



WAKE COUNTY
BOARD OF EDUCATION
CARY, NORTH CAROLINA

Comprehensive Annual FINANCIAL REPORT

for the fiscal year ending June 30, 2020

PREPARED BY THE FINANCE DEPARTMENT

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COMPREHENSIVE ANNUAL FINANCIAL REPORT
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Introduction





Cathy Q. Moore, Superintendent

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

We are pleased to submit the comprehensive annual financial report of the Wake County Board of Education (Board) for the year ended June 30, 2020, as mandated by both local ordinances and state statutes. These ordinances and statutes require that the Board issue annually a report on its financial position and activity and that an independent firm of certified public accountants will audit this report. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with management. 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 gain an understanding of the Board's activities have been included.

The presentation of the comprehensive annual 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 Officers 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, the report on compliance and on 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 comprehensive annual 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, and Zebulon. In July 1976, the former Wake County and Raleigh City public school systems merged to create the WCPSS. For 2019-20 the school system was the largest in North Carolina and the 15th largest system in the nation. It served 161,835 students from kindergarten through 12th grade in 117 elementary schools, 38 middle schools, 27 high schools, and 5 optional schools, and 4 academies. The school system has over 19,500 full-time employees and is the third largest employer in Wake County. The system has over 10,700 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 her administrative team are in charge of managing the operations of the school system.

A principal charged with the responsibility of the total school operations administers each individual school. Appropriate instructional and support personnel based on pupil enrollment staff the schools. The school principal and faculty work cooperatively with instructional specialists and central administrative staff in developing and implementing effective instructional programs.

Forty-seven of the school system's 191 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: Leadership and Technology, Gifted and Talented, International Baccalaureate, Language Immersion/Global Studies. The Board established the magnet network to offer a choice in instructional opportunities, maximize 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: twenty-eight NC STEM collaborative network schools, two single-gender leadership academies and four early college programs, 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 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 half way between Washington, D. C., and Atlanta. As well as being a part of that major industrial corridor, Wake County is also convenient to 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 on 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 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 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 Goal and Strategies

In January of 2015, the Wake County Board of Education adopted a Mission, Vision, Core Beliefs and Goal to sustain academic growth for Wake County's students.

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 will 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.
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.

The goal states, “By 2020, Wake County Public School System will annually graduate at least 95% of its students ready for productive citizenship as well as higher education or a career”.

Graduation Rates

For the 2019-20 school year, 90.8 percent of seniors who started school four years earlier graduated on time. This is a record for the Wake County Public School System, and it marks eight consecutive years of increases in the graduation rate. It is a 0.9 percentage-point increase over the 2018-19 rate of 89.9 percent.

National Board Certified Teachers

In 2019, 158 Wake County Public School System teachers earned National Board Certification. More than 2,900 teachers have achieved this milestone while working for the school system. This is the highest number of National Board Certified teachers in the nation and is the 14th consecutive year that the school system has held that honor. 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 the proprietary funds are reported using the accrual basis of accounting. Detailed explanations of both are found in the measurement focus and basis of accounting section 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 mandate 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 the proprietary funds. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget and in 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, 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, 2018 the residents of Wake County approved a bond issue of \$548 million. This bond issue will provide seven new schools, eleven major renovations, life cycle replacements, technology, security, and land acquisition for new schools. The school system's oldest building was built in 1924 and most recent building was completed in 2019.

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 Dixon Hughes Goodman LLP. In addition to meeting the requirements set forth 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 and 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) and the Association of School Business Officials (ASBO) awarded Certificates of Achievement for Excellence in Financial Reporting to the Board for its comprehensive annual financial report for the year ended June 30, 2019. This was the thirty-first consecutive year that the Board received these prestigious awards. In order to be awarded Certificates of Achievement, the Board published an easily readable and efficiently organized comprehensive annual financial report. This report satisfied both accounting principles generally accepted in the United States of America and applicable legal requirements.

The Certificates of Achievement are valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the requirements for the Certificates of Achievement, 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 to the Board's independent certified public accountants, Dixon Hughes Goodman LLP, for their assistance. The contributions of all are invaluable and sincerely appreciated and clearly 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,

Cathy Q. Moore
Superintendent

David Neter
Chief Business Officer

Mark Winters
Finance Officer



ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

The Certificate of Excellence in Financial Reporting
is presented to

Wake County Board of Education

**for its Comprehensive Annual Financial Report (CAFR)
for the Fiscal Year Ended June 30, 2019.**

The CAFR meets the criteria established for
ASBO International's Certificate of Excellence.



A handwritten signature in black ink, reading 'Claire Hertz'.

Claire Hertz, SFO
President

A handwritten signature in black ink, reading 'David J. Lewis'.

David J. Lewis
Executive Director



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**Wake County Board of Education
North Carolina**

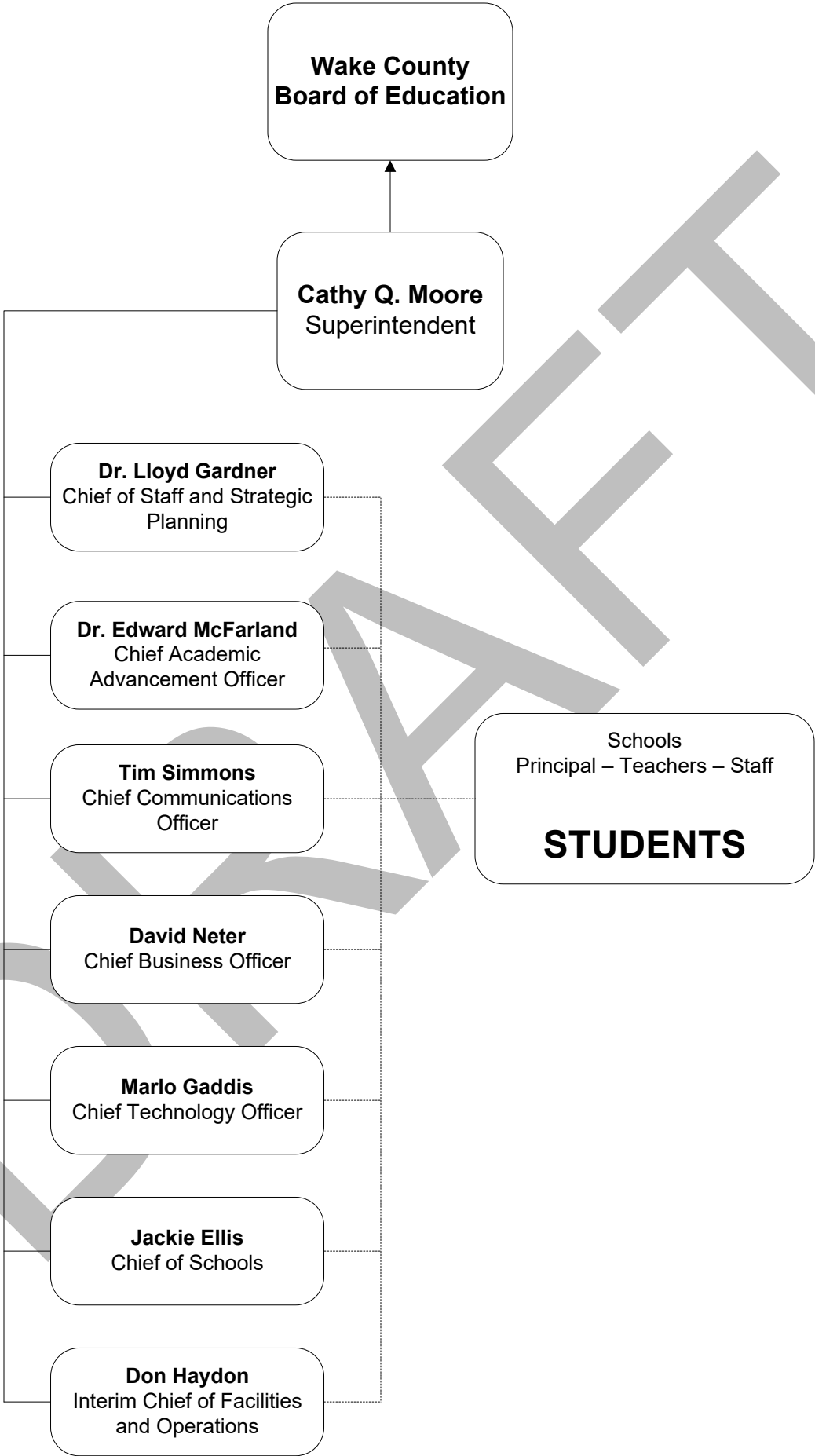
For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2019

Christopher P. Morill

Executive Director/CEO

Organizational Chart



Board of Education and Leadership Team



Keith Sutton
Chair, District 4



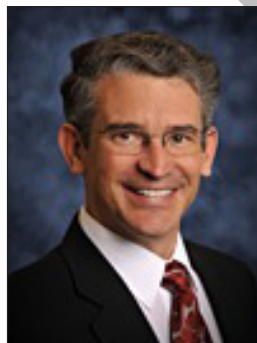
Roxie Cash
Vice Chair, District 3



Heather Scott
District 1



Monika Johnson-Hostler
District 2



Dr. Jim Martin
District 5



Christine Kushner
District 6



Chris Heagarty
District 7



Lindsay Mahaffey
District 8



Bill Fletcher
District 9



Cathy Q. Moore
Superintendent

Leadership Team Cathy Q. Moore, Superintendent

Chief Officers

Dr. Lloyd Gardner, Chief of Staff and Strategic Planning
Dr. Edward McFarland, Chief Academic Advancement Officer
David Neter, Chief Business Officer
Tim Simmons, Chief Communications Officer
Marlo Gaddis, Chief Technology Officer
Jackie Ellis, Chief of Schools
Don Haydon, Interim Chief of Facilities and Operations

Area Superintendents

Dr. Mark Savage - Eastern Wake County
Dr. Ashlie Thompson - Central Wake County
Chris McCabe - Northern Wake County
Dr. Ve-Lecia Council - Northeastern Wake County
Dr. Clinton Robinson - 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

Mark Winters, Finance Officer

Assistant Superintendents

Drew Cook - Academics
Dr. AJ Muttillio - Human Resources
Karen Hamilton - Special Education
Paul Koh - Student Support Services
Dr. Bradley McMillen - Data, Research, and Accountability
Dr. Rodney Trice - Equity Affairs
Wade Martin - School Choice, Planning, and Assignment



Financial Section



Place Holder for Independent Auditors' Report

MANAGEMENT DISCUSSION AND ANALYSIS

**WAKE COUNTY BOARD OF EDUCATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2020**

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, 2020. 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 \$1,004,258,461.
- The Board's total net position increased \$152,042,170 primarily due to increased capital assets in the Governmental Activities.
- As of the close of the current fiscal year, the Board's General Fund reported a total fund balance of \$90,888,951 and the Board's governmental funds reported combined ending fund balances of \$105,301,904. Of this total, \$35,271,113 is available for spending at the government's discretion.
- The Board enjoyed an increased enrollment of 1,496 students (or 0.93%) from the previous year.

Overview of the Financial Statements

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

- *Independent Auditors' 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, reconciliation from the governmental fund financial statements to the government-wide statements is required. The government-wide statements provide information about the Board

**WAKE COUNTY BOARD OF EDUCATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2020**

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.

**WAKE COUNTY BOARD OF EDUCATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2020**

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 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 nineteen 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-five 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 \$1,004,259,000 as of June 30, 2020. The largest component of net investment in capital assets of approximately \$3,739,964,000.

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

**Condensed Statements of Net Position (Deficit)
June 30, 2020 and 2019**

	Governmental Activities		Business-type Activities		Total Primary Government	
	2020	2019	2020	2019	2020	2019
Current assets	\$ 193,620	\$ 184,734	\$ 27,637	\$ 32,401	\$ 221,257	\$ 217,135
Capital assets	3,736,578	3,558,211	6,773	6,622	3,743,351	3,564,833
Total assets	3,930,198	3,742,945	34,410	39,023	3,964,608	3,781,968
Deferred outflows of resources	503,179	529,014	10,928	11,502	514,107	540,516
Current Liabilities	76,261	102,134	5,493	5,568	81,754	107,702
Long-term liabilities:	2,606,798	2,406,717	60,820	56,427	2,667,618	2,463,144
Total liabilities	2,683,059	2,508,851	66,313	61,995	2,749,372	2,570,846
Deferred inflows of resources	707,011	877,491	18,073	21,931	725,084	899,422
Net investment in capital assets	3,733,191	3,549,276	6,773	6,622	3,739,964	3,555,898
Restricted net position	22,444	24,180	167	210	22,611	24,390
Unrestricted net position	(2,712,328)	(2,687,839)	(45,988)	(40,233)	(2,758,316)	(2,728,072)
TOTAL NET POSITION (DEFICIT)	\$ 1,043,307	\$ 885,617	\$ (39,048)	\$ (33,401)	\$ 1,004,259	\$ 852,216

**WAKE COUNTY BOARD OF EDUCATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2020**

Note that net position for governmental activities increased by approximately \$152,042,000 during the year, indicating an improvement in the financial condition of the Board. The increase of net position was mainly a result in the increase of capital assets in the governmental activities due to new school construction. 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 Statements of Revenues, Expenses, and Changes in Net Position (Deficit)
For the Years Ended June 30, 2020 and 2019**

	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Revenues:						
Program revenues:						
Charges for services	\$ 1,101	\$ 1,662	\$ 22,716	\$ 31,614	\$ 23,817	\$ 33,276
Operating grants and contributions	1,120,724	1,075,480	29,683	35,255	1,150,407	1,110,735
General Revenues:						
Other revenues	796,038	806,823	434	486	796,472	807,309
Total revenues	<u>1,917,863</u>	<u>1,883,965</u>	<u>52,833</u>	<u>67,355</u>	<u>1,970,696</u>	<u>1,951,320</u>
Expenses:						
Governmental activities:						
Instructional services	1,324,087	1,231,407	-	-	1,324,087	1,231,407
System-wide support services	298,706	271,847	-	-	298,706	271,847
Ancillary services	3,997	343	-	-	3,997	343
Nonprogram charges	37,140	32,440	-	-	37,140	32,440
Depreciation	93,794	93,204	-	-	93,794	93,204
Business-type activities:						
Food services	-	-	49,473	54,186	49,473	54,186
Tuition programs	-	-	11,456	13,791	11,456	13,791
Total expenses	<u>1,757,724</u>	<u>1,629,241</u>	<u>60,929</u>	<u>67,977</u>	<u>1,818,653</u>	<u>1,697,218</u>
Excess (deficiency) before transfers	<u>160,139</u>	<u>254,724</u>	<u>(8,096)</u>	<u>(622)</u>	<u>152,043</u>	<u>254,102</u>
Transfers	<u>(2,449)</u>	<u>(69)</u>	<u>2,449</u>	<u>69</u>	<u>-</u>	<u>-</u>
Increase (decrease) in net position	157,690	254,655	(5,647)	(553)	152,043	254,102
Net position, beginning	885,617	630,962	(33,401)	(32,848)	852,216	598,114
Net position, ending	<u>\$ 1,043,307</u>	<u>\$ 885,617</u>	<u>\$ (39,048)</u>	<u>\$ (33,401)</u>	<u>\$ 1,004,259</u>	<u>\$ 852,216</u>

Total governmental activities generated revenues of \$1.92 billion while expenses in this category totaled \$1.76 billion for the year ended June 30, 2020. Comparatively, revenues were \$1.88 billion, and expenses totaled \$1.63 billion for the year ended June 30, 2019. After transfers to the business-type activities, the increase in net position stands at \$158 million at

**WAKE COUNTY BOARD OF EDUCATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2020**

June 30, 2020, compared to \$255 million in 2019. The increase in revenues and expenses are due to the increase in county appropriation, state funding and funds related to COVID-19, allowing the school system to further support instructional programs and technology initiatives. Instructional services expenses comprised 75.3% of total governmental-type expenses while system-wide support services made up 17% of those expenses for 2020. County funding comprised 41.1% of total governmental revenue for 2020. In 2019, county funding was 42.3%. Much of the remaining 58.9% of the total governmental revenue for 2020 consists of restricted state and federal money. This revenue represented 56.9% of total revenue in 2020. Business-type activities generated revenue of \$53 million and expenses of \$61 million. Net position decreased in the business-type activities by \$5.6 million after transfers from the governmental activities of \$2.4 million. The decrease in net position in 2019 was \$553 thousand. The majority of the decrease was due to school closing because of the COVID-19 pandemic.

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 \$90,888,951, an increase of \$28,039,940 over last year. The underlying reason for this increase was the reduction in costs due to spending restrictions enforced with the school closure related to the COVID-19 pandemic and the board's strategic use of federal funds and additional funds related to the pandemic. The unassigned fund balance in the general fund increased to \$35,271,113. This level of unassigned fund balance equals 1.95 percent of the total operating budget (state, local funds, grant, enterprise, and other restricted funds \$1,810,012,778). The Board assigned \$8,695,601 from fund balance to support the 2020-21 budget.

The total fund balance in the capital outlay fund increased by \$2,071,824, and the restricted fund balance for capital expenditures increased to \$1,375,364. The total fund balance increase was mainly caused by unfilled orders due to supply chain delays related to the pandemic.

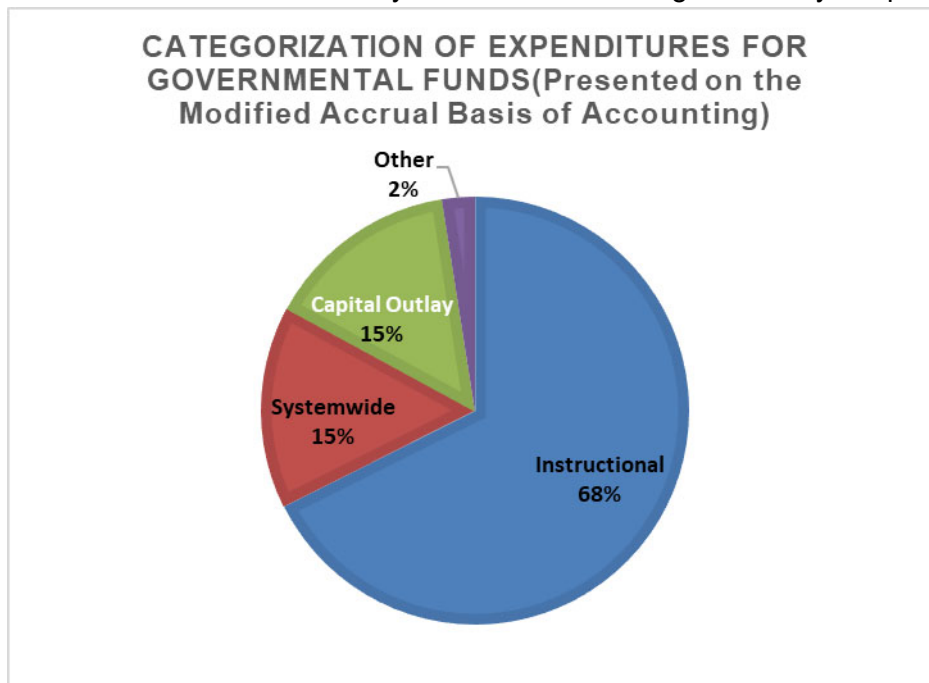
The fund balance restricted for individual schools in the individual schools fund increased by \$943,409 due to schools decreasing their revenues by 10.4% while decreasing their expenditures by 15% in this area. The decrease in both revenues and expenditures is a result of the pandemic and school closure.

The fund balance for the State Public School Fund is zero, after the transfer to the Child Nutrition Program of \$2,448,756. 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 \$105,301,904, a \$31,055,173 increase over last year. Total county funding to support operating and capital needs decreased over the prior year by \$8.2 million. This decrease was due to the decrease in the building program while the local appropriations received from the county increased. State funding increased approximately \$32 million as a result of teacher salary increases and student growth. Federal funding increased by approximately \$19 million due to grant awards and funds related to the pandemic.

**WAKE COUNTY BOARD OF EDUCATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2020**

The Board's business-type funds reflected a total decrease in net position of approximately \$5.6 million. The Child Nutrition Program reflected a decrease in net position over the last year of \$4.7 million and Tuition Programs reflected a decrease in net position over last year of \$926,017. Both decreases were mainly due to school closing caused by the pandemic.



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 \$5.3 million. This was mainly due the appropriation of fund balance for the energy savings project. Total revenues were \$380,000 greater than the final budget due to the increase in fines and forfeitures. Total expenditures for the general fund were \$56 million less than the final budget due to the spending restrictions put in place as we faced the pandemic and school closure. Other financing sources final budget includes \$30 million of appropriated fund balance.

Total amendments to the state public school fund increased revenues by approximately \$25. million. This change was the net of the increases and decreases in allotments received from the state.

**WAKE COUNTY BOARD OF EDUCATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2020**

Capital Assets

The Board's investment in capital assets for its governmental and business-type activities as of June 30, 2020, totals \$3,743,351 (net of accumulated depreciation). The following is a summary of the capital assets, net of depreciation at year-end (in thousands):

	Summary of Capital Assets June 30, 2020 and 2019					
	Governmental		Business-type		Total	
	Activities		Activities			
	2020	2019	2020	2019	2020	2019
Land	\$ 213,252	\$ 189,481	\$ -	\$ -	\$ 213,252	\$ 189,481
Land improvements	6,897	6,724	-	-	6,897	6,724
Buildings	2,962,349	2,775,658	-	-	2,962,349	2,775,658
Equipment	24,032	29,739	6,483	6,536	30,515	36,275
Vehicles	10,794	11,807	290	86	11,084	11,893
Construction in progress	519,254	544,802	-	-	519,254	544,802
Total	<u>\$ 3,736,578</u>	<u>\$ 3,558,211</u>	<u>\$ 6,773</u>	<u>\$ 6,622</u>	<u>\$3,743,351</u>	<u>\$ 3,564,833</u>

More detailed information on the Board's capital assets is contained on pages 39 through 40 in the notes to the financial statements.

