



# **NASH-ROCKY MOUNT BOARD OF EDUCATION**

**NASHVILLE, NORTH CAROLINA**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

*Nash-Rocky Mount Board of Education  
Nashville, North Carolina*

**Comprehensive Annual  
Financial Report  
For the Fiscal Year Ended  
June 30, 2020**

*Prepared by*  
Joyce Jarrett  
and the  
Finance Department



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## **Introductory Section**



# **NASH-ROCKY MOUNT PUBLIC SCHOOL SYSTEM**

**December 31, 2020**

## **Members of the Nash-Rocky Mount Board of Education and Citizens of Nash County, North Carolina and Edgecombe County, North Carolina:**

In compliance with the Public School Laws of North Carolina, the Comprehensive Annual Financial Report of the Nash-Rocky Mount Board of Education (the "Board"), operating as "Nash-Rocky Mount Public Schools", for the fiscal year ended June 30, 2020, is herewith submitted. Responsibility for accuracy, completeness, and clarity of the report rests with the Superintendent and the Chief Financial Officer.

The report has been prepared by the Finance Department in accordance with generally accepted accounting principles. We believe the data presented is accurate in all material respects and that it is presented in a manner designed to fairly reflect the financial position and results of operations of the Board. All disclosures necessary to enable the reader to gain an understanding of the Board's financial activity have been included.

This letter of transmittal is designed to complement Management's Discussion and Analysis (MD&A) and should be read in conjunction with it. The MD&A can be found immediately following the report of the independent auditors.

### **REPORTING ENTITY**

The Nash-Rocky Mount Board of Education is the level of government having oversight responsibility and control over activities related to public school education in Nash County, North Carolina and a portion of Edgecombe County, North Carolina. For the 2019-2020 fiscal year, the school system served approximately 15,000 students from kindergarten through 12th grade in 16 elementary schools, 6 middle schools, 6 high schools, and 1 alternative school. The school system provides general, special and vocational education services. The school system receives local, State, and federal government funding and must comply with the legal requirements of each funding source. While the Board does receive county funding, the counties are not entitled to share in any surplus nor are they required to finance any deficits. The Board, whose members are elected by the citizens of Nash County and Edgecombe County, has the authority to designate management, make binding decisions, and significantly influence operations. However, the Board has no tax levying or borrowing authority and is required to maintain accounting records in a uniform State format. The Board has final approval over the budget and primary accountability for fiscal matters. Consequently, the Board is not fiscally dependent on either County and is recognized as a primary government entity.

North Carolina's legislation authorized charter schools as an alternative to traditional public schools. Students whose residence is within Nash County and a portion of Edgecombe County are eligible to have the per-pupil County appropriated funding sent to their respective charter schools. Although the County funds pass through the Board, the Board has no authority or responsibility related to the charter schools, and therefore, they are not component units of the Board. The Board does not have any component units nor is it a component unit of any other entity.

### **FINANCIAL AND BUDGETARY CONTROL**

In order to meet the challenging learning experiences provided to the students attending Nash-Rocky Mount Public Schools, the Board must use a variety of funding resources, including local, State, federal and private grants while complying with legal requirements of each funding source. In doing so, the Board is unable to summarize all governmental financial transactions and balances into one accounting entity. Instead, the accounting system is divided into separate entities; each referred to as a "fund". The Board's funds are divided into governmental and proprietary. Each fund is a self-balancing set of accounts, which are

segregated for the purpose of carrying on specific activities in accordance with legal requirements, generally accepted accounting principles, special regulations or other limitations. Governmental fund types include general, special revenue and capital projects. The enterprise fund is a proprietary fund type. The enterprise fund is presented on a full accrual basis, while the other funds are maintained on a modified accrual basis.

Internal accounting controls are given consideration in developing and improving the Board's accounting system. Internal controls are designed to provide reliability of financial records for preparing financial statements and maintaining accountability for assets and are to provide reasonable assurance regarding the safeguarding of assets from unauthorized use or disposition. The cost of a control should not exceed the benefits derived, therefore, the objective is to provide reasonable, rather than absolute assurance, that the financial statements are free of any material misstatements. We believe that the Board's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

North Carolina General Statutes requires all governmental units in the state to adopt a balanced budget by July 1 of each year. The Board has the final approval over the budget and primary accountability for fiscal matters (including any deficits). Annual budgets are adopted for all funds, except for the individual schools special revenue funds, as required by the North Carolina General Statutes. No budget is required by State law for individual school funds. The Board's annual Budget Resolution authorizes expenditures by purpose on a modified accrual basis. For internal management purposes, the budget is detailed and compared to expenditures and encumbrances by line item within each function and project. The budget amounts reflected in the accompanying financial statements represent the final budgets as amended for the fiscal year. The Board also uses a purchase order encumbrance system that records and shows encumbrances outstanding against each line item of expenditures.

### **ECONOMIC CONDITION AND OUTLOOK**

The financial health of the Board is largely dependent upon the economic prospects of the State of North Carolina and of Nash County and Edgecombe County. Nash County and Edgecombe County have not experienced economic growth in the past several years and are not anticipating significant growth in the near future.

Nash County has a population of approximately 94,000 which represents a decrease of less than 2% over the past ten years. Currently, Hospira, Inc. and Nash-Rocky Mount Public Schools are the two largest employers in Nash County. Despite the economic issues facing Nash County, local funding from the Board of County Commissioners has remained relatively flat in recent years. For the 2019-2020 fiscal year, local funding from the County remained unchanged from the 2018-2019 fiscal year.

Edgecombe County has a population of approximately 51,000 which represents a decrease of approximately 9% over the past ten years. Currently, QVC Rocky Mount, Inc. and City of Rocky Mount are the two largest employers for Edgecombe County. Despite the economic issues facing Edgecombe County, local funding from the Board of County Commissioners has remained relatively flat in recent years. For the 2019-2020 fiscal year, local funding from the County remained unchanged from the 2018-2019 fiscal year.

With rising healthcare, retirement, and other costs, the Nash-Rocky Mount Board of Education has had to find ways to reduce costs in other areas in order to maintain spending on instructional services at a consistent level.

During the past five years, the Board has experienced a steady decline in student enrollment of approximately 1% per year. The Board expects this trend to continue for the foreseeable future. The district's budgeted student enrollment for the current year is 14,832 students.

Our school buildings were built between 1940 and 2012. There is a backlog of deferred maintenance and disrepair at the older facilities. The district has a ten year Capital Improvement Plan that seeks to renovate and repair our older schools as funding becomes available from the County. See Table 14 in the Statistical Section of this report for more detailed information regarding the age and condition of all the district's school buildings.



## **MAJOR INITIATIVES**

The focus of the school system for the next several years will primarily be in the following areas:

- Provide an aligned, rigorous curriculum designed to prepare globally competitive students
- Maintain safe and orderly school environments throughout the district
- Employ, retain and support distinguished leaders, teachers and personnel
- Provide 21<sup>st</sup> Century technology to enhance instruction and promote innovation
- Exhibit excellence in financial and facility planning, management and stewardship
- Engage families and the community to ensure open communication and opportunities to evaluate organizational effectiveness and customer satisfaction

## **INDEPENDENT AUDIT**

Anderson Smith & Wike PLLC has audited the financial records and transactions of the Nash-Rocky Mount Board of Education for the year ended June 30, 2020. They are a firm of independent certified public accountants. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the federal Single Audit Act Amendments of 1996 and related OMB Uniform Guidance and the State Single Audit Implementation Act. The auditors' report is included in the financial section of this report.

## **FINANCIAL REPORTING 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. In order to be awarded Certificates of Achievement, the Board published an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

These awards are valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the ASBO and GFOA requirements and we are submitting it to ASBO and GFOA to determine its eligibility for renewed awards.

## **ACKNOWLEDGMENTS**

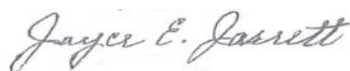
The preparation of this report could not have been accomplished without the dedicated efforts of the finance staff and the Board's independent certified public accounting firm of Anderson Smith & Wike PLLC. We wish to express appreciation to all employees who assisted in the timely closing of the Nash-Rocky Mount Board of Education's fiscal records as well as the preparation of this report.

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

Respectfully submitted,



Dr. Steven J. Ellis  
Superintendent



Joyce Jarrett  
Chief Financial Officer

***Nash-Rocky Mount Board of Education  
Nashville, North Carolina***

***July 1, 2019 - June 30, 2020***

***Board Members***

Franklin Lamm, *Chairperson*  
LaShawnda Washington, *Vice Chairperson*

Dean Edwards	Evelyn Bulluck
Chris Bissette	Reginald Silver
William Sharpe	Sharonda Bulluck
Lank Dunton	Richard Jenkins
Doneva Chavis	

***Principal Officers***

Dr. Steven Ellis, *Superintendent*  
Melissa Dancy-Smith, *Assistant Superintendent*  
Leondus Farrow, Jr., *Assistant Superintendent*



*Nash-Rocky Mount Public School  
Board of Education*

*Board Clerk  
Sartita Lamm*

*Board Attorney  
Rod Malone*

*Superintendent  
Dr. Steven J. Ellis*

*Executive Assistant  
Carrie Lucas*

*Executive Director of  
Human Resources  
Donita Privott*

*Chief Financial Officer  
Joyce E. Jarrett*

*Assistant Financial Officer  
Barbara Whitman*

*Director of Transportation  
Brian Littke*

*Assistant Transportation  
Director  
Eric Mitchell*

*Chief Technology Officer  
Tremain D. McQueen*

*Senior Network Engineer  
James Williams*

*Executive Director of  
Communication, Planning  
& Engagement  
Dr. Christine  
Catalano*

*Director of Maintenance  
Shannon Davis*

*Chief Academic Officer  
Vacant*

*Executive Director of  
Athletics, School Nutrition  
& Wellness  
Angela Miller*

*Assistant Superintendent  
of Student Placement &  
Intervention  
Leondus Farrow, Jr.*

*Elementary School  
Principals*

*Executive Director of  
Elementary Education  
Melissa Dancy-Smith*

*Director of Federal  
Programs  
Sheila Wallace*

*Middle & High School  
Principals*

*Executive Director of  
Secondary Education &  
CTE  
Chad Thompson*

*Director of Curriculum  
Support  
Dr. Edward Hicks*

*Director of Accountability,  
Testing & Data Analysis  
Robin Griffin*

*Director of Testing  
Andrea Smith*

*Director of Programs for  
Exceptional Children  
Christy Grant*

*Director of Instructional  
Technology & Virtual  
Learning  
Danny Plyler*



ASSOCIATION OF  
SCHOOL BUSINESS OFFICIALS  
INTERNATIONAL

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

**Nash-Rocky Mount 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

**Nash-Rocky Mount 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





## **Financial Section**



# ANDERSON SMITH & WIKE PLLC

*Certified Public Accountants*

## **INDEPENDENT AUDITORS' REPORT**

To the Nash-Rocky Mount Board of Education  
Nashville, North Carolina

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Nash-Rocky Mount Board of Education, as of and for the year ended June 30, 2020 and the related notes to the financial statements, which collectively comprise the Board's basic financial statements as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

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

### **Auditors' Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

### **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Nash-Rocky Mount Board of Education as of June 30, 2020, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparison for the General, State Public School, Restricted Revenue and Federal Grants funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.



## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis on pages 3 through 9 and the Schedule of the Board's Proportionate Share of the Net Pension Liability, OPEB Liability and OPEB Asset and the Schedules of Board Contributions on pages 48 through 53, respectively, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Supplementary and Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Nash-Rocky Mount Board of Education's basic financial statements. The introductory section, individual nonmajor fund schedule, budgetary schedules and the statistical tables are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The individual nonmajor fund schedule and budgetary schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the individual nonmajor fund schedule and budgetary schedules are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole. The introductory section and statistical tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we express no opinion on them.

### **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated October 13, 2020 on our consideration of the Nash-Rocky Mount Board of Education's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Nash-Rocky Mount Board of Education's internal control over financial reporting and compliance.

*Anderson Smith & Wike PLLC*

October 13, 2020  
Rockingham, North Carolina

## **NASH-ROCKY MOUNT BOARD OF EDUCATION MANAGEMENT'S DISCUSSION AND ANALYSIS**

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This section of the Nash-Rocky Mount 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***

For the fiscal year ended June 30, 2020, the Board's total government-wide net position increased by \$171,000. Governmental activities net position decreased by \$1.8 million and business-type activities net position increased by \$2.0 million.

- Total government-wide net investment in capital assets decreased by \$2.0 million, or 1.4%, from the prior year. Governmental activities net investment in capital assets decreased by \$2.0 million and business-type activities investment in capital assets decreased by \$6,000.
- The Board's total government-wide unrestricted net position for the year ended June 30, 2020 increased by \$2.7 million over the prior year. Total governmental activities restricted net position decreased by \$540,000 from the prior year.
- A financial reporting award from the Association of School Business Officials International was received for the fiscal year ended June 30, 2019.

### ***Overview of the Financial Statements***

The audited financial statements of the Nash-Rocky Mount Board of Education 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 the Schedules of the Board's Proportionate Share of Net Pension and OPEB Liabilities (Assets) and the Schedules of Board Contributions.*
- *Supplementary section that presents individual fund budgetary and other schedules for governmental and enterprise funds.*

The *Basic Financial Statements* include two types of statements that present different views of the Board's finances. The first is the *Government-wide Statements*. The government-wide statements are presented on the full accrual basis of accounting and include the statement of net position and the statement of activities. The statement of net position includes all of the Board's assets, deferred outflows of resources, 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 outflows of resources, 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 set of statements included in the basic financial statements is the *Fund Financial Statements*, which are presented for the Board's governmental funds and proprietary funds. These statements present the governmental funds 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 proprietary funds are presented on the full accrual basis of accounting.

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 as an economic unit while the fund financial statements provide information on each of the financial resources of each of the Board's major funds.

## **NASH-ROCKY MOUNT BOARD OF EDUCATION MANAGEMENT'S DISCUSSION AND ANALYSIS**

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### **Government-wide Statements**

The government-wide statements report information about the unit as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the Board's assets, deferred outflows of resources, liabilities and deferred inflows of resources. 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 is the difference between the Board's assets plus deferred outflows of resources and liabilities plus deferred inflows of resources. This is one way to measure the unit'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, you need to consider additional non-financial factors such as changes in the County's property tax base and the condition of its school buildings and other physical assets.

The unit'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. School food service is included here.

The government-wide statements are shown as Exhibits 1 and 2 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 unit 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 has 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 Federal Grants Fund.

Nash-Rocky Mount 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 – 1) how cash and other assets that can readily be converted to cash flow in and out, and 2) 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 the reader determine whether there are more or fewer financial resources that can be spent in the coming year to finance the Board's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, additional information at the bottom of the governmental fund statements, in the form of a reconciliation, explains the relationship (or differences) between the government-wide and the fund financial statements. The Board has several governmental funds: the General Fund, the State Public School Fund, the Individual Schools Fund, the Capital Outlay Fund, the Restricted Revenue Fund and the Federal Grants Fund. The governmental fund statements are shown as Exhibits 3, 4, 5 and 6 of this report.

*Proprietary fund:* 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

**NASH-ROCKY MOUNT BOARD OF EDUCATION  
MANAGEMENT'S DISCUSSION AND ANALYSIS**

government-wide statements. The Nash-Rocky Mount Board of Education's only proprietary fund is an enterprise fund, the School Food Service Fund. The proprietary fund statements are shown as Exhibits 7, 8, and 9 of this report.

**Financial Analysis of the Board as a Whole**

Liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources by \$81.1 million as of June 30, 2020 as compared to \$81.2 million as of June 30, 2019. Following is a summary of the Statement of Net Position at June 30, 2020 and 2019:

**Table 1  
Condensed Statement of Net Position  
As of June 30, 2020 and 2019**

	Governmental Activities		Business-type Activities		Total Primary Government	
	6/30/20	6/30/19	6/30/20	6/30/19	6/30/20	6/30/19
Current assets	\$ 15,696,894	\$ 13,627,103	\$ 4,210,455	\$ 3,794,251	\$ 19,907,349	\$ 17,421,354
Capital assets	140,664,467	142,785,887	445,475	451,064	141,109,942	143,236,951
Total assets	156,361,361	156,412,990	4,655,930	4,245,315	161,017,291	160,658,305
Deferred outflows of resources	42,632,756	46,861,109	948,769	1,384,556	43,581,525	48,245,665
Current liabilities	13,764,663	12,516,974	321,018	329,679	14,085,681	12,846,653
Long-term liabilities	198,079,750	192,677,114	4,368,233	5,600,038	202,447,983	198,277,152
Total liabilities	211,844,413	205,194,088	4,689,251	5,929,717	216,533,664	211,123,805
Deferred inflows of resources	67,615,441	76,739,065	1,504,747	2,267,326	69,120,188	79,006,391
Net investment in capital assets	139,815,707	141,782,012	445,475	451,064	140,261,182	142,233,076
Restricted net position	3,228,905	3,768,822	12,088	19,187	3,240,993	3,788,009
Unrestricted net position (deficit)	(223,510,349)	(224,209,888)	(1,046,862)	(3,037,423)	(224,557,211)	(227,247,311)
Total net position (deficit)	\$ (80,465,737)	\$ (78,659,054)	\$ (589,299)	\$ (2,567,172)	\$ (81,055,036)	\$ (81,226,226)

Net position is an indicator of the fiscal health of the Board. The net position of the Board's governmental activities decreased \$1.8 million during the year, from \$(78.7) million at June 30, 2019 to \$(80.5) million at June 30, 2020, indicating a decline in the financial condition of the Board. Restricted net position decreased by \$540,000 due primarily to a decrease in amounts restricted for capital outlay and restricted grants carryover. Unrestricted net position increased \$670,000 over the prior year. Net investment in capital assets decreased \$2.0 million due to an excess of depreciation expense over capital additions for the year. Deferred outflows and inflows of resources relate entirely to the pension and OPEB plans which the Board participates in. The Board is required to record its proportionate share of these items along with its proportionate share of the plan liabilities. See Note 2 of the financial statements for more details regarding these plans.

Net position of the Board's business-type activities increased \$2.0 million during the year. This increase is the amount of net profit generated by our school food service operations during the 2020 fiscal year. The following table shows the revenues and expenses of the Board for the current and prior fiscal years:

**NASH-ROCKY MOUNT BOARD OF EDUCATION  
MANAGEMENT'S DISCUSSION AND ANALYSIS**

**Table 2**  
**Condensed Statement of Activities**  
**For the Fiscal Years Ended June 30, 2020 and 2019**

	Governmental Activities		Business-type Activities		Total Primary Government	
	6/30/20	6/30/19	6/30/20	6/30/19	6/30/20	6/30/19
Revenues:						
Program revenues:						
Charges for services	\$ 2,555,073	\$ 2,690,176	\$ 774,727	\$ 970,191	\$ 3,329,800	\$ 3,660,367
Operating grants and contributions	108,157,936	106,758,990	7,019,710	7,054,743	115,177,646	113,813,733
Capital grants and contributions	842,006	589,254	-	-	842,006	589,254
General revenues:						
County appropriations	24,962,419	25,461,820	-	-	24,962,419	25,461,820
State appropriations	5,476,219	5,427,778	-	-	5,476,219	5,427,778
Federal appropriations	22,006	34,772	-	-	22,006	34,772
Other revenues	1,155,210	2,341,430	37,795	35,095	1,193,005	2,376,525
Total revenues	<u>143,170,869</u>	<u>143,304,220</u>	<u>7,832,232</u>	<u>8,060,029</u>	<u>151,003,101</u>	<u>151,364,249</u>
Expenses:						
Governmental activities:						
Instructional services	116,523,535	111,360,926	-	-	116,523,535	111,360,926
System-wide support services	25,341,911	27,668,585	-	-	25,341,911	27,668,585
Ancillary services	968,308	89,862	-	-	968,308	89,862
Payments to other governments	1,557,113	1,700,846	-	-	1,557,113	1,700,846
Interest on long-term debt	38,418	67,339	-	-	38,418	67,339
Unallocated depreciation	441,250	428,232	-	-	441,250	428,232
Business-type activities:						
School food service	-	-	5,961,376	8,236,961	5,961,376	8,236,961
Total expenses	<u>144,870,535</u>	<u>141,315,790</u>	<u>5,961,376</u>	<u>8,236,961</u>	<u>150,831,911</u>	<u>149,552,751</u>
Excess (deficiency) before transfers	(1,699,666)	1,988,430	1,870,856	(176,932)	171,190	1,811,498
Transfers in (out)	<u>(107,017)</u>	<u>(69,952)</u>	<u>107,017</u>	<u>69,952</u>	<u>-</u>	<u>-</u>
Increase (decrease) in net position	(1,806,683)	1,918,478	1,977,873	(106,980)	171,190	1,811,498
Beginning net position (deficit)	<u>(78,659,054)</u>	<u>(80,577,532)</u>	<u>(2,567,172)</u>	<u>(2,460,192)</u>	<u>(81,226,226)</u>	<u>(83,037,724)</u>
Ending net position (deficit)	<u>\$ (80,465,737)</u>	<u>\$ (78,659,054)</u>	<u>\$ (589,299)</u>	<u>\$ (2,567,172)</u>	<u>\$ (81,055,036)</u>	<u>\$ (81,226,226)</u>

Total governmental activities generated revenues of \$143.2 million while expenses in this category totaled \$144.9 million for the year ended June 30, 2020, resulting in a decrease in net position of \$1.8 million (including transfers to business-type activities of \$107,000). Comparatively, revenues were \$143.3 million, expenses totaled \$141.3 million and transfers out were \$70,000 for the year ended June 30, 2019, resulting in an increase in net position of \$1.9 million. In comparing the two years, revenues were very comparable, decreasing slightly by \$133,000, or 0.1%, while expenses increased by \$3.6 million, or 2.5%. The overall increase in expenses is largely attributable to a \$5.8 million year-over-year increase in pension and OPEB expense. See the footnotes for detailed information regarding pension and OPEB-related amounts and disclosures.

The Board's primary sources of revenues were funding from the State of North Carolina, the counties of Nash and Edgecombe and city of Rocky Mount, and the United States Government, which respectively comprised 69.9%, 17.4% and 8.8% of our total revenues. As would be expected, the major component of our expenses was instructional services which accounted for 80.4% of our total expenses during the most

## NASH-ROCKY MOUNT BOARD OF EDUCATION MANAGEMENT'S DISCUSSION AND ANALYSIS

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recent fiscal year. Of the remaining 19.6% of our total expenses, 17.5% was attributable to system-wide support services.

Our business-type activities generated revenues of \$7.8 million while expenses in this category totaled \$6.0 million for the year ended June 30, 2020. For the year, net position increased by \$2.0 million (including transfers in of \$107,000). Comparatively, revenues were \$8.1 million and expenses were \$8.2 million for the year ended June 30, 2019, resulting in a decrease in net position of \$107,000 (including transfers in of \$70,000). In comparing the two years, revenues decreased by \$228,000, or 2.8%, primarily due to a \$195,000 decrease in food sales. Food sales declined as a result of the early school closure in March 2020 for the COVID-19 pandemic. Salaries and benefits expense declined by \$2.1 million due largely to a year-over-year decrease of \$1.3 million in pension and OPEB expense associated with GASB 68 and GASB 75. The district also received a grant in the State Public School Fund due to the pandemic that was used to pay approximately \$882,000 of child nutrition program salaries and benefits.

