCAL YEARS
(accrual basis of accounting)

	Fiscal Year				
	2024	2023	2022	2021	2020
Governmental activities:					
Net investment in capital assets	\$ 4,376,276,525	\$ 4,159,626,374	\$ 4,067,090,797	\$ 3,892,210,778	\$ 3,733,190,940
Restricted	24,411,001	20,624,893	20,785,371	21,662,737	22,443,897
Unrestricted	<u>(2,076,534,743)</u>	<u>(2,202,184,077)</u>	<u>(2,432,792,510)</u>	<u>(2,635,779,762)</u>	<u>(2,712,327,735)</u>
Total net position	<u>2,324,152,783</u>	<u>1,978,067,190</u>	<u>1,655,083,658</u>	<u>1,278,093,753</u>	<u>1,043,307,102</u>
Business-type activities:					
Net investment in capital assets	8,545,955	8,975,462	7,445,092	6,153,140	6,772,791
Restricted	-	-	106,483	128,695	167,034
Unrestricted	<u>(22,919,255)</u>	<u>(21,010,281)</u>	<u>(25,169,016)</u>	<u>(47,124,379)</u>	<u>(45,988,466)</u>
Total net position	<u>(14,373,300)</u>	<u>(12,034,819)</u>	<u>(17,617,441)</u>	<u>(40,842,544)</u>	<u>(39,048,641)</u>
Government-wide:					
Net investment in capital assets	4,384,822,480	4,168,601,836	4,074,535,889	3,898,363,918	3,739,963,731
Restricted	24,411,001	20,624,893	20,891,854	21,791,432	22,610,931
Unrestricted	<u>(2,099,453,998)</u>	<u>(2,223,194,358)</u>	<u>(2,457,961,526)</u>	<u>(2,682,904,141)</u>	<u>(2,758,316,201)</u>
Total net position	<u>\$ 2,309,779,483</u>	<u>\$ 1,966,032,371</u>	<u>\$ 1,637,466,217</u>	<u>\$ 1,237,251,209</u>	<u>\$ 1,004,258,461</u>

(Continued)

2018 - The decrease in unrestricted net position is due to the first year of OPEB standards.

WAKE COUNTY BOARD OF EDUCATION
NET POSITION (DEFICIT) BY COMPONENT
LAST TEN FISCAL YEARS
(accrual basis of accounting)

	Fiscal Year				
	2019	2018	2017	2016	2015
Governmental activities:					
Net investment in capital assets	\$ 3,549,276,038	\$ 3,329,761,944	\$ 3,115,825,897	\$ 2,931,684,587	\$ 2,723,207,488
Restricted	24,179,548	21,429,835	14,821,717	14,602,314	17,025,811
Unrestricted	<u>(2,687,838,303)</u>	<u>(2,720,230,222)</u>	<u>(258,293,051)</u>	<u>(226,145,732)</u>	<u>(224,731,658)</u>
Total net position	<u>885,617,283</u>	<u>630,961,557</u>	<u>2,872,354,563</u>	<u>2,720,141,169</u>	<u>2,515,501,641</u>
Business-type activities:					
Net investment in capital assets	6,621,851	5,267,553	6,412,914	6,087,244	7,356,663
Restricted	209,593	166,611	-	-	-
Unrestricted	<u>(40,232,436)</u>	<u>(38,281,827)</u>	<u>26,507,774</u>	<u>27,187,091</u>	<u>26,001,803</u>
Total net position	<u>(33,400,992)</u>	<u>(32,847,663)</u>	<u>32,920,688</u>	<u>33,274,335</u>	<u>33,358,466</u>
Government-wide:					
Net investment in capital assets	3,555,897,889	3,335,029,497	3,122,238,811	2,937,771,831	2,730,564,151
Restricted	24,389,141	21,596,446	14,821,717	14,602,314	17,025,811
Unrestricted	<u>(2,728,070,739)</u>	<u>(2,758,512,049)</u>	<u>(231,785,277)</u>	<u>(198,958,641)</u>	<u>(198,729,855)</u>
Total net position	<u>\$ 852,216,291</u>	<u>\$ 598,113,894</u>	<u>\$ 2,905,275,251</u>	<u>\$ 2,753,415,504</u>	<u>\$ 2,548,860,107</u>

2018 - The decrease in unrestricted net position is due to the first year of OPEB standards.

WAKE COUNTY BOARD OF EDUCATION
EXPENSES, PROGRAM REVENUES, AND NET (EXPENSE)/REVENUE
LAST TEN FISCAL YEARS
(accrual basis of accounting)

	Fiscal Year				
	2024	2023	2022	2021	2020
Expenses					
Governmental activities:					
Instructional programs					
Regular	\$ 882,309,168	\$ 751,664,187	\$ 755,888,171	\$ 745,163,752	\$ 756,413,532
Special populations	297,314,010	254,287,799	249,957,184	242,809,587	246,494,723
Alternative programs and services	119,235,826	99,559,290	133,890,588	97,272,637	87,640,748
School leadership	122,459,932	104,527,906	101,682,419	98,228,064	99,993,182
Co-curricular	40,260,316	34,243,562	27,266,813	24,341,345	35,689,594
School-based support services	114,699,103	99,012,169	105,919,583	104,529,800	97,856,120
Systemwide support services					
Support and development	13,497,373	10,474,696	9,291,875	8,545,457	8,497,991
Special populations support and development	8,769,292	8,291,746	8,287,946	7,370,943	6,941,524
Alternative programs and services support and development	6,242,300	5,306,469	4,795,986	4,202,968	4,106,244
Technology support	76,255,184	56,871,033	56,325,755	53,857,612	63,510,929
Operational support	189,949,420	158,465,455	180,829,104	155,973,871	172,671,446
Financial and human resource	30,964,701	24,719,589	21,852,273	22,087,993	22,399,593
Accountability	2,550,765	2,084,224	1,942,251	1,993,596	2,163,932
Systemwide pupil support	9,492,852	6,944,974	5,896,814	5,339,159	6,101,720
Policy, leadership and public relations	15,573,560	12,287,817	11,490,403	12,076,314	12,312,374
Ancillary Services	456,423	1,289,862	4,128,656	8,037,759	3,997,339
Nonprogram charges	61,209,068	56,564,321	45,002,063	44,638,864	37,139,670
Interest on long-term debt	3,549,569	3,800,422	3,381,001		
Depreciation/amortization - unallocated	109,645,499	121,007,361	97,437,981	97,818,810	93,793,766
Total governmental activities expenses	<u>2,104,434,361</u>	<u>1,811,402,882</u>	<u>1,825,266,866</u>	<u>1,734,288,531</u>	<u>1,757,724,427</u>
Business-type activities:					
Food service	69,311,764	63,563,367	59,394,839	27,627,454	49,473,155
Tuition programs	9,568,712	7,707,712	6,278,482	5,926,451	11,455,983
Total business-type activities	<u>78,880,476</u>	<u>71,271,079</u>	<u>65,673,321</u>	<u>33,553,905</u>	<u>60,929,138</u>
Total school district expenses	<u>2,183,314,837</u>	<u>1,882,673,961</u>	<u>1,890,940,187</u>	<u>1,767,842,436</u>	<u>1,818,653,565</u>
Program revenues					
Governmental activities:					
Charges for services-regular instructional	1,814,789	1,859,232	1,686,639	13,947	1,100,760
Charges for services-ancillary services	-	-	-	-	-
Operating grants and contributions	1,366,030,438	1,306,168,394	1,362,724,761	1,156,494,973	1,120,724,055
Capital grants and contributions	-	-	-	-	-
Total governmental activities program revenues	<u>1,367,845,227</u>	<u>1,308,027,626</u>	<u>1,364,411,400</u>	<u>1,156,508,920</u>	<u>1,121,824,815</u>
Business-type activities:					
Charges for services-food services	22,037,622	19,185,631	3,371,913	26,802	12,417,023
Charges for services-tuition programs	12,516,720	11,056,264	8,580,634	1,889,707	10,299,433
Operating grants and contributions	38,715,095	42,944,783	73,134,051	-	-
Capital grants and contributions - food services	1,484,400	2,429,389	2,564,748	25,599,831	29,681,976
Capital grants and contributions - tuition programs	-	1,000	-	-	-
Total business-type activities program revenues	<u>74,753,837</u>	<u>75,617,067</u>	<u>87,651,346</u>	<u>27,516,340</u>	<u>52,398,432</u>
Total school district program revenues	<u>1,442,599,064</u>	<u>1,383,644,693</u>	<u>1,452,062,746</u>	<u>1,184,025,260</u>	<u>1,174,223,247</u>
Net (expense)/revenue					
Governmental activities	(736,589,134)	(503,375,256)	(460,855,466)	(577,779,611)	(635,899,612)
Business-type activities	(4,126,639)	4,345,988	21,978,025	(6,037,565)	(8,530,706)
Total school district net expense	<u>\$ (740,715,773)</u>	<u>\$ (499,029,268)</u>	<u>\$ (438,877,441)</u>	<u>\$ (583,817,176)</u>	<u>\$ (644,430,318)</u>

(Continued)

WAKE COUNTY BOARD OF EDUCATION
EXPENSES, PROGRAM REVENUES, AND NET (EXPENSE)/REVENUE
LAST TEN FISCAL YEARS
(accrual basis of accounting)