Debt Outstanding

During the year the Board's outstanding government-type debt increased by \$200,081,201 and the business-type activities debt increased by \$4,393,042. The decrease in the government-type and the business-type activities debt was due to the reduction of the net OPEB liability. More detailed information on the Board's outstanding debt is contained on page 54 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.

- Wake County's unemployment rate was 7.1% at June 30, 2020. This is an increase of 3.2% from the previous year. The increase is due to the pandemic.
- The County's assessed valuation increased approximately 2.63% from the prior year.
- Total sales tax collections for fiscal year ended June 30, 2020 was \$209.3 million, a \$6.8 million (or 3.3%) increase from the prior fiscal year.

During the fiscal year, the state and the nation were affected by the spread of a coronavirus. The Board's response to the coronavirus included closing school buildings on March 16 and finished the school year through remote learning. This closure as well as the challenges of the coronavirus resulted in the reduction of revenue for several areas like child nutrition, before and after programs and building rentals. While the board has experienced challenges of additional

**WAKE COUNTY BOARD OF EDUCATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2020**

expenditures due to remote learning, we have been able to utilize relief funding available from state and federal sources.

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:

Mark Winters, 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, 2020

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 133,701,076	\$ 23,634,435	\$ 157,335,511
Restricted cash	1,170,115	-	1,170,115
Due from other governments	49,111,644	1,459,324	50,570,968
Net OPEB asset	2,494,670	60,713	2,555,383
Internal balances	(6,367)	6,367	-
Receivables	1,243,767	332,209	1,575,976
Inventories	5,905,099	2,144,302	8,049,401
Total current assets	193,620,004	27,637,350	221,257,354
Noncurrent assets:			
Land and construction in progress	732,505,968	-	732,505,968
Capital assets, net of accumulated depreciation	3,004,071,629	6,772,791	3,010,844,420
	3,736,577,597	6,772,791	3,743,350,388
TOTAL ASSETS	3,930,197,601	34,410,141	3,964,607,742
DEFERRED OUTFLOWS OF RESOURCES	503,178,715	10,927,677	514,106,392
LIABILITIES			
Current liabilities:			
Salaries and benefits payable	19,359,826	2,038,571	21,398,397
Accounts payable	56,901,180	1,037,388	57,938,568
Unearned revenue	-	2,417,163	2,417,163
Long-term due within one year	6,473,320	800,000	7,273,320
Long-term liabilities:			
Due in more than one year	2,600,324,214	60,020,366	2,660,344,580
TOTAL LIABILITIES	2,683,058,540	66,313,488	2,749,372,028
DEFERRED INFLOWS OF RESOURCES	707,010,674	18,072,971	725,083,645
NET POSITION (DEFICIT)			
Net investment in capital assets	3,733,190,940	6,772,791	3,739,963,731
Restricted for:			
Individual school activities	9,943,987	-	9,943,987
Special programs	51,110	-	51,110
Stabilization by state statute	7,086,360	-	7,086,360
School capital outlay	1,375,364	-	1,375,364
Energy savings obligations	1,170,115	-	1,170,115
OPEB Plan	2,768,065	167,034	2,935,099
Restricted contributions	48,896	-	48,896
Unrestricted	(2,712,327,735)	(45,988,466)	(2,758,316,201)
TOTAL NET POSITION (DEFICIT)	\$ 1,043,307,102	\$ (39,048,641)	\$ 1,004,258,461

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, 2020

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
GOVERNMENTAL ACTIVITIES:				
Instructional programs:				
Regular	\$ 756,413,532	\$ 1,100,760	\$ 557,392,971	\$ -
Special populations	246,494,723	-	203,101,309	-
Alternative programs and services	87,640,748	-	68,428,197	-
School leadership	99,993,182	-	95,554,308	-
Co-curricular	35,689,594	-	133,559	-
School-based support services	97,856,120	-	63,258,401	-
Systemwide support services				
Support and development	8,497,991	-	2,993,179	-
Special populations support and development	6,941,524	-	1,500,731	-
Alternative programs and services support and development	4,106,244	-	1,817,472	-
Technology support	63,510,929	-	21,455,559	-
Operational support	172,671,446	-	89,102,676	-
Financial and human resource	22,399,593	-	5,831,754	-
Accountability	2,163,932	-	129,315	-
Systemwide pupil support	6,101,720	-	360,064	-
Policy, leadership and public relations	12,312,374	-	3,434,942	-
Ancillary services	3,997,339	-	3,780,862	-
Nonprogram charges	37,139,670	-	2,448,756	-
Depreciation - unallocated *	93,793,766	-	-	-
Total governmental activities	1,757,724,427	1,100,760	1,120,724,055	-
BUSINESS-TYPE ACTIVITIES:				
Food services	49,473,155	12,417,023	-	29,681,976
Tuition programs	11,455,983	10,299,433	-	-
Total business-type activities	60,929,138	22,716,456	-	29,681,976
Total school district	\$ 1,818,653,565	\$ 23,817,216	\$ 1,120,724,055	\$ 29,681,976
GENERAL REVENUES				
Unrestricted county appropriations - operating				
Unrestricted county appropriations - capital				
Unrestricted state appropriations - capital				
Investment earnings, unrestricted				
Miscellaneous, unrestricted				
Subtotal, general revenues				
TRANSFER				
Subtotal, general revenues and transfers				
Changes in net position				
Net position (deficit) - beginning				
Net position (deficit) - ending				

(Continued)

* This amount excludes the depreciation that is included in the direct expenses of the various programs.

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, 2020

Functions/Programs	Net (Expenses) Revenue and Changes in Net Position		
	Governmental Activities	Business-Type Activities	Total
GOVERNMENTAL ACTIVITIES:			
Instructional programs:			
Regular	\$ (197,919,801)		\$ (197,919,801)
Special populations	(43,393,414)		(43,393,414)
Alternative programs and services	(19,212,551)		(19,212,551)
School leadership	(4,438,874)		(4,438,874)
Co-curricular	(35,556,035)		(35,556,035)
School-based support services	(34,597,719)		(34,597,719)
Systemwide support services			
Support and development	(5,504,812)		(5,504,812)
Special populations support and development	(5,440,793)		(5,440,793)
Alternative programs and services support and development	(2,288,772)		(2,288,772)
Technology support	(42,055,370)		(42,055,370)
Operational support	(83,568,770)		(83,568,770)
Financial and human resource	(16,567,839)		(16,567,839)
Accountability	(2,034,617)		(2,034,617)
Systemwide pupil support	(5,741,656)		(5,741,656)
Policy, leadership and public relations	(8,877,432)		(8,877,432)
Ancillary services	(216,477)		(216,477)
Nonprogram charges	(34,690,914)		(34,690,914)
Depreciation - unallocated *	(93,793,766)		(93,793,766)
Total governmental activities	(635,899,612)		(635,899,612)
BUSINESS-TYPE ACTIVITIES:			
Food services		\$ (7,374,156)	(7,374,156)
Tuition programs		(1,156,550)	(1,156,550)
Total business-type activities		(8,530,706)	(8,530,706)
Total school district	(635,899,612)	(8,530,706)	(644,430,318)
GENERAL REVENUES			
Unrestricted county appropriations - operating	514,023,140	-	514,023,140
Unrestricted county appropriations - capital	274,820,533	-	274,820,533
Unrestricted state appropriations - capital	1,359,984	-	1,359,984
Investment earnings, unrestricted	1,301,417	434,301	1,735,718
Miscellaneous, unrestricted	4,533,113	-	4,533,113
Subtotal, general revenues	796,038,187	434,301	796,472,488
TRANSFER	(2,448,756)	2,448,756	-
Subtotal, general revenues and transfers	793,589,431	2,883,057	796,472,488
Changes in net position	157,689,819	(5,647,649)	152,042,170
Net position (deficit) - beginning	885,617,283	(33,400,992)	852,216,291
Net position (deficit) - ending	\$ 1,043,307,102	\$ (39,048,641)	\$ 1,004,258,461

* This amount excludes the depreciation that is included in the direct expenses of the various programs.

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

WAKE COUNTY BOARD OF EDUCATION
BALANCE SHEET - GOVERNMENTAL FUNDS

JUNE 30, 2020

	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	\$ 101,334,419	\$ 7,333,355	\$ 4,315,577	\$ 10,129,615	\$ 10,588,110	\$ 133,701,076
Restricted cash	1,170,115	-	-	-	-	1,170,115
Due from other governments	1,810,447	11,972,882	25,587,470	8,634,273	1,106,572	49,111,644
Accounts receivable	1,148,261	-	-	95,100	406	1,243,767
Due from other funds	12,627	7	-	354,979	-	367,613
Inventories	5,905,099	-	-	-	-	5,905,099
Total assets	<u>\$ 111,380,968</u>	<u>\$ 19,306,244</u>	<u>\$ 29,903,047</u>	<u>\$ 19,213,967</u>	<u>\$ 11,695,088</u>	<u>\$ 191,499,314</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES						
Liabilities:						
Salaries and benefits payable	\$ 6,679,493	\$ 11,972,440	\$ -	\$ 49,941	\$ 657,952	\$ 19,359,826
Accounts payable	13,458,916	7,333,804	25,483,220	9,540,023	1,085,217	56,901,180
Due to other funds	353,608	-	1,971	10,469	7,932	373,980
Total liabilities	<u>20,492,017</u>	<u>19,306,244</u>	<u>25,485,191</u>	<u>9,600,433</u>	<u>1,751,101</u>	<u>76,634,986</u>
Deferred inflows of resources:	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,562,424</u>	<u>-</u>	<u>9,562,424</u>
Fund balances:						
Nonspendable:						
Inventories	5,905,099	-	-	-	-	5,905,099
Restricted:						
Stabilization by state statute	5,005,418	-	2,080,942	-	-	7,086,360
Capital expenditures	-	-	1,375,364	-	-	1,375,364
Energy savings obligations	1,170,115	-	-	-	-	1,170,115
Individual schools	-	-	-	-	9,943,987	9,943,987
Special programs	-	-	-	51,110	-	51,110
Restricted contributions for capital expenditures	-	-	48,896	-	-	48,896
Assigned:						
Special projects	19,296,846	-	912,654	-	-	20,209,500
Insurance	13,851,590	-	-	-	-	13,851,590
Flexible benefit plan	1,693,169	-	-	-	-	1,693,169
Subsequent years expenditures	8,695,601	-	-	-	-	8,695,601
Unassigned	35,271,113	-	-	-	-	35,271,113
Total fund balances	<u>90,888,951</u>	<u>-</u>	<u>4,417,856</u>	<u>51,110</u>	<u>9,943,987</u>	<u>105,301,904</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 111,380,968</u>	<u>\$ 19,306,244</u>	<u>\$ 29,903,047</u>	<u>\$ 19,213,967</u>	<u>\$ 11,695,088</u>	

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

Net OPEB asset	2,494,670
Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in governmental funds	3,736,577,597
Deferred outflows of resources related to pensions	268,123,116
Deferred outflows of resources related to OPEB	235,055,599
Net pension liability	(676,789,053)
Net OPEB liability	(1,810,513,504)
Deferred inflows of resources related to pensions	(8,474,683)
Deferred inflows of resources related to OPEB	(688,973,567)
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	(8,453,426)
Compensated absences (vacation)	(100,498,247)
Installment purchase	(10,543,304)

Total net position - governmental activities \$ 1,043,307,102

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, 2020

	Major Funds					Total
	General Fund	State Public School Fund	Capital Outlay Fund	Other Restricted Funds	Non-Major Funds	Governmental Funds
REVENUES:						
County	\$ 513,103,536	\$ -	\$ 274,820,533	\$ 919,604	\$ -	\$ 788,843,673
State	-	1,001,304,321	1,359,984	1,482	-	1,002,665,787
Federal	-	4,087,201	-	17,226,763	68,210,056	89,524,020
Other local	4,882,578	-	935,261	16,687,284	15,686,781	38,191,904
Total revenues	<u>517,986,114</u>	<u>1,005,391,522</u>	<u>277,115,778</u>	<u>34,835,133</u>	<u>83,896,837</u>	<u>1,919,225,384</u>
EXPENDITURES:						
Current operations:						
Instructional services:						
Regular instruction	172,875,056	552,313,161	-	3,131,763	2,419,336	730,739,316
Special populations	35,794,332	173,301,261	-	2,111,709	27,167,946	238,375,248
Alternative programs and services	16,994,462	35,145,965	-	1,820,381	30,934,581	84,895,389
School leadership	16,075,373	79,855,354	-	12,795	11,866	95,955,388
Co-curricular	20,604,182	128,613	-	4,946	14,224,917	34,962,658
School-based support	29,911,619	59,312,655	-	956,926	2,940,061	93,121,261
Systemwide support services						
Support and development	5,651,723	689,532	-	834,482	1,434,302	8,610,039
Special populations support and development	5,225,958	676,691	-	288,682	524,550	6,715,881
Alternative programs and services support and development	2,118,024	432,401	-	507,375	854,051	3,911,851
Technology support	14,193,578	4,149,902	-	17,305,658	-	35,649,138
Operational support	100,915,363	84,176,339	-	7,933,913	117,104	193,142,719
Financial and human resource	16,074,857	5,221,799	-	187,814	440,235	21,924,705
Accountability	1,950,144	116,393	-	12,660	-	2,079,197
Systemwide pupil support	4,726,535	267,802	-	92,262	-	5,086,599
Policy, leadership, and public relations	8,479,627	3,430,442	-	4,500	-	11,914,569
Ancillary services	14,185	3,724,456	-	77,100	-	3,815,741
Non-program charges	39,988,874	-	-	70,622	1,366,024	41,425,520
Debt service:						
Principal	-	-	1,359,984	-	-	1,359,984
Capital outlay:						
Land, buildings, and other	-	-	272,715,050	-	-	272,715,050
Equipment	-	-	3,635,673	-	-	3,635,673
Total expenditures	<u>491,593,892</u>	<u>1,002,942,766</u>	<u>277,710,707</u>	<u>35,353,588</u>	<u>82,434,973</u>	<u>1,890,035,926</u>
Excess (deficiency) of revenues over expenditures	<u>26,392,222</u>	<u>2,448,756</u>	<u>(594,929)</u>	<u>(518,455)</u>	<u>1,461,864</u>	<u>29,189,458</u>
OTHER FINANCING SOURCES (USES):						
Installment purchase obligations issued	-	-	2,666,753	-	-	2,666,753
Energy savings obligations issued	301,733	-	-	-	-	301,733
Transfers in	-	-	-	518,455	-	518,455
Transfers out	-	(2,448,756)	-	-	(518,455)	(2,967,211)
Total other financing sources (uses)	<u>301,733</u>	<u>(2,448,756)</u>	<u>2,666,753</u>	<u>518,455</u>	<u>(518,455)</u>	<u>519,730</u>
Net change in fund balance	<u>26,693,955</u>	<u>-</u>	<u>2,071,824</u>	<u>-</u>	<u>943,409</u>	<u>29,709,188</u>
Fund balances, beginning of year	62,849,011	-	2,346,032	51,110	9,000,578	74,246,731
Increase in reserve for inventories	1,345,985	-	-	-	-	1,345,985
Fund balances, end of year	<u>\$ 90,888,951</u>	<u>\$ -</u>	<u>\$ 4,417,856</u>	<u>\$ 51,110</u>	<u>\$ 9,943,987</u>	<u>\$ 105,301,904</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 GOVERNMENT-WIDE STATEMENT OF ACTIVITIES YEAR ENDED JUNE 30, 2020

Total net change in fund balances - governmental funds.	\$ 29,709,188
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 in the current period.	178,411,770
Contributions to the pension plan in the current fiscal year are not included on the Statement of Activities.	125,047,125
Contributions to the OPEB plan in the current fiscal year are not included on the Statement of Activities.	63,343,070
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.	
Installment purchase	(1,608,502)
Proceeds from disposal of capital assets are recorded as revenues on the fund statements but not shown in the statement of activities	(226,323)
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	(242,703,611)
Compensated absences	(4,689,814)
Gain on disposal of assets	181,310
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	9,826,803
The estimated reserve for workers' compensation self-insurance is recorded as a long-term obligation in the government-wide statements.	(947,182)
Adjustment due to the use of the consumption method of recording inventory in the government-wide statements.	<u>1,345,985</u>
Change in net position of governmental activities.	<u>\$ 157,689,819</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, 2020

	General Fund			Variance - Positive (Negative)
	Original Budget	Final Budget	Actual	
REVENUES:				
County	\$ 513,103,536	\$ 513,103,536	\$ 513,103,536	\$ -
State	-	-	-	-
Federal	-	-	-	-
Other local	5,606,000	4,502,525	4,882,578	380,053
Total revenues	518,709,536	517,606,061	517,986,114	380,053
EXPENDITURES:				
Current operations:				
Instructional services:				
Regular instruction	185,616,600	178,574,263	172,875,056	5,699,207
Special populations	42,872,243	39,554,612	35,794,332	3,760,280
Alternative programs and services	18,485,446	17,589,498	16,994,462	595,036
School leadership	17,345,361	16,326,948	16,075,373	251,575
Co-curricular	20,766,886	20,730,656	20,604,182	126,474
School-based support services	34,153,033	32,467,570	29,911,619	2,555,951
Systemwide support services				
Support and development	6,116,145	6,142,643	5,651,723	490,920
Special populations support and development	5,483,521	5,601,751	5,225,958	375,793
Alternative programs and services support and development	2,213,530	2,226,301	2,118,024	108,277
Technology support	16,932,502	16,909,567	14,193,578	2,715,989
Operational support	115,002,964	127,112,984	100,915,363	26,197,621
Financial and human resource	17,462,169	17,746,679	16,074,857	1,671,822
Accountability	2,053,417	2,027,760	1,950,144	77,616
Systemwide pupil support	4,732,557	4,934,221	4,726,535	207,686
Policy, leadership and public relations	9,251,399	9,299,313	8,479,627	819,686
Ancillary services	15,185	14,851	14,185	666
Non-program charges	40,494,616	40,494,616	39,988,874	505,742
Unbudgeted funds	3,454,909	10,009,411	-	10,009,411
Total expenditures	542,452,483	547,763,644	491,593,892	56,169,752
Revenues over (under) expenditures	(23,742,947)	(30,157,583)	26,392,222	56,549,805
OTHER FINANCING SOURCES (USES):				
Appropriated fund balance	23,742,947	30,157,583	-	(30,157,583)
Energy savings obligations issued	-	-	301,733	301,733
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	23,742,947	30,157,583	301,733	(29,855,850)
Net change in fund balance	\$ -	\$ -	26,693,955	\$ 26,693,955
Fund balances, beginning of year			62,849,011	
Increase in reserve for inventories			1,345,985	
Fund balances, end of year			\$ 90,888,951	

(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, 2020

	State Public School Fund			Variance - Positive (Negative)
	Original Budget	Final Budget	Actual	
REVENUES:				
County	\$ -	\$ -	\$ -	\$ -
State	994,782,518	1,015,766,748	1,001,304,321	(14,462,427)
Federal	-	4,319,898	4,087,201	(232,697)
Other local	-	-	-	-
Total revenues	994,782,518	1,020,086,646	1,005,391,522	(14,695,124)
EXPENDITURES:				
Current operations:				
Instructional services:				
Regular instruction	557,510,712	558,381,075	552,313,161	6,067,914
Special populations	173,467,588	173,671,187	173,301,261	369,926
Alternative programs and services	34,785,329	35,200,307	35,145,965	54,342
School leadership	80,790,335	80,315,248	79,855,354	459,894
Co-curricular	22,843	128,658	128,613	45
School-based support services	59,261,665	63,505,718	59,312,655	4,193,063
Systemwide support services				
Support and development	812,637	761,642	689,532	72,110
Special populations support and development	690,217	685,457	676,691	8,766
Alternative programs and services support and development	423,274	433,107	432,401	706
Technology support	7,226,800	7,338,068	4,149,902	3,188,166
Operational support	70,793,561	84,190,136	84,176,339	13,797
Financial and human resource	4,927,045	5,222,828	5,221,799	1,029
Accountability	114,754	121,187	116,393	4,794
Systemwide pupil support	425,718	278,332	267,802	10,530
Policy, leadership and public relations	3,484,201	3,439,151	3,430,442	8,709
Ancillary services	45,839	3,965,789	3,724,456	241,333
Non-program charges	-	-	-	-
Unbudgeted funds	-	-	-	-
Total expenditures	994,782,518	1,017,637,890	1,002,942,766	14,695,124
Revenues over (under) expenditures	-	2,448,756	2,448,756	-
OTHER FINANCING SOURCES (USES):				
Appropriated fund balance	-	-	-	-
Energy savings obligations issued	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	(2,448,756)	(2,448,756)	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balance	\$ -	\$ -	-	\$ -
Fund balances, beginning of year			-	
Increase in reserve for inventories			-	
Fund balances, end of year			\$ -	