### **Financial Analysis of the Board's Funds**

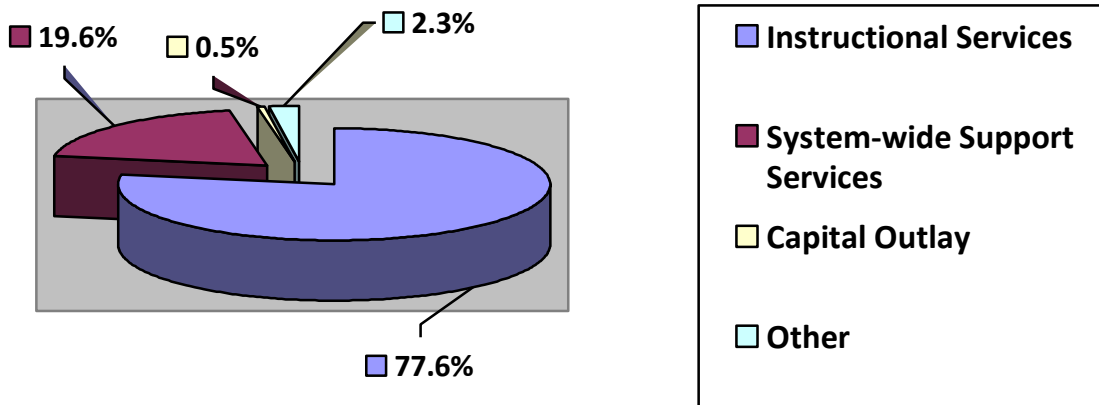
**Governmental Funds:** The focus of Nash-Rocky Mount Board of Education's governmental funds is to provide information on near-term inflows, outflows, and balances of usable resources. Such information is useful in assessing the Board's financing requirements.

The Board's governmental funds reported a combined fund balance of \$8.5 million at June 30, 2020, an increase of \$1.1 million over the \$7.3 million reported at June 30, 2019. The General, Restricted Revenue and Individual Schools funds each reported increases in fund balance for the year.

The Board's General Fund reported an increase in fund balance of \$970,000 (including the change in reserve for inventories) during the 2019-2020 year compared to an increase of \$1.3 million in the 2018-2019 year. Overall, revenues and expenditures were comparable over the two years, with a decline in revenues from fines and forfeitures accounting for the majority of the year-over-year change.

The State Public School Fund and Federal Grants Fund do not carry fund balance. All revenues in these two funds are expended in the year received. Revenues (and expenditures) in these funds increased by combined net amount of \$1.1 million, or 1.0%, in the year ended June 30, 2020 compared to the previous year.

### **Categorization of Expenditures for Governmental Funds**



Expenditures presented on modified accrual basis of accounting.

# **NASH-ROCKY MOUNT BOARD OF EDUCATION MANAGEMENT'S DISCUSSION AND ANALYSIS**

*Proprietary Fund:* The Board's business-type fund, the School Food Service Fund, reported an increase in net position of \$2.0 million for the fiscal year ended June 30, 2020 compared to a decrease of \$107,000 for the same 2019 period. See the discussion above under "Financial Analysis of the Board as a Whole" for further details regarding the year-over-year change in operating results for the School Food Service Fund.

## **General Fund Budgetary Highlights**

Over the course of a year, the Board will revise the budget, as necessary, to account for changes in revenue expectations and program allocations. However, during the year ended June 30, 2020, no significant budget revisions were made in the General Fund as revenue and expenditure expectations remained consistent throughout the year. The timing of some revenues and expenditures is less predictable which leads to differences between the budgeted and actual amounts. Variances between actual expenditures and final budget amounts relate to conservative budgeting practices and cost containment strategies.

## **Capital Assets**

Total primary government capital assets were \$141.1 million at June 30, 2020 compared to \$143.2 million at June 30, 2019, a decrease of \$2.1 million, or 1.5%. More detailed information about the Board's capital assets is contained in Note 2 to the financial statements. The following is a summary of the Board's capital assets, net of depreciation, at June 30, 2020 and 2019.

**Table 3  
Summary of Capital Assets  
As of June 30, 2020 and 2019**

	Governmental Activities		Business-type Activities		Total Primary Government	
	6/30/20	6/30/19	6/30/20	6/30/19	6/30/20	6/30/19
Capital assets not being depreciated:						
Land	\$ 4,656,285	\$ 4,656,285	\$ -	\$ -	\$ 4,656,285	\$ 4,656,285
Construction in progress	138,375	-	-	-	138,375	-
Capital assets being depreciated:						
Buildings and improvements	122,405,716	124,653,961	-	-	122,405,716	124,653,961
Equipment and furniture	10,544,532	10,972,408	411,878	451,064	10,956,410	11,423,472
Vehicles	2,919,559	2,503,233	33,597	-	2,953,156	2,503,233
Total	<u>\$ 140,664,467</u>	<u>\$ 142,785,887</u>	<u>\$ 445,475</u>	<u>\$ 451,064</u>	<u>\$ 141,109,942</u>	<u>\$ 143,236,951</u>

## **Debt Outstanding**

During the year, the outstanding balances for installment purchase contracts decreased by \$674,000. The installment purchase contracts relate to the purchase of school buses, a mobile unit and computer hardware and software. The Board is limited by North Carolina General Statutes with regards to the types of debt it can issue and for what purpose that debt can be used. The County holds virtually all debt issued for school capital construction. More detailed information about the Board's outstanding debt is contained in Note 2 to the financial statements.

## **Economic Factors**

The unemployment rate in Nash County at June 30, 2020 was 8.8%. The County's unemployment rate is higher than the June 30, 2020 N.C. statewide rate of 7.7% and below the national unemployment rate which was 11.2%.

**NASH-ROCKY MOUNT BOARD OF EDUCATION  
MANAGEMENT'S DISCUSSION AND ANALYSIS**

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***Impact of Coronavirus on District***

During the fiscal year, the State and nation were affected by the spread of a coronavirus. The Board's response to the virus included the closure of school educational facilities in mid-March. From this time until the end of the year, educational services were provided remotely to all students. The Board incurred additional expenses as a result of the coronavirus, including the purchase of personal protective equipment and delivery expenses attributable to the delivery of lunches to students when the educational facilities were closed.

***Requests for Information***

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

Joyce Jarrett, Chief Financial Officer  
Nash-Rocky Mount Board of Education  
930 Eastern Avenue  
Nashville, NC 27856



**NASH-ROCKY MOUNT BOARD OF EDUCATION**  
**STATEMENT OF NET POSITION**  
**June 30, 2020**

**Exhibit 1**

	Primary Government		
	Governmental Activities	Business-type Activities	Total
<b>Assets</b>			
Cash and cash equivalents	\$ 11,405,886	\$ 2,922,361	\$ 14,328,247
Due from other governments	4,624,966	100,271	4,725,237
Receivables	38,426	5	38,431
Internal balances	(947,437)	947,437	-
Net OPEB asset	192,573	4,286	196,859
Inventories	382,480	236,095	618,575
Capital assets:			
Land and construction in progress	4,794,660	-	4,794,660
Other capital assets, net of depreciation	135,869,807	445,475	136,315,282
Total capital assets	140,664,467	445,475	141,109,942
Total assets	156,361,361	4,655,930	161,017,291
<b>Deferred Outflows of Resources</b>	42,632,756	948,769	43,581,525
<b>Liabilities</b>			
Accounts payable and accrued expenses	2,226,720	-	2,226,720
Accrued salaries and wages payable	4,400,201	92,846	4,493,047
Due to other governments	91,369	-	91,369
Unearned revenue	304,632	44,174	348,806
Accrued interest payable	35,757	-	35,757
Long-term liabilities:			
Due within one year	6,705,984	183,998	6,889,982
Due in more than one year	198,079,750	4,368,233	202,447,983
Total liabilities	211,844,413	4,689,251	216,533,664
<b>Deferred Inflows of Resources</b>	67,615,441	1,504,747	69,120,188
<b>Net position</b>			
Net investment in capital assets	139,815,707	445,475	140,261,182
Restricted for:			
Stabilization by State statute	147,117	-	147,117
School capital outlay	549,715	-	549,715
Instructional services	757,394	-	757,394
Individual schools activities	1,231,527	-	1,231,527
DIPNC OPEB plan	543,152	12,088	555,240
Unrestricted (deficit)	(223,510,349)	(1,046,862)	(224,557,211)
Total net position	\$ (80,465,737)	\$ (589,299)	\$ (81,055,036)

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

**NASH-ROCKY MOUNT BOARD OF EDUCATION**  
**STATEMENT OF ACTIVITIES**  
**For the Fiscal Year Ended June 30, 2020**

**Exhibit 2**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					Governmental Activities	Business-type Activities	Total
Primary government:							
Governmental activities:							
Instructional services:							
Regular instructional	\$ 68,902,979	\$ -	\$ 56,546,899	\$ -	\$ (12,356,080)	\$ -	\$ (12,356,080)
Special populations	16,076,705	-	14,591,642	-	(1,485,063)	-	(1,485,063)
Alternative programs	9,251,629	-	9,697,369	-	445,740	-	445,740
School leadership	9,225,666	-	5,952,140	-	(3,273,526)	-	(3,273,526)
Co-curricular	3,110,019	2,555,073	-	-	(554,946)	-	(554,946)
School-based support	9,956,537	-	8,144,427	-	(1,812,110)	-	(1,812,110)
System-wide support services:							
Support and development	1,181,406	-	815,509	-	(365,897)	-	(365,897)
Special population support and development	822,734	-	664,080	-	(158,654)	-	(158,654)
Alternative programs and services support and development	492,309	-	386,531	-	(105,778)	-	(105,778)
Technology support	947,598	-	151,510	-	(796,088)	-	(796,088)
Operational support	18,734,220	-	9,182,880	842,006	(8,709,334)	-	(8,709,334)
Financial and human resource services	1,656,733	-	150,895	-	(1,505,838)	-	(1,505,838)
Accountability	68,992	-	519	-	(68,473)	-	(68,473)
System-wide pupil support	2,076	-	-	-	(2,076)	-	(2,076)
Policy, leadership and public relations	1,435,843	-	672,254	-	(763,589)	-	(763,589)
Ancillary services	968,308	-	882,032	-	(86,276)	-	(86,276)
Payments to other governments	1,557,113	-	319,249	-	(1,237,864)	-	(1,237,864)
Interest on long-term debt	38,418	-	-	-	(38,418)	-	(38,418)
Unallocated depreciation expense**	441,250	-	-	-	(441,250)	-	(441,250)
Total governmental activities	144,870,535	2,555,073	108,157,936	842,006	(33,315,520)	-	(33,315,520)
Business-type activities:							
School food service	5,961,376	774,727	7,019,710	-	-	1,833,061	1,833,061
Total primary government	\$ 150,831,911	\$ 3,329,800	\$ 115,177,646	\$ 842,006	(33,315,520)	1,833,061	(31,482,459)
General revenues:							
Unrestricted county appropriations - operating					23,115,861	-	23,115,861
Unrestricted county appropriations - capital					1,846,558	-	1,846,558
Unrestricted State appropriations - operating					5,476,219	-	5,476,219
Unrestricted Federal appropriations - operating					22,006	-	22,006
Investment earnings, unrestricted					10,919	22,648	33,567
Miscellaneous, unrestricted					1,144,291	15,147	1,159,438
Transfers					(107,017)	107,017	-
Total general revenues and transfers					31,508,837	144,812	31,653,649
Change in net position					(1,806,683)	1,977,873	171,190
Net position (deficit) - beginning					(78,659,054)	(2,567,172)	(81,226,226)
Net position (deficit) - ending					\$ (80,465,737)	\$ (589,299)	\$ (81,055,036)

\*\*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.

**NASH-ROCKY MOUNT BOARD OF EDUCATION**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
**June 30, 2020**

**Exhibit 3**

	Major Funds					Non-major Fund	Total
	General	State Public School	Federal Grants	Restricted Revenue	Capital Outlay	Individual Schools	Governmental Funds
<b>Assets</b>							
Cash and cash equivalents	\$ 6,891,353	\$ 91,369	\$ -	\$ 2,730,072	\$ 461,565	\$ 1,231,527	\$ 11,405,886
Due from other governments	41,311	4,021,402	267,259	68,431	226,563	-	4,624,966
Accounts receivable	8,230	-	-	29,145	1,051	-	38,426
Inventories	382,480	-	-	-	-	-	382,480
Total assets	<u>\$ 7,323,374</u>	<u>\$ 4,112,771</u>	<u>\$ 267,259</u>	<u>\$ 2,827,648</u>	<u>\$ 689,179</u>	<u>\$ 1,231,527</u>	<u>\$ 16,451,758</u>
<b>Liabilities and Fund balances</b>							
Liabilities:							
Accounts payable and accrued liabilities	\$ 2,087,256	\$ -	\$ -	\$ -	\$ 139,464	\$ -	\$ 2,226,720
Accrued salaries and wages payable	48,792	4,021,402	267,259	62,748	-	-	4,400,201
Due to other funds	947,437	-	-	-	-	-	947,437
Due to other governments	-	91,369	-	-	-	-	91,369
Unearned revenue	-	-	-	304,632	-	-	304,632
Total liabilities	<u>3,083,485</u>	<u>4,112,771</u>	<u>267,259</u>	<u>367,380</u>	<u>139,464</u>	<u>-</u>	<u>7,970,359</u>
Fund balances:							
Nonspendable:							
Inventories	382,480	-	-	-	-	-	382,480
Restricted:							
Stabilization by State statute	49,541	-	-	97,576	-	-	147,117
School capital outlay	-	-	-	-	549,715	-	549,715
Instructional services	-	-	-	757,394	-	-	757,394
Individual schools	-	-	-	-	-	1,231,527	1,231,527
Assigned:							
Information technology	-	-	-	516,832	-	-	516,832
Band uniforms	92,929	-	-	-	-	-	92,929
Special revenues	-	-	-	1,088,466	-	-	1,088,466
Unassigned	3,714,939	-	-	-	-	-	3,714,939
Total fund balances	<u>4,239,889</u>	<u>-</u>	<u>-</u>	<u>2,460,268</u>	<u>549,715</u>	<u>1,231,527</u>	<u>8,481,399</u>
Total liabilities and fund balances	<u>\$ 7,323,374</u>	<u>\$ 4,112,771</u>	<u>\$ 267,259</u>	<u>\$ 2,827,648</u>	<u>\$ 689,179</u>	<u>\$ 1,231,527</u>	<u>\$ 16,451,758</u>

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

**NASH-ROCKY MOUNT BOARD OF EDUCATION**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
**June 30, 2020**

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**Exhibit 3 (continued)**

Amounts reported for governmental activities in the statement of net position (Exhibit 1) are different because:

Total fund balances of governmental funds	\$ 8,481,399
Net OPEB asset	192,573
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	140,664,467
Deferred outflows of resources related to pensions	21,598,295
Deferred outflows of resources related to OPEB	21,034,461
Some liabilities, including those for compensated absences, installment purchases and accrued interest are not due and payable in the current period and therefore are not reported in the funds.	(9,647,384)
Net pension liability	(52,973,930)
Net OPEB liability	(142,200,177)
Deferred inflows of resources related to pensions	(1,638,289)
Deferred inflows of resources related to OPEB	<u>(65,977,152)</u>
Net position (deficit) of governmental activities	<u>\$ (80,465,737)</u>

**NASH-ROCKY MOUNT BOARD OF EDUCATION**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**For the Fiscal Year Ended June 30, 2020**

**Exhibit 4**

	Major Funds					Non-major Fund	Total Governmental Funds
	General	State Public School	Federal Grants	Restricted Revenue	Capital Outlay	Individual Schools	
Revenues:							
State of North Carolina	\$ -	\$ 99,387,264	\$ -	\$ 365,324	\$ 842,006	\$ -	\$ 100,594,594
Local Counties and City:							
Edgecombe County - local appropriation	2,188,320	-	-	-	-	-	2,188,320
Edgecombe County - other	-	-	-	-	311,293	-	311,293
Nash County - local appropriation	20,500,261	-	-	-	-	-	20,500,261
Nash County - other	-	-	-	-	1,535,265	-	1,535,265
City of Rocky Mount - local appropriation	427,280	-	-	-	-	-	427,280
Total local Counties and City	23,115,861	-	-	-	1,846,558	-	24,962,419
U.S. Government	-	934,913	11,148,094	644,261	-	-	12,727,268
Other	563,465	-	-	2,891,075	47,596	2,121,391	5,623,527
Total revenues	23,679,326	100,322,177	11,148,094	3,900,660	2,736,160	2,121,391	143,907,808
Expenditures:							
Current:							
Instructional services:							
Regular instructional	5,984,330	56,588,015	711,042	1,005,352	12,270	-	64,301,009
Special populations	784,042	11,785,161	2,806,481	487,753	-	-	15,863,437
Alternative programs	178,350	1,814,043	5,799,825	1,380,115	-	-	9,172,333
School leadership	760,711	8,319,145	-	-	-	-	9,079,856
Co-curricular	1,044,016	-	-	12,800	-	2,052,273	3,109,089
School-based support	717,445	8,118,216	627,803	376,273	-	-	9,839,737
System-wide support services:							
Support and development	100,876	820,991	115,837	115,501	-	-	1,153,205
Special population support and development	74,660	346,326	317,754	75,998	-	-	814,738
Alternative programs and services							
support and development	560	3,167	383,364	104,582	-	-	491,673
Technology support	64,891	849,842	332	10,761	-	-	925,826
Operational support	8,888,554	9,044,302	31,561	69,270	2,069,081	-	20,102,768
Financial and human resource services	1,824,074	271,157	13,196	-	-	-	2,108,427
Accountability	6,680	58,600	-	-	-	-	65,280
Policy, leadership and public relations	650,879	739,963	21,650	-	-	-	1,412,492
Ancillary services	86,276	882,032	-	-	-	-	968,308
Non-programmed charges	1,557,113	-	319,249	-	-	-	1,876,362
Debt service:							
Principal retirement	32,847	518,565	-	-	842,006	-	1,393,418
Interest and fees	2,662	55,635	-	-	-	-	58,297
Capital outlay	-	-	-	-	689,910	-	689,910
Total expenditures	22,758,966	100,215,160	11,148,094	3,638,405	3,613,267	2,052,273	143,426,165
Revenues over (under) expenditures	920,360	107,017	-	262,255	(877,107)	69,118	481,643
Other financing sources (uses):							
Transfers to other funds	-	(107,017)	-	-	-	-	(107,017)
Installment purchase obligations issued	-	-	-	-	719,738	-	719,738
Total other financing sources (uses)	-	(107,017)	-	-	719,738	-	612,721
Net change in fund balance	920,360	-	-	262,255	(157,369)	69,118	1,094,364
Fund balances:							
Beginning of year	3,269,890	-	-	2,198,013	707,084	1,162,409	7,337,396
Change in reserve for inventories	49,639	-	-	-	-	-	49,639
End of year	\$ 4,239,889	\$ -	\$ -	\$ 2,460,268	\$ 549,715	\$ 1,231,527	\$ 8,481,399

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

**NASH-ROCKY MOUNT BOARD OF EDUCATION****Exhibit 5****RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
For the Fiscal Year Ended June 30, 2020**

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

Net changes in fund balances - total governmental funds	\$ 1,094,364
Change in fund balance due to change in reserve for inventory	49,639
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 depreciation expense. This is the amount by which depreciation exceeded capital outlays in the current period.	(2,121,420)
Contributions to the pension plan in the current fiscal year are not included on the Statement of Activities	10,289,761
Contributions to the OPEB plans in the current fiscal year are not included on the Statement of Activities	5,212,314
Proceeds from the sale of capital assets are recorded as revenues in the fund statements but not in the statement of activities.	(21,970)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	
Gain on disposal of capital assets	21,970
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.	673,680
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.	
Difference in accrued interest payable and interest expensed on fund statements	19,879
Pension (expense) benefit	(18,871,096)
OPEB (expense) benefit	1,183,977
Compensated absences	<u>662,219</u>
Total changes in net position of governmental activities	<u>\$ (1,806,683)</u>

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

**NASH-ROCKY MOUNT BOARD OF EDUCATION**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**GENERAL FUND AND ANNUALLY BUDGETED MAJOR SPECIAL REVENUE FUNDS**  
**For the Fiscal Year Ended June 30, 2020**

**Exhibit 6**

	General Fund			
	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
State of North Carolina	\$ -	\$ -	\$ -	\$ -
Local Counties and City	23,115,849	23,115,849	23,115,861	12
U.S. Government	-	-	-	-
Other	440,000	440,000	563,465	123,465
Total revenues	23,555,849	23,555,849	23,679,326	123,477
Expenditures:				
Current:				
Instructional services	8,854,782	9,468,894	9,468,894	-
System-wide support services	13,009,996	12,313,428	11,611,174	702,254
Ancillary services	3,820	86,276	86,276	-
Non-programmed charges	1,750,000	1,750,000	1,557,113	192,887
Debt service:				
Principal retirement	32,847	32,847	32,847	-
Interest and fees	2,662	2,662	2,662	-
Total debt service	35,509	35,509	35,509	-
Total expenditures	23,654,107	23,654,107	22,758,966	895,141
Revenues over (under) expenditures	(98,258)	(98,258)	920,360	1,018,618
Other financing uses:				
Transfers to other funds	-	-	-	-
Fund balance appropriated	98,258	98,258	-	(98,258)
Net change in fund balance	\$ -	\$ -	920,360	\$ 920,360
Fund balances:				
Beginning of year			3,269,890	
Change in reserve for inventories			49,639	
End of year			\$ 4,239,889	

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

**NASH-ROCKY MOUNT BOARD OF EDUCATION****Exhibit 6 (continued)****STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -****BUDGET AND ACTUAL****GENERAL FUND AND ANNUALLY BUDGETED MAJOR SPECIAL REVENUE FUNDS****For the Fiscal Year Ended June 30, 2020**

	State Public School Fund			
	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
State of North Carolina	\$ 97,579,567	\$ 100,011,057	\$ 99,387,264	\$ (623,793)
Local Counties and City	-	-	-	-
U.S. Government	-	934,913	934,913	-
Other	-	-	-	-
Total revenues	<u>97,579,567</u>	<u>100,945,970</u>	<u>100,322,177</u>	<u>(623,793)</u>
Expenditures:				
Current:				
Instructional services	85,569,852	86,624,580	86,624,580	-
System-wide support services	11,938,467	12,721,789	12,134,348	587,441
Ancillary services	-	918,384	882,032	36,352
Non-programmed charges	-	-	-	-
Debt service:				
Principal retirement	-	518,565	518,565	-
Interest and fees	-	55,635	55,635	-
Total debt service	-	<u>574,200</u>	<u>574,200</u>	-
Total expenditures	<u>97,508,319</u>	<u>100,838,953</u>	<u>100,215,160</u>	<u>623,793</u>
Revenues over (under) expenditures	71,248	107,017	107,017	-
Other financing uses:				
Transfers to other funds	(71,248)	(107,017)	(107,017)	-
Fund balance appropriated	-	-	-	-
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>
Fund balances:				
Beginning of year			-	
Change in reserve for inventories			-	
End of year			<u>\$ -</u>	

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



**NASH-ROCKY MOUNT BOARD OF EDUCATION****Exhibit 6 (continued)****STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -****BUDGET AND ACTUAL****GENERAL FUND AND ANNUALLY BUDGETED MAJOR SPECIAL REVENUE FUNDS****For the Fiscal Year Ended June 30, 2020**