	Fiscal Year				
	2019	2018	2017	2016	2015
Expenses					
Governmental activities:					
Instructional programs					
Regular	\$ 702,874,136	\$ 731,974,296	\$ 655,240,420	\$ 583,890,706	\$ 538,699,660
Special populations	233,027,523	243,000,627	221,579,226	196,300,020	181,153,903
Alternative programs and services	80,924,330	83,782,030	82,345,265	78,254,955	63,987,611
School leadership	90,152,056	90,665,395	80,203,279	71,562,962	67,145,678
Co-curricular	33,478,902	29,884,642	27,654,770	24,699,448	21,546,339
School-based support services	90,949,064	90,602,486	81,922,365	72,328,355	61,577,799
Systemwide support services					
Support and development	8,426,648	14,976,789	13,158,583	11,835,596	10,932,679
Special populations support and development	6,141,058	6,414,994	5,830,879	4,918,030	4,373,936
Alternative programs and services support and development	3,502,850	3,185,133	3,028,276	3,373,273	3,086,128
Technology support	30,844,405	34,493,632	42,430,480	28,037,064	23,361,372
Operational support	184,310,605	172,750,747	147,592,022	156,926,276	161,949,750
Financial and human resource	21,035,774	20,835,125	20,400,114	18,222,357	16,308,934
Accountability	1,993,192	2,766,782	2,852,691	3,433,611	3,804,913
Systemwide pupil support	4,392,791	5,923,268	5,693,573	5,515,556	5,062,216
Policy, leadership and public relations	11,199,607	11,098,595	10,642,828	8,642,718	8,209,071
Ancillary Services	342,910	140,697	91,242	112,906	166,997
Nonprogram charges	32,440,098	25,807,938	23,963,483	21,134,354	14,957,067
Interest on long-term debt					
Depreciation/amortization - unallocated	93,204,421	89,277,817	129,457,253	79,120,543	75,594,568
Total governmental activities expenses	1,629,240,370	1,657,580,993	1,554,086,749	1,368,308,730	1,261,918,621
Business-type activities:					
Food service	54,185,940	58,151,824	55,387,857	53,618,487	53,254,152
Tuition programs	13,791,003	14,381,100	13,162,916	11,750,436	11,217,887
Total business-type activities	67,976,943	72,532,924	68,550,773	65,368,923	64,472,039
Total school district expenses	1,697,217,313	1,730,113,917	1,622,637,522	1,433,677,653	1,326,390,660
Program revenues					
Governmental activities:					
Charges for services-regular instructional	1,629,450	1,371,417	1,321,281	1,269,473	1,182,907
Charges for services-ancillary services	32,480	28,777	24,085	34,136	52,628
Operating grants and contributions	1,075,480,070	1,001,491,868	970,584,143	934,462,654	896,644,270
Capital grants and contributions	-	-	-	-	-
Total governmental activities program revenues	1,077,142,000	1,002,892,062	971,929,509	935,766,263	897,879,805
Business-type activities:					
Charges for services-food services	17,424,575	17,271,145	18,083,111	17,315,970	16,913,781
Charges for services-tuition programs	14,189,922	13,971,475	13,372,693	13,531,484	12,364,080
Operating grants and contributions	-	-	-	-	-
Capital grants and contributions - food services	35,254,178	34,048,329	36,407,837	35,165,199	33,504,107
Capital grants and contributions - tuition programs	-	-	-	-	-
Total business-type activities program revenues	66,868,675	65,290,949	67,863,641	66,012,653	62,781,968
Total school district program revenues	1,144,010,675	1,068,183,011	1,039,793,150	1,001,778,916	960,661,773
Net (expense)/revenue					
Governmental activities	(552,098,370)	(654,688,931)	(582,157,240)	(432,542,467)	(364,038,816)
Business-type activities	(1,108,268)	(7,241,975)	(687,132)	643,730	(1,690,071)
Total school district net expense	\$ (553,206,638)	\$ (661,930,906)	\$ (582,844,372)	\$ (431,898,737)	\$ (365,728,887)

WAKE COUNTY BOARD OF EDUCATION
GENERAL REVENUES AND TOTAL CHANGE IN NET POSITION (DEFICIT)
LAST TEN FISCAL YEARS
(accrual basis of accounting)

	Fiscal Year				
	2024	2023	2022	2021	2020
Net (expense)/revenue					
Governmental activities	\$ (736,589,134)	\$ (737,125,908)	\$ (460,855,466)	\$ (577,779,611)	\$ (552,098,370)
Business-type activities	(4,126,639)	(391,464)	21,978,025	(6,037,565)	(1,108,268)
Total school district net expense	<u>(740,715,773)</u>	<u>(737,517,372)</u>	<u>(438,877,441)</u>	<u>(583,817,176)</u>	<u>(553,206,638)</u>
General revenues and other changes in net position					
Governmental activities:					
Unrestricted county appropriations - operating	644,262,316	594,253,045	544,205,101	526,003,342	514,023,140
Unrestricted county appropriations - capital	417,540,186	211,503,151	278,419,093	255,970,316	274,820,533
Unrestricted state appropriation - capital	3,602,081	3,041,024	2,341,016	2,201,044	1,359,984
Investment earnings, unrestricted	8,084,502	3,954,624	282,701	528,408	1,301,417
Non-Capital OPEB Plan					
Contribution	2,019,736	10,055,489	10,689,656	27,584,669	-
Miscellaneous, unrestricted	7,210,906	3,596,455	2,850,745	4,069,139	4,533,113
Transfer	(45,000)	(45,000)	(942,941)	(3,790,656)	(2,448,756)
Total governmental activities	<u>1,082,674,727</u>	<u>826,358,788</u>	<u>837,845,371</u>	<u>812,566,262</u>	<u>793,589,431</u>
Business-type activities:					
Investment earnings, unrestricted	1,691,518	925,967	52,599	78,351	434,301
Non-Capital OPEB Plan					
Contribution	51,640	265,667	251,538	374,655	-
Transfer	45,000	45,000	942,941	3,790,656	2,448,756
Total business-type activities	<u>1,788,158</u>	<u>1,236,634</u>	<u>1,247,078</u>	<u>4,243,662</u>	<u>2,883,057</u>
Total school district	<u>1,084,462,885</u>	<u>827,595,422</u>	<u>839,092,449</u>	<u>816,809,924</u>	<u>796,472,488</u>
Change in net position					
Governmental activities	346,085,593	89,232,880	376,989,905	234,786,651	241,491,061
Business-type activities	(2,338,481)	845,170	23,225,103	(1,793,903)	1,774,789
Total school district	<u>\$ 343,747,112</u>	<u>\$ 90,078,050</u>	<u>\$ 400,215,008</u>	<u>\$ 232,992,748</u>	<u>\$ 243,265,850</u>

(Continued)

WAKE COUNTY BOARD OF EDUCATION
GENERAL REVENUES AND TOTAL CHANGE IN NET POSITION (DEFICIT)
LAST TEN FISCAL YEARS
(accrual basis of accounting)

	Fiscal Year				
	2019	2018	2017	2016	2015
Net (expense)/revenue					
Governmental activities	\$ (552,098,370)	\$ (654,688,931)	\$ (582,157,240)	\$ (432,542,467)	\$ (364,038,816)
Business-type activities	(1,108,268)	(7,241,975)	(687,132)	643,730	(1,690,071)
Total school district net expense	<u>(553,206,638)</u>	<u>(661,930,906)</u>	<u>(582,844,372)</u>	<u>(431,898,737)</u>	<u>(365,728,887)</u>
General revenues and other changes in net position					
Governmental activities:					
Unrestricted county appropriations - operating	475,847,283	429,719,331	408,760,031	384,849,031	340,138,653
Unrestricted county appropriations - capital	321,238,447	305,195,784	319,326,301	280,060,809	149,664,203
Unrestricted state appropriation - capital	693,296	387,942	428,778	816,720	4,947,219
Investment earnings, unrestricted	1,284,091	761,942	706,920	475,650	389,767
Non-Capital OPEB Plan Contribution	-	-	-	-	-
Miscellaneous, unrestricted	7,759,709	5,663,606	5,203,959	7,966,262	6,765,132
Transfer	<u>(68,730)</u>	<u>(45,012)</u>	<u>(55,355)</u>	<u>(45,187)</u>	<u>(331,509)</u>
Total governmental activities	<u>806,754,096</u>	<u>741,683,593</u>	<u>734,370,634</u>	<u>674,123,285</u>	<u>501,573,465</u>
Business-type activities:					
Investment earnings, unrestricted	486,209	374,257	278,130	199,082	139,011
Non-Capital OPEB Plan Contribution	-	-	-	-	-
Transfer	<u>68,730</u>	<u>45,012</u>	<u>55,355</u>	<u>45,187</u>	<u>331,509</u>
Total business-type activities	<u>554,939</u>	<u>419,269</u>	<u>333,485</u>	<u>244,269</u>	<u>470,520</u>
Total school district	<u>807,309,035</u>	<u>742,102,862</u>	<u>734,704,119</u>	<u>674,367,554</u>	<u>502,043,985</u>
Change in net position					
Governmental activities	254,655,726	86,994,662	152,213,394	241,580,818	137,534,649
Business-type activities	<u>(553,329)</u>	<u>(6,822,706)</u>	<u>(353,647)</u>	<u>887,999</u>	<u>(1,219,551)</u>
Total school district	<u>\$ 254,102,397</u>	<u>\$ 80,171,956</u>	<u>\$ 151,859,747</u>	<u>\$ 242,468,817</u>	<u>\$ 136,315,098</u>

WAKE COUNTY BOARD OF EDUCATION
FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