(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, 2020

	Other Restricted Funds			Variance - Positive
	Original Budget	Final Budget	Actual	(Negative)
REVENUES:				
County	\$ 919,604	\$ 919,604	\$ 919,604	\$ -
State	4,700	4,700	1,482	(3,218)
Federal	16,703,553	20,938,161	17,226,763	(3,711,398)
Other local	17,670,815	25,891,161	16,687,284	(9,203,877)
Total revenues	35,298,672	47,753,626	34,835,133	(12,918,493)
EXPENDITURES:				
Current operations:				
Instructional services:				
Regular instruction	4,826,207	4,823,390	3,131,763	1,691,627
Special populations	3,157,928	3,176,460	2,111,709	1,064,751
Alternative programs and services	2,818,899	2,726,675	1,820,381	906,294
School leadership	13,019	12,795	12,795	-
Co-curricular	5,262	5,262	4,946	316
School-based support services	2,761,473	2,816,585	956,926	1,859,659
Systemwide support services				
Support and development	1,120,926	1,170,880	834,482	336,398
Special populations support and development	377,337	366,906	288,682	78,224
Alternative programs and services support and development	546,869	583,352	507,375	75,977
Technology support	3,553,450	17,305,658	17,305,658	-
Operational support	8,905,979	7,950,865	7,933,913	16,952
Financial and human resource	720,115	824,090	187,814	636,276
Accountability	14,696	29,392	12,660	16,732
Systemwide pupil support	100,149	101,308	92,262	9,046
Policy, leadership and public relations	4,500	4,500	4,500	-
Ancillary services	42,060	135,749	77,100	58,649
Non-program charges	112,834	113,135	70,622	-
Unbudgeted funds	6,216,969	6,125,079	-	-
Total expenditures	35,298,672	48,272,081	35,353,588	12,918,493
Revenues over (under) expenditures	-	(518,455)	(518,455)	-
OTHER FINANCING SOURCES (USES):				
Appropriated fund balance	-	-	-	-
Energy savings obligations issued	-	-	-	-
Transfers in	-	518,455	518,455	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	518,455	518,455	-
Net change in fund balance	\$ -	\$ -	-	\$ -
Fund balances, beginning of year			51,110	
Increase in reserve for inventories			-	
Fund balances, end of year			\$ 51,110	

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, 2020

	Major Fund Child Nutrition Program	Major Fund Tuition Programs	Total
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 11,640,944	\$ 11,993,491	\$ 23,634,435
Due from other governments	1,378,205	81,119	1,459,324
Accounts receivable	4,928	327,281	332,209
Net OPEB asset	47,226	13,487	60,713
Due from other funds	-	7,806	7,806
Inventory	2,144,302	-	2,144,302
Total current assets	15,215,605	12,423,184	27,638,789
Noncurrent assets:			
Capital assets, net of accumulated depreciation	6,333,421	439,370	6,772,791
Total assets	21,549,026	12,862,554	34,411,580
DEFERRED OUTFLOWS OF RESOURCES	8,390,103	2,537,574	10,927,677
LIABILITIES			
Current liabilities:			
Salaries and benefits payable	2,016,307	22,264	2,038,571
Accounts payable	610,609	426,779	1,037,388
Due to other funds	-	1,439	1,439
Unearned revenue	2,323,995	93,168	2,417,163
Current portion of long-term obligations	712,000	88,000	800,000
Total current liabilities	5,662,911	631,650	6,294,561
Noncurrent liabilities:			
Net pension liability	10,944,050	3,267,084	14,211,134
Net OPEB liability	34,943,544	10,363,498	45,307,042
Compensated absences	448,171	54,019	502,190
Total noncurrent liabilities	46,335,765	13,684,601	60,020,366
Total liabilities	51,998,676	14,316,251	66,314,927
DEFERRED INFLOWS OF RESOURCES	13,843,180	4,229,791	18,072,971
NET POSITION (DEFICIT)			
Net investment in capital assets	6,333,421	439,370	6,772,791
OPEB Plan	131,903	35,131	167,034
Unrestricted	(42,368,051)	(3,620,415)	(45,988,466)
Total net deficit	\$ (35,902,727)	\$ (3,145,914)	\$ (39,048,641)

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 FUNDS
YEAR ENDED JUNE 30, 2020

	Major Fund Child Nutrition Program	Major Fund Tuition Programs	Total
OPERATING REVENUES			
Food sales	\$ 12,417,023	\$ -	\$ 12,417,023
Participant fees	-	10,299,433	10,299,433
Total operating revenues	12,417,023	10,299,433	22,716,456
OPERATING EXPENSES:			
Salaries	17,968,248	4,905,688	22,873,936
Food	11,798,865	-	11,798,865
Supplies	2,546,360	2,414,250	4,960,610
Purchased services	627,618	1,669,180	2,296,798
Employee benefits	9,850,273	1,556,354	11,406,627
Donated commodities	3,482,054	-	3,482,054
Indirect costs	2,038,825	866,958	2,905,783
Depreciation	1,160,912	43,553	1,204,465
TOTAL OPERATING EXPENSES	49,473,155	11,455,983	60,929,138
Operating income (loss)	(37,056,132)	(1,156,550)	(38,212,682)
NON-OPERATING REVENUES (EXPENSES):			
Federal regular USDA grants	19,406,173	-	19,406,173
USDA grants - summer feeding program	5,455,981	-	5,455,981
USDA grants - fresh fruit & vegetable program	62,757	-	62,757
Federal commodities	3,482,054	-	3,482,054
Interest	203,768	230,533	434,301
NCDPI kindergarten breakfast	77,467	-	77,467
Local donations and grants	1,191,974	-	1,191,974
Gain (loss) on sale of capital assets	5,570	-	5,570
Total non-operating revenues	29,885,744	230,533	30,116,277
Loss before contributions and transfers	(7,170,388)	(926,017)	(8,096,405)
Transfers from other funds	2,448,756	-	2,448,756
	2,448,756	-	2,448,756
Change in net deficit	(4,721,632)	(926,017)	(5,647,649)
Total net deficit, beginning	(31,181,095)	(2,219,897)	(33,400,992)
Total net deficit, ending	<u>\$ (35,902,727)</u>	<u>\$ (3,145,914)</u>	<u>\$ (39,048,641)</u>

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, 2020

	Major Fund Child Nutrition Program	Major Fund Tuition Programs	Total
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash received from customers	\$ 13,036,882	\$ 10,152,807	\$ 23,189,689
Cash paid for goods and services	(15,187,180)	(4,443,293)	(19,630,473)
Cash paid to employees for services	(24,359,151)	(6,269,355)	(30,628,506)
Other operating revenues	(2,044,495)	(595,465)	(2,639,960)
Net cash used by operating activities	(28,553,944)	(1,155,306)	(29,709,250)
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:			
Federal regular USDA grants	19,485,331	-	19,485,331
USDA grants - summer feeding program	5,455,981	-	5,455,981
USDA grants - fresh fruit & vegetable program	62,757	-	62,757
NCDPI kindergarten breakfast	77,467	-	77,467
Local donations and grants	258,000	-	258,000
Net cash provided by non-capital financing activities	25,339,536	-	25,339,536
CASH FLOWS USED FOR CAPITAL AND RELATED FINANCING ACTIVITIES:			
Purchase of equipment	(329,035)	(92,396)	(421,431)
Proceeds from sale of equipment	5,570	-	5,570
Net cash used for capital and related financing activities	(323,465)	(92,396)	(415,861)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Interest income	203,768	230,533	434,301
Net decrease in cash and cash equivalents	(3,334,105)	(1,017,169)	(4,351,274)
Cash and cash equivalents, beginning of year	14,975,049	13,010,660	27,985,709
Cash and cash equivalents, end of year	\$ 11,640,944	\$ 11,993,491	\$ 23,634,435
Reconciliation of operating loss to net cash used by operating activities			
Operating loss	\$ (37,056,132)	\$ (1,156,550)	\$ (38,212,682)
Adjustments to reconcile operating income (loss) to net cash used by operating activities			
Depreciation	1,160,912	43,553	1,204,465
Donated commodities	3,482,054	-	3,482,054
Salaries paid by special revenue fund	2,448,756	-	2,448,756
(Increase) decrease in account receivable	49,613	(311,901)	(262,288)
Increase in due from other funds	9,823	271,020	280,843
Increase in net OPEB assets	(13,067)	(3,407)	(16,474)
(Increase) decrease in due from other governments	-	577,434	577,434
Increase in inventories	(231,189)	-	(231,189)
Increase in net pension liability	522,569	136,244	658,813
Increase in net OPEB liability	2,879,811	750,820	3,630,631
Decrease in deferred outflows	455,839	118,845	574,684
Decrease in deferred inflows	(3,060,233)	(797,859)	(3,858,092)
Increase(decrease) in accounts payable and accrued liabilities	130,556	(363,427)	(232,871)
Increase (decrease) in due to other funds	(15,493)	473	(15,020)
Increase(decrease) in unearned revenue	570,246	(412,158)	158,088
Increase(decrease) in long-term liabilities	111,991	(8,393)	103,598
Total adjustments	8,502,188	1,244	8,503,432
Net cash used by operating activities	\$ (28,553,944)	\$ (1,155,306)	\$ (29,709,250)

NONCASH OPERATING AND NONCAPITAL FINANCING ACTIVITIES

The School Food Service Fund received donated commodities with a value of \$3,482,054 during the fiscal year.

During the fiscal year, capital assets of \$933,974 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 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, 2020

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 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, 2020

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. 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 capital 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
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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 \$173,105,323 approved by the Board as follows:

General fund	\$ 5,311,161
State public school fund	25,304,128
Grants and other restricted funds	33,037,363
Capital outlay fund	110,104,878
Enterprise fund	(652,207)
	<u>\$ 173,105,323</u>

WAKE COUNTY BOARD OF EDUCATION
NOTES TO THE BASIC FINANCIAL STATEMENTS
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E. Assets, Liabilities, Deferred Inflows, and Fund Equity

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), an SEC-registered (2a-7) money market mutual fund; and the North Carolina State Treasurer's Short Term Investment Fund (STIF).

The 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. Valuation of the underlying assets is performed by the custodian. Under the authority of G.S. 147-69.3, no unrealized gains or losses of the STIF are distributed to external 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.

Certain assets of the General Fund are classified as restricted assets because their use is restricted by the energy savings installment purchase obligation.

3. 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 consist of expendable materials and supplies, which are recorded as expenditures when purchased. The General 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.

WAKE COUNTY BOARD OF EDUCATION
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4. 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.

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.

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

5. 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 position 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 position that applies to a future period and as such, will

WAKE COUNTY BOARD OF EDUCATION
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not be recognized as revenue until then. The Board has two items that meet this criterion – unearned grant revenue in the Other Restricted Funds and pension and OPEB related deferrals.

6. Long-term Obligations

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

7. 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, 2020, 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.

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.

8. 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]

WAKE COUNTY BOARD OF EDUCATION
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Restricted for energy savings obligations – the revenue source restricted for specific expenditures related to the energy savings project related to the obligation.

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.

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, 2020, 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 in order to offset potential losses in future years. 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
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9. 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 \$938,005,198 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 (total capital assets on government-wide statement in governmental activities column)	\$ 4,960,079,959
Less accumulated depreciation	(1,223,502,362)
Net capital assets	<u>3,736,577,597</u>
Net OPEB Asset	2,494,670
Pension-related deferred outflows of resources	268,123,116
OPEB related deferred outflows of resources	235,055,599
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	(8,453,426)
Compensated absences	(100,498,247)
Installment purchase	(10,543,304)
Net pension liability	(676,789,053)
Net OPEB liability	(1,810,513,504)
Deferred inflows of resources related to pension	(8,474,683)
Deferred inflows of resources related to OPEB	<u>(688,973,567)</u>
Total adjustments	<u>\$ 938,005,198</u>

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 \$127,980,631 consists of the following elements:

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Description	Amount
Capital outlay expenditures recorded in the fund statements but capitalized as assets in the statement of activities.	\$ 275,648,990
Depreciation expense (the allocation of those assets over their useful lives) that is recorded on the statement of activities, but not in the fund statements.	(97,237,220)
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	(2,968,486)
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.	1,359,984
Contributions to the pension plan in the current fiscal year are not included on the Statement of Activities.	125,047,125
Contributions to the OPEB plans in the current fiscal year are not included on the Statement of Activities.	63,343,070
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	(242,703,611)
Loss on disposal of assets	181,310
Compensated absences are accrued in the government-wide statements but not in the fund statements because they do not use current resources	(4,689,814)
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.	1,345,985
OPEB benefit	9,826,803
Proceeds from disposal of capital assets	(226,323)
Estimated reserve for workers' compensation self-insurance recorded as a long-term obligation in the government-wide statements.	(947,182)
Total adjustments	\$ 127,980,631

WAKE COUNTY BOARD OF EDUCATION
NOTES TO THE BASIC FINANCIAL STATEMENTS
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10. 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, 2020, the Board's deposits with banks had a carrying amount of \$51,276,865 and with the State Treasurer of \$7,774,238. The bank balances with financial institutions and the State Treasurer were \$63,468,656 and \$9,463,398, respectively. Of these balances, \$271,544 was covered by federal depository insurance and \$72,660,510 was covered by collateral held by authorized escrow agents in the name of the State Treasurer.

2. Investments

At June 30, 2020, the Board had \$1,170,948 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 \$98,283,575 invested with the State Treasurer in the Short Term Investment Fund (STIF). The STIF is unrated and had a weighted average maturity of 1.3 years at June 30, 2020. The board has no policy for managing interest rate risk or credit risk.

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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 1.3 years as of June 30, 2020.

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 as of June 30, 2020. 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. This investment is 99.8 percent of the Board's total investments.

3. Accounts Receivable

Receivables at the government-wide level at June 30, 2020, were as follows:

	Due from other funds (internal balances)	Due from other governments	Other	Total
Governmental activities:				
General Fund	\$ 12,627	\$ 1,810,447	\$ 1,148,261	\$ 2,971,335
Other governmental activities	354,986	47,301,197	95,506	47,751,689
Total	<u>\$ 367,613</u>	<u>\$ 49,111,644</u>	<u>\$ 1,243,767</u>	<u>\$ 50,723,024</u>
Business-type activities				
Child Nutrition Program	\$ -	\$ 1,378,205	\$ 4,928	\$ 1,383,133
Tuition Programs	7,806	81,119	327,281	416,206
Total	<u>\$ 7,806</u>	<u>\$ 1,459,324</u>	<u>\$ 332,209</u>	<u>\$ 1,799,339</u>

Internal balances consist of the transfer of tuition payments receipted at the school level, transfer to grant revenues wired to the incorrect account and the allocation of printing costs, catering fees, and mailroom costs.

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

Governmental activities:

General Fund	\$ 1,105,020	Sales tax refund from state
	1,166	Miscellaneous revenue from state
	<u>704,261</u>	Miscellaneous revenue from municipalities
	<u>1,810,447</u>	
State Public School Fund	11,972,882	Operating funds from DPI
Capital Outlay Fund	25,580,577	County funds from county appropriations
	1,688	Surplus sales from state
	<u>5,205</u>	Sales tax refund from state
	<u>25,587,470</u>	
State Administered Federal Grants Fund	1,018,406	Federal grant funds
Individual Schools Fund	88,166	Sales tax refund from state
Other restricted fund	8,606,786	Federal grant funds
	<u>27,487</u>	Sales tax refund from state
	<u>8,634,273</u>	
	<u>\$ 49,111,644</u>	
Business-type activities:		
Child Nutrition Program	\$ 1,313,705	USDA Reimbursement from state
	<u>64,500</u>	Breakfast funds from county
	<u>1,378,205</u>	
Tuition Programs	81,119	Sales tax refund from state
	<u>\$ 1,459,324</u>	

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

WAKE COUNTY BOARD OF EDUCATION
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4. Capital Assets

Capital asset activity for the year ended June 30, 2020 was:

	Beginning Balances	Increases	Transfers	Retirements	Ending Balances
Capital assets not being depreciated:					
Land	\$ 189,480,723	\$ 23,771,452	\$ -	\$ -	\$ 213,252,175
Construction in progress	544,802,153	243,456,493	(269,004,853)	-	519,253,793
Total capital assets not being depreciated	734,282,876	267,227,945	(269,004,853)	-	732,505,968
Capital assets being depreciated					
Land improvements	11,059,342	723,068	-	-	11,782,410
Buildings	3,756,284,967	20,030	269,004,853	(135,129)	4,025,174,721
Equipment	97,819,178	3,940,274	-	-	101,759,452
Vehicles and motor equipment	85,221,841	3,737,673	-	(102,106)	88,857,408
Total capital assets being depreciated	3,950,385,328	8,421,045	269,004,853	(237,236)	4,227,573,991
Less accumulated depreciation for					
Land improvements	4,335,656	550,012	-	-	4,885,668
Buildings	980,626,575	82,301,906	-	(102,806)	1,062,825,675
Equipment	68,080,677	9,646,598	-	-	77,727,275
Vehicles and motor equipment	73,414,456	4,738,704	-	(89,416)	78,063,744
Total accumulated depreciation	1,126,457,364	\$ 97,237,220	-	\$ (192,223)	1,223,502,362
Total capital assets being depreciated, net	2,823,927,964				3,004,071,629
Governmental activity capital assets, net	\$ 3,558,210,840				\$ 3,736,577,597

Depreciation was charged to governmental functions as follows:

Unallocated depreciation	\$ 93,793,766
Operational support services	3,443,454
Total	<u>\$ 97,237,220</u>

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Business-type Activities:	Beginning Balances	Increases	Retirements	Ending Balances
Child nutrition program activities				
Capital assets being depreciated:				
Equipment	\$ 23,633,143	\$ 1,026,071	\$ -	\$ 24,659,214
Vehicles	971,571	236,938	-	1,208,509
Total capital assets being depreciated	24,604,714	1,263,009	-	25,867,723
Less accumulated depreciation for:				
Equipment	17,473,632	1,134,247	-	18,607,879
Vehicles	899,758	26,665	-	926,423
Total accumulated depreciation	18,373,390	1,160,912	-	19,534,302
Child nutrition program capital assets, net	6,231,324			6,333,421
Tuition program activities:				
Capital assets being depreciated:				
Equipment	775,554	92,396	-	867,950
Vehicles	81,812	-	-	81,812
Total capital assets being depreciated	857,366	92,396	-	949,762
Less accumulated depreciation for:				
Equipment	399,134	37,076	-	436,210
Vehicles	67,705	6,477	-	74,182
Total accumulated depreciation	466,839	\$ 43,553	\$ -	510,392
Tuition program capital assets, net	390,527			439,370
Business-type activities capital assets, net	\$ 6,621,851			\$ 6,772,791

5. Construction Commitments

The Board has active construction projects as of June 30, 2020. At year-end, the Board's commitments with contractors for school construction totaled approximately \$215,886,240. These commitments will be funded by future revenues from Wake County.

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

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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 Comprehensive Annual Financial Report (CAFR) for the State of North Carolina. The State's CAFR 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 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 for the year ended June 30, 2020, was 12.97 percent of covered payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year. Contributions to the pension plan from the Board were \$127,828,676 for the year ended June 30, 2020.

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

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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, 2020, the Board reported a liability of \$691,000,187 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2019. The total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2018. The total pension liability was then rolled forward to the measurement date of June 30, 2019, 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, 2019, and at June 30, 2018, the Board's proportion was 6.6364% and 6.5650%, respectively.

For the year ended June 30, 2020, the Board recognized pension expense of \$248,102,317. At June 30, 2020, 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	\$ 57,801,367	\$ 1,383,338
Changes of assumptions	73,628,785	-
Net difference between projected and actual earnings on pension plan investments	13,245,503	-
Changes in proportion and differences between Board contributions and proportionate share of contributions	792,218	7,174,273
Board contributions subsequent to the measurement date	127,828,676	-
Total	<u>\$ 273,296,549</u>	<u>\$ 8,557,611</u>

A total of \$127,828,676 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, 2021. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2021	\$ 99,608,561
2022	21,982,151
2023	10,685,958
2024	4,633,592
	<u>\$136,910,262</u>

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Actuarial Assumptions. The total pension liability in the December 31, 2018, actuarial valuation was determined using the following actuarial assumptions applied to all periods included in the measurement:

Inflation	3.0 percent
Salary increases	3.5 to 8.10 percent, including inflation and productivity factor
Investment rate of return	7 percent, net of pension plan investment expense, including inflation

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, 2018, actuarial valuation are based on the experience study prepared as of December 31, 2014 and adopted by the Board of Trustees on January 21, 2016. 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, 2019, are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Fixed Income	29.0%	1.4%
Global Equity	42.0%	5.3%
Real Estate	8.0%	4.3%
Alternatives	8.0%	8.9%
Credit	7.0%	6.0%
Inflation Protection	6.0%	4.0%
Total	<u>100.00%</u>	

The information above is based on 30-year expectations developed with the consulting actuary for the 2018 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

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arithmetic annualized figures. The real rates of return are calculated from nominal rates by multiplicatively subtracting a long-term inflation assumption of 3.05 percent. All rates of return and inflation are annualized.

Discount rate. The discount rate used to measure the total pension liability was 7.0 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 County'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 7.0 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 (6.0 percent) or one percentage point higher (8.0 percent) than the current rate:

	1% Decrease (6.0%)	Discount Rate (7.0%)	1% Increase (8.0%)
Board's proportionate share of the net pension liability	1,315,165,578	691,000,187	167,404,972

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately-issued Comprehensive Annual Financial Report (CAFR) 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 135-7, 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

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(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.