	Federal Grants Fund			
	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
State of North Carolina	\$ -	\$ -	\$ -	\$ -
Local Counties and City	-	-	-	-
U.S. Government	14,371,521	20,193,878	11,148,094	(9,045,784)
Other	-	-	-	-
Total revenues	<u>14,371,521</u>	<u>20,193,878</u>	<u>11,148,094</u>	<u>(9,045,784)</u>
Expenditures:				
Current:				
Instructional services	12,438,346	16,789,299	9,945,151	6,844,148
System-wide support services	966,043	1,957,256	883,694	1,073,562
Ancillary services	-	-	-	-
Non-programmed charges	967,132	1,447,323	319,249	1,128,074
Debt service:				
Principal retirement	-	-	-	-
Interest and fees	-	-	-	-
Total debt service	-	-	-	-
Total expenditures	<u>14,371,521</u>	<u>20,193,878</u>	<u>11,148,094</u>	<u>9,045,784</u>
Revenues over (under) expenditures	-	-	-	-
Other financing uses:				
Transfers to other funds	-	-	-	-
Fund balance appropriated	-	-	-	-
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>
Fund balances:				
Beginning of year			-	
Change in reserve for inventories			-	
End of year			<u>\$ -</u>	

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

**NASH-ROCKY MOUNT BOARD OF EDUCATION****Exhibit 6 (continued)****STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -****BUDGET AND ACTUAL****GENERAL FUND AND ANNUALLY BUDGETED MAJOR SPECIAL REVENUE FUNDS****For the Fiscal Year Ended June 30, 2020**

	Restricted Revenue Fund			
	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
State of North Carolina	\$ -	\$ 368,993	\$ 365,324	\$ (3,669)
Local Counties and City	-	-	-	-
U.S. Government	210,000	521,471	644,261	122,790
Other	<u>2,331,515</u>	<u>1,765,730</u>	<u>2,891,075</u>	<u>1,125,345</u>
Total revenues	<u>2,541,515</u>	<u>2,656,194</u>	<u>3,900,660</u>	<u>1,244,466</u>
Expenditures:				
Current:				
Instructional services	3,912,050	4,012,160	3,262,293	749,867
System-wide support services	454,306	468,875	376,112	92,763
Ancillary services	-	-	-	-
Non-programmed charges	175	175	-	175
Debt service:				
Principal retirement	-	-	-	-
Interest and fees	-	-	-	-
Total debt service	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>4,366,531</u>	<u>4,481,210</u>	<u>3,638,405</u>	<u>842,805</u>
Revenues over (under) expenditures	(1,825,016)	(1,825,016)	262,255	2,087,271
Other financing uses:				
Transfers to other funds	-	-	-	-
Fund balance appropriated	<u>1,825,016</u>	<u>1,825,016</u>	<u>-</u>	<u>(1,825,016)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	262,255	<u>\$ 262,255</u>
Fund balances:				
Beginning of year			2,198,013	
Change in reserve for inventories			<u>-</u>	
End of year			<u>\$ 2,460,268</u>	

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

**NASH-ROCKY MOUNT BOARD OF EDUCATION**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUND TYPE**  
**June 30, 2020**

**Exhibit 7**

	Enterprise Fund
	Major Fund
	School Food Service
<b>Assets</b>	
Current assets:	
Cash and cash equivalents	\$ 2,922,361
Due from other governments	100,271
Receivables	5
Due from other funds	947,437
Net OPEB asset	4,286
Inventories	236,095
Total current assets	<u>4,210,455</u>
Noncurrent assets:	
Capital assets:	
Furniture and office equipment, net	<u>445,475</u>
Total assets	<u>4,655,930</u>
<b>Deferred Outflows of Resources</b>	<u>948,769</u>
<b>Liabilities</b>	
Current liabilities:	
Accrued salaries and wages payable	92,846
Compensated absences	183,998
Unearned revenue	44,174
Total current liabilities	<u>321,018</u>
Noncurrent liabilities:	
Net pension liability	1,178,907
Net OPEB liability	3,164,591
Compensated absences	24,735
Total noncurrent liabilities	<u>4,368,233</u>
Total liabilities	<u>4,689,251</u>
<b>Deferred Inflows of Resources</b>	<u>1,504,747</u>
<b>Net position</b>	
Investment in capital assets	445,475
Restricted for DIPNC OPEB plan	12,088
Unrestricted (deficit)	<u>(1,046,862)</u>
Total net position (deficit)	<u>\$ (589,299)</u>

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

**NASH-ROCKY MOUNT BOARD OF EDUCATION**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION**  
**PROPRIETARY FUND TYPE**  
**For the Fiscal Year Ended June 30, 2020**

**Exhibit 8**

	Enterprise Fund Major Fund School Food Service
Operating revenues:	
Food sales	\$ 774,727
Other	15,147
Total operating revenues	<u>789,874</u>
Operating expenses:	
Food cost:	
Purchase of food	2,404,366
Donated commodities	518,672
Salaries and benefits	2,049,719
Indirect costs	395,720
Materials and supplies	297,192
Repairs and maintenance	160,295
Depreciation	78,788
Non-capitalized equipment	3,137
Other	53,487
Total operating expenses	<u>5,961,376</u>
Operating loss	<u>(5,171,502)</u>
Nonoperating revenues:	
Federal reimbursements	6,494,903
Federal commodities	518,672
State reimbursements	6,135
Interest earned	22,648
Total nonoperating revenues	<u>7,042,358</u>
Income before transfers	1,870,856
Transfers from other funds	<u>107,017</u>
Change in net position	1,977,873
Net position (deficit), beginning of year	<u>(2,567,172)</u>
Net position (deficit), end of year	<u><u>\$ (589,299)</u></u>

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

**NASH-ROCKY MOUNT BOARD OF EDUCATION**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUND TYPE**  
**For the Fiscal Year Ended June 30, 2020**

**Exhibit 9**

	Enterprise Fund
	Major Fund
	School Food Service
Cash flows from operating activities:	
Cash received from customers	\$ 789,935
Cash paid for goods and services	(3,234,145)
Cash paid to employees for services	(3,509,043)
Other revenues	15,147
Net cash used by operating activities	(5,938,106)
Cash flows from noncapital financing activities:	
Due from other funds	(903,417)
Federal and State reimbursements	6,444,312
Net cash provided by noncapital financing activities	5,540,895
Cash flows from capital and related financing activities:	
Purchase of capital assets	(73,199)
Cash flows from investing activities:	
Interest earned on investments	22,648
Net decrease in cash and cash equivalents	(447,762)
Cash and cash equivalents, beginning of year	3,370,123
Cash and cash equivalents, end of year	\$ 2,922,361
Reconciliation of operating loss to net cash used by operating activities:	
Operating loss	\$ (5,171,502)
Adjustments to reconcile operating loss to net cash used by operating activities:	
Depreciation	78,788
Donated commodities	518,672
Salaries paid by special revenue fund	107,017
Changes in assets and liabilities:	
Decrease in accounts receivable	261
Increase in net OPEB asset	(112)
Decrease in inventories	96,028
Decrease in accounts payable and accrued liabilities	(15,976)
Increase in accrued salaries and wages payable	537
Increase in unearned revenue	14,947
Decrease in net pension liability	(392,695)
Decrease in net OPEB liability	(819,693)
Decrease in deferred outflows	435,787
Decrease in deferred inflows	(762,579)
Decrease in compensated absences payable	(27,586)
Total adjustments	(766,604)
Net cash used by operating activities	\$ (5,938,106)

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

**NASH-ROCKY MOUNT BOARD OF EDUCATION**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUND TYPE**  
**For the Fiscal Year Ended June 30, 2020**

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**Exhibit 9 (continued)**

**NONCASH OPERATING AND NONCAPITAL FINANCING ACTIVITIES:**

The School Food Service Fund received donated commodities with a value of \$518,672 during the fiscal year. The receipt of these commodities is reflected as a nonoperating revenue on Exhibit 8. The consumption of these commodities is recorded as an operating expense.

The State Public School Fund paid salaries and benefits of \$107,017 to administrative personnel of the School Food Service Fund during the fiscal year. The payment is reflected as an operating transfer in and an operating expense on Exhibit 8.

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

**NASH-ROCKY MOUNT BOARD OF EDUCATION**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**For the Fiscal Year Ended June 30, 2020**

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies of Nash-Rocky Mount Board of Education conform to generally accepted accounting principles as applicable to governments. The following is a summary of the more significant accounting policies:

A. Reporting Entity

The Nash-Rocky Mount 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 Nash and Edgecombe Counties, North Carolina. The Board receives State, local, and federal government funding and must adhere to the legal requirements of each funding entity. The Board has no component units.

B. Basis of Presentation

*Government-wide Statements:* The statement of net position 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 *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 nonmajor funds. Interfund services provided and used are not eliminated in the process of consolidation.

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 gives up essentially equal values. Nonoperating revenues, such as subsidies and investment earnings, result from nonexchange transactions or ancillary activities. All expenses are considered to be operating expenses.

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.

**NASH-ROCKY MOUNT BOARD OF EDUCATION**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**For the Fiscal Year Ended June 30, 2020**

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*Federal Grants Fund.* The Federal Grants Fund includes appropriations from the U.S. Government for the current operating expenditures of the public school system.

*Restricted Revenue Fund.* The Restricted Revenue Fund is used to account for revenues from reimbursements, including indirect costs, fees for actual costs, tuition, sales tax refunds, gifts and grants restricted as to use, federal and State grants restricted as to use, federal and State appropriations made directly to local school administrative units, funds received for prekindergarten programs and special programs.

*Capital Outlay Fund.* The Capital Outlay Fund accounts for financial resources to be used for the acquisition and construction of major capital facilities (other than those financed by proprietary funds and trust funds). It is mandated by State law [G.S.115C-426]. Capital projects are funded by Nash-Rocky Mount appropriations, restricted sales tax moneys, proceeds of county debt issued for public school construction, lottery proceeds as well as certain State assistance.

The Board reports the following nonmajor governmental fund:

*Individual Schools Fund.* The Individual Schools Fund includes revenues and expenditures of the activity funds of the individual schools. The primary revenue sources include funds held on the behalf of various clubs and organizations, receipts from athletic events, and proceeds from various fundraising activities. The primary expenditures are for athletic teams, club programs, activity buses, and instructional needs.

The Board reports the following major enterprise fund:

*School Food Service Fund.* The School Food Service Fund is used to account for the food service program 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 take place. 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, and some charges for services. Expenditures are recorded when the related fund liability is incurred, except for claims and 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 by a combination of specific cost-reimbursement grants and general revenues. Thus, when program expenses are incurred, there is 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 and then general revenues.



**NASH-ROCKY MOUNT BOARD OF EDUCATION**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**For the Fiscal Year Ended June 30, 2020**

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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. No budget is required by State law for individual school funds. All appropriations lapse at the fiscal year-end. All budgets are prepared using the modified accrual basis of accounting. Expenditures may not legally exceed appropriations at the fund level for all annually budgeted funds. The Board has authorized the Superintendent to move moneys from one function to another within a fund without limitation. Amendments are required for any revisions that alter total expenditures of any fund. All amendments must be approved by the governing board. During the year, several amendments to the original budget were necessary. The budget ordinance must be adopted by July 1 of the fiscal year or the governing board must adopt an interim budget that covers that time until the annual ordinance can be adopted.

E. Assets, Deferred Outflows, 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 determined by either quoted market prices or a matrix pricing model. Bank deposits are measured at amortized cost. The NCCMT is measured at fair value. 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.

2. Cash and Cash Equivalents

The Board pools money from several funds to facilitate disbursement and investment and to maximize investment income. Therefore, all cash and investments are essentially demand deposits and are considered cash and cash equivalents.

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 of fund balance

**NASH-ROCKY MOUNT BOARD OF EDUCATION**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**For the Fiscal Year Ended June 30, 2020**

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is classified as nonspendable. Proprietary Fund inventories consist of food and supplies and are recorded as expenses when consumed.

**4. Capital Assets**

Donated assets received prior to June 30, 2015 are recorded at their estimated fair value at the date of donation or forfeiture. Donated capital assets received after June 30, 2015 are recorded at acquisition value. All other capital 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, 1990 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.

For capital assets utilized in both governmental and business-type activities, it is the policy of the Board to capitalize those assets costing more than \$5,000 with an estimated useful life of two or more years. In addition, other items that are purchased in large quantities such as student desks and library books are capitalized. The library collections consist of a large number of books with modest values; the composite depreciation method has been used as discussed in GASB 35, paragraphs 163-166. The cost of normal repairs and maintenance that do not add to the value of the asset or materially extend asset lives is not capitalized.

Nash 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 gives the schools full use of the facilities, full responsibility for maintenance of the facilities, and 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:

	<u>Years</u>
Buildings and improvements	50
Equipment and furniture	3 - 10
Vehicles	6 - 12

Depreciation for assets 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 financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an expense or expenditure until then. The Board has two items that meet this criterion – pension and other post-employment benefit-related deferrals. The statement of financial position 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 so will not be recognized as revenue until then. The Board has two items that meet this criterion – pension and other post-employment benefit-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.

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7. Compensated Absences

The Board follows the State's policy for vacation and sick leave. Employees may accumulate up to thirty (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 is recorded in the government-wide and proprietary fund financial statements on a FIFO basis. An estimate has been made based on prior years' records of the current portion of compensated absences.

The sick leave policy of the Board 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

Net position in the government-wide and proprietary fund financial statements is classified as net investment in capital assets; 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.

Fund Balances

In the governmental fund financial statements, fund balance is composed of three classifications designed to disclose the hierarchy of constraints placed on how fund balance can be spent.

The governmental fund types classify fund balances 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 - 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 - North Carolina G.S. 115C-425(a) prohibits boards of education from budgeting or spending a portion of their fund balance. Restricted by State statute (RSS) is calculated at the end of each fiscal year. The amount of fund balance not available for appropriation is what is known as "restricted by State statute". Appropriated fund balance in any fund shall not exceed the sum of cash and investments minus the sum of liabilities, encumbrances, and deferred revenues arising from cash receipts, as those figures stand at the close of the fiscal year next preceding the budget year. RSS is reduced by inventories and prepaids as they are classified as nonspendable. Outstanding encumbrances are included within RSS.

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

Restricted for instructional services – grant and other revenues restricted for expenditure for various instructional services, as allowable by the funding source.

Restricted for Individual Schools – revenue sources restricted for expenditures for the various clubs and organizations, athletic events, and various fund raising activities for which they were collected.

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

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Information technology – portion of fund balance that represents amounts designated for information technology expenditures.

Band uniforms – portion of fund balance that represents amounts designated for band uniform expenditures.

Special revenues – portion of fund balance that represents the residual amount of revenues from certain grants, reimbursements, indirect costs and other financial resources in excess of related expenditures that will be used for instructional services, system-wide support services, ancillary services or non-programmed charges, as determined by the Board of Education.

*Unassigned fund balance* – the portion of fund balance that has not been restricted, committed, or assigned to specific purposes or other funds. A negative unassigned fund balance may be reported in other governmental funds if expenditures incurred for specific purposes exceeded the amounts restricted, committed or assigned to those purposes.

The Board of Education has a management policy for revenue spending that provides guidance for programs with multiple revenue sources. The Finance Officer will pay expenditures from restricted revenue sources first and then from general unrestricted revenues.

**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**

The governmental fund balance sheet includes a reconciliation between *fund balance - total governmental funds* and *net position - governmental activities* as reported in the government-wide statement of net position. The net adjustment of \$(88,947,136) 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)	\$ 246,239,683
Less accumulated depreciation	(105,575,216)
Net capital assets	140,664,467
Net OPEB asset	192,573
Deferred outflows of resources related to pensions	21,598,295
Deferred outflows of resources related to OPEB	21,034,461
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:	
Installment purchases	(1,551,129)
Compensated absences	(8,060,498)
Accrued interest payable	(35,757)
Net pension liability	(52,973,930)
Net OPEB liability	(142,200,177)
Deferred inflows of resources related to pensions	(1,638,289)
Deferred inflows of resources related to OPEB	(65,977,152)
Total adjustment	<u>\$ (88,947,136)</u>

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b. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balance and the government-wide statement of activities

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between *net changes in fund balances - total governmental funds* and *changes in net position of governmental activities* as reported in the government-wide statement of activities. There are several elements of that total adjustment of \$(2,901,047) as follows:

Description	Amount
Capital outlay expenditures recorded in the fund statements but capitalized as assets in the statement of activities	\$ 2,442,581
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	(4,564,001)
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	(719,738)
Principal payments on debt owed are recorded as a use of funds on the fund statements but affect only the statement of net position on the government-wide statements	1,393,418
Contributions to the pension plan in the current fiscal year are not included on the Statement of Activities	10,289,761
Contributions to the OPEB plans in the current fiscal year are not included on the Statement of Activities	5,212,314
Proceeds from the sale of capital assets are recorded as revenues in the fund statements but not in the statement of activities	(21,970)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds	
Gain on disposal of capital assets	21,970
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) benefit	(18,871,096)
OPEB (expense) benefit	1,183,977
Difference in interest expense between fund statements and government-wide statements	19,879
Compensated absences are accrued in the government-wide statements but not in the fund statements because they do not use current resources	662,219
Adjustment due to the use of the consumption method of recording inventory in the government-wide statements	49,639
Total adjustment	<u>\$ (2,901,047)</u>

10. Defined Benefit Pension Plans

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Teachers' and State Employees' Retirement System (TSERS), the Retiree Health Benefit Fund (RHBF),

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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.

**NOTE 3 - 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. Because of 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 concentration risk or custodial credit risk for deposits.

At June 30, 2020, the Board had deposits with banks and savings and loans with a carrying amount of \$12,430,417 and with the State Treasurer of \$91,369. The bank balances with the financial institutions and the State Treasurer were \$12,831,672 and \$844,900, respectively. Of these balances, \$1,502,622 was covered by federal depository insurance and \$12,173,950 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 \$1,806,461 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 investment balances in the NCCMT as of June 30, 2020. The Board has no policy for managing interest rate risk or credit risk. All investments are measured using the market approach. The STIF is classified in Level 2 of the fair value hierarchy and valued using prices that are either directly or indirectly observable for an asset or liability.

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3. Accounts Receivable

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

	Due from (to) other funds (Internal balances)	Due from other governments	Other	Total
Governmental activities:				
General Fund	\$ (947,437)	\$ 41,311	\$ 8,230	\$ (897,896)
Other governmental activities	-	4,583,655	30,196	4,613,851
Total governmental activities	<u>\$ (947,437)</u>	<u>\$ 4,624,966</u>	<u>\$ 38,426</u>	<u>\$ 3,715,955</u>
Business-type activities:				
School Food Service Fund	<u>\$ 947,437</u>	<u>\$ 100,271</u>	<u>\$ 5</u>	<u>\$ 1,047,713</u>

Due from other governments consists of the following:

Governmental activities:		
General Fund	\$ 41,311	Edgecombe and Nash counties
State Public School Fund	4,021,402	Operating funds from DPI
Federal Grants funds	267,259	Federal grant funds
Restricted Revenue Fund	68,431	State and federal grants and reimbursements
Capital Outlay Fund	138,375	Nash County - new school project
Capital Outlay Fund	88,188	Edgecombe County sales tax
Total governmental activities	<u>\$ 4,624,966</u>	
Business-type activities:		
School Food Service Fund	<u>\$ 100,271</u>	Federal grant funds

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4. Capital Assets

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

	<u>Beginning Balances</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balances</u>
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 4,656,285	\$ -	\$ -	\$ 4,656,285
Construction in progress	-	138,375	-	138,375
Total capital assets not being depreciated	<u>4,656,285</u>	<u>138,375</u>	<u>-</u>	<u>4,794,660</u>
Capital assets being depreciated:				
Buildings and improvements	198,840,354	1,547,271	-	200,387,625
Equipment and furniture	27,295,126	13,374	-	27,308,500
Vehicles	13,318,290	743,561	312,953	13,748,898
Total capital assets being depreciated	<u>239,453,770</u>	<u>2,304,206</u>	<u>312,953</u>	<u>241,445,023</u>
Less accumulated depreciation for:				
Buildings and improvements	74,186,393	3,795,516	-	77,981,909
Equipment and furniture	16,322,718	441,250	-	16,763,968
Vehicles	10,815,057	327,235	312,953	10,829,339
Total accumulated depreciation	<u>101,324,168</u>	<u>4,564,001</u>	<u>312,953</u>	<u>105,575,216</u>
Total capital assets being depreciated, net	<u>138,129,602</u>			<u>135,869,807</u>
Governmental activity capital assets, net	<u>\$ 142,785,887</u>			<u>\$ 140,664,467</u>
Business-type activities:				
School Food Service Fund:				
Capital assets being depreciated:				
Equipment and furniture	\$ 2,520,677	\$ 35,984	\$ -	\$ 2,556,661
Vehicles	232,312	37,215	-	269,527
Total capital assets being depreciated	<u>2,752,989</u>	<u>73,199</u>	<u>-</u>	<u>2,826,188</u>
Less accumulated depreciation for:				
Equipment and furniture	2,069,613	75,170	-	2,144,783
Vehicles	232,312	3,618	-	235,930
Total accumulated depreciation	<u>2,301,925</u>	<u>78,788</u>	<u>-</u>	<u>2,380,713</u>
School Food Service capital assets, net	<u>\$ 451,064</u>			<u>\$ 445,475</u>

Depreciation was charged to governmental functions as follows:

Instructional services	\$ 3,795,516
System-wide support services	327,235
Unallocated depreciation	<u>441,250</u>
Total	<u>\$ 4,564,001</u>



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5. Construction and Other Significant Commitments

As of June 30, 2020, the Board had a project in progress for construction of a new elementary school. At year-end the project was in the design phase. The Board had a contract outstanding with an architect for this project with a remaining balance of approximately \$969,000 at June 30, 2020.

B. Liabilities

1. Pension Plan and Other Postemployment Obligations

a. Teachers' and State Employees' Retirement System

*Plan Description.* The Board is a participating employer in the statewide Teachers' and State Employees' Retirement System (TSERS), a cost-sharing multiple-employer defined benefit pension plan administered by the State of North Carolina. TSERS membership is comprised of employees of the State (state agencies and institutions), universities, community colleges, and certain proprietary component units along with the employees of Local Education Agencies and charter schools. Article 1 of G.S. Chapter 135 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. Management of the plan is vested in the TSERS Board of Trustees, which consists of 13 members – nine appointed by the Governor, one appointed by the state Senate, one appointed by the state House of Representatives, and the State Treasurer and State Superintendent, who serve as ex-officio members. The Teachers' and State Employees' Retirement System is included in the 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](http://www.osc.nc.gov).

*Benefits Provided.* TSERS provides retirement and survivor benefits. Retirement benefits are determined as 1.82% 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, 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. 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. 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% of their compensation. Employer contributions are actuarially determined and set annually by the TSERS Board

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of Trustees. The Board's contractually required contribution rate for the year ended June 30, 2020, was 12.97% 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 \$10,518,752 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 members with at least five years of service include 4% 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.

At June 30, 2020, the Board reported a liability of \$54,152,837 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 0.5224% and 0.5501%, respectively.