	Fiscal Year				
	2024	2023	2022	2021	2020
General fund					
Nonspendable					
Inventories	\$ 4,982,024	\$ 4,840,017	\$ 4,815,908	\$ 4,238,945	\$ 5,905,099
Prepaid	-	-	-	-	-
Restricted					
Stabilization by state statute	9,284,010	5,820,934	5,736,628	5,038,800	5,005,418
Energy savings obligations	-	-	-	38,680	1,170,115
Assigned					
Special projects	11,307,101	12,885,694	14,169,986	38,458,921	19,296,846
Insurance	15,583,039	20,454,340	15,316,319	13,878,448	13,851,590
Potential unfunded pension liability	4,318,571	3,622,809	-	-	-
Flexible benefit plan	1,000,000	1,000,000	2,540,613	2,061,172	1,693,169
Subsequent year expenditures	32,396,095	25,200,000	27,926,893	20,135,556	8,695,601
Unassigned	39,334,255	52,559,429	46,547,827	44,697,733	35,271,113
Total general fund	<u>\$118,205,095</u>	<u>\$126,383,223</u>	<u>\$117,054,174</u>	<u>\$128,548,255</u>	<u>\$ 90,888,951</u>
All other governmental funds					
Nonspendable					
Inventories	\$ 2,930,849	\$ 2,405,135	\$ 3,068,319	\$ 3,088,640	\$ -
Restricted					
Stabilization by State Statute	441,238	361,908	327,123	2,015,382	2,080,942
Capital expenditures	2,491,255	3,037,162	2,605,325	1,400,218	1,375,364
Individual schools	11,645,349	11,069,749	10,843,932	10,063,049	9,943,987
Special Programs	69,621	132,664	51,110	51,110	51,110
Restricted contributions for capital expenditures	479,528	202,476	54,576	53,916	48,896
Assigned					
Special projects	<u>1,049,463</u>	<u>1,066,155</u>	<u>1,098,531</u>	<u>934,777</u>	<u>912,654</u>
Total all other governmental funds	<u>\$ 19,107,303</u>	<u>\$ 18,275,249</u>	<u>\$ 18,048,916</u>	<u>\$ 17,607,092</u>	<u>\$ 14,412,953</u>

(Continued)

WAKE COUNTY BOARD OF EDUCATION
FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

	Fiscal Year				
	2019	2018	2017	2016	2015
General fund					
Nonspendable					
Inventories	\$ 4,559,114	\$ 4,438,637	\$ 3,919,935	\$ 3,435,317	\$ 2,442,586
Prepaid	-	105,263	49,622	88,607	1,639,972
Restricted					
Stabilization by state statute	5,057,968	5,261,993	4,797,511	4,116,427	7,404,038
Energy savings obligations	6,488,539	-	-	-	-
Assigned					
Special projects	13,899,683	9,838,302	14,420,578	14,270,811	10,604,339
Insurance	11,735,920	10,643,848	10,732,144	10,310,534	10,212,545
Potential unfunded pension liability	-	-	-	-	-
Flexible benefit plan	1,609,584	1,557,774	1,354,093	1,229,780	1,139,379
Subsequent year expenditures	8,107,000	4,900,000	12,840,355	10,400,000	20,000,000
Unassigned	11,391,203	12,135,493	9,899,217	13,880,710	14,894,753
Total general fund	<u>\$ 62,849,011</u>	<u>\$ 48,881,310</u>	<u>\$ 58,013,455</u>	<u>\$ 57,732,186</u>	<u>\$ 68,337,612</u>
All other governmental funds					
Nonspendable					
Inventories	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted					
Stabilization by State Statute	168,929	111,038	239,002	738,296	725,074
Capital expenditures	1,205,318	1,079,897	779,049	741,489	397,078
Individual schools	9,000,578	8,733,707	8,920,713	8,978,294	8,471,820
Special Programs	51,110	-	-	-	-
Restricted contributions for capital expenditures	27,832	27,832	85,442	27,808	27,801
Assigned					
Special projects	<u>943,953</u>	<u>723,723</u>	<u>1,773,212</u>	<u>115,802</u>	<u>107,107</u>
Total all other governmental funds	<u>\$ 11,397,720</u>	<u>\$ 10,676,197</u>	<u>\$ 11,797,418</u>	<u>\$ 10,601,689</u>	<u>\$ 9,728,880</u>

WAKE COUNTY BOARD OF EDUCATION
GENERAL GOVERNMENTAL REVENUES BY SOURCE
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

Fiscal Year Ended June 30,	State	County Appropriation	County Capital Improvements	Fines and Forfeitures	Federal	Interest	Other	Total
2024	\$ 1,165,660,666	\$ 644,262,316	\$ 417,540,186	\$ 5,594,187	\$ 164,520,225	\$ 8,084,502	\$ 45,573,496	\$ 2,451,235,578
2023	1,106,572,796	594,253,045	211,503,151	3,495,281	172,417,699	3,954,624	40,050,940	2,132,247,536
2022	1,057,448,544	544,205,101	278,419,093	2,624,170	284,670,939	282,701	34,800,932	2,202,451,480
2021	1,022,964,619	527,904,101	254,069,557	3,742,330	117,169,853	528,408	17,813,090	1,944,191,958
2020	1,002,665,787	515,955,101	272,888,572	3,481,015	89,524,020	4,069,139	33,409,472	1,921,993,106
2019	970,618,049	475,919,244	321,166,486	4,495,103	70,426,105	1,284,091	36,054,513	1,879,963,591
2018	908,160,414	430,911,000	304,004,115	4,087,338	70,339,551	761,942	32,285,650	1,750,550,010
2017	880,309,550	409,911,000	318,175,332	3,427,124	66,295,538	706,920	33,076,928	1,711,902,392
2016	839,894,769	386,000,000	278,909,840	5,176,776	70,453,401	475,650	33,017,341	1,613,927,777
2015	813,264,723	341,426,400	148,376,456	4,135,691	66,031,320	389,382	31,641,424	1,405,265,396

WAKE COUNTY BOARD OF EDUCATION
GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION
PER PUPIL AND IN TOTAL
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

Fiscal Year Ended June 30,	Membership	Instructional Services	Systemwide Support Services	Ancillary Services	Nonprogram Charges
2024	159,827	\$ 10,064 1,608,466,235	\$ 2,198 351,271,413	\$ 3 443,385	\$ 428 68,394,906
2023	158,357	9,631 1,525,152,526	1,948 308,451,051	8 1,259,675	390 61,775,797
2022	158,654	9,748 1,546,486,140	1,987 315,172,022	27 4,311,156	346 54,939,793
2021	158,546	8,330 1,320,694,514	1,687 267,432,238	48 7,668,257	290 45,998,092
2020	161,835	7,897 1,278,049,260	1,786 289,034,698	24 3,815,741	256 41,425,520
2019	160,339	7,772 1,246,123,929	1,657 265,636,328	2,000 291,722	235 37,676,820
2018	160,095	7,266 1,163,219,125	1,619 259,114,420	- 25,777	197 31,486,467
2017	159,213	7,019 1,117,493,674	1,540 245,113,368	- 45,559	169 26,848,688
2016	156,644	6,845 1,072,274,881	1,563 244,878,979	- 61,198	156 24,407,069
2015	155,000	6,509 1,008,882,076	1,558 241,445,418	1 212,275	127 19,655,778
2014	153,039	6,179 945,690,541	1,498 229,297,218	2 233,721	99 15,153,538

(Continued)

WAKE COUNTY BOARD OF EDUCATION
GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION
PER PUPIL AND IN TOTAL
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

Fiscal Year Ended June 30,	Debt Service	Total Operating	Capital Outlay	Total
2024	115 \$ 18,331,009	12,807 \$ 2,046,906,948	2,652 \$ 423,877,310	15,459 \$ 2,470,784,258
2023	127 20,135,886	12,104 1,916,774,935	1,344 212,784,090	13,448 2,129,559,025
2022	83 13,196,332	12,191 1,934,105,443	1,778 282,130,503	13,969 2,216,235,946
2021	18 2,845,942	10,373 1,644,639,043	1,640 259,975,487	12,013 1,904,614,530
2020	8 1,359,984	9,971 1,613,685,203	1,708 276,350,723	11,679 1,890,035,926
2019	4 693,296	9,670 1,550,422,095	2,024 324,532,117	11,694 1,874,954,212
2018	2 387,942	9,084 1,454,233,731	1,918 307,043,335	11,001 1,761,277,066
2017	3 428,778	8,730 1,389,930,067	2,016 320,924,590	10,746 1,710,854,657
2016	5 816,720	8,570 1,342,438,847	1,811 283,720,859	10,381 1,626,159,706
2015	32 4,947,219	8,227 1,275,142,766	985 152,657,413	9,212 1,427,800,179
2014	34 5,154,525	7,812 1,195,529,543	581 88,990,466	8,393 1,284,520,009

WAKE COUNTY BOARD OF EDUCATION
OTHER FINANCING SOURCES AND USES AND NET CHANGE IN FUND BALANCES
GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