The financial statements and other required disclosures for the plan are presented in the State of North Carolina's CAFR, 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

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used for reasonable expenses to administer the RHBF, including costs to conduct required actuarial valuations of state—supported retired employees' health benefits. Contribution rates 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 6.35% of covered payroll which amounted to \$63,766,502.

At June 30, 2020, Board reported a liability of \$1,855,820,546 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2019, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2018. The total OPEB liability was then rolled forward to the measurement date of June 30, 2019 utilizing update procedures incorporating the actuarial assumptions. 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, 2019, and at June 30, 2018, the Board's proportion was 5.9287% and 6.013%, respectively.

\$63,766,502 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, 2021. Other amounts reported as deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended June 30:

2021	\$ 162,750,751
2022	162,750,751
2023	162,572,074
2024	56,664,128
2025	(11,020,281)
	<u>\$ 533,717,423</u>

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

Inflation	3.00%
Salary increases	Teachers: 7.55% grading down to 3.5% Law Enforcement Officers: 8.1% grading down to 3.5% General Employees 5.5% grading down to 3.5%
Investment rate of return	7.00%
Healthcare cost trend rates:	
Medical	6.5% grading down to 5.0% for non-MA and MA coverage
Prescription drug	9.5% grading down to 5.0% by 2028
Administrative costs	3.00%
Post-Retirement Mortality Rates	RP-2014 Health Annuitant Mortality Table for males and females, adjusted for Collar for some Participants, further adjusted with scaling factors varying before and after age 78, and projected for mortality improvement using Scale MP-2015

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Discount rate. The discount rate used to measure the total OPEB liability for the RHBF was 3.5%. 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 the above assumptions, the plan's fiduciary net position was not projected to be available to make projected future benefit payments of current plan members. As a result, a municipal bond rate of 3.5% was used as the discount rate used to measure the total OPEB liability. The 3.5% rate is based on the Bond Buyer 20-year General Obligation Index as of June 30, 2018.

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 (2.5 percent) or 1-percentage point higher (4.5 percent) than the current discount rate:

	1% Decrease (2.5%)	Discount Rate (3.5%)	1% Increase (4.5%)
Net OPEB Liability	\$ 2,205,386,554	\$ 1,855,820,546	\$ 1,575,922,435

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 (5.0%-6.5% Medical, 5.0%-9.5% Rx, 5.0%-6.5% Medicare Advantage, 3.0% Administrative)		
	1% Decrease in Trend Rates	1% Increase in Trend Rates	
Net OPEB Liability	\$ 1,528,128,377	\$ 1,855,820,546	\$ 2,286,685,955

OPEB plan fiduciary net position. Detailed information about the OPEB plan's fiduciary net position is available in the separately issued CAFR 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

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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.

The financial statements and other required disclosures for the plan are presented in the State of North Carolina's CAFR, 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.

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, 2020, employers made a statutory contribution of 0.14% of covered payroll which was equal to the actuarially required contribution. Board contributions to the plan were \$985,572 for the year ended June 30, 2020.

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

At June 30, 2020, Board reported an asset of \$2,555,383 for its proportionate share of the net OPEB asset. The net OPEB asset was measured as of June 30, 2019, and the total OPEB asset used to calculate the net OPEB asset was determined by an actuarial valuation as of December 31, 2018. The total OPEB asset was then rolled forward to the measurement date of June 30, 2019 utilizing update procedures incorporating the actuarial assumptions. The Board's proportion of the net OPEB asset was based on a projection of the Board's present

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value of future salary, actuarially determined. At June 30, 2019, and at June 30, 2018, the Board's proportion was 5.92019% and 5.84695%, respectively. \$985,572 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, 2020. Other amounts reported as deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended June 30:	
2021	\$ 948,843
2022	696,589
2023	498,495
2024	297,026
2025	425,358
Thereafter	(54,729)
	<u>\$ 2,811,582</u>

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

Inflation	3%
Salary increases	3.5-8.10%, include 3.5% inflation and productivity factor
Investment rate of return	3.75%, net of OPEB plan expense, including inflation

Sensitivity of the Board's proportionate share of the net OPEB asset 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 (2.75 percent) or 1-percentage point higher (4.75 percent) than the current discount rate:

	1% Decrease (2.75%)	Discount Rate (3.75%)	1% Increase (4.75%)
Net OPEB Asset	\$ 2,164,346	\$ 2,555,383	\$ 2,935,343

Common actuarial assumptions for both OPEB plans. The total OPEB liability was determined by an actuarial valuation performed as of December 31, 2018 using the following actuarial assumptions, applied to all periods in the measurement, unless otherwise specified. The total OPEB liability was calculated through the use of update procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2019. 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 were based on the results of an actuarial experience review for the period January 1, 2010 through December 31, 2014.

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The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Fixed Income	29%	1.4%
Global Equity	42%	5.3%
Real Estate	8%	4.3%
Alternatives	8%	8.9%
Credit	7%	6.0%
Inflation Sensitive	6%	4.0%
Total	100.0%	

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)	\$ (12,382,250)	\$ 2,336,859	\$ (10,045,391)
OPEB liability (asset)	1,855,820,546	(2,555,383)	1,853,265,163
Proportionate share of the OPEB liability(asset)	5.8655%	5.9221%	
Deferred Outflows of Resources			
Differences between expected and actual experience	-	2,610,516	2,610,516
Changes in assumptions	89,199,473	283,076	89,482,549
Net difference between projected and actual earnings on plan investments	1,235,829	486,737	1,722,566
Changes in proportion and differences between Board contributions and proportionate share of contributions	82,242,138	-	82,242,138
Board contributions subsequent to the measurement date	63,766,502	985,572	64,752,074
Deferred Inflows of Resources			
Differences between expected and actual experience	93,556,734	-	93,556,734
Changes of assumptions	557,940,992	262,171	558,203,163
Changes in proportion and differences between Board contributions and proportionate share of contributions	54,897,137	306,576	55,203,713

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2. Accounts Payable

Accounts payables as of June 30, 2020, are as follows:

	<u>Vendors</u>	<u>Salaries and benefits</u>	<u>Due to other funds (internal balances)</u>
Governmental Activities			
General	\$ 13,458,916	\$ 6,679,493	\$ 353,608
Other Governmental	43,442,264	12,680,333	20,372
Total Governmental activities	<u>\$ 56,901,180</u>	<u>\$ 19,359,826</u>	<u>\$ 373,980</u>
Business-type Activities			
Child Nutrition Program	\$ 610,609	\$ 2,016,307	\$ -
Tuition Programs	426,779	22,264	1,439
Total Business-type activities	<u>\$ 1,037,388</u>	<u>\$ 2,038,571</u>	<u>\$ 1,439</u>

3. Unearned Revenues

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

Business-type activities:

Prepayments of meals (Child Nutrition Program)	\$ 2,323,995
Prepayments of community use fees (Tuition Programs)	93,168
	<u>\$ 2,417,163</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:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Change in proportion and difference between employer contributions and proportionate share of contributions	\$ 83,034,356	\$ 62,377,986
Changes in assumptions	163,111,334	558,203,163
Board contributions subsequent to the measurement date	192,580,750	-
Difference between projected and actual earnings on plan investments	14,968,069	-
Difference between expected and actual experience	60,411,883	94,940,072
Grants not yet earned (Other Restricted Funds)	-	9,562,424
Totals	<u>\$ 514,106,392</u>	<u>\$ 725,083,645</u>

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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 \$750,000; 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 4.8 billion.

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 2020 and 2019 are as follows:

	2020	2019
Estimated claims payable, beginning of year	\$ 7,506,244	\$ 6,373,712
Current year claims and changes in estimates	4,020,194	3,628,036
Claim payments	<u>(3,073,012)</u>	<u>(2,495,504)</u>
Estimated claims payable, end of year	<u>\$ 8,453,426</u>	<u>\$ 7,506,244</u>

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

6. Contingent Liabilities

At June 30, 2020, 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.

WAKE COUNTY BOARD OF EDUCATION
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020

7. Long-Term Obligations

a. Operating Leases

The Board leases building and office facilities and parking areas under operating leases. The total costs for such leases were \$4,235,645 for the year ended June 30, 2020. The future minimum lease payments for these leases are as follows:

<u>Year ending June 30</u>	<u>Amount</u>
2021	\$ 8,279,629
2022	7,232,025
2023	7,396,303
2024	7,564,654
2025	7,737,174
2026-2030	40,183,463
2031-2034	34,509,728
Total	<u>\$ 112,902,976</u>

b. 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 2019, the Board entered into a direct placement installment purchase contract to finance the purchase of 32 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 \$693,296 for the years ending June 30, 2019, 2020, 2021, and 2022. In fiscal year 2020, the Board entered into a direct placement installment purchase contract to finance the purchase of 29 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 \$666,689 for the year ending June 30, 2020 and \$666,688 for the years ending June 30, 2021, 2022, and 2023.

WAKE COUNTY BOARD OF EDUCATION
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020

The future minimum payments of the installment purchases as of June 30, 2020, including \$2,152,166 of interest are as follows:

Year Ending June 30,	Governmental Activities	
	Principal	Interest
2021	\$ 1,751,179	\$ 253,703
2022	1,764,269	239,835
2023	1,084,506	225,503
2024	431,805	210,692
2025	446,263	195,384
2026-2030	1,869,549	621,567
2031-2035	3,195,733	405,482
	<u>\$ 10,543,304</u>	<u>\$ 2,152,166</u>

c. 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, 2020:

	Beginning Balance	Increases	Decreases	Ending Balance	Due within One Year
Governmental activities:					
Worker's compensation	\$ 7,506,244	\$ 4,020,194	\$ 3,073,012	\$ 8,453,426	\$ 4,657,141
Direct placement					
installment purchase	8,934,802	2,968,486	1,359,984	10,543,304	1,751,179
Net pension liability	647,171,575	29,617,478	-	676,789,053	-
Net OPEB liability	1,647,295,279	163,218,225	-	1,810,513,504	-
Compensated absences	95,808,433	68,764,311	64,074,497	100,498,247	65,000
Total	<u>\$ 2,406,716,333</u>	<u>\$ 268,588,694</u>	<u>\$ 68,507,493</u>	<u>\$ 2,606,797,534</u>	<u>\$ 6,473,320</u>
Business-type activities:					
Net pension liability	\$ 13,552,321	\$ 658,813	\$ -	\$ 14,211,134	\$ -
Net OPEB liability	41,676,411	3,630,631	-	45,307,042	-
Compensated absences	1,198,592	934,386	830,788	1,302,190	800,000
Total	<u>\$ 56,427,324</u>	<u>\$ 5,223,830</u>	<u>\$ 830,788</u>	<u>\$ 60,820,366</u>	<u>\$ 800,000</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, 2020

C. Interfund Balances and Activity

The composition of interfund balances as of June 30, 2020, is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Capital Outlay Fund	\$ 1,902
General Fund	Individual Schools Fund	195
General Fund	Other Restricted Funds	10,469
General Fund	Tuition Program	61
State Public School Fund	General Fund	7
Other Restricted Funds	General Fund	353,601
Other Restricted Funds	Tuition Program	1,378
Tuition Program	Capital Outlay Fund	69
Tuition Program	Individual Schools Fund	7,737
		<u>\$ 375,419</u>

Most interfund balances are due to allocation of printing costs or mailroom costs. The Individual Schools Fund owes \$7,737 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 General Fund owes \$341,426 to the Other Restricted Fund for grant funds wired by grantor to the General Fund.

The following is a summary of Transfers for the year ended June 30, 2020:

<u>Transfers From:</u>	<u>Transfers To:</u>	
	<u>Other Restricted Funds</u>	<u>Child Nutrition Fund</u>
State Public School Fund	\$ -	\$ 2,448,756
Individual Schools Fund	518,455	-
	<u>\$ 518,455</u>	<u>\$ 2,448,756</u>

During the year, the State Public School Fund transferred \$2,448,756 to the Child Nutrition Program for COVID-19 feeding costs. The Individual School Fund transferred \$518,455 to the Other Restricted Funds to fund the costs of additional positions in the schools.

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.

WAKE COUNTY BOARD OF EDUCATION
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020

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	\$ 90,888,951
Less:	
Inventories	5,905,099
Stabilization by State Statute	5,005,418
Energy savings obligations	1,170,115
Special projects	
Certified and non-certified staff bonus	10,625,000
COVID-19 related	
Average daily membership reconciliation	2,500,000
Substitute teacher per school	3,000,000
Textbook	1,960,576
TSERS potential underfunded pension liability	1,132,515
Other special projects	78,755
Insurance	13,851,590
Flexible benefit plan	1,693,169
Appropriated fund balance in 2020 budget	8,695,601
Remaining fund balance	<u>\$ 35,271,113</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	\$ 2,034,083
Capital Outlay Fund	2,080,942

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 Date, 2020, in connection with the preparation of these financial statements. This is the date the financial statements were available to be issued.

COVID 19

In March 2020, the World Health Organization declared the outbreak of a novel strain of the coronavirus ("COVID-19") to be a pandemic. The COVID-19 pandemic is having widespread, rapidly evolving, and unpredictable impacts on global society, economies, and business practices. Federal and state governments have implemented measures in an effort to contain the virus, including social distancing, travel restrictions, border closures, limitations on public gatherings, work from home, supply chain logistical changes, and closure of non-essential businesses. The COVID-19 pandemic has impacted and may continue to impact our Board, including employees, partners, and communities, and there is substantial uncertainty in the nature and degree of its continued effects over time. The financial statements do not reflect any adjustments as a result of the subsequent increase in economic uncertainty.

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 – 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 SEVEN 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
2020	6.6654%	\$ 691,000,187	\$ 956,695,716	72%	92.01%
2019	6.6364%	660,723,896	908,398,166	73%	91.89%
2018	6.5650%	520,899,223	874,819,518	60%	89.51%
2017	6.4350%	591,446,650	839,696,815	70%	87.32%
2016	6.1602%	227,014,746	800,662,003	28%	94.64%
2015	5.9756%	70,058,926	750,539,861	9%	98.24%
2014	5.8869%	357,394,818	740,564,917	48%	90.60%

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 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
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%
2014	65,221,914	65,221,914	-	750,539,861	8.69%
2013	61,689,058	61,689,058	-	740,564,917	8.33%
2012	53,912,121	53,912,121	-	724,625,280	7.44%
2011	37,074,917	37,074,917	-	730,801,744	5.07%

WAKE COUNTY BOARD OF EDUCATION**SCHEDULE OF THE BOARD'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY****RETIREE HEALTH BENEFIT FUND****LAST FOUR 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 pension liability as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total OPEB liability
2020	5.8655%	\$ 1,855,820,546	\$ 956,695,716	194%	4.40%
2019	5.9287%	1,688,971,690	908,398,166	186%	3.52%
2018	6.0130%	1,971,459,509	874,819,518	225%	3.52%
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 BOARD 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
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%
2014	40,529,152	40,529,152	-	750,539,861	5.40%
2013	39,249,941	39,249,941	-	740,564,917	5.30%
2012	36,231,264	36,231,264	-	724,625,280	5.00%
2011	35,809,285	35,809,285	-	730,801,744	4.90%

WAKE COUNTY BOARD OF EDUCATION**SCHEDULE OF THE BOARD'S PROPORTIONATE SHARE OF THE NET OPEB ASSET****DISABILITY INCOME PLAN OF NORTH CAROLINA****LAST FOUR FISCAL YEARS**

Years	Board's portion of the net OPEB asset	Board's proportionate share of the net OPEB asset	Board's covered payroll	Board's proportionate share of the net pension asset as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total OPEB asset
2020	5.92210%	\$ 2,555,383	\$ 956,695,716	0.2671%	116.47%
2019	5.92019%	1,798,317	908,398,166	0.1980%	116.37%
2018	5.84695%	3,573,656	874,819,518	0.4085%	116.23%
2017	5.79204%	3,596,857	839,696,815	0.4284%	116.06%

* 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 BOARD 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
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%
2014	3,302,375	3,302,375	-	750,539,861	0.44%
2013	3,258,486	3,258,486	-	740,564,917	0.44%
2012	3,768,051	3,768,051	-	724,625,280	0.52%
2011	3,800,169	3,800,169	-	730,801,744	0.52%

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, 2020

	State Administered Federal Grants	Individual School Fund	Total
ASSETS			
Cash	\$ 440,884	\$ 10,147,226	\$ 10,588,110
Due from other governments	1,018,407	88,165	1,106,572
Accounts receivable	-	406	406
Total assets	<u>\$ 1,459,291</u>	<u>\$ 10,235,797</u>	<u>\$ 11,695,088</u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Salaries and benefits payable	\$ 657,952	\$ -	\$ 657,952
Accounts payable	801,339	283,878	1,085,217
Due to other funds	-	7,932	7,932
Total liabilities	<u>1,459,291</u>	<u>291,810</u>	<u>1,751,101</u>
Fund balances	<u>-</u>	<u>9,943,987</u>	<u>9,943,987</u>
Total liabilities and fund balances	<u>\$ 1,459,291</u>	<u>\$ 10,235,797</u>	<u>\$ 11,695,088</u>

WAKE COUNTY BOARD OF EDUCATION**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES****NON-MAJOR GOVERNMENTAL FUNDS****YEAR ENDED JUNE 30, 2020**

	State Administered Federal Grants	Individual School Fund	Total
REVENUES:			
Federal	\$ 68,210,056	\$ -	\$ 68,210,056
Other	-	15,686,781	15,686,781
Total revenues	68,210,056	15,686,781	83,896,837
EXPENDITURES:			
Instructional services			
Regular instructional	2,419,336	-	2,419,336
Special populations	27,167,946	-	27,167,946
Alternative programs	30,934,581	-	30,934,581
School leadership	11,866	-	11,866
Co-curricular	-	14,224,917	14,224,917
School-based support	2,940,061	-	2,940,061
Systemwide support services			
Support and development	1,434,302	-	1,434,302
Special populations support and development	524,550	-	524,550
Alternative programs and services support and development	854,051	-	854,051
Operational support	117,104	-	117,104
Financial and human resource	440,235	-	440,235
Non-program charges	1,366,024	-	1,366,024
Total expenditures	68,210,056	14,224,917	82,434,973
Excess (deficiency) of revenues over expenditures before other financing sources	-	1,461,864	1,461,864
OTHER FINANCING USES:			
Transfers out	-	(518,455)	(518,455)
Net change in fund balance	-	943,409	943,409
Fund balances, beginning of year	-	9,000,578	9,000,578
Fund balances, end of year	\$ -	\$ 9,943,987	\$ 9,943,987

WAKE COUNTY BOARD OF EDUCATION**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND****FOR YEAR ENDED JUNE 30, 2020****(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2019)**

	2020			2019
	Budget	Actual	Variance- Positive (Negative)	Actual
REVENUES:				
Wake County:				
County appropriation	\$ 513,103,536	\$ 513,103,536	\$ -	\$ 474,937,921
Other:				
Fines and forfeitures	3,135,720	3,481,015	345,295	4,495,103
Interest	1,348,822	1,230,136	(118,686)	1,234,404
Tuition and fees	17,983	18,494	511	32,480
Other local	-	152,933	152,933	105,391
Total	4,502,525	4,882,578	380,053	5,867,378
Total revenues	517,606,061	517,986,114	380,053	480,805,299
EXPENDITURES:				
Regular instructional services				
Regular curricular		138,667,035		137,800,551
CTE curricular		7,365,980		7,023,933
Program enhancement teachers		26,842,041		26,042,946
	178,574,263	172,875,056	5,699,207	170,867,430
Special populations services				
Children with disabilities curricular		23,840,901		25,086,580
Special population CTE curricular		351,010		336,294
Pre-K children with disabilities curricular		3,162,406		2,698,810
Speech and language pathology		3,098,415		3,239,000
Audiology		397,993		428,096
Academically/intellectually gifted curricular		2,183,740		2,346,996
Limited english proficiency		2,759,867		2,702,335
	39,554,612	35,794,332	3,760,280	36,838,111
Alternative programs and services				
Alternative instructional K-12		2,033,744		1,836,890
Attendance and social work		4,451,228		3,670,548
Remedial and supplemental K-12		7,487,335		6,177,800
Pre-K readiness/remedial and supplemental		1,963,395		1,828,603
Extended day/year instructional		1,058,760		1,425,900
	17,589,498	16,994,462	595,036	14,939,741
School leadership services				
School leadership		2,150,906		2,107,993
School principal		6,969,087		7,368,458
School assistant principal		6,955,380		6,546,473
	16,326,948	16,075,373	251,575	16,022,924
Co-Curricular	20,730,656	20,604,182	126,474	16,985,245

(Continued)

WAKE COUNTY BOARD OF EDUCATION**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND****FOR YEAR ENDED JUNE 30, 2020****(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2019)**