For the year ended June 30, 2020, the Board recognized pension expense of \$19,112,912. 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	\$ 4,529,822	\$ 108,411
Changes of assumptions	5,770,198	-
Net difference between projected and actual earnings on pension plan investments	1,038,034	-
Changes in proportion and differences between Board contributions and proportionate share of contributions	222,147	1,566,337
Board contributions subsequent to the measurement date	10,518,752	-
Total	<u>\$ 22,078,953</u>	<u>\$ 1,674,748</u>

\$10,518,752 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 outflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year ended June 30:</u>	
2021	\$ 7,595,548
2022	1,341,242
2023	585,534
2024	363,129
Total	<u>\$ 9,885,453</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 8.1 percent, including inflation and productivity factor
Investment rate of return	7.00 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). The current mortality rates are based on published tables and based 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 actuarial assumptions used in the December 31, 2018 valuation were based on the results of an actuarial 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	100%	

The information above is based on 30-year expectations developed with the consulting actuary for the 2017 asset liability and investment policy study for the North Carolina Retirement Systems, including TSERS. The long-term nominal rates of return underlying the real rates of return are arithmetic annualized figures. The real rates of return are calculated from nominal rates by multiplicatively subtracting a long-term inflation assumption of 3.00%. All rates of return and inflation are annualized.

*Discount rate.* The discount rate used to measure the total pension liability reported at June 30, 2020 and 2019 was 7.00% for both years. 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

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contributions from employers will be made at statutorily required rates, actuarially determined. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of the current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

*Sensitivity of the Board's proportionate share of the net pension asset to changes in the discount rate.* The following presents the Board's proportionate share of the net pension liability calculated using the discount rate of 7.00 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 1-percentage-point lower (6.00 percent) or 1-percentage-point higher (8.00 percent) than the current rate:

	1% Decrease (6.00%)	Discount Rate (7.00%)	1% Increase (8.00%)
Board's proportionate share of the net pension liability (asset)	\$ 103,067,912	\$ 54,152,837	\$ 13,119,322

*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 Postemployment 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 (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.

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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 2017-57 repeals retiree medical benefits for employees first hired January 1, 2021. The new legislation amends Article 3B of Chapter 135 of the General Statutes to require that retirees must earn contributory retirement service in TSERS (or in an allowed local system unit), CJRS, or LRS prior to January 1, 2021, and not withdraw that service, in order to be eligible for retiree medical benefits under the amended law. Consequently, members first hired on and after January 1, 2021 will not be eligible to receive retiree medical benefits.

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

*Contributions.* By General Statute, accumulated contributions from employers to RHBF and any earnings on those contributions shall be used to provide health benefits to retired and disabled employees and their applicable beneficiaries. By statute, contributions to RHBF are irrevocable. Also, by law, fund assets are dedicated to providing benefits to retired and disabled employees and their applicable beneficiaries and are not subject to the claims of creditors of the employers making contributions to RHBF. However, RHBF assets may be used for reasonable expenses to administer the RHBF, including costs to conduct required actuarial valuations of state-supported retired employees' health benefits. Contribution rates 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 6.47% of covered payroll which amounted to \$5,247,211.

At June 30, 2020, the Board reported a liability of \$145,364,768 for its proportionate share of the net RHBF 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 2018, the Board's proportion was 0.4594% and 0.4873%, respectively.

\$5,247,211 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:

**NASH-ROCKY MOUNT BOARD OF EDUCATION**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
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Year ended June 30:

2021	\$ (14,598,160)
2022	(14,598,160)
2023	(14,584,164)
2024	(7,072,136)
2025	<u>(695,840)</u>
Total	<u>\$ (51,548,460)</u>

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

Inflation	3.00%
Salary increases	3.50-8.10%, include 3.5% inflation and productivity factor
Investment rate of return	7.00%, net of OPEB plan investment expense, including inflation
Healthcare cost trend rate - medical	5.00-6.50%
Healthcare cost trend rate - prescription drug	5.00-9.50%
Healthcare cost trend rate -Medicare advantage	5.00-6.50%
Healthcare cost trend rate - administrative	3.00%

*Discount rate.* The discount rates used to measure the total OPEB liability for the RHBF at June 30, 2020 and 2019 were 3.50% and 3.87%, respectively. The projection of cash flow used to determine the discount rate assumed that contributions from employers would be made at the current statutorily determined contribution rate. Based on 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 3.50% was used as the discount rate used to measure the total OPEB liability. The 3.50% rate is based on the Bond Buyer 20-year General Obligation Index as of June 30, 2019.

*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 (2.50 percent) or 1-percentage point higher (4.50 percent) than the current discount rate:

	1% decrease (2.50%)	Discount Rate (3.50%)	1% Increase (4.50%)
Net OPEB liability	\$ 172,745,605	\$ 145,364,768	\$ 123,440,344

*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 healthcare trend rates that are 1-percentage-point lower or 1-percentage point higher than the current healthcare trend rates:

**NASH-ROCKY MOUNT BOARD OF EDUCATION**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
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		Healthcare Trend Rates	
1% Decrease (Medical - 4.00-5.50%, Pharmacy - 4.00-8.50%, Medicare Advantage - 4.00-5.50%, Administrative - 2.00%)		(Medical -5.00-6.50%, Pharmacy - 5.00-9.50%, Medicare Advantage - 5.00-6.50%, Administrative - 3.00%)	1% increase (Medical -6.00-7.50%, Pharmacy - 6.00-10.50%, Medicare Advantage - 6.00-7.50%, Administrative - 4.00%)
Net OPEB liability	\$ 119,696,685	\$ 145,364,768	\$ 179,113,701

*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 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 0.10% of covered payroll which was equal to the actuarially required contribution. Board contributions to the plan were \$81,101 for the year ended June 30, 2020.

**NASH-ROCKY MOUNT BOARD OF EDUCATION**  
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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.

At June 30, 2020, the Board reported an asset of \$196,859 for its proportionate share of the net DIPNC OPEB asset. The net OPEB asset was measured as of June 30, 2019, and the total OPEB liability used to calculate the net OPEB asset 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 asset was based on a projection of the Board's present value of future salary, actuarially determined. At June 30, 2019 and 2018, the Board's proportion was 0.4562% and 0.4788%, respectively.

\$81,101 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, 2021. Other amounts reported as deferred outflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended June 30:

2021	\$ 87,421
2022	62,104
2023	46,844
2024	31,323
2025	41,208
Thereafter	<u>8,380</u>
Total	<u>\$ 277,280</u>

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

Inflation	3.00%
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 asset, as well as what the District's proportionate share of the net OPEB asset 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	\$ 166,735	\$ 196,859	\$ 226,130

*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.



**NASH-ROCKY MOUNT BOARD OF EDUCATION**  
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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.

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%
Opportunistic Fixed Income	7%	6.0%
Inflation Sensitive	6%	4.0%
Total	100%	

Following is information related to OPEB expense, proportionate share, assets, liabilities, deferred outflows of resources and deferred inflows of resources reported by the Board as of and for the year ended June 30, 2020:

	RHBF	DIPNC	Total
OPEB expense (benefit)	\$ (2,814,553)	\$ 194,457	\$ (2,620,096)
OPEB liability (asset)	145,364,768	(196,859)	145,167,909
Proportionate share of the net OPEB liability (asset)	0.4594%	0.4562%	
Deferred Outflows of Resources:			
Differences between expected and actual experience	\$ -	\$ 201,106	\$ 201,106
Changes of assumptions	6,986,915	21,807	7,008,722
Net difference between projected and actual earnings on plan investments	96,801	37,497	134,298
Changes in proportion and differences between Board contributions and proportionate share of contributions	8,792,895	37,239	8,830,134
Board contributions subsequent to the measurement date	5,247,211	81,101	5,328,312
Total deferred outflows of resources	<u>\$ 21,123,822</u>	<u>\$ 378,750</u>	<u>\$ 21,502,572</u>
Deferred Inflows of Resources:			
Differences between expected and actual experience	\$ 7,328,216	\$ -	\$ 7,328,216
Changes of assumptions	43,703,020	20,197	43,723,217
Changes in proportion and differences between Board contributions and proportionate share of contributions	16,393,835	172	16,394,007
Total deferred inflows of resources	<u>\$ 67,425,071</u>	<u>\$ 20,369</u>	<u>\$ 67,445,440</u>

**NASH-ROCKY MOUNT BOARD OF EDUCATION**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**For the Fiscal Year Ended June 30, 2020**

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2. Accounts Payable

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

	<u>Vendors and Other</u>	<u>Accrued salaries and wages payable</u>	<u>Due to other governments</u>	<u>Total</u>
Governmental activities:				
General Fund	\$ 2,087,256	\$ 48,792	\$ -	\$ 2,136,048
Other governmental activities	<u>139,464</u>	<u>4,351,409</u>	<u>91,369</u>	<u>4,582,242</u>
Total governmental activities	<u>\$ 2,226,720</u>	<u>\$ 4,400,201</u>	<u>\$ 91,369</u>	<u>\$ 6,718,290</u>
Business-type activities:				
School Food Service Fund	<u>\$ -</u>	<u>\$ 92,846</u>	<u>\$ -</u>	<u>\$ 92,846</u>

3. Unearned Revenues

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

Governmental activities:	
Grants not yet earned (Restricted Revenue Fund)	<u>\$ 304,632</u>
Business-type activities:	
Prepayments of meals (School Food Service Fund)	<u>\$ 44,174</u>

Unearned revenue in governmental activities consists of grant revenues for which eligibility requirements other than time requirements have not been met.

4. Deferred Outflows and Inflows of Resources

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

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 4,730,928	\$ 7,436,627
Changes of assumptions	12,778,920	43,723,217
Net difference between projected and actual earnings on pension and OPEB plan investments	1,172,332	-
Changes in proportion and differences between Board contributions and proportionate share of contributions	9,052,281	17,960,344
Board contributions subsequent to the measurement date	<u>15,847,064</u>	<u>-</u>
Total	<u>\$ 43,581,525</u>	<u>\$ 69,120,188</u>

**NASH-ROCKY MOUNT BOARD OF EDUCATION**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**For the Fiscal Year Ended June 30, 2020**

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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. The Board participates in the North Carolina School Boards Trust (the Trust), a member funded risk management program administered by the North Carolina School Boards Association. Through the Trust, the Board maintains general liability and errors and omissions coverage of \$1,000,000 each claim made / \$3,150,000 coverage period aggregate. The Trust is reinsured through commercial companies for losses in excess of \$150,000 per claim for errors and omissions and general liability coverage.

Statutory workers' compensation coverage is purchased through a private insurer for employees to the extent they are paid from Federal and local funds. Workers' compensation coverage is provided by the State of North Carolina through a self-insured fund, to the extent employees are paid from State funds.

The Board also participates in the Public School Insurance Fund (the Fund), a voluntary, self-insured risk control and risk financing fund administered by the North Carolina Department of Public Instruction. The Fund insures the tangible property assets of the Board. Coverage is provided on an "all risk" perils contract. Buildings and contents are insured on a replacement cost basis. The Fund purchases excess reinsurance to protect the assets of the Fund in the event of a catastrophic event. The Fund maintains a self-insured retention of \$10 million. Excess reinsurance is purchased through commercial insurers. A limit of \$5 million per occurrence is provided on flood, earthquake, business interruption and extra expense. \$10 million per occurrence is provided on increased cost of construction. The Board carries additional flood insurance coverage of \$5 million per location and \$15 million per occurrence purchased through the NC Public School Insurance Fund.

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 healthcare benefits. The Board pays most of the cost of coverage for employees enrolled in the Comprehensive Major Medical Plan.

In accordance with G.S. 115C-442, the Board's employees who have custody of the Board's monies at any given time are performance bonded through a commercial surety bond. The finance officer is bonded for \$250,000. The remaining employees that have access to funds are bonded under a blanket bond for \$175,000.

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.

6. Long-Term Obligations

a. Direct Placement Installment Purchases

The Board is authorized to finance the purchase of school buses under G.S. 115C-528(a). Session law 2003-284, section 7.25 authorized the State Board of Education to allot moneys for the payments on financing contracts entered into pursuant to G.S. 115C-528. The State has accepted the bid to purchase Thomas Built Buses through special third-party direct placement financing arrangements. During the current and prior fiscal years, the Board entered such contracts for the purchase of school buses. The buses are pledged as collateral for the debt while the debt is outstanding. The gross amount of buses acquired under installment purchase contracts outstanding at June 30, 2020 totaled \$2,300,791. The contracts each requires four equal principal-only payments with the first payment due within 10 days of

**NASH-ROCKY MOUNT BOARD OF EDUCATION**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**For the Fiscal Year Ended June 30, 2020**

receipt of the buses and the following 3 payments due on the next 3 immediately following November 15<sup>th</sup> dates.

The Board entered into a direct placement installment purchase contract totaling \$790,309 for the purchase of laptop computers during the fiscal year ended June 30, 2017. The contract requires five annual payments of \$170,248 for principal and interest at 3.86% due on July 1 each year through 2021.

The Board entered into a direct placement installment purchase contract totaling \$1,501,682 for the purchase of chromebooks during the fiscal year ended June 30, 2017. The equipment is pledged as collateral for the debt while the debt is outstanding. The contract requires four equal annual payments of \$403,952 (including sales tax) for principal and interest due through 2020.

The Board entered into a direct placement installment purchase contract totaling \$160,716 for the purchase of a mobile unit during the fiscal year ended June 30, 2017. The mobile unit is pledged as collateral for the debt while the debt is outstanding. The contract requires sixty equal monthly payments of \$2,959 for principal and interest at 3.99% due through November 21, 2021.

The future minimum payments of the installment purchase as of June 30, 2020, including interest, are as follows:

<u>Year Ending June 30:</u>	<u>Governmental Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2021	\$ 1,147,826	\$ 37,083
2022	403,303	6,471
Totals	<u>\$ 1,551,129</u>	<u>\$ 43,554</u>

b. 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:

	<u>July 1, 2019</u>	<u>Increases</u>	<u>Decreases</u>	<u>June 30, 2020</u>	<u>Current Portion</u>
Governmental activities:					
Direct placement installment purchases	\$ 2,224,809	\$ 719,738	\$ 1,393,418	\$ 1,551,129	\$ 1,147,826
Net pension liability	53,191,866	-	217,936	52,973,930	-
Net OPEB liability	134,850,634	7,349,543	-	142,200,177	-
Compensated absences	8,722,717	5,352,576	6,014,795	8,060,498	5,558,158
Total	<u>\$198,990,026</u>	<u>\$ 13,421,857</u>	<u>\$ 7,626,149</u>	<u>\$204,785,734</u>	<u>\$ 6,705,984</u>
Business-type activities:					
Net pension liability	\$ 1,571,602	\$ -	\$ 392,695	\$ 1,178,907	\$ -
Net OPEB liability	3,984,284	-	819,693	3,164,591	-
Compensated absences	236,319	180,729	208,315	208,733	183,998
Total	<u>\$ 5,792,205</u>	<u>\$ 180,729</u>	<u>\$ 1,420,703</u>	<u>\$ 4,552,231</u>	<u>\$ 183,998</u>

**NASH-ROCKY MOUNT BOARD OF EDUCATION**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**For the Fiscal Year Ended June 30, 2020**

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Compensated absences, net pension and net OPEB liabilities related to governmental activities are typically liquidated by the General and other governmental funds. Installment purchases are typically liquidated by the Capital Outlay Fund.

C. Interfund Balances and Activity

1. Interfund Balances

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

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
School Food Service Fund	General Fund	\$ 947,437

The amounts owed by the General Fund to the School Food Service Fund is for reimbursement of child nutrition program salaries and benefits expenses that were paid from a Federal grant received by the district. This amount is expected to be paid prior to June 30, 2021.

2. Transfers to/from other Funds

Transfers to/from other funds during the year ended June 30, 2020 consisted of the following:

From the State Public School Fund to the School Food Service Fund for administrative costs	\$ 107,017
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D. Net Position/Fund Balance

1. Net Investment in Capital Assets – Governmental Activities

Net investment in capital assets presented in Exhibit 1 is calculated as follows:

Total governmental activities capital assets	\$ 140,664,467
Less:	
Installment purchase obligations for school buses and mobile unit	(848,760)
Net investment in capital assets, governmental activities	\$ 139,815,707

The district also has \$702,369 of installment purchase obligations outstanding at June 30, 2020 for computers and related equipment. This amount has been excluded from the calculation of net investment in capital assets due to these being noncapitalized items.

**NASH-ROCKY MOUNT BOARD OF EDUCATION**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**For the Fiscal Year Ended June 30, 2020**

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2. Fund Balance

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	\$ 4,239,889
Less:	
Inventories	(382,480)
Stabilization by State statute	(49,541)
Appropriated fund balance - band uniforms	<u>(92,929)</u>
Remaining fund balance	<u>\$ 3,714,939</u>

**NOTE 3 - 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 moneys 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 moneys.

**NASH-ROCKY MOUNT BOARD OF EDUCATION  
SCHEDULE OF REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF THE BOARD'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
TEACHERS' AND STATE EMPLOYEES' RETIREMENT SYSTEM  
LAST SEVEN FISCAL YEARS\***

	2020	2019	2018	2017	2016
Board's proportion of the net pension liability (asset)	0.522%	0.550%	0.564%	0.549%	0.544%
Board's proportionate share of the net pension liability (asset)	\$ 54,152,837	\$ 54,763,468	\$ 44,745,487	\$ 50,491,859	\$ 20,050,425
Board's covered payroll	\$ 82,429,935	\$ 81,740,668	\$ 81,987,756	\$ 77,448,579	\$ 76,690,342
Board's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	65.70%	67.00%	54.58%	65.19%	26.14%
Plan fiduciary net position as a percentage of the total pension liability	87.56%	87.61%	89.51%	87.32%	94.64%
	2015	2014			
Board's proportion of the net pension liability (asset)	0.553%	0.604%			
Board's proportionate share of the net pension liability (asset)	\$ 6,478,212	\$ 36,644,671			
Board's covered payroll	\$ 75,247,837	\$ 81,734,603			
Board's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	8.61%	44.83%			
Plan fiduciary net position as a percentage of the total pension liability	98.24%	90.60%			

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

Note: This is a ten year schedule. However, GASB 68 was not adopted until the fiscal year ended June 30, 2015. Therefore, there are only seven years of data presented.

**NASH-ROCKY MOUNT BOARD OF EDUCATION  
SCHEDULE OF REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF BOARD CONTRIBUTIONS  
TEACHERS' AND STATE EMPLOYEES' RETIREMENT SYSTEM  
LAST TEN FISCAL YEARS**

	2020	2019	2018	2017	2016
Contractually required contribution	\$ 10,518,752	\$ 10,130,639	\$ 8,811,644	\$ 8,182,378	\$ 7,086,545
Contributions in relation to the contractually required contribution	<u>10,518,752</u>	<u>10,130,639</u>	<u>8,811,644</u>	<u>8,182,378</u>	<u>7,086,545</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Board's covered payroll	\$ 81,100,632	\$ 82,429,935	\$ 81,740,668	\$ 81,987,756	\$ 77,448,579
Contributions as a percentage of covered payroll	12.97%	12.29%	10.78%	9.98%	9.15%
	2015	2014	2013	2012	2011
Contractually required contribution	\$ 7,017,165	\$ 6,539,037	\$ 6,840,352	\$ 6,357,633	\$ 4,318,520
Contributions in relation to the contractually required contribution	<u>7,017,165</u>	<u>6,539,037</u>	<u>6,840,352</u>	<u>6,357,633</u>	<u>4,318,520</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Board's covered payroll	\$ 76,690,342	\$ 75,247,837	\$ 82,117,075	\$ 85,452,060	\$ 87,596,755
Contributions as a percentage of covered payroll	9.15%	8.69%	8.33%	7.44%	4.93%



**NASH-ROCKY MOUNT BOARD OF EDUCATION  
SCHEDULE OF REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF THE BOARD'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY  
RETIREE HEALTH BENEFIT FUND  
LAST FOUR FISCAL YEARS\***

	2020	2019	2018	2017
Board's proportion of the net OPEB liability (asset)	0.459%	0.487%	0.509%	0.469%
Board's proportionate share of the net OPEB liability (asset)	\$ 145,364,768	\$ 138,834,918	\$ 167,007,178	\$ 203,906,417
Board's covered payroll	\$ 82,429,935	\$ 81,740,668	\$ 81,987,756	\$ 77,448,579
Board's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	176.35%	169.85%	203.70%	263.28%
Plan fiduciary net position as a percentage of the total OPEB liability	4.40%	4.40%	3.52%	2.41%

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

Note: This is a ten year schedule. However, GASB 75 was not adopted until the fiscal year ended June 30, 2018. Therefore, there are only four years of data presented.

**NASH-ROCKY MOUNT BOARD OF EDUCATION**  
**SCHEDULE OF REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF BOARD CONTRIBUTIONS**  
**RETIREE HEALTH BENEFIT FUND**  
**LAST TEN FISCAL YEARS**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Contractually required contribution	\$ 5,247,211	\$ 5,168,357	\$ 4,945,310	\$ 4,734,456	\$ 4,317,941
Contributions in relation to the contractually required contribution	<u>5,247,211</u>	<u>5,168,357</u>	<u>4,945,310</u>	<u>4,734,456</u>	<u>4,317,941</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Board's covered payroll	\$ 81,100,632	\$ 82,429,935	\$ 81,740,668	\$ 81,987,756	\$ 77,448,579
Contributions as a percentage of covered payroll	6.47%	6.27%	6.05%	5.81%	5.60%
	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Contractually required contribution	\$ 4,185,790	\$ 4,055,596	\$ 4,352,205	\$ 4,272,603	\$ 4,292,241
Contributions in relation to the contractually required contribution	<u>4,185,790</u>	<u>4,055,596</u>	<u>4,352,205</u>	<u>4,272,603</u>	<u>4,292,241</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Board's covered payroll	\$ 76,690,342	\$ 75,247,837	\$ 82,117,075	\$ 85,452,060	\$ 87,596,755
Contributions as a percentage of covered payroll	5.49%	5.40%	5.30%	5.00%	4.90%

**NASH-ROCKY MOUNT BOARD OF EDUCATION  
SCHEDULE OF REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF THE BOARD'S PROPORTIONATE SHARE OF THE NET OPEB ASSET  
DISABILITY INCOME PLAN OF NORTH CAROLINA  
LAST FOUR FISCAL YEARS\***

---

	2020	2019	2018	2017
Board's proportion of the net OPEB asset	0.456%	0.479%	0.495%	0.486%
Board's proportionate share of the net OPEB asset	\$ 196,859	\$ 145,455	\$ 302,245	\$ 301,638
Board's covered payroll	\$ 82,429,935	\$ 81,740,668	\$ 81,987,756	\$ 77,448,579
Board's proportionate share of the net OPEB asset as a percentage of its covered payroll	0.24%	0.18%	0.37%	0.39%
Plan fiduciary net position as a percentage of the total OPEB asset	113.00%	108.47%	116.23%	116.06%

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

Note: This is a ten year schedule. However, GASB 75 was not adopted until the fiscal year ended June 30, 2018. Therefore, there are only four years of data presented.