Fiscal Year Ended June 30,	Excess of Revenues over (under) Expenditures	Transfers In	Transfers out	Installment Purchase, Capitalized Leases and Subscriptions Issued	Energy Savings Obligations Issued	Sale of School Property	Total Other Financing Sources (Uses)	Net Change In Fund Balance	Debt Service As A Percentage of Noncapital Expenditures
2024	\$ (19,548,680)	\$ 720,737	\$ (765,737)	\$ 11,362,352	\$ -	\$ 217,533	\$ 11,534,885	\$ (8,013,795)	0.8986%
2023	2,688,511	718,976	(763,976)	7,310,444	-	240,503	7,505,947	10,194,458	1.0523%
2022	(13,784,466)	593,388	(1,536,329)	3,118,507	-	-	2,175,566	(11,608,900)	0.6806%
2021	39,577,428	429,776	(4,220,432)	3,644,185	-	-	(146,471)	39,430,957	0.1731%
2020	29,189,458	518,455	(2,967,211)	2,666,753	301,733	-	519,730	29,709,188	0.1747%
2019	5,009,379	492,774	(561,504)	2,773,184	6,854,914	-	9,559,368	14,568,747	0.0869%
2018	(10,727,056)	551,032	(596,044)	-	-	-	(45,012)	(10,772,068)	0.0442%
2017	1,047,735	2,415,913	(2,471,268)	-	-	-	(55,355)	992,380	0.0269%
2016	(12,231,929)	2,370,430	(2,415,617)	1,551,768	-	-	1,506,581	(10,725,348)	0.0300%
2015	(22,534,783)	1,061,981	(1,107,012)	163,344	-	-	118,313	(22,416,470)	0.0554%

WAKE COUNTY BOARD OF EDUCATION
ENTERPRISE FUND EXPENSES
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30,	Employee Salaries	Benefits	Food	Donated Commodities	Indirect Costs	Other	Total
2024	\$ 30,138,439	\$ 13,982,848	\$ 19,850,564	\$ 4,802,778	\$ 3,732,515	\$ 6,373,332	\$ 78,880,476
2023	29,262,237	9,119,740	17,639,268	4,438,900	3,585,833	7,225,101	71,271,079
2022	25,591,125	7,713,176	17,900,231	4,913,849	3,037,765	6,517,175	65,673,321
2021	13,674,705	6,890,350	5,515,714	3,221,193	235,743	4,015,764	33,553,469
2020	22,873,936	11,406,627	11,798,865	3,482,054	2,905,783	8,461,873	60,929,138
2019	24,817,246	10,353,852	16,592,150	3,314,323	3,574,777	9,324,595	67,976,943
2018	23,495,607	12,724,047	18,456,777	3,720,564	3,827,629	10,308,300	72,532,924
2017	22,981,173	10,215,786	18,606,124	3,574,688	3,583,215	9,589,787	68,550,773
2016	22,164,409	7,917,753	19,530,729	3,507,389	3,534,612	8,714,031	65,368,923
2015	21,435,620	6,865,662	20,205,145	3,079,893	3,687,902	9,197,817	64,472,039

WAKE COUNTY BOARD OF EDUCATION
ENTERPRISE FUND REVENUES AND TRANSFERS IN BY SOURCE
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30,	Food Sales		Participant Fees		USDA Reimbursement		Donated Commodities	
	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent
2024	\$ 22,037,622	28.87%	\$ 12,516,720	16.40%	\$ 34,377,612	45.05%	\$ 4,802,778	6.29%
2023	19,185,631	24.96	11,056,264	14.39	38,348,228	49.90	4,438,900	5.78
2022	3,371,913	3.79	8,580,634	9.65	67,951,257	76.44	4,913,849	5.53
2021	26,802	0.08	1,889,707	5.95	21,278,470	67.00	3,221,193	10.14
2020	12,417,023	22.46	10,299,433	18.63	24,924,911	45.09	3,482,054	6.30
2019	17,424,575	25.84	14,189,922	21.05	29,001,728	43.01	3,314,323	4.92
2018	17,271,145	26.28	13,971,475	21.26	29,942,507	45.57	3,720,564	5.66
2017	18,083,111	26.52	13,372,693	19.61	31,014,513	45.48	3,574,688	5.24
2016	17,315,970	26.14	13,531,484	20.42	31,671,137	47.80	3,507,389	5.29
2015	16,913,781	26.74	12,364,080	19.55	30,390,911	48.06	3,079,893	4.87

(Continued)

WAKE COUNTY BOARD OF EDUCATION
ENTERPRISE FUND REVENUES AND TRANSFERS IN BY SOURCE
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30,	Transfers		Other		Total	
	Amount	Percent	Amount	Percent	Amount	Percent
2024	\$ 45,000	0.06%	\$ 2,538,578	3.33%	\$ 76,318,310	100%
2023	45,000	0.06	3,779,678	4.91	76,853,701	100
2022	942,941	1.06	3,137,830	3.53	88,898,424	100
2021	3,790,656	11.94	1,552,738	4.89	31,759,566	100
2020	2,448,756	4.43	1,709,312	3.09	55,281,489	100
2019	68,730	0.10	3,424,336	5.08	67,423,614	100
2018	45,012	0.07	759,515	1.16	65,710,218	100
2017	55,355	0.08	2,096,766	3.07	68,197,126	100
2016	45,187	0.07	185,755	0.28	66,256,922	100
2015	331,509	0.52	172,314	0.16	63,252,488	100

WAKE COUNTY BOARD OF EDUCATION
OUTSTANDING DEBT
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30,	Energy Savings	Installment Purchase	Leases	Subscription- Based Information Technology Arrangements	Total	Per Student
2024	\$ 5,511,545	\$ 3,626,445	\$ 83,473,223	\$ 8,800,784	\$ 101,411,997	\$634.51
2023	5,943,350	2,374,340	89,216,577	6,993,757	104,528,024	658.84
2022	6,361,167	4,542,382	94,293,039	-	105,196,588	663.06
2021	6,765,452	4,829,798	-	-	11,595,250	73.13
2020	7,156,647	3,386,657	-	-	10,543,304	65.15
2019	6,854,914	2,079,888	-	-	8,934,802	55.72
2018	-	-	-	-	-	-
2017	-	387,942	-	-	387,942	2.44
2016	-	816,719	-	-	816,719	5.21
2015	-	81,671	-	-	81,671	0.53

WAKE COUNTY BOARD OF EDUCATION
ASSESSED VALUE OF TAXABLE PROPERTY FOR WAKE COUNTY
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30,	Real Property	Personal Property	Public Service Companies	Total	County- wide Tax Rate (3)	Special Tax Districts Tax Rate (3)	Average County Tax Rate (3)
2024	\$ 178,533,044,678	\$ 29,015,473,730	\$ 4,023,270,413	\$ 211,571,788,821	\$ 0.6570	\$ 0.103	\$ 0.7597
2023	172,306,847,506	26,971,314,139	3,874,946,548	203,153,108,193	0.6195	0.103	0.7222
2022	167,914,600,900	24,887,995,618	3,731,411,649	196,534,008,167	0.6000	0.103	0.7027
2021	164,833,716,084	23,985,614,652	3,612,462,959	192,431,793,695	0.6000	0.091	0.6910
2020	130,415,759,631	21,684,607,511	3,572,974,390	155,673,341,532	0.7207	0.096	0.8167
2019	126,482,475,772	18,690,880,426	3,454,215,945	148,627,572,143	0.6544	0.096	0.7504
2018	122,874,155,245	17,897,487,797	3,447,570,780	144,219,213,822	0.6150	0.096	0.7110
2017 (2)	120,471,086,726	17,470,741,388	3,469,182,180	141,411,010,294	0.6005	0.096	0.6965
2016	112,361,475,069	16,275,947,271	3,313,577,575	131,950,999,915	0.615	0.080	0.695
2015	109,552,757,999	15,528,241,566	2,866,523,443	127,947,523,008	0.578	0.080	0.658

Notes:

All taxable property is subject to the county-wide tax. Most property in unincorporated areas is subject to special district taxes. The County's property tax is levied each July 1 on the assessed value listed as of the prior January 1 for all real and personal property located in the County except for certain registered motor vehicles which are assessed and collected throughout the year. Assessed valuations are established by the Board of County Commissioners at 100% of estimated market value for real property and 100% of actual value for personal property. Public service company property is certified by the State of North Carolina at 100% of actual value, with no distinction between real and personal property values.

(2) A revaluation of real property is required by N.C. General Statutes at least every eight years. The last revaluation was completed for fiscal year 2025.

(3) Per \$100 of value.

Source: Wake County, North Carolina, Annual Comprehensive Financial Report for the year ended June 30, 2024.

WAKE COUNTY BOARD OF EDUCATION
PROPERTY TAX RATES - ALL OVERLAPPING GOVERNMENTS FOR WAKE COUNTY
(PER \$100 OF ASSESSED VALUE)
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30,	Taxes Levied by Wake County			Direct and Overlapping Taxes Levied by Municipalities						
	County- Wide Rate	Various Special Tax Districts	Average County Rate	Town of Angier	Town of Apex	Town of Cary	Town of Clayton	Town of Fuquay- Varina	Town of Garner	Town of Holly Springs
2024	.6570	.1027	.7597	.49	.44	.345	.600	.4550	.6270	.4216
2023	.6195	.1027	.7222	.49	.41	.345	.600	.4250	.5521	.4216
2022	.6000	.1027	.7027	.53	.39	.345	.580	.3950	.5121	.4216
2021	.6000	.091	.6910	.53	.38	.35	.580	.3950	.4971	.4216
2020	.7207	.096	.8167	.53	.4150	.35	.580	.4325	.5600	.4825
2019	.6544	.096	.7504	.53	.4150	.35	.580	.4325	.5325	.4325
2018	.6150	.096	.7110	.53	.3800	.35	.550	.4325	.5325	.4325
2017 (2)	.6005	.096	.6965	.53	.3800	.35	.550	.4330	.5180	.4330
2016	.6145	.080	.6945	.53	.3900	.37	.550	.3850	.5180	.4350
2015	.5780	.080	.6580	.53	.3900	.35	.525	.3850	.5000	.4350

(Continued)

- Notes: (1) All taxable property is subject to the county-wide tax. Most property in unincorporated areas is also subject to special district taxes.
(2) A revaluation of real property is required by North Carolina General Statutes at least every eight years. Revaluation was completed for fiscal year 2025.