	2020			2019
	Budget	Actual	Variance- Positive (Negative)	Actual
School-based support services				
Educational media	\$ -	\$ 8,283,860	\$ -	\$ 9,415,940
Student accounting		610,004		565,255
Guidance		17,225,942		18,499,146
Health		614,569		911,821
Safety and security		1,624,059		1,689,290
Instructional technology		917,321		920,844
Staff development unallocated		442,384		581,767
Parent involvement		193,480		217,156
	<u>32,467,570</u>	<u>29,911,619</u>	<u>2,555,951</u>	<u>32,801,219</u>
Support and development services				
Regular curricular support and development		5,268,722		5,467,299
CTE curricular support and development		383,001		366,492
	<u>6,142,643</u>	<u>5,651,723</u>	<u>490,920</u>	<u>5,833,791</u>
Special population support and development services	<u>5,601,751</u>	<u>5,225,958</u>	<u>375,793</u>	<u>4,654,085</u>
Alternative programs and services support and development services	<u>2,226,301</u>	<u>2,118,024</u>	<u>108,277</u>	<u>1,832,166</u>
Technology support services	<u>16,909,567</u>	<u>14,193,578</u>	<u>2,715,989</u>	<u>14,912,727</u>
Operational support services				
Communication		35,717		30,873
Printing and copying		197,239		38,831
Public utility and energy		30,287,134		25,866,743
Custodial/housekeeping		13,553,674		12,088,002
Transportation		22,196,727		20,237,339
Warehouse and delivery		285,882		744,473
Facilities planning, acquisition and construction		3,894,926		5,563,728
Maintenance		30,464,064		26,744,635
	<u>127,112,984</u>	<u>100,915,363</u>	<u>26,197,621</u>	<u>91,314,624</u>
Financial and human resource services				
Financial		9,772,217		10,360,962
Human resource		6,302,640		6,091,960
	<u>17,746,679</u>	<u>16,074,857</u>	<u>1,671,822</u>	<u>16,452,922</u>
Accountability services				
Student testing		1,023,829		1,099,180
Planning, research development and program evaluation		926,315		912,664
	<u>2,027,760</u>	<u>1,950,144</u>	<u>77,616</u>	<u>2,011,844</u>

(Continued)

WAKE COUNTY BOARD OF EDUCATION**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND****FOR YEAR ENDED JUNE 30, 2020****(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2019)**

	2020			2019
	Budget	Actual	Variance- Positive (Negative)	Actual
Systemwide pupil support services				
Educational media support	\$ -	\$ 386,173	\$ -	\$ 102,141
Student accounting support		2,019,610		1,806,174
Guidance support		591,088		438,287
Health support		194,324		188,545
Safety and security support		1,281,387		978,277
Instructional technology support		253,953		243,464
	<u>4,934,221</u>	<u>4,726,535</u>	<u>207,686</u>	<u>3,756,888</u>
Policy, leadership and public relations services				
Board of education		339,651		344,610
Legal		1,188,268		1,297,438
Audit		657,513		591,100
Leadership		4,496,354		4,339,769
Public relations and marketing		1,797,841		1,992,803
	<u>9,299,313</u>	<u>8,479,627</u>	<u>819,686</u>	<u>8,565,720</u>
Ancillary services				
Community		8,849		-
Aftercare		-		3,998
Nutrition		4,800		5,254
Adult		536		-
	<u>14,851</u>	<u>14,185</u>	<u>666</u>	<u>9,252</u>
Non-program charges:				
Payments to charter schools	<u>40,494,616</u>	<u>39,988,874</u>	<u>505,742</u>	<u>36,014,300</u>
Unbudgeted funds	<u>10,009,411</u>	<u>-</u>	<u>10,009,411</u>	<u>-</u>
Total expenditures	<u>547,763,644</u>	<u>491,593,892</u>	<u>56,169,752</u>	<u>473,812,989</u>
Excess (deficiency) of revenues over expenditures before other financing sources	<u>(30,157,583)</u>	<u>26,392,222</u>	<u>56,549,805</u>	<u>6,992,310</u>
OTHER FINANCING SOURCES:				
Appropriated fund balance	30,157,583	-	(30,157,583)	-
Energy savings obligations issued	-	301,733	301,733	6,854,914
Total other financing sources	<u>30,157,583</u>	<u>301,733</u>	<u>(29,855,850)</u>	<u>6,854,914</u>
Net change in fund balance	<u>\$ -</u>	<u>26,693,955</u>	<u>\$ 26,693,955</u>	<u>13,847,224</u>
Fund balance, beginning of year		62,849,011		48,881,310
Increase in reserve for inventories		1,345,985		120,477
Fund balance, end of year		<u>\$ 90,888,951</u>		<u>\$ 62,849,011</u>

WAKE COUNTY BOARD OF EDUCATION**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
STATE PUBLIC SCHOOL FUND****FOR YEAR ENDED JUNE 30, 2020****(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2019)**

	2020			2019
	Budget	Actual	Variance- Positive (Negative)	Actual
REVENUES:				
Federal: Coronavirus relief	\$ 4,319,898	\$ 4,087,201	\$ (232,697)	\$ -
State: other	1,015,766,748	1,001,304,321	(14,462,427)	969,920,989
Total revenues	1,020,086,646	1,005,391,522	(14,695,124)	969,920,989
EXPENDITURES:				
Regular instructional services				
Regular curricular		427,119,049		412,775,369
CTE curricular		44,375,783		43,876,443
Program enhancement		80,818,329		78,940,787
	558,381,075	552,313,161	6,067,914	535,592,599
Special populations services				
Children with disabilities curricular		116,023,582		117,387,385
Special population CTE curricular		1,834,896		1,798,378
Pre-K children with disabilities curricular		16,900,574		15,182,815
Speech and language pathology		13,656,927		13,197,531
Audiology		1,050,662		1,064,191
Academically/intellectually gifted curricular		10,290,137		10,317,351
Limited english proficiency		13,544,483		13,115,410
	173,671,187	173,301,261	369,926	172,063,061
Alternative programs and services				
Alternative instructional K-12		7,681,410		7,528,873
Attendance and social work		4,741,737		4,742,205
Remedial and supplemental K-12		20,344,745		19,613,708
Extended day/year instructional		2,378,073		2,947,571
	35,200,307	35,145,965	54,342	34,832,357
School leadership services				
School Leadership		25,151,702		23,918,956
School Principal		21,119,330		19,344,021
School Assistant Principal		33,584,322		31,224,338
	80,315,248	79,855,354	459,894	74,487,315
Co-Curricular	128,658	128,613	45	26,745

(Continued)

WAKE COUNTY BOARD OF EDUCATION**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
STATE PUBLIC SCHOOL FUND****FOR YEAR ENDED JUNE 30, 2020****(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2019)**

	2020			2019
	Budget	Actual	Variance- Positive (Negative)	Actual
School-based support services				
Educational media	\$ -	\$ 10,822,884	\$ -	\$ 9,515,862
Student accounting		10,342,919		9,908,884
Guidance		28,601,655		24,239,086
Health		7,504,070		7,282,460
Safety and security		1,050,406		1,051,522
Instructional technology		935,442		1,083,088
Staff development unallocated		53,736		140,312
Parent involvement		1,543		-
	<u>63,505,718</u>	<u>59,312,655</u>	<u>4,193,063</u>	<u>53,221,214</u>
Support and development services				
Regular curricular support and development		576,786		657,143
CTE curricular support and development		112,746		167,978
	<u>761,642</u>	<u>689,532</u>	<u>72,110</u>	<u>825,121</u>
Special population support and development services	<u>685,457</u>	<u>676,691</u>	<u>8,766</u>	<u>912,999</u>
Alternative programs and services support and development services	<u>433,107</u>	<u>432,401</u>	<u>706</u>	<u>393,110</u>
Technology support services	<u>7,338,068</u>	<u>4,149,902</u>	<u>3,188,166</u>	<u>5,843,566</u>
Operational support services				
Custodial/housekeeping		21,184,272		19,899,673
Transportation		62,095,343		63,389,276
Warehouse and delivery		83,249		-
Facilities planning, acquisition and construction		1,422		-
Maintenance		812,053		590,797
	<u>84,190,136</u>	<u>84,176,339</u>	<u>13,797</u>	<u>83,879,746</u>
Financial and human resource services				
Financial		3,434,125		2,839,979
Human resource		1,787,674		1,584,475
	<u>5,222,828</u>	<u>5,221,799</u>	<u>1,029</u>	<u>4,424,454</u>
Accountability services				
Student testing		62,935		-
Planning, research development and program evaluation		53,458		-
	<u>121,187</u>	<u>116,393</u>	<u>4,794</u>	<u>-</u>

(Continued)

WAKE COUNTY BOARD OF EDUCATION**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
STATE PUBLIC SCHOOL FUND****FOR YEAR ENDED JUNE 30, 2020****(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2019)**

	2020			2019
	Budget	Actual	Variance- Positive (Negative)	Actual
Systemwide pupil support services				
Student accounting support	\$ -	\$ 267,802	\$ -	\$ 281,365
Guidance support		-		144,634
Safety and security support		-		143,667
	<u>278,332</u>	<u>267,802</u>	<u>10,530</u>	<u>569,666</u>
Policy, leadership and public relations services				
Leadership		3,131,369		2,439,040
Public relations and marketing		299,073		122,562
	<u>3,439,151</u>	<u>3,430,442</u>	<u>8,709</u>	<u>2,561,602</u>
Ancillary services : nutrition	<u>3,965,789</u>	<u>3,724,456</u>	<u>241,333</u>	<u>218,704</u>
Total expenditures	<u>1,017,637,890</u>	<u>1,002,942,766</u>	<u>14,695,124</u>	<u>969,852,259</u>
Excess of revenues over expenditures before other financing sources	<u>2,448,756</u>	<u>2,448,756</u>	<u>-</u>	<u>68,730</u>
OTHER FINANCING USES:				
Transfers out	<u>(2,448,756)</u>	<u>(2,448,756)</u>	<u>-</u>	<u>(68,730)</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****FOR YEAR ENDED JUNE 30, 2020****(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2019)**

	2020			2019
	Budget	Actual	Variance- Positive (Negative)	Actual
REVENUES:				
Wake County:				
Appropriation	\$ 1,931,961	\$ 1,931,961	\$ -	\$ 71,961
Capital improvements fund	<u>759,878,922</u>	<u>272,888,572</u>	<u>(486,990,350)</u>	<u>321,166,486</u>
	<u>761,810,883</u>	<u>274,820,533</u>	<u>(486,990,350)</u>	<u>321,238,447</u>
State				
LEA financed purchase of school buses	<u>1,359,984</u>	<u>1,359,984</u>	<u>-</u>	<u>693,296</u>
Other:				
Sale of school property	216,964	226,323	9,359	231,996
Interest	-	24	24	25
Other local	<u>470,139</u>	<u>708,914</u>	<u>238,775</u>	<u>692,007</u>
	<u>687,103</u>	<u>935,261</u>	<u>248,158</u>	<u>924,028</u>
Total revenues	<u>763,857,970</u>	<u>277,115,778</u>	<u>(486,742,192)</u>	<u>322,855,771</u>
EXPENDITURES:				
Land and buildings:				
Land: Purchase of new sites	48,323,971	23,639,190	24,684,781	13,198,446
Buildings:				
General contracts		6,105,153		9,488,060
Heating contracts		5,794,328		6,199,420
Electrical contracts		586,956		2,713,493
Architect fees		8,485,202		10,236,484
Construction management contracts		164,324,568		214,626,058
Equipment contracts		42,116,679		29,916,262
Improvements to new sites		1,067,871		761,804
Improvements to existing sites		220,927		164,886
Miscellaneous contracts		19,440,561		32,596,407
	<u>705,971,296</u>	<u>248,142,245</u>	<u>457,829,051</u>	<u>306,702,874</u>
Other:				
Library books	<u>5,092,379</u>	<u>933,615</u>	<u>4,158,764</u>	<u>1,420,407</u>
	<u>759,387,646</u>	<u>272,715,050</u>	<u>486,672,596</u>	<u>321,321,727</u>
Equipment:	<u>229,123</u>	<u>196,276</u>	<u>32,847</u>	<u>202,347</u>
Vehicles:				
Administration		366,311		298,844
Transportation		3,073,086		2,709,199
	<u>6,056,899</u>	<u>3,439,397</u>	<u>2,617,502</u>	<u>3,008,043</u>

(Continued)

WAKE COUNTY BOARD OF EDUCATION**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
CAPITAL OUTLAY FUND****FOR YEAR ENDED JUNE 30, 2020****(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2019)**

	2020			2019
	Budget	Actual	Variance- Positive (Negative)	Actual
Debt service:				
Principal	\$ 1,359,984	\$ 1,359,984	\$ -	\$ 693,296
Total expenditures	<u>767,033,652</u>	<u>277,710,707</u>	<u>489,322,945</u>	<u>325,225,413</u>
Deficiency of revenues over expenditures before other financing sources	<u>(3,175,682)</u>	<u>(594,929)</u>	<u>2,580,753</u>	<u>(2,369,642)</u>
OTHER FINANCING SOURCES:				
Installment purchase obligations issued	2,666,753	2,666,753	-	2,773,184
Appropriated fund balance	<u>508,929</u>	<u>-</u>	<u>(508,929)</u>	<u>-</u>
Total other financing sources	<u>3,175,682</u>	<u>2,666,753</u>	<u>(508,929)</u>	<u>2,773,184</u>
Net change in fund balance	<u>\$ -</u>	<u>2,071,824</u>	<u>\$ 2,071,824</u>	<u>403,542</u>
Fund balance, beginning of year		<u>2,346,032</u>		<u>1,942,490</u>
Fund balance, end of year		<u>\$ 4,417,856</u>		<u>\$ 2,346,032</u>

WAKE COUNTY BOARD OF EDUCATION**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
OTHER RESTRICTED FUNDS****FOR YEAR ENDED JUNE 30, 2020****(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2019)**

	2020			2019
	Budget	Actual	Variance- Positive (Negative)	Actual
REVENUES:				
State: other	\$ 4,700	\$ 1,482	\$ (3,218)	\$ 3,764
Wake County:				
County appropriation	919,604	919,604	-	909,362
Federal:				
ROTC	500,000	551,159	51,159	480,622
MSAP Cornerstone 2017	6,178,234	2,458,751	(3,719,483)	3,742,728
CARES act funds	14,100,000	14,100,000	-	-
Other Federal	159,927	116,853	(43,074)	426,789
Total	20,938,161	17,226,763	(3,711,398)	4,650,139
Other local:				
Medicaid	9,865,392	3,488,652	(6,376,740)	4,038,057
Indirect Cost	4,342,429	4,285,851	(56,578)	5,236,722
E-Rate	4,787,619	4,787,619	-	2,861,023
Other restricted local	6,830,256	4,053,905	(2,776,351)	5,345,139
Interest	65,465	71,257	5,792	49,662
Total	25,891,161	16,687,284	(9,203,877)	17,530,603
Total revenues	47,753,626	34,835,133	(12,918,493)	23,093,868
EXPENDITURES:				
Regular instructional services				
Regular curricular		2,881,705		4,108,473
CTE curricular		74,680		149,267
Program enhancement teachers		175,378		159,805
	4,823,390	3,131,763	1,691,627	4,417,545
Special populations services				
Children with disabilities curricular		1,698,031		2,553,409
Pre-K children with disabilities curricular		213,069		449,541
Speech and language pathology		150,215		5,573
Audiology		12,344		32,786
Academically/intellectually gifted curricular		38,050		38,513
Limited english proficiency		-		2
	3,176,460	2,111,709	1,064,751	3,079,824

(Continued)

WAKE COUNTY BOARD OF EDUCATION**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
OTHER RESTRICTED FUNDS****FOR YEAR ENDED JUNE 30, 2020****(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2019)**

	2020			2019
	Budget	Actual	Variance- Positive (Negative)	Actual
Alternative programs and services				
Alternative instructional K-12	\$ -	\$ 76,860	\$ -	\$ 360,131
Remedial and supplemental K-12		226,523		243,648
Pre-K readiness/remedial and supplemental		1,409,521		1,317,446
Extended day/year instructional		107,477		94,962
	<u>2,726,675</u>	<u>1,820,381</u>	<u>906,294</u>	<u>2,016,187</u>
School leadership services	<u>12,795</u>	<u>12,795</u>	<u>-</u>	<u>12,359</u>
Co-Curricular services	<u>5,262</u>	<u>4,946</u>	<u>316</u>	<u>2,561</u>
School-based support services				
Educational media		100,130		299,641
Guidance		7,963		71,143
Health		686,535		405,668
Safety and security		42,115		51,150
Instructional technology		13,073		133,844
Staff development unallocated		56,893		74,818
Parent involvement		50,217		14,922
	<u>2,816,585</u>	<u>956,926</u>	<u>1,859,659</u>	<u>1,051,186</u>
Support and development services				
Regular curricular support and development	<u>1,170,880</u>	<u>834,482</u>	<u>336,398</u>	<u>1,012,494</u>
Special population support and development services	<u>366,906</u>	<u>288,682</u>	<u>78,224</u>	<u>247,769</u>
Alternative programs and services support and development services	<u>583,352</u>	<u>507,375</u>	<u>75,977</u>	<u>489,041</u>
Technology support services	<u>17,305,658</u>	<u>17,305,658</u>	<u>-</u>	<u>1,647,907</u>
Operational support services				
Communication		1,581,961		1,213,116
Public utility and energy		5,423,250		6,923,573
Transportation		9,098		1,429
Facilities planning, acquisition and construction		919,604		909,362
	<u>7,950,865</u>	<u>7,933,913</u>	<u>16,952</u>	<u>9,047,480</u>
Human resource	<u>824,090</u>	<u>187,814</u>	<u>636,276</u>	<u>264,317</u>
Accountability services				
Student testing	<u>29,392</u>	<u>12,660</u>	<u>16,732</u>	<u>-</u>

(Continued)

WAKE COUNTY BOARD OF EDUCATION**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
OTHER RESTRICTED FUNDS****FOR YEAR ENDED JUNE 30, 2020****(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2019)**

	2020			2019
	Budget	Actual	Variance- Positive (Negative)	Actual
Systemwide pupil support services				
Health support	\$ 101,308	\$ 92,262	\$ 9,046	\$ 47,707
Policy, leadership and public relations services	4,500	4,500	-	4,500
Ancillary services				
Community		20,694		20,398
Nutrition		56,406		43,368
	135,749	77,100	58,649	63,766
Nonprogram charges:				
Indirect Cost	113,135	70,622	42,513	130,889
Unbudgeted funds	6,125,079	-	6,125,079	-
Total expenditures	48,272,081	35,353,588	12,918,493	23,535,532
Deficiency of revenues over expenditures before other financing sources	(518,455)	(518,455)	-	(441,664)
OTHER FINANCING SOURCES:				
Transfers in	518,455	518,455	-	492,774
Total other financing sources	518,455	518,455	-	492,774
Net change in fund balance	\$ -	-	\$ -	51,110
Fund balance, beginning of year		51,110		-
Fund balance, end of year		\$ 51,110		\$ 51,110

WAKE COUNTY BOARD OF EDUCATION**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
STATE ADMINISTERED FEDERAL GRANTS FUND****FOR YEAR ENDED JUNE 30, 2020****(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2019)**

	2020			2019
	Budget	Actual	Variance- Positive (Negative)	Actual
REVENUES:				
Federal:				
Special education	\$ 35,011,908	\$ 29,128,209	\$ (5,883,699)	\$ 28,274,164
Title I	38,248,802	30,944,623	(7,304,179)	30,759,308
Career technical education	1,854,484	1,499,233	(355,251)	1,593,917
Improving teacher quality	5,317,658	2,747,336	(2,570,322)	2,765,948
English language acquisition	2,674,815	1,851,748	(823,067)	1,893,363
Other federal	29,924,844	2,038,907	(27,885,937)	489,266
Total revenues	113,032,511	68,210,056	(44,822,455)	65,775,966
EXPENDITURES:				
Regular instructional services				
Regular curricular		16,004		-
CTE curricular		1,459,746		1,555,686
Program enhancement teachers		943,586		249,077
	6,919,831	2,419,336	4,500,495	1,804,763
Special populations services				
Children with disabilities curricular		25,222,729		22,761,664
Special population CTE curricular		3,467		1,000
Pre-K children with disabilities curricular		411,594		497,411
Speech and language pathology		158,236		185,084
Audiology		839		8,078
Limited english proficiency		1,371,081		1,329,412
	34,324,413	27,167,946	7,156,467	24,782,649
Alternative programs and services				
Alternative instructional K-12		458,131		-
Attendance and social work		824,571		882,724
Remedial and supplemental K-12		22,388,245		22,213,878
Pre-K readiness/remedial and supplemental		6,121,398		6,018,465
Extended day/year instructional		1,142,236		1,171,148
	38,184,255	30,934,581	7,249,674	30,286,215
School leadership services				
School Leadership	64,500	11,866	52,634	-

(Continued)

WAKE COUNTY BOARD OF EDUCATION**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
STATE ADMINISTERED FEDERAL GRANTS FUND****FOR YEAR ENDED JUNE 30, 2020****(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2019)**