**NASH-ROCKY MOUNT BOARD OF EDUCATION**  
**SCHEDULE OF REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF BOARD CONTRIBUTIONS**  
**DISABILITY INCOME PLAN OF NORTH CAROLINA**  
**LAST TEN FISCAL YEARS**

	2020	2019	2018	2017	2016
Contractually required contribution	\$ 81,101	\$ 115,402	\$ 114,437	\$ 309,655	\$ 316,135
Contributions in relation to the contractually required contribution	<u>81,101</u>	<u>115,402</u>	<u>114,437</u>	<u>309,655</u>	<u>316,135</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Board's covered payroll	\$ 81,100,632	\$ 82,429,935	\$ 81,740,668	\$ 81,987,756	\$ 77,448,579
Contributions as a percentage of covered payroll	0.10%	0.14%	0.14%	0.38%	0.41%
	2015	2014	2013	2012	2011
Contractually required contribution	\$ 312,600	\$ 330,456	\$ 361,315	\$ 444,351	\$ 455,503
Contributions in relation to the contractually required contribution	<u>312,600</u>	<u>330,456</u>	<u>361,315</u>	<u>444,351</u>	<u>455,503</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Board's covered payroll	\$ 76,690,342	\$ 75,247,837	\$ 82,117,075	\$ 85,452,060	\$ 87,596,755
Contributions as a percentage of covered payroll	0.41%	0.44%	0.44%	0.52%	0.52%

**NASH-ROCKY MOUNT BOARD OF EDUCATION**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -**  
**BUDGET AND ACTUAL**  
**GENERAL FUND**  
**For the Fiscal Year Ended June 30, 2020**

	Final Budget	Actual	Variance with Final Budget
Revenues:			
Local Counties and City:			
Edgecombe County appropriation	\$ 2,188,320	\$ 2,188,320	\$ -
Nash County appropriation	20,500,261	20,500,261	-
City of Rocky Mount appropriation	427,268	427,280	12
Total Local Counties and City	23,115,849	23,115,861	12
Other:			
Fines and forfeitures	440,000	552,546	112,546
Interest earned on investment	-	10,919	10,919
Total other	440,000	563,465	123,465
Total revenues	23,555,849	23,679,326	123,477
Expenditures:			
Current:			
Instructional services:			
Regular instructional		5,984,330	
Special populations		784,042	
Alternative programs		178,350	
School leadership		760,711	
Co-curricular		1,044,016	
School-based support		717,445	
Total instructional services	9,468,894	9,468,894	-
System-wide support services:			
Support and development		100,876	
Special population support and development		74,660	
Alternative programs and services			
support and development		560	
Technology support		64,891	
Operational support		8,888,554	
Financial and human resource services		1,824,074	
Accountability		6,680	
Policy, leadership and public relations		650,879	
Total system-wide support services	12,313,428	11,611,174	702,254

**NASH-ROCKY MOUNT BOARD OF EDUCATION**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -**  
**BUDGET AND ACTUAL (Continued)**  
**GENERAL FUND**  
**For the Fiscal Year Ended June 30, 2020**

	Final Budget	Actual	Variance with Final Budget
Expenditures: (Continued)			
Current:			
Ancillary services:			
Nutrition	86,276	86,276	-
Non-programmed charges:			
Payments to other governments	1,750,000	1,557,113	192,887
Debt service:			
Principal retirement	32,847	32,847	-
Interest and fees	2,662	2,662	-
Total debt service	35,509	35,509	-
Total expenditures	23,654,107	22,758,966	895,141
Revenues over (under) expenditures	(98,258)	920,360	1,018,618
Fund balance appropriated	98,258	-	(98,258)
Net change in fund balance	\$ -	920,360	\$ 920,360
Fund balance:			
Beginning of year		3,269,890	
Change in reserve for inventories		49,639	
End of year		\$ 4,239,889	

**NASH-ROCKY MOUNT BOARD OF EDUCATION**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -**  
**BUDGET AND ACTUAL**  
**CAPITAL OUTLAY FUND**  
**For the Fiscal Year Ended June 30, 2020**

	Final Budget	Actual	Variance with Final Budget
Revenues:			
State of North Carolina:			
State appropriations - buses	\$ 842,006	\$ 842,006	\$ -
Local Counties:			
Edgecombe County appropriations	311,293	311,293	-
Nash County appropriations	1,396,890	1,396,890	-
Nash County - new school project	-	138,375	138,375
Total local Counties	1,708,183	1,846,558	138,375
Other:			
Proceeds from disposal of capital assets	-	21,970	21,970
Miscellaneous	-	25,626	25,626
Total other	-	47,596	47,596
Total revenues	2,550,189	2,736,160	185,971
Expenditures:			
Debt service:			
Principal retirement	842,006	842,006	-
Current:			
Instructional services:			
Regular instructional		12,270	
Total instructional services	12,270	12,270	-
System-wide support services:			
Operational support		2,069,081	
Total system-wide support services	2,183,614	2,069,081	114,533
Capital outlay	810,394	689,910	120,484
Total expenditures	3,848,284	3,613,267	235,017
Revenues under expenditures	(1,298,095)	(877,107)	420,988
Other financing sources:			
Installment purchase obligations issued	719,738	719,738	-
Fund balance appropriated	578,357	-	(578,357)
Net change in fund balance	\$ -	(157,369)	\$ (157,369)
Fund balance:			
Beginning of year		707,084	
End of year		\$ 549,715	

**NASH-ROCKY MOUNT BOARD OF EDUCATION**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**INDIVIDUAL SCHOOLS FUND**  
**For the Fiscal Year Ended June 30, 2020**

	Revenues	Expenditures	Net change in fund balance	Fund balances June 30, 2019	Fund balances June 30, 2020
Bailey Elementary	\$ 30,683	\$ 25,803	\$ 4,880	\$ 19,771	\$ 24,651
Baskerville Elementary	31,592	29,784	1,808	8,260	10,068
Benvenue Elementary	19,518	20,743	(1,225)	7,683	6,458
Cedar Grove Elementary	3,080	4,161	(1,081)	4,049	2,968
Coopers Elementary	12,589	13,684	(1,095)	20,443	19,348
Englewood Elementary	12,855	16,391	(3,536)	21,911	18,375
Fairview Elementary	17,304	16,610	694	15,478	16,172
M.B. Hubbard Elementary	9,913	8,306	1,607	656	2,263
D.S. Johnson Elementary	18,283	18,168	115	13,476	13,591
Middlesex Elementary	45,413	36,641	8,772	18,789	27,561
Nashville Elementary	35,101	27,347	7,754	26,152	33,906
Red Oak Elementary	33,596	26,946	6,650	9,641	16,291
Spring Hope Elementary	52,288	41,587	10,701	18,406	29,107
Swift Creek Elementary	36,836	31,495	5,341	5,659	11,000
Willford Elementary	1,787	2,053	(266)	3,790	3,524
Winstead Elementary	25,289	32,652	(7,363)	17,746	10,383
J.W. Parker Middle	34,559	36,370	(1,811)	7,763	5,952
Edwards Middle	50,466	46,011	4,455	23,171	27,626
Nash Central Middle	78,670	73,333	5,337	22,998	28,335
Red Oak Middle	133,780	137,119	(3,339)	87,625	84,286
Rocky Mount Middle	46,229	40,392	5,837	22,647	28,484
Southern Nash Middle	95,543	94,210	1,333	65,047	66,380
Nash Central High	303,303	299,430	3,873	125,276	129,149
Northern Nash Senior	350,963	319,834	31,129	193,382	224,511
Rocky Mount High	238,347	237,308	1,039	104,731	105,770
Southern Nash Senior	388,560	395,466	(6,906)	252,299	245,393
Tar River Academy	1,499	1,790	(291)	539	248
Nash-Rocky Mount Middle College	11,939	18,101	(6,162)	44,800	38,638
CITI High School	1,406	538	868	221	1,089
Totals	<u>\$ 2,121,391</u>	<u>\$ 2,052,273</u>	<u>\$ 69,118</u>	<u>\$ 1,162,409</u>	<u>\$ 1,231,527</u>



**NASH-ROCKY MOUNT BOARD OF EDUCATION**  
**SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP)**  
**SCHOOL FOOD SERVICE FUND**  
**For the Fiscal Year Ended June 30, 2020**

	Final Budget	Actual	Variance with Final Budget
Operating revenues:			
Food sales	\$ 1,028,775	\$ 774,727	\$ (254,048)
Other	-	15,147	15,147
Total operating revenues	<u>1,028,775</u>	<u>789,874</u>	<u>(238,901)</u>
Operating expenditures:			
Business support services:			
Purchase of food		2,308,338	
Donated commodities		518,672	
Salaries and benefits		3,616,597	
Indirect costs		395,720	
Materials and supplies		297,192	
Repairs and maintenance		160,295	
Non-capitalized equipment		3,137	
Other		53,487	
Capital outlay		73,199	
Total operating expenditures	<u>9,441,011</u>	<u>7,426,637</u>	<u>2,014,374</u>
Operating loss	<u>(8,412,236)</u>	<u>(6,636,763)</u>	<u>1,775,473</u>
Nonoperating revenues:			
Federal reimbursements and grants	7,012,488	6,494,903	(517,585)
Federal commodities	598,045	518,672	(79,373)
State reimbursements	6,664	6,135	(529)
Interest earned	16,268	22,648	6,380
Total nonoperating revenues	<u>7,633,465</u>	<u>7,042,358</u>	<u>(591,107)</u>
Excess (deficiency) of revenues over expenditures before other financing sources and fund balance appropriated	(778,771)	405,595	1,184,366
Other financing sources:			
Transfers from other funds	-	107,017	107,017
Fund balance appropriated	<u>778,771</u>	<u>-</u>	<u>(778,771)</u>
Net change in fund balance	<u>\$ -</u>	<u>512,612</u>	<u>\$ 512,612</u>
Reconciliation of modified accrual to full accrual basis:			
Reconciling items:			
Depreciation		(78,788)	
Net OPEB asset		112	
Net pension liability		392,695	
Net OPEB liability		819,693	
Deferred outflows - pension and OPEB		(435,787)	
Deferred inflows - pension and OPEB		762,579	
Equipment purchases		73,199	
Decrease in compensated absences payable		27,586	
Decrease in inventories		(96,028)	
Change in net position (full accrual)		<u>\$ 1,977,873</u>	



## **Statistical Section**

## **STATISTICAL SECTION**

### **(Unaudited)**

The Statistical Section of the District's Comprehensive Annual Financial Report (CAFR) presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information say about the District's overall financial outlook.

### **Sections**

#### **Financial Trends**

These schedules contain trend information to help the reader understand how the District's financial performance and operations have changed over time.

#### **Operating Information**

These schedules contain service data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.

#### **Demographic and Economic Information**

These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place. County information is included.

#### **Debt Capacity**

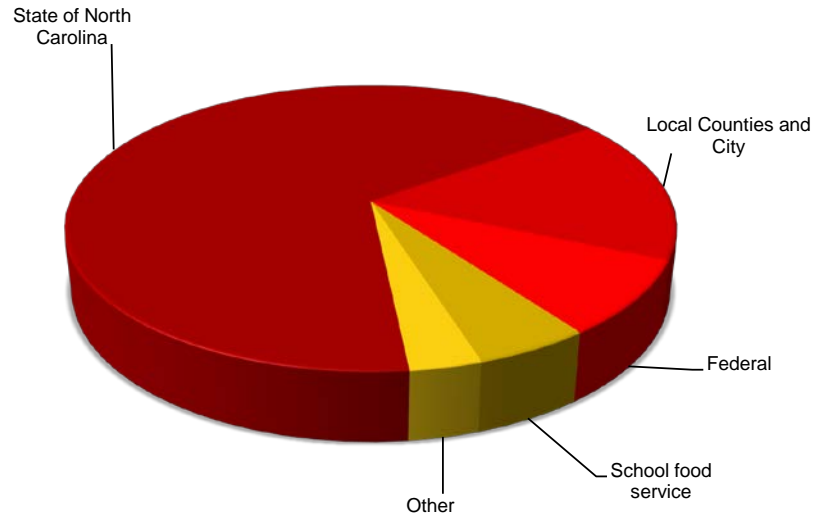
Since the District has no tax-levying or debt-issuing authority, the Counties of Nash and Edgecombe provide significant funding to the school system. Selected fiscal data from the Counties of Nash and Edgecombe has been included to help the reader better understand the school system and its financial operations.

#### **Revenue Capacity**

Since the District's local revenues are primarily provided by Nash County and Edgecombe County, these schedules on the counties' revenue sources are relevant to an understanding of Nash County and Edgecombe County's most significant local revenue source, the property tax.

**NASH-ROCKY MOUNT BOARD OF EDUCATION**  
**Financial Perspective**  
**Governmental and Business-type Activities**  
**For Year Ended June 30, 2020**

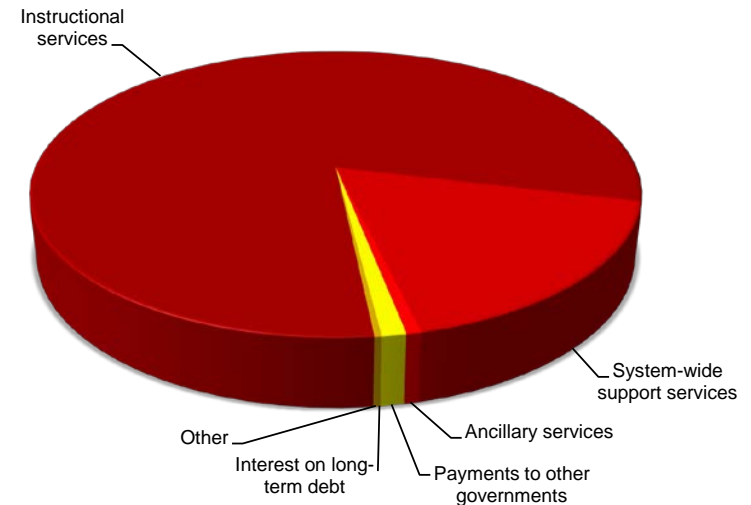
**Revenue Sources**



State of North Carolina	\$ 100,594,594
Local Counties and City	24,962,419
Federal	12,727,268
School food service	7,832,232
Other	4,886,588

	\$ 151,003,101
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**Expenses**



Instructional services	\$ 116,523,535
System-wide support services	25,341,911
Ancillary services	968,308
Payments to other governments	1,557,113
Interest on long-term debt	38,418
Other	441,250
School food service	5,961,376

	\$ 150,831,911
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# NASH-ROCKY MOUNT BOARD OF EDUCATION

## Net Position by Component

### Last Ten Fiscal Years

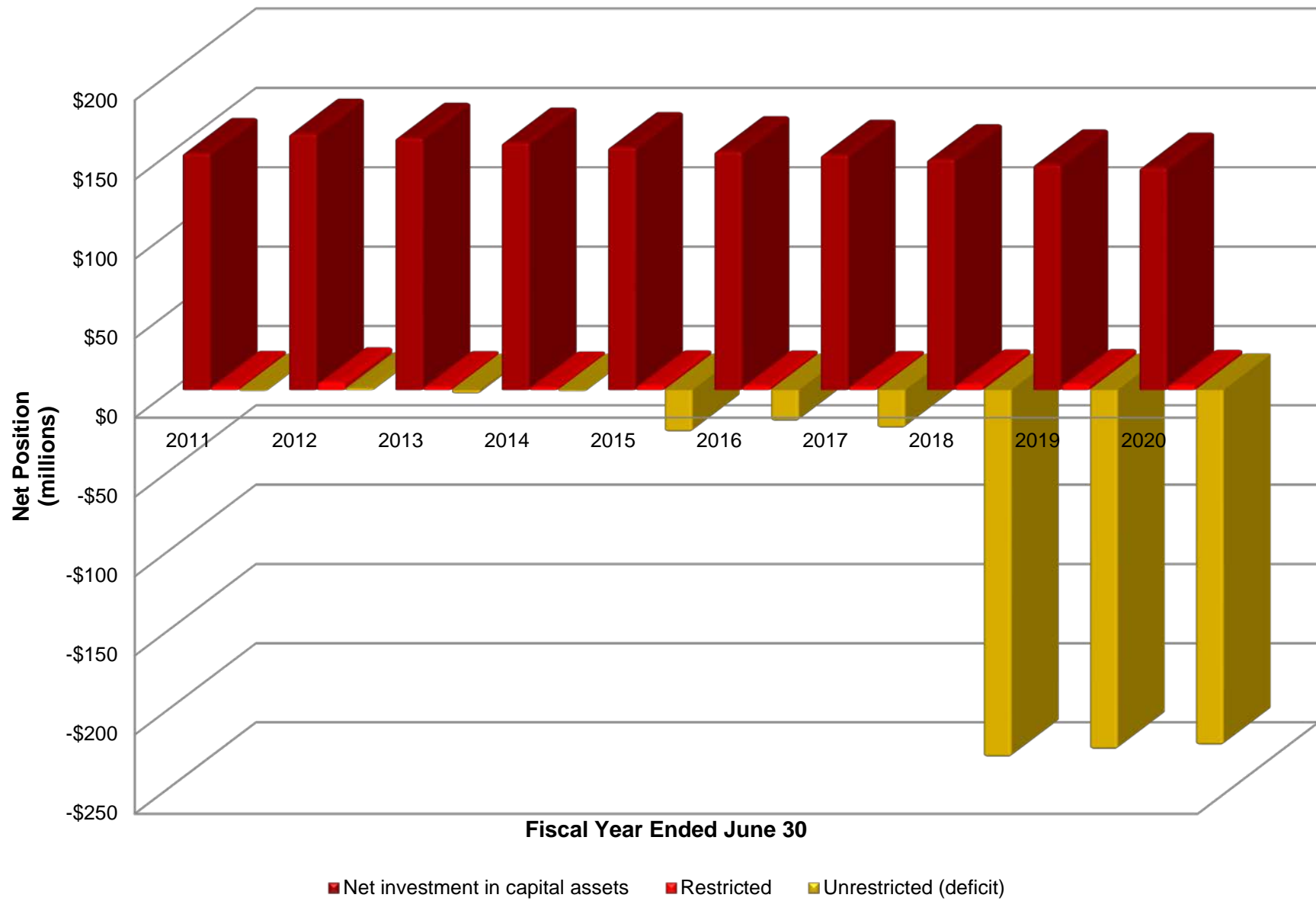
Year Ended June 30	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Governmental activities:										
Net investment in capital assets	\$ 149,288,714	\$ 161,153,340	\$ 158,623,125	\$ 155,549,222	\$ 152,688,438	\$ 150,112,321	\$ 147,849,551	\$ 145,123,434	\$ 141,782,012	\$ 139,815,707
Restricted	2,439,834	5,004,631	2,256,805	1,903,223	2,834,839	2,716,110	2,331,136	3,495,728	3,768,822	3,228,905
Unrestricted (deficit)	(4,174,364)	(2,320,998)	(6,772,085)	(5,136,290)	(30,041,571)	(23,571,004)	(27,604,719)	(229,196,694)	(224,209,888)	(223,510,349)
	<u>\$ 147,554,184</u>	<u>\$ 163,836,973</u>	<u>\$ 154,107,845</u>	<u>\$ 152,316,155</u>	<u>\$ 125,481,706</u>	<u>\$ 129,257,427</u>	<u>\$ 122,575,968</u>	<u>\$ (80,577,532)</u>	<u>\$ (78,659,054)</u>	<u>\$ (80,465,737)</u>
Business-type activities:										
Investment in capital assets	\$ 178,148	\$ 472,812	\$ 445,886	\$ 462,541	\$ 465,895	\$ 477,800	\$ 478,547	\$ 435,216	\$ 451,064	\$ 445,475
Restricted	-	-	-	-	-	-	-	16,532	19,187	12,088
Unrestricted (deficit)	3,321,686	3,593,798	4,034,961	4,149,276	3,108,610	3,356,262	3,099,755	(2,911,940)	(3,037,423)	(1,046,862)
	<u>\$ 3,499,834</u>	<u>\$ 4,066,610</u>	<u>\$ 4,480,847</u>	<u>\$ 4,611,817</u>	<u>\$ 3,574,505</u>	<u>\$ 3,834,062</u>	<u>\$ 3,578,302</u>	<u>\$ (2,460,192)</u>	<u>\$ (2,567,172)</u>	<u>\$ (589,299)</u>
District-wide:										
Net investment in capital assets	\$ 149,466,862	\$ 161,626,152	\$ 159,069,011	\$ 156,011,763	\$ 153,154,333	\$ 150,590,121	\$ 148,328,098	\$ 145,558,650	\$ 142,233,076	\$ 140,261,182
Restricted	2,439,834	5,004,631	2,256,805	1,903,223	2,834,839	2,716,110	2,331,136	3,512,260	3,788,009	3,240,993
Unrestricted (deficit)	(852,678)	1,272,800	(2,737,124)	(987,014)	(26,932,961)	(20,214,742)	(24,504,964)	(232,108,634)	(227,247,311)	(224,557,211)
	<u>\$ 151,054,018</u>	<u>\$ 167,903,583</u>	<u>\$ 158,588,692</u>	<u>\$ 156,927,972</u>	<u>\$ 129,056,211</u>	<u>\$ 133,091,489</u>	<u>\$ 126,154,270</u>	<u>\$ (83,037,724)</u>	<u>\$ (81,226,226)</u>	<u>\$ (81,055,036)</u>

Source: Nash-Rocky Mount Board of Education, North Carolina, Annual Financial Reports

Note: Net position for 2014 and before is not comparable to 2015 (and after) net position due to the implementation of GASB 68 for the year ended June 30, 2015. The standard requires the Board to record its proportionate share of the net pension liability associated with the Board's participation in the Statewide Teachers' and State Employees' Retirement System (TSERS).

Note: Net position for 2017 and before are not comparable to 2018 (and after) net position due to the implementation of GASB 75 for the year ended June 30, 2018. The standard requires the Board to record its proportionate share of the net OPEB liability and net OPEB asset associated with its participation in the statewide Teachers' and State Employees' Retirement System (TSERS).