Source: Wake County, North Carolina, Annual Comprehensive Financial Report for the year ended June 30, 2024.

WAKE COUNTY BOARD OF EDUCATION
PROPERTY TAX RATES - ALL OVERLAPPING GOVERNMENTS FOR WAKE COUNTY
(PER \$100 OF ASSESSED VALUE)
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30,	Direct and Overlapping Taxes Levied by Municipalities						
	Town of Knightdale	Town of Morrisville	City of Raleigh	Town of Rolesville	Town of Wake Forest	Town of Wendell	Town of Zebulon
2024	.45	.39	.4330	.46	.505	.47	.575
2023	.45	.39	.3930	.46	.495	.47	.575
2022	.42	.36	.3730	.46	.495	.47	.55
2021	.42	.36	.3552	.46	.495	.47	.55
2020	.43	.390	.4382	.48	.52	.49	.592
2019	.43	.390	.4382	.48	.52	.49	.592
2018	.43	.390	.4253	.48	.52	.49	.575
2017 (2)	.43	.390	.4180	.48	.52	.49	.575
2016	.43	.410	.4210	.44	.52	.49	.525
2015	.43	.390	.4040	.44	.52	.49	.525

- Notes: (1) All taxable property is subject to the county-wide tax. Most property in unincorporated areas is also subject to special district taxes.
(2) A revaluation of real property is required by North Carolina General Statutes at least every eight years. Revaluation was completed for fiscal year 2025.

Source: Wake County, North Carolina, Annual Comprehensive Financial Report for the year ended June 30, 2024.

WAKE COUNTY BOARD OF EDUCATION
TEN PRINCIPAL TAXPAYERS FOR WAKE COUNTY
CURRENT YEAR AND NINE YEARS AGO

Taxpayer	Fiscal Year 2024			Fiscal Year 2015		
	Assessed Valuation	Rank	Percentage of Total Assessed Valuation	Assessed Valuation	Rank	Percentage of Total Assessed Valuation
Duke Energy Progress, Inc	\$2,564,344,053	1	1.21%	\$1,598,837,313	1	1.25%
Highwoods Realty LP	792,302,652	2	0.37%	297,873,388	9	0.23%
SAS Institute Inc	698,653,989	3	0.33%	580,232,549	2	0.45%
Seqirus Inc	553,098,775	4	0.26%	-	-	-
Cisco Systems Inc	474,917,733	5	0.22%	483,415,551	3	0.38%
WMCI Raleigh LLC	414,996,705	6	0.20%	234,840,643	10	0.18%
SREIT	394,331,699	7	0.19%	-	-	-
Truist Bank	393,730,586	8	0.19%	-	-	-
CVM Holdings LLC	393,304,090	9	0.19%	334,466,115	7	0.26%
Glaxo Smith Kline	300,684,143	10	0.14%	-	-	-
NC Eastern Municipal Power Agency	-	-	-	332,662,384	8	0.26%
Duke Realty LP	-	-	-	422,405,650	4	0.33%
Novartis Vaccines & Diagnostics	-	-	-	342,885,268	5	0.27%
Network Appliance Inc	-	-	-	335,385,381	6	0.26%
	<u>\$6,980,364,425</u>		<u>3.30%</u>	<u>\$4,963,004,242</u>		<u>3.88%</u>

Source: Wake County, North Carolina, Annual Comprehensive Financial Report for the year ended June 30, 2024.

WAKE COUNTY BOARD OF EDUCATION
PROPERTY TAX LEVIES AND COLLECTIONS FOR WAKE COUNTY
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year (Original Levy)	Adjustments	Total Adjusted Levy	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
				Amount	Percentage of Original Levy		Amount	Percentage of Adjusted Levy
2024	\$ 1,412,538,274	\$ (2,441,127)	\$ 1,410,097,147	\$ 1,409,264,815	99.94%	\$ -	\$ 1,409,264,815	99.94%
2023	1,275,203,166	(2,294,018)	1,272,909,148	1,271,982,229	99.93%	(266,239)	1,271,715,990	99.91%
2022	1,197,770,657	(3,686,211)	1,194,084,446	1,193,146,562	99.92%	87,560	1,193,234,122	99.93%
2021	1,173,469,163	(10,534,301)	1,162,934,862	1,161,494,700	99.88%	493,199	1,161,987,899	99.92%
2020	1,130,623,568	(1,373,567)	1,129,250,001	1,126,999,613	99.80%	1,582,308	1,128,581,921	99.94%
2019	999,314,645	(1,372,951)	997,941,694	996,947,099	99.90%	591,766	997,538,865	99.96%
2018	914,686,233	(1,989,030)	912,697,203	911,681,836	99.89%	821,285	912,503,121	99.98%
2017	877,544,091	(7,317,373)	870,226,718	869,108,487	99.87%	947,899	870,056,386	99.98%
2016	833,221,749	(835,817)	832,385,932	831,114,362	99.85%	1,104,226	832,218,588	99.98%
2015	760,907,032	(664,952)	760,242,080	758,063,799	99.71%	2,021,425	760,085,224	99.98%

Notes:

Taxes for the fiscal year ended June 30, 2023 at the collection rate of 99.94% are a composite of the following collections by category:

Vehicle taxes	99.55%
Real and personal property taxes	99.97%

Amounts included above represent taxes in the General Fund and Special Tax District Fund and the NCVTS Vehicle taxes.

Source: Wake County, North Carolina, Annual Comprehensive Financial Report for the year ended June 30, 2024.

WAKE COUNTY BOARD OF EDUCATION
RATIOS OF OUTSTANDING DEBT BY TYPE FOR WAKE COUNTY
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30,	Governmental Activities					
	General Obligation Bonds	General Obligation Bond Anticipation Notes	Drawdown Installment Purchase Notes	Limited Obligation Bonds	Installment Purchases	Quality Zoning Academy Bonds
2024	\$ 1,770,764,327	\$ 19,508,236	\$ 99,146,737	\$ 1,068,023,172	\$ -	\$ -
2023	1,934,768,668	36,253,724	22,763,012	979,409,322	-	-
2022	1,806,519,670	107,773,717	21,456,798	903,631,077	2,278,115	-
2021	1,724,981,737	78,352,012	-	961,205,881	3,002,115	-
2020	1,763,962,578	36,078,529	239,242,066	620,426,297	3,719,115	-
2019	1,913,368,260	-	-	646,146,796	4,427,115	-
2018	1,937,469,050	50,197,448	3,485,580	424,746,261	5,306,359	-
2017	1,901,610,244	100,229,537	3,928,079	264,041,694	5,115,000	-
2016	1,969,481,706	1,301,000	-	279,088,791	4,007,860	163,467
2015	2,142,354,768	-	-	278,125,603	4,922,510	326,928

(Continued)

Source: Wake County, North Carolina, Annual Comprehensive Financial Report for the year ended June 30, 2024.

WAKE COUNTY BOARD OF EDUCATION
RATIOS OF OUTSTANDING DEBT BY TYPE FOR WAKE COUNTY
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30,	Governmental Activities			Business-Type Activities		Percentage of Personal Income	Per Capita
	Leases	Suscription Based Information Technology Agreements	Total Governmental Activities	Leases	Total Primary Government		
2024	\$ 41,322,744	\$ 4,815,327	\$ 3,003,580,543	\$ -	\$ 3,003,580,543	3.60%	2,523
2023	43,819,021		3,017,013,747	-	3,017,013,747	3.60%	2,568
2022	46,343,985		2,888,003,362	-	2,888,003,362	3.84%	2,511
2021	26,380		2,767,568,125	-	2,767,568,125	3.93%	2,450
2020	32,305		2,663,460,890	-	\$ 2,663,460,890	4.01%	2,396
2019	34,883		2,563,977,054	-	2,563,977,054	4.18%	2,347
2018	34,333		2,421,239,031	-	2,421,239,031	4.28%	2,258
2017	37,553		2,274,962,107	-	2,274,962,107	4.29%	2,173
2016	390,611		2,254,433,435	-	2,254,433,435	4.25%	2,201
2015	763,502		2,426,493,311	3,777	2,426,497,088	4.58%	2,414

Source: Wake County, North Carolina, Annual Comprehensive Financial Report for the year ended June 30, 2024.

WAKE COUNTY BOARD OF EDUCATION
RATIOS OF GENERAL BONDED DEBT OUTSTANDING FOR WAKE COUNTY
LAST TEN FISCAL YEARS

Fiscal Year	General Bonded Debt Outstanding			Percentage of Actual Taxable Value of Property	Per Capita
	General Obligation Bonds	General Obligation Bond Anticipation Notes	Total General Bonded Debt		
2024	\$ 1,770,764,327	\$ 19,508,236	\$ 1,790,272,563	0.85%	\$ 1,504.08
2023	1,934,768,668	36,253,724	1,971,022,392	0.97%	1,677.44
2022	1,806,519,670	107,773,717	1,914,293,387	0.97%	1,664.31
2021	1,724,981,737	78,352,012	1,803,333,749	0.93%	1,596.70
2020	1,763,962,578	-	1,763,962,578	1.16%	1,751.68
2019	1,913,368,260	-	1,913,368,260	1.29%	1,751.68
2018	1,937,469,050	50,197,448	1,987,666,498	1.38%	1,853.82
2017	1,901,610,244	100,229,537	2,001,839,781	1.42%	1,912.36
2016	1,969,481,706	1,301,000	1,970,782,706	1.49%	1,924.22
2015	2,142,354,768	-	2,142,354,768	1.67%	2,130.88

Source: Wake County, North Carolina, Annual Comprehensive Financial Report for the year ended June 30, 2024.