	2020			2019
	Budget	Actual	Variance- Positive (Negative)	Actual
School-based support services				
Guidance	\$ -	\$ 1,198,740	\$ -	\$ 1,178,884
Health		176,966		47,823
Safety and security		50,000		-
Instructional technology		376,245		295,690
Staff development unallocated		652,112		864,982
Parent involvement		485,998		853,247
	<u>6,308,796</u>	<u>2,940,061</u>	<u>3,368,735</u>	<u>3,240,626</u>
Support and development services				
Regular curricular support and development	<u>1,770,047</u>	<u>1,434,302</u>	<u>335,745</u>	<u>1,507,206</u>
Special population support and development services	<u>661,509</u>	<u>524,550</u>	<u>136,959</u>	<u>416,817</u>
Alternative programs and services support and development services	<u>1,075,022</u>	<u>854,051</u>	<u>220,971</u>	<u>780,490</u>
Operational support services				
Transportation	<u>2,319,499</u>	<u>117,104</u>	<u>2,202,395</u>	<u>1,197,778</u>
Financial and human resource services				
Human resource	<u>460,947</u>	<u>440,235</u>	<u>20,712</u>	<u>227,791</u>
Ancillary services	<u>4,053,800</u>	<u>-</u>	<u>4,053,800</u>	<u>-</u>
Non-program charges:				
Indirect cost	<u>1,911,920</u>	<u>1,366,024</u>	<u>545,896</u>	<u>1,531,631</u>
Unbudgeted funds	<u>14,977,972</u>	<u>-</u>	<u>14,977,972</u>	<u>-</u>
Total expenditures	<u>113,032,511</u>	<u>68,210,056</u>	<u>44,822,455</u>	<u>65,775,966</u>
Excess of revenues over expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

WAKE COUNTY BOARD OF EDUCATION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
INDIVIDUAL SCHOOLS FUND
FOR YEAR ENDED JUNE 30, 2020

	Fund Balance 6/30/2019	Revenues	Expenditures and Transfers	Fund Balance 6/30/2020
HIGH SCHOOLS:				
Apex	\$ 364,627	\$ 230,617	\$ 245,472	\$ 349,772
Apex Friendship	168,668	357,832	284,655	241,845
Athens	161,719	207,398	190,556	178,561
Broughton	139,129	227,048	211,483	154,694
Cary	91,739	206,956	167,763	130,932
East Wake	65,577	121,786	95,376	91,987
Enloe	226,199	271,471	255,845	241,825
Fuquay-Varina	236,418	200,908	171,187	266,139
Garner	109,132	209,199	208,358	109,973
Green Hope	131,708	294,038	247,596	178,150
Green Level	-	118,580	90,765	27,815
Heritage	195,739	268,979	269,061	195,657
Holly Springs	206,339	241,574	194,153	253,760
Knightdale	66,756	143,842	99,597	111,001
Leesville Road	128,917	376,963	335,572	170,308
Middle Creek	403,518	207,804	235,958	375,364
Millbrook	155,689	267,175	218,187	204,677
Panther Creek	156,082	317,900	285,822	188,160
Rolesville	120,173	174,171	163,426	130,918
Sanderson	238,359	218,848	217,940	239,267
South Garner	13,069	79,108	67,598	24,579
Southeast Raleigh	68,654	65,316	67,523	66,447
Vernon Malone	19,180	24,015	15,786	27,409
Wake STEM Early College	20,746	6,022	4,617	22,151
Wake Early College	35,288	32,025	27,897	39,416
Wake Forest	161,542	321,107	288,294	194,355
Wakefield	162,775	197,589	226,527	133,837
	<u>3,847,742</u>	<u>5,388,271</u>	<u>4,887,014</u>	<u>4,348,999</u>
MIDDLE SCHOOLS:				
Alston Ridge	-	102,050	87,608	14,442
Apex	119,075	217,923	212,569	124,429
Apex Friendship	27,402	221,268	197,212	51,458
Carnage	39,000	40,071	35,787	43,284
Carroll	50,072	48,872	50,775	48,169
Centennial	20,337	9,037	7,008	22,366
Oberlin	45,885	196,962	204,270	38,577
Davis Drive	51,302	242,086	219,254	74,134
Dillard Drive	22,035	135,618	129,686	27,967
Durant Road	34,385	93,896	99,918	28,363
East Cary	35,896	57,878	42,322	51,452
East Garner	104,343	75,050	71,542	107,851
East Millbrook	25,699	37,668	42,905	20,462
East Wake	20,033	33,490	38,837	14,686
Fuquay-Varina	174,731	40,084	56,980	157,835

(Continued)

WAKE COUNTY BOARD OF EDUCATION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
INDIVIDUAL SCHOOLS FUND
FOR YEAR ENDED JUNE 30, 2020

	Fund Balance 6/30/2019	Revenues	Expenditures and Transfers	Fund Balance 6/30/2020
Heritage	\$ 72,979	\$ 269,715	\$ 281,984	\$ 60,710
Holly Grove	119,518	360,348	332,620	147,246
Holly Ridge	102,174	129,935	160,315	71,794
Leesville Road	91,536	87,830	87,447	91,919
Ligon	79,743	109,901	103,810	85,834
Lufkin Road	34,966	83,800	81,714	37,052
Martin	37,605	97,291	90,499	44,397
Mills Park	82,529	275,245	278,986	78,788
Moore Square	10,700	126,902	111,878	25,724
North Garner	37,933	25,270	30,934	32,269
Pine Hollow	60,529	217,629	184,499	93,659
Reedy Creek	51,056	20,550	11,195	60,411
River Bend	18,145	129,083	121,452	25,776
Rolesville	60,312	171,440	194,267	37,485
Salem	55,992	101,495	99,798	57,689
Wake Forest	70,138	121,154	126,356	64,936
Wakefield	42,878	72,918	60,367	55,429
Wendell	27,196	82,984	73,297	36,883
West Cary	31,270	196,796	190,876	37,190
West Lake	36,454	69,086	73,833	31,707
West Millbrook	46,260	78,798	67,890	57,168
Zebulon	20,122	23,810	23,621	20,311
	<u>1,960,230</u>	<u>4,403,933</u>	<u>4,284,311</u>	<u>2,079,852</u>
ELEMENTARY SCHOOLS:				
Abbotts Creek	25,957	55,211	57,136	24,032
Adams	13,135	19,011	14,000	18,146
Alston Ridge	6,638	53,088	44,278	15,448
Apex	34,748	81,252	81,852	34,148
Aversboro	21,473	15,998	11,528	25,943
Baileywick	26,013	13,514	10,842	28,685
Ballentine	13,085	41,212	26,565	27,732
Banks Road	9,347	44,570	39,157	14,760
Barwell Road	12,621	33,111	35,064	10,668
Baucom	53,335	70,990	56,727	67,598
Beaverdam	6,312	18,744	16,370	8,686
Brassfield	39,915	44,323	37,100	47,138
Brentwood	9,715	14,894	9,683	14,926
Briarcliff	32,509	37,423	36,121	33,811
Brier Creek	18,504	91,954	83,104	27,354
Brooks	164,784	138,358	133,160	169,982
Bryan Road	9,552	38,790	36,576	11,766
Buckhorn	17,399	29,260	23,242	23,417
Bugg	15,186	9,546	11,802	12,930
Carpenter	18,895	41,514	39,835	20,574

(Continued)

WAKE COUNTY BOARD OF EDUCATION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
INDIVIDUAL SCHOOLS FUND
FOR YEAR ENDED JUNE 30, 2020

	Fund Balance 6/30/2019	Revenues	Expenditures and Transfers	Fund Balance 6/30/2020
Carver	\$ 21,871	\$ 44,967	\$ 45,292	\$ 21,546
Cary	13,040	53,302	40,861	25,481
Cedar Fork	18,220	63,033	50,025	31,228
Combs	25,928	135,284	129,692	31,520
Conn	8,136	52,391	51,959	8,568
Creech Road	11,641	10,817	8,827	13,631
Davis Drive	36,444	109,606	124,991	21,059
Dillard Drive	24,725	19,986	20,166	24,545
Douglas	21,133	113,441	101,154	33,420
Durant Road	42,046	73,858	70,487	45,417
East Garner	4,317	35,046	27,545	11,818
Farmington Woods	16,849	48,099	43,537	21,411
Forest Pines	17,866	34,869	30,929	21,806
Forestville	13,255	25,553	21,896	16,912
Fox Road	15,985	17,902	14,898	18,989
Fuller	11,376	22,420	25,472	8,324
Fuquay-Varina	32,690	42,882	39,360	36,212
Green	26,090	12,301	7,898	30,493
Green Hope	23,737	43,808	45,580	21,965
Harris Creek	24,625	60,381	52,893	32,113
Herbert Akins	17,390	56,800	50,475	23,715
Heritage	39,948	43,388	58,130	25,206
Highcroft	5,576	135,245	117,539	23,282
Hodge Road	8,462	6,630	7,063	8,029
Holly Grove	63,490	81,880	92,033	53,337
Holly Ridge	28,809	74,844	52,723	50,930
Holly Springs	57,735	58,588	49,952	66,371
Hortons Creek	9,748	130,665	113,772	26,641
Hunter	45,929	49,755	33,987	61,697
Jeffreys Grove	37,997	23,473	14,856	46,614
Jones Dairy	8,585	29,208	20,741	17,052
Joyner	21,965	150,116	139,995	32,086
Kingswood	22,041	22,368	21,926	22,483
Knightdale	13,959	18,078	10,492	21,545
Lacy	95,131	202,826	172,696	125,261
Lake Myra	14,683	10,574	8,735	16,522
Laurel Park	26,289	54,855	33,381	47,763
Lead Mine	16,913	59,701	52,844	23,770
Leesville Road	14,864	63,459	68,629	9,694
Lincoln Heights	17,479	21,469	10,267	28,681
Lockhart	17,039	23,120	25,117	15,042
Lynn Road	12,432	13,700	21,355	4,777
Middle Creek	13,577	42,168	27,508	28,237
Millbrook	12,105	18,932	19,206	11,831
Mills Park	13,494	66,912	62,275	18,131
Morrisville	33,147	54,709	54,948	32,908

(Continued)

WAKE COUNTY BOARD OF EDUCATION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
INDIVIDUAL SCHOOLS FUND
FOR YEAR ENDED JUNE 30, 2020

	Fund Balance 6/30/2019	Revenues	Expenditures and Transfers	Fund Balance 6/30/2020
North Forest Pines	\$ 47,843	\$ 46,377	\$ 62,070	\$ 32,150
North Ridge	49,263	83,852	68,172	64,943
Northwoods	38,944	21,664	40,081	20,527
Oak Grove	13,926	53,134	51,311	15,749
Oakview	27,994	47,485	58,804	16,675
Olds	19,919	42,085	28,821	33,183
Olive Chapel	92,177	154,514	155,621	91,070
Partnership	22,870	40,563	43,470	19,963
Parkside	-	29,615	23,862	5,753
Penny Road	31,906	33,494	30,724	34,676
Pleasant Grove	15,167	36,151	27,913	23,405
Pleasant Union	19,988	64,095	61,656	22,427
Poe	11,835	8,618	5,684	14,769
Powell	10,905	18,216	19,684	9,437
Rand Road	19,639	40,724	43,496	16,867
Reedy Creek	29,377	32,541	44,236	17,682
Richland Creek	17,820	19,926	21,966	15,780
River Bend	36,911	11,993	10,715	38,189
Rogers Lane	13,362	24,807	18,541	19,628
Rolesville	21,014	41,750	39,957	22,807
Root	166,294	64,205	172,477	58,022
Salem	51,055	63,410	60,282	54,183
Sanford Creek	83,789	51,061	48,559	86,291
Scotts Ridge	49,873	181,809	159,101	72,581
Smith	27,502	13,763	15,769	25,496
Southeast Raleigh	-	6,519	2,666	3,853
Stough	7,164	46,894	42,789	11,269
Swift Creek	11,211	10,613	9,466	12,358
Sycamore Creek	61,223	158,826	155,814	64,235
Timber Drive	15,873	15,122	16,748	14,247
Turner Creek	19,068	75,270	52,549	41,789
Underwood	21,785	101,266	96,533	26,518
Vance	13,565	28,451	25,666	16,350
Vandora Springs	30,247	22,311	20,474	32,084
Wake Forest	30,859	16,452	16,412	30,899
Wakefield	9,738	62,619	45,623	26,734
Wakelon	12,061	24,423	20,673	15,811
Walnut Creek	14,700	17,580	19,046	13,234
Washington	34,865	42,415	58,193	19,087
Weatherstone	34,357	76,732	70,852	40,237
Wendell	30,128	39,801	42,069	27,860
West Lake	27,595	91,010	82,993	35,612
White Oak	16,140	81,101	67,778	29,463
Wilburn	21,054	22,795	19,383	24,466
Wildwood Forest	8,184	10,188	9,173	9,199

(Continued)

WAKE COUNTY BOARD OF EDUCATION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
INDIVIDUAL SCHOOLS FUND
FOR YEAR ENDED JUNE 30, 2020

	Fund Balance 6/30/2019	Revenues	Expenditures and Transfers	Fund Balance 6/30/2020
Wiley	\$ 15,665	\$ 42,688	\$ 28,810	\$ 29,543
Willow Springs	26,888	43,042	44,606	25,324
Yates Mill	24,931	18,053	31,834	11,150
York	7,719	19,122	23,035	3,806
Zebulon	14,807	26,734	23,755	17,786
	<u>3,057,084</u>	<u>5,752,051</u>	<u>5,438,161</u>	<u>3,370,974</u>
ACADEMIES:				
Hilburn	27,143	68,494	68,911	26,726
North Wake College and Career	6,380	6,850	6,476	6,754
Wake Young Men's Leadership	10,229	9,071	3,695	15,605
Wake Young Women's Leadership	34,683	40,331	38,931	36,083
	<u>78,435</u>	<u>124,746</u>	<u>118,013</u>	<u>85,168</u>
OTHER:				
Crossroads Flex	9,143	10,018	7,198	11,963
Longview School	16,022	625	424	16,223
Mt. Vernon	16,557	2,184	4,261	14,480
Phillips High School	8,527	3,064	2,643	8,948
River Oaks	6,838	1,889	1,347	7,380
	<u>57,087</u>	<u>17,780</u>	<u>15,873</u>	<u>58,994</u>
TOTAL	<u>\$ 9,000,578</u>	<u>\$ 15,686,781</u>	<u>\$ 14,743,372</u>	<u>\$ 9,943,987</u>

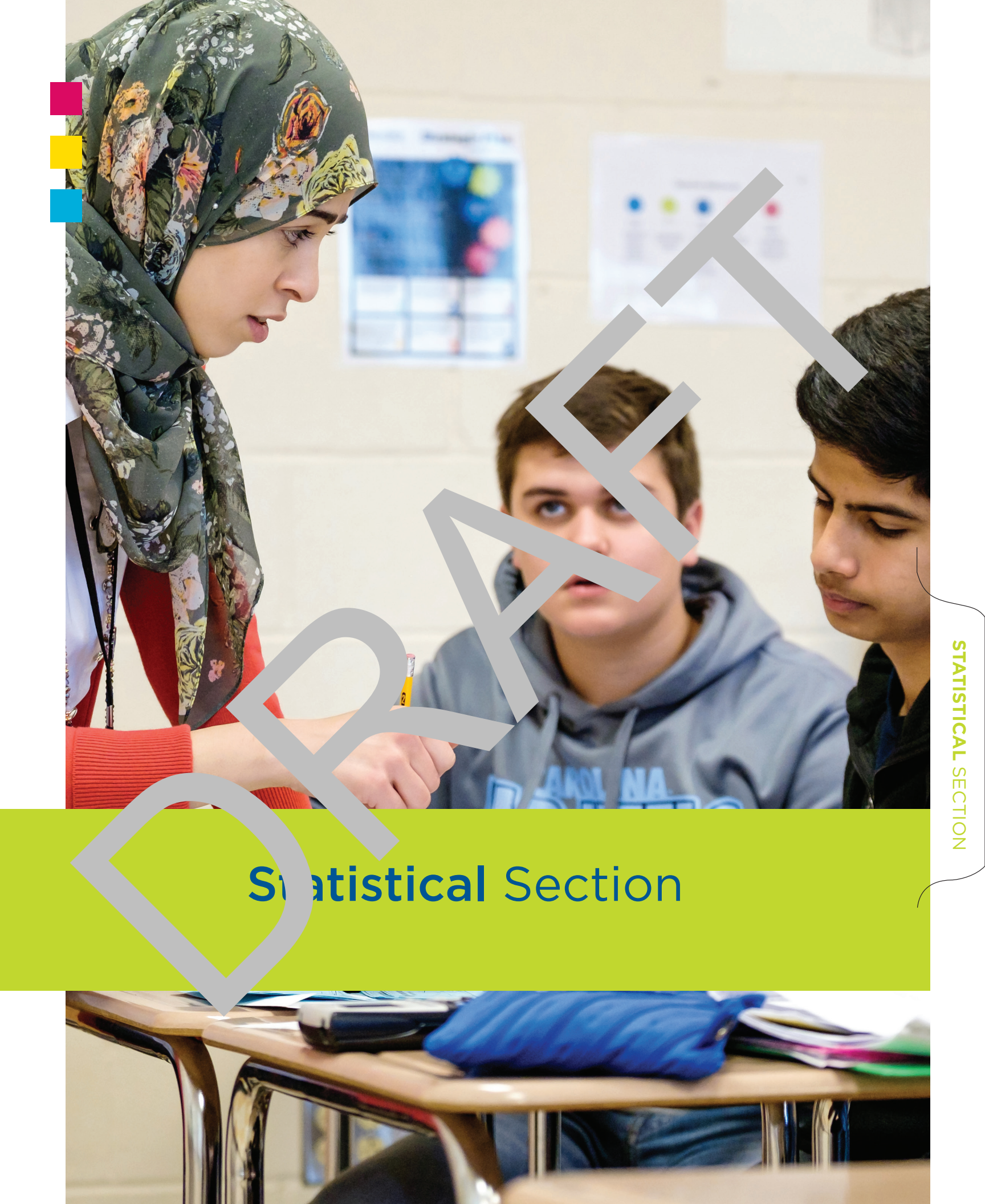
WAKE COUNTY BOARD OF EDUCATION
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (Non-GAAP)
ENTERPRISE FUND - CHILD NUTRITION PROGRAM
FOR YEAR ENDED JUNE 30, 2020
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2019)

	2020			2019
	Budget	Actual	Variance- Positive (Negative)	Actual
REVENUES:				
Federal:				
Regular USDA grants	\$ 36,212,525	\$ 19,406,173	\$ (16,806,352)	\$ 28,468,585
USDA grants - fresh fruit & vegetable program	76,573	62,757	(13,816)	76,445
USDA grants - summer feeding program	650,349	5,455,981	4,805,632	456,698
	<u>36,939,447</u>	<u>24,924,911</u>	<u>(12,014,536)</u>	<u>29,001,728</u>
Other:				
Food sales	19,258,951	12,417,023	(6,841,928)	17,424,575
Interest	95,000	203,768	108,768	267,233
NCDPI kindergarten breakfast	178,228	77,467	(100,761)	111,301
Local donations or grants	258,000	1,191,974	933,974	2,815,603
	<u>19,790,179</u>	<u>13,890,232</u>	<u>(5,899,947)</u>	<u>20,618,712</u>
Total revenues	<u>56,729,626</u>	<u>38,815,143</u>	<u>(17,914,483)</u>	<u>49,620,440</u>
EXPENDITURES:				
Salaries		17,885,243		18,704,341
Employee benefits		9,036,368		9,404,574
Food		11,798,865		16,592,150
Supplies		2,546,360		1,729,043
Purchased services		627,618		1,071,217
Indirect costs paid		2,038,825		2,455,123
Equipment purchases		329,035		106,123
Total expenditures	<u>59,178,382</u>	<u>44,262,314</u>	<u>14,916,068</u>	<u>50,062,571</u>
Deficiency of revenues over expenditures	<u>(2,448,756)</u>	<u>(5,447,171)</u>	<u>(32,830,551)</u>	<u>(442,131)</u>
OTHER FINANCING SOURCES:				
Operating transfer in	<u>2,448,756</u>	<u>2,448,756</u>	<u>-</u>	<u>68,730</u>
Deficiency of revenues and other financing sources over expenditures - budgetary (non-GAAP) basis	<u>\$ -</u>	<u>(2,998,415)</u>	<u>\$ (2,998,415)</u>	<u>(373,401)</u>
Reconciliation from budgetary (non-GAAP) basis to GAAP:				
Equipment purchases, net of contributions		329,035		106,123
Depreciation		(1,160,912)		(1,469,355)
Net OPEB asset		13,067		(33,676)
Net pension liability		(522,569)		(2,652,334)
Net OPEB liability		(2,879,811)		5,358,511
Deferred outflows		(455,839)		1,467,835
Deferred inflows		3,060,233		(3,606,258)
Decrease (increase) in accrued vacation pay		(111,991)		20,108
Gain (Loss) on sale of capital assets		5,570		1,401
Change in net deficit		<u>\$ (4,721,632)</u>		<u>\$ (1,181,046)</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
FOR YEAR ENDED JUNE 30, 2020
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2019)

	2020			2019
	Budget	Actual	Variance- Positive (Negative)	Actual
REVENUES:				
Other:				
Participant fees	\$ 21,679,514	\$ 10,299,433	\$ (11,380,081)	\$ 14,189,922
Local donations or grants	-	-	-	20,000
Interest	-	230,533	230,533	218,976
Total revenues	21,679,514	10,529,966	(11,149,548)	14,428,898
EXPENDITURES:				
Salaries		4,913,479		6,140,723
Employee benefits		1,352,313		1,636,403
Supplies		2,414,250		3,182,744
Purchased services		1,669,180		1,825,365
Indirect costs paid		866,958		1,119,654
Equipment purchases		92,396		187,214
Total expenditures	21,679,514	11,308,576	10,370,938	14,092,103
Excess of revenues over expenditures - budgetary (non-GAAP) basis	\$ -	(778,610)	\$ (778,610)	336,795
Reconciliation from budgetary (non-GAAP) basis to GAAP				
Equipment purchases, net of contributions		92,396		187,214
Depreciation		(43,553)		(46,871)
Net OPEB asset		3,407		(10,322)
Net pension liability		(136,244)		(812,940)
Net OPEB liability		(750,820)		1,642,384
Deferred outflows		(118,845)		449,891
Deferred inflows		797,859		(1,105,318)
Decrease (increase) in accrued vacation pay		8,393		(2,938)
Loss on sale of capital assets		-		(10,178)
Change in net position (deficit)		\$ (926,017)		\$ 627,717