## Net Position by Component District-wide



# **NASH-ROCKY MOUNT BOARD OF EDUCATION**

Changes in Net Position  
Last Ten Fiscal Years

Year Ended June 30	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>Expenses</b>										
Governmental activities:										
Instructional services	\$ 112,448,817	\$ 110,629,498	\$ 115,863,569	\$ 100,706,516	\$ 101,392,026	\$ 102,759,938	\$ 113,027,750	\$ 119,524,173	\$ 111,360,926	\$ 116,523,535
System-wide support services	24,990,141	29,013,818	29,933,289	28,300,808	28,182,239	26,304,738	28,890,243	28,416,539	27,668,585	25,341,911
Ancillary services	56,158	149,644	78,452	136,486	84,718	60,151	141,293	79,611	89,862	968,308
Payments to other governments	739,388	1,067,100	1,088,311	1,206,625	1,380,554	1,367,360	1,520,154	1,575,211	1,700,846	1,557,113
Interest on long-term debt	725	258	89,928	89,719	81,767	34,631	22,951	87,744	67,339	38,418
Unallocated depreciation expense	3,683,725	607,233	590,034	516,504	407,642	402,837	405,309	429,089	428,232	441,250
Total governmental activities expenses	141,918,954	141,467,551	147,643,583	130,956,658	131,528,946	130,929,655	144,007,700	150,112,367	141,315,790	144,870,535
Business-type activities:										
School food service	8,382,444	8,679,368	8,535,556	8,670,876	8,513,310	8,708,841	8,554,698	8,798,689	8,236,961	5,961,376
Total district-wide expenses	\$ 150,301,398	\$ 150,146,919	\$ 156,179,139	\$ 139,627,534	\$ 140,042,256	\$ 139,638,496	\$ 152,562,398	\$ 158,911,056	\$ 149,552,751	\$ 150,831,911
<b>Program Revenues</b>										
Governmental activities:										
Charges for services:										
Instructional services	\$ 42,844	\$ 2,401,656	\$ 2,530,675	\$ 2,975,532	\$ 2,834,339	\$ 2,936,684	\$ 2,937,555	\$ 3,011,705	\$ 2,690,176	\$ 2,555,073
Business support	26,899	-	-	-	-	-	-	-	-	-
Operating grants and contributions	106,536,227	112,319,216	99,665,380	94,369,299	96,887,259	99,325,983	100,612,937	101,730,975	106,758,990	108,157,936
Capital grants and contributions	444,562	119,237	408,167	144,468	144,468	-	301,107	544,459	589,254	842,006
Total governmental activities program revenues	107,050,532	114,840,109	102,604,222	97,489,299	99,866,066	102,262,667	103,851,599	105,287,139	110,038,420	111,555,015
Business-type activities:										
Charges for services:										
Student meal services	2,281,397	2,176,483	2,041,230	1,833,838	1,454,362	1,301,647	1,087,632	1,024,307	970,191	774,727
Operating grants and contributions	6,562,472	6,550,741	6,788,220	6,826,240	6,935,465	7,581,702	7,127,529	7,481,888	7,054,743	7,019,710
Capital grants and contributions	-	327,290	-	-	-	-	-	-	-	-
Total business-type activities program revenues	8,843,869	9,054,514	8,829,450	8,660,078	8,389,827	8,883,349	8,215,161	8,506,195	8,024,934	7,794,437
Total district-wide program revenues	\$ 115,894,401	\$ 123,894,623	\$ 111,433,672	\$ 106,149,377	\$ 108,255,893	\$ 111,146,016	\$ 112,066,760	\$ 113,793,334	\$ 118,063,354	\$ 119,349,452
<b>Net (Expense) Revenue</b>										
Governmental activities	\$ (34,868,422)	\$ (26,627,442)	\$ (45,039,361)	\$ (33,467,359)	\$ (31,662,880)	\$ (28,666,988)	\$ (40,156,101)	\$ (44,825,228)	\$ (31,277,370)	\$ (33,315,520)
Business-type activities	461,425	375,146	293,894	(10,798)	(123,483)	174,508	(339,537)	(292,494)	(212,027)	1,833,061
Total district-wide net (expense) revenue	\$ (34,406,997)	\$ (26,252,296)	\$ (44,745,467)	\$ (33,478,157)	\$ (31,786,363)	\$ (28,492,480)	\$ (40,495,638)	\$ (45,117,722)	\$ (31,489,397)	\$ (31,482,459)



**NASH-ROCKY MOUNT BOARD OF EDUCATION**  
**Changes in Net Position (continued)**  
**Last Ten Fiscal Years**

Year Ended June 30	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>General Revenues and Other Changes in Net Position</b>										
Governmental activities:										
Unrestricted county appropriations - operating	\$ 22,237,618	\$ 22,286,869	\$ 21,993,806	\$ 21,907,431	\$ 22,696,472	\$ 22,413,096	\$ 22,946,368	\$ 22,971,745	\$ 23,106,251	\$ 23,115,861
Unrestricted county appropriations - capital	29,765,133	14,603,931	3,376,518	1,563,989	1,565,270	1,580,651	1,572,036	1,578,797	2,355,569	1,846,558
Unrestricted State appropriations - operating	8,150,466	955,971	7,582,561	7,053,413	7,337,891	6,480,348	7,295,922	6,799,369	5,427,778	5,476,219
Unrestricted State appropriations - capital	310,490	2,309,283	524,110	278,310	212,538	587,462	400,000	-	-	-
Unrestricted Federal appropriations - operating	-	745,591	7,246	6,438	9,647	21,774	7,885	13,138	34,772	22,006
Investment earnings, unrestricted	36,203	18,251	10,890	5,450	2,632	3,928	5,466	7,497	10,871	10,919
Miscellaneous, unrestricted	1,763,524	2,160,621	1,921,139	989,331	2,169,013	1,412,575	1,304,456	3,092,746	2,330,559	1,144,291
Transfers	(88,394)	(170,286)	(106,037)	(128,693)	(56,105)	(57,125)	(57,491)	(61,893)	(69,952)	(107,017)
Total governmental activities	62,175,040	42,910,231	35,310,233	31,675,669	33,937,358	32,442,709	33,474,642	34,401,399	33,195,848	31,508,837
Business-type activities:										
Investment earnings, unrestricted	27,931	9,208	5,777	5,093	5,460	8,146	11,338	15,549	22,549	22,648
Miscellaneous, unrestricted	13,927	12,136	8,529	7,982	21,313	19,778	14,948	6,874	12,546	15,147
Transfers	88,394	170,286	106,037	128,693	56,105	57,125	57,491	61,893	69,952	107,017
Total business-type activities	130,252	191,630	120,343	141,768	82,878	85,049	83,777	84,316	105,047	144,812
Total district-wide	\$ 62,305,292	\$ 43,101,861	\$ 35,430,576	\$ 31,817,437	\$ 34,020,236	\$ 32,527,758	\$ 33,558,419	\$ 34,485,715	\$ 33,300,895	\$ 31,653,649
<b>Change in Net Position</b>										
Governmental activities	\$ 27,306,618	\$ 16,282,789	\$ (9,729,128)	\$ (1,791,690)	\$ 2,274,478	\$ 3,775,721	\$ (6,681,459)	\$ (10,423,829)	\$ 1,918,478	\$ (1,806,683)
Business-type activities	591,677	566,776	414,237	130,970	(40,605)	259,557	(255,760)	(208,178)	(106,980)	1,977,873
Total district-wide change in net position	\$ 27,898,295	\$ 16,849,565	\$ (9,314,891)	\$ (1,660,720)	\$ 2,233,873	\$ 4,035,278	\$ (6,937,219)	\$ (10,632,007)	\$ 1,811,498	\$ 171,190

Source: Nash-Rocky Mount Board of Education, North Carolina, Annual Financial Reports

Table 4

**NASH-ROCKY MOUNT BOARD OF EDUCATION**

**Governmental Funds**

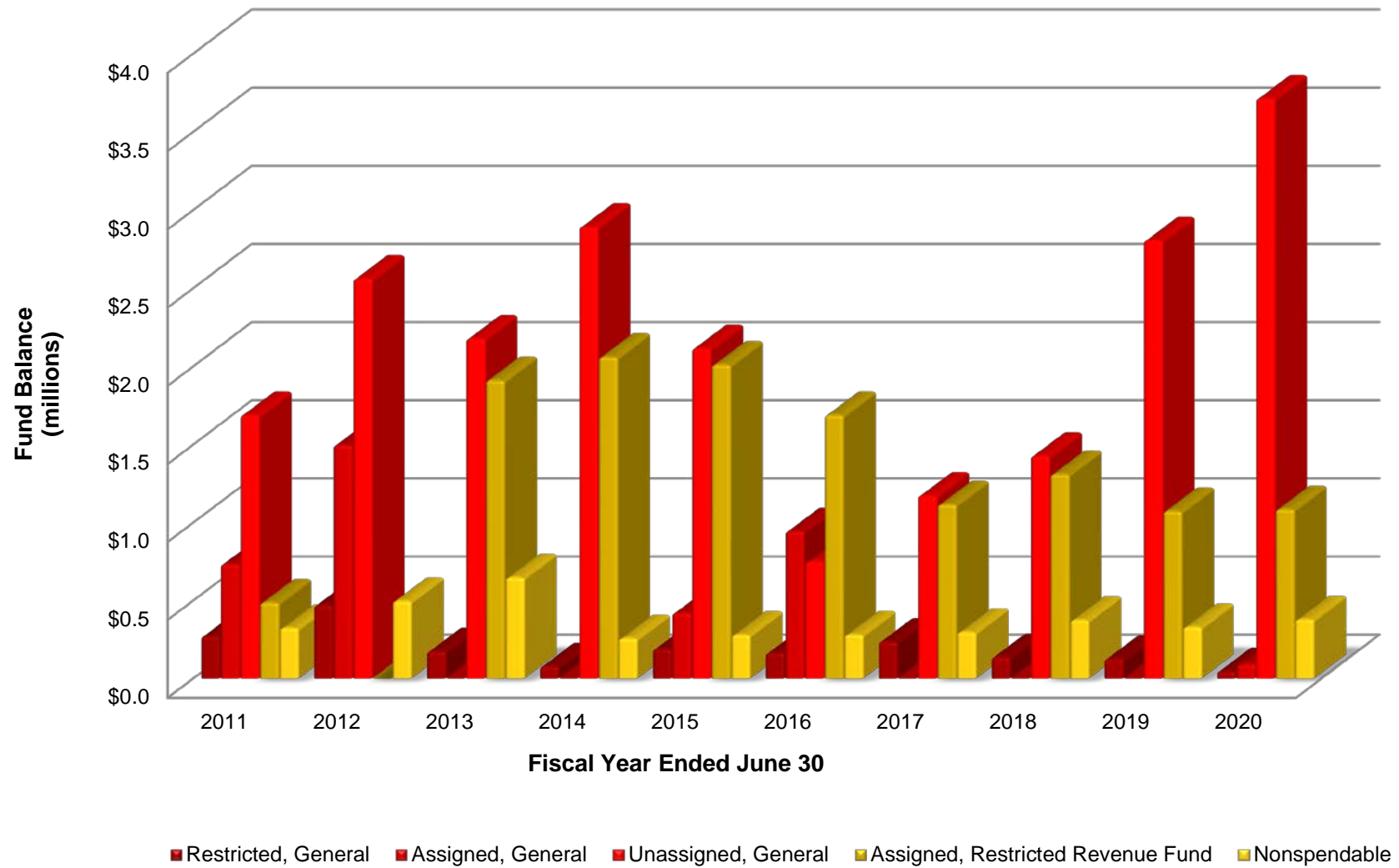
**Fund Balances**

**Last Ten Fiscal Years**

<b>Year Ended June 30</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
General Fund:										
Nonspendable	\$ 326,251	\$ 499,461	\$ 651,864	\$ 259,802	\$ 283,295	\$ 284,705	\$ 301,163	\$ 378,365	\$ 332,841	\$ 382,480
Restricted	273,788	472,428	177,031	80,339	191,768	166,663	239,088	140,838	128,978	49,541
Assigned	736,718	1,500,000	-	-	423,230	946,567	-	-	-	92,929
Unassigned	1,691,040	2,563,044	2,180,328	2,894,601	2,118,181	752,058	1,175,610	1,430,243	2,808,071	3,714,939
Total General Fund	<u>\$ 3,027,797</u>	<u>\$ 5,034,933</u>	<u>\$ 3,009,223</u>	<u>\$ 3,234,742</u>	<u>\$ 3,016,474</u>	<u>\$ 2,149,993</u>	<u>\$ 1,715,861</u>	<u>\$ 1,949,446</u>	<u>\$ 3,269,890</u>	<u>\$ 4,239,889</u>
All other governmental funds:										
Restricted	\$ 2,230,814	\$ 4,532,203	\$ 2,079,774	\$ 1,822,884	\$ 2,643,071	\$ 2,549,447	\$ 2,092,048	\$ 2,806,136	\$ 2,990,435	\$ 3,153,044
Assigned, reported in:										
Restricted Revenue Fund	490,098	-	1,914,565	2,063,144	2,013,385	1,690,945	1,119,167	1,313,838	1,077,071	1,088,466
Capital Projects Fund	250,000	-	-	-	-	-	-	-	-	-
Total all other governmental funds	<u>\$ 2,970,912</u>	<u>\$ 4,532,203</u>	<u>\$ 3,994,339</u>	<u>\$ 3,886,028</u>	<u>\$ 4,656,456</u>	<u>\$ 4,240,392</u>	<u>\$ 3,211,215</u>	<u>\$ 4,119,974</u>	<u>\$ 4,067,506</u>	<u>\$ 4,241,510</u>

Source: Nash-Rocky Mount Board of Education, North Carolina, Annual Financial Reports

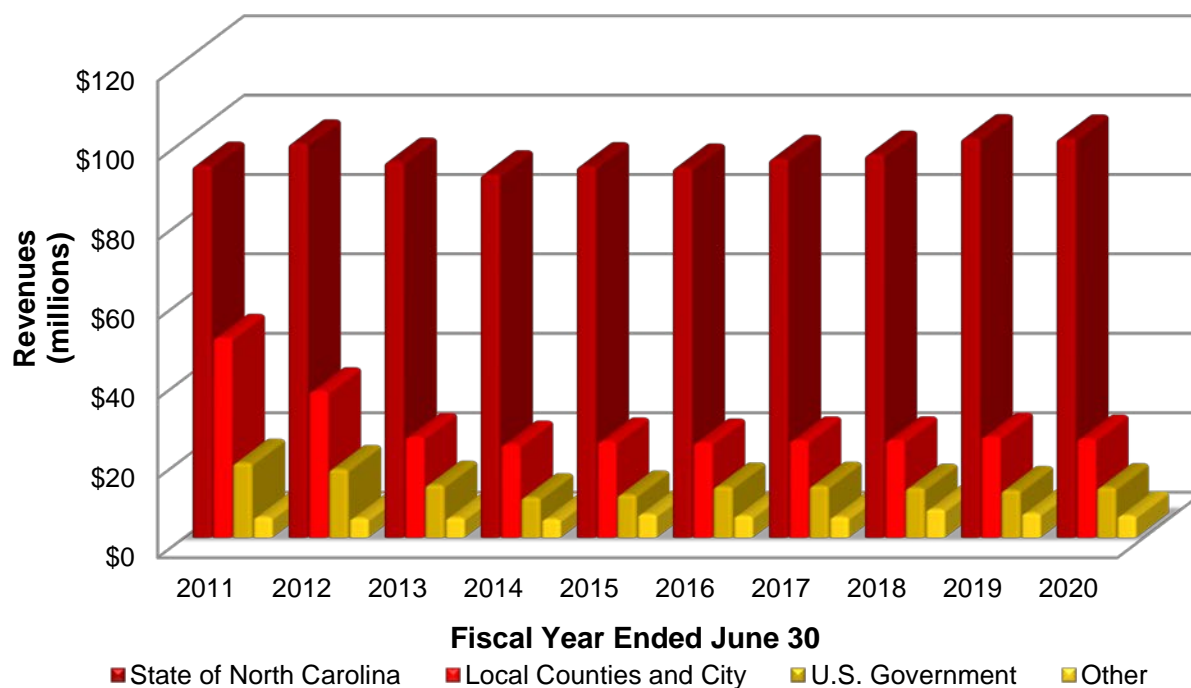
## Governmental Funds Fund Balances



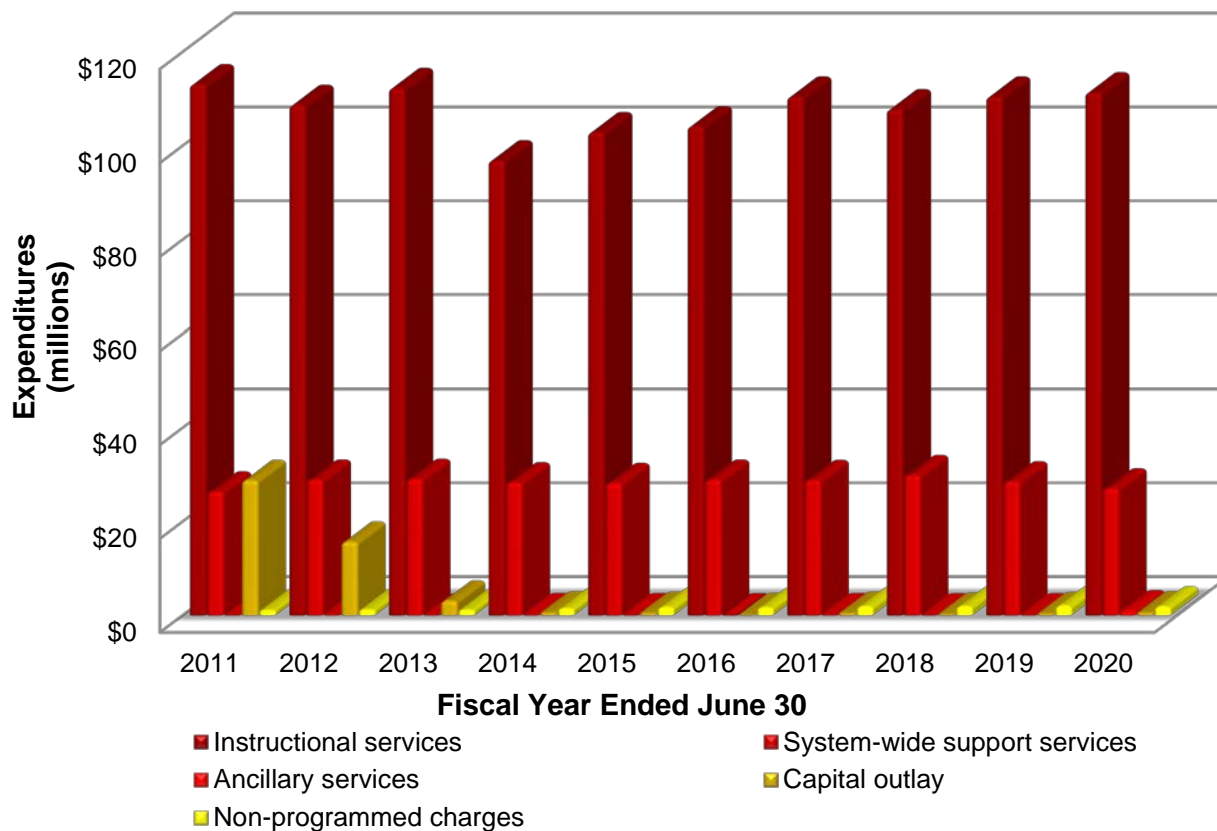
<b>NASH-ROCKY MOUNT BOARD OF EDUCATION</b> <b>Governmental Funds</b> <b>Changes in Fund Balances</b> <b>Last Ten Fiscal Years</b>						
<b>Year Ended June 30</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	
<b>Revenues</b>						
State of North Carolina	\$ 93,750,350	\$ 99,343,449	\$ 94,745,122	\$ 91,567,970	\$ 93,600,049	
Local Counties and City	50,341,307	36,890,800	25,370,324	23,471,420	24,261,742	
U.S. Government	18,907,451	17,319,633	13,340,473	10,206,993	10,899,942	
Other	5,256,391	4,930,528	5,079,701	4,732,607	5,986,927	
Total revenues	168,255,499	158,484,410	138,535,620	129,978,990	134,748,660	
<b>Expenditures</b>						
Instructional services	113,081,682	108,684,872	112,290,102	96,869,358	102,877,060	
System-wide support services	26,403,447	28,939,006	29,100,601	28,363,446	28,217,861	
Ancillary services	69,197	149,644	78,452	136,486	84,718	
Non-programmed charges	1,165,055	1,280,884	1,231,240	1,536,393	1,747,241	
Debt service:						
Principal retirement	456,854	131,535	3,193,171	1,615,171	1,941,645	
Interest and other charges	-	-	-	118,927	89,603	
Capital outlay	28,866,688	15,732,966	3,143,848	701,246	606,630	
Total expenditures	170,042,923	154,918,907	149,037,414	129,341,027	135,564,758	
Revenues over (under) expenditures	(1,787,424)	3,565,503	(10,501,794)	637,963	(816,098)	
<b>Other financing sources (uses)</b>						
Transfers to other funds	(88,394)	(170,286)	(106,037)	(128,693)	(56,105)	
Installment purchase obligations	476,942	-	7,891,854	-	1,400,870	
Total other financing sources (uses)	388,548	(170,286)	7,785,817	(128,693)	1,344,765	
Net change in fund balances	\$ (1,398,876)	\$ 3,395,217	\$ (2,715,977)	\$ 509,270	\$ 528,667	
Ratio of debt service expenditures to total non-capital expenditures	0.32%	0.09%	2.19%	1.35%	1.51%	
<b>Year Ended June 30</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	
<b>Revenues</b>						
State of North Carolina	\$ 93,249,363	\$ 95,448,064	\$ 96,496,160	\$ 100,666,205	\$ 100,594,594	
Local Counties and City	23,993,747	24,518,404	24,550,542	25,461,820	24,962,419	
U.S. Government	12,927,416	13,114,187	12,579,553	12,030,781	12,727,268	
Other	5,568,127	5,291,656	7,230,198	6,204,704	5,623,527	
Total revenues	135,738,653	138,372,311	140,856,453	144,363,510	143,907,808	
<b>Expenditures</b>						
Instructional services	104,159,483	110,457,029	107,766,494	110,454,473	111,365,461	
System-wide support services	28,938,867	28,869,439	29,911,028	28,551,806	27,074,409	
Ancillary services	60,151	141,293	79,611	89,862	968,308	
Non-programmed charges	1,714,334	1,922,755	1,979,613	2,061,583	1,876,362	
Debt service:						
Principal retirement	1,816,267	969,033	1,026,874	1,405,673	1,393,418	
Interest and other charges	70,512	28,470	20,492	90,440	58,297	
Capital outlay	205,869	606,199	347,180	505,400	689,910	
Total expenditures	136,965,483	142,994,218	141,131,292	143,159,237	143,426,165	
Revenues over (under) expenditures	(1,226,830)	(4,621,907)	(274,839)	1,204,273	481,643	
<b>Other financing sources (uses)</b>						
Transfers to other funds	(57,125)	(57,491)	(61,893)	(69,952)	(107,017)	
Installment purchase obligations	-	3,199,631	1,401,874	179,179	719,738	
Total other financing sources (uses)	(57,125)	3,142,140	1,339,981	109,227	612,721	
Net change in fund balances	\$ (1,283,955)	\$ (1,479,767)	\$ 1,065,142	\$ 1,313,500	\$ 1,094,364	
Ratio of debt service expenditures to total non-capital expenditures	1.38%	0.70%	0.76%	1.06%	1.02%	

Source: Nash-Rocky Mount Board of Education, North Carolina, Annual Financial Reports

## Governmental Funds Revenues by Source



## Governmental Funds Expenditures by Function



# **NASH-ROCKY MOUNT BOARD OF EDUCATION**

## **Operational Expenditures Per Pupil**

### **Expenditures by Function**

#### **Last Ten Fiscal Years**

<b>EXPRESSED IN NOMINAL DOLLARS</b>					
<b>Year Ended June 30</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
Average Daily Membership	16,802	16,330	16,181	15,917	15,703
Instructional	\$ 6,730	\$ 6,656	\$ 6,940	\$ 6,086	\$ 6,551
System-wide support	1,571	1,772	1,798	1,782	1,797
Ancillary	4	9	5	9	5
Total expenditures per pupil	<u>\$ 8,305</u>	<u>\$ 8,437</u>	<u>\$ 8,743</u>	<u>\$ 7,877</u>	<u>\$ 8,353</u>
<b>EXPRESSED IN NOMINAL DOLLARS</b>					
<b>Year Ended June 30</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
Average Daily Membership	15,415	15,145	14,967	14,763	14,910
Instructional	\$ 6,757	\$ 7,293	\$ 7,200	\$ 7,482	\$ 7,469
System-wide support	1,877	1,906	1,998	1,934	1,816
Ancillary	4	9	5	6	65
Total expenditures per pupil	<u>\$ 8,638</u>	<u>\$ 9,208</u>	<u>\$ 9,203</u>	<u>\$ 9,422</u>	<u>\$ 9,350</u>