WAKE COUNTY BOARD OF EDUCATION
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2021

	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Direct and Overlapping Debt</u>
Municipality:			
Apex	\$ 101,591,448	100%	\$ 101,591,448
Cary	198,395,384	100%	198,395,384
Fuquay-Varina	48,455,000	100%	48,455,000
Garner	52,051,466	100%	52,051,466
Holly Springs	77,099,902	100%	77,099,902
Knightdale	16,894,636	100%	16,894,636
Morrisville	39,031,539	100%	39,031,539
Raleigh	578,173,770	100%	578,173,770
Rolesville	6,905,000	100%	6,905,000
Wake Forest	40,352,238	100%	40,352,238
Wendell	10,809,980	100%	10,809,980
Zebulon	2,222,980	100%	2,222,980
Wake County	<u>2,998,765,216</u>	100%	<u>2,998,765,216</u>
Overlapping debt	4,170,748,559		4,170,748,559
Direct debt	<u>101,411,997</u>		<u>101,411,997</u>
Total direct and overlapping debt	<u>\$ 4,272,160,556</u>		<u>\$ 4,272,160,556</u>

Source: Wake County, North Carolina, Annual Comprehensive Financial Report for the year ended June 30, 2024.

WAKE COUNTY BOARD OF EDUCATION
LEGAL DEBT MARGIN INFORMATION FOR WAKE COUNTY
LAST TEN YEARS

	Fiscal Year				
	2024	2023	2022	2021	2020
Assessed value of property	\$ 211,571,788,821	\$ 203,153,108,193	\$ 196,534,008,167	\$ 192,431,793,695	\$ 155,673,341,532
Debt limit, 8% of assessed value (Statutory Limitation)	16,925,743,106	16,252,248,655	15,722,720,653	15,394,543,496	12,453,867,323
Amount of debt applicable to limit					
General obligation bonds	1,558,035,000	1,704,400,000	1,595,065,000	1,525,740,000	1,580,690,000
GO bond anticipation notes	19,508,236	36,253,724	107,773,716	78,352,012	36,078,529
Other Long Term Debt	1,051,224,807	889,862,033	824,368,897	805,198,495	772,873,485
Bonds Authorized not Issued	1,117,995,000	1,183,815,000	602,240,000	849,830,000	980,140,000
Total net debt applicable to limit	3,746,763,043	3,814,330,757	3,129,447,613	3,259,120,507	3,369,782,014
Legal debt margin	\$ 13,178,980,063	\$ 12,437,917,898	\$ 12,593,273,040	\$ 12,005,112,989	\$ 9,084,085,309
Total net debt applicable to limit as a percentage of debt limit	22.14%	23.47%	19.90%	21.17%	27.06%

(Continued)

Note: The County is subject to the Local Government Bond Act of North Carolina which limits the amount of net bonded debt the County may have outstanding to 8 percent of the appraised value of property subject to taxation. The legal debt margin is the difference between the debt limit and the county's net debt outstanding applicable to the limit, and represents the county's legal borrowing authority.

Source: Wake County, North Carolina, Annual Comprehensive Financial Report for the year ended June 30, 2024.

WAKE COUNTY BOARD OF EDUCATION
LEGAL DEBT MARGIN INFORMATION FOR WAKE COUNTY
LAST TEN YEARS

	Fiscal Year				
	2019	2018	2017	2016	2015
Assessed value of property	\$ 148,627,572,143	\$ 144,219,213,822	\$ 141,411,010,294	\$ 131,950,999,915	\$ 127,947,523,008
Debt limit, 8% of assessed value (Statutory Limitation)	11,890,205,771	11,537,537,106	11,312,880,824	10,556,079,993	10,235,801,841
Amount of debt applicable to limit					
General obligation bonds	1,727,510,000	1,762,270,000	1,727,865,000	1,812,535,000	1,967,590,000
GO bond anticipation notes	-	50,197,448	100,229,537	1,301,000	-
Other Long Term Debt	554,346,998	374,041,272	231,140,632	238,761,938	266,887,940
Bonds Authorized not Issued	1,017,000,000	147,152,552	294,865,463	509,909,000	511,210,000
Total net debt applicable to limit	3,298,856,998	2,333,661,272	2,354,100,632	2,562,506,938	2,745,687,940
Legal debt margin	\$ 8,591,348,773	\$ 9,203,875,834	\$ 8,958,780,192	\$ 7,993,573,055	\$ 7,490,113,901
Total net debt applicable to limit as a percentage of debt limit	27.74%	20.23%	20.81%	24.28%	26.82%

Note: The County is subject to the Local Government Bond Act of North Carolina which limits the amount of net bonded debt the County may have outstanding to 8 percent of the appraised value of property subject to taxation. The legal debt margin is the difference between the debt limit and the county's net debt outstanding applicable to the limit, and represents the county's legal borrowing authority.

Source: Wake County, North Carolina, Annual Comprehensive Financial Report for the year ended June 30, 2024.

WAKE COUNTY BOARD OF EDUCATION
DEMOGRAPHIC AND ECONOMIC STATISTICS FOR WAKE COUNTY
LAST TEN YEARS

Year	Population Estimates	Personal Income (thousands of dollars)	Per Capita Personal Income	School Membership	Unemployment Rate
2024	1,190,275	*	*	159,827	3.6%
2023	1,175,021	*	*	158,357	3.1%
2022	1,150,204	*	*	158,654	3.4%
2021	1,129,410	\$ 81,900,659	\$ 71,205	158,546	4.1%
2020	1,111,761	74,107,214	65,450	161,835	7.1%
2019	1,092,305	69,222,569	62,264	160,339	3.9%
2018	1,072,203	64,461,643	59,014	160,095	3.6%
2017	1,046,791	60,216,950	56,162	159,213	3.9%
2016	1,024,198	57,229,926	54,549	156,644	4.2%
2015	998,691	54,904,525	53,625	155,000	4.7%

* Information not yet available

Source: Wake County, North Carolina, Annual Comprehensive Financial Report for the year ended June 30, 2024.

WAKE COUNTY BOARD OF EDUCATION
PRINCIPAL EMPLOYERS FOR WAKE COUNTY
CURRENT YEAR AND NINE YEARS AGO

Employer	2024			2015		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
State of North Carolina	24,083	1	3.84%	24,083	1	5.01%
Wake County Public School System	17,000	2	2.71%	18,554	2	3.86%
Wal-Mart	16,800	3	2.68%	-	-	-
WakeMed Health & Hospitals	10,307	4	1.65%	8,422	4	1.64%
Food Lion	9,037	5	1.44%	-	-	-
North Carolina State University	9,019	6	1.44%	7,876	5	1.75%
Target	8,400	7	1.34%	-	-	-
UNC Rex Healthcare	7,700	8	1.23%	5,300	7	1.10%
Harris Teeter	5,300	9	0.85%	-	-	-
Lenovo	5,100	10	0.81%	-	-	-
SAS Institute Inc	-	-	-	5,232	8	1.09%
IBM	-	-	-	10,000	3	2.08%
GlaxoSmithKline Inc	-	-	-	4,950	9	1.03%
Cisco Systems	-	-	-	5,500	6	1.15%
NC DHHS	-	-	-	3,800	10	1.03%
	<u>112,746</u>		<u>17.99%</u>	<u>93,717</u>		<u>19.74%</u>

Source: Wake County, North Carolina, Annual Comprehensive Financial Report for the year ended June 30, 2024.

Data from 2024 unavailable, date from 2023 used

WAKE COUNTY BOARD OF EDUCATION
FULL TIME EMPLOYEES BY CATEGORY
LAST TEN YEARS

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
School and school based support										
Principals	196	195	190	190	190	183	181	172	173	166
Assistant principals, nonteaching	446	422	426	394	387	363	337	336	324	328
Elementary teachers	4,066	3,986	4,065	4,012	4,119	4,212	4,446	4,501	4,517	4,538
Secondary teachers	4,223	4,184	4,265	4,224	4,290	4,407	4,356	4,144	4,103	4,121
Other teachers	2,507	2,504	2,667	2,437	2,330	2,028	1,814	1,820	1,737	1,709
Guidance	510	481	484	464	413	400	472	476	457	436
Psychological	123	117	123	110	110	106	107	103	100	98
Librarian, audiovisual	222	218	211	213	215	210	222	213	208	204
Consultant, supervisor	133	118	114	99	98	99	100	95	97	88
Teacher assistants	<u>2,579</u>	<u>2,465</u>	<u>2,376</u>	<u>2,450</u>	<u>2,476</u>	<u>2,478</u>	<u>2,437</u>	<u>2,395</u>	<u>2,419</u>	<u>2,351</u>
Total school and school based support	<u>15,005</u>	<u>14,690</u>	<u>14,921</u>	<u>14,593</u>	<u>14,628</u>	<u>14,486</u>	<u>14,472</u>	<u>14,255</u>	<u>14,135</u>	<u>14,039</u>
Central services										
Administrators, managers	25	24	23	25	25	21	23	21	20	21
Technicians	152	142	130	116	117	410	360	353	354	338
Clerical, secretarial	789	786	789	796	796	724	983	986	986	973
Service workers	1,419	1,477	1,612	1,783	1,888	1,850	1,636	1,638	1,633	1,713
Skilled crafts	291	284	276	278	288	278	300	298	306	291
Other professionals	<u>2,077</u>	<u>1,975</u>	<u>1,963</u>	<u>1,953</u>	<u>1,818</u>	<u>1,209</u>	<u>934</u>	<u>872</u>	<u>852</u>	<u>747</u>
Total central services	<u>4,753</u>	<u>4,688</u>	<u>4,793</u>	<u>4,951</u>	<u>4,932</u>	<u>4,492</u>	<u>4,236</u>	<u>4,168</u>	<u>4,151</u>	<u>4,083</u>
Total full time employees	<u>19,758</u>	<u>19,378</u>	<u>19,714</u>	<u>19,544</u>	<u>19,560</u>	<u>18,978</u>	<u>18,708</u>	<u>18,423</u>	<u>18,286</u>	<u>18,122</u>