Statistical Section

Statistical Section

This section of the Board's Comprehensive Annual 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 comprehensive annual 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				
	2020	2019	2018	2017	2016
Governmental activities:					
Net investment in capital assets	\$ 3,733,190,940	\$ 3,549,276,038	\$ 3,329,761,944	\$ 3,115,825,897	\$ 2,931,684,587
Restricted	22,443,897	24,179,548	21,429,835	14,821,717	14,602,314
Unrestricted	<u>(2,712,327,735)</u>	<u>(2,687,838,303)</u>	<u>(2,720,230,222)</u>	<u>(258,293,051)</u>	<u>(226,145,732)</u>
Total net position	<u>1,043,307,102</u>	<u>885,617,283</u>	<u>630,961,557</u>	<u>2,872,354,563</u>	<u>2,720,141,169</u>
Business-type activities					
Net investment in capital assets	6,772,791	6,621,851	5,267,553	6,412,914	6,087,244
Restricted	167,034	209,593	166,611	-	-
Unrestricted	<u>(45,988,466)</u>	<u>(40,232,436)</u>	<u>(38,281,827)</u>	<u>26,507,774</u>	<u>27,187,091</u>
Total net position	<u>(39,048,641)</u>	<u>(33,400,992)</u>	<u>(32,847,663)</u>	<u>32,920,688</u>	<u>33,274,335</u>
Government-wide					
Net investment in capital assets	3,739,963,731	3,555,897,889	3,335,029,497	3,122,238,811	2,937,771,831
Restricted	22,610,931	24,389,141	21,596,446	14,821,717	14,602,314
Unrestricted	<u>(2,758,316,201)</u>	<u>(2,728,070,739)</u>	<u>(2,758,512,049)</u>	<u>(231,785,277)</u>	<u>(198,958,641)</u>
Total net position	<u>\$ 1,004,258,461</u>	<u>\$ 852,216,291</u>	<u>\$ 598,113,894</u>	<u>\$ 2,905,275,251</u>	<u>\$ 2,753,415,504</u>

(Continued)

2015 - The decrease in unrestricted net position is due to the first year of pension standards.
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				
	2015	2014	2013	2012	2011
Governmental activities:					
Net investment in capital assets	\$ 2,723,207,488	\$ 2,648,922,011	\$ 2,631,483,747	\$ 2,638,196,366	\$ 2,581,406,320
Restricted	17,025,811	16,599,934	12,011,212	14,427,305	13,198,738
Unrestricted	(224,731,658)	(1,250,869)	5,464,347	16,786,497	(3,058,002)
Total net position	<u>2,515,501,641</u>	<u>2,664,271,076</u>	<u>2,648,959,306</u>	<u>2,669,410,168</u>	<u>2,591,547,056</u>
Business-type activities					
Net investment in capital assets	7,356,663	7,727,478	8,010,544	8,243,904	9,263,646
Restricted	-	-	-	-	-
Unrestricted	<u>26,001,803</u>	<u>32,693,479</u>	<u>33,965,521</u>	<u>30,806,811</u>	<u>26,115,857</u>
Total net position	<u>33,358,466</u>	<u>40,420,957</u>	<u>41,976,065</u>	<u>39,050,715</u>	<u>35,379,503</u>
Government-wide					
Net investment in capital assets	2,730,564,151	2,656,649,489	2,639,494,291	2,646,440,270	2,590,669,966
Restricted	17,025,811	16,599,934	12,011,212	14,427,305	13,198,738
Unrestricted	(198,729,855)	31,442,610	39,429,868	47,593,308	23,057,855
Total net position	<u>\$ 2,548,860,107</u>	<u>\$ 2,704,692,033</u>	<u>\$ 2,690,935,371</u>	<u>\$ 2,708,460,883</u>	<u>\$ 2,626,926,559</u>

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

	Fiscal Year				
	2020	2019	2018	2017	2016
Expenses					
Governmental activities:					
Instructional programs					
Regular	\$ 756,413,532	\$ 702,874,136	\$ 731,974,296	\$ 655,240,420	\$ 583,890,706
Special populations	246,494,723	233,027,523	243,000,627	221,579,226	196,300,020
Alternative programs and services	87,640,748	80,924,330	83,782,030	82,345,265	78,254,955
School leadership	99,993,182	90,152,056	90,665,395	80,203,279	71,562,962
Co-curricular	35,689,594	33,478,902	29,884,642	27,654,770	24,699,448
School-based support services	97,856,120	90,949,064	90,602,486	81,922,365	72,328,355
Systemwide support services					
Support and development	8,497,991	8,426,648	14,976,789	13,158,583	11,835,596
Special populations support and development	6,941,524	6,141,058	6,414,994	5,830,879	4,918,030
Alternative programs and services support and development	4,106,244	3,502,850	3,185,133	3,028,276	3,373,273
Technology support	63,510,929	30,844,405	34,493,632	42,430,480	28,037,064
Operational support	172,671,446	184,310,605	172,750,747	147,592,022	156,926,276
Financial and human resource	22,399,593	21,035,774	20,835,125	20,400,114	18,222,357
Accountability	2,163,932	1,993,192	2,766,782	2,852,691	3,433,611
Systemwide pupil support	6,101,720	4,392,791	5,923,268	5,693,573	5,515,556
Policy, leadership and public relations	12,312,374	11,199,607	11,098,595	10,642,828	8,642,718
Ancillary Services	3,997,339	342,910	140,697	91,242	112,906
Nonprogram charges	37,139,670	32,440,098	25,807,938	23,963,483	21,134,354
Depreciation - unallocated	93,793,766	93,204,421	89,277,817	129,457,253	79,120,543
Total governmental activities expenses	<u>1,757,724,427</u>	<u>1,629,240,370</u>	<u>1,657,580,993</u>	<u>1,554,086,749</u>	<u>1,368,308,730</u>
Business-type activities:					
Food service	49,473,155	54,185,940	58,151,824	55,387,857	53,618,487
Tuition programs	11,455,983	13,791,003	14,381,100	13,162,916	11,750,436
Total business-type activities	<u>60,929,138</u>	<u>67,976,943</u>	<u>72,532,924</u>	<u>68,550,773</u>	<u>65,368,923</u>
Total school district expenses	<u>1,818,653,565</u>	<u>1,697,217,313</u>	<u>1,730,113,917</u>	<u>1,622,637,522</u>	<u>1,433,677,653</u>
Program revenues					
Governmental activities:					
Charges for services-regular instructional	\$ 1,100,760	\$ 1,629,450	\$ 1,371,417	\$ 1,321,281	\$ 1,269,473
Charges for services-ancillary services	-	32,480	28,777	24,085	34,136
Operating grants and contributions	1,120,724,055	1,075,480,070	1,001,491,868	970,584,143	934,462,654
Capital grants and contributions	-	-	-	-	-
Total governmental activities program revenues	<u>1,121,824,815</u>	<u>1,077,142,000</u>	<u>1,002,892,062</u>	<u>971,929,509</u>	<u>935,766,263</u>
Business-type activities:					
Charges for services-food services	12,417,023	17,424,575	17,271,145	18,083,111	17,315,970
Charges for services-tuition programs	10,299,433	14,189,922	13,971,475	13,372,693	13,531,484
Operating grants and contributions	29,681,976	35,254,178	34,048,329	36,407,837	35,165,199
Total business-type activities program revenues	<u>52,398,432</u>	<u>66,868,675</u>	<u>65,290,949</u>	<u>67,863,641</u>	<u>66,012,653</u>
Total school district program revenues	<u>1,174,223,247</u>	<u>1,144,010,675</u>	<u>1,068,183,011</u>	<u>1,039,793,150</u>	<u>1,001,778,916</u>
Net (expense)/revenue					
Governmental activities	(635,899,612)	(552,098,370)	(654,688,931)	(582,157,240)	(432,542,467)
Business-type activities	(8,530,706)	(1,108,268)	(7,241,975)	(687,132)	643,730
Total school district net expense	<u>\$ (644,430,318)</u>	<u>\$ (553,206,638)</u>	<u>\$ (661,930,906)</u>	<u>\$ (582,844,372)</u>	<u>\$ (431,898,737)</u>

(Continued)

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

	Fiscal Year				
	2015	2014	2013	2012	2011
Expenses					
Governmental activities:					
Instructional programs					
Regular	\$ 538,699,660	\$ 548,740,312	\$ 541,574,616	\$ 519,493,395	\$ 504,048,718
Special populations	181,153,903	181,570,641	177,338,087	169,258,921	172,013,848
Alternative programs and services	63,987,611	67,406,274	64,409,245	64,474,589	66,020,928
School leadership	67,145,678	69,258,721	68,170,100	66,186,552	65,743,983
Co-curricular	21,546,339	23,226,828	21,733,809	20,697,012	20,795,975
School-based support services	61,577,799	61,233,044	60,149,751	61,734,726	62,943,658
Systemwide support services					
Support and development	10,932,679	10,115,956	9,919,952	9,914,905	9,936,030
Special populations support and development	4,373,936	4,651,561	4,299,423	4,115,631	3,938,268
Alternative programs and services support and development	3,086,128	2,739,756	2,469,867	3,138,741	2,487,540
Technology support	23,361,372	18,109,553	17,505,099	22,221,921	16,729,489
Operational support	161,949,750	167,828,385	183,977,661	144,351,091	152,934,837
Financial and human resource	16,308,934	16,209,892	16,587,230	16,134,413	15,495,361
Accountability	3,804,913	4,012,919	3,221,131	3,305,901	2,326,694
Systemwide pupil support	5,062,216	4,925,370	4,915,910	4,733,648	4,760,279
Policy, leadership and public relations	8,209,071	7,667,733	7,248,610	7,026,646	6,909,359
Ancillary Services	166,997	176,331	516,479	245,029	171,092
Nonprogram charges	14,957,067	10,589,182	9,879,925	9,081,210	8,432,140
Depreciation - unallocated	75,594,568	63,861,810	85,310,073	43,016,402	36,919,821
Total governmental activities expenses	<u>1,261,918,621</u>	<u>1,262,324,268</u>	<u>1,279,226,968</u>	<u>1,169,130,733</u>	<u>1,152,608,020</u>
Business-type activities:					
Food service	53,254,152	52,823,064	49,839,848	47,476,596	45,662,100
Tuition programs	11,217,887	12,931,220	10,222,509	10,595,711	9,621,336
Total business-type activities	<u>64,472,039</u>	<u>65,754,284</u>	<u>60,062,357</u>	<u>58,072,307</u>	<u>55,283,436</u>
Total school district expenses	<u>1,326,390,660</u>	<u>1,328,078,552</u>	<u>1,339,289,325</u>	<u>1,227,203,040</u>	<u>1,207,891,456</u>
Program revenues					
Governmental activities:					
Charges for services-regular instructional	1,182,907	1,157,302	1,136,084	1,135,858	1,133,966
Charges for services-ancillary services	52,628	34,070	30,271	34,001	27,719
Operating grants and contributions	896,644,270	855,019,388	830,318,727	823,164,394	803,822,002
Capital grants and contributions	-	53,432	371,846	621,850	786,581
Total governmental activities program revenues	<u>897,879,805</u>	<u>856,264,192</u>	<u>831,856,928</u>	<u>824,956,103</u>	<u>805,770,268</u>
Business-type activities:					
Charges for services-food services	16,913,781	18,540,817	20,004,234	20,920,103	21,206,179
Charges for services-tuition programs	12,364,080	12,050,049	10,736,600	10,676,628	10,014,453
Operating grants and contributions	33,504,107	33,048,188	31,578,527	29,914,761	27,741,442
Total business-type activities program revenues	<u>62,781,968</u>	<u>63,639,054</u>	<u>62,319,361</u>	<u>61,511,492</u>	<u>58,962,074</u>
Total school district program revenues	<u>960,661,773</u>	<u>919,903,246</u>	<u>894,176,289</u>	<u>886,467,595</u>	<u>864,732,342</u>
Net (expense)/revenue					
Governmental activities	(364,038,816)	(406,060,076)	(447,370,040)	(344,174,630)	(346,837,752)
Business-type activities	(1,690,071)	(2,115,230)	2,257,004	3,439,185	3,678,638
Total school district net expense	<u>\$ (365,728,887)</u>	<u>\$ (408,175,306)</u>	<u>\$ (445,113,036)</u>	<u>\$ (340,735,445)</u>	<u>\$ (343,159,114)</u>

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

	Fiscal Year				
	2020	2019	2018	2017	2016
Net (expense)/revenue					
Governmental activities	\$ (635,899,612)	\$ (552,098,370)	\$ (654,688,931)	\$ (582,157,240)	\$ (432,542,467)
Business-type activities	(8,530,706)	(1,108,268)	(7,241,975)	(687,132)	643,730
Total school district net expense	(644,430,318)	(553,206,638)	(661,930,906)	(582,844,372)	(431,898,737)
General revenues and other changes in net position					
Governmental activities:					
Unrestricted county appropriations - operating	514,023,140	475,847,283	429,719,331	408,760,031	384,849,031
Unrestricted county appropriations - capital	274,820,533	321,238,447	305,195,784	319,326,301	280,060,809
Unrestricted state appropriation - capital	1,359,984	693,296	387,942	428,778	816,720
Investment earnings, unrestricted	1,301,417	1,284,091	761,942	706,920	475,650
Miscellaneous, unrestricted	4,533,113	7,759,709	5,663,606	5,203,959	7,966,262
Transfer	(2,448,756)	(68,730)	(45,012)	(55,355)	(45,187)
Total governmental activities	793,589,431	806,754,096	741,683,593	734,370,634	674,123,285
Business-type activities:					
Investment earnings, unrestricted	434,301	486,209	374,257	278,130	199,082
Transfer	2,448,756	68,730	45,012	55,355	45,187
Total business-type activities	2,883,057	554,939	419,269	333,485	244,269
Total school district	796,472,488	807,309,035	742,102,862	734,704,119	674,367,554
Change in net position					
Governmental activities	157,689,819	254,655,726	86,994,662	152,213,394	241,580,818
Business-type activities	(5,647,649)	(553,329)	(6,822,706)	(353,647)	887,999
Total school district	\$ 152,042,170	\$ 254,102,397	\$ 80,171,956	\$ 151,859,747	\$ 242,468,817

(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				
	2015	2014	2013	2012	2011
Net (expense)/revenue					
Governmental activities	\$ (364,038,816)	\$ (406,060,076)	\$ (447,370,040)	\$ (344,174,630)	\$ (346,837,752)
Business-type activities	(1,690,071)	(2,115,230)	2,257,004	3,439,185	3,678,638
Total school district net expense	(365,728,887)	(408,175,306)	(445,113,036)	(340,735,445)	(343,159,114)
General revenues and other changes in net position					
Governmental activities:					
Unrestricted county appropriations- operating	340,138,653	323,966,127	317,181,372	311,759,998	312,059,879
Unrestricted county appropriations - capital	149,664,203	90,259,437	72,689,611	99,168,170	97,823,234
Unrestricted state appropriation - capital	4,947,219	5,154,525	32,522,268	-	-
Investment earnings, unrestricted	389,767	458,800	443,039	628,155	733,422
Miscellaneous, unrestricted	6,765,132	1,959,815	4,615,860	10,532,393	16,391,839
Transfer	(331,509)	(426,858)	(532,972)	(50,974)	(117,044)
Total governmental activities	501,573,465	421,371,846	426,919,178	422,037,742	426,891,330
Business-type activities:					
Investment earnings, unrestricted	139,011	133,264	135,374	181,053	216,954
Transfer	331,509	426,858	532,972	50,974	117,044
Total business-type activities	470,520	560,122	668,346	232,027	333,998
Total school district	502,043,985	421,931,968	427,587,524	422,269,769	427,225,328
Change in net position					
Governmental activities	137,534,649	15,311,770	(20,450,862)	77,863,112	80,053,578
Business-type activities	(1,219,551)	(1,555,108)	2,925,350	3,671,212	4,012,636
Total school district	\$ 136,315,098	\$ 13,756,662	\$ (17,525,512)	\$ 81,534,324	\$ 84,066,214

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

	Fiscal Year				
	2020	2019	2018	2017	2016
General fund					
Nonspendable					
Inventories	\$ 5,905,099	\$ 4,559,114	\$ 4,438,637	\$ 3,919,935	\$ 3,435,317
Prepaid	-	-	105,263	49,622	88,607
Restricted					
Stabilization by state statute	5,005,418	5,057,968	5,261,993	4,797,511	4,116,427
Energy savings obligations	1,170,115	6,488,539	-	-	-
Assigned					
Special projects	19,296,846	13,899,683	9,838,302	14,420,578	14,270,811
Insurance	13,851,590	11,735,920	10,643,848	10,732,144	10,310,534
Flexible benefit plan	1,693,169	1,609,584	1,557,774	1,354,093	1,229,780
Subsequent year expenditures	8,695,601	8,107,000	4,900,000	12,840,355	10,400,000
Unassigned	35,271,113	11,391,203	12,135,493	9,899,217	13,880,710
Total general fund	<u>\$ 90,888,951</u>	<u>\$ 62,849,011</u>	<u>\$ 48,881,310</u>	<u>\$ 58,013,455</u>	<u>\$ 57,732,186</u>
All other governmental funds					
Restricted					
Stabilization by State Statute	\$ 2,080,942	\$ 168,929	\$ 111,038	\$ 239,002	\$ 738,296
Capital expenditures	1,375,364	1,205,318	1,079,897	779,049	741,489
Individual schools	9,943,987	9,000,578	8,733,707	8,920,713	8,978,294
Special Programs	51,110	51,110	-	-	-
Restricted contributions for capital expenditures	48,896	27,832	27,832	85,442	27,808
Subsequent years expenditures	-	-	-	-	-
Assigned					
Special projects	912,654	943,953	723,723	1,773,212	115,802
Total all other governmental funds	<u>\$ 14,412,953</u>	<u>\$ 11,397,720</u>	<u>\$ 10,676,197</u>	<u>\$ 11,797,418</u>	<u>\$ 10,601,689</u>

(Continued)

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

	Fiscal Year				
	2015	2014	2013	2012	2011
General fund					
Nonspendable					
Inventories	\$ 2,442,586	\$ 2,966,259	\$ 3,122,198	\$ 3,000,164	\$ 3,503,879
Prepaid	1,639,972	4,543,602	1,537,187	11,591,489	-
Restricted					
Stabilization by state statute	7,404,038	5,542,274	3,163,132	4,399,049	3,661,166
Energy savings obligations	-	-	-	-	-
Assigned					
Special projects	10,604,339	19,427,037	6,008,131	3,819,829	366,342
Insurance	10,212,545	9,909,912	8,388,026	7,569,663	6,739,799
Flexible benefit plan	1,139,379	1,225,223	1,244,575	1,174,388	1,094,173
Subsequent year expenditures	20,000,000	26,075,734	28,400,000	28,385,581	16,203,025
Unassigned	14,894,753	20,215,744	36,320,179	32,089,863	33,875,157
Total general fund	<u>\$ 68,337,612</u>	<u>\$ 89,905,785</u>	<u>\$ 88,183,428</u>	<u>\$ 92,030,026</u>	<u>\$ 65,443,541</u>
All other governmental funds					
Restricted					
Stabilization by State Statute	\$ 725,074	\$ 2,311,510	\$ 177,432	\$ 439,360	\$ 503,603
Capital expenditures	397,078	368,912	253,610	1,273,248	685,615
Individual schools	8,471,820	8,377,238	8,417,038	8,059,392	8,110,769
Special Programs	-	-	-	-	-
Restricted contributions for capital expenditures	27,801	43,191	388,189	60,642	35,513
Subsequent years expenditures	-	-	273,248	195,614	202,072
Assigned					
Special projects	107,107	-	-	-	-
Total all other governmental funds	<u>\$ 9,728,880</u>	<u>\$ 11,100,851</u>	<u>\$ 9,509,517</u>	<u>\$ 10,028,256</u>	<u>\$ 9,537,572</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
2020	\$ 1,002,665,787	\$ 515,955,101	\$ 272,888,572	\$ 3,481,015	\$ 89,524,020	\$ 1,301,417	\$ 33,409,472	\$ 1,919,225,384
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
2014	772,586,613	327,496,020	86,729,544	3,572,599	66,288,955	458,770	30,907,403	1,288,039,904
2013	760,563,546	318,341,737	71,529,246	2,449,100	64,607,219	443,040	25,936,675	1,243,870,563
2012	710,488,290	314,411,592	96,516,576	3,645,125	98,687,403	628,154	26,844,302	1,251,221,442
2011	677,983,052	313,503,224	96,379,890	6,097,760	117,608,962	733,422	27,031,775	1,239,338,085

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
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	2 291,722	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
2013	149,508	6,179 923,736,970	1,493 223,162,370	4 565,028	90 13,496,176
2012	146,687	6,107 895,801,620	1,435 210,554,870	2 299,770	88 12,919,217
2011	143,289	6,188 886,626,928	1,477 211,607,971	2 280,991	103 14,783,394