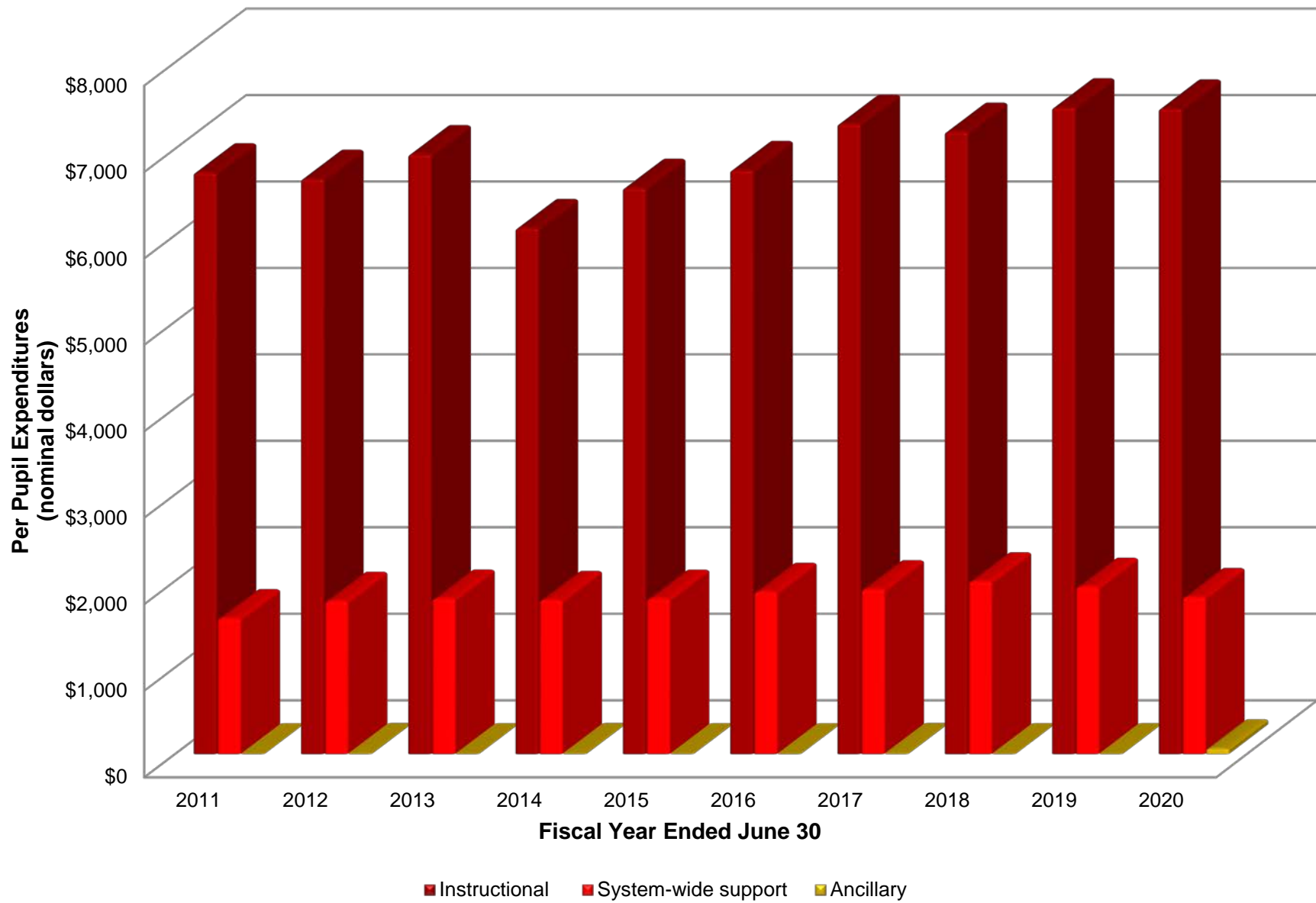
<b>EXPRESSED IN CONSTANT DOLLARS</b>					
<b>Year Ended June 30</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
Instructional	\$ 2,982	\$ 2,900	\$ 2,972	\$ 2,553	\$ 2,745
System-wide support	696	772	770	748	753
Ancillary	2	4	2	4	2
Total expenditures per pupil	<u>\$ 3,680</u>	<u>\$ 3,676</u>	<u>\$ 3,744</u>	<u>\$ 3,305</u>	<u>\$ 3,500</u>
<b>EXPRESSED IN CONSTANT DOLLARS</b>					
<b>Year Ended June 30</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
Instructional	\$ 2,803	\$ 2,977	\$ 2,857	\$ 2,921	\$ 2,897
System-wide support	779	778	793	755	704
Ancillary	2	4	2	2	25
Total expenditures per pupil	<u>\$ 3,584</u>	<u>\$ 3,759</u>	<u>\$ 3,652</u>	<u>\$ 3,678</u>	<u>\$ 3,626</u>

Source: Nash-Rocky Mount Board of Education, North Carolina, Annual Financial Reports.

Note: The above operational expenditures per pupil include all governmental funds.

Note: Nominal dollars reflect actual dollars of the period of the transaction. Constant dollars reflect dollars having a constant general purchasing power as shown by the Consumer Price Index for All Urban Consumers (CPI-U) (Calendar years 1982-1984=100).

## Operational Expenditures Per Pupil Expenditures by Function



**NASH-ROCKY MOUNT BOARD OF EDUCATION**  
**Proprietary Fund - Food Services Operations**  
**Revenues by Source**  
**Last Ten Fiscal Years**

<b>EXPRESSED IN NOMINAL DOLLARS</b>					
<b>Year Ended June 30</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
Food sales	\$ 2,281,397	\$ 2,176,483	\$ 2,041,230	\$ 1,833,838	\$ 1,454,362
Federal reimbursements	5,960,898	6,042,162	6,233,368	6,251,787	6,381,927
Federal commodities	591,645	494,573	536,251	554,780	539,092
Other	51,787	189,261	208,258	378,277	161,236
Total revenues	<u>\$ 8,885,727</u>	<u>\$ 8,902,479</u>	<u>\$ 9,019,107</u>	<u>\$ 9,018,682</u>	<u>\$ 8,536,617</u>
<b>EXPRESSED IN NOMINAL DOLLARS</b>					
<b>Year Ended June 30</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
Food sales	\$ 1,301,647	\$ 1,087,632	\$ 1,024,307	\$ 970,191	\$ 774,727
Federal reimbursements	6,967,122	6,531,583	6,865,641	6,490,945	6,494,903
Federal commodities	604,425	588,636	609,280	555,935	518,672
Other	104,227	23,458	29,390	42,958	43,930
Total revenues	<u>\$ 8,977,421</u>	<u>\$ 8,231,309</u>	<u>\$ 8,528,618</u>	<u>\$ 8,060,029</u>	<u>\$ 7,832,232</u>

<b>EXPRESSED IN CONSTANT DOLLARS</b>					
<b>Year Ended June 30</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
Food sales	\$ 1,010,711	\$ 948,450	\$ 874,173	\$ 769,411	\$ 609,443
Federal reimbursements	2,640,814	2,633,003	2,669,491	2,623,021	2,674,313
Federal commodities	262,112	215,521	229,654	232,765	225,904
Other	22,943	82,475	89,188	158,711	67,565
Total revenues	<u>\$ 3,936,580</u>	<u>\$ 3,879,449</u>	<u>\$ 3,862,506</u>	<u>\$ 3,783,908</u>	<u>\$ 3,577,225</u>
<b>EXPRESSED IN CONSTANT DOLLARS</b>					
<b>Year Ended June 30</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
Food sales	\$ 540,017	\$ 444,013	\$ 406,489	\$ 378,769	\$ 300,518
Federal reimbursements	2,890,466	2,666,442	2,724,580	2,534,110	2,519,387
Federal commodities	250,759	240,304	241,788	217,041	201,194
Other	43,241	9,576	11,663	16,771	17,041
Total revenues	<u>\$ 3,724,483</u>	<u>\$ 3,360,335</u>	<u>\$ 3,384,520</u>	<u>\$ 3,146,691</u>	<u>\$ 3,038,140</u>

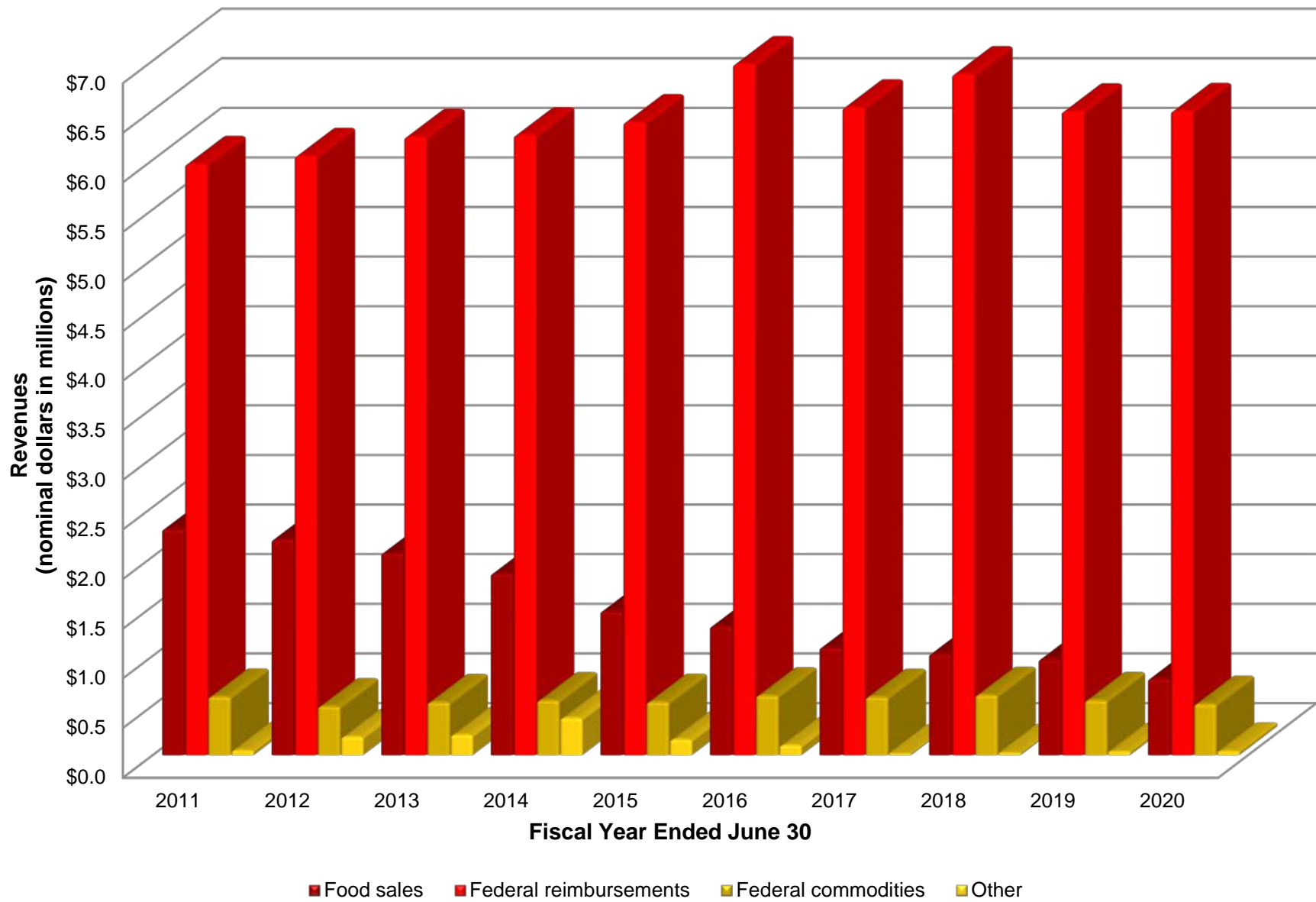
Source: Nash-Rocky Mount Board of Education, North Carolina, Annual Financial Reports.

Note: Other revenue includes interest earned, State reimbursements, and other revenue.

Note: Nominal dollars reflect actual dollars of the period of the transaction. Constant dollars reflect dollars having a constant general purchasing power as shown by the Consumer Price Index for All Urban Consumers (CPI-U) (Calendar years 1982-1984 = 100).



# Proprietary Fund - Food Service Operations Revenues by Source



**NASH-ROCKY MOUNT BOARD OF EDUCATION**  
**Proprietary Fund - Food Services Operations**  
**Expenses by Category**  
**Last Ten Fiscal Years**

<b>EXPRESSED IN NOMINAL DOLLARS</b>					
<b>Year Ended June 30</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
Purchase of food	\$ 2,561,341	\$ 2,645,502	\$ 2,731,609	\$ 2,658,573	\$ 2,613,780
Donated commodities	591,645	494,573	536,251	554,780	539,092
Salaries and benefits	4,270,414	4,248,207	4,277,101	4,453,697	4,131,001
Other	959,044	1,444,997	1,165,946	1,349,355	1,349,454
Total expenses	<u>\$ 8,382,444</u>	<u>\$ 8,833,279</u>	<u>\$ 8,710,907</u>	<u>\$ 9,016,405</u>	<u>\$ 8,633,327</u>
<b>EXPRESSED IN NOMINAL DOLLARS</b>					
<b>Year Ended June 30</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
Purchase of food	\$ 2,651,863	\$ 2,420,716	\$ 2,521,075	\$ 2,388,855	\$ 2,404,366
Donated commodities	604,425	588,636	609,280	555,935	518,672
Salaries and benefits	4,197,006	4,237,257	4,596,819	4,144,229	2,049,719
Other	1,321,695	1,308,089	1,071,515	1,147,942	988,619
Total expenses	<u>\$ 8,774,989</u>	<u>\$ 8,554,698</u>	<u>\$ 8,798,689</u>	<u>\$ 8,236,961</u>	<u>\$ 5,961,376</u>

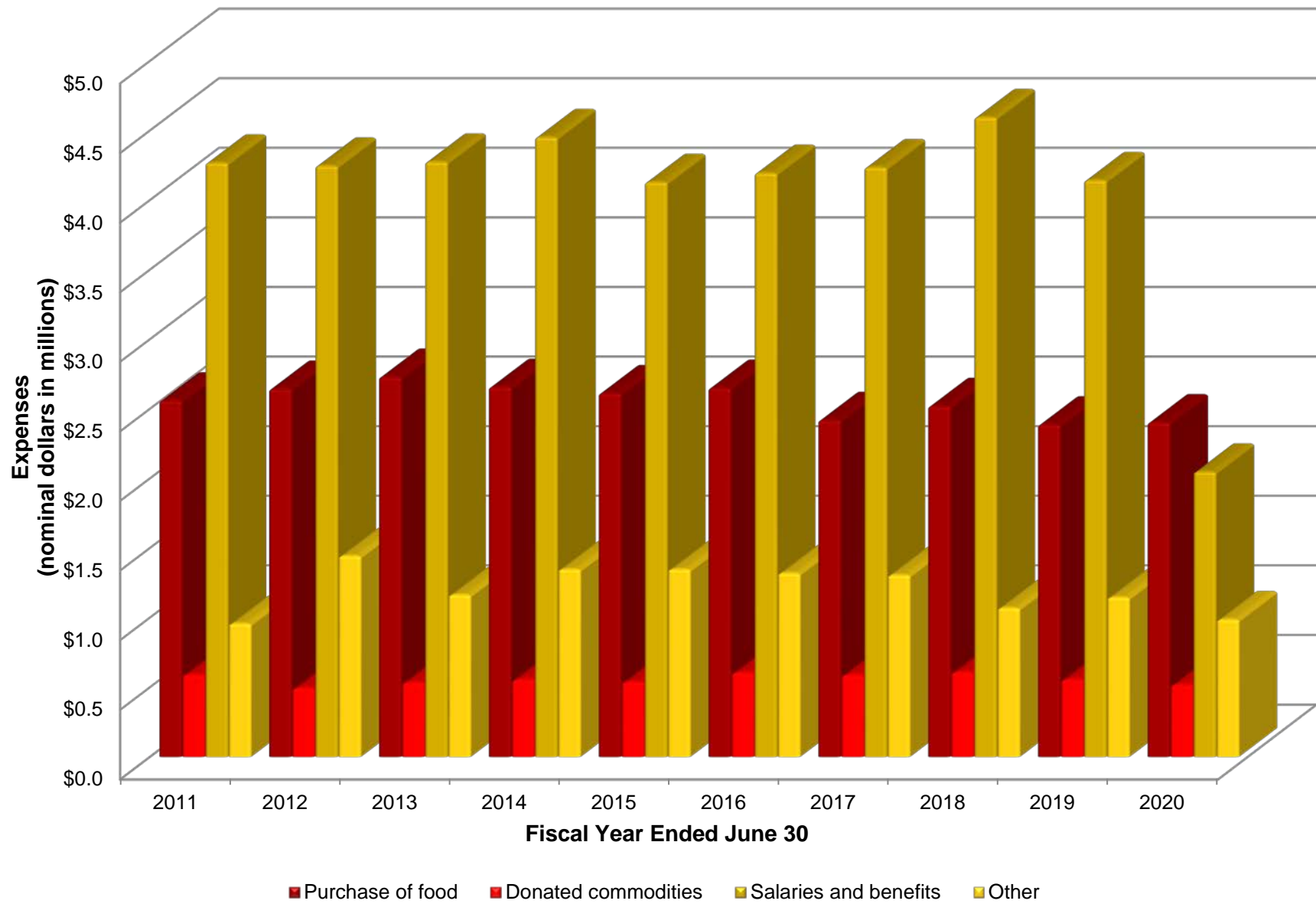
<b>EXPRESSED IN CONSTANT DOLLARS</b>					
<b>Year Ended June 30</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
Purchase of food	\$ 1,134,733	\$ 1,152,835	\$ 1,169,834	\$ 1,115,440	\$ 1,095,291
Donated commodities	262,112	215,521	229,654	232,765	225,904
Salaries and benefits	1,891,891	1,851,248	1,831,704	1,868,608	1,731,074
Other	424,878	629,689	499,326	566,140	565,482
Total expenses	<u>\$ 3,713,614</u>	<u>\$ 3,849,293</u>	<u>\$ 3,730,518</u>	<u>\$ 3,782,953</u>	<u>\$ 3,617,751</u>
<b>EXPRESSED IN CONSTANT DOLLARS</b>					
<b>Year Ended June 30</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
Purchase of food	\$ 1,100,185	\$ 988,229	\$ 1,000,470	\$ 932,626	\$ 932,659
Donated commodities	250,759	240,304	241,788	217,041	201,194
Salaries and benefits	1,741,222	1,729,810	1,824,214	1,617,936	795,090
Other	548,335	534,012	425,223	448,165	383,487
Total expenses	<u>\$ 3,640,501</u>	<u>\$ 3,492,355</u>	<u>\$ 3,491,695</u>	<u>\$ 3,215,768</u>	<u>\$ 2,312,430</u>

Source: Nash-Rocky Mount Board of Education, North Carolina, Annual Financial Reports.

Note: Other expense includes indirect costs, materials and supplies, repairs and maintenance, depreciation, and other expenses.

Note: Nominal dollars reflect actual dollars of the period of the transaction. Constant dollars reflect dollars having a constant general purchasing power as shown by the Consumer Price Index for All Urban Consumers (CPI-U) (Calendar years 1982-1984 = 100).

### Proprietary Fund - Food Services Operations Expenses by Category



**NASH-ROCKY MOUNT BOARD OF EDUCATION**  
**Ratios of Outstanding Debt by Type**  
**Last Ten Fiscal Years**

<b>Year Ended June 30</b>	<b>Installment Purchases</b>	<b>Total Primary Government</b>	<b>Percentage of Personal Income</b>	<b>Per Capita</b>
2020	\$ 1,551,129	\$ 1,551,129	N/A	N/A
2019	2,224,809	2,224,809	N/A	\$ 24
2018	3,451,303	3,451,303	0.087%	37
2017	3,076,303	3,076,303	0.081%	33
2016	845,705	845,705	0.023%	9
2015	2,661,972	2,661,972	0.073%	28
2014	3,202,747	3,202,747	0.091%	34
2013	4,817,918	4,817,918	0.139%	51
2012	119,235	119,235	0.004%	1
2011	250,512	250,512	0.008%	3

N/A = Not available

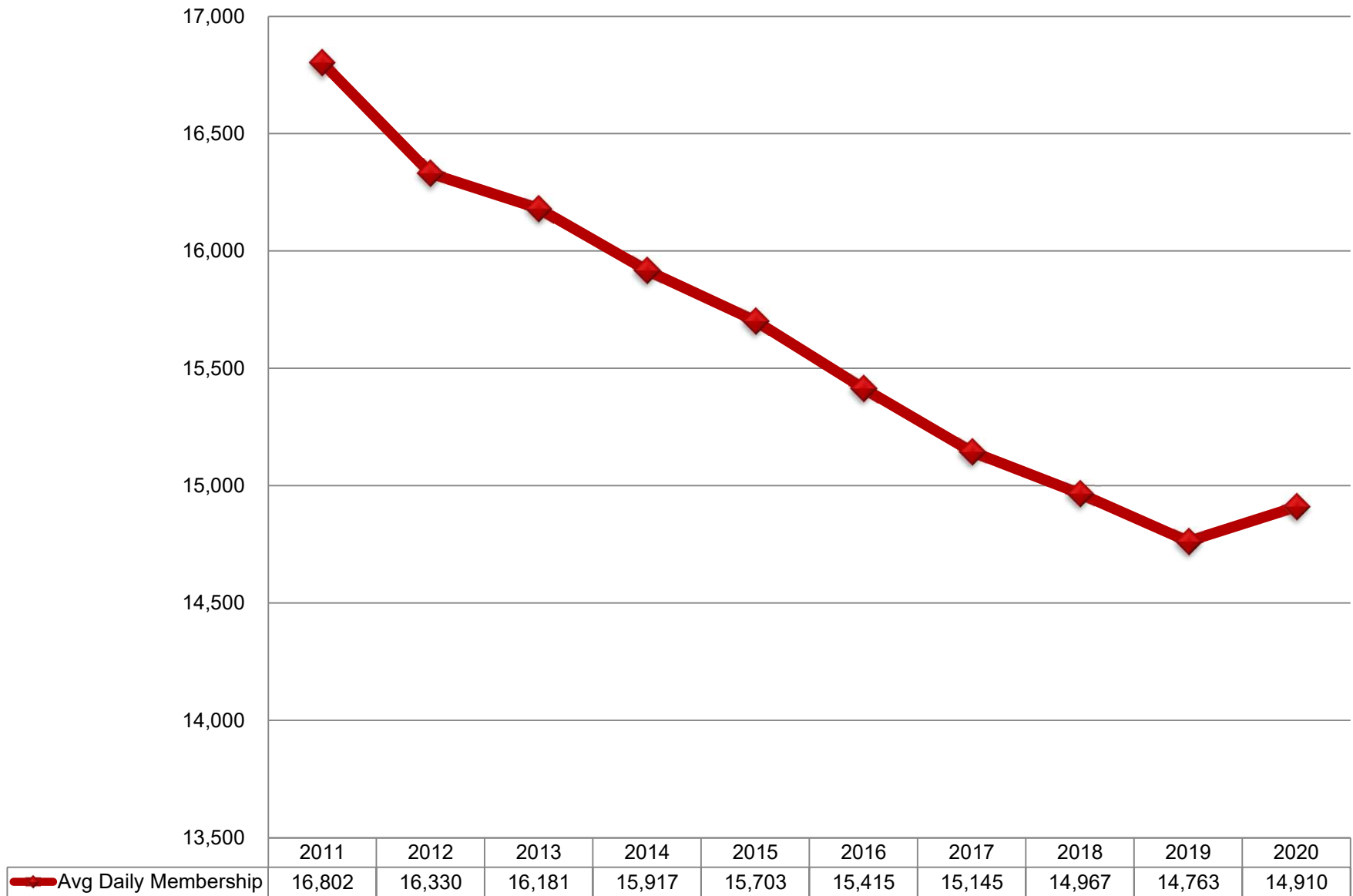
Source: Nash-Rocky Mount Board of Education, North Carolina, Annual Financial Reports.