Source: Wake County Public Schools Human Resources Department

WAKE COUNTY BOARD OF EDUCATION
OPERATING STATISTICS
LAST TEN YEARS

Fiscal Year	Membership	Percentage Increase In Membership	Operating Expenditures	Cost Per Pupil	Percentage Change	Schools	Graduating Class
2024	159,827	0.93%	\$ 2,046,906,948	\$ 12,807	5.81%	198	12,667
2023	158,357	-0.19%	1,916,774,935	12,104	-0.71%	198	12,180
2022	158,654	0.07%	1,934,105,443	12,191	17.53%	195	11,656
2021	158,546	-2.03%	1,644,639,043	10,373	4.03%	194	12,027
2020	161,835	0.93%	1,613,685,203	9,971	3.11%	191	11,960
2019	160,339	0.15%	1,550,422,095	9,670	6.45%	187	11,592
2018	160,095	0.55%	1,454,233,731	9,084	4.05%	183	11,125
2017	159,213	1.64%	1,389,930,067	8,730	1.87%	177	10,819
2016	156,644	1.06%	1,342,438,847	8,570	4.17%	171	10,502
2015	155,000	1.28%	1,275,142,766	8,227	5.31%	171	10,154

Source: Wake County Public Schools Growth Management Department

WAKE COUNTY BOARD OF EDUCATION
TEACHER BASE SALARIES
LAST TEN YEARS

<u>Fiscal Year</u>	<u>Minimum Salary</u>	<u>Maximum Salary</u>	<u>System Average Salary</u>
2024	\$ 46,057.60	\$ 102,001.32	\$ 60,818.77
2023	43,689.70	99,781.92	58,331.96
2022	41,892.40	99,607.08	55,278.05
2021	41,274.60	98,133.96	56,515.89
2020	41,274.60	91,936.30	56,032.39
2019	41,212.50	97,946.16	56,934.80
2018	41,037.50	96,545.52	55,399.27
2017	41,037.50	93,128.88	54,459.90
2016	41,037.50	94,170.00	50,802.93
2015	37,867.50	87,291.00	49,530.36

Source: Wake County Public Schools Human Resources Department

WAKE COUNTY BOARD OF EDUCATION
CAPITAL ASSETS INFORMATION
LAST TEN YEARS

	2024	2023	2022	2021	2020
Schools					
Elementary					
Buildings	214	214	215	212	211
Square feet	10,573,400	10,573,400	10,525,289	10,293,202	10,174,118
Capacity	74,070	73,406	73,414	73,406	71,177
Membership	68,721	67,791	68,262	68,535	72,245
Mobile classrooms	529	579	579	579	552
Middle					
Buildings	129	127	127	125	125
Square feet	6,650,577	6,407,922	6,407,922	6,025,480	6,025,480
Capacity	43,170	42,380	42,380	42,380	41,553
Membership	35,558	37,583	36,601	37,396	37,551
Mobile classrooms	157	165	165	165	192
High					
Buildings	224	224	224	224	223
Square feet	7,549,632	7,549,632	7,549,632	7,549,632	7,178,907
Capacity	56,871	54,251	55,371	54,251	52,614
Membership	23,479	50,321	51,931	50,039	49,872
Mobile classrooms	252	247	247	247	245
Other (includes academies)					
Buildings	11	10	10	10	9
Square feet	276,942	251,212	251,212	251,212	221,196
Capacity	2,770	2,740	2,740	2,740	2,684
Membership	2,069	2,662	1,860	2,576	2,167
Mobile classrooms	14	14	14	14	10
Administrative					
Buildings	19	19	19	19	19
Square Feet	508,081	508,081	508,081	508,081	508,081
Transportation					
Buses	538	577	632	693	764

(Continued)

Source: Wake County Public Schools Facility, Transportation, and Growth Management Departments

WAKE COUNTY BOARD OF EDUCATION
CAPITAL ASSETS INFORMATION
LAST TEN YEARS

	2019	2018	2017	2016	2015
Schools					
Elementary					
Buildings	207	209	210	206	204
Square feet	9,873,283	9,600,466	9,284,509	8,769,259	8,642,082
Capacity	70,498	77,232	76,596	74,521	73,745
Membership	71,857	73,098	73,717	72,811	71,918
Mobile classrooms	565	527	560	581	597
Middle					
Buildings	122	121	120	115	114
Square feet	5,810,972	5,577,309	5,374,984	5,327,777	5,328,621
Capacity	40,669	40,141	38,737	38,109	38,187
Membership	36,980	35,895	35,234	34,925	35,532
Mobile classrooms	180	142	167	176	175
High					
Buildings	223	213	229	226	226
Square feet	7,178,907	6,919,426	6,978,461	6,956,509	6,640,769
Capacity	50,656	50,526	48,921	48,476	47,243
Membership	49,716	49,253	47,969	46,990	45,182
Mobile classrooms	261	286	310	336	361
Other (includes academies)					
Buildings	9	11	9	9	9
Square feet	221,196	298,405	271,580	276,564	276,564
Capacity	2,531	2,728	2,681	2,095	1,993
Membership	1,786	1,849	2,293	1,918	2,368
Mobile classrooms	13	13	19	19	19
Administrative					
Buildings	17	17	17	17	17
Square Feet	339,668	340,160	340,160	340,160	340,160
Transportation					
Buses	762	751	760	814	908

Source: Wake County Public Schools Facility, Transportation, and Growth Management Departments



Single Audit Section

Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards

Independent Auditor's Report

Wake County Board of Education
Cary, North Carolina

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, each major fund, and the aggregate remaining fund information of the Wake County Board of Education, North Carolina ("Board") as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Board's basic financial statements, and have issued our report thereon dated October 28, 2024.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the 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 Board's internal control. Accordingly, we do not express an opinion on the effectiveness of the 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 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.

Forvis Mazars, LLP

**Winston-Salem, North Carolina
October 28, 2024**

Report on Compliance for Each Major Federal Program and Report on Internal Control over Compliance Required by the OMB Uniform Guidance and the State Single Audit Implementation Act

Independent Auditor's Report

Wake County Board of Education
Cary, NC

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Wake County Board of Education, North Carolina ("Board") compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement and the Audit Manual for Governmental Auditors in North Carolina*, issued by the Local Government Commission, that could have a direct and material effect on each of Board's major federal programs for the year ended June 30, 2024. The 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 Board complied, in all material respects, with the 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, 2024.

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 (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); 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) and the State Single Audit Implementation Act. 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 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 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 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 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 GAAS, *Government Auditing Standards*, the Uniform Guidance, and the State Single Audit Implementation Act 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 Board's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance, and the State Single Audit Implementation Act, 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 Board's compliance with the compliance requirements referred to above and performing such other procedures as we consider necessary in the circumstances.
- Obtain an understanding of the 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 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 and the State Single Audit Implementation Act. Accordingly, this report is not suitable for any other purpose.

Forvis Mazars, LLP

**Winston-Salem, North Carolina
October 28, 2024**

Report on Compliance for Each Major State Program and Report on Internal Control over Compliance Required by the OMB Uniform Guidance and the State Single Audit Implementation Act

Independent Auditor's Report

Wake County Board of Education
Cary, NC

Report on Compliance for Each Major State Program

Opinion on Each Major State Program

We have audited the Wake County Board of Education, North Carolina ("Board") compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement and the Audit Manual for Governmental Auditors in North Carolina*, issued by the Local Government Commission, that could have a direct and material effect on each of Board's major state programs for the year ended June 30, 2024. The Board's major state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Board complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major state programs for the year ended June 30, 2024.

Basis for Opinion on Each Major State Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); 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) and the State Single Audit Implementation Act. 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 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 state program. Our audit does not provide a legal determination of the 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 Board's state 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 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 GAAS, *Government Auditing Standards*, the Uniform Guidance, and the State Single Audit Implementation Act 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 Board's compliance with the requirements of each major state program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance, and the State Single Audit Implementation Act, 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 Board's compliance with the compliance requirements referred to above and performing such other procedures as we consider necessary in the circumstances.
- Obtain an understanding of the 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 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 state 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 state 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 state 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 and the State Single Audit Implementation Act. Accordingly, this report is not suitable for any other purpose.