(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 Principal	Total Operating	Capital Outlay	Total
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
2013	87 13,060,081	7,853 1,174,020,625	627 93,747,356	8,480 1,267,767,981
2012	25 3,617,971	7,657 1,123,193,448	683 100,396,136	8,341 1,223,589,584
2011	55 7,866,703	7,825 1,121,165,987	693 99,288,717	8,517 1,220,454,704

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 and Capitalized Leases	Energy Savings Obligations Issued	Total Other Financing Sources (Uses)	Net Change In Fund Balance	Debt Service As A Percentage of Noncapital Expenditures
2020	\$29,189,458	\$ 518,455	\$ (2,967,211)	\$ 2,666,753	\$ 301,733	519,730	29,709,188	0.0842%
2019	5,009,379	492,774	(561,504)	2,773,184	6,854,914	9,559,368	14,568,747	0.0447%
2018	(10,727,056)	551,032	(596,044)	-	-	(45,012)	(10,772,068)	0.0267%
2017	1,047,735	2,415,913	(2,471,268)	-	-	(55,355)	992,380	0.0308%
2016	(12,231,929)	2,370,430	(2,415,617)	1,551,768	-	1,506,581	(10,725,348)	0.0608%
2015	(22,534,783)	1,061,981	(1,107,012)	163,344	-	118,313	(22,416,470)	0.3875%
2014	3,519,895	220,473	(270,738)	-	-	(50,265)	3,469,630	0.4308%
2013	(23,897,418)	331,640	(383,780)	19,462,187	-	19,410,047	(4,487,371)	1.1108%
2012	27,631,858	168,526	(219,500)	-	-	(50,974)	27,580,884	0.3215%
2011	18,883,381	256,957	(306,815)	-	-	(49,858)	18,833,523	0.7017%

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
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
2014	20,233,350	8,421,643	19,799,206	3,312,709	3,222,731	10,760,210	65,749,849
2013	19,811,898	8,056,761	18,226,524	2,753,096	2,886,740	8,318,735	60,053,754
2012	18,542,572	7,316,280	18,178,501	2,518,294	2,931,793	8,584,263	58,071,703
2011	18,618,839	6,860,415	15,977,831	2,894,971	3,200,615	7,730,765	55,283,436

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
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
2014	18,540,817	28.88	12,050,049	18.77	29,763,762	46.37	3,312,709	5.16
2013	20,004,234	31.76	10,736,600	17.05	28,819,984	45.76	2,753,096	4.37
2012	20,920,103	33.88	10,676,628	17.29	27,408,343	44.39	2,518,294	4.08
2011	21,206,179	35.76	10,014,453	16.89	24,813,180	41.85	2,894,971	4.88

(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
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
2014	426,858	0.66	100,546	0.16	64,194,741	100
2013	532,972	0.85	132,218	0.21	62,979,104	100
2012	50,974	0.08	168,573	0.28	61,742,915	100
2011	117,044	0.20	250,245	0.42	59,296,072	100

WAKE COUNTY BOARD OF EDUCATION
OUTSTANDING DEBT
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30,	Energy Savings	Installment Purchase	Total	Per Student
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
2014	-	4,865,546	4,865,546	31.79
2013	-	10,020,071	10,020,071	67.02
2012	-	3,617,962	3,617,962	24.66
2011	-	7,235,933	7,235,933	50.50

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)
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	0.6145	0.080	0.6945
2015	109,552,757,999	15,528,241,566	2,866,523,443	127,947,523,008	0.578	0.080	0.658
2014	107,096,246,490	17,429,308,807	2,900,935,929	127,426,491,226	0.534	0.080	0.614
2013	105,310,957,601	14,311,760,539	2,827,432,989	122,450,151,129	0.534	0.080	0.614
2012	104,028,407,900	13,698,928,311	2,828,064,440	120,555,400,651	0.534	0.080	0.614
2011	103,067,247,714	13,630,432,081	2,837,941,846	119,535,621,641	0.534	0.080	0.614

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 2017.

(3) Per \$100 of value.

Source: Wake County, North Carolina, Comprehensive Annual Financial Report for the year ended June 30, 2020.

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
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
2014	.5340	.080	.6140	.53	.3900	.35	.525	.3850	.4900	.4350
2013	.5340	.080	.6140	.53	.3900	.33	.525	.3850	.4900	.4350
2012	.5340	.080	.6140	.53	.3400	.33	.525	.3850	.4900	.4150
2011	.5340	.080	.6140	.53	.3400	.33	.540	.3850	.4900	.4150

(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 2017.

Source: Wake County, North Carolina, Comprehensive Annual Financial Report for the year ended June 30, 2020.

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
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
2014	.43	.390	.3830	.44	.51	.49	.525
2013	.41	.367	.3830	.44	.51	.49	.513
2012	.41	.367	.3740	.44	.51	.49	.500
2011	.41	.367	.3740	.42	.51	.49	.500

- 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 2017.

Source: Wake County, North Carolina, Comprehensive Annual Financial Report for the year ended June 30, 2020.

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

Taxpayer	Fiscal Year 2020			Fiscal Year 2011		
	Assessed Valuation	Rank	Percentage of Total Assessed Valuation	Assessed Valuation	Rank	Percentage of Total Assessed Valuation
Duke Progress Energy Inc	\$2,229,193,401	1	1.43%	\$1,571,094,900	1	1.31%
SAS Institute Inc	691,625,730	2	0.44%	473,069,966	4	0.40%
Highwoods Realty LP	597,252,278	3	0.38%	248,841,511	8	0.21%
Cisco Systems Inc	452,169,677	4	0.29%	492,766,064	2	0.41%
CVM Holdings LLC	390,227,519	5	0.25%	334,450,819	5	0.28%
WMCI Raleigh LLC	327,066,054	6	0.21%	-	-	-
Network Appliance Inc	291,355,213	7	0.19%	242,527,026	10	0.20%
First Citizens Bank & Trust Co	278,709,874	8	0.18%	-	-	-
GlaxoSmithKline	270,640,510	9	0.17%	-	-	-
State Employees Credit Union	260,389,363	10	0.17%			
Novartis Vaccines & Diagnostics	-	-	-	491,415,325	3	0.41%
NC Eastern Municipal Power Agency	-	-	-	290,478,093	6	0.24%
Bellsouth Telephone	-	-	-	267,054,965	7	0.22%
Weeks Realty	-	-	-	248,405,759	9	0.21%
	<u>\$5,788,629,619</u>		<u>3.71%</u>	<u>\$4,660,104,428</u>		<u>3.89%</u>

Source: Wake County, North Carolina, Comprehensive Annual Financial Report for the year ended June 30, 2020.

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
2020	\$ 1,130,623,568	\$ (1,373,567)	\$ 1,129,250,001	\$ 1,126,999,613	99.80%	\$ -	\$ 1,126,999,613	99.80%
2019	999,314,645	(1,372,951)	997,941,694	996,947,099	99.90%	-	996,947,099	99.90%
2018	914,686,233	(1,989,030)	912,697,203	911,681,836	99.89%	416,805	912,098,641	99.93%
2017	877,544,091	(7,317,373)	870,226,718	869,108,487	99.87%	780,215	869,888,702	99.96%
2016	833,221,749	(835,817)	832,385,932	831,114,362	99.85%	983,983	832,098,345	99.97%
2015	760,907,032	(664,952)	760,242,080	758,063,799	99.71%	1,962,311	760,026,110	99.97%
2014	702,953,904	(1,690,243)	701,263,661	697,580,105	99.47%	3,045,372	700,625,477	99.91%
2013	676,163,798	(2,306,621)	673,857,177	667,843,411	99.11%	5,220,257	673,063,668	99.88%
2012	665,819,212	(2,298,064)	663,521,148	657,541,978	99.10%	5,127,345	662,669,323	99.87%
2011	661,292,534	(4,849,315)	656,443,219	648,750,058	98.83%	6,816,105	655,566,163	99.87%

Notes:

Taxes for the fiscal year ended June 30, 2020 at the collection rate of 99.80% are a composite of the following collections by category:

Vehicle taxes	99.28%
Real and personal property taxes	99.84%

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

Source: Wake County, North Carolina, Comprehensive Annual Financial Report for the year ended June 30, 2020.

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
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
2014	1,806,329,227	-	-	291,053,822	5,329,121	490,389
2013	1,960,133,287	-	-	303,982,042	5,327,348	653,850
2012	1,934,669,373	-	-	316,910,261	5,693,721	817,311
2011	1,991,296,438	-	-	323,883,480	6,961,421	980,772

(Continued)

Source: Wake County, North Carolina, Comprehensive Annual Financial Report for the year ended June 30, 2020.

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		Total Primary Government	Percentage of Personal Income	Per Capita
	Capital Leases	Notes Payable	Total Governmental Activities	Capital Leases				
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
2014	51,293	-	2,103,253,852	5,877		2,103,259,729	4.93%	2,106
2013	81,238	-	2,270,177,765	-		2,270,177,765	5.32%	2,328
2012	132,027	-	2,258,222,693	-		2,258,222,693	5.29%	2,371
2011	173,449	-	2,323,295,560	-		2,323,295,560	5.78%	2,500

Source: Wake County, North Carolina, Comprehensive Annual Financial Report for the year ended June 30, 2020.

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

Fiscal Year	General Bonded Debt Outstanding				
	General Obligation Bonds	General Obligation Bond Anticipation Notes	Total General Bonded Debt	Percentage of Actual Taxable Value of Property	Per Capita
2020	\$ 1,763,962,578	\$ 36,078,529	\$ 1,800,041,107	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
2014	1,806,329,227	-	1,806,329,227	1.42%	1,808.70
2013	1,960,133,287	-	1,960,133,287	1.60%	2,010.34
2012	1,934,669,373	-	1,934,669,373	1.60%	2,030.91
2011	1,991,296,438	-	1,991,296,438	1.67%	2,142.72

Source: Wake County, North Carolina, Comprehensive Annual Financial Report for the year ended June 30, 2020.

WAKE COUNTY BOARD OF EDUCATION
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2017

	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Direct and Overlapping Debt</u>
Municipality:			
Apex	\$ 91,000,000	100%	\$ 91,000,000
Cary	108,728,914	100%	108,728,914
Garner	36,525,000	100%	36,525,000
Fuquay-Varina	23,295,000	100%	23,295,000
Holly Springs	18,745,000	100%	18,745,000
Knightdale	2,195,000	100%	2,195,000
Morrisville	26,742,739	100%	26,742,739
Raleigh	271,430,000	100%	271,430,000
Rolesville	3,074,500	100%	3,074,500
Wake Forest	25,100,000	100%	25,100,000
Wendell	-	100%	-
Zebulon	1,900,000	100%	1,900,000
Wake County	<u>2,663,460,890</u>	100%	<u>2,663,460,890</u>
Overlapping debt	3,272,197,043		3,272,197,043
Direct debt	<u>10,543,304</u>		<u>10,543,304</u>
Total direct and overlapping debt	<u>\$ 3,282,740,347</u>		<u>\$ 3,282,740,347</u>

Source: Wake County, North Carolina, Comprehensive Annual Financial Report for the year ended June 30, 2020.

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

	Fiscal Year				
	2020	2019	2018	2017	2016
Assessed value of property	\$ 155,673,341,532	\$ 148,627,572,143	\$ 144,219,213,822	\$ 141,411,010,294	\$ 131,950,999,915
Debt limit, 8% of assessed value (Statutory Limitation)	12,453,867,323	11,890,205,771	11,537,537,106	11,312,880,824	10,556,079,993
Amount of debt applicable to limit					
General obligation bonds	1,580,690,000	1,727,510,000	1,762,270,000	1,727,865,000	1,812,535,000
GO bond anticipation notes	36,078,529	-	50,197,448	100,229,537	1,301,000
Other Long Term Debt	772,873,485	554,346,998	374,041,272	231,140,632	238,761,938
Bonds Authorized not Issued	980,140,000	1,017,000,000	147,152,552	294,865,463	509,909,000
Total net debt applicable to limit	3,369,782,014	3,298,856,998	2,333,661,272	2,354,100,632	2,562,506,938
Legal debt margin	\$ 9,084,085,309	\$ 8,591,348,773	\$ 9,203,875,834	\$ 8,958,780,192	\$ 7,993,573,055
Total net debt applicable to limit as a percentage of debt limit	27.06%	27.74%	20.23%	20.81%	24.28%

(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, Comprehensive Annual Financial Report for the year ended June 30, 2020.

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

	Fiscal Year				
	2015	2014	2013	2012	2011
Assessed value of property	\$ 127,947,523,008	\$ 127,426,491,226	\$ 122,450,151,129	\$ 120,555,400,651	\$ 119,535,621,641
Debt limit, 8% of assessed value (Statutory Limitation)	10,235,801,841	10,194,119,298	9,796,012,090	9,644,432,052	9,562,849,731
Amount of debt applicable to limit					
General obligation bonds	1,967,590,000	1,664,875,000	1,801,325,000	1,754,870,000	1,831,620,000
GO bond anticipation notes	-	-	-	-	-
Other Long Term Debt	266,887,940	278,885,802	291,217,436	303,938,059	311,595,642
Bonds Authorized not Issued	511,210,000	950,450,000	145,450,000	65,700,000	239,070,000
Total net debt applicable to limit	2,745,687,940	2,894,210,802	2,237,992,436	2,124,508,059	2,382,285,642
Legal debt margin	\$ 7,490,113,901	\$ 7,299,908,496	\$ 7,558,019,654	\$ 7,519,923,993	\$ 7,180,564,089
Total net debt applicable to limit as a percentage of debt limit	26.82%	28.39%	22.85%	22.03%	24.91%

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, Comprehensive Annual Financial Report for the year ended June 30, 2020.

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
2020	1,111,761.00	*	*	161,907	7.1%
2019	1,092,305.00	*	*	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%
2014	974,289	50,780,179	50,835	153,039	4.9%
2013	952,143	47,064,181	48,285	149,508	6.0%
2012	929,070	46,320,314	48,626	146,687	7.1%
2011	900,933	43,320,456	46,615	143,289	7.9%

* Information not yet available

Source: Wake County, North Carolina, Comprehensive Annual Financial Report for the year ended June 30, 2020.

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

Employer	2020			2011		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Duke University & Health System	41,206	1	7.71%	-	-	-
State of North Carolina	24,083	2	4.50%	24,739	1	5.93%
Wake County Public School System	17,000	3	3.18%	17,572	2	1.16%
Wal-Mart	16,200	4	3.03%	-	-	-
WakeMed Health & Hospitals	9,773	5	1.83%	7,607	5	1.80%
North Carolina State University	9,019	6	1.69%	7,730	4	1.83%
Food Lion	8,600	7	1.61%			
Target	8,000	8	1.50%	-	-	-
IBM Corporation	8,000	9	1.50%	1,050	3	2.49%
UNC Rex Healthcare	6,900	10	1.29%	4,800	7	1.14%
GlaxoSmithKline Inc	-	-	-	4,900	6	1.16%
SAS Institute Inc	-	-	-	4,742	8	1.12%
Wake County Government	-	-	-	4,272	9	1.01%
Cisco Systems	-	-	-	3,800	10	90.00%
	<u>148,781</u>		<u>27.84%</u>	<u>81,212</u>		<u>21.47%</u>

Source: Wake County, North Carolina, Comprehensive Annual Financial Report for the year ended June 30, 2020.

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

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
School and school based support										
Principals	190	183	181	172	173	166	170	169	164	163
Assistant principals, nonteaching	387	363	337	336	324	328	323	309	290	285
Elementary teachers	4,119	4,212	4,446	4,501	4,517	4,538	4,547	4,394	4,283	4,069
Secondary teachers	4,290	4,407	4,356	4,144	4,103	4,121	4,145	3,888	3,774	3,635
Other teachers	2,330	2,028	1,814	1,820	1,737	1,709	1,871	1,760	1,753	1,675
Guidance	413	400	472	476	457	436	436	409	397	420
Psychological	110	106	107	103	100	98	96	96	90	90
Librarian, audiovisual	215	210	222	213	208	204	208	209	205	323
Consultant, supervisor	98	99	100	95	97	88	89	82	73	87
Teacher assistants	<u>2,476</u>	<u>2,478</u>	<u>2,437</u>	<u>2,395</u>	<u>2,419</u>	<u>2,351</u>	<u>2,191</u>	<u>2,177</u>	<u>2,100</u>	<u>2,065</u>
Total school and school based support	<u>14,628</u>	<u>14,486</u>	<u>14,472</u>	<u>14,255</u>	<u>14,135</u>	<u>14,039</u>	<u>14,076</u>	<u>13,493</u>	<u>13,129</u>	<u>12,812</u>
Central services										
Administrators, managers	25	21	23	21	20	21	20	17	19	16
Technicians	117	410	360	353	354	338	317	303	294	319
Clerical, secretarial	796	724	983	986	986	973	955	910	910	905
Service workers	1,888	1,850	1,636	1,638	1,633	1,713	1,752	1,697	1,671	1,737
Skilled crafts	288	278	300	298	306	291	295	264	265	269
Other professionals	<u>1,818</u>	<u>1,209</u>	<u>934</u>	<u>872</u>	<u>852</u>	<u>747</u>	<u>596</u>	<u>592</u>	<u>589</u>	<u>629</u>
Total central services	<u>4,932</u>	<u>4,492</u>	<u>4,236</u>	<u>4,168</u>	<u>4,151</u>	<u>4,083</u>	<u>3,935</u>	<u>3,783</u>	<u>3,748</u>	<u>3,875</u>
Total full time employees	<u>19,560</u>	<u>18,978</u>	<u>18,708</u>	<u>18,423</u>	<u>18,286</u>	<u>18,122</u>	<u>18,011</u>	<u>17,276</u>	<u>16,877</u>	<u>16,687</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
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
2014	153,039	2.36%	1,195,529,543	7,812	-0.52%	170	9,678
2013	149,508	1.92%	1,174,020,625	7,853	2.56%	169	9,384
2012	146,687	2.37%	1,123,193,448	7,657	-2.15%	165	9,284
2011	143,289	2.64%	1,121,165,987	7,825	0.31%	163	8,959

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>
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
2014	37,702.50	84,576.88	49,798.52
2013	35,189.00	79,679.80	46,245.03
2012	34,462.00	78,128.70	46,243.08
2011	34,462.00	78,128.70	45,905.70
2010	34,462.00	78,128.70	46,488.40

Source: Wake County Public Schools Human Resources Department

WAKE COUNTY BOARD OF EDUCATION
CAPITAL ASSETS INFORMATION
LAST TEN YEARS

	2020	2019	2018	2017	2016
Schools					
Elementary					
Buildings	211	207	209	210	206
Square feet	10,174,118	9,873,283	9,600,466	9,284,509	8,769,259
Capacity	71,177	70,498	77,232	76,596	74,521
Membership	72,245	71,857	73,098	73,717	72,811
Mobile classrooms	552	565	527	560	581
Middle					
Buildings	125	122	121	120	115
Square feet	6,025,480	5,810,972	5,577,309	5,374,984	5,327,777
Capacity	41,553	40,669	40,141	38,737	38,109
Membership	37,551	36,980	35,895	35,234	34,925
Mobile classrooms	192	180	142	167	176
High					
Buildings	223	223	213	229	226
Square feet	7,178,907	7,178,907	6,919,426	6,978,461	6,956,509
Capacity	52,614	50,656	50,526	48,921	48,476
Membership	49,872	49,716	49,253	47,969	46,990
Mobile classrooms	245	261	286	310	336
Other (includes academies)					
Buildings	9	9	11	9	9
Square feet	221,196	221,196	298,405	271,580	276,564
Capacity	2,684	2,531	2,728	2,681	2,095
Membership	2,167	1,786	1,849	2,293	1,918
Mobile classrooms	10	13	13	19	19
Administrative					
Buildings	19	17	17	17	17
Square Feet	508,081	339,668	340,160	340,160	340,160
Transportation					
Buses	764	762	751	760	814

(Continued)

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

WAKE COUNTY BOARD OF EDUCATION
CAPITAL ASSETS INFORMATION
LAST TEN YEARS

	2015	2014	2013	2012	2011
Schools					
Elementary					
Buildings	204	203	215	220	220
Square feet	8,642,082	8,592,579	8,685,116	8,925,284	8,896,687
Capacity	73,745	73,177	73,728	76,351	76,851
Membership	71,918	72,075	70,612	70,526	69,277
Mobile classrooms	597	572	571	607	602
Middle					
Buildings	114	114	111	107	105
Square feet	5,328,621	5,329,020	5,266,057	5,570,506	5,176,364
Capacity	38,187	37,929	38,202	37,233	37,780
Membership	35,532	34,983	34,365	33,604	32,596
Mobile classrooms	175	181	183	189	190
High					
Buildings	226	211	211	210	210
Square feet	6,640,769	6,390,006	6,009,897	5,894,216	5,894,216
Capacity	47,243	45,381	44,021	43,619	43,780
Membership	45,182	44,448	43,285	42,143	41,014
Mobile classrooms	361	353	349	309	368
Other (includes academies)					
Buildings	9	9	9	7	7
Square feet	276,564	276,564	276,564	195,471	195,471
Capacity	1,993	1,656	1,235	384	384
Membership	2,368	1,533	1,246	414	412
Mobile classrooms	19	13	33	1	1
Administrative					
Buildings	17	18	24	23	23
Square Feet	340,160	383,811	625,877	523,725	523,725
Transportation					
Buses	908	928	920	928	920

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