Note: Nash-Rocky Mount School System cannot incur debt without obtaining prior approval from the Board.

Note: This table is a ten year schedule. However, current year county level annual population estimates are not released by the U.S. Census Bureau until the spring of the following year. Therefore, June 30, 2020 population based information will be shown above as "N/A", and the information will be reported for the year ended June 30, 2021, if applicable.

Note: This table is a ten year schedule. However, county level annual income data is not released by the U.S. Bureau of Economic Analysis until the month of April, and is always two years behind. Therefore, June 30, 2019 and June 30, 2020 income based information will be shown above as "N/A", and the June 30, 2019 information will be reported for the year ended June 30, 2021, if applicable.

**NASH-ROCKY MOUNT BOARD OF EDUCATION**  
**Average Daily Membership**  
**Last Ten Fiscal Years**



# **NASH-ROCKY MOUNT BOARD OF EDUCATION**

## **Student Statistics Last Ten Fiscal Years**

<b>Year Ended June 30</b>	<b>Teaching Staff</b>	<b>Students</b>	<b>Teacher/ Pupil Ratio</b>	<b>Student Attendance Percentage<sup>(1)</sup></b>	<b>Percentage of Students Receiving Free/Reduced Lunch<sup>(2)</sup></b>
2020	829	14,910	1/18	95.45%	74%
2019	753	14,763	1/19	94.16%	79%
2018	893	14,967	1/17	93.87%	77%
2017	937	15,145	1/16	93.75%	76%
2016	926	15,415	1/17	94.04%	72%
2015	919	15,703	1/17	93.54%	67%
2014	925	15,917	1/17	93.59%	70%
2013	995	16,181	1/16	93.30%	69%
2012	1,072	16,330	1/15	93.83%	69%
2011	1,104	16,802	1/15	94.05%	65%

# **NASH-ROCKY MOUNT BOARD OF EDUCATION**

## **Student Statistics (continued)**

**Last Ten Fiscal Years**

<b>Year Ended June 30</b>	<b>Ethnic Distribution Percentage<sup>(3)</sup></b>				<b>Graduates<sup>(3)</sup></b>	<b>Percentage of Graduates Continuing Education<sup>(3)</sup></b>
	<b>White</b>	<b>Black</b>	<b>Hispanic</b>	<b>Other</b>		
2020	30%	52%	13%	5%	N/A	N/A
2019	30%	52%	13%	5%	1,070	80%
2018	31%	52%	13%	4%	1,106	80%
2017	32%	52%	12%	4%	1,110	82%
2016	32%	52%	12%	4%	1,082	86%
2015	33%	51%	11%	5%	1,135	84%
2014	34%	50%	10%	6%	1,109	86%
2013	35%	50%	10%	5%	1,136	85%
2012	35%	49%	10%	6%	1,059	82%
2011	35%	49%	10%	6%	1,110	83%

N/A = Not Available

**Sources:**

(1) NC Department of Public Instruction Average Daily Attendance(ADA):Average Daily Membership(ADM) Ratio Reports.

(2) NC Department of Public Instruction Free & Reduced Meals Application Data Reports. Information for 2020 obtained from Nash-Rocky Mount Board of Education Student Data.

(3) North Carolina Public Schools Statistical Profile (2011-2020 Editions).

Note: This table is a ten year schedule. However, the graduate data for the year ended June 30, 2020 could not be obtained from the North Carolina Department of Public Instruction prior to this report being issued. Therefore, there are only nine years of comparative data noted above.

**NASH-ROCKY MOUNT BOARD OF EDUCATION**  
**Full-time Equivalent Governmental Employees by Function/Program**  
**Last Ten Fiscal Years**

<b>Year Ended June 30</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
Officials, admins, mgrs	21	22	36	25	27	24	26	24	21	20
Principals	28	27	27	29	28	28	30	28	31	29
Asst. Principals, non-teaching	38	38	34	37	37	38	45	44	26	34
Total administrators	87	87	97	91	92	90	101	96	78	83
Elementary teachers	585	568	500	456	456	462	471	437	369	408
Secondary teachers	268	255	254	237	237	243	248	244	210	226
Other teachers	251	249	241	232	226	221	218	212	174	195
Total teachers	1,104	1,072	995	925	919	926	937	893	753	829
Guidance	61	59	44	44	42	41	40	42	39	37
Psychological	12	9	9	9	10	12	11	10	8	11
Librarian, audiovisual	31	29	23	24	24	21	21	23	19	24
Consultant, supervisor	40	28	31	30	23	26	39	25	24	23
Other professionals	41	56	47	46	44	44	48	41	42	39
Total professionals	1,376	1,340	1,246	1,169	1,154	1,160	1,197	1,130	963	1,046
Teacher Assistants	387	364	352	253	223	221	245	194	191	184
Technicians	6	17	19	16	18	17	23	22	20	16
Clerical, secretarial	131	127	119	122	111	117	125	115	106	95
Service workers	280	282	270	258	163	164	156	126	108	105
Skilled crafts	53	49	45	45	35	36	39	29	26	24
Laborers, Unskilled	3	3	3	3	2	2	3	3	3	3
Total employees	2,236	2,182	2,054	1,866	1,706	1,717	1,788	1,619	1,417	1,473

Source: North Carolina Public Schools Statistical Profile (2011-2020 Editions)



# **NASH-ROCKY MOUNT BOARD OF EDUCATION**

## **Instructional Personnel Last Ten Fiscal Years**

Year Ended June 30	Teacher Salaries <sup>(1)</sup>			Bachelors Degree <sup>(2)</sup>	Masters Degree <sup>(2)</sup>	Advanced Degree <sup>(2)</sup>	Doctorate Degree <sup>(2)</sup>
	Minimum	Maximum	Average				
2020	\$ 35,000	\$ 63,440	\$ 49,220	691	264	8	5
2019	35,000	63,440	49,220	689	296	13	3
2018	35,000	62,590	48,795	640	227	6	-
2017	35,000	62,220	48,610	737	213	6	-
2016	35,000	61,000	48,000	717	223	7	1
2015	33,000	62,000	47,500	676	251	8	-
2014	30,800	65,520	48,160	718	222	4	-
2013	30,800	65,520	48,160	777	217	4	-
2012	30,430	64,750	47,590	813	234	3	-
2011	30,430	64,750	47,590	852	224	3	-

The above tabulation represents state base salaries, but does not include the following:

- (a) Longevity payments, ranging from 1 1/2% to 4 1/2% of the annual salary, made to each teacher for 10 or more years of service.
- (b) Payments of varying amounts for performing extra duties.
- (c) Bonus payments
- (d) Local salary supplements

Sources:

(1) North Carolina Public School Salary Schedules (2011-2020)

(2) North Carolina Public Schools Statistical Profile (2011-2019 Editions). Information for 2020 obtained from Nash-Rocky Mount Board of Education Personnel Data.

# **NASH-ROCKY MOUNT BOARD OF EDUCATION**

School Building Data

June 30, 2020

<b>Site</b>	<b>Year Built</b>	<b>Capacity</b>	<b>Current Membership</b>	<b>Over/(Under) Capacity</b>	<b>Condition</b>
Bailey Elementary	2004	664	586	-12%	Excellent
Baskerville Elementary	1957	427	401	-6%	Good
Benvenue Elementary	1987	668	654	-2%	Good
Cedar Grove Elementary	1953	223	180	-19%	Poor
Coopers Elementary	2000	601	596	-1%	Excellent
Englewood Elementary	1960	508	521	3%	Fair
Fairview Elementary	1997	425	339	-20%	Good
Hubbard Elementary	1956	512	443	-13%	Fair
Johnson Elementary	1960	575	411	-29%	Fair
Middlesex Elementary	1960	418	308	-26%	Good
Nashville Elementary	1952	682	724	6%	Good
Red Oak Elementary	1949	335	251	-25%	Poor
Spring Hope Elementary	1954	542	446	-18%	Fair
Swift Creek Elementary	1949	475	247	-48%	Poor
Williford Elementary	1954	581	160	-72%	Fair
Winstead Avenue Elementary	1998	625	567	-9%	Good

# **NASH-ROCKY MOUNT BOARD OF EDUCATION**

**School Building Data (continued)**

**June 30, 2020**

<b>Site</b>	<b>Year Built</b>	<b>Capacity</b>	<b>Current Membership</b>	<b>Over/(Under) Capacity</b>	<b>Condition</b>
Edwards Middle	1962	827	458	-45%	Fair
Nash Central Middle	1965	670	640	-4%	Fair
Parker Middle	1962	557	266	-52%	Fair
Red Oak Middle	1998	850	883	4%	Excellent
Rocky Mount Middle	1953	1,150	370	-68%	Fair
Southern Nash Middle	1955	850	845	-1%	Fair
Nash Central High	2002	1,150	894	-22%	Excellent
Northern Nash High	1966	1,150	1,055	-8%	Good
Rocky Mount High	2012	1,390	1,153	-17%	Excellent
Southern Nash High	1968	1,068	1,015	-5%	Good
CITI High School <sup>(2)</sup>	N/A	N/A	75	N/A	N/A
Tar River Academy	1940	95	72	-24%	Poor
NRMPS Early College High <sup>(1)</sup>	N/A	N/A	350	N/A	N/A

N/A = Not Applicable

Source: Nash-Rocky Mount Board of Education N. C. Public Schools Facility Needs Report; 2020

Note:

(1) Early College is located at Nash Community College

(2) CITI High School is located at Rocky Mount Middle

**NASH COUNTY, NORTH CAROLINA**  
**Demographic Statistics**  
**Last Ten Fiscal Years**

<b>Year Ended June 30</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
Population estimate (1)	96,116	95,708	95,093	94,357	93,919
Personal income (2)	\$3,249,373,000	\$3,393,700,000	\$3,475,011,000	\$3,538,889,000	\$3,661,127,000
Per capita income (2)	\$33,807	\$35,459	\$36,543	\$37,505	\$38,982
Median age (3)	38.44	38.56	38.67	38.76	38.83
School enrollment (4)	16,802	16,330	16,181	15,917	15,703
Unemployment rate (5)	12.7%	12.6%	12.6%	8.8%	8.1%
<b>Year Ended June 30</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
Population estimate (1)	94,005	93,991	94,016	94,298	N/A
Personal income (2)	\$3,748,423,000	\$3,787,736,000	\$3,950,184,000	N/A	N/A
Per capita income (2)	\$39,875	\$40,299	\$42,016	N/A	N/A
Median age (3)	42.20	42.39	42.57	42.45	42.49
School enrollment (4)	15,415	15,145	14,967	14,763	14,910
Unemployment rate (5)	6.8%	6.0%	5.9%	5.7%	8.8%

N/A = Not Available

Sources:

- (1) Based upon estimates issued by the U.S. Census Bureau as of July 1
- (2) Bureau of Economic Analysis
- (3) Office of State Budget and Management
- (4) North Carolina Department of Public Instruction
- (5) North Carolina Employment Security Commission

Note: This table is a ten year schedule. However, current year county level annual population estimates are not released by the U.S. Census Bureau until the spring of the following year. Therefore, June 30, 2020 population based information will be shown above as "N/A", and the information will be reported for the year ended June 30, 2021, if applicable.

Note: This table is a ten year schedule. However, county level annual income data is not released by the U.S. Bureau of Economic Analysis until the month of April, and is always two years behind. Therefore, June 30, 2019 and June 30, 2020 income based information will be shown above as "N/A", and the June 30, 2019 information will be reported for the year ended June 30, 2021, if applicable.

**NASH COUNTY, NORTH CAROLINA**  
**Principal Employers**  
**For Years Ended June 30, 2020 and 2011**

Employer	2020			2011		
	Employees <sup>(1)</sup>	Rank	Approximate Percentage of Total County Employment	Employees <sup>(1)</sup>	Rank	Approximate Percentage of Total County Employment
Hospira Inc.	1,000+	1	2%+	1,000+	1	2%+
Nash-Rocky Mount Public Schools	1,000+	2	2%+	1,000+	2	2%+
Nash General Hospital	1,000+	3	2%+	1,000+	3	2%+
Consolidated Diesel Co.	1,000+	4	2%+	1,000+	4	2%+
Mclane Mid-Atlantic Inc	500-999	5	2%	-		-
County Of Nash	500-999	6	2%	500-999	7	2%
Wal-Mart Associates Inc.	500-999	7	2%	500-999	8	2%
Alorica Inc	500-999	8	2%	-		-
PNC Bank NA	500-999	9	2%	-		-
Nash Community College	250-499	10	1%	-		-
RBC Centura Bank Inc.	-		-	1,000+	5	2%+
Kelly Services Inc.	-		-	500-999	6	2%
Intercall Inc	-		-	500-999	9	2%
Kaba Ilco Corporation	-		-	250-499	10	1%
			<u>19%+</u>			<u>19%+</u>
Total County Employment <sup>(2)</sup>	<u>37,130</u>			<u>41,098</u>		

Sources:

(1) North Carolina Chamber of Commerce - current year data is as of March 31st

(2) North Carolina Employment Security Commission

**NASH COUNTY, NORTH CAROLINA**  
**Principal Property Taxpayers**  
**December 31, 2019 and December 31, 2010**

Taxpayer	2019			2010		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Hospira Inc.	\$ 437,443,000	1	5.55%	\$ 153,426,000	2	2.22%
Consolidated Diesel Co.	213,212,000	2	2.70%	188,756,000	1	2.74%
Universal Leaf North America NC	98,820,000	3	1.25%	113,548,000	3	1.65%
Duke Energy Progress, Inc.	72,926,000	4	0.93%	50,114,000	4	0.73%
McLane Mid Atlantic, Inc.	38,440,000	5	0.49%	-	-	-
Dominion North Carolina Power	25,179,000	6	0.32%	-	-	-
Kaba Ilco-Unican Corporation	24,516,000	7	0.31%	18,202,000	9	0.26%
Unique Hotels LLC	17,505,000	8	0.22%	-	-	-
Honeywell International Inc.	16,688,000	9	0.21%	17,973,000	10	0.26%
Brantley Farm Solar LLC	13,430,000	10	0.17%	-	-	-
Hendon Golden East LLC	-	-	-	35,681,000	5	0.52%
Carolina Telephone	-	-	-	32,852,000	6	0.48%
PNC - RBC Centura Bank, Inc.	-	-	-	27,349,000	7	0.40%
Cobb Corners LTD Partnership	-	-	-	23,081,000	8	0.33%
	<u>\$ 958,159,000</u>		<u>12.15%</u>	<u>\$ 660,982,000</u>		<u>9.59%</u>
Total Assessed Valuation	<u>\$ 7,882,838,338</u>			<u>\$ 6,892,408,759</u>		

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

**NASH COUNTY, NORTH CAROLINA**  
**Property Tax Levies and Collections**  
**Last Ten Fiscal Years**

Year Ended June 30	Total Levy for Fiscal Year	Collected Within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2020	\$ 52,830,000	\$ 52,334,000	99.06%	\$ -	\$ 52,334,000	99.06%
2019	51,268,000	50,680,000	98.85%	-	50,680,000	98.85%
2018	49,661,000	49,032,000	98.73%	261,000	49,293,000	99.26%
2017	50,211,000	49,491,000	98.57%	408,000	49,899,000	99.38%
2016	48,799,000	48,045,000	98.45%	480,000	48,525,000	99.44%
2015	48,394,000	47,608,000	98.38%	585,000	48,193,000	99.58%
2014	48,579,724	47,477,353	97.73%	839,000	48,316,353	99.46%
2013	47,082,000	44,970,000	95.51%	1,798,000	46,768,000	99.33%
2012	46,574,000	44,629,000	95.82%	1,666,000	46,295,000	99.40%
2011	46,010,000	44,172,000	96.01%	1,681,000	45,853,000	99.66%

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

**EDGECOMBE COUNTY, NORTH CAROLINA**  
**Demographic Statistics**  
**Last Ten Fiscal Years**

<b>Year Ended June 30</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
Population estimate (1)	56,552	56,039	55,574	54,933	54,150
Personal income (2)	\$1,525,337,000	\$1,605,691,000	\$1,609,881,000	\$1,767,508,000	\$1,737,339,000
Per capita income (2)	\$26,972	\$28,653	\$28,968	\$32,176	\$32,084
Median age (3)	36.20	39.59	39.82	40.07	40.33
Unemployment rate (4)	15.6%	14.3%	14.5%	11.0%	10.5%
<b>Year Ended June 30</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
Population estimate (1)	53,318	52,747	52,005	51,472	N/A
Personal income (2)	\$1,763,207,000	\$1,780,784,000	\$1,817,377,000	N/A	N/A
Per capita income (2)	\$33,070	\$33,761	\$34,946	N/A	N/A
Median age (3)	41.06	41.74	42.88	42.36	42.50
Unemployment rate (4)	8.6%	7.3%	7.4%	6.8%	11.1%

N/A = Not Available

Sources:

- (1) Based upon estimates issued by the U.S. Census Bureau as of July 1
- (2) Bureau of Economic Analysis
- (3) Office of State Budget and Management
- (4) North Carolina Employment Security Commission

Note: This table is a ten year schedule. However, current year county level annual population estimates are not released by the U.S. Census Bureau until the spring of the following year. Therefore, June 30, 2020 population based information will be shown above as "N/A", and the information will be reported for the year ended June 30, 2021, if applicable.

Note: This table is a ten year schedule. However, county level annual income data is not released by the U.S. Bureau of Economic Analysis until the month of April, and is always two years behind. Therefore, June 30, 2019 and June 30, 2020 income based information will be shown above as "N/A", and the June 30, 2019 information will be reported for the year ended June 30, 2021, if applicable.



# EDGECOMBE COUNTY, NORTH CAROLINA

Principal Employers  
For Years Ended June 30, 2020 and 2011

Employer	2020			2011		
	Employees <sup>(1)</sup>	Rank	Approximate Percentage of Total County Employment	Employees <sup>(1)</sup>	Rank	Approximate Percentage of Total County Employment
QVC Rocky Mount Inc	1,000+	1	5%+	1,000+	2	4%+
City of Rocky Mount	1,000+	2	5%+	1,000+	1	4%+
Edgecombe Tarboro BOE	500-999	3	4%	-		-
The Hillshire Brands Company	500-999	4	4%	500-999	4	4%
Edgecombe County	500-999	5	4%	500-999	5	4%
Vidant Medical Center	500-999	6	4%	-		4%
Air System Components Inc	250-499	7	2%	250-499	10	2%
Carolina System Technology Inc	250-499	8	2%	-		-
Edgecombe Community College	250-499	9	2%	-		-
Nash-Rocky Mount Schools	250-499	10	2%	250-499	9	2%
Veronica Stilley	-	-	-	1,000+	3	4%+
East Carolina Health Inc	-	-	-	500-999	6	4%
Mehtel Inc.	-	-	-	500-999	7	4%
Mclane Mid-Atlantic Inc	-	-	-	250-499	8	2%
			<u>34%+</u>			<u>38%+</u>
Total County Employment <sup>(2)</sup>	<u>18,008</u>			<u>20,284</u>		

Sources:

(1) North Carolina Chamber of Commerce - current year data is as of March 31st

(2) North Carolina Employment Security Commission

# EDGECOMBE COUNTY, NORTH CAROLINA

Principal Property Taxpayers  
December 31, 2019 and December 31, 2010

Taxpayer	2019			2010		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
KSLB Holdings	\$ 79,670,322	1	2.82%	\$ -	-	-
QVC Rocky Mount, Inc.	78,646,294	2	2.79%	78,568,009	2	2.52%
Carolina Systems Technology, Inc.	68,310,200	3	2.42%	-	-	-
LS Cable & System USA Inc.	31,330,938	4	1.11%	-	-	-
Dominion NC Power	28,187,241	5	1.00%	63,265,243	4	2.03%
Edgecombe GENCO, LLC	27,978,304	6	0.99%	32,808,030	5	1.05%
Conetoe Solar, LLC	27,498,076	7	0.97%	-	-	-
Edgecombe Martin CO EMC	26,403,219	8	0.94%	24,991,720	6	0.80%
Piedmont Natural Gas	22,596,807	9	0.80%	12,815,778	10	0.41%
CSX Transportation	21,407,553	10	0.76%	22,563,921	7	0.72%
Sara Lee Bakery	-	-	-	100,617,423	1	3.22%
Keihin Carolina Systems Technology	-	-	-	69,273,908	3	2.22%
Berry Plastics Holding Corp	-	-	-	15,848,717	8	0.51%
Superior Telecommunications	-	-	-	15,587,709	9	0.50%
	<u>\$ 412,028,954</u>		<u>14.60%</u>	<u>\$ 436,340,458</u>		<u>13.98%</u>
Total Assessed Valuation	<u>\$ 2,821,535,158</u>			<u>\$ 3,123,857,804</u>		

Source: Edgecombe County, North Carolina Tax Assessor.

**EDGECOMBE COUNTY, NORTH CAROLINA**  
**Property Tax Levies and Collections**  
**Last Ten Fiscal Years**

Year Ended June 30	Total Levy for Fiscal Year	Collected Within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2020	N/A	N/A	N/A	N/A	N/A	N/A
2019	N/A	N/A	N/A	N/A	N/A	N/A
2018	\$ 30,309,250	\$ 29,069,413	95.91%	\$ -	\$ 29,069,413	95.91%
2017	30,834,743	29,428,824	95.44%	448,398	29,877,222	96.89%
2016	30,355,869	28,934,308	95.32%	660,783	29,595,091	97.49%
2015	28,665,283	27,106,162	94.56%	916,329	28,022,491	97.76%
2014	27,534,246	25,725,379	93.43%	1,232,537	26,957,916	97.91%
2013	26,783,642	24,673,245	92.12%	1,597,236	26,270,481	98.08%
2012	26,636,398	24,658,015	92.57%	1,563,909	26,221,924	98.44%
2011	27,028,369	25,430,152	94.09%	1,262,908	26,693,060	98.76%

N/A = Not Available

Source: Edgecombe County, North Carolina, Annual Financial Report for the year ended June 30, 2018.

Note: This table is a ten year schedule. However, Edgecombe County's Annual Financial Report for the years ended June 30, 2019 and 2020 were not available at the time this report was issued. Therefore June 30, 2019 and 2020 data will be shown as "N/A" and will be reported for the year ended June 30, 2021, if applicable.



**NASH-ROCKY MOUNT BOARD OF EDUCATION**  
**930 EASTERN AVENUE**  
**NASHVILLE, NC 27856**  
**(252)-459-5220**