Forvis Mazars, LLP

**Winston-Salem, North Carolina
October 28, 2024**

Wake County Board of Education
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2024

1. Summary of Auditors' Results

Financial Statements

Type of auditors' report issued on whether the financial statements audited were prepared in accordance to GAAP:
Unmodified

Internal control over financial reporting:

- Material weaknesses identified? _____ yes x no
- Significant deficiencies identified _____ yes x none reported

Noncompliance material to financial statements noted _____ yes x no

Federal Awards

Internal control over major federal programs:

- Material weaknesses identified? _____ yes x no
- Significant deficiencies identified _____ yes x none reported

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

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

Identification of major federal programs:

Assistance Listing

Names of Federal Program or Cluster

84.425	COVID-19 Education Stabilization Feed
10.555, 10.579, 10.559, 10.582	Child Nutrition Cluster

The dollar threshold used to distinguish between Type A
and Type B Programs \$ 3,000,000

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

State Awards

Internal control over major state programs:

- Material weaknesses 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 state programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with the State Single Audit Implementation Act _____ yes x no

Identification of major state programs:

Program Name

State Public School Fund
School Technology

2. Financial Statement Findings

No findings were noted that are required to be reported under *Government Auditing Standards*.

3. Federal Award Findings and Questioned Costs

No findings and questioned cost related to the audit of federal awards aggregating \$25,000 or more were noted.

4. State Award Findings and Questioned Costs

No findings and questioned cost related to the audit of state awards aggregating \$25,000 or more were noted.

**Wake County Board of Education
Summary Schedule of Prior Year's Audit Finding
For the Fiscal Year Ended June 30, 2024**

There were no findings or questioned costs related to the audit of federal and state awards for the fiscal year ended June 30, 2023.

WAKE COUNTY BOARD OF EDUCATION
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR YEAR ENDED JUNE 30, 2024

Grantor/Pass-Through Grantor/Program Title	Federal Assistance Listing Number	Pass- Through Grantor's Number	Expenditures
<u>FEDERAL GRANTS:</u>			
<u>U.S. Department of Agriculture</u>			
School Nutrition Program (Note 3)			
Child Nutrition Cluster:			
Non-Cash Assistance (Commodities)			
Passed through the N.C. Department of Agriculture:			
National School Lunch Program	10.555	35	\$ 4,802,778
Non-Cash Assistance			4,802,778
Cash Assistance:			
Passed through the N.C. Department of Public Instruction:			
National School Lunch Program	10.555	35	33,996,856
Child Nutrition Discretionary Grant	10.579	53	10,161
Summer School Food Program for Children	10.559	35	451,995
Passed through the N.C. Department of Health and Human Services:			
Fresh Fruit and Vegetable Program	10.582	35	152,446
Total Cash Assistance			34,611,458
Total Child Nutrition Cluster			39,414,236
Passed through the N.C. Department of Agriculture and Consumer Services:			
Local Food for Schools Cooperative Agreement Program	10.185	353	404,835
Total U.S. Department of Agriculture			39,819,071
<u>U.S. Department of Education</u>			
Cash Assistance:			
Direct Programs			
Magnet Schools Assistance Synergy 2022	84.165A	396	2,963,214
Magnet Schools Assistance Cornerstone 2017	84.165A	394	244,217
Magnet Schools Project Elevate	84.165A	398	1,112,808
Magnet Schools Project Nexus	84.165A	395	2,526,467
Total Magnet School Assistance			6,846,706
Project Leaders	84.374A	397	366,430
Indian Education Formula Grants to Local Education Agencies	84.060A	310	49,686
Passed through the N.C. Department of Public Instruction:			
Title I Cluster			
Title I Grants to Local Education Agencies (Title I, Part A of ESEA)	84.010	50	29,099,315
School Improvements	84.010A	105	422,361
Total Title I Grants to Local Education Agencies (Title I)			29,521,676

(Continued)

WAKE COUNTY BOARD OF EDUCATION
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR YEAR ENDED JUNE 30, 2024

Grantor/Pass-Through Grantor/Program Title	Federal Assistance Listing Number	Pass- Through Grantor's Number	Expenditures
<u>Special Education Cluster:</u>			
Special Education - Grants to States (IDEA, Part B) -			
Education of the Handicapped	84.027	60	\$ 31,065,048
Coordinated Early Intervening Services	84.027	70	5,180,131
Special Needs Targeted Assistance	84.027	118	29,088
Risk Pool	84.027	114	243,692
ESSER III - ARP IDEA 611 Grants to States	84.027X	185	169,446
Special Education - Preschool Grants (IDEA Preschool) -			
Preschool Handicapped	84.173	49	503,603
Preschool Targeted Assistance	84.173	119	24,221
ESSER III - ARP IDEA Preschool	84.173X	186	1,353
Total Special Education Cluster			37,216,582
Career and Technical Education - Capacity Building Grant	84.048	17	2,103,083
English Language Acquisition Grants	84.365	104, 111	2,017,732
Supporting Effective Instruction	84.367	103	5,639,003
Student Support and Academic Enrichment	84.424A	108	2,044,454
COVID-19 Education Stabilization Fund	84.425		
Rethink Education Stipends	84.425B	146	2,653
CRRSA - ESSER II - Supplemental - K-12 -Emergency Relief Fund	84.425D	171	193,439
CRRSA - ESSER II - Supplemental Contracted Instructional Support Funding	84.425D	173	217,250
CRRSA-ESSER II-Learning Loss Funding	84.425D	176	1,549,255
CRRSA - ESSER II - Summer Career Accelerator Program	84.425D	177	858,738
ARP - ESSER III - K-12 Emergency Relief Fund	84.425U	181	70,550,776
ARP-ESSER III-Summer Career Accelerator Programs	84.425U	188	814,742
ARP-ESSER III-Math Enrichment Programs	84.425U	189	969,532
ARP-ESSER III-Grants for Identification & Location of Missing Students	84.425U	191	309,025
ARP-ESSER III-Cyberbullying & Suicide Prevention Grants	84.425U	192	885,150
ARP-ESSER III-Career & Technical Education-Hospitality	84.425U	194	1,796
ARP-ESSER III-Dist. & Regional Supp Sch Improvement/ Leadership Grants	84.425U	195	41,287
ARP ACT-NBPTS Certification Fee Reimbursement Program	84.425U	198	73,153
ARP-ESSER III-Educ & Competitive After-School Robotics Grant	84.425U	201	7,440
ARP-ESSER III-School Psychologists Grant Program	84.425U	204	7,817
ARP-ESSER III-Principal Retention Supplements	84.425U	206	64,002
ARP - ESSER III - Homeless II	84.425W	184	1,052,195

(Continued)

WAKE COUNTY BOARD OF EDUCATION
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR YEAR ENDED JUNE 30, 2024

Grantor/Pass-Through Grantor/Program Title	Federal Assistance Listing Number	Pass- Through Grantor's Number	Expenditures
Passed through TeachNC CRRSA-GEER Scholarship Funds	84.425R	375	\$ 11,489
Total COVID-19 Education Stabilization Fund			77,609,739
State Personnel Development Grant - NC State Improvement	84.323A	82	4,027
Total U.S. Department of Education			163,419,118
<u>U.S. Department of Defense</u>			
Direct Program			
Direct Program - ROTC	None	301	551,145
<u>U.S. Department of Treasury</u>			
Passed-through Wake County - Coronavirus Relief Fund			
COVID-19 Coronavirus State and Local Fiscal Recovery Fund	21.027	374	165,847
Total Federal Assistance			203,955,181
<u>STATE GRANTS:</u>			
Cash Assistance			
<u>N.C. Department of Public Instruction</u>			
State Public School Fund		xxxx	1,091,436,028
Drivers Training - SPSF		12	3,332,821
Technology Fund - SPSF		15	1,017,609
State Textbooks and Digital Resources		130/131	6,116,345
Career & Technical Education:			
State Months of Employment		13	56,855,525
Program Support Funds		14	3,294,644
Reduced-price breakfast			223,685
Professional leave funding		509	5,613
Non-Cash Assistance			
<u>N.C. Department of Public Instruction</u>			
Financed Purchase of School Buses		120	3,602,081
Total State Assistance			1,165,884,351
TOTAL FINANCIAL ASSISTANCE			\$ 1,369,839,532

WAKE COUNTY BOARD OF EDUCATION
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
YEAR ENDED JUNE 30, 2024

Note 1: Basis of Presentation

The accompanying Schedule of Expenditures of Federal and State Awards (SEFSA) includes the federal and state grant activity of Wake County Board of Education under the programs of the federal government and the State of North Carolina for the year ended June 30, 2024. The information in this (SEFSA is presented in accordance with the requirements of Title 2 US Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards and the State Single Audit Implementation Act. Because the Schedule presents only a selected portion of the operations of Wake County Board of Education, it is not intended to and does not present the financial positions, changes in net position, or cash flows of Wake County Board of Education.

Note 2: Summary of Significant Accounting Policies

Expenditures reported in the SEFSA are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Uniform Guidance, wherein certain types of expenditures are not allowable or are limited.

Wake County Board of Education has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

Note 3: Cluster of Programs

The following are clustered by the NC Department of Public Instruction and are treated separately for state audit requirement purposes: School Nutrition Program

Note 4: Non-cash Assistance

Included in the amounts reported on the SEFSA, the Board received non-cash assistance in the form of food commodities and school buses. Non-cash items with a fair value of \$8,404,859 were received during the year ended June 30, 2024. These non-cash items received were included in the determination of federal and state awards expended for the year ended June 30, 2024.